

# March 2020

## Quarterly Activities Report

- **DMIRS and Aboriginal Heritage approvals received for Yule South drilling**
- **Additional gold target areas included in 5 priority gold target areas**
- **Golden State's Yule South drilling planned to commence late Q2 2020**
- **Additional license applications expand the Yule Project up to 702 km<sup>2</sup> capturing a significant portion of the Pilbara Craton**

Gold and base metals exploration company Golden State Mining Limited (ASX code: "GSM" or the "Company") is pleased to report on its activities for the quarter ending 31 March 2020.

### Yule Project – 100% GSM

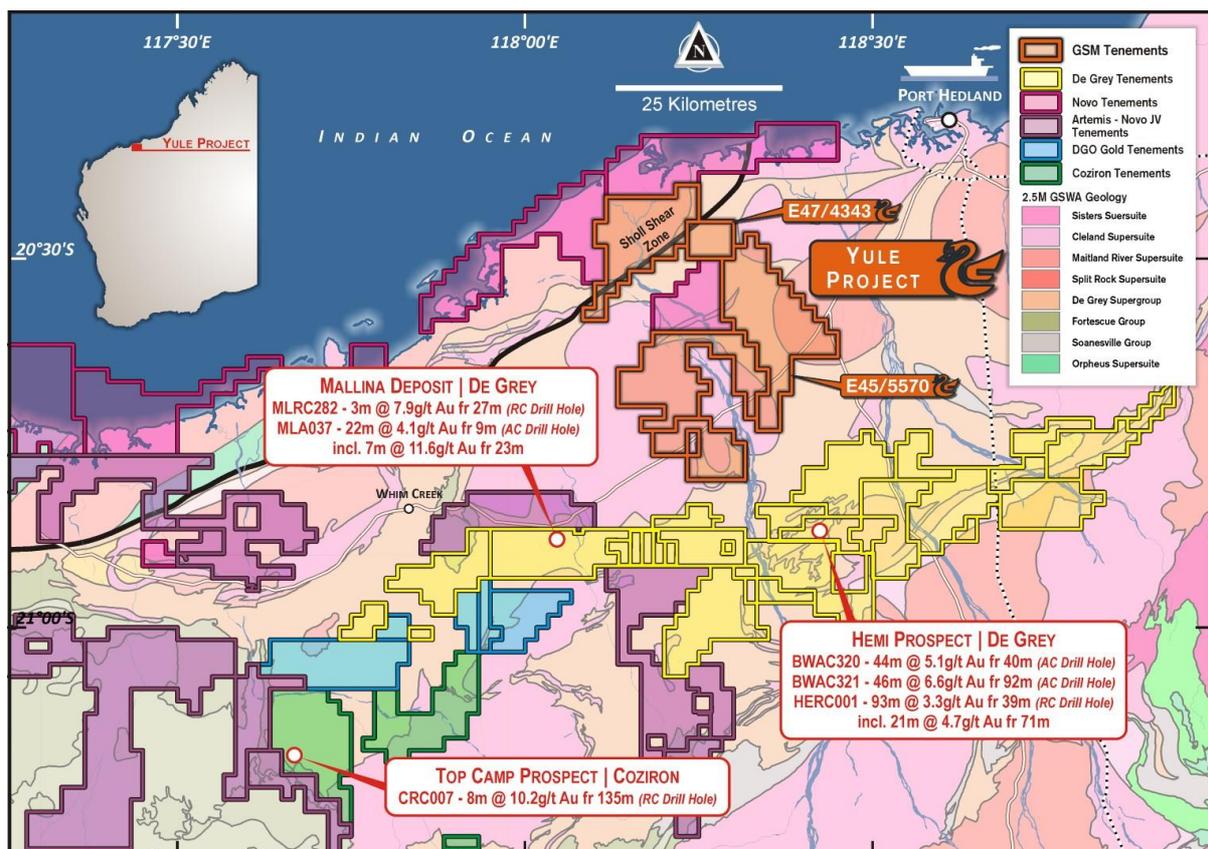


Figure 1: Location Yule Project tenements 702km<sup>2</sup> with respect to De Grey prospects (DEG ASX Announcements dated 11/2/2020, 26/2/2020 and 5/03/2020 & CZR ASX announcement 6/2/20).

## Yule South (E47/3503 & 3507)

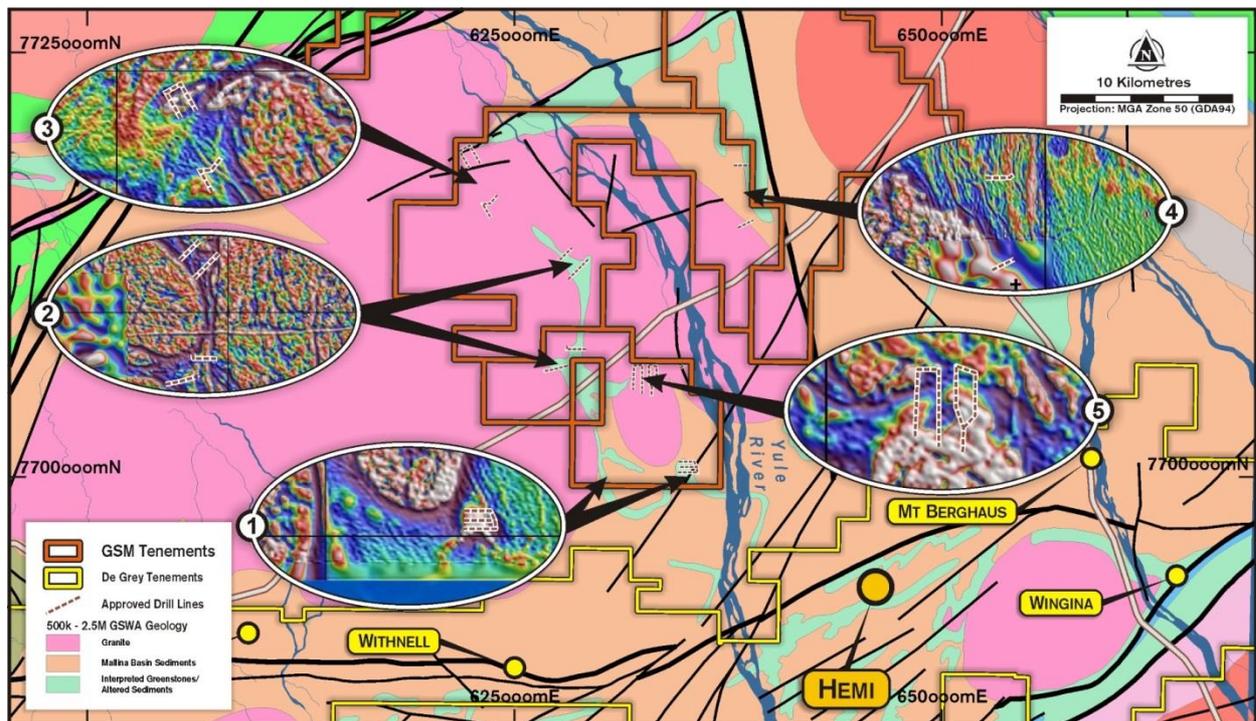


Figure 2: Yule South plan showing approved drill lines and detailed magnetics of target areas over regional geology

### Drill Targeting

During the March quarter drill targeting within the Yule South area has been reprioritised and expanded at Yule South in consideration of recent drilling results in this part of the Western Pilbara. The targeting strategy will now focus on more prospective gold targets especially in any similar geological settings to De Grey's Hemi Prospect (refer to ASX announcement dated 6 February 2020) located approximately 13kms to the south west of Yule South. Five priority target areas will now be included in the planned Aircore ('AC') drill program at Yule South.

Key high priority targets (see Figure 2) include:

#### Target 1

This area consists of a tightly folded hinge zone of interpreted mafic units or an intrusive within the Mallina formation metasediments and magnetic anomalies parallel to a major north-south structure.

#### Target 2

A >10km structural corridor 'squeezed' between nested and deformed granitoid complexes is interpreted to contain altered metasediments and remnant greenstone enclaves within folded structures.

#### Target 3

The geology of this area is interpreted as a tightly folded greenstone/ultramafic sequence or intrusive along a granite contact zone which is parallel to a regional NNE trending regional Pilbara structure.

#### Target 4

The magnetic signature of this area is interpreted as potential greenstone sequences within Mallina Basin sediments which are proximal to a secondary fault splay trending NE off the Yule River Shear Zone ('YRSZ') to east.

**Target 5**

This target is located along the highly magnetic northern contact zone of a later intrusive body within the Portree granite complex which is interpreted as a distinct intrusive phase or alteration zone.

The planned AC program at Yule South has received DMIRS and heritage approval and is being modified and expanded with the aim of more effectively testing the priority gold targets at a greater drill density along approved drill lines.

**Yule North (E47/3508)****Exploration License Applications**

Two new exploration license applications (Figure 1) covering additional prospective ground to the east of the current Yule North area have been submitted, bringing the total Yule project area (granted and application) to 702km<sup>2</sup>. E45/5570 to the east of Yule North has previously been the subject of a geophysical review of aeromagnetic and airborne radiometric data which identified 14 priority targets along the Yule River Shear Zone ("YRSZ") within the tenement area.

Previous broad spaced AC drill traverses along approximately 15 kilometres of this prospective structure revealed a nine-kilometre zone of bedrock gold anomalism up to 244 ppb, associated with elevated pathfinder elements Copper 481 ppm and Arsenic 230 ppm from separate holes. GSM research has found little or no follow up drilling has been completed, and the majority of these targets are designated robust drill targets for evaluating in the 2020 field season.

An additional exploration license application, E47/4343 has been submitted covering additional prospective ground along the Sholl Shear Zone within the Yule North tenement. This license area not only provides an extension of the Boodarie Greenstone Belt within the Sholl Shear Zone but also a similar geological setting as the recently discovered Hemi Prospect within the Mallina Formation.

**Drill Targeting**

A review of geophysical data within Yule North area has generated several target areas for future drill programs. The Sholl Shear Zone ("SSZ") is a major regional structure within the Western and Northern Pilbara. The SSZ consists of a major easterly to north easterly trending strike-slip fault zone and is interpreted as an important tectonic domain boundary in this region. The strike extent of the SSZ is over 21 kilometres along the southern boundary of the Yule North project and represents a significant exploration opportunity for GSM.

This section of the SSZ has been subject to only limited previous gold exploration activities targeting magnetic highs interpreted as Banded Iron Formation ("BIF") and ultramafic units. GSM has been reviewing this previous exploration data and has noted a lack of systematic exploration in and around favourable geophysical structures offsetting the main SSZ trend. A planned drill program plan has been submitted and approved by the Department of Industry Regulation and Safety (DMIRS). The next stage is to gain heritage approval as part of a planned survey to commence at the next available opportunity.

Drill planning and statutory approvals are ongoing for the Balla Yule Prospect which forms part of the greater Yule North area (refer to ASX announcement dated 20 December 2019).

## Murchison – 100% GSM

Planning activities for the Cuddingwarra group of tenements has included continuing review of previous exploration data for drill target generation purposes. This has led to a refinement of existing targets and planned drilling programs.

GSM is exploring the potential for several shallow mining opportunities at a number of historic high-grade mines within the Cue Granite Complex including the Light of Asia, Salisbury and Cue No 1 Mines. Other areas under investigation include The Patch and Cue North which may require further drilling or bulk sampling to determine their viability. There are also several remnant mine tailing dumps within the Cue area which previous sampling has indicated may contain the grade potential for reprocessing if a suitable mill is available nearby.

Drill target generation is also ongoing on several of the 90+ high grade gold bearing reefs hosted within the Cue Granite Complex.

## Four Mile Well – 100% GSM

No activities during this quarter

## Planned June Quarter Activities

During the June Quarter, the Company will focus upon the following activities;

- Yule South Project – Drill program planning and logistics for late Q2 commencement
- Yule North Project – Drill planning and approvals
- Murchison –
  - Cuddingwarra: Ongoing drill planning and refinement
  - Cue: Review of shallow mining opportunities and mine tailings reprocessing

This release was authorised by Mr. Mike Moore, Managing Director of Golden State Mining Limited.

## For further information please contact:

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**BOARD OF DIRECTORS**

Damien Kelly  
Non-Executive Chairman

Michael Moore  
Managing Director

Brenton Siggs  
Non-Executive Director

Greg Hancock  
Non-Executive Director

**ISSUED CAPITAL**

Shares	36.6 m
Options	9.2 m

**REGISTERED OFFICE**

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**FORWARD LOOKING STATEMENTS**

As a result of a variety of risks, uncertainties and other factors, actual events, trends and results may differ materially from any forward looking and other statements mentioned or implied herein not purporting to be of historical fact. In certain cases, forward-looking information may be identified by (without limitation) such terms as "anticipates", "believes", "should", "could", "estimates", "target", "likely", "plan", "expects", "may", "intend", "shall", "will", or "would". Any statements concerning mining reserves, resources and exploration results may also be forward looking in that they involve estimates based on assumptions. Forward looking statements are based on management's beliefs, opinions and estimates as of the respective dates they are made. The Company does not assume any obligation to update forward looking statements even where beliefs, opinions and estimates change or should do so given changed circumstances and developments.

**COMPETENT PERSONS STATEMENT**

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Geoff Willetts who is a Member of the Australian Institute of Geoscientists (AIG). Geoff Willetts is the Exploration Manager, a full-time employee of Golden State Mining Limited (GSM) and holds shares and options in the Company.

Geoff Willetts has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity currently being undertaken to qualify as a Competent Person as defined in the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Geoff Willetts consents to the inclusion in this report of the matters based on his information in the form and context in which it appears. Information on previous explorers and historical results are summarised in the Independent Geologist's Report of the Golden State Mining Limited Prospectus dated 22 August 2018.

The information in this release that relates to Geophysical Results and Interpretations is based on information compiled by Anne Tomlinson who is a Member of the Australian Institute of Geoscientists (AIG). Anne Tomlinson is a Principal Geophysicist and Director at Southern Geoscience Consultants. Anne Tomlinson has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Anne Tomlinson consents to the inclusion in the release of the matters based on this information in the form and context in which it appears.

## APPENDIX 1 Summary of Mining Tenements

Table 1. As at 31 March 2020 the Company or its subsidiaries ("Group") had a 100% beneficial interest in the following tenements:

Number	Holder	Status
<b>Murchison Project</b>	Cue Consolidated Mining Pty Ltd <sup>1</sup>	
E 21/192	Cue Consolidated Mining Pty Ltd <sup>1</sup>	Live
E 21/193	Cue Consolidated Mining Pty Ltd <sup>1</sup>	Live
P 20/2256	Cue Consolidated Mining Pty Ltd <sup>1</sup>	Live
P 20/2257	Cue Consolidated Mining Pty Ltd <sup>1</sup>	Live
P 20/2258	Cue Consolidated Mining Pty Ltd <sup>1</sup>	Live
P 20/2259	Cue Consolidated Mining Pty Ltd <sup>1</sup>	Live
P 20/2260	Cue Consolidated Mining Pty Ltd <sup>1</sup>	Live
P 20/2261	Cue Consolidated Mining Pty Ltd <sup>1</sup>	Live
P 20/2262	Cue Consolidated Mining Pty Ltd <sup>1</sup>	Live
P 20/2263	Cue Consolidated Mining Pty Ltd <sup>1</sup>	Live
P 20/2264	Cue Consolidated Mining Pty Ltd <sup>1</sup>	Live
P 20/2265	Cue Consolidated Mining Pty Ltd <sup>1</sup>	Live
P 20/2266	Cue Consolidated Mining Pty Ltd <sup>1</sup>	Live
P 20/2267	Cue Consolidated Mining Pty Ltd <sup>1</sup>	Live
P 20/2268	Cue Consolidated Mining Pty Ltd <sup>1</sup>	Live
P 20/2269	Cue Consolidated Mining Pty Ltd <sup>1</sup>	Live
P 20/2272	Cue Consolidated Mining Pty Ltd <sup>1</sup>	Live
P 20/2273	Cue Consolidated Mining Pty Ltd <sup>1</sup>	Live
P 20/2274	Cue Consolidated Mining Pty Ltd <sup>1</sup>	Live
P 20/2275	Cue Consolidated Mining Pty Ltd <sup>1</sup>	Live
L 20/60	Cue Consolidated Mining Pty Ltd <sup>1</sup>	Live
L 20/61	Cue Consolidated Mining Pty Ltd <sup>1</sup>	Live
L 20/62	Cue Consolidated Mining Pty Ltd <sup>1</sup>	Live
L 20/66	Cue Consolidated Mining Pty Ltd <sup>1</sup>	Live
L 20/68	Cue Consolidated Mining Pty Ltd <sup>1</sup>	Live
L 20/69	Cue Consolidated Mining Pty Ltd <sup>1</sup>	Live
L 20/70	Cue Consolidated Mining Pty Ltd <sup>1</sup>	Live
L 20/78	Western Mining Pty Ltd <sup>3</sup>	Pending
M 20/61	Cue Consolidated Mining Pty Ltd <sup>1</sup>	Live
M 20/519	Cue Consolidated Mining Pty Ltd <sup>1</sup>	Live
M 20/520	Cue Consolidated Mining Pty Ltd <sup>1</sup>	Live
M 20/522	Cue Consolidated Mining Pty Ltd <sup>1</sup>	Live
M 20/523	Cue Consolidated Mining Pty Ltd <sup>1</sup>	Live
M 20/524	Cue Consolidated Mining Pty Ltd <sup>1</sup>	Live
M 20/525	Cue Consolidated Mining Pty Ltd <sup>1</sup>	Live
P 20/2174	Cue Consolidated Mining Pty Ltd <sup>1</sup>	Live
P 20/2213	Cue Consolidated Mining Pty Ltd <sup>1</sup>	Live
P 20/2214	Cue Consolidated Mining Pty Ltd <sup>1</sup>	Live

P 20/2223	Cue Consolidated Mining Pty Ltd <sup>1</sup>	Live
P 20/2276	Cue Consolidated Mining Pty Ltd <sup>1</sup>	Live
P 20/2319	Cue Consolidated Mining Pty Ltd <sup>1</sup>	Live
P 20/2320	Cue Consolidated Mining Pty Ltd <sup>1</sup>	Live
P 20/2321	Cue Consolidated Mining Pty Ltd <sup>1</sup>	Live
P 20/2322	Cue Consolidated Mining Pty Ltd <sup>1</sup>	Live
P 20/2323	Cue Consolidated Mining Pty Ltd <sup>1</sup>	Live
P 20/2324	Cue Consolidated Mining Pty Ltd <sup>1</sup>	Live
P 20/2325	Cue Consolidated Mining Pty Ltd <sup>1</sup>	Live
P 20/2330	Cue Consolidated Mining Pty Ltd <sup>1</sup>	Live
P 20/2335	Cue Consolidated Mining Pty Ltd <sup>1</sup>	Live
P 20/2336	Cue Consolidated Mining Pty Ltd <sup>1</sup>	Live
P 20/2342	Cue Consolidated Mining Pty Ltd <sup>1</sup>	Live
P 20/2343	Cue Consolidated Mining Pty Ltd <sup>1</sup>	Live
P 20/2344	Cue Consolidated Mining Pty Ltd <sup>1</sup>	Live
P 20/2345	Cue Consolidated Mining Pty Ltd <sup>1</sup>	Live
P 20/2346	Cue Consolidated Mining Pty Ltd <sup>1</sup>	Live
P 20/2349	Cue Consolidated Mining Pty Ltd <sup>1</sup>	Live
P 20/2368	Cue Consolidated Mining Pty Ltd <sup>1</sup>	Live
P 20/2369	Cue Consolidated Mining Pty Ltd <sup>1</sup>	Live
P 20/2370	Cue Consolidated Mining Pty Ltd <sup>1</sup>	Live
P 20/2371	Cue Consolidated Mining Pty Ltd <sup>1</sup>	Live
P 20/2372	Cue Consolidated Mining Pty Ltd <sup>1</sup>	Live
P 20/2373	Cue Consolidated Mining Pty Ltd <sup>1</sup>	Live
P 20/2374	Cue Consolidated Mining Pty Ltd <sup>1</sup>	Live
P 20/2382	Cue Consolidated Mining Pty Ltd <sup>1</sup>	Pending
P 21/756	Cue Consolidated Mining Pty Ltd <sup>1</sup>	Live
P 21/765	Cue Consolidated Mining Pty Ltd <sup>1</sup>	Live
P 21/766	Cue Consolidated Mining Pty Ltd <sup>1</sup>	Live

<b>Yule Project</b>		
E 47/3503	Crown Mining Pty Ltd <sup>1</sup>	Live
E 47/3507	Crown Mining Pty Ltd <sup>1</sup>	Live
E 47/3508	Crown Mining Pty Ltd <sup>1</sup>	Live
E 45/5570	Crown Mining Pty Ltd <sup>1</sup>	Pending
E 47/4343	Crown Mining Pty Ltd <sup>1,2</sup>	Pending
<b>Four Mile Well Project</b>		
E 38/3282	Crown Mining Pty Ltd <sup>1</sup>	Live

## Notes:

1. 100% subsidiary of GSM.
2. Applied for during the quarter.
3. Held in trust for Cue Consolidated Mining Pty Ltd pending transfer.
4. Granted during reporting period.

The following tenements expired or were withdrawn or surrendered during the reporting period: M 20/547, P 20/2118, E 20/949, E 20/950 and E 20/951.