

Geophysical Dataset Acquired to Unlock Full Yule Potential

Highlights

- Acquisition of a significant aeromagnetic data set for Yule project
 - Data covers 53% of the total granted Yule project area or 84% of the Yule South project
 - Higher resolution data (100m Spacing) to enhance interpretation
 - Reprocessing and new target generation underway
- Targeting structural environments favourable for intrusive settings
- Phase 2 program (10,000 - 15,000m) expected to commence first week in October

Gold and base metals exploration company Golden State Mining Limited (ASX code: "GSM" or the "Company") is pleased to report the acquisition of a significant aeromagnetic dataset and the immediate commencement of reprocessing work being undertaken at the Yule project in the Mallina Basin.

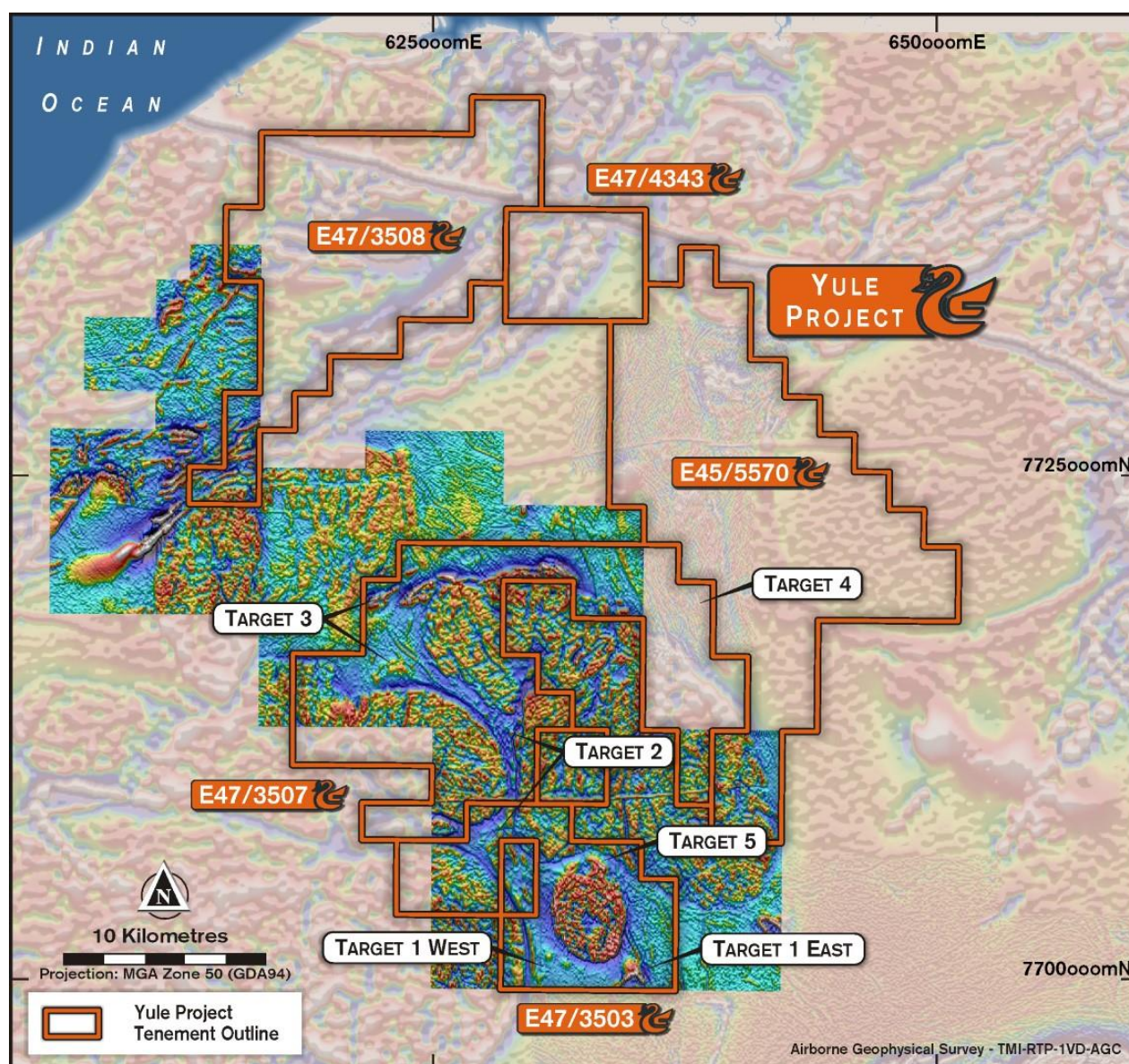


Figure 1: Yule Project plan showing detail of recently acquired Magnetic data overlaying GSM tenements.

Golden State's Managing Director, Michael Moore commented: "The acquisition and reprocessing of the aeromagnetic data set for the Yule project is another boost for the company and significantly enhances its gold targeting strategy in the Mallina Basin. We have already commenced the reprocessing of this high-resolution proprietary data as we target structural environments favourable for intrusive settings.

The gold-hosting potential of the Mallina Basin has already been established locally by Golden State's Phase 1 aircore drilling which confirmed the presence of gold mineralisation within the Yule South tenements. Additional target generation based on the newly acquired magnetic data will increase the pedigree of GSM's Yule tenements and enhance their potential with each phase of exploration.

As a genuinely active exploration company, focused on delivering positive exploration outcomes with the drill bit, Golden State is well positioned with a significant Mallina Basin ground holding and a very active exploration program over the next 12 months."

Geophysical Data Acquisition and Reprocessing

GSM has recently purchased an aeromagnetic dataset (Reg. number 60884) held under a multi-client license agreement by Core Geophysics Pty Ltd (Core Geophysics). This aeromagnetic survey (100-metre spaced) was flown by Fugro Airborne Surveys in 2006. The dataset will provide far greater resolution from which to interpret additional structurally hosted gold targets with a focus on intrusive environments.

Core Geophysics will now merge the recently acquired aeromagnetic data with GSM's existing open file dataset and use this combined data to produce an enhanced geological interpretation. This study will focus on any structural environments favourable for the development of intrusive style settings (Figure 2), in addition to extensions of mineralised structures intersected in the Phase 1 program.

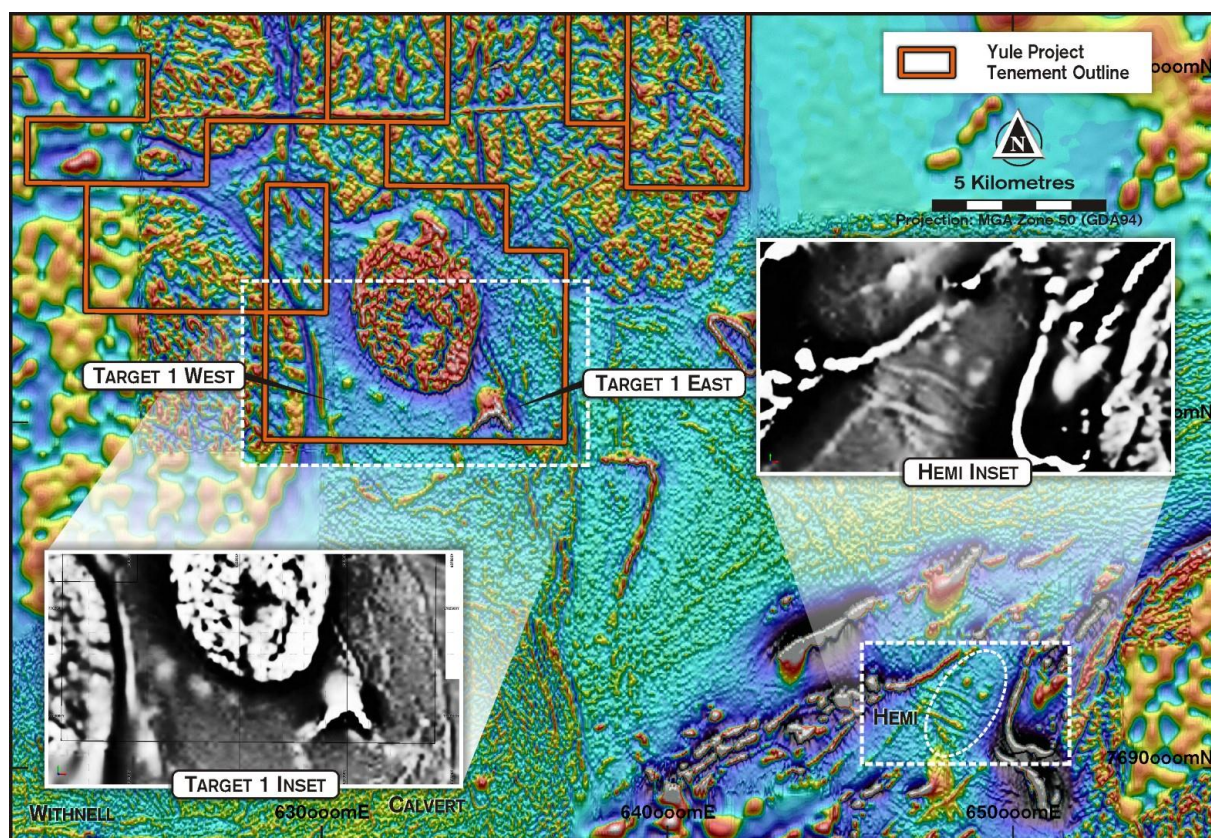
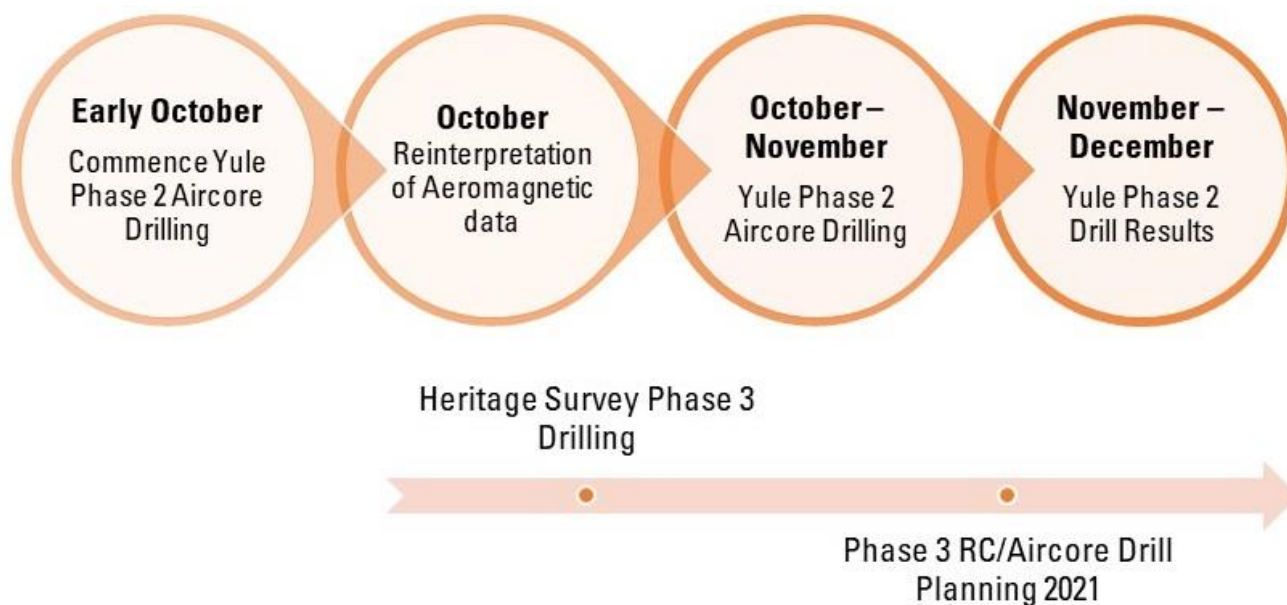


Figure 2: Location plan showing detailed magnetic data of Target 1 and Hemi project area.

Phase 2 drill program

The next reconnaissance exploration program will consist of 10-15,000 metres of air-core ("AC") drilling testing target areas at Yule South and Yule North. The program is scheduled to commence in the first week of October 2020.

Upcoming Yule Activities



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	56.6 m
Options	10.8 m

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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, 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.

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