ASX ANNOUNCEMENT
2 August 2023

Yule Lithium RC Drilling Underway

Aggressive drilling campaign commences on lithium targets at Yule Project in the Pilbara's Mallina Basin

Highlights

Nomad Lithium Prospect

- RC drilling commences with up to 2,000m following up encouraging lithium and caesium drilling and detailed geophysical surveys
- High-resolution drone magnetics and a detailed ground gravity survey further highlight priority interpreted pegmatite targets

Balla Yule Nickel-Lithium Prospect

- Interpreted deformed mafic-ultramafic layered intrusive complex
  - A reconnaissance RC and air-core drilling program is planned to test the Balla Yule nickel and lithium target in the north of the Yule project area, commencing immediately following drilling at the Nomad Lithium Prospect (indicatively mid-late August).

Yule Project

- Up to 14,000m of air-core at Yule across multiple targets including Nomad commencing in late August

Figure 1: RC drilling at the Yule project's Nomad lithium prospect.

Lithium, gold and base metals exploration company Golden State Mining Limited (ASX code: "GSM" or the "Company") is pleased to announce reverse circulation ('RC') drilling has commenced at the Nomad lithium prospect at the Yule Project in the Pilbara, Western Australia. The Company also provides an update on the recently completed magnetic and ground gravity surveys.

Golden State's Managing Director, Michael Moore commented: *"We are pleased to announce the start of our RC drilling campaign focused on the Yule Project's Nomad Prospect. Aeromagnetic surveys and a detailed ground gravity survey at Nomad have provided us with exciting lithium targets and we look forward to updating our shareholders in the coming months as assays are returned from the lab.*
The Pilbara region's Mallina Basin continues to grow from strength to strength for its world class lithium prospectivity and Golden State Mining is glad to have its skin in the game in one of Western Australia's most exciting jurisdictions with exposure to the world's critical, battery minerals industry."

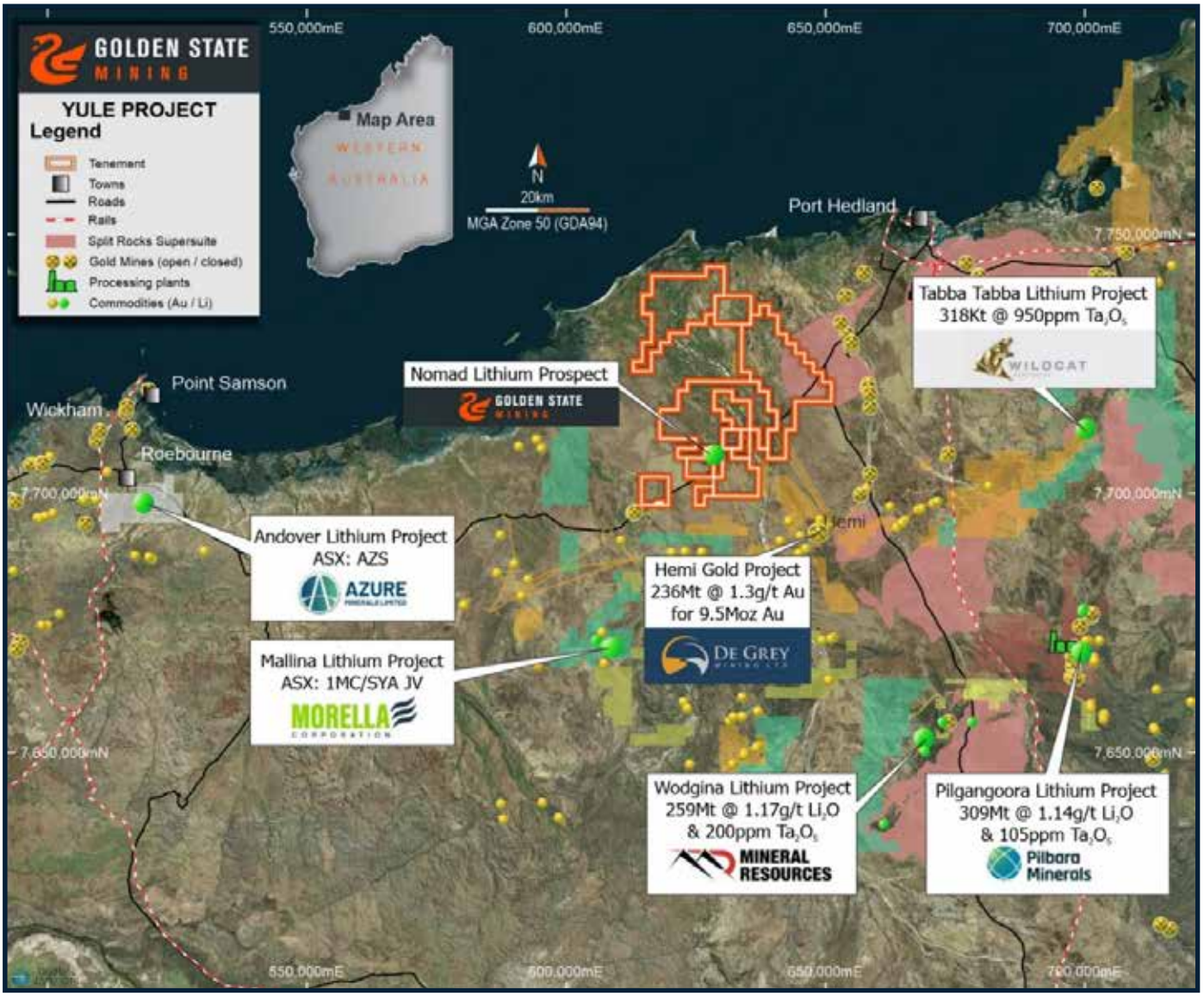


Figure 2: Yule project and Nomad prospect location plan in relation to Pilbara lithium and gold deposits.

Yule (GSM holds or earning 100%)

Nomad Gravity and Magnetic Survey Results

Geophysical Targeting of Pegmatites

The application of detailed ground gravity surveying at the Nomad prospect has identified several patterns that could be interpreted as concealed pegmatites (Figure 3). A pegmatite is likely to have a lower rock density than the surrounding rocks that it has intruded, being expressed as a gravity low.

The results have revealed subtle, low-density patterns in the gravity which may represent possible pegmatite intrusives.

In addition to the gravity data, high-resolution magnetic data (Figure 4) corroborates the gravity interpretation showing breaks in the north-south magnetic trends consistent with the intrusion of interpreted non-magnetic pegmatites. These two valuable data sets were essential in planning this next round of drill testing.

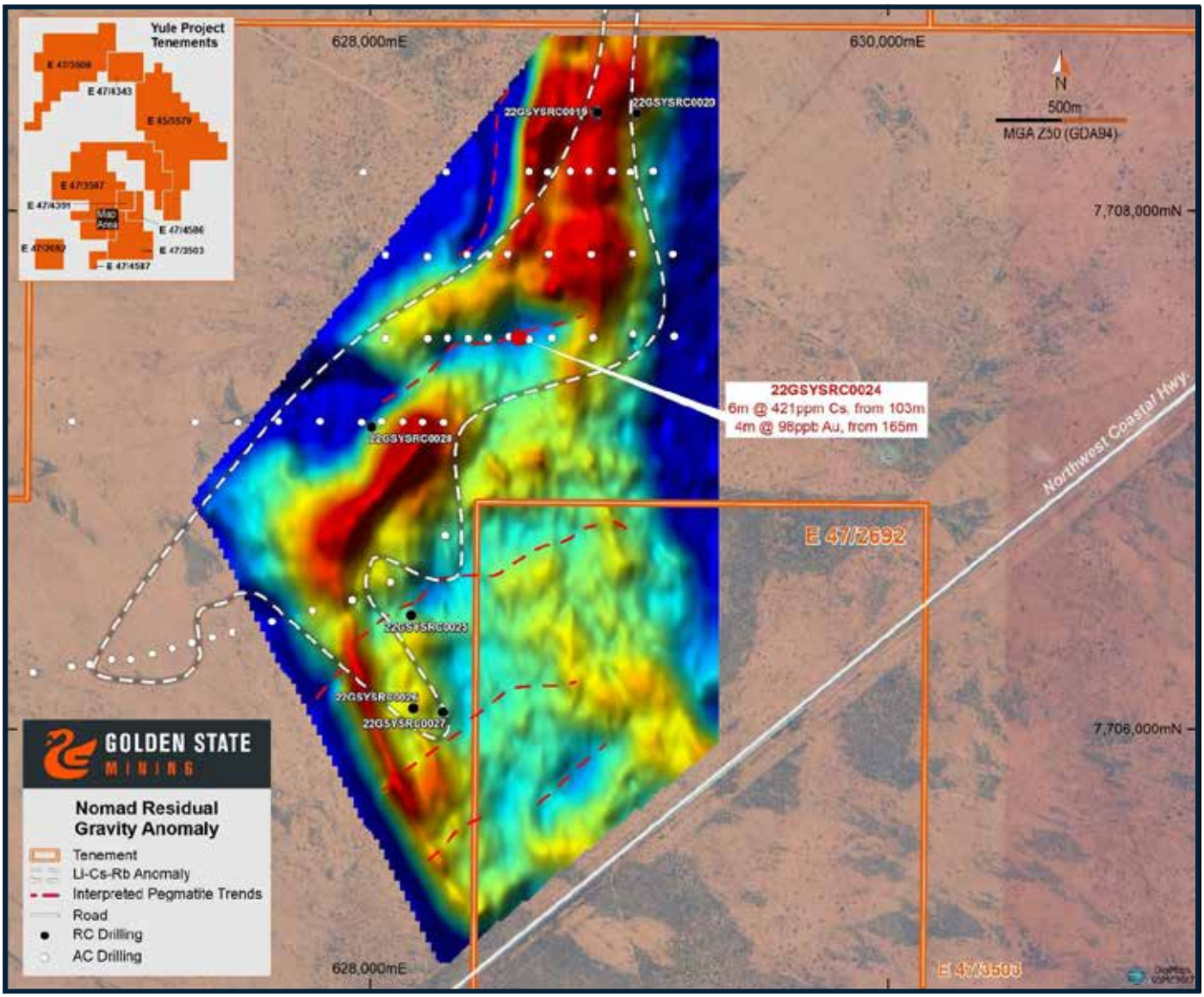


Figure 3: Nomad detailed ground gravity results showing interpreted pegmatite trends.

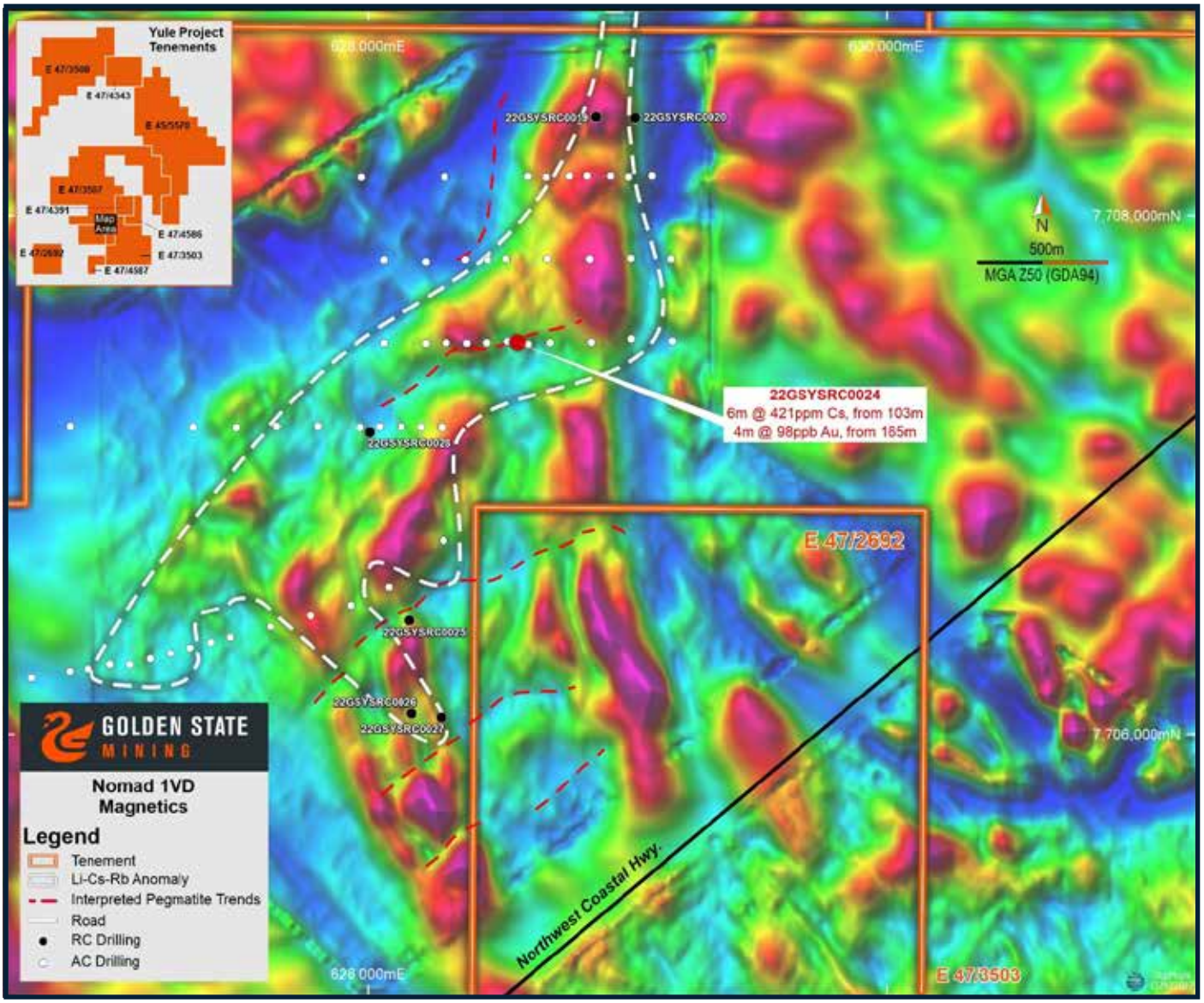


Figure 4: Nomad high-resolution magnetic survey results showing interpreted pegmatite trends.

Nomad RC Drilling

The RC drilling at the Nomad prospect will be directed by recent detailed gravity and magnetics surveys. The program will include up to 2,000m of angle and vertical RC drilling with holes up to depths of 200m. These drill holes will target concealed, approximately east-northeast trending, low density pattern targets in close proximity to anomalous caesium values returned in first pass GSM RC drilling (refer to ASX announcement dated 22 December 2022).

Previous limited GSM drilling (RC and AC) has recorded variable lithologies with associated patchy to moderate structural foliation and minor quartz veining including intermediate intrusive, foliated mafic schists and metasedimentary types under relatively thin transported cover (approximately 20m).

It is anticipated the RC drill program will be completed in approximately 2 weeks with results expected in late September (pending assay laboratory turn around).

Balla Yule Ni and Li RC Drilling

The Balla Yule prospect consists of an interpreted dislocated layered mafic-ultramafic intrusive hosted Ni-Co-Cu sulphide style mineralisation (refer to ASX announcement dated 15 March 2022). A reconnaissance drilling program of up to three RC holes is planned to test the Balla Yule nickel and lithium target in the north of the Yule project area.

Minimal historic RC drilling was completed in the early 2000s (one anomalous nickel and lithium RC hole with two other abandoned historic RC holes, refer to ASX announcement dated 21 May 2019). This drilling, in conjunction with inconclusive EM survey work (refer to ASX announcement dated 11 November 2019) has demonstrated the necessity for effective drill testing of the critical metals prospective at the Balla Yule target to determine both nickel and copper prospectivity as well as lithium pegmatite intrusive potential.

This work is planned to commence following the RC drilling at the Nomad prospect.

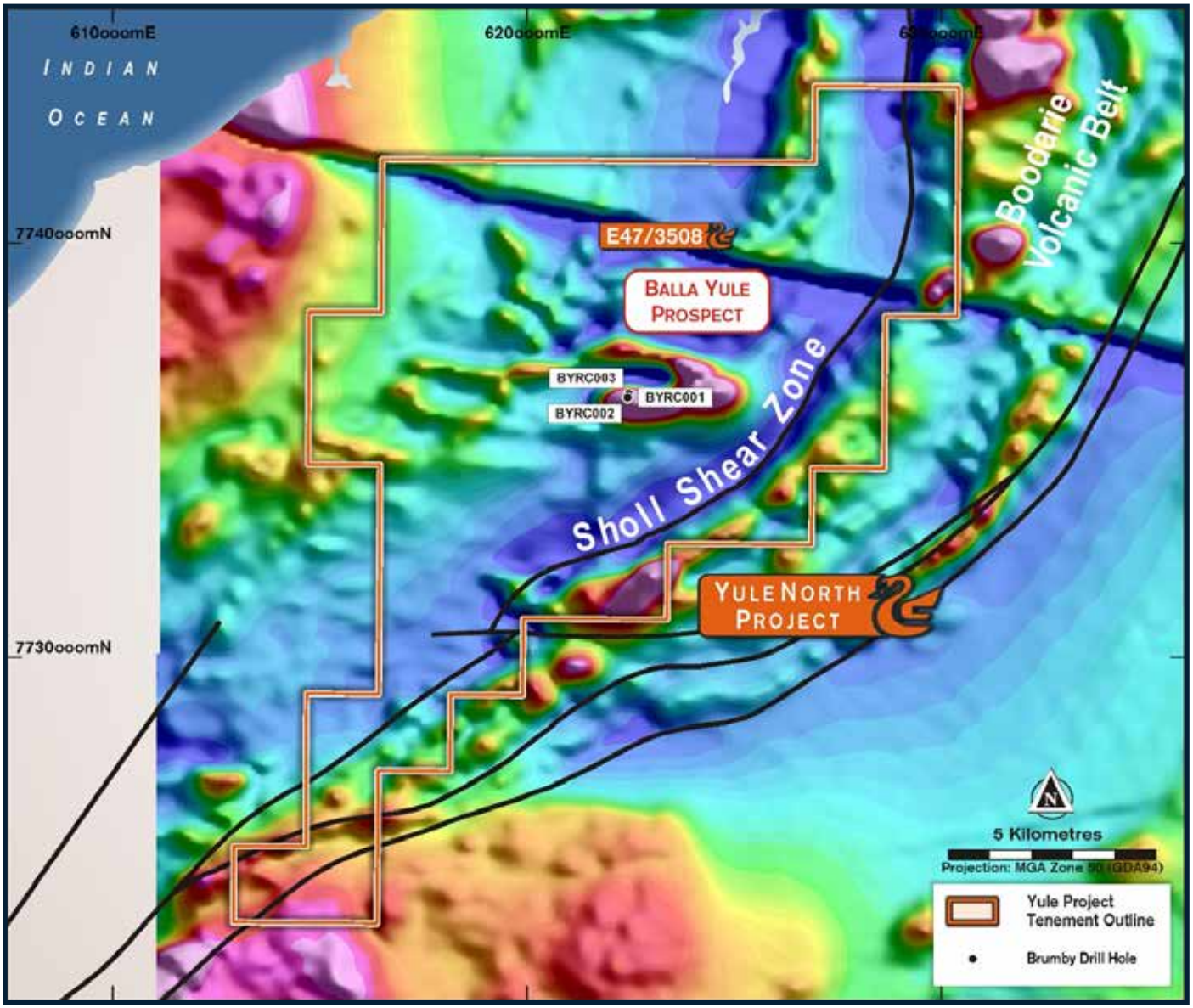


Figure 5: Balla Yule Prospect magnetics plan showing historic RC collar locations.

Yule Project Air-core Drilling

The company will commence a reconnaissance air-core drilling program across a range of new and follow up targets over the Yule project, including the Nomad prospect. The company plans to drill up to 14,000m expected to commence directly following the RC drilling program.

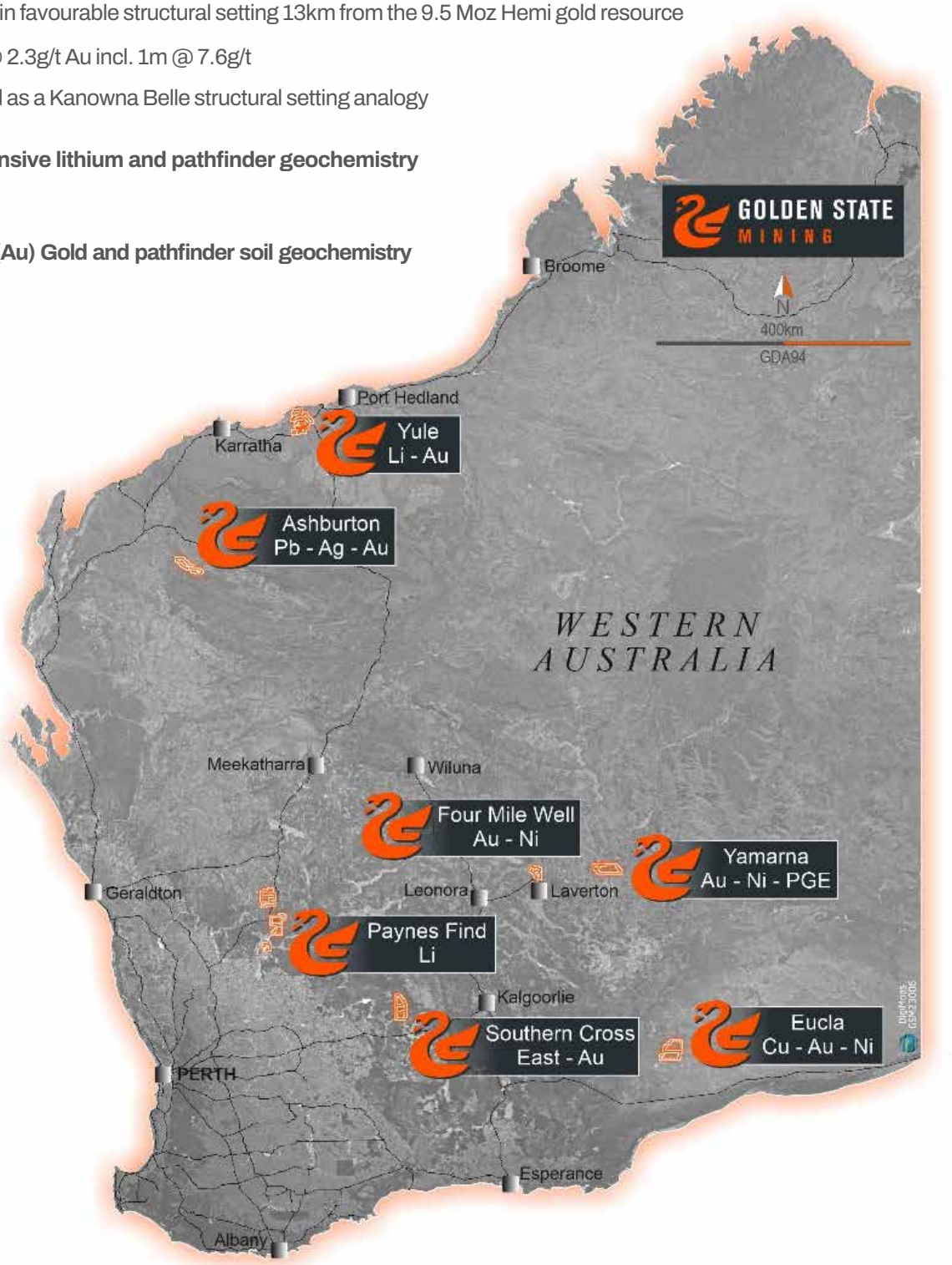
GSM Overview

- **Yule (Li) in the Pilbara's Mallina Basin**
  - Nomad lithium Prospect Li-Cs-Rb + As pathfinder footprint identified
  - ~2km end of Hole Li-Cs-Rb bedrock anomaly from AC drilling
  - RC drilling follow up - **6m @ 421ppm Cs fr 103m**
  - Balla Yule Prospect Li anomalism

- **Yule (Au-Base Metals) in the Pilbara's Mallina Basin**
  - Multiple gold targets in favourable structural setting 13km from the 9.5 Moz Hemi gold resource
  - Target 1 East - 4m @ 2.3g/t Au incl. 1m @ 7.6g/t
  - Yule East interpreted as a Kanowna Belle structural setting analogy

- **Paynes Find (Li) extensive lithium and pathfinder geochemistry anomalies generated**

- **Southern Cross East (Au) Gold and pathfinder soil geochemistry anomalies generated**



Further information

June 2023 quarterly activities report

GSM clarifies that the tenements listed in Schedule 1 of its June 2023 quarterly activities report (dated 28 July 2023) to which the supporting notes 5 and 6 apply (that is, all tenements listed under the heading "Murchison Project - Cue", except for P 20/2374) were disposed of during the quarter as described in the body of the quarterly activities report and the relevant notes 5 and 6. They were included in the tenement list in Schedule 1 with the relevant notes 5 and 6 to identify their sale during the quarter and to identify GSM's ongoing beneficial royalty interest in those tenements.

Director's interest notice

GSM also advises in respect of the three Appendix 3Ys (change of director's interest notice) announced on 28 July 2023, the Appendix 3Y's had not been released to ASX by 18 July 2023 as required by Listing Rule 3.19A.2 (ie, within 5 business days after the 11 July 2023 issue of the relevant shares to the relevant director-related entities). The Company and its officers are cognisant and aware of the disclosure and notification obligations relating to market disclosures on director related security movements, including Listing Rule 3.19A and 3.19B. These obligations are addressed in the director appointment letters where they agree to provide the relevant information to the Company so that it can meet its disclosure obligations. The Company also has policies to assist it with complying with its continuous and other disclosure obligations - these requirements are detailed in the Company's Securities Trading Policy and Continuous Disclosure Policy. The delay in releasing the Appendix 3Ys was an oversight by the company secretary mitigated by (and in part due to) the proposed issue to director-related entities being already: (1) mentioned in the Appendix 3B 'Proposed Issue of Securities' released to ASX on 24 May 2023 (as part of the 46,824,073 tranche 2 placement shares); (2) described in detail in the notice of general meeting released to ASX on 2 June 2023; (3) approved by shareholders on 5 July 2023 (with announcement of that approval on that same day); and (4) followed by an announcement of the actual issue of the tranche 2 placement shares on 11 July 2023. The company secretary identified his oversight and arranged for the notices to be lodged with ASX as soon as the late lodgement was identified. The Company is of the view that the current arrangements are adequate, being enforced and that the above administrative error is unlikely to reoccur. The oversight was also significantly mitigated by the prior disclosures mentioned above.

For further information please contact:

Mike Moore (Managing Director) on **08 6323 2384**
Greg Hancock (Non-Executive Director) on **08 6323 2384**
Email info@gsmining.com.au

BOARD OF DIRECTORS

Michael Moore
Managing Director

Damien Kelly
Non-Executive Chairman

Brenton Siggs
Non-Executive Director

Greg Hancock
Non-Executive Director

ISSUED CAPITAL

Shares	191.0 m
Options	20.0 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 lithium exploration results, is based on information compiled by Dr. Marcus Sweetapple who is a Member of the Australian Institute of Geoscientists (AIG). Dr. Marcus Sweetapple is a consultant to Golden State Mining Limited (GSM).

Dr. Marcus Sweetapple 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”. Dr. Marcus Sweetapple 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 report that relates to gold 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.

The information in this report that relates to geophysical survey results, is based on information compiled by Mathew Cooper who is a Member of the Australian Institute of Geoscientists (AIG). Mathew Cooper is Principal Geophysicist of Core Geophysics Pty Ltd who are consultants to Golden State Mining Limited (GSM).

Mathew Cooper has sufficient experience relevant 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”. Mathew Cooper 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.

JORC CODE, 2012 Edition - Table 1 Report - Yule Project

SECTION 1: SAMPLING TECHNIQUES AND DATA

Criteria	JORC Code Explanation	Comments
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	• *Gravity data were acquired using two Scintrex CG-5 gravity meters. UAV magnetic data were acquired with a PAS H100 Rotary Wing platform and a Scintrex CS-VL caesium vapour towed bird (sample frequency 260 MHz, 0.1 pT resolution).* • *Positional accuracy for gravity readings was achieved with the concurrent acquisition of GNSS data and post-processing using the Geoscience Australia AUSPOS processing system.* • *Altitude was maintained using a combination of GNSS, laser altimeter and barometric altimeter.* • *Positional accuracy for the UAV survey was achieved using a real-time uBlox GNSS receiver (10 Hz output, sub-metre accuracy).*
Drilling techniques	• *Drill type (eg core, reverse circulation, open- hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• *No Drilling data reported*
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• *No Drilling data reported*
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• *No Drilling data reported*
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• *No Drilling data reported*

Criteria	JORC Code Explanation	Comments
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• *No Drilling data reported*
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• *No Drilling data reported*
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• *Gravity station location is determined using a combination of ESVE300 Pro GNSS rover receiver and a CHCi70+ GNSS base receiver. Gravity heights are referenced to the GDA94 ellipsoid.* • *Gravity locations are referenced to GDA94 Map Grid Australia Zone 50.* • *UAV data is referenced to GDA94 Map Grid Australia Zone 50.*
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• *Gravity station spacing is 20m x 40m. A total of 5757 stations were observed. UAV magnetic surveys were completed across two grids. North south (320 km) and South grid (311 km) on 25m line spacing at 090-270 line direction from 20 m sensor height with 250m spaced tie lines.* • *N/A* • *N/A*
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• *No Drilling data reported*
Sample security	• *The measures taken to ensure sample security.*	• *N/A*
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• *UAV and gravity results have been independently reviewed and interpreted by Core Geophysics, Perth.*

SECTION 2: REPORTING OF EXPLORATION RESULTS

Criteria	JORC Code Explanation	Comments
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• *The Yule Project is located approximately 45km south-west of Port Hedland, Western Australia and consists of six granted exploration licences (E47/3503, 3507, 3508,4343, 4391, E45/5570 and E45/2692) and two exploration license applications (E47/ 4586 & 4587) covering approximately 766 square kilometres.* • *The tenement holder is Crown Mining Pty Ltd (a wholly owned subsidiary of Golden State Mining Ltd) with the exception of E45/2692 which is held by Bradford John Young with an exploration rights agreement (refer to ASX announcement dated 24 May 2023).* • *The granted tenements are in good standing.*
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• *For details of relevant previous exploration completed by other parties at the Yule Project, refer to the Independent Geologists Report ('IGR') included in the Golden State Mining Ltd prospectus (2018).*
Geology	• *Deposit type, geological setting and style of mineralisation.*	• *Geological setting is Archaean sedimentary basin packages intruded by granitoid.*

Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:*
	  ◦ *easting and northing of the drill hole collar*
	  ◦ *elevation or RL (Reduced Level. - elevation above*
	  ◦ *sea level in metres) of the drill hole collar*
	  ◦ *dip and azimuth of the hole*
	  ◦ *down hole length and interception depth*
	  ◦ *hole length.*
	• *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*
		• *No Drilling Data reported.*

Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• *No Drilling Data reported.*
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').*	• *No Drilling Data reported.*
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• *Appropriate summary diagrams are included in the announcement .*

Criteria	JORC Code Explanation	Comments
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• *No Drilling Data reported.*
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• *Other exploration data considered relevant for the Yule Project and the Nomad Prospect has been reported in previous and recent GSM ASX announcements.*
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large- scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• *Reverse circulation and air-core drilling.* • *Appropriate summary diagrams are included in the announcement.*