

ASX Announcement  
13 September 2017

## UPDATE - HIGH-GRADE GOLD AT LEONORA EAST



Figure 1 – Surveying historic workings on the Monarch Gold Trend, Leonora

### HIGHLIGHTS

- Golden Mile's 100% owned Leonora East project lies adjacent to KIN Mining's (ASX:KIN) 1,000,000+ Ounce Gold Project at Mertondale-Cardinia
- Recent work by Golden Mile has identified the **10+km long 'Monarch Gold Trend'** which hosts a significant number of historic mine workings (Figure 1 & 2)
- Recent prospecting in the area, in particular the southern Monarch Trend, has yielded **more than 70 gold nuggets** from various localities, often adjacent to historic high-grade mines (Figure 2)
- Golden Mile presently has prospecting and survey teams evaluating the Monarch Trend to assist in delineating targets for future drilling testing

#### Comment to Prospectors

Please note the Monarch Gold Trend is covered by granted exploration and prospecting leases that may not be accessed without prior authorisation from Golden Mile Resources Ltd.

ASX: G88

#### CAPITAL STRUCTURE

Total shares on issue: 51.83m

Unlisted Issued Options: 8.5m

Market Cap @ \$0.17: \$8.8 million

#### CORPORATE DIRECTORY

**Mr Rhod Grivas**  
Non-Executive Chairman

**Mr Tim Putt**  
Managing Director

**Dr Koon Lip Choo**  
Non-Executive Director

**Mr Phillip Grundy**  
Non-Executive Director

#### CONTACT DETAILS

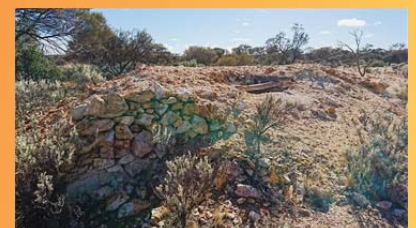
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Golden Mile Resources (ASX: G88) (“Golden Mile” or “the Company”) exploration program on the **ten kilometre long Monarch Gold Trend** continues with both prospecting and surveying underway. The Monarch Gold Trend lies within the Company’s tenure at Leonora East (Figure 2).

*Tim Putt, Golden Mile’s Managing Director said:*

*“Our work program on the Monarch Trend is showing an unusually high density of historic workings through the Company’s tenure, with the prospecting teams finding native gold (in the form of nuggets) associated with these workings and their surrounds. We’re encouraged by the apparent lack of modern exploration in the area as it represents an exciting opportunity for the Company”.*

The **Monarch Gold Trend** was recently discovered in the course of the initial ‘on-ground’ exploration within the northern tenements of the Leonora East project. This Trend appears to follow the eastern granite contact of the greenstone belt with associated shearing and faulting carrying significant mineralisation, including high-grade gold in the form of nuggets.

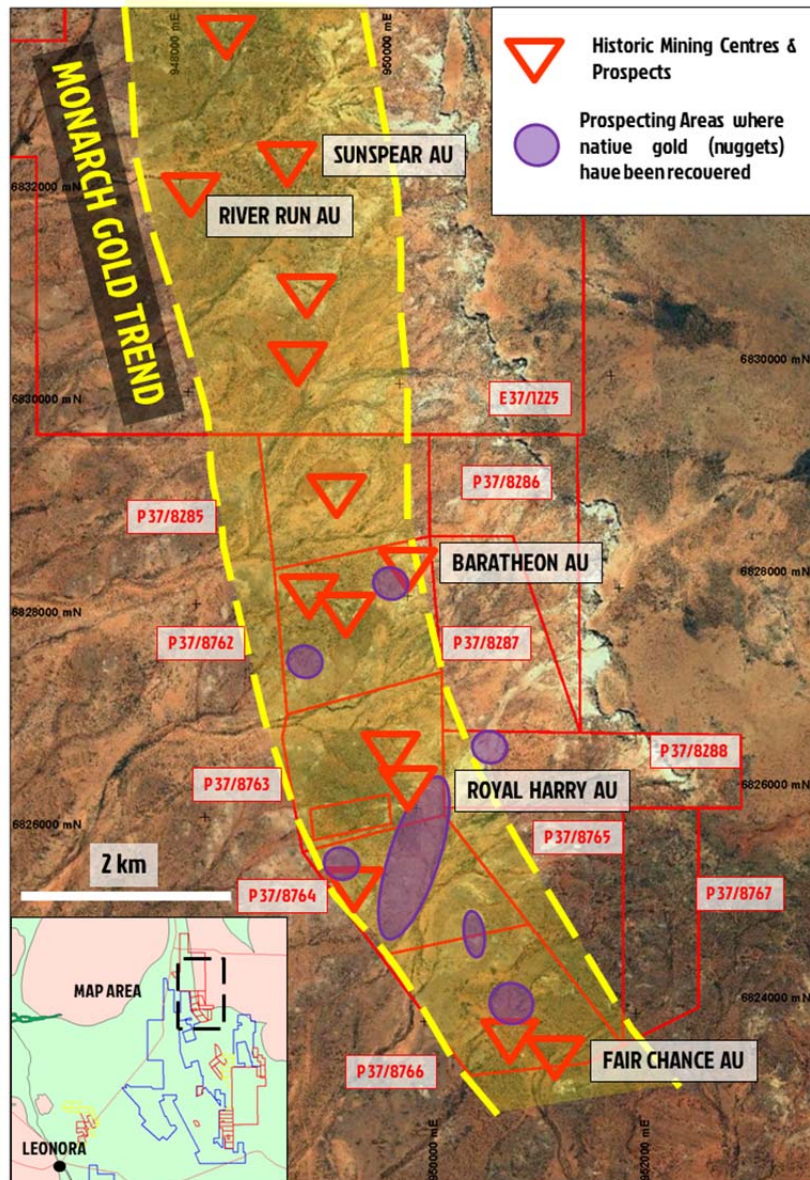


Figure 2 – Google Earth imagery of the Monarch Gold Trend showing G88 tenements (red), historic mining areas (orange) and areas where gold nuggets have been recovered (purple).

Prospecting to date has been largely confined to the southern half of the Monarch Gold Trend, with prospecting uncovering more than **70 gold nuggets**, of varying sizes and weights but accounting for over an ounce of gold, predominantly within the area between the 'Royal Harry' and 'Fair Chance' workings (Figure 2 & 3) – see Table 1 for more information.



*Figure 3 – Gold nuggets recovered from the area south of the 'Royal Harry' workings.*

Golden Miles exploration program at Leonora East presently involves our prospecting and survey teams logging the historic workings throughout the Monarch Gold Trend and testing their high-grade gold endowment through metal detecting and sampling.

Drilling is scheduled to commence in the Leonora area in October 2017 – for further information on the Monarch Gold Trend at Leonora East, please consult our announcement made on the 7<sup>th</sup> of September<sup>1</sup>.

## **References**

1. Golden Mile Resources Ltd, 7 September 2017, ASX Announcement – High-Grade Gold at Leonora East

**For further information please contact:**

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## About Golden Mile Resources Ltd



Golden Mile Resources is an Australian based exploration and development company, with an outstanding suite of cobalt, gold, and base metal projects in Western Australia. The Company was formed in 2016 to carry out the acquisition, exploration and development of mining assets in Western Australia, and has to date acquired a suite of exploration projects, predominantly within the fertile North-Eastern Goldfields of Western Australia.

The Company's portfolio includes two nickel-cobalt projects, namely the Quicksilver project in the South West Mineral Field and the Minara project in the North Eastern Goldfields.

In addition, Golden Mile holds a suite of gold projects adjacent to Leonora which include the Ironstone Well & Leonora East projects.

The Company also holds the Darlot Gold project to the north of Leonora and the Gidgee Polymetallic project north of Sandstone.

For more information please visit the Company's website: <https://www.goldenmilresources.com.au/>

### **Exploration Targets**

The term 'Exploration Target' should not be misunderstood or misconstrued as an estimate of Mineral Resources and Reserves as defined by the JORC Code (2012) and therefore the terms have not been used in this context. The potential quantity and grade of the Exploration target is conceptual in nature and there has been insufficient exploration to date to allow the estimation of a Mineral Resource. In addition it is uncertain if further exploration will result in the estimation of a Mineral Resource.

### **Competent Persons Statement**

The information in this report that relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based upon information compiled by Mr Timothy Putt, a Competent Person who is a Member of the Australian Institute of Geoscientists. Mr Putt is the Managing Director of Golden Mile Resources Ltd, a full time employee and substantial shareholder of the Company.

Mr Putt has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Putt consents to the inclusion in the report of the matter based on his information in the form and context in which it appears.

### **Forward-Looking Statements**

This document may include forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning Golden Mile Resources Ltd (ASX: G88) planned exploration program and other statements that are not historical facts. When used in this document, the words such as "could," "plan," "estimate," "expect," "intend," "may", "potential," "should," and similar expressions are forward-looking statements. Although Golden Mile Resources Ltd (ASX: G88) believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements.

## Appendix 2 JORC Code, 2012 Edition – Table 1

### Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> <li>• 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.</li> <li>• Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</li> <li>• Aspects of the determination of mineralisation that are Material to the Public Report.</li> <li>• 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.</li> </ul>	<ul style="list-style-type: none"> <li>• Metal detectors were used to prospect areas around and adjacent to historic workings looking for gold nuggets within the near surface soils, down to approximately 30 cm depth.</li> <li>• Nuggets were removed with the use of hand tools, such as spades and mattocks.</li> <li>• A total of 74 nuggets of various sizes have been recovered to date, with a total weight of over an ounce of gold.</li> </ul>
Drilling techniques	<ul style="list-style-type: none"> <li>• 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).</li> </ul>	<ul style="list-style-type: none"> <li>• No drilling undertaken.</li> </ul>
Drill sample recovery	<ul style="list-style-type: none"> <li>• Method of recording and assessing core and chip sample recoveries and results assessed.</li> <li>• Measures taken to maximise sample recovery and ensure representative nature of the samples.</li> <li>• 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.</li> </ul>	<ul style="list-style-type: none"> <li>• Not drill samples.</li> </ul>

Logging	<ul style="list-style-type: none"> <li>• 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.</li> <li>• Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</li> <li>• The total length and percentage of the relevant intersections logged.</li> </ul>	<ul style="list-style-type: none"> <li>• Nugget locations were surveyed using a hand held GPS, with nuggets being weighed and described for later evaluation. These samples are not to be used for Resource Estimation, mining or metallurgical studies.</li> </ul>
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> <li>• If core, whether cut or sawn and whether quarter, half or all core taken.</li> <li>• If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</li> <li>• For all sample types, the nature, quality and appropriateness of the sample preparation technique.</li> <li>• Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</li> <li>• 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.</li> <li>• Whether sample sizes are appropriate to the grain size of the material being sampled.</li> </ul>	<ul style="list-style-type: none"> <li>• 74 gold nuggets of various sizes were collected from various localities throughout the southern Monarch Trend</li> <li>• See Figure 2.of attached announcement.</li> <li>• Sampling specifically targeted high-grade gold in the form of gold nuggets.</li> </ul>
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> <li>• The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</li> <li>• 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.</li> <li>• 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.</li> </ul>	<ul style="list-style-type: none"> <li>• Gold nuggets recovered have not been submitted for assay or purity test work as yet.</li> </ul>
Verification of sampling and assaying	<ul style="list-style-type: none"> <li>• The verification of significant intersections by either independent or alternative company personnel.</li> <li>• The use of twinned holes.</li> <li>• Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</li> <li>• Discuss any adjustment to assay data.</li> </ul>	<ul style="list-style-type: none"> <li>• Not drill samples</li> </ul>

<i>Location of data points</i>	<ul style="list-style-type: none"> <li>● 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.</li> <li>● Specification of the grid system used.</li> <li>● Quality and adequacy of topographic control.</li> </ul>	<ul style="list-style-type: none"> <li>● Samples were located using a hand held GPS (accurate to &lt;5 metres) in MGA 94, Zone 51.</li> </ul>
<i>Data spacing and distribution</i>	<ul style="list-style-type: none"> <li>● Data spacing for reporting of Exploration Results.</li> <li>● 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.</li> <li>● Whether sample compositing has been applied.</li> </ul>	<ul style="list-style-type: none"> <li>● Samples were obtained via metal detecting and digging with hand held tools.</li> <li>● This sampling is not designed for Mineral resource estimation</li> <li>● No compositing has been applied.</li> </ul>
<i>Orientation of data in relation to geological structure</i>	<ul style="list-style-type: none"> <li>● Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</li> <li>● 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.</li> </ul>	<ul style="list-style-type: none"> <li>● Samples lie within the Monarch Gold Trend, a significant gold trend covering more than 10 km of strike</li> </ul>
<i>Sample security</i>	<ul style="list-style-type: none"> <li>● The measures taken to ensure sample security.</li> </ul>	<ul style="list-style-type: none"> <li>● Samples remained in the custody of the prospectors until shown or provided to the Company.</li> <li>● The prospectors that are presently working on the tenements are members of APLA (the Amalgamated Prospectors &amp; leaseholders Association) and are allowed access to the tenure on the basis that they provide the Company with the details of what they find and where they find it.</li> </ul>
<i>Audits or reviews</i>	<ul style="list-style-type: none"> <li>● The results of any audits or reviews of sampling techniques and data.</li> </ul>	<ul style="list-style-type: none"> <li>● No audits have been undertaken.</li> </ul>

## Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> <li>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.</li> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>The Monarch Trend covers E 70/1225, P 37/8285, 8515 &amp; 8762-8766, all of which are 100% owned by Golden Mine Resources Ltd.</li> </ul>
Exploration done by other parties	<ul style="list-style-type: none"> <li>Acknowledgment and appraisal of exploration by other parties.</li> </ul>	<ul style="list-style-type: none"> <li>The project area hosts a significant number of alluvial &amp; elluvial gold workings, in addition to deeper shafts and shallow open pits dating back to prospecting and mining of high-grade gold (&gt;5 gpt Au) in the early 1900's</li> <li>Compilation of historical data is presently underway, but this work appears to be largely limited to mapping, sampling and some specific drill programs around selected historical workings.</li> </ul>
Geology	<ul style="list-style-type: none"> <li>Deposit type, geological setting and style of mineralisation.</li> </ul>	<ul style="list-style-type: none"> <li>The Monarch Trend lies in a package of Archean mafic to intermediate volcanic stratigraphy along the granite contact on the eastern margin of the Mertondale terranne.</li> </ul>
Drill hole Information	<ul style="list-style-type: none"> <li>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: <ul style="list-style-type: none"> <li>easting and northing of the drill hole collar</li> <li>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</li> <li>dip and azimuth of the hole</li> <li>down hole length and interception depth</li> <li>hole length.</li> </ul> </li> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>No drilling has been completed at this stage of the exploration program.</li> </ul>
Data aggregation	<ul style="list-style-type: none"> <li>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high</li> </ul>	<ul style="list-style-type: none"> <li>No weighted grade results have been reported</li> </ul>



methods	<p>grades) and cut-off grades are usually Material and should be stated.</p> <ul style="list-style-type: none"> <li>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.</li> <li>The assumptions used for any reporting of metal equivalent values should be clearly stated.</li> </ul>	
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> <li>These relationships are particularly important in the reporting of Exploration Results.</li> <li>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</li> <li>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</li> </ul>	<ul style="list-style-type: none"> <li>Sampling refers to specimens collected from surface and small hand dug pits, identified using metal detectors.</li> <li>The relationship between the gold nuggets at, or near, surface is not fully understood at this time, but is believed to be related to shear and quartz vein hosted gold mineralisation historically mined in the region.</li> </ul>
Diagrams	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>Maps are presented in ASX announcement.</li> </ul>
Balanced reporting	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>Prospecting was conducted to specifically locate and retrieve high-grade gold in the form of gold nuggets.</li> </ul>
Other substantive exploration data	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>A compilation of the reporting historical data is presently underway and will be reported as it becomes available – it is not relevant to this report.</li> </ul>
Further work	<ul style="list-style-type: none"> <li>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</li> <li>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</li> </ul>	<ul style="list-style-type: none"> <li>The ongoing work program and discussion of targets for drilling is contained in the body of the report.</li> </ul>