

Drilling to Commence on Three Projects

HIGHLIGHTS

■ Yule – NICKEL/COPPER/GOLD

- Yule North fixed loop EM survey commissioned to delineate bedrock conductor
- Strategic new tenement application at Yule East
- Drilling is planned to commence in December 2019 at Yule

■ Four Mile Well – GOLD

- 60 hole Aircore drill programme planned for mid November 2019
- Drilling to target an interpreted 1.6-kilometre anomalous gold trend north of the 1.3Moz Lancefield deposit

■ Cuddingwarra - GOLD

- Priority drill targets confirmed
- 80 hole Aircore drilling planned for early 2020

Golden State Mining Limited (ASX code "GSM", "Golden State" or the "Company") is pleased to provide an update on the progress of its planned exploration activities across all of its projects.

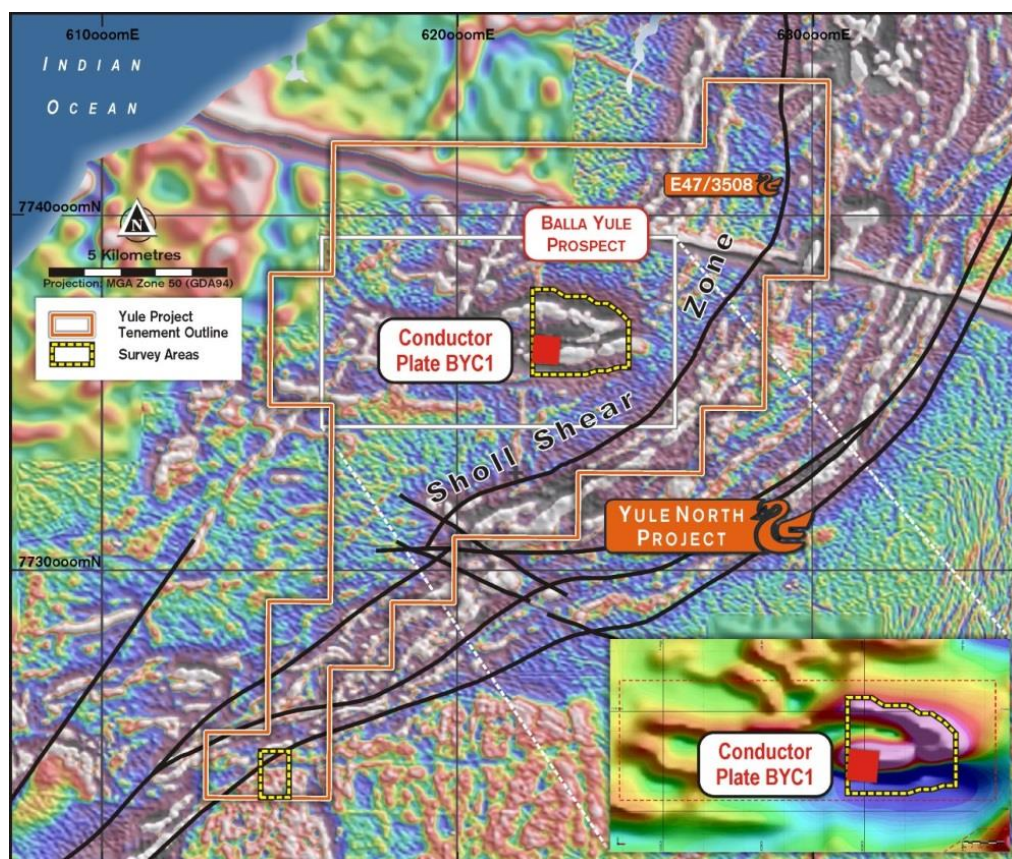


Figure 1: Yule North MLTEM survey areas with modelled BYC1 conductor plate.

Golden State's Managing Director, Michael Moore commented:

"We are very pleased that we are able to deliver an active year end exploration program ahead of Christmas. With two drilling programs and a geophysics program defining additional targets before the end of 2019, shareholders can look forward to news flow on results and further activity in Q1 2020".

Yule Project 100% GSM

Balla Yule Prospect – Conductor refinement

A discrete bedrock anomaly BYC1 (Figure 1) recently identified by a moving Loop electro-magnetic survey (MLEM) at the Balla Yule prospect (see ASX announcement dated 27th Sept. 2019) requires follow up work for drill target planning. The anomaly has been modelled as a large (~750 m x 900 m), moderate conductance (~150-200 S) plate, dipping ~20-40 degrees to the north at a depth of ~130-150 m below surface.

A geophysical contractor has been commissioned to undertake a fixed loop electro-magnetic (FLEM) survey over a bedrock conductor (BYC1) recently identified at the Balla Yule Prospect. The aim of the survey is to assess the Balla Yule bedrock conductor and to refine the geometry of the conductive rock unit. The survey is scheduled to start in early November with results expected mid-November. Subject to statutory government and heritage approvals, drilling is planned to commence in December, and the associated program of work and heritage survey request has been submitted.

Yule South – Drill planning

A program of works and heritage survey request has been submitted for a 2500 metre aircore drilling program planned to test three high priority gold and rare metal pegmatite targets. The targets are interpreted sheared remnant greenstone sequences proximal to major structures and the margin of a later, more magnetic granite pluton. This drilling program is expected to commence in December 2019.

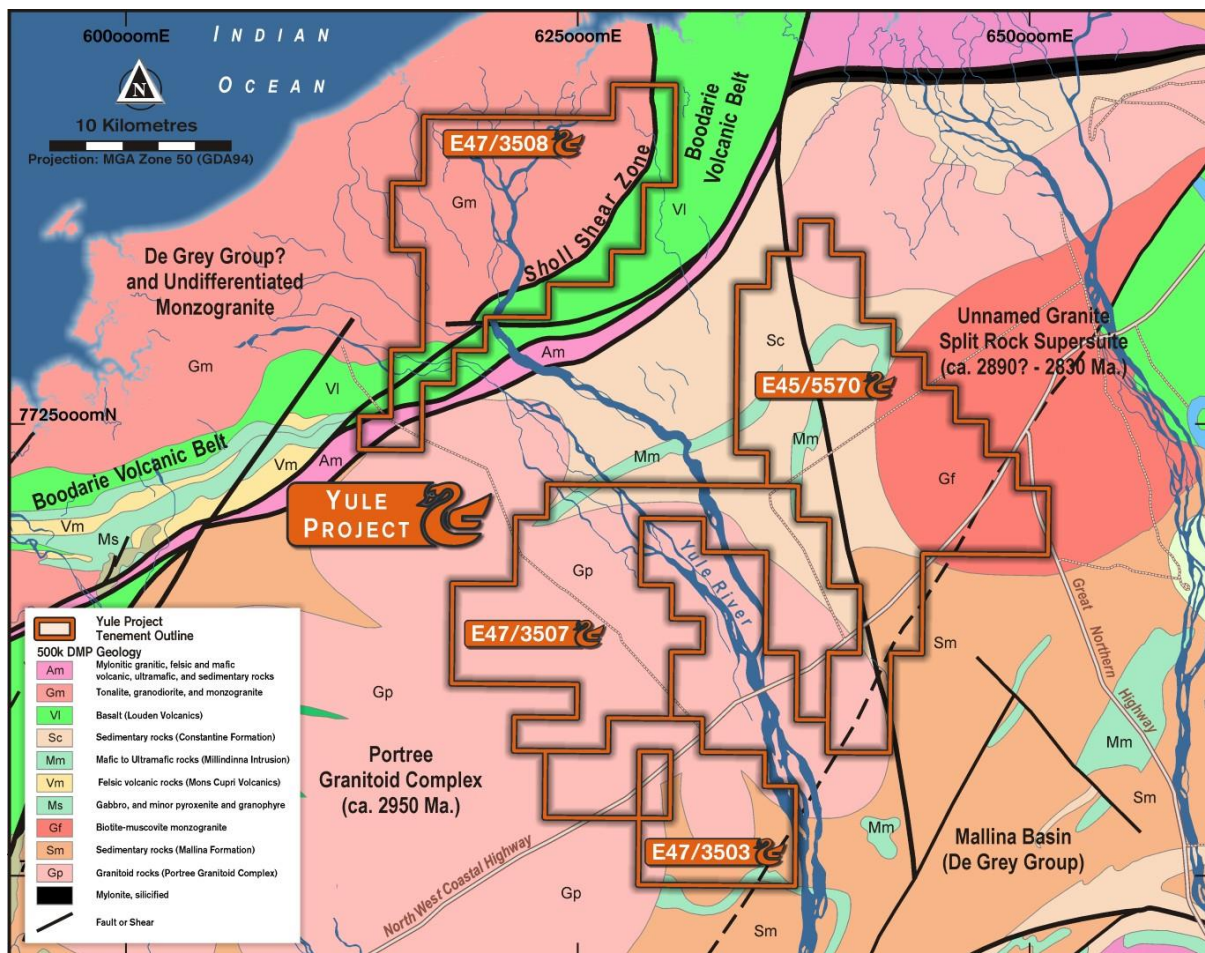


Figure 2: Project location plan showing recent application E45/5570 over GSWA 250k Geology

The assessment of the seventeen Yule South geophysical targets recently identified (see ASX announcement dated 26 June 2019) is ongoing with further drill targets expected for the 2020 field season.

Yule East - Exploration License Application E45/5570

An exploration license application (Figure 2) for additional ground to the east of the current Yule Project was applied for on the 28 September 2019, bringing the total area held and under application to 656km². The ground applied for contains an un-named granite pluton belonging to the Split Rock Supersuite which is considered to be a 'fertile' source for LCT pegmatite mineralisation. A favourable structural environment is interpreted to be present in the region between the unnamed pluton ('fertile' granite) and the Portree Granitoid Complex, which lies partly in the north-eastern part of the Yule South tenements. Furthermore, an asymmetric antiformal structure, partly cut through by faulting is present within this area, which is interpreted to provide structural complexity for a 'trap' site for fractionated rare earth pegmatite intrusions and/or gold mineralisation. The additional ground increases the company's strategic footprint in this highly prospective and exploration active area of the northern Pilbara.

Four Mile Well 100% GSM

A program of works has been submitted for up to 2000 metres of wide spaced reconnaissance aircore drilling at the Four Mile Well project to test soil anomalies identified during a recently completed staged soil geochemistry program over selected priority targets (see ASX announcement dated 23 July 2019). The first stage returned low order gold +/- pathfinder anomalies over an interpreted 1.6-kilometre trend (Figure 3) interpreted from historic and recent soil results and aeromagnetic data. Similar results were received over another target area of significance which presents as a GSWA mapped tonalite contact with outcropping quartz veins and a strongly foliated granitoid unit containing mafic lenses.

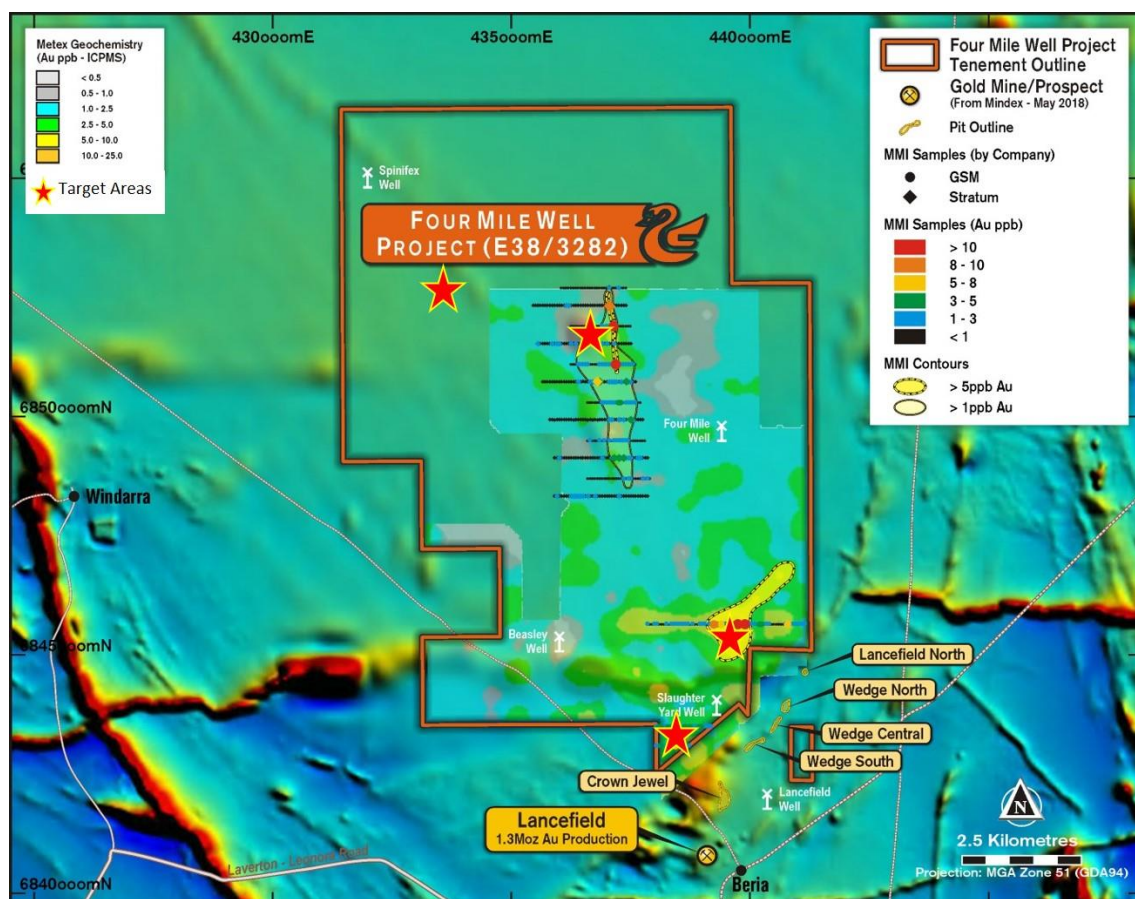


Figure 3: Project location plan showing drill target areas at Four Mile Well.

GSM recently completed the second stage of infill sampling at 200m metre spacing along this 1.6-kilometre trend and tonalite contact. Although no anomalous gold assay results were received, associated anomalous gold pathfinder elements did suggest these areas are legitimate follow up targets.

The drill program will target four key areas including the 1.6 kilometre trend and tonalite contact outlined from infill sampling of historic reconnaissance spaced sampling and aeromagnetic data. The results of this program are expected late December 2019.

Murchison 100% GSM

Cuddingwarra - Drilling

A program of works and heritage survey request has been submitted for up to 4000 metres of aircore drilling at the Cuddingwarra group of tenements in early 2020.

The program is designed to test a range of targets including interpreted structural trends based on geophysical data, soil anomalies identified from recent geochemical sampling and historic aircore drilling containing anomalous gold assay results at or near the bottom of hole.

For further information please contact:

- Mike Moore (Managing Director) on 08 6323 2384 / 0438 938 934
- Greg Hancock (Non-Executive Director) 08 6323 2384 / 0418 263 388

About Golden State Mining

GSM is a Western Australian minerals exploration company listed on the Australian Securities Exchange (ASX: 'GSM'). The company's prime focus is the exploration and development of three highly prospective Western Australian gold project areas.

MURCHISON

- Approximately 645km by road northeast of Perth
- 425km² of tenements including Cuddingwarra, Big Bell South & Cue
- Targeting large gold systems
- Proven Gold Region - produced over 7Moz of gold the past 126 years
- Day Dawn/Great Fingall mine (1.7Moz production) ~5km along trend
- Historic mines operated until around the 1920's exploiting high grade +15g/t gold shoots

YULE

- 17 priority gold, base metal and rare earth element target areas identified
- Located between 35 km and 65 km southwest of Port Hedland in the northern Pilbara region of Western Australia
- Three granted exploration licences and one application for a total of 656 km² capture a significant portion of the Pilbara
- Archaean layered mafic-ultramafic intrusion Ni, Cu, Co, PGE, V & Ti targets at Yule North
- Balla Yule magnetic target trend near Sholl Shear Zone largely untested
- Targets identified from airborne geophysics at Yule South



FOUR MILE WELL

- The Four Mile Well Project is located 9km to the north of the Laverton townsite in the Eastern Goldfields and consists of a single 38 block exploration licence (approximately 107 km²)
- The region is well endowed with a number of major gold and nickel deposits within close proximity to the Four Mile Well Project area
- Significant nickel sulphide deposits (Windarra and Mt Windarra) are located to the west of the project area and the 1.3Moz Lancefield gold deposit is located less than 1km to the south
- Geochemical programs by several previous explorers have produced gold anomalism that was never followed up or drill tested

BOARD OF DIRECTORS

Damien Kelly
Non-Executive Chairman

Michael Moore
Managing Director

Brenton Siggs
Non-Executive Director

Greg Hancock
Non-Executive Director

Janet Wicks
Non-Executive Director

ISSUED CAPITAL

Shares	36.3 m
Options	16.0 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 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.

JORC CODE 2012 Edition – Table 1 Report – Four Mile Well Project

SECTION 1: SAMPLING TECHNIQUES AND DATA

Criteria	JORC Code Explanation	Commentary
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.	Geochemistry sampling - Soil sample grid patterns included: 200m x 50m (GSM infill) 500m x 500m (WAMEX Report A67631) 800m x 50m (WAMEX Report A98147)
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 drill data located.
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 drill data located.
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 drill data located
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.	Geochemistry Sampling GSM Soil samples: MMI samples sieved to -5mm. - WAMEX A67631: Soil samples: Soil samples sieved to -80# size fraction. WAMEX A98147: Soil samples: MMI samples sieved to -5mm. - The sample preparation of the soil samples followed industry standard practice at the time.

Criteria	JORC Code Explanation	Commentary
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.	GSM assays SGS- Assay technique includes MMI for Job No WM194630 Aqua Regia Partial Digest followed by ICPMS. Laboratory Code: MMI ICPMS Geochemistry multielement analysis including: Al,As,Ba,Cd,Cs,Dy,Er,Eu,Ga,Gd,Hg,La,Li,Mg,Mo,Pd,Rb,Sc,Sr,Tb,Th,W,Y,Zr,Au,Ag,Ca,Cu,Fe,K,P,Mn and Ni. Previous explorers' assaying: WAMEX Report A67631: Ultratrace - Assay technique includes Aqua Regia Partial Digest followed by ICPMS. Laboratory Codes: DHCL-ICPMS AR-ICPMS Geochemistry multielement analysis including: Au,Ag,As,Cr,Cu,Ni,Pb,Sb and Zn WAMEX Report A98147: SGS- Assay technique includes MMI for Job No WM149602 Aqua Regia Partial Digest followed by ICPMS. Laboratory Code: MMI ICPMS Geochemistry multielement analysis including: Al,As,Ba,Cd,Cs,Dy,Er,Eu,Ga,Gd,Hg,La,Li,Mg,Mo,Pd,Rb,Sc,Sr,Tb,Th,W,Y,Zr,Au,Ag,Ca,Cu,Fe,K,P,Mn and Ni. - No geophysical tools, spectrometers or hand held XRF instruments used. - QAQC procedures not located in previous explorers reports.
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 drill data located.
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.	- Survey method for auger/soil sampling pickup recorded as GPS unit (WAMEX A67631, A98147). - Previous Explorers used GDA94 Z51 and AMG84 Z51 grid depending on year of activities. AMG84 Z51 sample locations converted to GDA94Z51 by transformation.
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.	Soil Geochemistry: - Regional soil surveys on 500m x 500m grid (WAMEX A67631) and 800m x 50m (WAMEX A98147) on reconnaissance east west orientated lines. - No composite sampling of soil samples.
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.	- The geochemistry sampling is reconnaissance in nature, being relatively wide spaced and the orientation of potential mineralised structures is yet to be confirmed. - There is insufficient information to determine if the reconnaissance geochemistry sampling were orientated perpendicular to potential mineralised

Criteria	JORC Code Explanation	Commentary
		<i>structures.</i>
Sample security	The measures taken to ensure sample security.	GSM samples Samples were bagged up onsite, labelled and stored in sealed polyweave bags. Samples were trucked to the laboratory in Perth by Company field personnel. Samples were then sorted and checked for inconsistencies against lodged Submission sheet by laboratory staff. - Following analysis, the sample pulps and residues are retained by the laboratory in a secure storage yard. - Previous explorer's security not documented in WAMEX reports
Audits or reviews	The results of any audits or reviews of sampling techniques and data.	Not documented in WAMEX reports.

Section 2: REPORTING OF EXPLORATION RESULTS:

Criteria	JORC Code Explanation	Commentary
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 Four Mile Well Project is located approximately 9km north of Laverton, Western Australia and consists of a single exploration licence (E 38/3282) covering approximately 107.14 square kilometres. - Tenement E38/3282 was granted on 2/07/2018. The tenement holder is Crown Mining Pty Ltd., a wholly owned subsidiary of Golden State Resources Pty Ltd. - The tenement is granted and 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 Four Mile Well Project, refer to the Independent Geologists Report ('IGR') included in the Golden State Mining Ltd prospectus (2018). Previous work on, or adjacent to, the Four Mile Well project was completed by Kennecott Exploration Australia Pty Ltd, Uranium and Nickel Exploration NL, Metex Resources Ltd, Triton Gold, Poseidon Gold, Stratum Metals Ltd and Ishine International Resources Ltd.
Geology	Deposit type, geological setting and style of mineralisation.	For details of the geological setting of the Four Mile Well Project refer to the Independent Geologist's Report included in the prospectus.
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	No drill data located.

Criteria	JORC Code Explanation	Commentary
	- 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.	
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.	- Soil sample values extracted from previous explorers' WAMEX report assay files with no weighting averaging, maximum and/or minimum grade truncations or cut off grades applied. - No historic drill intercepts reported. - No historic drill intercepts reported so no assumptions used for any metal equivalent values.
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 (eg 'down hole length, true width not known').	No drill data located.
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
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.	Soil assay values range from: GSM : LTD-1ppb Au (WAMEX A67631 : 1-26 ppb Au) (WAMEX A98147: 0.3-8.5 ppb Au)
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 Four Mile Well Project has been included in the Golden State Mining prospectus (2018).
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.	A proposed aircore drill program is outlined in the body of this ASX announcement.