New Mallina Basin Tenement Granted and RC Drilling Update

Highlights

- **E45/5570 Yule East in the Mallina Basin has been granted ~210km^2**
    - **Multiple shear hosted and intrusive style gold targets**
    - **9km long drill-ready historic gold and base metal anomaly**
    - **Highly prospective 'Pilbara style' LCT pegmatite setting**
- **Issues with RC drilling approvals for Yule South resolved**

Gold and base metals exploration company Golden State Mining Limited (ASX code: "GSM" or the "Company") is pleased to provide an update on the granting of Yule East E45/5570 and the progress of its planned field programs.

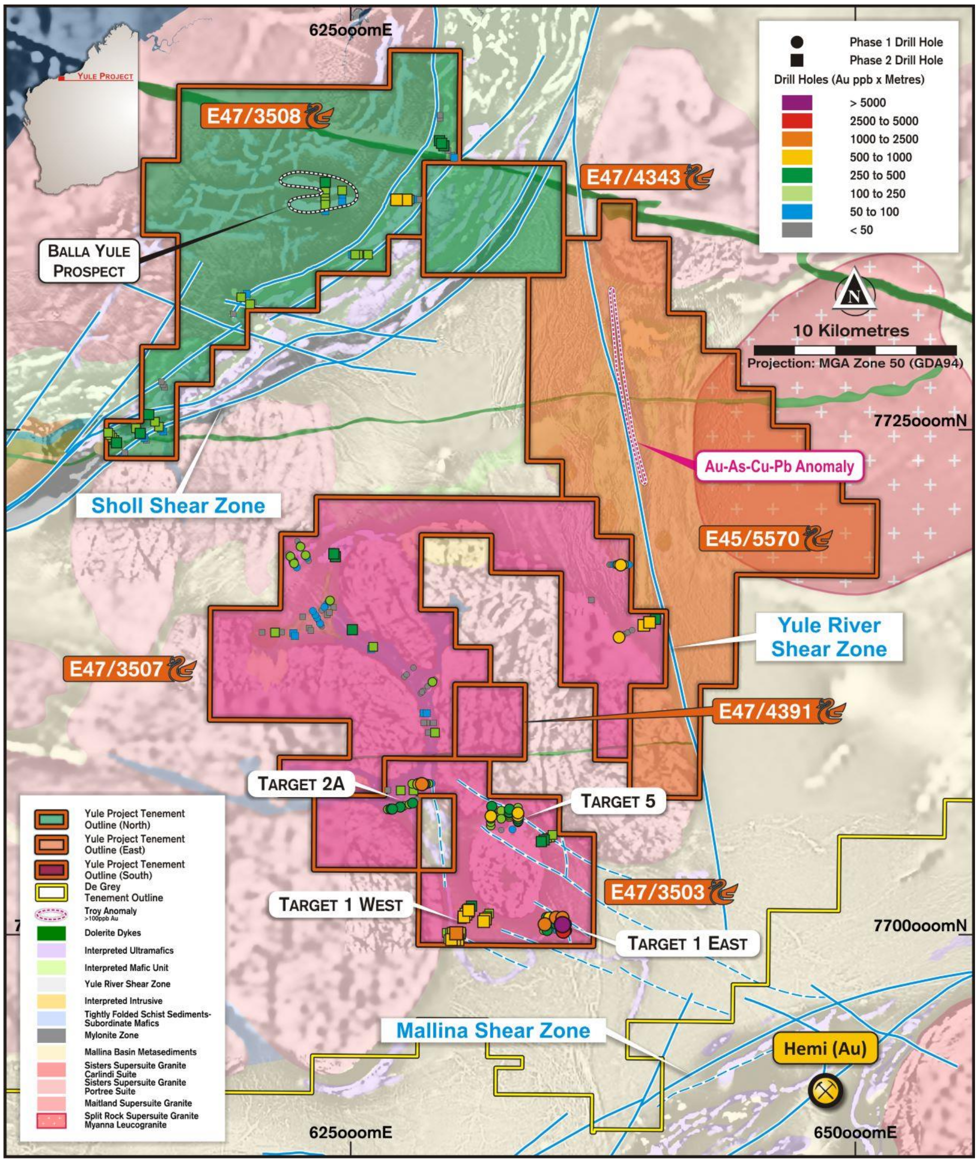

Figure 1: Yule East E45/5570.

Golden State's Managing Director, Michael Moore commented: "The granting of Yule East is an exciting development and will allow the company to move quickly on approvals for the first pass air-core exploration drilling which is expected to total ~15,000 metres. Follow-up RC drilling at Yule South is now a step closer with the company agreeing drill hole rehabilitation procedures that will allow us to progress our application. With just over 700km^2 of tenements now granted at Yule, the Company has a significant ground position within the Mallina Basin."

E45/5570 Granted at Yule 100% GSM

The Yule East tenement E45/5570 (Figure 1) is a strategic, large ~210km^2 ground holding that bolsters the regional footprint of GSM and occupies a significant portion of the Mallina Basin sequence.

The Company has previously undertaken a review of open file aeromagnetic data over the tenement (refer to ASX announcement dated 8 January 2020) which was completed by Core Geophysics Pty Ltd. Numerous intrusive style targets and prospective structural settings and corridors (Figure 2) have been identified and prioritised as part of the 2021 field season. The new targets will compliment previously identified targets along the Yule River Shear Zone ("YRSZ") within the tenement area.

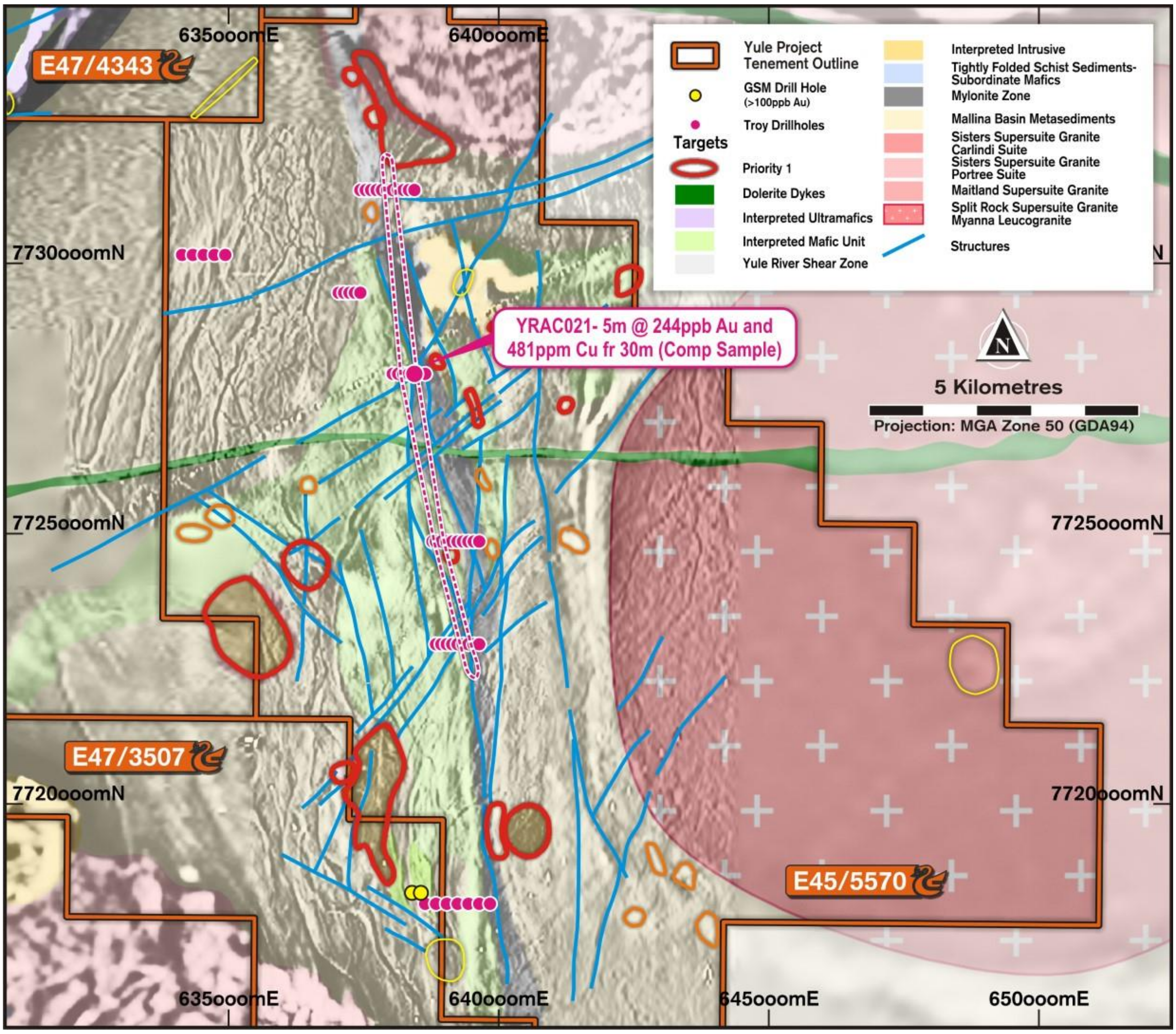

Figure 2: Yule East E45/5570 priority target areas for air-core drilling in 2021 (refer to GSM ASX announcements dated 4 Dec 2020 & 17 Feb 2021 & Troy Resources Limited ASX announcement dated 29/4/2005).

E47/3503 Yule South Drilling Approvals

The Company has recently concluded discussions with the relevant regulatory bodies in relation to the delayed approvals for RC drilling at Yule South. The delays revolved around the proposed deeper drilling within a water reserve area. An updated drill hole rehabilitation procedure and updated environmental management plan have been completed and the POW-E (Program of Work - Exploration) application for the ~4,000 metres of RC drilling is now expected to be processed as a matter of priority.

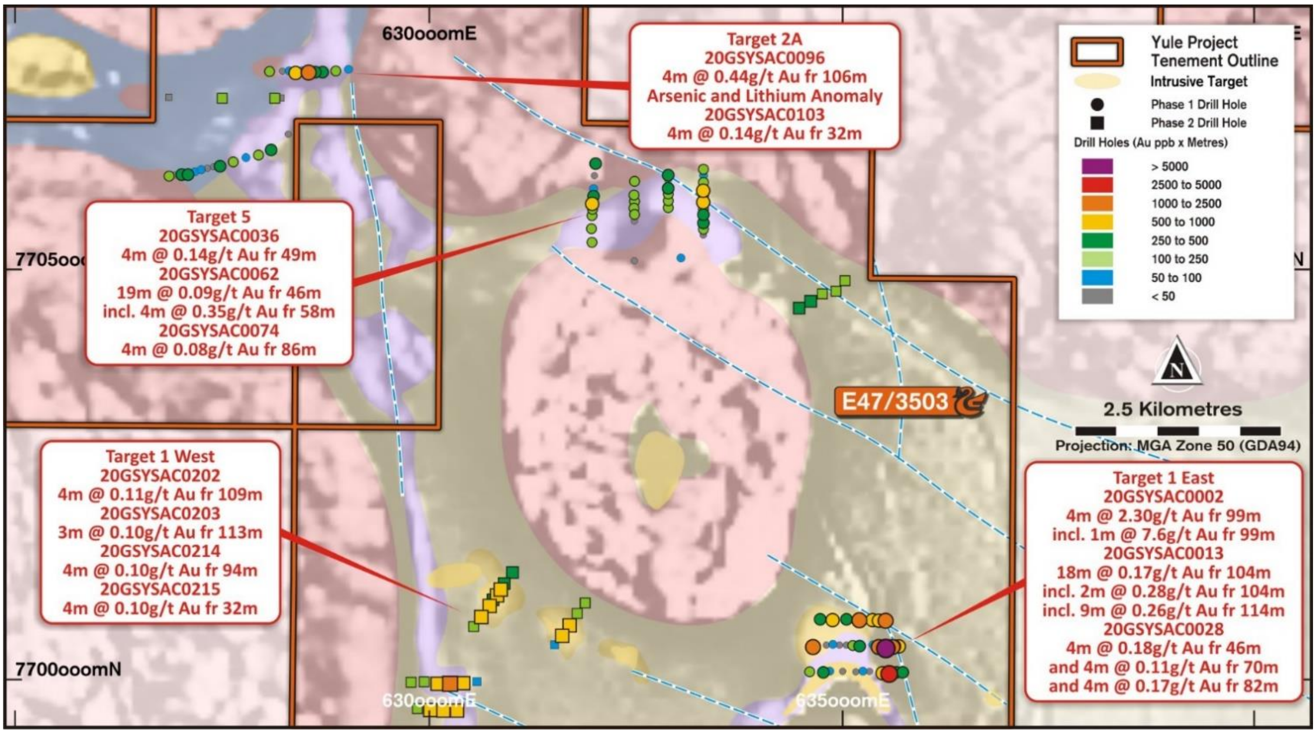

Figure 3: Yule South geological plan showing AC drilling results over planned gold RC drill targets (refer to GSM ASX announcements dated 7 Sep 2020, 23 Sep 2020, 4 Dec 2020 & 17 Feb 2021.

Yule South 4000m gold RC program

GSM is planning to test four gold target areas (Figure 3) with anomalous gold and alteration vectors with follow up RC drilling to test fresh bedrock responses to these intersections (refer to ASX announcement dated 17 February 2021). This program has been expanded from 1,500 metres to 4,000 metres (refer to ASX announcement dated 6 April 2021) to accommodate additional targets with prospective geochemistry.

LCT Pegmatite RC 1,500m program

Four LCT pegmatite targets (Figure 4) have been generated based on known lithium pathfinder analysis identified from the phase 1 and 2 air-core program results from 2020 fieldwork (refer to ASX announcement dated 17 February 2021). A 1,500 metre RC program is planned to test these target areas and is expected to commence in late Q3 2021.

Phase 3 AC drill program

The next phase of reconnaissance air-core drill planning is complete with ~15,000 metres designed to test additional gold and lithium targets (refer to ASX announcement dated 17 February 2021). The granting of exploration license E45/5570 is a major boost to the Company's exploration schedule in the 2021 field season.

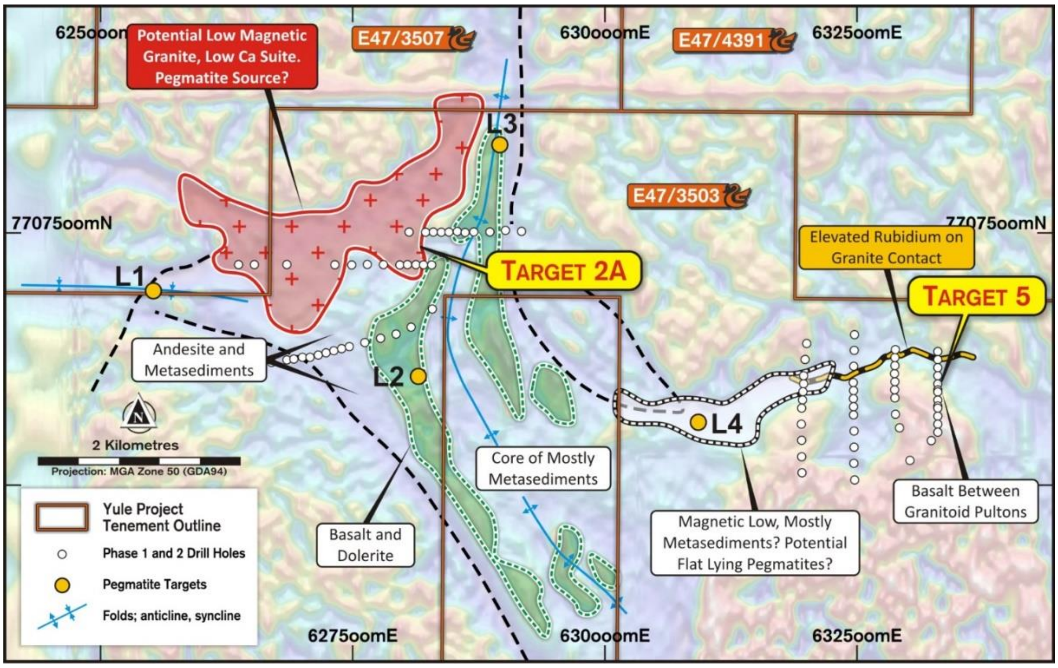

Figure 4: Lithium target locations over structural framework interpretation

Yule Project Overview

- ✓ GSM's 100% Owned Yule Project **~700km^2**
  - Strategic ground position in the sought after **Archaean Mallina Basin**
  - Tenement package hosts intrusive bodies and major structural corridors
  - Seriously underexplored
  - High priority **gold + lithium + base metal** targets
- ✓ Large discrete intrusive targets **15kms from Hemi** with similar magnetic signatures
  - Target 1 East - **4m @ 2.3g/t Au incl. 1m @ 7.6g/t**
  - Target 2A - 800m x 1400m Arsenic Anomaly
  - Alteration - Focussed Quartz-Sericite-Pyrite
- ✓ 2021 drilling programs
  - ~4,000m RC/Diamond gold program x **4 Targets**
  - ~1,500m RC lithium program x **4 Targets**
  - ~15,000m AC gold and lithium program
- ✓ Major regional structures
  - Sholl Shear Zone
  - Yule River Shear Zone
- ✓ The Right Rocks
  - **Archaean Mallina Basin**
  - Large granitic intrusions into volcano-sedimentary sequence
  - Right environment for late discrete intrusives

Exploring for the Pilbara's next great gold discovery at Yule

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	82.7 m
Options	16.7 m

REGISTERED OFFICE

Level 1, Suite 15
19-21 Outram Street
West Perth WA 6005

T:+61 (08) 6323 2384
F:+61 (08) 9467 9114
E: info@gsmining.com.au

Golden State Mining Limited
ABN 52 621 105 995

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

For further information please contact:

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