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Golden State Mining Limited

ABN 52 621 105 995

INTERIM FINANCIAL REPORT

FOR THE HALF YEAR ENDED

31 DECEMBER 2023

This interim financial report does not include all the notes of the type normally included in an annual financial report. This report is to be read in conjunction with the Annual Report for the year ended 30 June 2023 and any public announcements made by Golden State Mining Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

Corporate Information

Directors

Mr. Michael Moore (Managing Director – appointed 15 August 2017)
Mr. Damien Kelly (Non-Executive Chairman – appointed 15 August 2017)
Mr. Greg Hancock (Non-Executive Director – appointed 6 April 2018)
Mr. Brenton Siggs (Non-Executive Director - appointed 10 August 2018)

Company Secretary

Mr. Marc Boudames

Registered Office and Principal Place of Business

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West Perth WA 6005
Australia
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Email: info@gsmining.com.au
Website: www.goldenstatemining.com.au

Share Register

Automic Group
Level 5, 126 Phillip Street
Sydney NSW 2000
Australia
Telephone: 1300 288 664
Facsimile: +61 2 8583 3040

Stock Exchange Listing

Golden State Mining Limited is listed on the Australian Securities Exchange (ASX code: GSM)

Auditors

Stantons
Level 2, 40 Kings Park Road
West Perth WA 6005

Solicitors

EMK Lawyers
Suite 1
519 Stirling Hwy
Cottesloe WA 6011

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Golden State Mining Limited

31 DECEMBER 2023

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COMPETENT PERSON'S 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.

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 Australasian Institute of Geoscientists (AIG). Geoff Willetts is the Exploration Manager and 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.

Golden State Mining Limited

31 DECEMBER 2023

DIRECTORS' REPORT

Your directors are pleased to present their report on the consolidated entity (referred to hereafter as the Group) consisting of Golden State Mining Limited ("GSM" or the "Company") and the entities it controlled at the end of, or during, the half-year ended 31 December 2023.

DIRECTORS

The names of the directors who held office during or since the end of the period are:

Michael Moore – Managing Director

Damien Kelly – Non-Executive Chairman

Brenton Siggs – Non-Executive Director

Greg Hancock – Non-Executive Director

COMPANY SECRETARY

Marc Boudames

REVIEW AND RESULTS OF OPERATIONS (for the period)

Paynes Find (Li) project (GSM 100%)

GSM received assay results for 18 rock chip samples collected from a range of pegmatite outcrops at the Paynes Find North and Paynes Find Central project areas. These samples were taken from a preliminary reconnaissance field mapping exercise and the rock chip locations were selected within areas previously highlighted by soil survey results anomalous in lithium (Li), rubidium (Rb), caesium (Cs) and other lithium pathfinder suite elements.

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DIRECTORS' REPORT (continued)

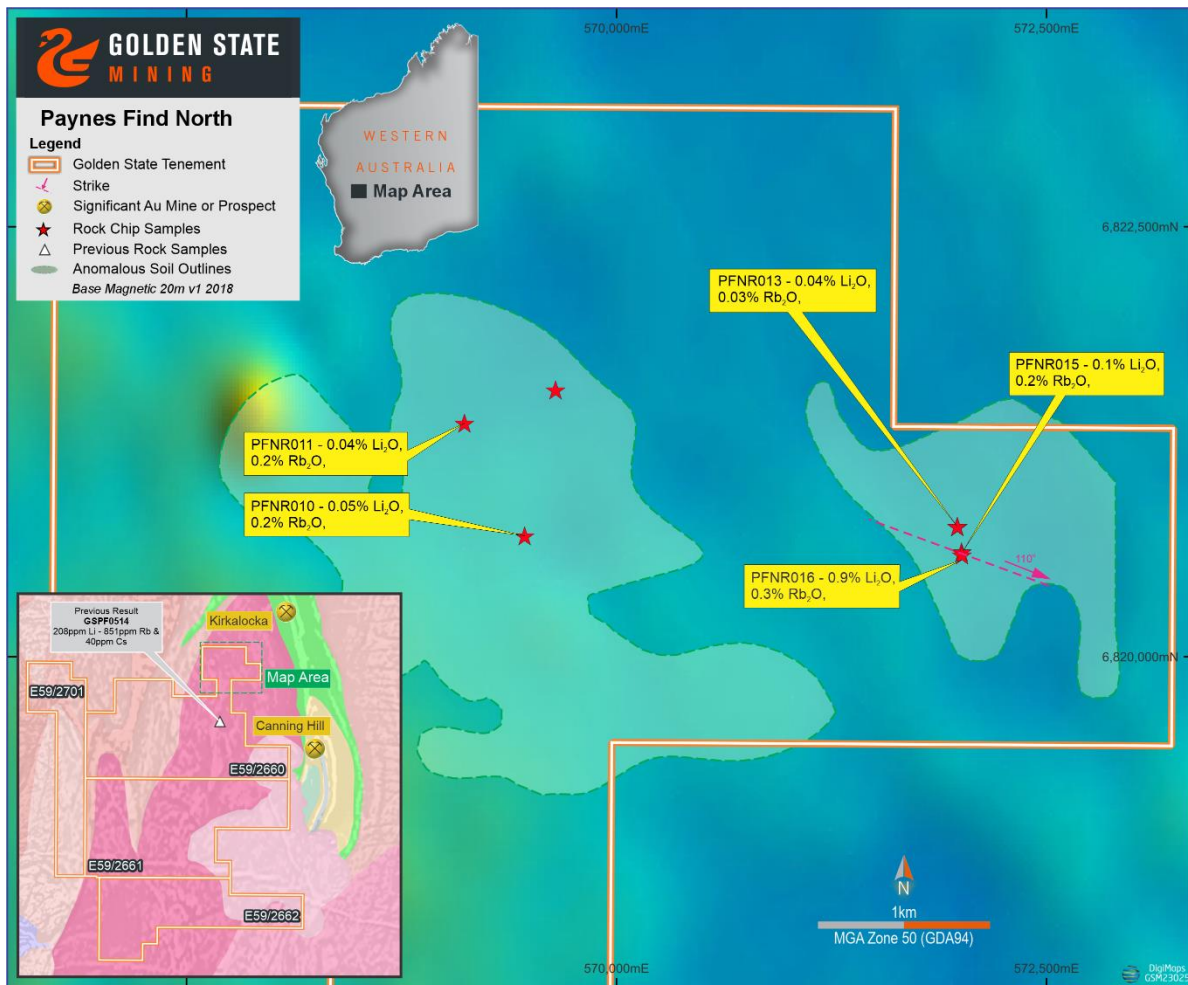


Figure 1: Paynes Find North Rock Chip locations and results.

Paynes Find North (E59/2660, 2661, 2662 & E59/2701)

Assay results (Figure 1) for seven rock chip samples returned several highly encouraging results with significant lithium, rubidium and caesium values along with elevated tantalum and niobium. The best result was reported from rock chip sample PFNR016, which recorded a lithium assay approaching an ore grade of 4,170ppm Li (0.9% Li₂O), 2,650ppm Rb (0.29% Rb₂O) and 178ppm Cs. This sample (Figure 2) was collected from a weathered pegmatite sub-crop approximately 3 metres wide consisting of very coarse-grained K-feldspar and muscovite grains with an opaque quartz pegmatitic mineral assemblage trending approximately 110 degrees east-southeast.

Rock chip sample PFNR015 recorded 486ppm Li (0.1% Li₂O), 1,420ppm Rb (0.16% Rb₂O) and 112ppm Cs approximately 20 metres north from PFNR016. Field logging of this sub-crop consisting of three sub-parallel units (Figure 3) recorded a weathered, coarse-grained felsic intrusive comprised mainly of K-feldspar and quartz also trending east-southeast.

Three other rock chip samples (PFNR010, PFNR011 and PFNR013) also recorded anomalous Li-Rb-Cs values, along with elevated tantalum and niobium from various pegmatite outcrops. Rock chip sample PFNR013 was collected approximately 150 metres north of PFNR016 while PFNR010 and PFNR011 were collected approximately 2.5 kilometres to the west in an adjacent Li-Rb-Cs soil anomalous envelope.

DIRECTORS' REPORT (continued)

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Figure 2: Paynes Find North Rock Chip Sample PFNR016 images on sub-crop.



Figure 3: Paynes Find North Rock Chip Sample PFNR015 images on sub-crop.

All these recent rock chip samples are located approximately 6 kilometres north-northwest of previously reported rock chip results (Figure 4) recording Li-Rb-Cs anomalism with associated lithium pathfinder elements.

DIRECTORS' REPORT (continued)

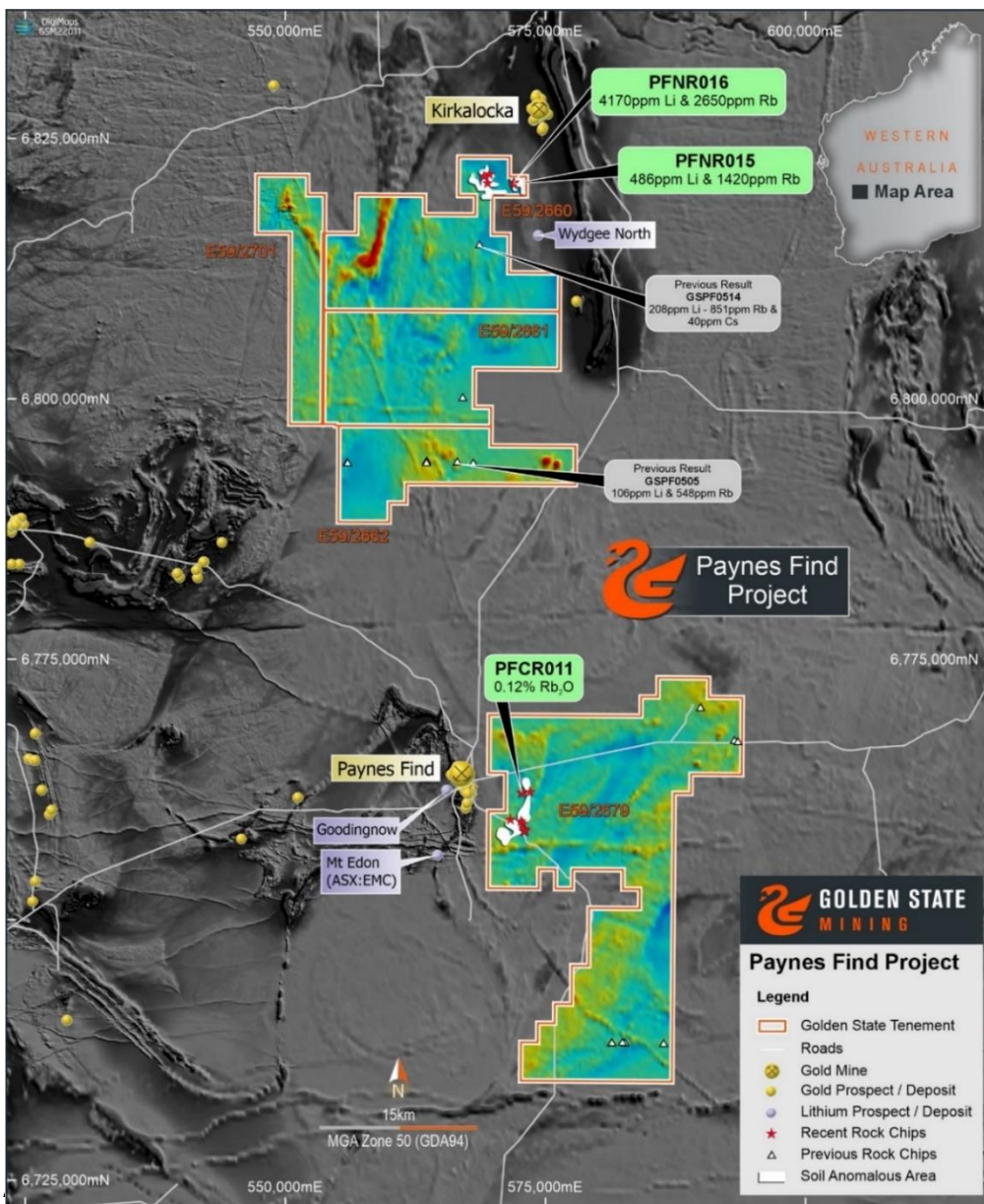


Figure 4: Paynes Find Regional plan showing recent and previous geochemical results.

The rock chip assay results demonstrate the significant number of the mapped pegmatites at Paynes Find North are of lithium-caesium-tantalum ('LCT') affinity, confirming the identified geochemical signatures from systematic soil sampling. This interpretation is corroborated by several key element fractionation indices, including potassium/rubidium (K/Rb), potassium/caesium (K/Cs) and niobium/tantalum (Nb/Ta) which have been used to assess the prospectivity of their pegmatite hosts. Fractionation indices from the rock chips vary from moderate to high.

The samples with lithium > 180 ppm have K/Rb ratios ≤ 30 and Nb/Ta ≤ 0.7 . The highest lithium contents in samples PFNR015 and PFNR016 had the most favourable fractionation indices, including K/Cs < 400. The consistency of these values with lithium results indicates the potential for a highly fractionated system that may contain economic lithium mineralization if pegmatites of sufficient size lie beneath the sampled outcrop.

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DIRECTORS' REPORT (continued)

Paynes Find Central (E59/2679)

Assay results from eleven rock chip samples collected from pegmatite sub-crops (Figure 5) in another Li-Rb-Cs soil anomalous area at Paynes Find Central reported anomalous and elevated rubidium in the majority of samples with the most significant result of 1,060ppm Rb (0.12% Rb₂O) from rock chip sample PFCR011.



Figure 5: Paynes Find Central rock chip location on a mapped pegmatite outcrop (yellow dashed lines).

Rock chip sample PFCR012 was collected approximately 800 metres to the east of PFCR011 and reported 1,050ppm Rb (0.12% Rb₂O). No significant lithium anomalism is reported in these results.

Samples have been submitted for preliminary mineralogical test work including XRD analysis to identify the mineral suite in these samples.

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Yule Project (Lithium - Gold)

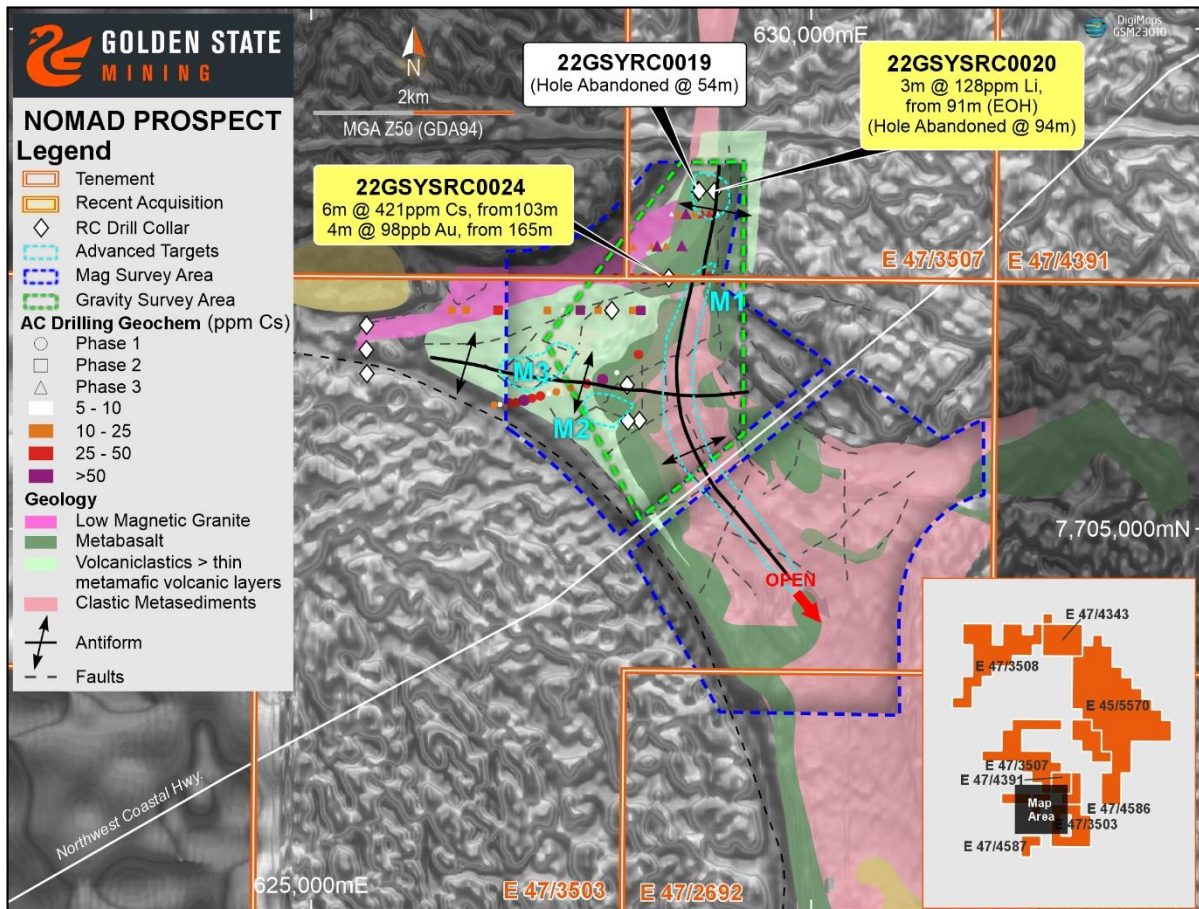


Figure 6: Nomad prospect summary plan showing geophysical survey areas

Nomad prospect gravity and magnetic survey results

On ground fieldwork in June/July included a detailed ground gravity surveying at the Nomad prospect which identified several responses that could be interpreted as concealed pegmatites (Figure 6 & 7). A pegmatite body is likely to have a lower rock density than the surrounding rocks that it has intruded, being expressed as a gravity low.

The gravity survey results revealed subtle, low-density features which may represent possible pegmatite intrusives.

In addition to the gravity data, a high-resolution, drone magnetic survey was completed (Figure 8) and this data corroborated the gravity interpretation, showing breaks in the north-south magnetic trends consistent with the intrusion of interpreted non-magnetic potential pegmatite units. These two valuable data sets provided the basis for follow up RC & AC drilling at Nomad.

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DIRECTORS' REPORT (continued)

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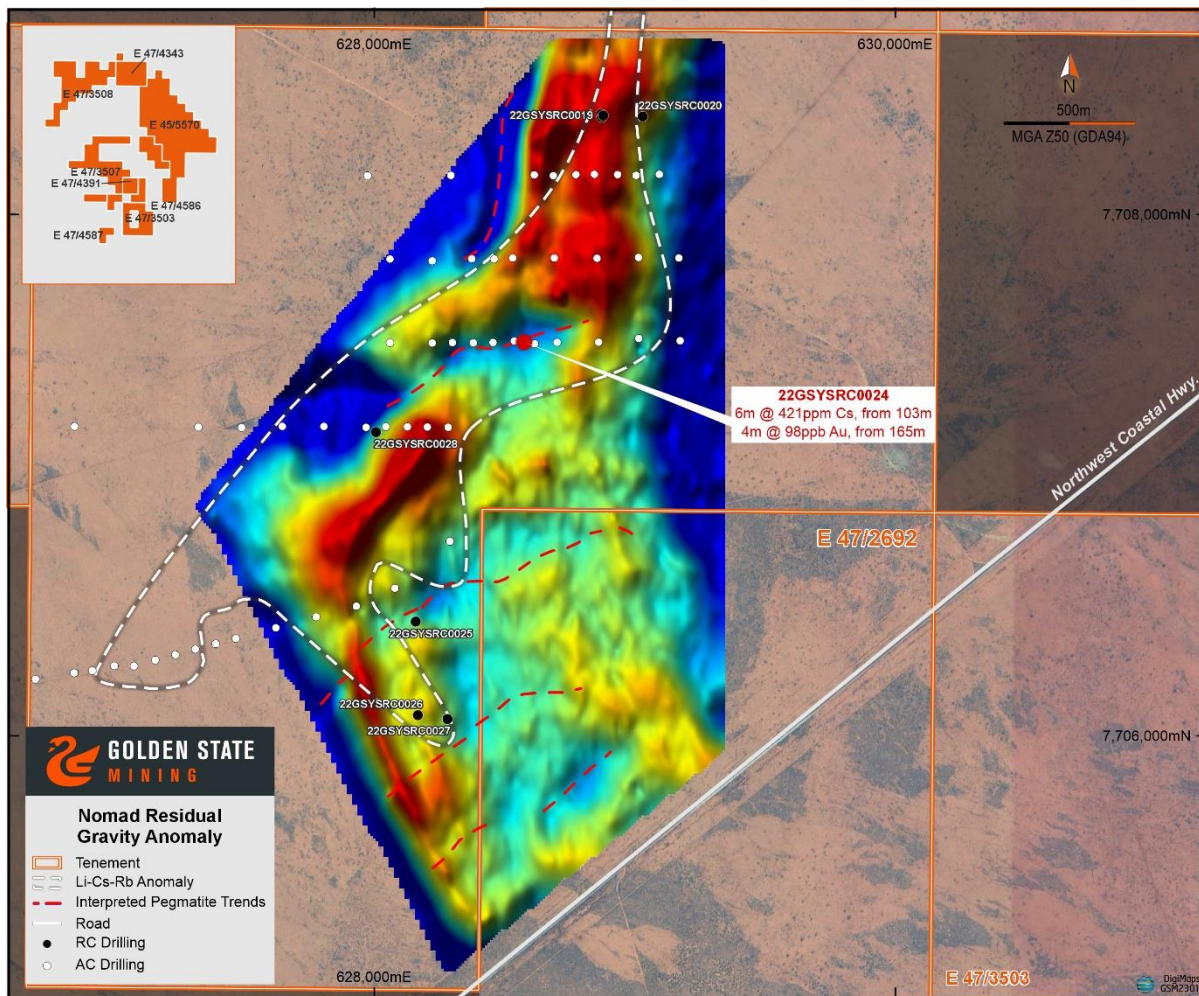


Figure7: Nomad detailed ground gravity results showing interpreted pegmatite trends

DIRECTORS' REPORT (continued)

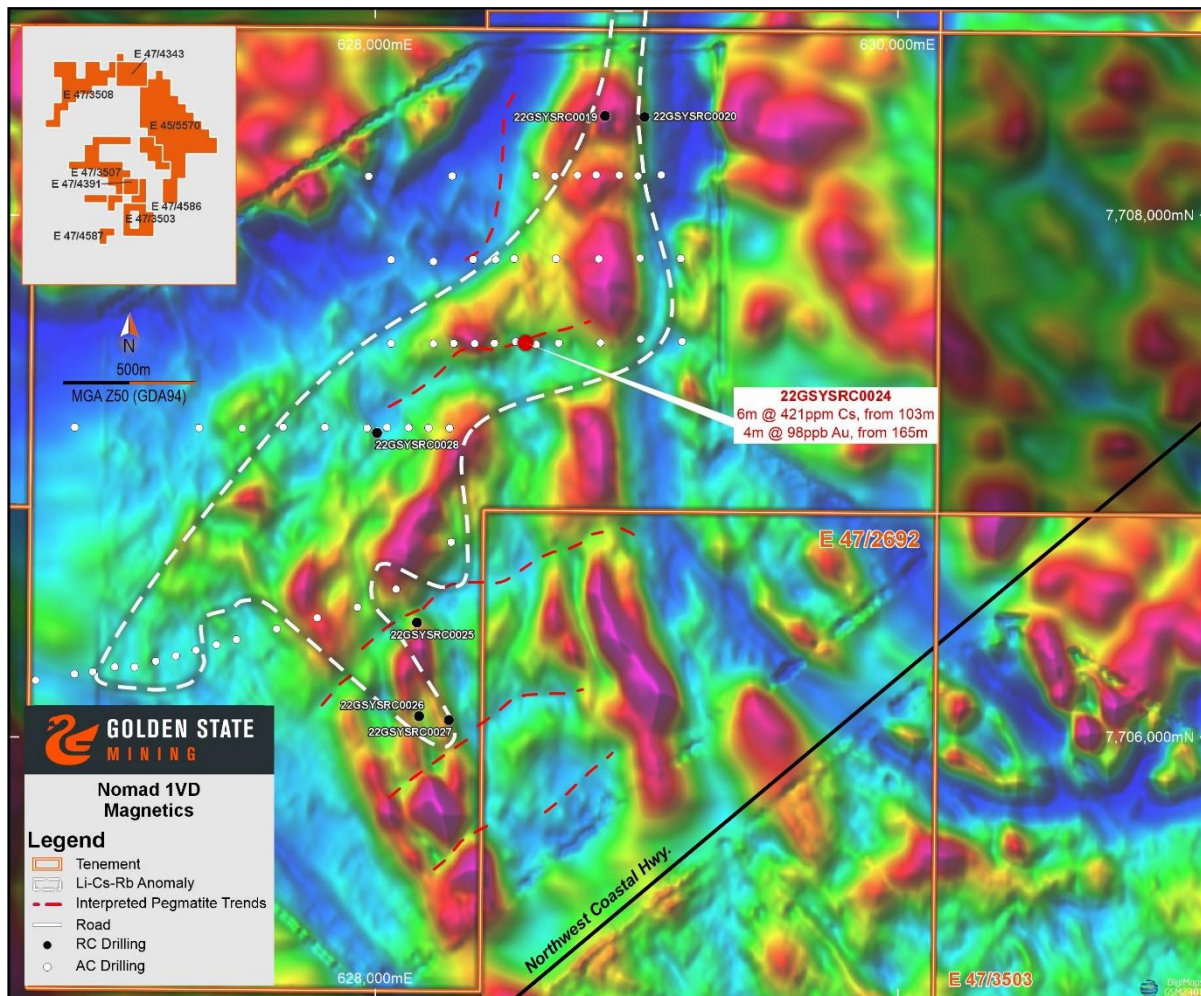


Figure 8: Nomad high-resolution magnetic survey results showing interpreted pegmatite trends.

Yule RC and AC drilling Program

All drilling results for the reverse circulation ('RC') drill program undertaken in the first quarter were received in late October 2023. Air-core ('AC') drilling (109 holes, 10,052m) was also completed over multiple, previously defined prospects at the Yule Project with composite results received for Nomad, Quarry Well and Balla Yule.

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DIRECTORS' REPORT (continued)

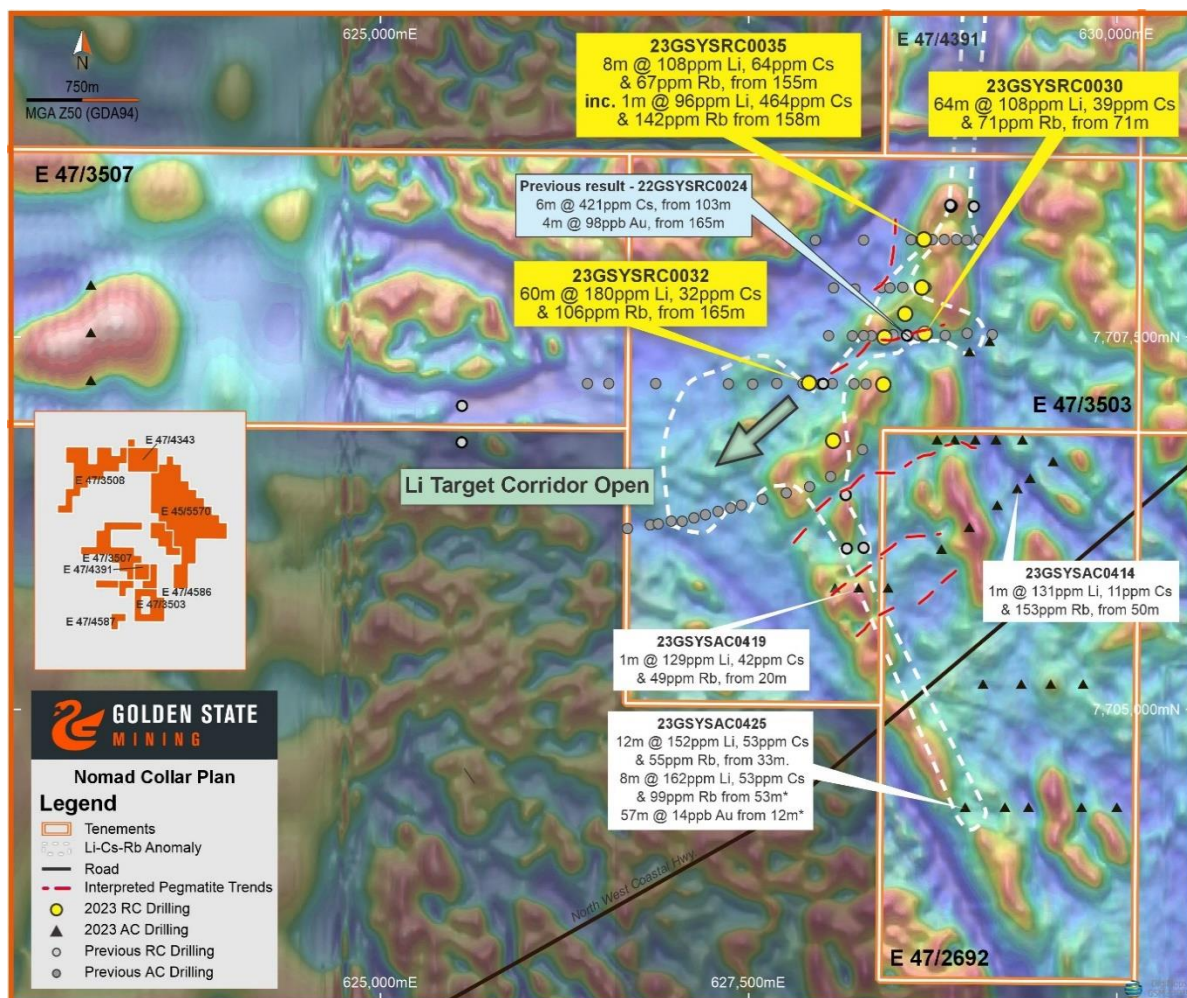


Figure 9: Nomad Prospect RC and AC Collar Plan showing Significant Results.

Nomad (Li) prospect RC Drilling

RC drilling at the Nomad Prospect (Figure 9) recorded broad coherent zones of anomalous lithium-Caesium-Rubidium ('Li-Cs-Rb') with associated arsenic ('As') in altered and deformed, schistose greenstone and intrusive rocks summarised below. The occurrence of arsenic as an accessory mineral at Nomad is significant as it has previously been documented at major lithium pegmatite deposits. Also, the interpreted deformation and host rock alteration within these drill intercepts is suggestive of regional fluid flow from a potential pegmatite source.

Drillhole 23GSYSRC0032 intersected an encouragingly wide and coherent interval of 60m @ 180ppm Li, 32ppm Cs & 106ppm Rb with 125ppm arsenic ('As') from 74m which was located on a coincident gravity and magnetic low previously interpreted as a potential geophysical signature of a pegmatite body. This anomalous intercept is supported by drillhole 23GSYSRC0030, which intersected a similar coherent interval of 64m @ 108ppm Li, 39ppm Cs and 71ppm Rb with 168ppm As from 71m approximately 850m NE of 23GSYSRC0032 in the same prospective target corridor.

Hole 23GSYSRC0032 recorded an interpreted fine to medium-grained biotite schist with bladed to acicular texture. Hole 23GSYSRC0030 recorded carbonate-chlorite+-magnetite+-

DIRECTORS' REPORT (continued)

silica alteration in an ultramafic schist sequence with minor discrete dioritic (1-2m width downhole) and vein quartz zones.

Significantly, drillhole 23GSYSRC0035 intersected 8m @ 108ppm Li, 64ppm Cs & 67ppm Rb with 3460ppm As from 155m (Inc. 1m @ 96ppm Li, 464ppm Cs & 142ppm Rb from 158m) approximately 340 metres to the NNE of the very high Cs interval of 6m @ 421ppm Cs with 5290ppm As recorded in previous GSM drilling in 2022. Hole 23GSYSRC0035 also intercepted a silica+chlorite+magnetite+biotite altered schistose sequence with up to 2% sulphide content at 156m to 160m downhole.

It is important to note, lithium and pathfinder values appear to be increasing on a southwest trend (Holes 0035-0030-0032) where the prospective low magnetic corridor remains open and completely untested by any drilling for approximately 1.5 kilometres. (Figure 10). The presence of moderately magnetic greenstones in this open area further supports the prospectivity of this corridor as a potential pegmatite host.

Nomad (Li) prospect AC Drilling

An AC drilling program was completed and assay results received for the Nomad lithium prospect (Figure 9). This drilling recorded several anomalous end of hole ('EOH') Li-Cs-Rb intervals on recently acquired, untested ground immediately to the south of the RC drilling area.

Drillhole 23GSYSAC0425 recorded 12m @ 152ppm Li, 53ppm Cs & 55ppm Rb with 3260ppm As from 33m and 8m @ 162ppm Li, 53ppm Cs & 99ppm Rb 306ppm As from 53m. A broad interval of slightly elevated gold (to EOH) was also recorded in 23GSYSAC0425 with 57m @ 14ppb. This interval was hosted in an interpreted weathered, fine-grained metasedimentary sequence with associated zones of 5-25% quartz veining. Three other drillholes (23GSYSAC0419,0425 and 0414) intersected elevated Li, Cs and Rb.

The discrete RC targeting and follow-up AC drilling at Nomad has provided additional coverage of elevated and anomalous Li-Cs-Rb data in this colluvium-concealed area. Although pegmatitic intrusives were not observed in the recent drilling completed, logging observations have revealed a deformed and altered greenstone package that represents a suitable host rock for pegmatite intrusives and/or possibly lode gold mineralization. The broad zones of Li-Cs-Rb anomalism have underpinned the previous end of hole AC anomalous intersections and provide valuable information for targeting in the next phase of drilling.

Elevated lithium pathfinders in a deformed greenstone package with associated discrete intermediate intrusives and quartz veining support further investigation pending a comprehensive assessment of all geophysical, lithological and analytical data from the Nomad prospect, including the application of innovative exploration techniques.

Balla Yule (Ni-Co-Cu) prospect

Three RC holes and three AC holes (Figure 10) were completed at the Balla Yule prospect to test the layered mafic-ultramafic intrusive hosted Ni-Co-Cu sulphide style mineralisation. The

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DIRECTORS' REPORT (continued)

three RC holes were located on the northern and southern magnetic limbs of the interpreted synformal feature. Drillhole 23GSYNRC0001 was drilled into the southern limb and was designed to test an electromagnetic conductor delineated previously by GSM. This hole was located approximately 500 metres south of a significant intersection in historic drillhole BYRC003 drilled by a previous explorer (Figure 10). 23GSYNRC0001 was abandoned at 61 metres due to drilling difficulties ending in encouraging elevated copper values of +200ppm Cu.

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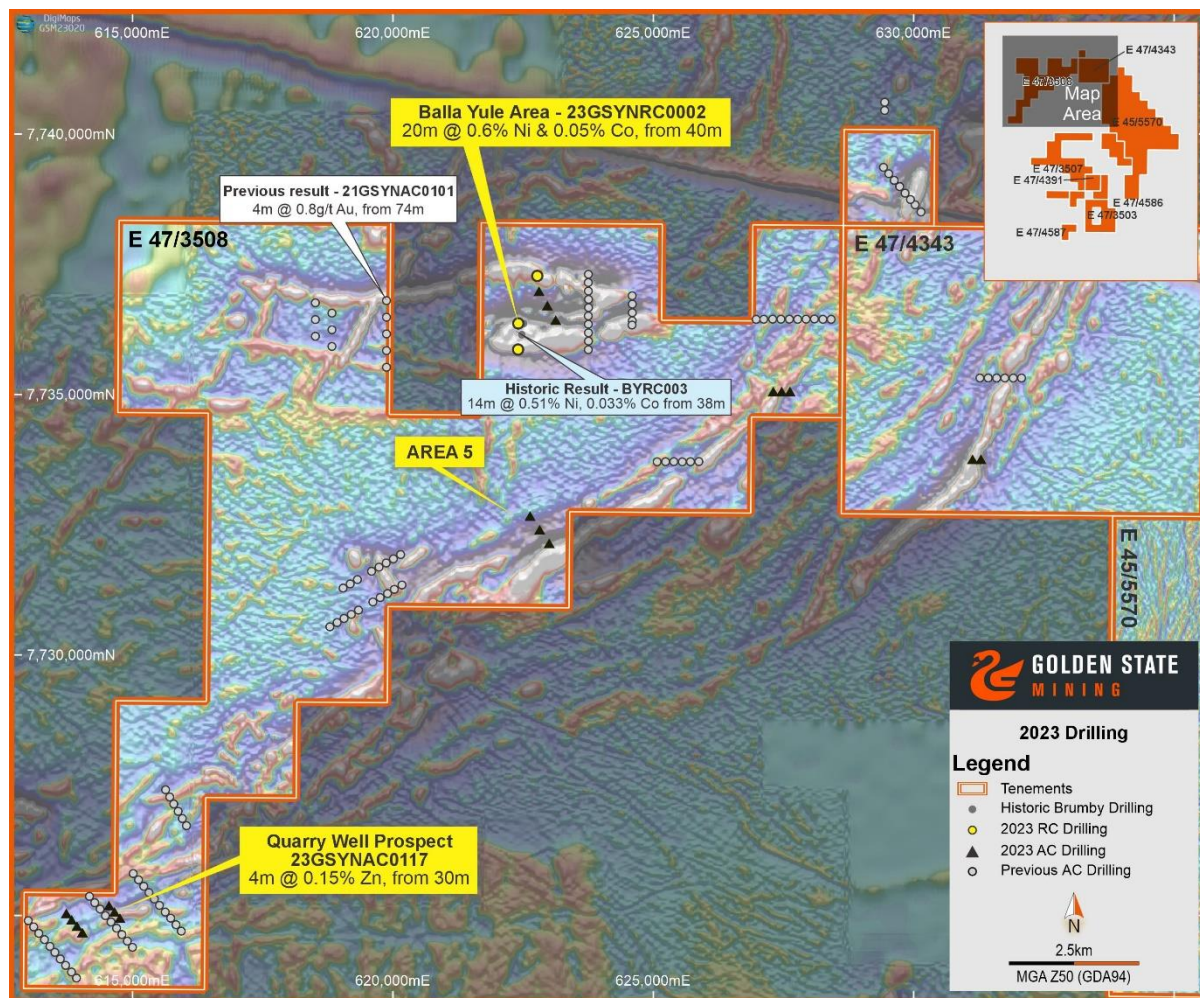


Figure 10: Balla Yule and Quarry Well Collar Plan Showing Significant Results.

Drillhole 23GSYNRC0002 was also drilled into the southern limb approximately 50 metres west of previous explorers' hole BYRC003 to reconcile the historic assay values and test for continuity. GSM drilling recorded 20 metres @ 0.6% Ni & 0.05% Co from 40 metres (bedrock surface). This mineralisation was hosted in an interpreted weathered ultramafic peridotite. The Ni-Co mineralisation was observed in a well-developed ferruginous silica-maghemite+magnesite oxidised ultramafic horizon overlying an interpreted medium-grained silica+carbonate+magnetite+chlorite altered ultramafic intrusive with minor fine-grained disseminated pyrrhotite-pyrite and a thin porphyry intrusive. Further targeting and a study of analytical results will shape a future exploration strategy for the Ni-Co sulphide potential beneath known 'oxide-hosted Ni-Co mineralisation' at Balla Yule as demonstrated by previous petrographic work.

DIRECTORS' REPORT (continued)

Drillhole 23GSYNRC0003 was drilled into the northern limb of the interpreted synformal feature. Logging revealed dominantly granite +/- porphyry lithologies with minor ultramafic rocks suggesting a strongly deformed, folded ultramafic unit possibly stopped out by granite and hosting common intermediate intrusive dykes-sills. No significant assay results were recorded.

Three AC holes were also drilled within the synformal core area of interpreted layered mafic-ultramafic intrusive body. No significant results were recorded.

Quarry Well (Pb-Zn) prospect

Follow up AC drilling (Figure 10) at the Quarry Well prospect within the Sholl Shear Zone evaluated previous GSM drill results and a coincident historic VTEM anomaly. The best intersection was recorded in drillhole 23GSYNAC0117 with 4m @ 0.15% Zn from 30 metres. Drill logging recorded fine grained, silicified, partially chert-like metasedimentary rocks and granitic lithologies. Previous GSM drilling recorded similar chert-like rocks within a strongly sheared and hydrothermally altered mafic package consisting of quartz-sericite-pyrite schists.

Yule North Area 5

Three AC holes were drilled into an interpreted deformed section of the Sholl Shear Zone ('SSZ'). Two holes (23GSYNAC0120-121) intersected anomalous +10ppb gold values at the end of hole. Field logging in hole 23GSYNAC0120 recorded a mafic host rock with significant widths of quartz veining and shearing, of varying intensity.

Yule East prospect (E45/5570) - gold

GSM completed a wide-spaced AC drill program (63 holes, 7,835m) at Yule East in October 2023 (Figure 11). This program included follow up drilling from previous anomalous AC results along the Yule River Shear Zone ('YRSZ') and investigation of a Kanowna Belle-style target model based on Archaean gold deposits within the Eastern Yilgarn region of Western Australia.

AC drilling demonstrated typical Archaean gold system features within an approximate 10km long, significant north trending structural corridor up to 500m wide which is interpreted to represent the YRSZ (and associated splays). Field logging observations recorded encouragingly broad zones with "classic gold host" hallmarks including partially to strongly sheared, banded, broad chlorite-silica-epidote-leucosene alteration zones within schist and metasedimentary host rock types. Accompanying broad, persistent zones of irregular, fine-grained disseminated pyritic (0.1-5% pyrite) and irregular blue grey quartz veining were also recorded.

The best gold result was reported at the end of hole 23GSYEAC0098 with 7m @ 129ppb Au from 120m including a composite sample interval of 4m @ 190ppb Au from 120m. Another interval of gold anomalism was reported 320m to the west in hole 23GSYEAC0096 with 12m @ 51ppb Au from 90m & 4m @ 50ppb Au from 126m. The most consistent area of +50ppb gold and associated pathfinder anomalism was recorded in the northern section of YRSZ. Although drilling did not intersect any ore-grade gold intercepts, the wide-spaced nature of the AC drilling,

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DIRECTORS' REPORT (continued)

on selective drill lines, along with the variable to strong deformation, shear fabric development and broad alteration including sulphide disseminated zones, provided confidence in the potential gold fertility of this underexplored Yule East ground and the YRSZ structural corridor.

Additional base metal copper anomalism associated with this major feature was also recorded in several AC holes at Yule East. Of particular note are two anomalous +500ppm copper ('Cu') intersections that were recorded in selected multi-element composite samples from two holes based on anomalous +200ppm portable X-ray Fluorescent ('pXRF') copper readings taken on single-metre drill spoil piles within the corresponding intervals. 23GSYEAC0127 reported 4m @ 1020ppm (0.1%) Cu from 23m in saprolite interpreted as a highly weathered metasediment unit.

The GSM technical team will fully evaluate the gold and copper results in conjunction with all previous and historic drilling data to determine their significance and establish the appropriate follow up drilling strategy.

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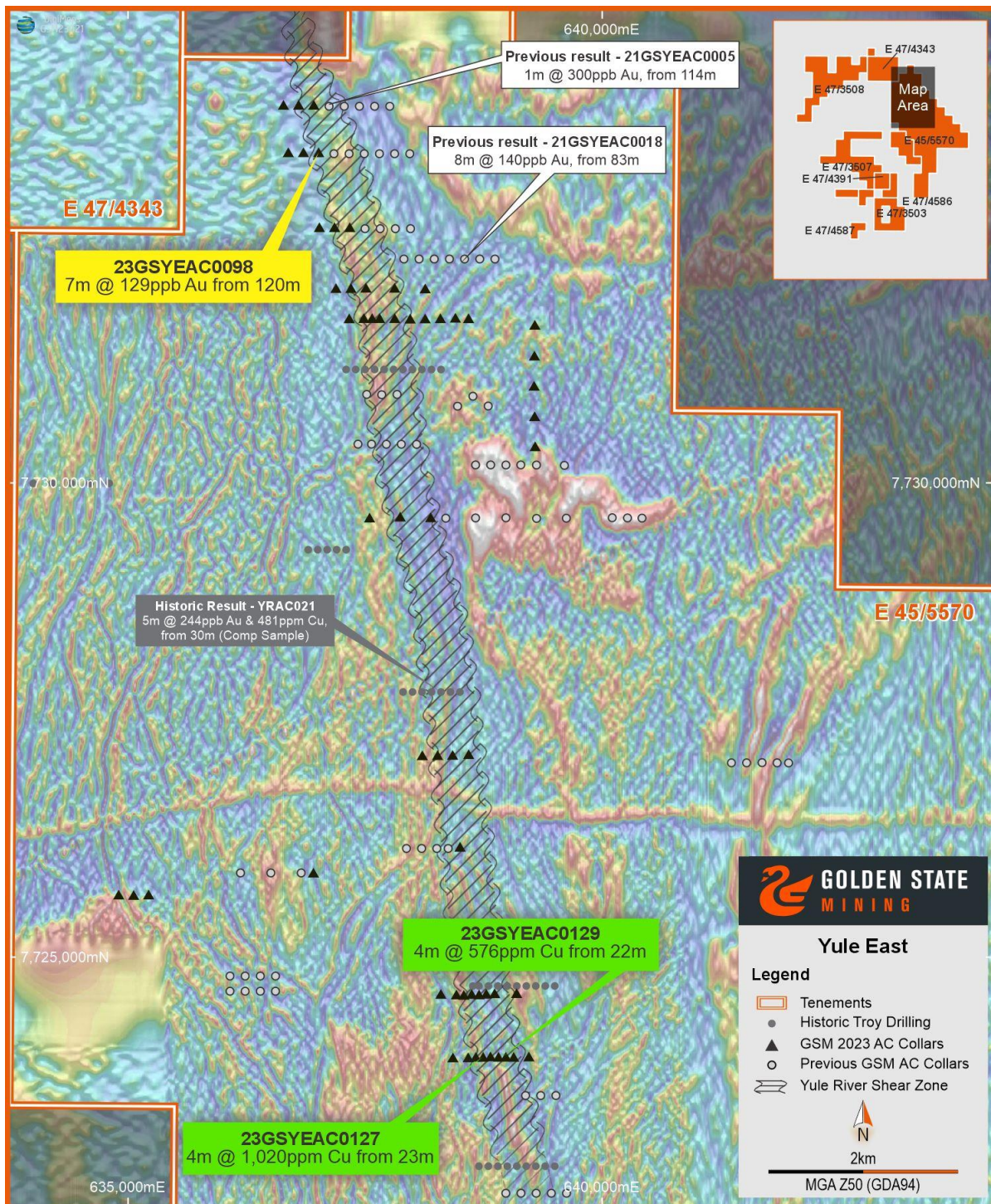


Figure 11: Yule East Collar Plan showing significant results.

Southern Cross East – Gold project

The Company received and interpreted ultrafine soil geochemistry results from follow up geochemical sampling at its Southern Cross East ('SXE') project (Figure 12). 562 soil samples were collected by independent contractors for analysis of the ultrafine sample fraction (<2µm) on an infill and extension spacing on 200m centres along 400m spaced, east-

DIRECTORS' REPORT (continued)

west orientated lines. This follow up sampling was located to the east of the Phase 1 soil sampling program in an attempt to further define higher priority areas recording anomalous gold and pathfinder elements.

A similar gold targeting strategy, using various statistical grouping and levelling methods of the multi-element assay data was completed by an independent consultant geochemist.

The resultant >90th percentile sample population has now identified a revised total of 41 areas of interest which have been ranked in order of priority for follow up work. The two highest priority areas from Phase 1 sampling have been expanded and are still considered significant due to their proximity to structural trends showing anomalous low-level gold (Au) values supported by other pathfinder elements including silver (Ag), arsenic (As), copper (Cu), nickel (Ni), antimony (Sb) and tungsten (W).

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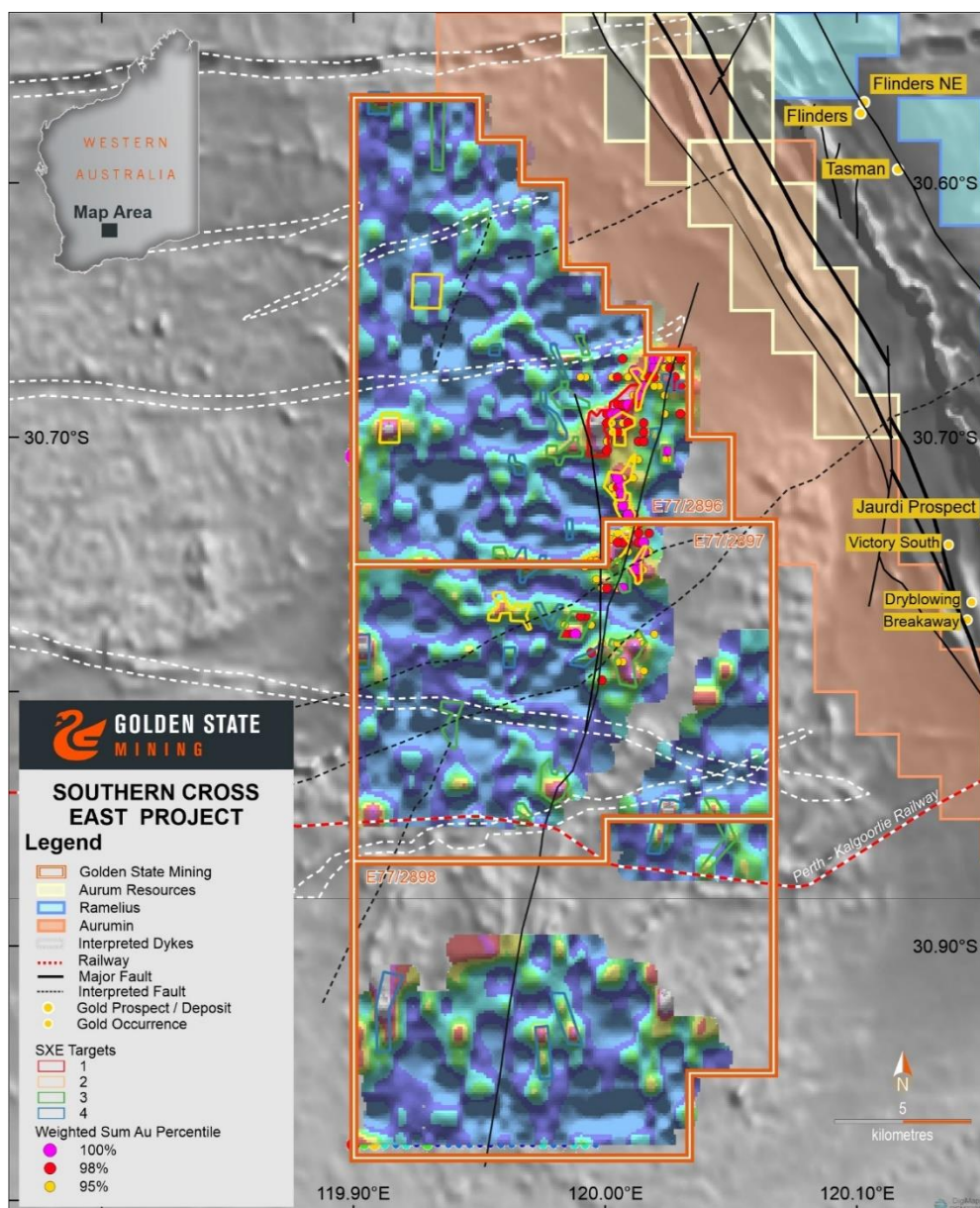


Figure 12: Southern Cross East Project plan showing follow up soil sample locations and results.

DIRECTORS' REPORT (continued)

Four Mile Well – Gold Project

The Company announced the completion of a targeted air-core ('AC') drill program (12 holes, 982m) on its recently granted tenement (E38/3632) at the Four Mile Well Project near Laverton in Western Australia (Figure 13).

The drilling was designed to assess recently generated gold-in-soil anomalies. Composite gold results were received with no significant gold results or pathfinder element trends recorded.

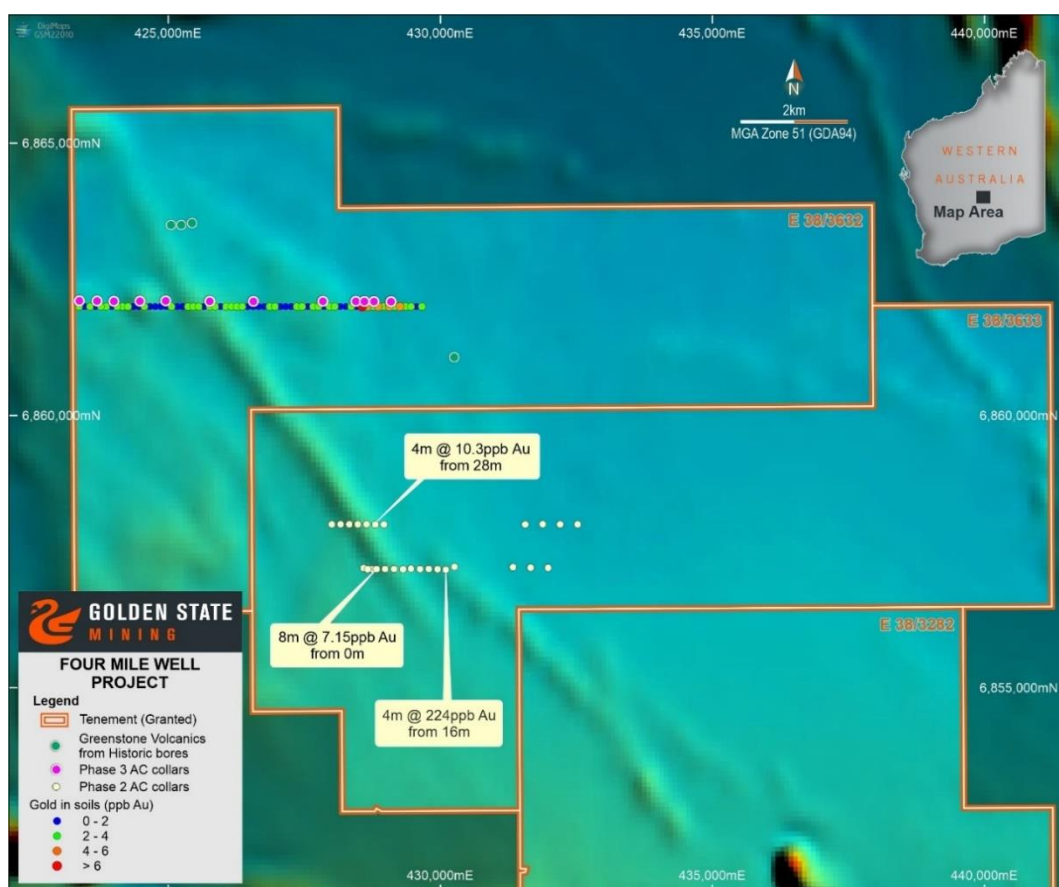


Figure 13: Four Mile Well Plan showing phase three AC collar locations and previous results.

Note that tenements E 38/3282 and E 38/3633 were relinquished during the reporting period.

Revenues and results

A summary of the Group's revenues and results for the period is set out below:

	2023		2022	
	Revenues	Results	Revenues	Results
	\$	\$	\$	\$
Consolidated entity revenues and loss	61,411	(1,966,497)	30,592	(1,674,188)

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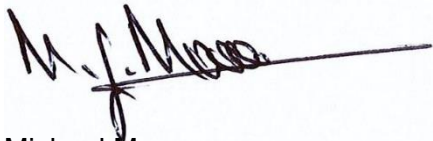
Golden State Mining Limited

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DIRECTORS' REPORT (continued)

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 21.

A handwritten signature in black ink, appearing to read 'M. Moore', written over a horizontal line.

Michael Moore
14 March 2024

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14 March 2024

Board of Directors
Golden State Mining Limited
Suite 15, 19-21 Outram Street
West Perth WA 6005

Dear Sirs

RE: Golden State Mining Limited

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of Golden State Mining Limited.

As Audit Director for the review of the financial statements of Golden State Mining Limited for the half-year ended 31 December 2023, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.

Yours faithfully

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD
(An Authorised Audit Company)

Martin Michalik
Director

Golden State Mining Limited

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2023**

	Notes	31 December 2023 \$	31 December 2022 \$
REVENUE			
Interest revenue		53,661	30,592
Gain on sale of shares	8	7,750	
EXPENDITURE			
Administration expenses		(208,951)	(244,277)
Depreciation expense	7	(10,527)	(14,156)
Exploration and tenement expenses		(1,431,602)	(807,266)
Share-based payments expense		-	(216,482)
Employee benefits expense		(376,828)	(375,099)
Loss on shares at FVTPL		-	(47,500)
(LOSS) BEFORE INCOME TAX		(1,966,497)	(1,674,188)
Income tax benefit/(expense)		-	-
(LOSS) FOR THE HALF-YEAR ATTRIBUTABLE TO MEMBERS OF GOLDEN STATE MINING LIMITED		(1,966,497)	(1,674,188)
OTHER COMPREHENSIVE INCOME			
<i>Items that may be reclassified to profit or loss</i>		-	-
Other comprehensive income for the period, net of tax		(1,966,497)	(1,674,188)
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD ATTRIBUTABLE TO MEMBERS OF GOLDEN STATE MINING LIMITED		(1,966,497)	(1,674,188)
Basic and diluted (loss) per share (cents)		(0.98)	(1.43)
Weighted average no. of shares		200,915,345	116,856,316

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

Golden State Mining Limited

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2023**

		31 December 2023 \$	30 June 2023 \$
	Notes		
CURRENT ASSETS			
Cash and cash equivalents		2,534,708	2,069,602
Trade and other receivables		51,363	40,689
Accrued income		8,191	5,500
Prepayments		20,760	6,719
TOTAL CURRENT ASSETS		2,615,022	2,122,510
NON-CURRENT ASSETS			
Property, plant and equipment	7	33,895	43,740
Financial assets	8	-	37,500
TOTAL NON-CURRENT ASSETS		33,895	81,240
TOTAL ASSETS		2,648,917	2,203,750
CURRENT LIABILITIES			
Trade and other payables		208,756	369,146
Provisions		196,308	176,512
TOTAL CURRENT LIABILITIES		405,064	545,658
NON-CURRENT LIABILITIES			
TOTAL NON-CURRENT LIABILITIES		-	-
TOTAL LIABILITIES		405,064	545,658
NET ASSETS		2,243,853	1,658,092
EQUITY			
Issued capital	3	16,366,287	13,836,862
Reserves	3	1,932,929	1,910,096
Accumulated losses		(16,055,363)	(14,088,866)
TOTAL EQUITY		2,243,853	1,658,092

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

Golden State Mining Limited

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2023**

	Contributed Equity \$	Reserves \$	Accumulated Losses \$	Total \$
BALANCE AT 1 JULY 2022	13,150,506	1,668,246	(11,281,081)	3,537,671
Loss for the period	-	-	(1,674,188)	(1,674,188)
TOTAL COMPREHENSIVE INCOME (LOSS)	-	-	(1,674,188)	(1,674,188)
TRANSACTIONS WITH OWNERS IN THEIR CAPACITY AS OWNERS				
Share-based payments	-	186,482	-	186,482
Cue royalty restructure paid in shares	30,000	-	-	30,000
BALANCE AT 31 DECEMBER 2022	13,180,506	1,854,728	(12,955,269)	2,079,965
BALANCE AT 1 JULY 2023	13,836,862	1,910,096	(14,088,866)	1,658,092
Loss for the period	-	-	(1,966,497)	(1,966,497)
TOTAL COMPREHENSIVE INCOME (LOSS)	-	-	(1,966,497)	(1,966,497)
TRANSACTIONS WITH OWNERS IN THEIR CAPACITY AS OWNERS				
Lead manager options	-	22,833	-	22,833
Proceeds from issue of shares	2,765,050	-	-	2,765,050
Securities issue costs	(235,625)	-	-	(235,625)
BALANCE AT 31 DECEMBER 2023	16,366,287	1,932,929	(16,055,363)	2,243,853

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

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**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2023**

	31 December 2023	31 December 2022
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Interest received	50,970	28,060
Payments to suppliers and employees	(2,182,690)	(1,301,640)
Net cash (used in) operating activities	<u>(2,131,720)</u>	<u>(1,273,580)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for plant and equipment	(682)	-
Proceeds from sale of financial assets	45,250	-
Net cash (provided by) investing activities	<u>44,568</u>	<u>-</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of shares	2,765,050	-
Share issue costs	(212,792)	-
Net cash provided by financing activities	<u>2,552,258</u>	<u>-</u>
Net increase/(decrease) in cash and cash equivalents	465,106	(1,273,580)
Cash and cash equivalents at the beginning of the half-year	2,069,602	3,736,729
CASH AND CASH EQUIVALENTS AT THE END OF THE HALF-YEAR	<u>2,534,708</u>	<u>2,463,149</u>

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

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CONDENSED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1: BASIS OF PREPARATION OF THE HALF-YEAR FINANCIAL REPORT

This condensed consolidated interim financial report for the half-year reporting period ended 31 December 2023 has been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

This condensed consolidated interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2023 and any public announcements made by Golden State Mining Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period except as noted below.

The financial statements were authorised for issue by the directors on 14 March 2024. The directors have the power to amend and reissue the financial statements.

Going concern

The financial statements have been prepared on the going concern basis, which contemplates the continuity of normal business activities and the realisation of assets and settlement of liabilities in the normal course of business.

The Company incurred a loss for the period \$1,966,497 (2022: \$1,674,188). At 31 December 2023, the Company had a working capital surplus of \$2,209,958 (30 June 2023: \$1,576,852) with cash and cash equivalents of \$2,534,708 (30 June 2023: \$2,069,602) available. The Directors have prepared a cashflow forecast, which indicates that the Group will have sufficient cash flows to meet all commitments and working capital requirements for the 12 months period from the date of this financial report. Further some of the administrative and exploration tenement expenditure is discretionary and can be reduced where required.

Based on the cashflow forecasts, the directors are satisfied that the going concern basis of preparation is appropriate.

Should the entity not be able to continue as a going concern, it may be required to realise its assets and discharge its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements and that the financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or liabilities that might be necessary should the entity not continue as a going concern.

Accounting Policies

Adoption of new and revised Accounting Standards

Standards and Interpretations applicable to 31 December 2023

In the half-year ended 31 December 2023, a number of amended standards became applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting these amended standards.

NOTE 2: SEGMENT INFORMATION

The Group has identified that it operates in only one segment based on the internal reports that are reviewed and used by the board of directors (chief operating decision makers) in assessing performance and determining the allocation of resources. The Group's principal activity is mineral exploration.

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Golden State Mining Limited

CONDENSED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

NOTE 3: EQUITY SECURITIES ISSUED

Issued Capital

	December 2023 Shares	December 2023 \$	June 2023 Shares	June 2023 \$
Outstanding at the beginning of the year	144,264,205	13,836,862	116,421,319	13,150,506
Issues of ordinary shares				
Fully paid shares issued – Placements	135,106,425	2,765,050	27,250,001	735,750
Fully paid shares issued – Cue Royalty restructure	-	-	592,885	30,000
Lead Manager options cost				(28,925)
Transaction costs	-	(235,625)	-	(50,469)
Outstanding at the end of the period	279,370,630	16,366,287	144,264,205	13,836,862

Shares issued during the current year:

On 11 July 2023, 46,824,073 fully paid ordinary shares (“shares”) were issued at \$0.027 per share raising approximately \$1,264,250 before costs which finalised the second tranche placement post shareholder approval on 5 July 2023. On 20 November 2023, the Company issued 47,772,000 shares at \$0.017 per share (Tranche 1) which came with a 1 for 1 free attaching option (exercisable at \$0.05, expiring 2 Jun 2025) raising approximately \$812,124 before costs. On 22 December 2023, post shareholder approval on 15 December 2023, the company issued 40,510,352 shares at \$0.017 per share (Tranche 2) which came with a 1 for 1 free attaching option (exercisable at \$0.05, expiring 2 Jun 2025) raising approximately \$688,676 before costs.

As at 31 December 2023, the Company had 279,370,630 fully paid ordinary shares

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Golden State Mining Limited

CONDENSED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

Reserves

	December 2023 Number of options	December 2023 \$	June 2023 Number of options	June 2023 \$
Outstanding at the beginning of the year	18,050,000	1,910,096	16,972,560	1,668,246
Movements of options				
Issued, exercisable at \$0.05, expiring 21 May 2028 - Exploration rights acquisition	2,000,000	-	-	26,443
Issued, exercisable at \$0.06, expiring 26 June 2026 – Lead manager	2,000,000	-	-	28,925
Issued, exercisable at \$0.25, expiring 15 December 2024 - Directors & employees	-	-	-	90,542
Issued, exercisable at \$0.10, expiring 12 August 2024 – Cue Royalty Restructure	-	-	100,000	1,457
Issued, exercisable at \$0.05, expiring 2 June 2025 – Lead manager	5,000,000	22,833	-	-
Issued, exercisable at \$0.10, expiring 20 December 2024 - Directors & employees	-	-	5,900,000	94,483
Expiry of options	-	-	(4,922,560)	-
Outstanding at the end of the period	27,050,000	1,932,929	18,050,000	1,910,096

As at 31 December 2023, the Company had 27,050,000 unlisted options booked in reserves. As part of the share placement during the period there was 88,282,352 free attaching unquoted options (exercisable at \$0.05, expiring 2 June 2025) issued on a 1 for 1 basis. The total outstanding options as at 31 December 2023 was 115,332,352.

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CONDENSED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**NOTE 4: SHARE-BASED PAYMENTS**

The following table illustrates the number (No.) and weighted average exercise prices (WAEP) and movements in share options issued as share based payments as at 31 December 2023.

Options

	December 2023 No.	December 2023 WAEP	June 2023 No.	June 2023 WAEP
Outstanding at the beginning of the year	18,050,000	\$0.28	16,972,560	\$0.32
Granted during the period	9,000,000	\$0.05	6,000,000	\$0.10
Exercised during the period	-	-	-	-
Expired during the period	-	-	(4,922,560)	\$0.20
Outstanding at the end of the period	27,050,000	\$0.21	18,050,000	\$0.28
Exercisable at the end of the period	27,050,000	\$0.21	18,050,000	\$0.28

The weighted average remaining contractual life for the share options as at 31 December 2023 is 1.37 years.

The weighted average exercise price for the share options as at 31 December 2023 is \$0.21 (June 2023: \$0.28).

Options valuations Black-Scholes model was used for the valuation of share-based payments, taking into account the terms and conditions upon which the options were granted. The expected life of the options is based on historical data and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome.

Options issued during the current year:

On 8 November 2023, there were 5,000,000 unlisted options agreed to be granted to the Lead Manager which had a recognised value of \$0.00457 per option based on a Black-Scholes model with the following key inputs: interest free rate – 3.85%, volatility factor – 120% measured approximately 1.47 years prior to grant date – 15 December 2023, days to expiry 535, spot share price - \$0.016 and exercise price - \$0.05. The total fair value of the options is \$22,833. The options were issued on 22 December 2023. On 15 December 2023, the shareholders approved the options issue.

NOTE 5: DIVIDENDS

No dividends were paid during the year and no recommendation is made as to the dividends.

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CONDENSED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**NOTE 6: CONTINGENCIES**

In addition to statutory royalties generally applicable mineral production in Western Australia, certain tenements which make up part of the Group's Yule project are subject to private royalties in respect of minerals produced from those tenements. These private royalties are described in section 11.2 of the Company's IPO prospectus dated 22 August 2018.

NOTE 7: Property, Plant and Equipment

	December 2023	June 2023
	\$	\$
Property, Plant and Equipment at cost		
Opening balance	100,501	368,084
Additions	682	617
Disposals	-	(268,200)
Closing balance	101,183	100,501
Accumulated depreciation		
Opening balance	56,761	295,252
Depreciation for the year	10,527	25,560
Disposals	-	(264,051)
Closing balance	67,288	56,761
Summary		
At cost	101,183	100,501
Accumulated depreciation	(67,288)	(56,761)
Net carrying amount	33,895	43,740

NOTE 8: FINANCIAL ASSETS

During the period, 150,000 Victory Metals Limited (ASX:VTM) shares were sold for approximately \$45,250 resulting in a net realised gain on sale of \$7,750.

NOTE 9: SUBSEQUENT EVENTS

Other than as set out above or elsewhere in this report, no other matter or circumstance has arisen since 31 December 2023, which has significantly affected, or may significantly affect the operations of the Company, the result of those operations, or the state of affairs of the Company in subsequent financial years.

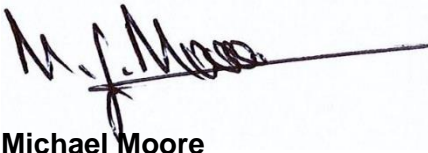
Golden State Mining Limited

DIRECTORS' DECLARATION

In the directors' opinion:

1. the financial statements and notes set out on pages 22 to 30 are in accordance with the *Corporations Act 2001*, including:
 - (a) complying with Accounting Standards AASB 134 Interim Financial Reporting, the *Corporations Act 2001* and other mandatory professional reporting requirements; and
 - (b) giving a true and fair view of the consolidated entity's financial position as at 31 December 2023 and of its performance for the half-year ended on that date; and
2. there are reasonable grounds to believe that Golden State Mining Limited will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the directors.



Michael Moore
Managing Director
14 March 2024

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**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF
GOLDEN STATE MINING LIMITED**

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Golden State Mining Limited (the "Company") and its controlled entities (the "Group"), which comprises the consolidated statement of financial position as at 31 December 2023, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, condensed notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that causes us to believe that the accompanying half-year financial report of Golden State Mining Limited does not comply with the *Corporations Act 2001* including:

- (a) giving a true and fair view of Golden State Mining Limited's financial position as at 31 December 2023 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the Auditor's Responsibilities for the Review of the Financial Report section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* has been given to the directors of the Company on 14 March 2024.



Responsibility of the Directors for the Financial Report

The directors of Golden State Mining Limited are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2023 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD
(An Authorised Audit Company)

Stantons International Audit & Consulting Pty Ltd

A handwritten signature in blue ink that reads "Martin Michalik".

Martin Michalik
Director

West Perth, Western Australia
14 March 2024

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