



ASX Announcement: 30 July 2020

JUNE 2020 QUARTERLY ACTIVITIES REPORT

Major new phase of exploration underway at Gidgee Gold Project, underpinned by recent \$7m capital raising, after focused geochemical and geological work delivers numerous exciting new targets during the quarter

HIGHLIGHTS

- Several exciting gold anomalies defined over the southern half of the Montague Granodiorite system following results from a surface geochemical sampling program.
- Following these results, this program was significantly extended for approximately 5km to the north, covering the entirety of the Montague Granodiorite system as well as units to the north, west and east.
- Planning continued for the resumption of drilling at the Gidgee Gold Project, with several high-priority targets identified, including:
 - The immediate southern extension to the 120,000oz Inferred Whistler Resource, following up on a previous RC intersection of 13m @ 1.6g/t Au from 58m which, combined with a series of historical RAB and air-core intersections, indicate the deposit is still open for up to 500m in this direction;
 - A newly-defined shallow, extensively mineralised structure to the north of the Achilles Prospect, which remains open for up to 600m to the historical Caledonian NE open pit. The previous RC program at Achilles returned intersections of 21m @ 2.1g/t Au from 32m, 13m @ 3.4g/t Au from 5m and 11m @ 3.0g/t Au from 32m within the northernmost RC drill sections completed to date;
 - Along-strike extensions immediately north of the Caledonian open pit, where a number of high-grade historical intersections remain untested;
 - Resource extension drilling at the 120,000oz Inferred Resource at Montague; and
 - The Kashmir geochemical target, located over a 1.8km strike length on the eastern margin of the Montague Dome.
- Subsequent to Quarter-end, drilling commenced and the program was significantly expanded with at least 15,000m of RC and 10,000m of air-core drilling planned in the second half of 2020. Gateway is positioned to undertake continuous programs of drilling that over the next six months and beyond.
- Gateway's Joint Venture partner, DiscovEx Resources Limited (ASX: DCX), announced further significant air-core drilling results from the Edjudina Gold Project and the extension of several anomalies through surface geochemical sampling. Reverse Circulation and diamond drilling programs are planned to test these anomalies during the September 2020 Quarter.

Corporate

- Strongly supported \$7m share placement completed subsequent to the Quarter, underpinned by existing and new institutional, professional and sophisticated investors including major shareholder Kerry Harmanis.
- Subsequent to Quarter-end, Gateway entered into a strategic Earn-In Agreement with Golden Mile Resources Ltd that significantly increases the footprint of the Gidgee Gold Project to over 1,000km².
- Dingo Resources Limited, a wholly-owned subsidiary of Alloy Resources Limited (ASX: AYR), exercised an Option to purchase Gateway's Bryah Basin Project.

COVID-19 RESPONSE

Gateway Mining (ASX: GML) (**Gateway or Company**) continued to implement several measures in response to the COVID-19 pandemic during the quarter:

- Field activities, including planned drilling programs, were suspended temporarily to safeguard the health and safety of all personnel and local communities, and to comply with the directives of the Western Australian Government.
- Prudent cost saving measures were implemented including:
 - Significant reductions in salaries for Executive Management;
 - Suspension of Directors' Fees;
 - Temporary suspension of field work pending relaxation of internal travel restrictions by the WA State Government; and
 - A significant reduction in administrative costs.

During the second half of the Quarter, intra-state travel restrictions within Western Australia were lifted, and the Company made the decision to re-commence low-impact field activities at the Gidgee Gold Project, predominantly field inspections and a surface geochemical sampling program.

GIDGEE GOLD PROJECT, WA (GML: 100%)

Key activities during the Quarter included a soil geochemical sampling program following the re-commencement of field activities at Gidgee, as outlined above. In addition, planning and preparatory works were undertaken for a major Reverse Circulation (RC) drilling campaign to commence early in the September 2020 quarter.

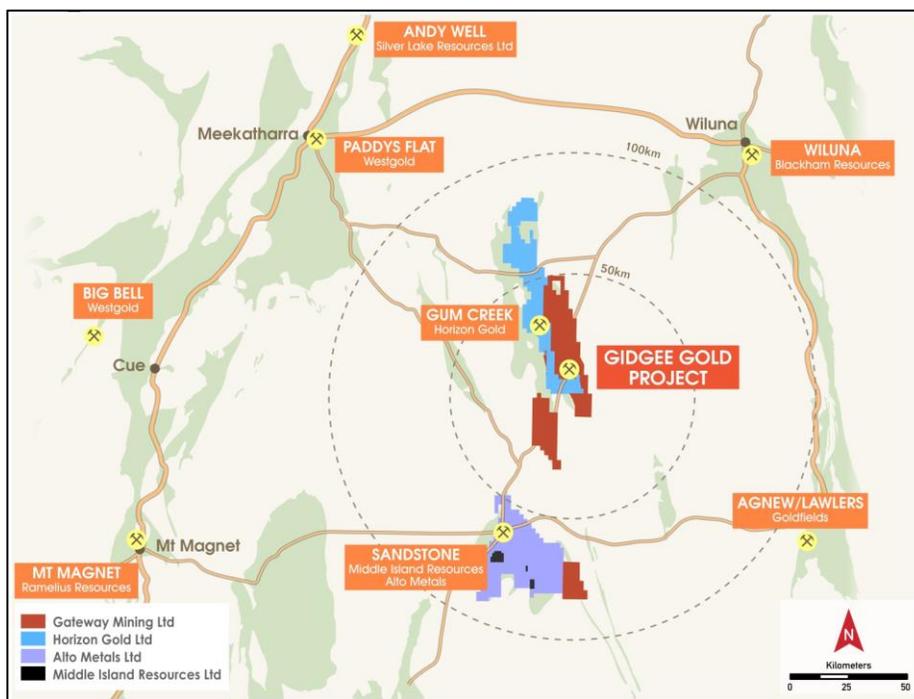


Figure (1): Gidgee Gold Project Location Plan

Montague Granodiorite – Surface Geochemical Sampling

During the Quarter, Gateway reported results from a soil geochemical sampling program covering the southern half of the Montague Granodiorite System which was completed late in the March 2020 quarter (see ASX Release 13th May 2020). A total of 1124 samples were collected on a nominal 200m x 50m grid (Figure 2). This program was successful in defining several high-order anomalies, both corresponding and extending from areas of historical gold mining activity, as well as a significant anomaly across the granodiorite body and into the host mafic volcanic sequence.

Several significant areas of anomalism have been defined (see Figures 2 and 3):

- A major anomaly named Crosswind, over 3.8km in length, has been defined corresponding to a north-east trending zone of intense structural deformation that cross-cuts the granodiorite body and extends into the mafic volcanics to the west. These structures appear to play an intimate role in the location of several historical gold prospects and along the western edge of the granodiorite system. Historical drilling in this area outside of the old workings largely consists of shallow RAB drilling. In light of recent compilation work undertaken by Gateway, it is considered that this shallow drilling was largely ineffective in testing bedrock gold mineralisation at the Gidgee Project.
- Extensive anomalism has been defined along the western contact of the Montague Granodiorite, corresponding to a line of historical gold workings known as the Dandelion Workings. This anomaly corresponds to an interpreted splay off the thrust fault that hosts mineralisation in the Caledonian pit to the north.
- Several of the anomalies are open to the north along the edge of this program, into areas of significant interest for potential gold mineralisation. As a result of the success of this program, the coverage of soil geochemical sampling is due to be extended to the north and west, to provide for complete coverage of the current areas being targeted by Gateway's exploration programs. A total of 36 holes for 1,141m of AC drilling were completed at a series of locations designed to provide geological information to assist with the ongoing interpretation of regional geophysical datasets and thus inform the generation of exploration targets at the Gidgee Project (Figure 2).

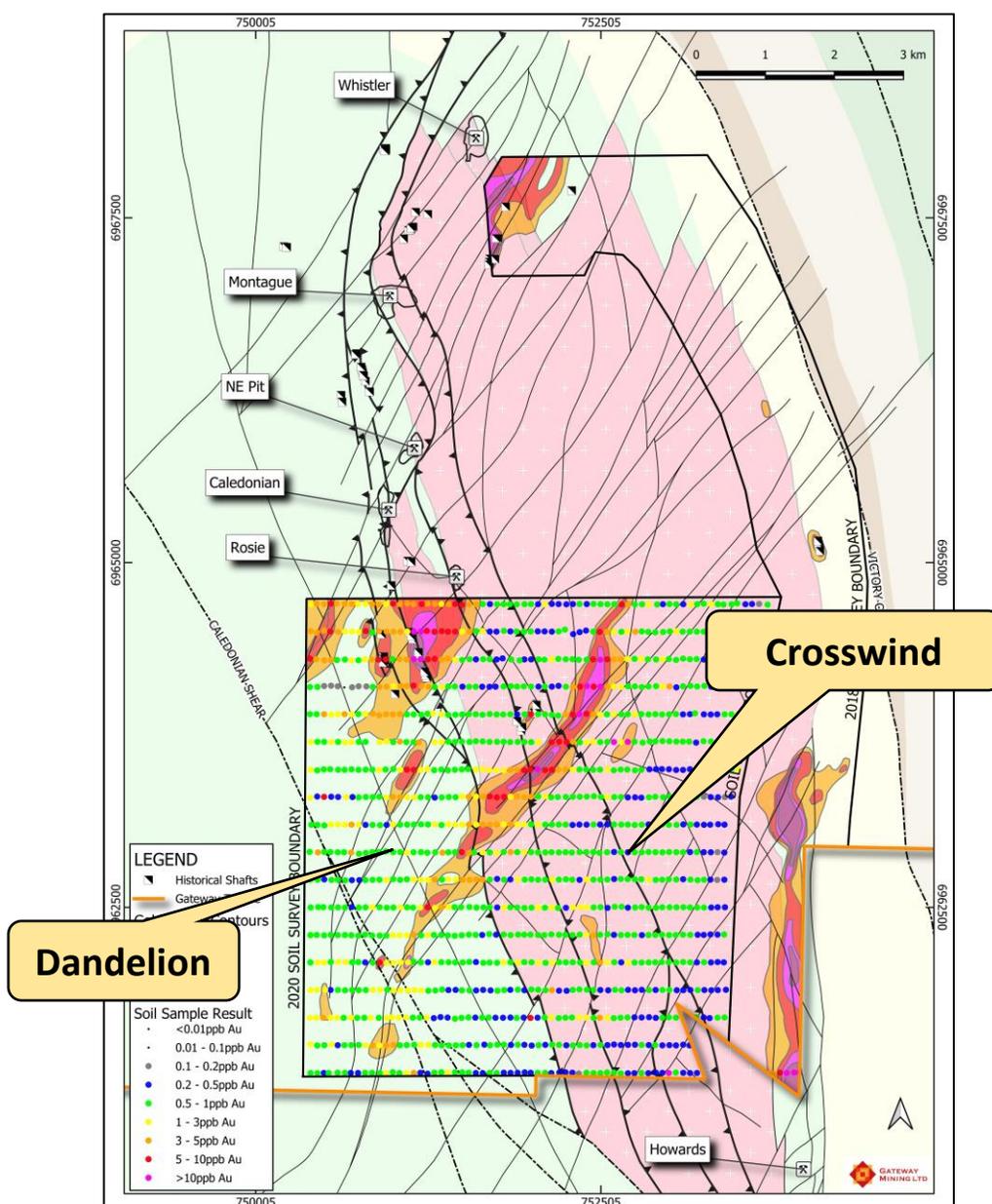


Figure (2): Plan of Geochemical Survey and Location of the Dandelion and Crosswind Anomalies

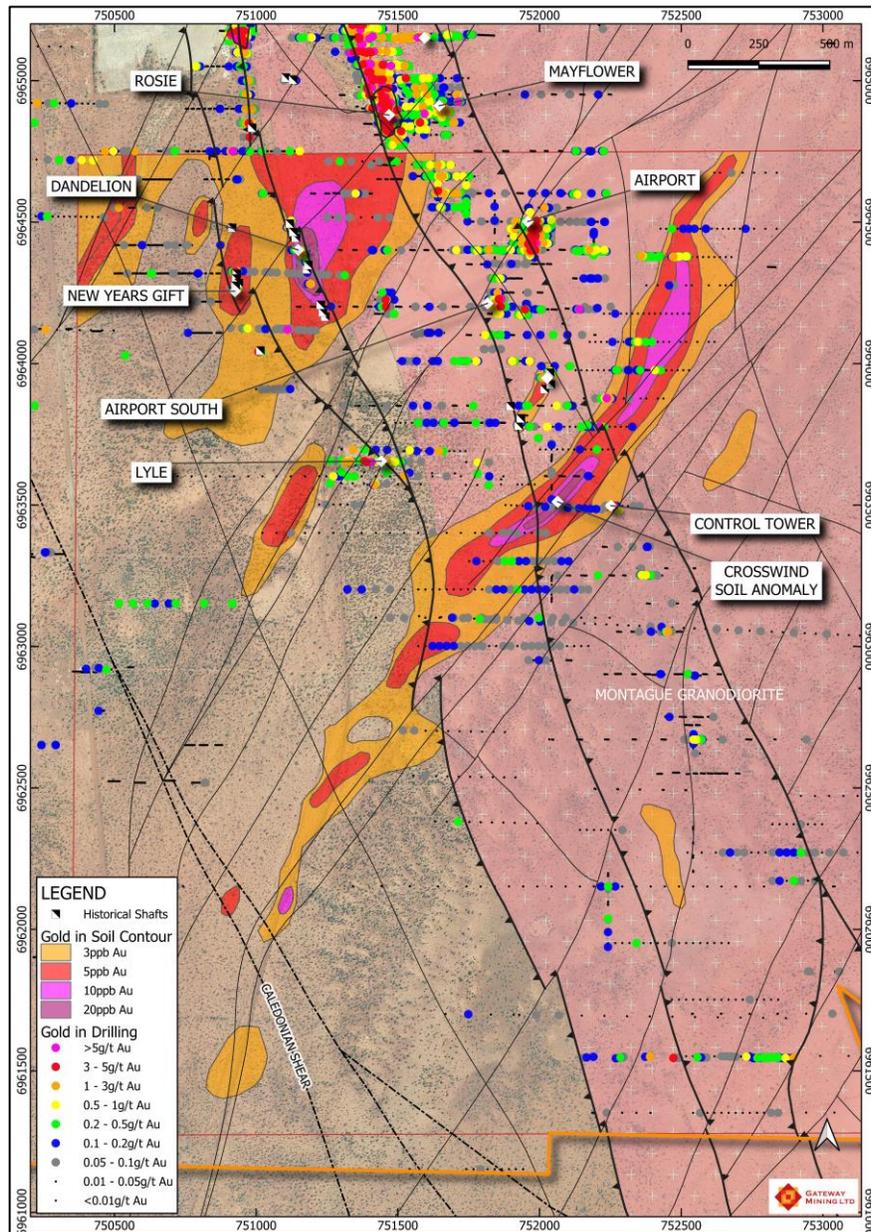


Figure (3): Plan of Geochemical Survey with Previous Drilling

The results of this geochemical sampling program demonstrated the effectiveness of the technique even through the transported cover.

As a result, during the Quarter this sampling program was extended for an additional ~5km to the north, to complete coverage over the Montague Dome. This field work was completed and samples were submitted to the laboratory for assay.

Assay results are expected to be received in the September Quarter.

Reverse Circulation Drilling

Subsequent to the end of the Quarter, Gateway commenced a Reverse Circulation (RC) drilling program at the Gidgee Gold Project. This drilling has five priority targets:

- The immediate southern extension to the 120,000oz Inferred Whistler Resource, following up on a previous RC intersection of 13m @ 1.6g/t Au from 58m which, combined with a series of historical RAB and air-core intersections, indicate that the deposit is still open for up to 500m in this direction;
- The definition of the shallow, extensively mineralised structure to the north of the Achilles Prospect, which remains open for up to 600m to the historical Caledonian NE open pit. The previous RC program at Achilles returned intersections of 21m @ 2.1g/t Au from 32m, 13m @ 3.4g/t Au from 5m and 11m @ 3.0g/t Au from 32m within the northernmost sections of RC drilling completed to date;
- Along-strike extensions immediately north of the Caledonian open pit, where a number of high-grade historical intersections remain untested;
- The re-commencement of resource extension drilling at the 120,000oz Inferred Resource at Montague; and
- An initial test of the Kashmir geochemical target, which is located over a 1.8km strike length on the eastern margin of the Montague Dome.

It is expected that this program will be completed during the July Quarter and initial results will be released when they are received by the Company.

Expansion of Drilling Program

Subsequent to the end of the Quarter and following its successful capital raising, the Company announced it had significantly expanded the recently commenced drilling program at the Gidgee Project as part of its strategy to fast-track exploration and resource growth.

Having raised \$7 million in the strongly supported capital raising, the Company is positioned to undertake continuous programs of drilling that over the next six months will see at least **15,000m of Reverse Circulation (RC)** and **10,000m of air-core (AC) drilling** completed at priority targets around the Montague Dome. A similar approach to drilling is expected to be maintained into 2021.

Key points include:

- The current RC drilling program has now been expanded to 4,500m and is scheduled to be completed at the end of July 2020.
- To date, 26 holes (1,907m) have been completed at the Whistler South, Whistler West and Achilles Prospects, with samples for these holes submitted to the assay laboratory. Initial results are expected next month.
- Samples for the remaining seven holes currently being drilled will be submitted in batches as the program advances, ensuring strong news-flow over the coming weeks.
- An air-core rig is currently being sourced to complete a planned 10,000m program, which will commence once the initial RC drilling program is complete.
- A significantly expanded RC and diamond drilling program is scheduled to commence around September 2020, following the air-core program, and will continue through until the end of the year.

Major Expansion of Gidgee Gold Project

Subsequent to the end of the Quarter, the Company entered into a strategic Earn-In Agreement with Golden Mile Resources Ltd (ASX: G88) (**Golden Mile**) that significantly increases the footprint of the Gidgee Gold Project to over 1,000km² (Figure 4).

Key features of the new project subject to the farm-in deal include:

- It covers an area of approximately 400km² spanning the western side of the highly prospective Gum Creek Greenstone Belt, increasing Gateway's total land-holding in the district to over 1,000km².
- A ~30km long major gold-bearing structural corridor (termed the "Woodley Domain") has been defined through the project (Figure 4).
- The Woodley Domain is the third major identified gold trend within the belt – the Eastern Montague Domain has an endowment of +1Moz and the Central Gidgee Domain has an endowment of +2Moz.
- The relatively small endowment of Woodley to date reflects the lack of systematic previous exploration.
- Exploration on the Woodley Domain by previous explorers (including Gateway between 1996 and 2006) has highlighted significant geochemical gold anomalies, which have only been followed up by rudimentary drilling.

- Several outstanding, shallow historical drilling intercepts include:
 - **40 metres @ 3.0g/t Au from surface** (Arimco RAB hole 3840/1656 – whole-hole composite)
 - **20 metres @ 2.5g/t Au from surface** (Arimco RAB hole 3760/1624 – whole-hole composite)
 - **24 metres @ 3.3g/t from surface** (Arimco RAB hole 3660/1880 – whole-hole composite)
 - **11 metres @ 4.5g/t Au from 58m** (Arimco RAB hole 3660/1472)
 - **20 metres @ 1.3g/t Au from surface** (Arimco RAB hole 3720/1548 – whole-hole composite)
 - **22 metres @ 2.3g/t Au from 61m** (Gateway RAB hole GRB660)
- These drill intercepts remain largely open with little to no follow-up work.
- Gateway intends to leverage off its understanding of the geology and controls on mineralisation within the belt to follow up on this historical work and systematically test the potential of this third major structural corridor.
- This farm-in agreement is consistent with Gateway's strategy of acquiring significant land-holdings proximal to the core Montague tenements at Gidgee through low cost means. It also reaffirms the Company's position as a dominant land-holder in the under-explored Gum Creek Greenstone belt and the broader Sandstone-Gidgee area.

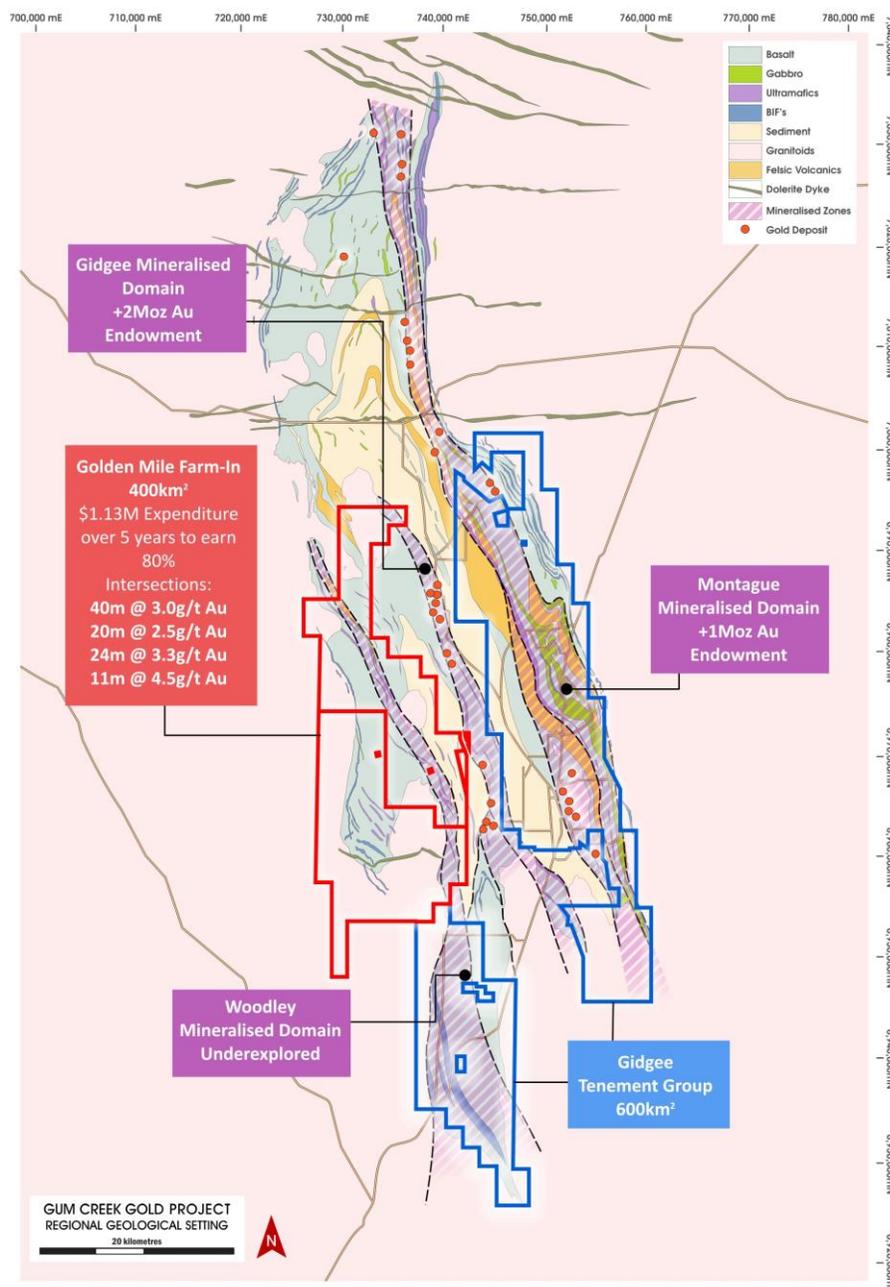


Figure (4): Gidgee Project Exploration Target Summary Plan with new Farm-in tenements

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REGIONAL PROJECTS

No substantive exploration activity was undertaken by Gateway on the Company's regional exploration projects during the reporting period.

Bryah Basin Project – Divestment

During the Quarter, the Company announced the successful divestment of the Bryah Basin Project to Dingo Resources Limited, which is a wholly-owned subsidiary of ASX-listed Alloy Resources Limited (ASX: ALY) (see ASX Release 16th April 2020).

The exercise of the Option by Dingo was conditional and subject to Alloy completing a capital raising of a minimum \$1,000,000 (**Condition**). The Company confirms that this Condition has now been satisfied.

As consideration for selling the tenements to Dingo, the Company received the following consideration:

- (a) (**Cash Consideration**): cash consideration of A\$200,000 at completion and A\$175,000 within 12 months of completion;
- (b) (**Share Consideration**): 20,000,000 fully-paid ordinary shares in the capital of Alloy at a deemed issue price of \$0.02 per share (a value of \$400,000), which will be subject to a 12-month voluntary escrow; and
- (c) (**Royalty Consideration**): the grant of a 1.5% net smelter royalty over the Tenements.

This transaction strengthens Gateway's funding position, reduces non-core expenditure outside of the Gidgee Gold Project and provides optionality to future exploration success across Alloy's portfolio of high-quality exploration targets.

Edjudina Project Joint Venture (DCX 80% / GML 20% free-carried interest and 1.5% Gross Revenue Royalty)

During the Quarter, the Company's Joint Venture Partner, DiscovEx Resources Limited (ASX: DCX), announced further significant air-core drilling results from 1m re-splits of previous intersections at the Edjudina Gold Project, including reports of visible gold in drill chips. The results continue to provide strong encouragement for future exploration programs.

In addition, DiscovEx also reported several new targets within the broader Project area, as a result of a soil sampling program, combined with a compilation of historic geochemical data.

As at the end of the Quarter, DiscovEx were finalizing preparations for a maiden RC and diamond drilling campaign at the Hornet prospect.

Newington Project Option Agreement (DCX Option to acquire 100%)

During the Quarter, notification was received from DiscovEx that they would exercise their right to extend the Option by a further 12 months by making a payment of \$10,000 and meeting the minimum expenditure requirement over the next 12 months. The decision was based on the results of a soil sampling program that generated a series of priority anomalies that require additional assessment.

TENEMENTS

Only those changes to the Company's tenement holdings corresponding to the transaction detailed in the previous sections occurred during the Quarter (see Appendix 1).

During the Quarter, the following changes to the Company's tenements occurred.

Changes in Tenements	Tenement reference and location	Nature of Interest	Interest prior to change	Interest following change
Interest in mining tenements sold	- E51/1738 (Bryah Basin)	Legal and beneficial ownership	- 100%	- 0%
	- E51/1842 (Bryah Basin)		- 100%	- 0%
	- E52/3273 (Bryah Basin)		- 100%	- 0%
	- E52/3510 (Bryah Basin)		- 100%	- 0%

CORPORATE

Cash Position and Expenditure

As at 30 June 2020, the Company had cash reserves of \$1.257 million.

Exploration expenditure during the quarter comprised of \$289 thousand. This expenditure was in relation to mining and exploration activities conducted at the Company's flagship Gidgee Gold Project located in Western Australia. As set out in the Company's June 2020 Quarter Appendix 5B, payments to related parties consisted of payments to director related entities for professional services (Accounting, Legal and Insurance) of \$50 thousand and for the provision of geological consultancy services of \$138 thousand under respective service agreements.

Capital Raising

Subsequent to the Quarter on 14 July 2020, the Company announced it successfully completed a capital raising of A\$7 million (before costs) (Placement) to institutional, professional and sophisticated investors to underpin the next major phase of drilling and exploration at its flagship 100%-owned Gidgee Gold Project in Western Australia.

The Placement, which comprised the issue of 437,500,000 shares at an issue price of \$0.016 per share, was overwhelmingly supported by existing and new investors including, subject to shareholder approval, the Company's Directors.

The Placement saw further support from the Company's largest shareholder, Mr Kerry Harmanis, who subscribed for A\$1.0 million of the Placement. The issue of shares to Mr Harmanis will be subject to shareholder approval under Tranche 2 as detailed further below.

The Placement will be issued in the following two tranches:

- 332,063,099 shares to institutional, professional and sophisticated investors using the Company's capacity under ASX Listing rule 7.1 and Listing Rule 7.1A which will not require shareholder approval (**Tranche 1 Shares**); and
- 105,436,901 shares subject to shareholder approval being obtained at a general meeting of shareholders comprising:
 - 86,374,401 shares to institutional, professional and sophisticated directors (which include shares subscribed for by Mr Kerry Harmanis); and
 - 19,062,500 shares to Directors of the Company or their nominees,

(Collectively, **Tranche 2 Shares**).

The Tranche 1 Shares were issued on 21 July 2020. The Tranche 2 Shares will be issued immediately after the general meeting of shareholders which is planned to take place on 24 August 2020 (subject to shareholder approval).

Corporate Announcements

On 24 April 2020, the Company released its Quarterly Activities and Cashflow Report for the period quarter ending 31 March 2020.

On 13 May 2020, the Company released its Gidgee Target Definition RRS Virtual Presentation.

On 9 March 2020, the Company released its Half-year Financial Report for the period ending 31 March 2020.

Share Capital

Release of Shares from Voluntary Escrow

During the Quarter, the Company announced the release of 2,272,727 fully paid ordinary shares from voluntary escrow (**Escrowed Shares**). The Escrowed Shares, which were subject to voluntary escrow provisions for 6 months, were issued in December 2019 as part consideration for the purchase of Exploration Licence Application E57/1145 from Mining Equities Pty Ltd.

Issue of Options Under ESOP

During the Quarter, the Company made an offer of securities to eligible participants under its Employee Incentive Plan. As outlined in the Company's Notice of 2019 Annual General Meeting, published to the ASX on 4 October 2019, shareholders have approved the implementation of an Employee Incentive Plan (**ESOP**).

In accordance with the terms of the ESOP the Company has offered to eligible participants (being employees and consultants of the Company) a total of 9,500,000 unquoted options (**Options**).

Tranche 1 Placement Shares

Subsequent to the Quarter on 21 July 2020, the Company issued the Tranche 1 Shares from the Placement 332,063,099 fully paid ordinary shares at an issue price of \$0.016 per share.

The Company's current capital structure is as follows:

Number	Class
1,671,679,135	Fully Paid Ordinary Shares
2,000,000	GML Unquoted Options exercisable at \$0.03, expiry 12 November 2022
2,000,000	GML Unquoted Options exercisable at \$0.03, expiry 12 November 2022
3,000,000	GML Unquoted Options exercisable at \$0.035, expiry 12 November 2022
3,000,000	GML Unquoted Options exercisable at \$0.04, expiry 12 November 2022
6,666,667	GML Unquoted Options, exercisable at \$0.017, expiry 28 February 2022
6,666,667	GML Unquoted Options, exercisable at \$0.018, expiry 28 February 2022
6,666,666	GML Unquoted Options, exercisable at \$0.02, expiry 28 February 2022
2,833,331	GML Unquoted Options which will vest on 19 December 2020, with an exercise price of \$0.03 per option and expiring on 19 June 2023.
1,500,000	GML Unquoted Options which will vest on the date the Company announces an audited JORC Compliant Indicated resource of 400,000 ounces or greater of gold (Resource), with an exercise price of \$0.035 per option and expiring on 19 June 2023.
1,500,000	GML Unquoted Options which will vest the date the Company finalises and delivers a scoping study and financial model based on the Resource, with an exercise price of \$0.04 per option and expiring on 19 June 2023.
1,833,332	GML Unquoted Options which will vest on 19 June 2021, with an exercise price of \$0.035 per option and expiring on 19 June 2023.
1,833,337	GML Unquoted Options which will vest on 19 December 2021, with an exercise price of \$0.04 per option and expiring on 19 June 2023.

Authorised by:
Peter Langworthy
Managing Director

For and on behalf of
GATEWAY MINING LIMITED

Competent Person Statement

The information in this announcement that relates to Exploration Results and Mineral Resources has been extracted from various Gateway ASX announcements and are available to view on the Company's website at www.gatewaymining.com.au or through the ASX website at www.asx.com.au (using ticker code "GML")

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement. The company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

Investors

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APPENDIX (1): GATEWAY MINING LIMITED CONSOLIDATED TENEMENT HOLDINGS

Project	Tenement	Owner
CUNYU	E51/1762	Gateway Projects Pty Ltd
EDNA MAY	E77/2290	Gateway Projects Pty Ltd
GIDGEE	E53/2108	Gateway Mining Ltd
GIDGEE	E57/1057	Gateway Projects Pty Ltd
GIDGEE	E57/1060	Gateway Mining 80%, Element 25 Ltd 20%
GIDGEE	E57/1067	Gateway Projects Pty Ltd
GIDGEE	E57/1144	Gateway Mining Ltd
GIDGEE	E57/1145	Gateway Mining Ltd
GIDGEE	E57/1147	Gateway Mining Ltd
GIDGEE	P57/1407	Gateway Projects Pty Ltd
GIDGEE	P57/1409	Gateway Projects Pty Ltd
GIDGEE	P57/1410	Gateway Projects Pty Ltd
GIDGEE	P57/1411	Gateway Projects Pty Ltd
GIDGEE	P57/1412	Gateway Projects Pty Ltd
GIDGEE	P57/1413	Gateway Projects Pty Ltd
GIDGEE	P57/1449	Gateway Mining Ltd
GIDGEE	P57/1455	Gateway Mining Ltd
GIDGEE	P57/1456	Gateway Mining Ltd
GIDGEE	P57/1457	Gateway Mining Ltd
GIDGEE	P57/1458	Gateway Mining Ltd
GIDGEE	P57/1459	Gateway Mining Ltd
GIDGEE	P57/1460	Gateway Mining Ltd
GIDGEE	P57/1461	Gateway Mining Ltd
GIDGEE	P57/1494	Gateway Mining Ltd
GIDGEE	P57/1495	Gateway Mining Ltd
GIDGEE	P57/1496	Gateway Mining Ltd
GIDGEE	E57/1141	Gateway Mining Ltd
GIDGEE	P57/1475	Gateway Mining Ltd
GIDGEE	P57/1476	Gateway Mining Ltd
GIDGEE	E57/0405	Gateway Mining Ltd
GIDGEE	E57/0417	Gateway Mining Ltd
GIDGEE	E57/0687	Gateway Mining Ltd
GIDGEE	E57/0688	Gateway Mining Ltd
GIDGEE	E57/0793	Gateway Mining Ltd
GIDGEE	E57/0807	Gateway Mining Ltd
GIDGEE	E57/0823	Gateway Mining Ltd
GIDGEE	E57/0824	Gateway Mining Ltd
GIDGEE	E57/0874	Gateway Mining Ltd
GIDGEE	E57/0875	Gateway Mining Ltd
GIDGEE	E57/0876	Gateway Mining Ltd
GIDGEE	E57/0888	Gateway Mining Ltd

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Project	Tenement	Owner
GIDGEE	E57/0945	Gateway Mining Ltd
GIDGEE	E57/1004	Gateway Mining Ltd
GIDGEE	E57/1005	Gateway Mining Ltd
GIDGEE	M57/0048	Gateway Mining Ltd
GIDGEE	M57/0098	Gateway Mining Ltd
GIDGEE	M57/0099	Gateway Mining Ltd
GIDGEE	M57/0217	Gateway Mining Ltd
GIDGEE	M57/0429	Gateway Mining Ltd
GIDGEE	M57/0485	Gateway Mining Ltd
GIDGEE	E57/1113	Gateway Mining Ltd
GIDGEE	E57/1108	Gateway Mining Ltd
GIDGEE	E57/1095	Gateway Mining Ltd
SOUTHERN CROSS	E77/2309	Gateway Projects Pty Ltd
SYLVANIA	E52/3365	Gateway Projects Pty Ltd
SYLVANIA	E52/3366	Gateway Projects Pty Ltd
THADOONA	E51/1863	Gateway Projects Pty Ltd
EDJUDINA	E31/1134	DiscovEx Minerals Ltd 80% Gateway Projects Pty Ltd 20%
EDJUDINA	E31/1150	DiscovEx Minerals Ltd 80% Gateway Projects Pty Ltd 20%
EDJUDINA	E39/1765	DiscovEx Minerals Ltd 80% Gateway Projects Pty Ltd 20%
EDJUDINA	E39/1882	DiscovEx Minerals Ltd 80% Gateway Projects Pty Ltd 20%
BRYAH BASIN	E52/3248	Auris Minerals Ltd 85% Gateway Projects Pty Ltd 15%
BRYAH BASIN	E52/3273	Auris Minerals Ltd 85% Gateway Projects Pty Ltd 15%