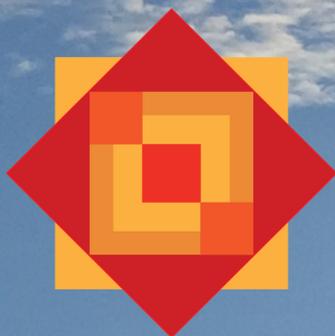


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GATEWAY
MINING LTD

ANNUAL REPORT

FOR THE YEAR ENDED
30 JUNE 2020

ABN 31 008 402 391



Contents

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CORPORATE DIRECTORY 3

DIRECTORS' REPORT 4

AUDITOR INDEPENDENCE DECLARATION..... 45

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME 46

CONSOLIDATED STATEMENT OF FINANCIAL POSITION..... 47

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY 48

CONSOLIDATED STATEMENT OF CASH FLOWS 49

NOTES TO THE FINANCIAL STATEMENTS..... 50

DIRECTORS' DECLARATION..... 73

INDEPENDENT AUDITOR'S REPORT 74

SHARE HOLDER INFORMATION..... 79

CORPORATE GOVERNANCE STATEMENT 82

CORPORATE DIRECTORY

Directors:

- Mr Trent Franklin (Non-Executive Chairman)
- Mr Mark Cossom (Executive Technical Director) (appointed 21 October 2019)
- Mr Peter Langworthy (Managing Director)
- Mr Scott Brown (Non-executive Director)
- Ms Debra Fullarton (Non-executive Director)

Company Secretary:

- Mr Kar Chua

Registered Office:

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Sydney NSW 2000

Telephone: +61 2 8316 3998
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Share Registry:

Automatic Registry Services
Level 5, 126 Phillip Street
Sydney NSW 2000

Telephone: 1300 288 664

Auditors:

Crowe Sydney
Chartered Accountants
Level 15
1 O'Connell Street
Sydney NSW 2000

Solicitors:

Enrizen Lawyers Pty Ltd
Level 11
52 Phillip Street
Sydney NSW 2000

Securities Exchange Listing:

The Group is listed on the Australian Securities Exchange under code GML

Website:

www.gatewaymining.com.au

DIRECTORS' REPORT

Your directors submit the financial report of the Group consisting of Gateway Mining Limited and its controlled entities (**Gateway** or the **Company**) for the year ended 30 June 2020.

DIRECTORS

The names of directors who held office during the year:

- Mr. Trent Franklin (Non-executive Chairman)
- Mr. Mark Cossom (Executive Technical Director) (appointed 21 October 2019)
- Mr. Peter Langworthy (Managing Director)
- Mr. Scott Brown (Non-executive Director)
- Ms. Debra Fullarton (Non-executive Director)

PRINCIPAL ACTIVITIES

The activities of the Group during the financial year were in the mineral exploration industry principally exploration for gold and base metals. There were no significant changes in the nature of the activities of the Group that occurred during the year.

OPERATIONS REVIEW

Throughout the past 12 months the Company has continued to successfully consolidate a large-scale exploration and resource development project at the flagship Gidgee Gold Project, Western Australia. The Gidgee Gold Project now covers approximately 1,000km² over three highly endowed gold corridors within the Archaean Gum Creek Greenstone Belt (Figure 1).

Due to the high level prospectivity of the Gidgee Gold Project, the focus of exploration funding and activities has been fully concentrated in this area, and as such the remainder of the Company's exploration projects across Western Australia have either been divested, or are in the process of this being done. These project divestments have provided immediate value through an injection of cash and shares, and leaves Gateway exposed to discovery opportunities through leveraged third-party expenditure.

Gateway's strategic approach to the Gidgee Gold Project is to identify and realise the large-scale potential of the gold system through quality programs of exploration and resource assessment. This work will lead to additional discoveries and growth of the Company's resource base.

GIDGEE GOLD PROJECT - INTRODUCTION

Gateway's Gidgee Gold Project is located approximately 70km north of the township of Sandstone, Western Australia. The Gidgee Project comprises a consolidated area of approximately 1,000km² covering the southern extension of the Archaean aged Gum Creek Greenstone Belt.

The Project is easily accessible from Perth via major sealed and well-formed gravel roads, with the town of Sandstone providing limited logistics support. The Project is centrally located within a ~120km radius of six operational gold treatment facilities and is typically located on easily accessible flat terrain with open vegetation. The majority of the tenements are granted and there is a core of key granted Mining Leases that host the Company's resources.

DIRECTORS' REPORT

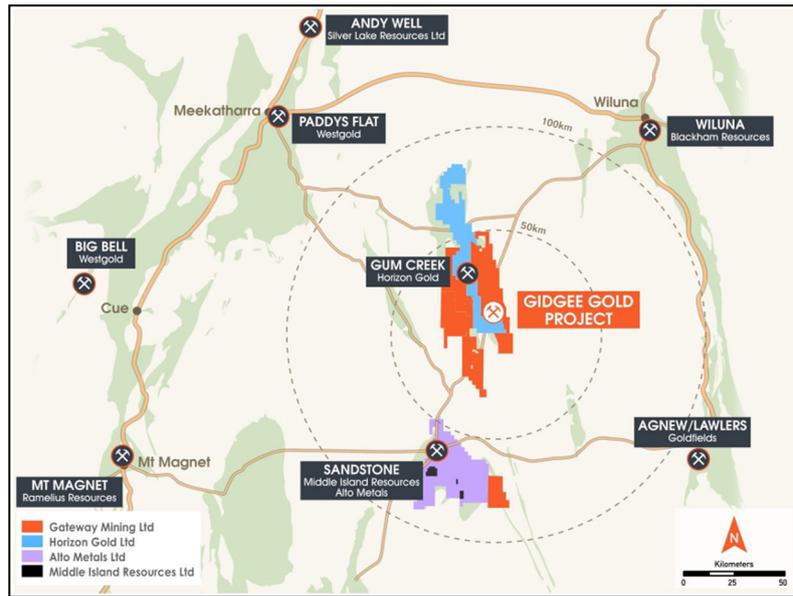


Figure (1): Gidgee Gold Project Location Plan

RESOURCES

During the reporting period, Gateway reported a maiden JORC 2012 Inferred Mineral Resource estimate (MRE) for the Gidgee Gold Project. This initial Mineral Resource position represents the first step in what is expected to be an ongoing process of Resource growth and upgrade over the short to medium term.

The reported MRE comprises a total Inferred Resource of **3.425 million tonnes grading 2.2g/t Au for 240,000 ounces of contained gold** (see Table 1). This Resource contains the **Whistler Gold Deposit** and **Montague Gold Deposit**, which are both located on the prospective margin of the Montague Granodiorite. The two Resources are located approximately 800m apart (see Figure 2).

Full details relating to the Resource estimation method and assumptions are detailed in the ASX Release dated 3 October 2019.

TABLE (1): GIDGEE GOLD PROJECT - OCTOBER 2019 MINERAL RESOURCE ESTIMATE SUMMARY				
Resource	Cut-off grade (g/t Au)	INFERRED		
		Tonnes	Grade (g/t)	Contained Gold (oz)
Whistler Open Pit	0.5	1,600,000	2.16	109,000
Whistler Underground	2	100,000	3.32	11,000
Sub-Total Whistler		1,700,000	2.23	120,000
Montague Open Pit	0.5	1,165,000	2.13	80,000
Boulder Open Pit	0.5	500,000	1.30	20,000
Montague Underground	2	60,000	10.3	20,000
Sub-Total Montague		1,725,000	2.18	120,000
Total Gidgee Gold Project		3,425,000	2.20	240,000

Note - The MRE is constrained within a A\$2,400 per ounce gold price pit shell optimisation.

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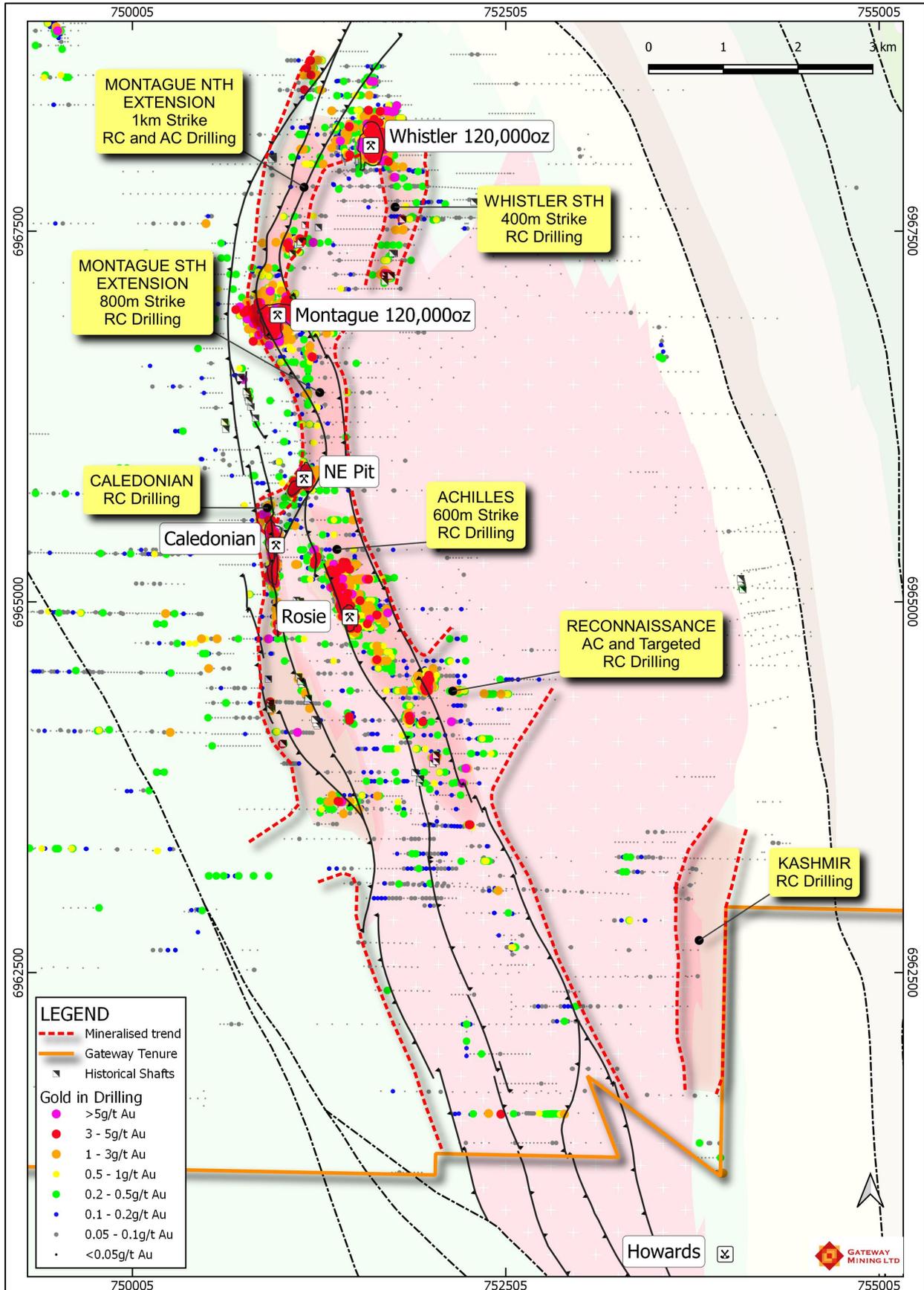


Figure (2): Gidgee Gold Project Location Plan

DIRECTORS' REPORT

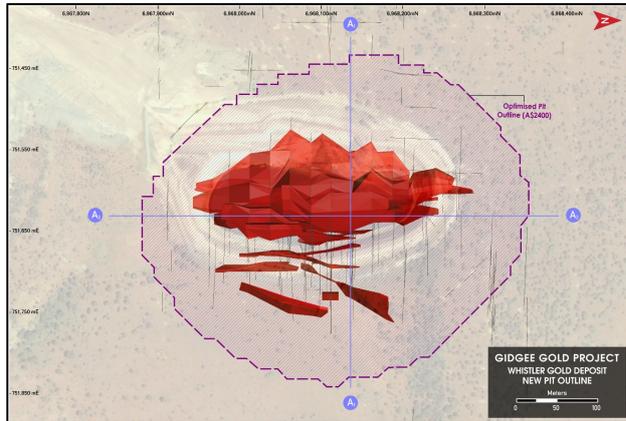


Figure (3): Whistler Plan – Optimised A\$2,400 Pit Shell

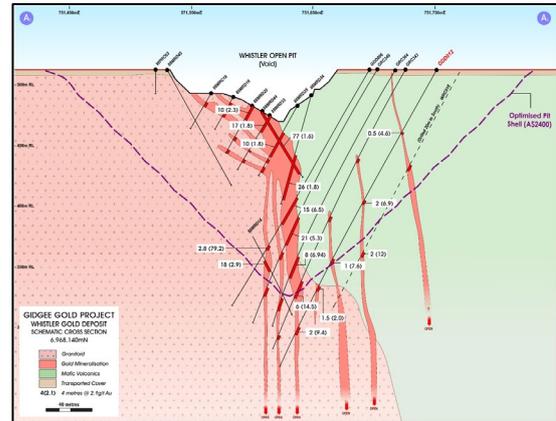


Figure (4): Whistler Cross Section

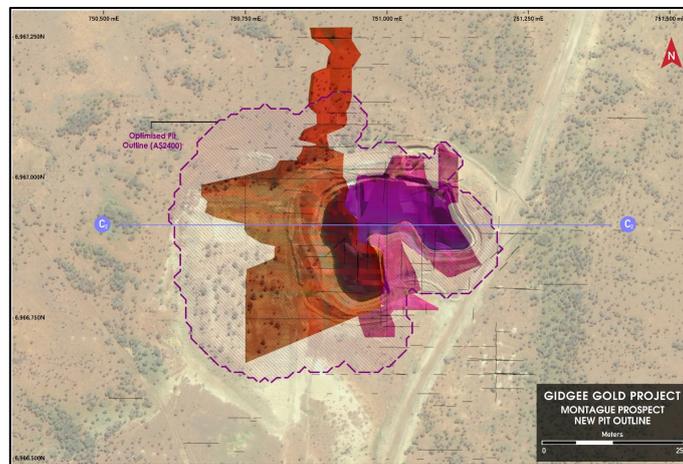


Figure (5): Montague Plan – Optimised A\$2,400 Pit Shell

WHISTLER GOLD DEPOSIT

During the financial period, the Company received a series of results from a program of Reverse Circulation drilling (RC) completed during the December 2019 Quarter at the Whistler Gold Deposit.

This drilling program was designed to undertake a first-pass assessment along strike to the north and south of the Whistler Gold Deposit to understand the potential to significantly grow the current resource (Inferred Resource of **1.7Mt at 2.23g/t Au for 120,000oz** of contained gold: see ASX release dated 3 October 2019). The drilling targeted both the main granodiorite-hosted gold mineralisation and the hanging wall mafic-hosted lode system. In addition, a small program of drilling was completed at the Armada supergene gold trend, located north-west of Whistler.

Whistler South

A total of 18 holes for 2,110m of RC drilling were completed to test for the continuity of gold mineralisation to the south of the current Whistler Resource and to provide key information on the broader structural and stratigraphic controls in the area to assist with the ongoing exploration targeting process.

This drilling was successful in defining the South Whistler trend in shallow positions over a strike length of at least 500m. The South Whistler trend is hosted on or near the margin of the Montague Granodiorite intrusion, which is the same geological setting as the Whistler Gold Deposit (Figure 6).

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The South Whistler trend is a distinctly separate gold mineralised structure and is offset approximately 100m to the east of the Whistler main structure. It is worth noting that the main Whistler structure has so far not been closed off. Key results that currently define this gold mineralised trend are:

- **GRC482:** 13 metres @ 1.6g/t Au from 58 metres
 - **GRC480:** 5 metres @ 1.0g/t Au from 23 metres
 - **86MORC41:** 6 metres @ 1.9g/t Au from 28 metres (Bottom of hole)*
 - **C87RB103:** 6 metres @ 1.7g/t Au from 12 metres (Bottom of hole)*
- (*Previously reported)

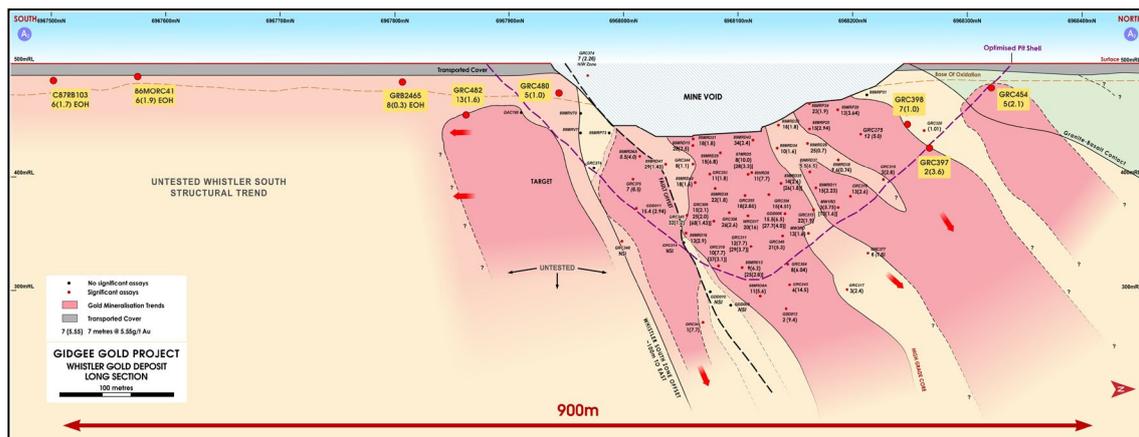


Figure (6): Whistler Gold Deposit Interpreted Long Section

This shallow gold mineralisation remains open both down-dip and along strike to the north and south and, as seen at Whistler, there is considerable scope for high-grade domains to be delineated within this broader mineralised domain. It should be noted that mineralised intersections such as that returned in hole GRC482 (13m @ 1.6g/t Au) are common within the current Whistler Resource and can occur in close proximity to substantially higher-grade zones. The position of the Whistler South mineralisation is in close proximity to the edge of the current optimised Whistler open pit shell and any future expansion of the resource would be easily captured.

Whistler North

The 14-hole (1,975m) RC drilling program at Whistler North was designed to:

- Test the immediate northern strike extension to the current Whistler Resource (Figure 6).
- Provide key information regarding the orientation of the plunging nose of the Montague Granodiorite and confirm the geological analogy to the 5Moz King of the Hills deposit (owned by Red 5); and
- Provide a further test to delineate and understand the controls on the multiple hanging wall lode structures hosted within the mafic volcanic rocks.

Significant intersections included:

- **GRC398:** 7 metres @ 1.0g/t Au from 53 metres
- **GRC397:** 2 metres @ 3.6g/t Au from 62 metres
- **GRC400:** 10 metres @ 1.0g/t Au from 43 metres
- **GRC454:** 5 metres @ 2.1g/t Au from 25 metres
- **GRC402:** 6 metres @ 1.5g/t Au from 43 metres

DIRECTORS' REPORT

- **GRC378: 5 metres @ 2.8g/t Au from 138 metres***
- **88MRD24: 12.5 metres @ 2.2g/t Au from 128 metres***
*(*Previously reported)*

Drill holes GRC398 (7m @ 1.0g/t Au) and GRC397 (2m @ 3.6g/t Au) successfully intersected the mineralised structure north of the current Whistler Resource. These holes are interpreted to have intersected the top of the northern plunging high-grade domain (Figure 6). This significant zone of high-grade mineralisation remains open down-plunge to the north.

Drill hole GRC454 (5m @ 2.1g/t Au) intersected the Whistler structure within the mafic volcanic rock stratigraphy above the granodiorite contact. The intersection of the structure with the contact of the granodiorite remains untested and is considered to be a highly prospective target (Figure 6).

The recent drilling results from the Whistler area continue to demonstrate the emergence of a large-scale gold system within a structural corridor on or close to the margin of the Montague Granodiorite. Significant mineralisation has now been intersected over a strike length of at least 900m.

In addition, the information gained from the drilling program continues to provide invaluable structural and stratigraphic data that is critical for ongoing exploration and resource delineation in the area.

Whistler West

This highly important drilling program was completed subsequent to the end of the reporting period (see ASX announcement 1 September 2020) and demonstrated the potential for continuity of mineralisation along the western margin of the granodiorite from the Montague to the Whistler Gold Deposits. Key points relating to this drill program include:

- The mineralised structures that host the cornerstone 120,000oz Montague-Boulder Resource at the Gidgee Gold Project have been successfully intersected by first-pass Reverse Circulation (RC) drilling 1.1km further north along the Montague Dome contact (Figure 7).
- Significant intersections have been returned from both the mafic-hosted Contact Zone and from the stockwork mineralisation within the granodiorite (Figure 8). This is analogous to the mineralisation setting at the Montague-Boulder deposit located to the south, with significant assay results including:
 - **GRC496: 6m @ 6.0g/t Au from 54m**
 - **GRC488: 10m @ 1.5g/t Au from 37m**
 - **GRC497: 3m @ 1.1g/t Au from 81m**
 - **GRC490: 3m @ 1.7g/t Au from 14m and 4m @ 1.1g/t Au from 68m**
 - **5099/6790: 25m @ 2.0g/t Au from 0m***
 - **5101/6790: 3m @ 1.3g/t Au from 18m (bottom-of-hole)***
*(*Historic intersection)*
- Essentially no effective drilling has previously tested this contact between these new intersections and the Montague-Boulder Resource, 1.1km to the south, or for a further 500m north to the Armada Prospect.

DIRECTORS' REPORT

- The stockwork mineralisation also demonstrates that there is potential for the continuity of mineralisation in this position with the Whistler Resource (120,000oz), located some 500m to the east.
- Historical drilling on the western margin of the Whistler open pit that has also tested this mineralised position returned results including 11m @ 2.2g/t Au from 32m (89MRP48)¹ and 9m @ 2.0g/t Au from 29m (89MRP51)².
- These results validate Gateway's recent structural geological re-interpretation of the Montague system, and provide exciting indications regarding the scale of mineralisation present in this part of the Montague Dome.

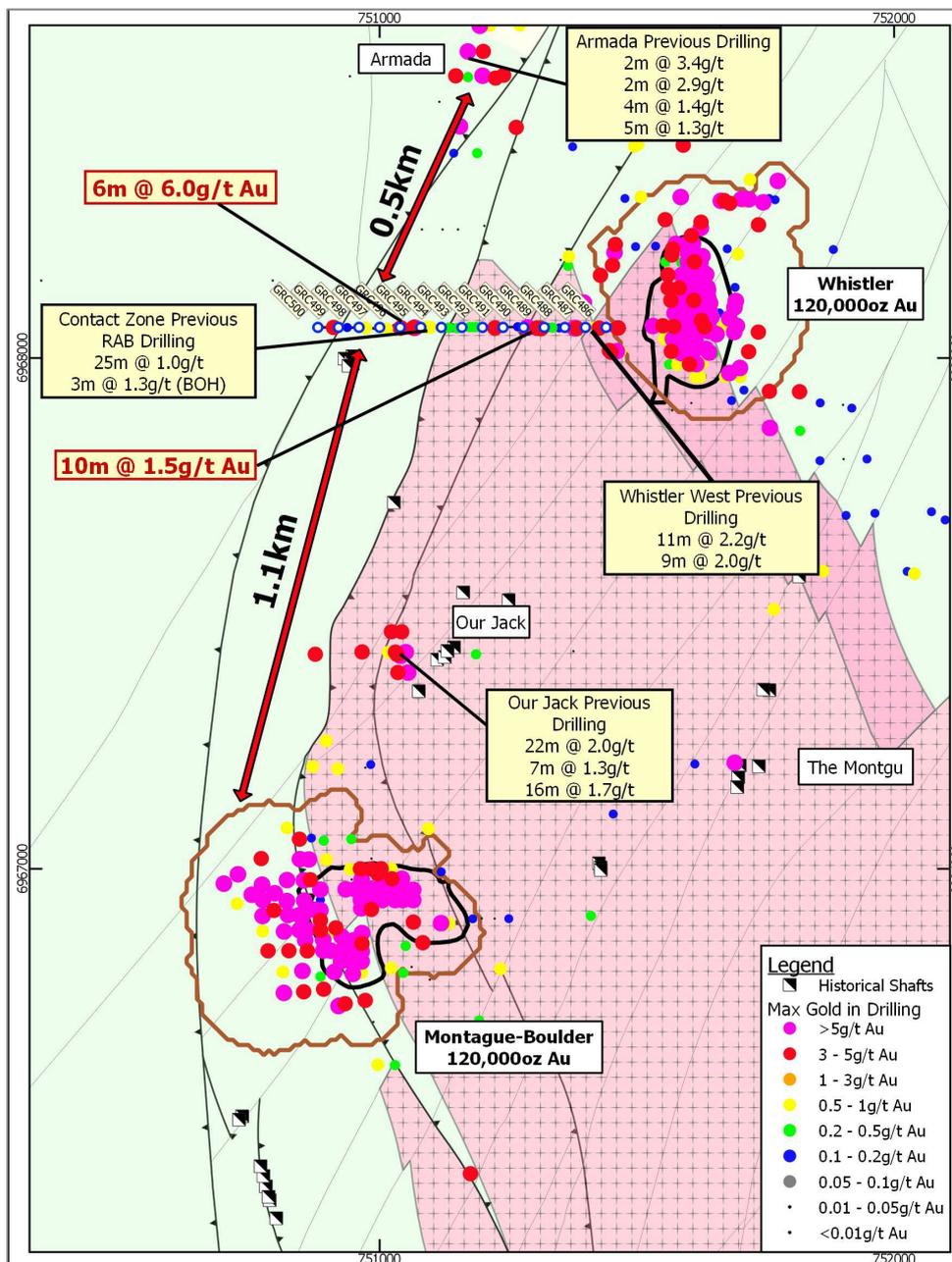


Figure (7): Whistler West RC traverse cross-section 6,968,050mN.

¹ See ASX Release dated 29 January 2020

² See ASX Release dated 13 June 2019

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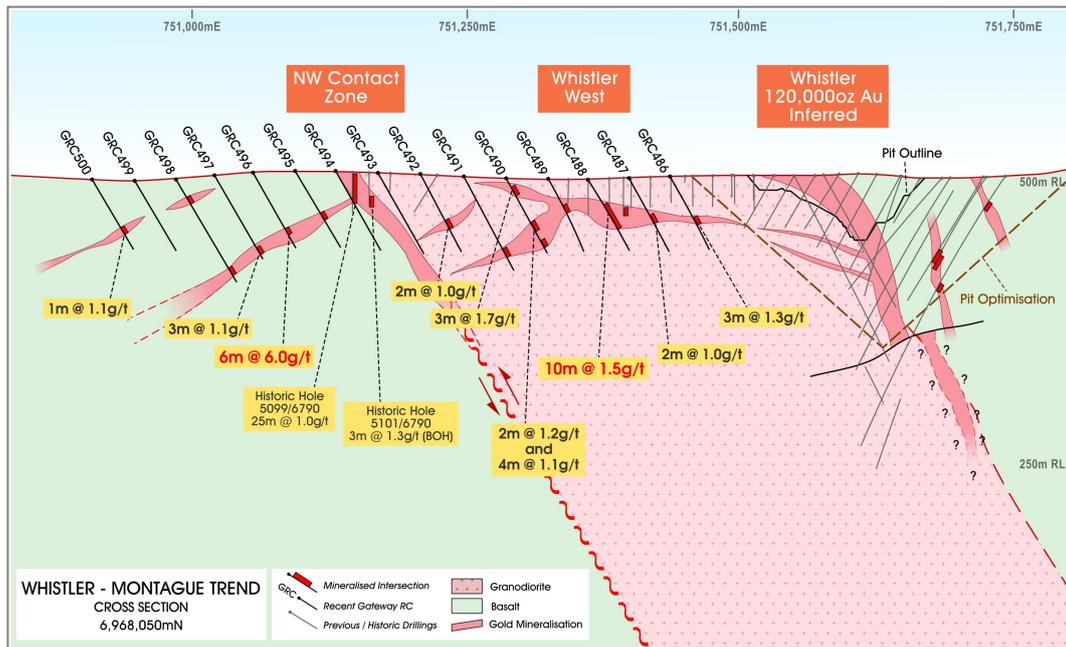


Figure (8): Whistler West RC traverse cross-section 6,968,050mN.

Armada Prospect

The Armada Prospect is located approximately 500m to the north-west of the Whistler Resource area (Figure 7). Historical drilling has intersected zones of relatively shallow, oxide gold mineralisation along what is interpreted to be the contact of the Montague Granodiorite. The target position is analogous with the setting of the Montague Gold Deposit, located approximately 1.6km to the south.

An RC drilling program (6 holes for 605m) was undertaken to provide a first-pass test beneath the supergene gold mineralisation for primary shear zones within the mafic volcanic rock stratigraphy. Significant drilling results include:

- **GRC412: 2 metres @ 3.4g/t Au from 68 metres & 3 metres @ 1.3g/t Au from 78 metres**
- **GRC413: 2 metres @ 1.1g/t Au from 69 metres**
- **GRC414: 2 metres @ 2.9g/t Au from 83 metres**

These results have confirmed the presence of bedrock shear zones within the mafic volcanic rocks on the margin of the granodiorite. This information will be integrated with geophysical datasets and follow-up exploration will be planned accordingly.

MONTAGUE GOLD DEPOSIT

Gateway completed a program of 10 RC holes for 1,642m at the Montague Gold Deposit designed to test a number of key areas within the defined Mineral Resource area (Inferred Resource of **1.72Mt at 2.18g/t Au for 120,000oz** of contained gold: see ASX release dated 3 October 2019) and to commence step-out drilling to identify the potential for extensions to the gold system and, in particular, new high-grade domains (Figures 9 & 10). All of the holes intersected mineralisation on the target structure. Significant intersections include:

- **GRC389: 10 metres @ 13.0g/t Au from 65 metres**
- **GRC393: 6 metres @ 2.7g/t Au from 94 metres**
- **GRC395: 5 metres @ 3.1g/t Au from 114 metres**
- **GRC391: 2 metres @ 3.1g/t Au from 123 metres**

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DIRECTORS' REPORT

This program confirmed the continuity of mineralisation on the targeted main structure and supports the presence of higher-grade mineralised domains within the broader mineralised envelope. This is clearly demonstrated by the thick, high-grade intersection returned within the central high-grade domain from hole GRC389, which returned an outstanding intercept of **10m @ 13.0g/t Au**. Drilling to the south of the fault that previously was interpreted to control the extent of the Montague Gold Deposit has intersected what appears to be an extension of the high-grade domain or possibly a separate new structure (**GRC395: 5m @ 3.1g/t**). The mineralisation in this position remains totally open along strike to the south and down-dip.

The Montague Gold Deposit is located on the margin of the Montague Granodiorite, and is interpreted to be part of the same gold trend that hosts the Achilles Prospect and the NE Caledonian Deposits to the south. This trend, which remains open to the north and south, has now been defined over a strike length of at least ~2.5km.

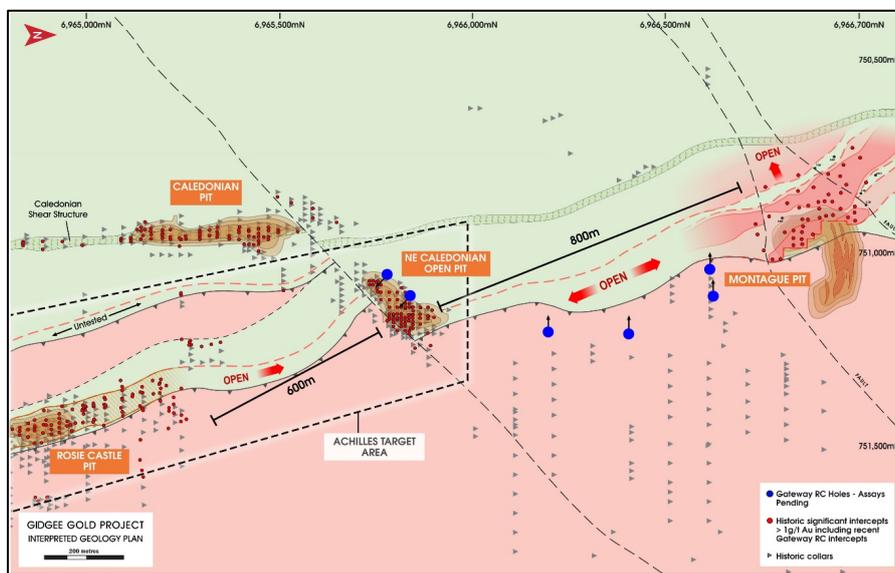


Figure (9): Montague Prospect Interpreted Geology Plan

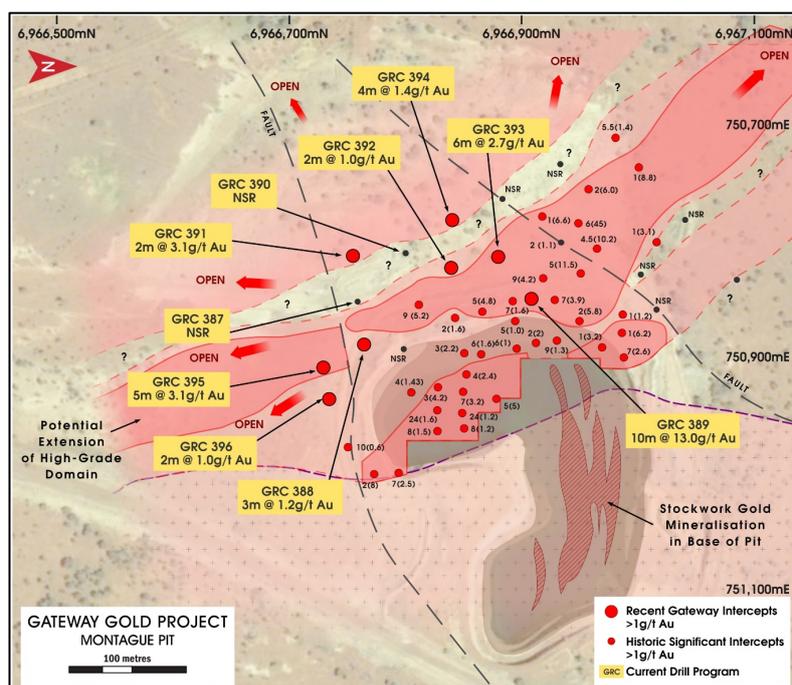


Figure (10): Montague Prospect RC Drilling Plan showing the historical open pit and granodiorite contact zone

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ACHILLES EXPLORATION TARGET

During the reporting period, the Company completed a major Reverse Circulation (RC) drilling program testing the Achilles prospect (see ASX Release 12 December 2019). The Achilles prospect incorporates the previously separate NE Caledonian, Rosie North, S-Bend, AF1 Lode and Rosie Castle prospects (see Figure 11). In total, the target extends for a strike length of approximately 1.5km and covers multiple mineralisation styles and host structures. Historic gold production has previously been carried out on the NE Caledonian and Rosie Castle open pits during the late 1980's and early 1990's by Herald Resources Ltd.

A total of 33 RC holes for 3,039m were completed over a strike length of approximately 400m (Figure 12) at Achilles. Drilling was designed to test the granodiorite-mafic contact area over a broad strike length extending north from the historically mined open pit at Rosie Castle, which was centred on this style of mineralisation. Previous exploration targeting the continuation of this structure was relatively limited in scope. Additionally, geological interpretation by Gateway has highlighted a series of potential thrust repeats of this contact in the area, forming the basis of the Achilles prospect. No systematic exploration has previously been carried out at Achilles to test this concept, but there are indications of other mineralised surfaces in existing historical data (e.g. at S-Bend). With the exception of two holes, all of the holes drilled by Gateway intersected significant gold mineralised structures. The results both confirmed and extended the zones of mineralisation intersected previously in historical RC drilling.

Significant new drilling results at Achilles include:

- **GRC446: 21 metres @ 2.1g/t Au from 32 metres (includes 7 metres @ 5.2g/t Au)**
- **GRC447: 13 metres @ 3.4g/t Au from 5 metres (includes 3 metres @ 12.5g/t Au)**
- **GRC430: 11 metres @ 3.0g/t Au from 32 metres**
- **GRC432: 7 metres @ 2.2g/t Au from 60 metres**
- **GRC435: 6 metres @ 3.8g/t Au from 17 metres**
- **GRC437: 10 metres @ 3.8g/t Au from 31 metres**
- **GRC443: 6 metres @ 2.1g/t Au from 22 metres**
- **GRC426: 19 metres @ 1.2g/t Au from 29 metres**

Drilling to date remains relatively shallow and, as such, the majority of intersections are either oxide or transitional (partially oxidized) in nature.

The mineralisation is interpreted to be best developed where multiple, sub-vertical structures within the mafic volcanic rocks intersect the moderately dipping thrust contact on the margin of the granodiorite intrusion (Figure 13). Down-dip of these intersection positions, the steep mafic-hosted structures are typically narrower and more discrete, with a strong component of high-grade gold. In addition to these main zones of mineralisation, widespread zones of stockwork mineralisation have also been intersected wholly within the granodiorite. These observations are consistent with the geological model developed by Gateway.

This program of RC drilling demonstrated the unreliability of historical RAB drilling in evaluating the presence and tenor of mineralisation present in the bedrock. As a result, it is considered that wide areas of prospective host rocks have not been effectively tested by previous exploration. Ongoing assessment of the greater Achilles area confirms the emerging potential of the wider target (Figure 9). Specific areas that require ongoing assessment include:

- The corridor north of the current drilling, which remains untested for approximately 600m towards the historically mined NE Caledonian open pit. The continuation of the host structure is easily visible in geophysical data

DIRECTORS' REPORT

- The sub-parallel S-Bend trend, as defined in magnetic data, is present over a strike length of at least 800m
- An interpreted thrust repeat, that sees the same structure and stratigraphy replicated to the west. Limited shallow drilling demonstrates this to be prospective but untested over a strike length of 3.6km
- South of the Rosie Castle open pit, where the interpreted continuation of the host structure remains only sporadically tested for approximately 4km.

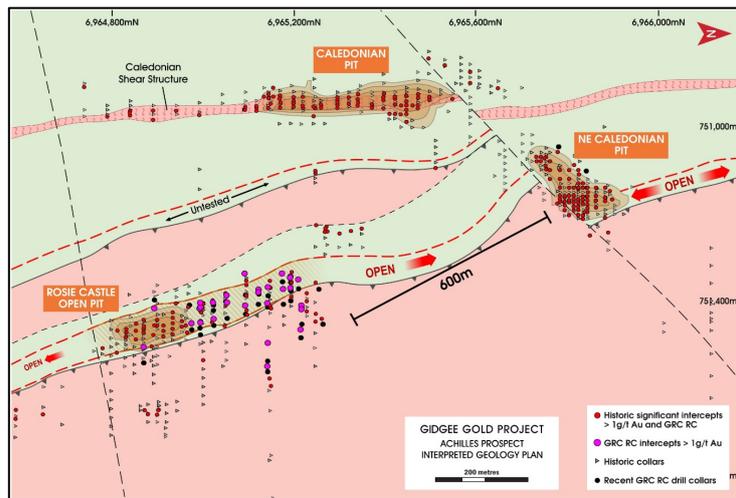


Figure (11): Achilles Prospect Interpreted Plan

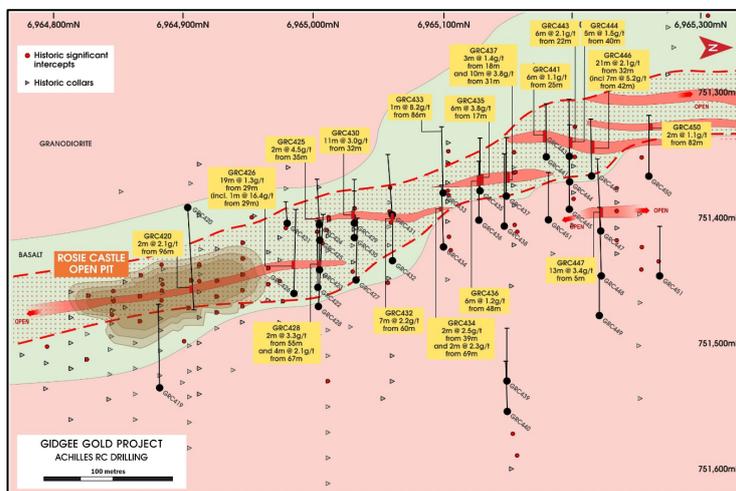


Figure (12): Achilles Prospect RC Drill Location Plan

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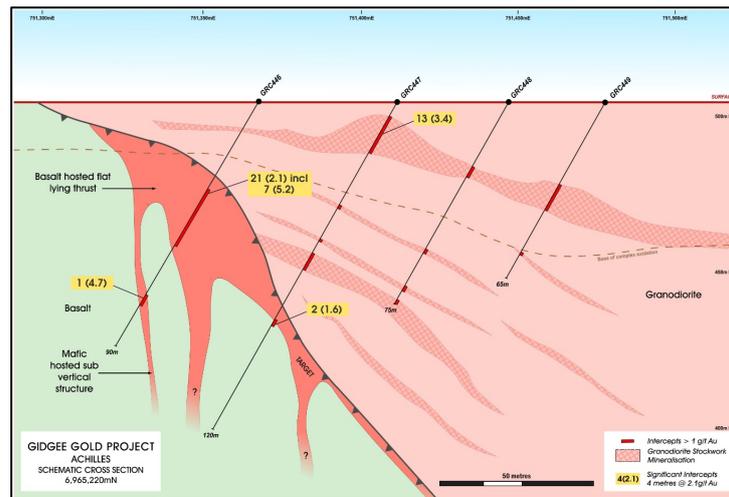


Figure (13): Achilles Prospect Schematic Cross-Section

REGIONAL DRILLING INITIATIVE

During the period, the Company identified extensive new regional gold corridors outside of the main gold trend at the Gidgee Gold Project (Figure 12). The results from regional air-core (AC) drilling traverses from various strategic targets within the broader Project, combined with an important regional assessment and geological review, has opened up a significant new exploration and discovery opportunity outside of the currently defined resources.

The AC drilling program was designed to test a number of prospective targets away from the primary Montague Granodiorite intrusion and its associated mineralisation. While the highly mineralised margins of the granodiorite margin remain a priority focus for upcoming programs of exploration and resource extension, the Company is also committed to systematically evaluating the potential of the wider Gidgee Gold Project.

Evaluation of previous exploration data has identified a series of large-scale mineralised corridors defined by shallow, wide-spaced drilling. A series of key geophysical features have been observed in regional magnetic and gravity data within these corridors that required either additional drilling or a first-pass test.

Flametree Aircore Drilling

A total of 54 holes for 3,748m of AC drilling were completed to systematically extend a zone of near-surface oxide gold mineralisation intersected in previous RAB and RC drilling (Figure 14). Gateway previously completed a single RC drill hole at Flametree to collect samples that confirmed the free-milling nature of the oxide gold in this location (see ASX Release 8 April 2019). This 100m by 100m spaced drilling was designed to systematically confirm and extend this zone of near- surface, supergene gold mineralisation.

This oxide mineralisation is interpreted to represent a gold “cap” which is spatially associated with an extensive Volcanic Hosted Massive Sulphide copper-zinc-gold mineralised system.

Drilling successfully intersected two flat-lying zones of mineralisation which appear to be supergene in nature. Both zones are located at oxidation interfaces within the weathered profile (Figures 15 and 16). Significant intersections include:

- **GWAC0267: 5 metres @ 10.4g/t Au from 52 metres**
- **GWAC0256: 4 metres @ 3.8g/t Au from 20 metres**
- **GWAC0257: 9 metres @ 1.1g/t Au from 17 metres**
- **GWAC0247: 5 metres @ 3.8g/t Au from 23 metres**

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- **GWAC0246:** 3 metres @ 3.5g/t Au from 44 metres
- **GWAC0243:** 17 metres @ 0.8g/t Au from 69 metres
- **GWAC0236:** 5 metres @ 1.9g/t Au from 39 metres

This drilling significantly extends the mineralisation defined by previous RC drilling programs. The key historical RC drilling results at Flametree include (see ASX Release 8 April 2019):

- **VCRC0001** 7 metres @ 5.0g/t Au from 29 metres
- **VRC031** 5 metres @ 7.0g/t Au from 31 metres
- **VRC048** 4 metres @ 4.0g/t Au from 30 metres
- **VRC068** 6 metres @ 6.3g/t Au from 40 metres
- **VRC034** 5 metres @ 3.4g/t Au from 33 metres
- **VRC072** 1 metre @ 22.5g/t Au from 26 metres
- **VRC025** 13 metres @ 1.8g/t Au from 67 metres
- **VRC003** 4 metres @ 7.1g/t Au from 20 metres

Drilling intersected a fine-grained sedimentary sequence, with frequent zones of ferruginous quartz veining. These intersections also coincide with a circular gravity-low feature, which is interpreted to potentially represent a significant alteration halo or buried granitic intrusion within the host sedimentary units.

Subsequent Leachwell analysis of selected intervals from the weathered profile have confirmed that the oxide mineralisation is readily extracted by cyanide, with calculated extraction reflecting fire assay grades. The two techniques returned a correlation coefficient of 0.996 (see Graph 1).

This drilling now forms part of a clear gold trend that includes the historical Embers and Julia's Prospects, which extend over a strike length of over 5.5km (Figure 14). Previously reported historical intersections from these prospects include (see ASX Release 17 October 2018):

- **GRC196:** 14 metres @ 2.9g/t Au from 67 metres
- **VRC084:** 2 metres @ 6.5g/t Au from 13 metres
- **VRC062:** 7 metres @ 2.9g/t Au from 44 metres
- **GRC080:** 33 metres @ 1.1g/t Au from 57 metres
- **VRC041:** 17 metres @ 1.0g/t Au from 20 metres
- **3270/2900:** 9 metres @ 1.5g/t Au from 24 metres

Mineralisation north of Julia's has not been explored along strike through the Claret prospect area, due to historical tenement boundaries that have now been resolved. This work at Flametree has clearly confirmed the prospectivity of this overall trend, and the inadequacy of historical RAB drilling in testing these geochemical oxide trends. Additional air-core drilling will be planned to continue testing the potential of this system.

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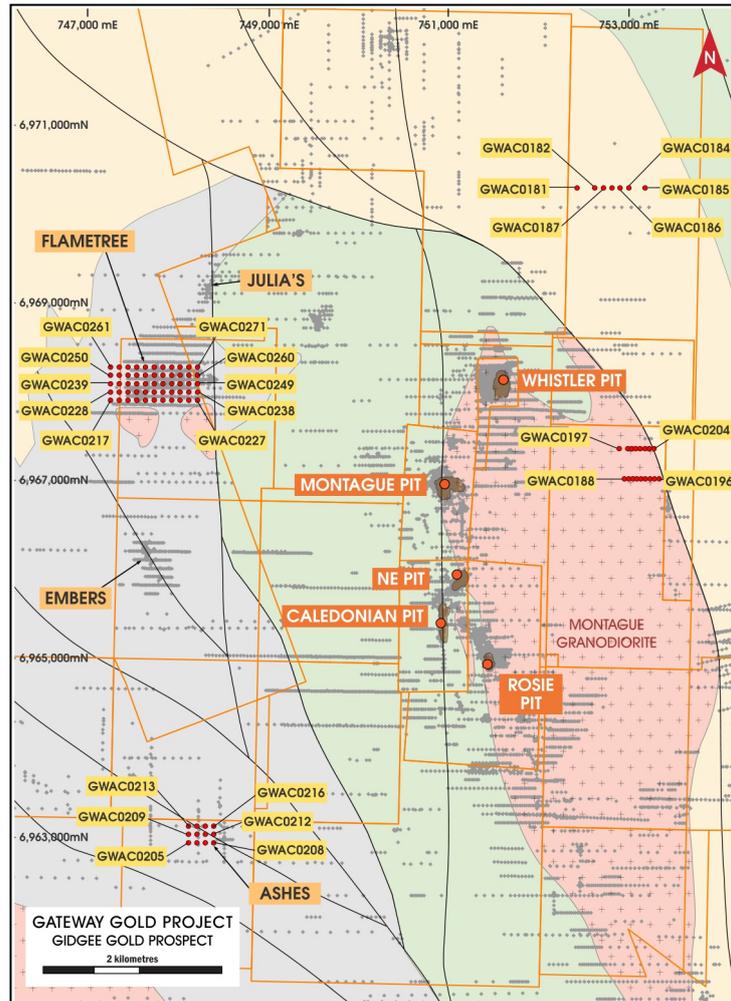


Figure (14): Gidgee Gold Project air-core drilling hole locations

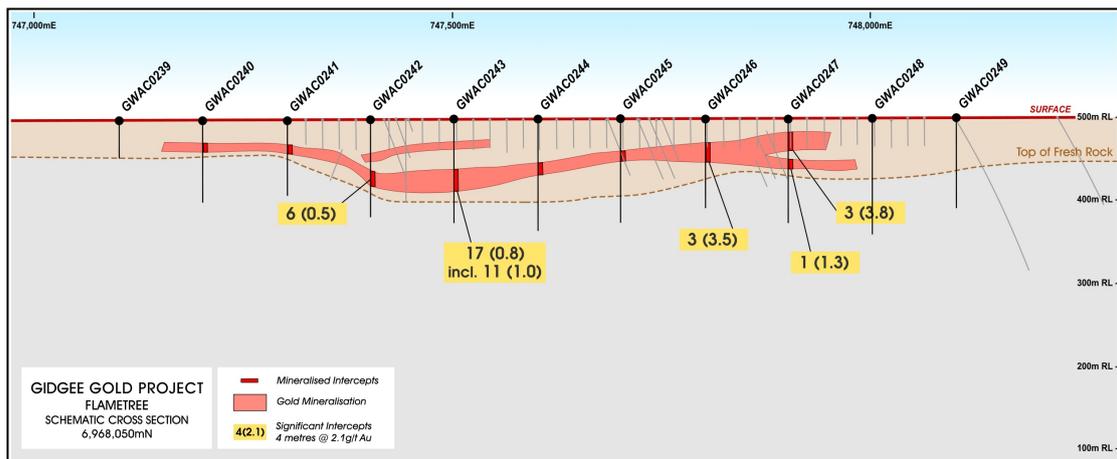


Figure (15): Flametree air-core drilling cross-section 6,968,050mN

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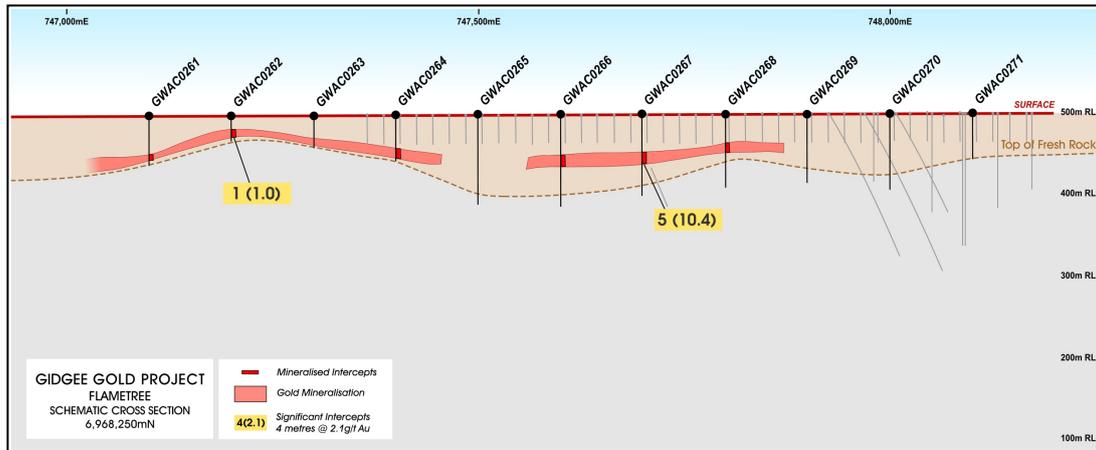


Figure (16): Flametree air-core drilling cross-section 6,968,250mN

Regional Aircore Drilling

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 Gold Project (Figure 17).

At the Ashes Prospect, wide-spaced AC drilling tested a coincident gravity-magnetic target within a 2.5km structural corridor. The drilling has intersected shallow mineralisation associated with ferruginous quartz veining in sandstones in bottom-of-hole samples. Highly anomalous results returned included:

- **GWAC0214: 8 metres @ 0.7g/t Au from 24 metres (includes 4 metres @ 1.2g/t Au)**

A new target located to the north of the Whistler Gold Deposit that was generated from high quality gravity data was tested with a single traverse of AC drilling. Modelling of the gravity data in this position had suggested the presence of a granitoid intrusion that could focus gold mineralising processes. The shallow drilling successfully intersected a felsic intrusion within a package of felsic volcanic rocks. This result is considered important as it provides confidence in utilizing gravity as a core targeting dataset.

Two traverses of shallow air-core drilling were completed to the east of Whistler to locate the contact of the Montague Granodiorite. The contact position was defined, but not intersected due to the wide-spaced nature of the drilling. No significant results were returned.

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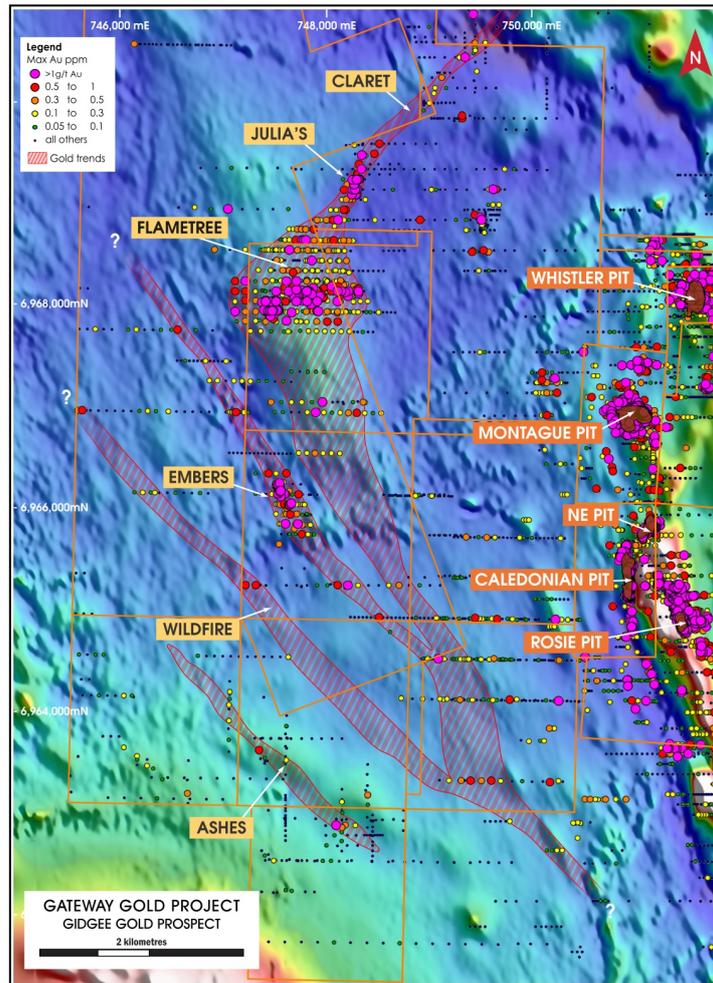
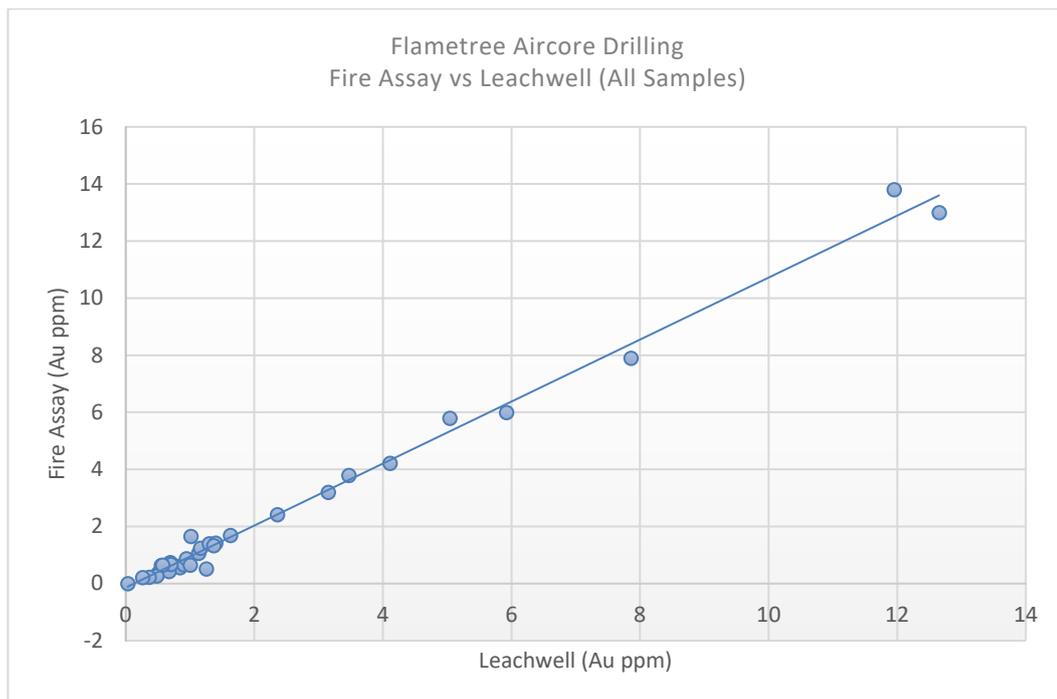


Figure (17): Flametree regional air-core drill plan maximum downhole Au intersections, showing +5.5km corridor of potential oxide zone gold mineralisation including the historic Julia's and Embers prospects



Graph (1): Flametree air-core original 50g Fire Assay vs 500g Leachwell analysis

DIRECTORS' REPORT

GEOCHEMICAL SAMPLING

An extended soil sampling program highlighted a series of exciting anomalies which represent significant new targets for follow-up exploration. This extensive survey (Figure 18) now covers the entirety of the Montague Dome within Gateway's tenure, and was also extended to the north and east to cover prospective horizons within the older units of the Gum Creek Greenstone Belt.

A total of 5,708 samples were collected on a nominal 200m x 50m grid, which was widened in parts away from the main Granodiorite system to 400m x 50m.

Key Points

- This large-scale geochemical sampling program across the Montague Dome has identified **at least 12 high-priority exploration targets** that will require follow-up exploration (Figures 18 and 19). Importantly, the identified targets have been generated across a number of geological settings and different levels of transported cover.
- A description of a number of the high-priority targets is provided below:
 - **Anomaly A** – Hangingwall Shear hosted target, west of the Montague-Boulder pit and north-west contact zone. This anomaly is approximately **3,000m x 400m** in dimension, corresponding to interpreted shear zones within the mafic volcanics. Several shallow shafts known as “The Plymouth” exist, with only drill testing via shallow RAB drilling generally proximal to the workings
 - **Anomaly C** – Proximal Mafic Shear Zone target on the north-west contact of the Montague Granodiorite system (see Figure 19). Defined mineralisation exists at the Montague Boulder pit, but a strong consistent anomaly has been returned along the **2.3km strike** from the northern tip of the intrusion south toward the Caledonian NE pit. Outside of the Montague-Boulder Resource area, drilling has largely been ineffective shallow historical RAB.
 - **Anomaly D** – Granodiorite Hosted Stockwork target around and to the south of the structural system that hosts mineralisation at Achilles (see Figure 19). This anomaly indicates the potential for extensive mineralisation within a large area of the granodiorite unit over approximately **2,200m x 1,300m**. It includes the previously defined “Crosswind” anomaly, which is now interpreted to be part of a much larger system. The area has only been subjected to broad very-shallow RAB drilling previously and localised deeper testing by sporadic RC drilling, with several significant intersections returned from the Airport and Airport West prospects. This area will be the target of upcoming systematic air-core drilling.
 - **Anomaly M** – Lower Sequence Hosted Lode target located around the historical Monarch group of workings. An extensive **4,800m x 500m** anomaly associated with a demagnetized zone in the gabbro intrusive complex at the contact with a mafic volcanic sequence and numerous thin granodiorite dykes. The only previous exploration consists of four RC holes drilled directly beneath the workings by Herald Resources Ltd in the 1980s. No exploration has been carried out along strike. The anomaly is completely open to the south beyond the existing soil sampling grid.

These new high-quality anomalies will now be incorporated into future drill planning, consistent with Gateway's strategy of evaluating the full potential of the Montague Dome. Systematic drill testing will be prioritised on these anomalies in conjunction with work at the established advanced targets at Whistler, Montague-Boulder and Achilles.

DIRECTORS' REPORT

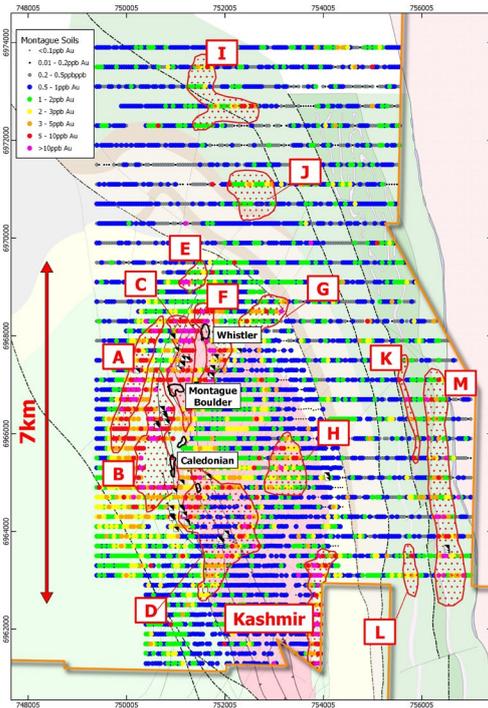


Figure (18): Plan of Geochemical Survey and Location of Anomalies

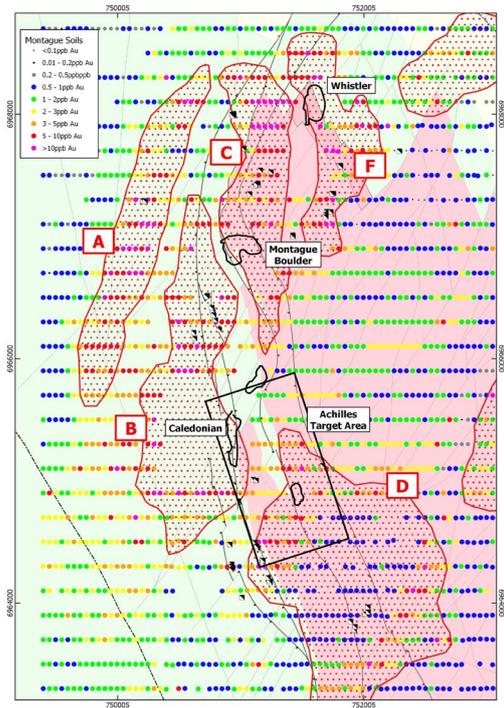


Figure (19): Zoomed Plan of Geochemical Survey and Location of Anomalies, North-western Granodiorite Contact

GIDGEE GOLD PROJECT EXPANSION

During the reporting period, the Company announced that it had completed a process to significantly expand the Company's flagship Gidgee Gold Project as part of its ongoing commitment to unlocking the regions Tier -1 gold exploration and development potential.

These new acquisitions, strategic joint venture and new Exploration Licence Applications expand the core Gidgee Gold Project to 1000km² and secures highly prospective extensions to this emerging gold project.

The Company has invested in the collection of high-quality regional datasets to provide a critical understanding of the major structural and stratigraphic controls that impact the Project. These datasets include the recently acquired detailed ground gravity survey data and re-processed airborne magnetic data.

The collection of quality regional data within an area that has never been subjected to systematic exploration, and is largely under transported cover, provides the ability to effectively target for new exploration opportunities. The data has been used as the basis to target additional tenement areas for consolidation.

These new integrated datasets allows for the targeting:

- Intrusions similar to the Montague Granodiorite that have not previously been identified in the region. These intrusions are considered as high-ranking targets for future programs of exploration.
- Gold deposit styles based on other high-value analogues such as the Kanowna Belle and Wallaby gold deposits.

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- Volcanic hosted massive sulphide (VHMS) copper-zinc-gold systems as identified at the Flametree Prospect VHMS Project. The new gravity dataset can be utilised to help identify sub-volcanic intrusions that would help focus any future exploration initiative targeting base metals.

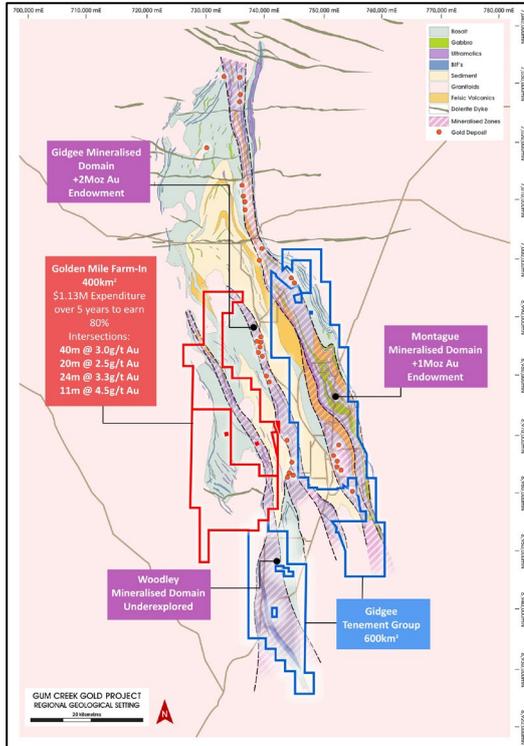


Figure (20): Gidgee Project Exploration Target Summary Plan with new Farm-in tenements

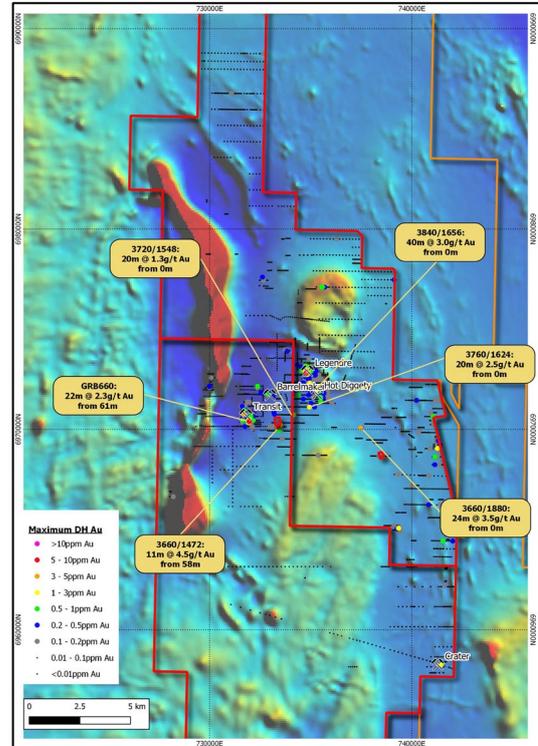


Figure (21): Gidgee Project Exploration Target Summary Plan with new Farm-in tenements

Of particular note was the acquisition of the Golden Mile JV tenure that secures the prospective western mineralised corridor within the Gum Creek Greenstone Belt. 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 20).
- 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:

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- 40 metres @ 3.0g/t Au from surface (Arimco RAB hole 3840/1656)*
- 20 metres @ 2.5g/t Au from surface (Arimco RAB hole 3760/1624)*
- 24 metres @ 3.3g/t Au from surface (Arimco RAB hole 3660/1880)*
- 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)*
- 22 metres @ 2.3g/t Au from 61m (Gateway RAB hole GRB660)

(Whole-hole composite)

- 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 20).

Summary of Commercial Terms

- The G88 Earn-In Agreement consists of a three stage earn-in for Gateway to ultimately achieve 80% equity in exploration licenses E57/1039 and E57/1040 (**Tenements**) on the following terms:
 - 12-month, non-withdrawal period with a minimum of \$210,000 (exclusive of GST) exploration expenditure (**Non-Withdrawal Period**);
 - Exploration expenditure of a further \$420,000 (exclusive of GST) within 3 years of the Earn-In Agreement commencing to earn a 51% interest in the Tenements;
 - Exploration expenditure of a further \$500,000 (exclusive of GST) within 5 years of the Earn-In Agreement commencing to earn a further 29% interest in the Tenements;
 - Golden Mile's interest in the Tenements to be free-carried interest to a decision to mine, at which point they can elect to contribute or dilute to a 0.5% Net Smelter Royalty; and
 - Gateway's obligations under the Earn-In Agreement are conditional on Golden Mile having obtained appropriate exemptions pursuant to the *Mining Act 1978* (WA) and satisfactory to Gateway (in its absolute discretion) in relation any expenditure conditions of the Tenements for the 2019 and 2020 expenditure years.
- Granted Prospecting Licences P57/1455 and P57/1456: attained via open ground pegging - 100% owned by Gateway.
- Granted Exploration Licence E57/1113: attained via open ground pegging - 100% owned by Gateway.
- Exploration Licence Application E57/1145: Acquired from Mining Equities Pty Ltd for 2,272,727 Gateway shares (at a share price of \$0.022 per share, subject to 6 months voluntary escrow) and a 1% gross revenue royalty.
- Exploration Licence Applications E57/1144 and E52/2108: Acquired from Thunder Metals Pty Ltd for \$5,000 cash and a 10% free carried interest to a Decision to Mine.
- An 80% interest in granted Exploration Licence E57/1060: Acquired from ASX listed E25 Limited (ASX:E25) for:

DIRECTORS' REPORT

- \$50,000 payable at E25 Limited's discretion in cash or Gateway shares (based on a 5-day VWAP);
- the grant of 0.7% Gross Revenue Royalty which is capped at the production of either 100,000 ounces of gold or 25,000 tonnes of copper from E57/1060; and
- 20% free carried interest to a Decision to Mine.

REGIONAL PROJECTS – WESTERN AUSTRALIA

In addition to the flagship Gidgee Gold Project, Gateway has excellent exposure to a quality portfolio of six exploration projects located in the Yilgarn, Bryah and Pilbara districts of Western Australia (**Regional Projects**).

The Regional Projects cover an approximate area of 1,040km² and the majority of the projects are located adjacent to major mineralised systems and cover highly prospective structural trends.

Given the focus on the Gidgee Gold Project a strategic decision was made to attract joint venture partners to a number of these regional projects. This has created a strong level of optionality via third party expenditure with reduced risk to Gateway.

The Regional Projects comprise of:

Bryah Basin Project

The Bryah Basin Project provides a large, consolidated profile in the Bryah Basin, a Proterozoic-aged volcano-sedimentary rift basin that is highly prospective for gold and copper-gold VHMS mineralisation. The Project is host to a number of important deposits including the DeGrussa and Monty copper-gold deposits (Sandfire and Talisman) and the Fortnum gold deposit (Westgold).

During the period, the Company announced the successful divestment of the Bryah Basin Project to Dingo Resources Limited, which is a wholly owned subsidiary of ASX-listed Strickland Metals Limited (ASX:STK) (formerly known as Alloy Resources Limited (ASX: AYR)) (**STK**) (see ASX Release 16th April 2020).

The exercise of the Option by Dingo was conditional and subject to STK completing a capital raising of a minimum \$1,000,000 (**Condition**).

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 STK 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 STK's portfolio of high-quality exploration targets.

Edjudina Project

DIRECTORS' REPORT

The Edjudina Project is located in the highly mineralised Eastern Goldfield Province of the Yilgarn Craton and is considered prospective for gold and nickel-copper mineralisation. The Project covers a strike extent of approximately 29km within the Linden Terrain east of the Pinjin Fault, and covers a north-northwest trending sequence of prospective greenstone lithologies that are immediately along strike of Matsa Resources Limited's Fortitude Gold Project, where trial mining recently recommenced. The area is also subject to significant exploration interest from a number of major resource companies including St Barbara Limited, Saracen Minerals Holding Limited and AngloGold Ashanti Australia Limited.

During the reporting period, the Company announced that it had entered into a tenement sale agreement for the sale of its Edjudina Project exploration licences. This divestment is part of the Company's strategy of crystallising value from its portfolio of non-core exploration assets while maintaining a strong focus on gold exploration and development at its flagship 100%-owned Gidgee Gold Project. The Company, through its wholly-owned subsidiary Gateway Projects WA Pty Limited (**Gateway Projects**), entered into a conditional tenement sale agreement (**Transaction**) with ASX-listed DiscovEx Resources Limited (ASX:DCX) (previously named Syndicated Metals Limited (ASX: SMD)) (**DCX**) under which DCX agreed to acquire an 80% interest in E39/1765, E39/1882, E31/1150 and E31/1134 (**Tenements**)(**Tenement Sale Agreement**).

As consideration for acquiring an 80% ownership interest in the Tenements, DCX provided to Gateway the following consideration:

- \$250,000. \$50,000 of which was paid in cash and \$200,000 which was paid in DCX shares; and
- The grant of a 1.5% gross revenue royalty over the Tenements (payable after the first 200,000 ounces of gold or equivalent mineral product has been recovered from the Tenements).

Gateway Projects' remaining 20% interest in the Tenements will be free-carried until such a time as a decision to mine is declared, and the parties have agreed to enter into a joint venture on this basis.

Following completion of the transaction, DCX announced significant air-core drilling results from the Edjudina Gold Project in their maiden drill program. The results provide strong encouragement for the presence of a large-scale gold system at the Hornet Prospect.

During the reporting period, DCX also announced that single metre re-split sampling conducted following DCX's maiden target definition AC drilling programme at Edjudina, confirmed the high-grade gold mineralisation present in several end of hole intersections is within weathered, primary bedrock. Panning of these intervals has also produced fine grained visible gold providing further confidence that the mineralisation is in-situ and potentially amenable to conventional processing (yet to be confirmed with cyanide leach assay testing).

DIRECTORS' REPORT

Cunyu Project

The Cunyu Project is located on the eastern margin of the Proterozoic-aged Yerrida Basin and is targeting a Proterozoic mafic-ultramafic intrusive complex of that is considered prospective for nickel-copper and PGE-type deposits. In addition to this, the Project is interpreted to lie on a similar stratigraphic horizon to the Magellan lead-zinc deposit (owned by LeadFX Inc.), located approximately 80km to the south.

Edna May Project

The Edna May Project is located on the northern end of the Archean-aged Westonia Greenstone Belt, which is part of the larger Southern Cross Greenstone Belt. The project is immediately along strike from Ramelius Resources' Edna May gold mine. The host greenstone belt and regional structure that controls the Edna May mine mineralisation is interpreted to persist through the project area, as evidenced by the presence of gold mineralisation intersected in historical drilling.

Southern Cross Project

The Southern Cross Project includes over 20km of prospective greenstone located at the northern end of the highly endowed Southern Cross Greenstone Belt. The belt is an Archaean-aged package of mafic-ultramafic volcanic and sedimentary rocks, and is considered highly prospective for significant gold mineralisation as well as komatiite hosted nickel sulphide, VHMS and lithium deposits.

Currently, the Company has an option agreement for the sale of its exploration licence located at the northern end of the Southern Cross Greenstone Belt. The Company entered into a conditional option agreement (**Transaction**) with DCX under which DCX has an exclusive option to acquire Gateway Projects WA's interests in E77/2309 (**Tenement**) (**Option Agreement**).

Under the terms of the Option Agreement, in consideration for a non-refundable option fee of AUD\$10,000, DCX has an exclusive 12-month option (**Initial Option Term**) to acquire the Tenement (**Option**). DCX may at any time prior to expiry of the Initial Option Term elect to extend the Option by a further 12 months (**Second Option Term**) by providing written notice to the Company and paying a further non-refundable option fee of AUD\$10,000. This will result in DCX having an aggregate 24-month Option to acquire the Tenement (**Term**).

During the period notification was received from DCX that they would exercise their option 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.

Sylvania Project

Subsequent to the reporting period Gateway advised that it had entered into a tenement sale agreement for the sale of its Sylvania Project Exploration Licences in the Sylvania Inlier area of Western Australia. The divestment is part of the Company's strategy of crystallising value from its portfolio of non-core exploration assets while maintaining a strong focus on ongoing gold exploration and development activities at its flagship 100%-owned Gidgee Gold Project.

Through its wholly-owned subsidiary, Gateway Projects WA Pty Limited (**Gateway Projects**), the Company entered into a tenement sale agreement (**Transaction**) with Lighthouse Resources Holdings Pty Ltd (**Lighthouse**) under which Lighthouse has agreed to acquire a 100% interest in E52/3365 and E52/3366 (**Tenements**) (**Tenement Sale Agreement**).

As consideration for acquiring a 100% ownership interest in the Tenements, Lighthouse will provide to Gateway the following consideration:

DIRECTORS' REPORT

- \$150,000 in Lighthouse shares, comprising 7,500,000 fully paid ordinary shares at an issue price of \$0.02 per Share; and
- The grant of a 1.5% gross revenue royalty over the Tenements.

As a result of the transaction, Gateway holds an interest of approximately 25% in Lighthouse.

Lighthouse has assembled a significant portfolio of projects on the margin of the Archean Sylvania Inlier near Newman, WA. The area is highly prospective for base metals, as demonstrated by the advanced Prairie Downs Zinc-Lead Deposit, and for large-scale gold systems similar to the nearby 2Moz Karlawinda Gold Project.

COVID-19 RESPONSE

During the financial year, the Company implemented implemented the following actions in response to the current COVID-19 situation:

- Field activities, including planned drilling programs, have been put on hold to safeguard all personnel and local communities, and to adhere to the directives of the Western Australian Government.
- Prudent cost saving measures have been implemented that include:
 - temporary suspension of field work. Programs will re-commence as soon as the WA Government relaxes internal travel restrictions.
 - A significant reduction in administrative costs.

Gateway took the opportunity during this period to undertake a full technical review of the expanded Gidgee Gold Project incorporating key, high-quality datasets collected over the past 12 months. This data includes detailed integrated models of gravity, airborne magnetics, litho geochemistry and structural analysis.

COMPETENT PERSON STATEMENT

The information in this report 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.

MINING TENEMENTS

The consolidated tenement holdings of the Group held during the reporting period are as follows:



DIRECTORS' REPORT

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	E57/0405	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 75% Estuary Resources NL 25%
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
GIDGEE	E57/0945	Gateway Mining Ltd
GIDGEE	E57/1004	Gateway Mining Ltd
GIDGEE	E57/1005	Gateway Mining Ltd
GIDGEE	E57/1057	Gateway Projects Pty Ltd
GIDGEE	E57/1060	Gateway Mining Ltd 80% Element 25 Ltd 20%
GIDGEE	E57/1067	Gateway Projects Pty Ltd
GIDGEE	E57/1095	Gateway Mining Ltd
GIDGEE	E57/1108	Gateway Mining Ltd
GIDGEE	E57/1113	Gateway Mining Ltd
GIDGEE	E57/1141	Gateway Mining Ltd
GIDGEE	E57/1144	Gateway Mining Ltd
GIDGEE	E57/1145	Gateway Mining Ltd
GIDGEE	E57/1147	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 75% Estuary Resources NL 25%
GIDGEE	M57/0485	Gateway Mining Ltd 75% Estuary Resources NL 25%
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

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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	P57/1475	Gateway Mining Ltd
GIDGEE	P57/1476	Gateway Mining Ltd
SYLVANIA	E52/3365	Gateway Projects Pty Ltd
SYLVANIA	E52/3366	Gateway Projects Pty Ltd
THADOONA	E51/1863	Gateway Projects Pty Ltd
BRYAH BASIN	E52/3248	Auris Minerals Ltd 85% Gateway Projects Ltd 15%
BRYAH BASIN	E52/3291	Auris Minerals Ltd 85% Gateway Projects Ltd 15%
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%
SOUTHERN CROSS	E77/2309	Gateway Projects Pty Ltd

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DIRECTORS' REPORT

CORPORATE ACTIVITIES

Capital Raising

During the reporting period, the Company successfully completed a capital raising of A\$3.46 million (before costs) (**Placement**) to institutional, professional and sophisticated investors to underpin a major new phase of drilling and exploration at its flagship 100%-owned Gidgee Gold Project in Western Australia.

The Placement, which comprised the issue of 230,966,664 shares at an issue price of \$0.015 per share, was strongly supported by existing and new investors.

The proceeds of the Placement underpinned exploration at the Gidgee Project as part of the Company's announced strategy to finalise and expand on its maiden Mineral Resource estimates and accelerate exploration across the project.

Appointment of Technical Director

During the Reporting Period, the Company announced that it appointed highly experienced Australian mining executive Mark Cossom as Executive Technical Director. Mr Cossom commenced employment with the Company on 21 October 2019. The appointment reflects Gateway's commitment to establish a strong in-house technical team with project evaluation and development capability as it advances its flagship Gidgee Gold Project in Western Australia to the next level.

Mr Cossom is a highly regarded geologist and mining executive with a strong background in gold exploration and mining geology, coupled with strong economic evaluation and corporate experience. He played a key part of the team that helped transform Doray Minerals from a junior gold explorer to an ASX-200 gold miner, holding a range of senior positions with the company including as Geology-Development Manager from 2010-2015 and General Manager – Geology and Exploration from 2015 to 2019 (prior to its takeover by Silver Lake Resources).

Prior to his time at Doray, Mr Cossom worked as Principal Geologist (SE Asia) for Harmony Gold Ltd based in Brisbane, overseeing all exploration and mine geology activities across the region including for the major Morobe Mining Joint Venture with Newcrest Mining Ltd in PNG. He has also worked in a range of roles for Harmony Gold at their South Kal Operations and for Dioro Exploration as Technical Support Manager.

Mr Cossom holds of Master of Science (Mineral Economics) from the WA School of Mines and a Bachelor of Science (Honours) in Applied Geology from Curtin University.

Issue of Options under Employee Incentive Plan

During the reporting period, 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.

Financial Results

The loss of the Group for the financial year after providing for income tax amounted to \$666,835 compared to a loss of \$778,929 for the previous year.

The Group incurred exploration expenditure of \$3,492,768 during the year (2019: \$2,097,807).

DIRECTORS' REPORT

The Group's cash and cash equivalents at 30 June 2020 was \$1,257,375 (2019:\$1,844,958).

The total net assets of the Group stands at \$12,464,742 (2019: \$9,080,315) of which investment in exploration expenditure accounts for \$10,032,088 (2019: \$7,127,192).

The Group is a mining exploration entity, and as such does not earn income from the sale of product. No dividends have been declared or paid during the year.

DIRECTORS AND COMPANY SECRETARY

The names and details of the directors and the Company Secretary of the Group in office at the date of this report are as follows:

Trent Franklin
Non-executive Chairman
BSc (Geology)

Mr Trent Franklin is a qualified geologist with a strong track record of corporate experience. He is currently the Managing Director of Enrizen Financial Group and formerly a director of the Australian Olympic Committee Inc. and Australian Water Polo Inc. He is also an Associate of the Australian Institute of Company Directors. Furthermore, Mr Franklin is currently company secretary of listed company Silver Mines Limited.

Peter Langworthy
Managing Director
BSc (Geology) (Hons)

Mr Peter Langworthy is an accomplished geologist and mining executive with a career spanning more than three decades in mineral exploration and project development in Australia and internationally. He is currently non-executive Chairman of junior copper and gold company Discoverex Resources Limited and non-executive director of Silver Mines Limited.

Mark Cossom (appointed 21 October 2019)
Executive Technical Director
MSc (Mineral Economics), BSc (Applied Geology) (Hons)

Mr Cossom is a highly regarded geologist and mining executive with a strong background in gold exploration and mining geology, coupled with strong economic evaluation and corporate experience. He played a key part of the team that helped transform Doray Minerals from a junior gold explorer to an ASX-200 gold miner, holding a range of senior positions with the company including as Geology-Development Manager from 2010-2015 and General Manager – Geology and Exploration from 2015 to 2019 (prior to its takeover by Silver Lake Resources).

DIRECTORS' REPORT

DIRECTORS AND COMPANY SECRETARY (CONTINUED)

Scott Brown
Non-executive Director

Mr Scott Brown is a Company Director with 25 years' experience in project management, business development and logistics across resource sectors, security risk-management and commercial construction, both in Australia and internationally.

Debra Fullarton
Non-executive Director
BA (Accounting) (Hons)

Ms Debra Fullarton is an experienced Chartered Accountant with 25 years' experience in senior roles including as Executive Director, Chief Financial Officer and Financial Manager at Auris Minerals Ltd and De Beers Australia Exploration Limited. She is currently the Group Chief Executive Officer of Westgold Resources Limited.

Kar Chua
Company Secretary
B.Com (Accounting and Corporate Finance)

Mr Kar Chua is a member of the Institute of Chartered Accountants in Australia. He has a range of experience in assisting a number of ASX-listed companies with their reporting, company secretarial and accounting functions, in addition to having a background in financial reporting for the Australia/New Zealand operations of a substantial multi-national group.

DIRECTORS' MEETINGS

During the financial year, 4 meetings of directors (including committees) were held.

	Meetings eligible to attend	Meetings attended
T Franklin	4	4
P Langworthy	4	4
D Fullarton	4	4
S Brown	4	4
M Cossom	3	3

The Group does not have a separate Audit Committee as this function is performed by the Board.

DIRECTORS' REPORT

ENVIRONMENTAL REGULATION

The Group's operations are subject to various environmental regulations under Western Australian State Legislation and Regulations. The directors are not aware of any material breaches during the financial year.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

Capital Raising

During the reporting period, the Company successfully completed a capital raising of A\$3.46 million (before costs) (**Placement**) to institutional, professional and sophisticated investors to underpin a major new phase of drilling and exploration at its flagship 100%-owned Gidgee Gold Project in Western Australia.

The Placement, which comprised the issue of 230,966,664 shares at an issue price of \$0.015 per share, was strongly supported by existing and new investors.

The proceeds of the Placement underpinned exploration at the Gidgee Project as part of the Company's announced strategy to finalise and expand on its maiden Mineral Resource estimates and accelerate exploration across the project.

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DIRECTORS' REPORT

FUTURE DEVELOPMENTS, PROSPECTS AND BUSINESS STRATEGIES

The directors believe, on reasonable grounds, that it would unreasonably prejudice the interests of the Group if any further information on likely developments, future prospects and business strategies in the operations of the Group and the expected results of these operations, were included herein.

REMUNERATION REPORT

The remuneration report, which has been audited, outlines key management personnel remuneration arrangements for the consolidated entity, in accordance with the requirements of the *Corporations Act 2001* and its regulations.

Directors' and Specific Executives (being key management personnel) Remuneration

The Group's policy for determining the nature and amount of emoluments of board members and executives is as follows:

Group officers and directors are remunerated to a level consistent with the size of the Group. The Group's aim is to remunerate at a level that will attract and retain suitably qualified directors and employees.

The remuneration of non-executive directors is determined by the Board. This remuneration is by way of a fixed fee and may be supplemented by the issue of incentive options as approved by shareholders in a general meeting of the Group.

The remuneration structure for executive officers is based on a number of factors including experience of the individual concerned and their overall performance. The contracts for service between the Group and executives are on a fixed basis the terms of which are not expected to change in the immediate future.

As the Group is a mining exploration entity, it does not earn any revenue from the sale of product. The Group is therefore reliant on raising capital to continue operations. Consequently, the directors are very mindful of keeping cash remuneration to minimum levels. The Board may consider other non-cash remuneration in the future should it be required to attract and maintain particular talent.

The Board is of the opinion shareholder interests have been well looked after by keeping cash remuneration levels low relative to many industry peers.

Directors and Specified Executives (being key management personnel) Interests

As at 30 June 2020, the interests of the directors and specified executives in the shares and options of the Group were as below.

Shareholdings of Key Management Personnel

The number of shares held directly, indirectly or beneficially, by each Key Management Person, including their controlled entities, is as follows:

DIRECTORS' REPORT

REMUNERATION REPORT (CONTINUED)

2020

Key Management Person	Balance at the start of the year	Net changes during the year	Net change due to directors' resignations	Balance at the end of the year
Peter Langworthy ¹	15,666,668	14,358,945	-	30,025,643 ¹
Trent Franklin ²	30,106,178	10,533,333	-	40,639,511 ²
Scott Brown ³	2,500,000	4,102,564	-	6,602,564 ³
Debra Fullarton	1,333,333	1,000,000	-	2,333,333
Mark Cossom	-	3,333,333	-	3,333,333
Kar Chua	1,666,667	-	-	1,666,667

1. Mr Langworthy also indirectly holds 141,666,668 shares in the Company through Omni GeoX Pty Ltd of which he is a director and has a 37% shareholding. Mr Langworthy also indirectly holds 38,666,667 shares in the company through Crest Investment Group Limited of which he has a 2.7% shareholding.
2. Mr Franklin's shares are indirectly held in entities Accrecap Pty Ltd, Enrizen Accounting Pty Ltd and Enable Investment Manager Pty Ltd, of which Mr Franklin is a director of both companies.
3. Mr Brown's shares are indirectly held in entity Gold River Pty Ltd, of which Mr Brown is as director of the company. He also indirectly holds 141,666,668 Shares in the Company through Omni GeoX Pty Ltd of which he is a director and has a 4.5% shareholding. Mr Brown also indirectly holds 38,666,667 shares in the Company Crest Investment Group Limited of which he has a 2.7% shareholding.

2019

Key Management Person	Balance at the start of the year	Net changes during the year	Net change due to directors' resignations	Balance at the end of the year
Peter Langworthy ⁴	8,333,334	7,333,334	-	15,666,668 ⁴
Trent Franklin ⁵	27,022,912	3,083,266	-	30,106,178 ⁵
Scott Brown ⁶	2,500,000	-	-	2,500,000 ⁶
Debra Fullarton	-	1,333,333	-	1,333,333

4. Mr Langworthy also indirectly holds 135,000,001 shares in the Company through Omni GeoX Pty Ltd of which he is a director and has a 37% shareholding. Mr Langworthy also indirectly holds 38,666,667 shares in the company through Crest Investment Group Limited of which he has a 2.7% shareholding.
5. Mr Franklin's shares are indirectly held in entities Accrecap Pty Ltd and Enable Investment Manager Pty Ltd, of which Mr Franklin is a director of both companies.
6. Mr Brown's shares are indirectly held in entity Gold River Pty Ltd, of which Mr Brown is as director of the company. He also indirectly holds 135,000,001 Shares in the Company through Omni GeoX Pty Ltd of which he is a director and has a 4.5% shareholding. Mr Brown also indirectly holds 38,666,667 shares in the Company Crest Investment Group Limited of which he has a 2.7% shareholding.

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DIRECTORS' REPORT

REMUNERATION REPORT (CONTINUED)

Option holdings of Key Management Personnel

2020

Key Management Person	Balance at the start of the year	Net changes during the year	Balance at the end of the year (Vested)	Balance at the end of the year (Vesting)
Peter Langworthy	21,666,667	(1,666,667) ¹	20,000,000	-
Mark Cossom	-	8,000,000	2,000,000	6,000,000
Scott Brown	500,000	(500,000) ²	-	-
Kar Chua	-	1,000,000	-	1,000,000

1. Expiry of Options 16 March 2020. Mr Langworthy also indirectly held 333,334 unlisted options in the Company through Omni GeoX Pty Ltd of which he is a director and has a 37% shareholding. Mr Langworthy also indirectly held 6,666,667 unlisted options in the Company through Crest Investment Group Limited of which he has a 2.7% shareholding. These indirectly held options also expired on 16 March 2020.
2. Expiry of Options 16 March 2020. Mr Brown also indirectly held 333,334 unlisted options in the Company through Omni GeoX Pty Ltd of which he is a director and has a 4.5% shareholding. Mr Brown also indirectly held 6,666,667 unlisted options in the Company through Crest Investment Group Limited of which he has a 2.7% shareholding. These indirectly held options also expired on 16 March 2020.

2019

Key Management Person	Balance at the start of the year	Net changes during the year	Balance at the end of the year
Peter Langworthy ³	21,666,667	-	21,666,667
Trent Franklin	-	-	-
Scott Brown ⁴	500,000	-	500,000
Debra Fullarton	-	-	-

3. Mr Langworthy also indirectly holds 333,334 unlisted options in the Company through Omni GeoX Pty Ltd of which he is a director and has a 37% shareholding. Mr Langworthy also indirectly holds 6,666,667 unlisted options in the Company through Crest Investment Group Limited of which he has a 2.7% shareholding.
4. Mr Brown also indirectly holds 333,334 unlisted options in the Company through Omni GeoX Pty Ltd of which he is a director and has a 4.5% shareholding. Mr Brown also indirectly holds 6,666,667 unlisted options in the Company through Crest Investment Group Limited of which he has a 2.7% shareholding.

The terms and conditions of each grant of options affecting remuneration in the current or a future reporting period are as follows:

Grant date	Vesting and exercise date	Expiry date	Exercise price	Value per option at grant date	% Vested
12 November 2019	12 May 2020	12 November 2022	\$0.030	\$0.011	100%
12 November 2019	Milestone achievement (Resource) ¹	12 November 2022	\$0.035	\$0.010	0%
12 November 2019	Milestone achievement (Scoping Study) ²	12 November 2022	\$0.040	\$0.010	0%
19 June 2020	19 December 2020	19 June 2023	\$0.030	\$0.022	0%
19 June 2020	19 June 2021	19 June 2023	\$0.035	\$0.0115	0%
19 June 2020	19 December 2021	19 June 2023	\$0.040	\$0.0110	0%

1. Vesting on the date the Company announces an audited JORC Compliant Indicated resource of 400,000 ounces or greater of gold ("Resource")
2. Vesting on the date the Company finalises and delivers a scoping study and financial model based on the Resource.

DIRECTORS' REPORT

REMUNERATION REPORT (CONTINUED)

Details of Remuneration

The aggregate compensation made to directors and other members of key management personnel of the consolidated entity is set out below:

2020

Personnel	Short-term benefits			Post-employment benefits	Share-based payments		Total
	Cash salary and fees	Cash bonus	Non-monetary benefits	Super-contribution	Equity-settled shares	Equity-settled options	
	\$	\$	\$	\$	\$	\$	\$
Directors:							
M Cossom	174,819	-	-	16,608	-	43,742	235,169
P Langworthy	182,648	-	-	17,352	-	-	200,000
T. Franklin	48,000	-	-	-	-	-	48,000
S Brown	36,000	-	-	-	-	-	36,000
D Fullarton	36,000	-	-	-	-	-	36,000
Other Key Management Personnel:							
K Chua ¹	60,000	-	-	-	60,000	73	120,073
Total	537,467	-	-	33,960	60,000	43,815	675,242

1. Fee Payable to Mr. K Chua are paid to Enrizen Accounting Pty Ltd and encompass Company Secretarial as well as accounting services to the Group

2019

Personnel	Short-term benefits			Post-employment benefits	Share-based payments		Total
	Cash salary and fees	Other short-term benefits	Non-monetary benefits	Super-contribution	Equity-settled shares	Equity-settled options	
	\$	\$	\$	\$		\$	\$
Directors:							
P Langworthy	182,648	-	-	17,352	-	-	200,000
T. Franklin	48,000	-	-	-	-	-	48,000
S Brown	36,000	-	-	-	-	-	36,000
D Fullarton	36,000	-	-	-	-	-	36,000
Total	302,648	-	-	17,352	-	-	320,000

DIRECTORS' REPORT

REMUNERATION REPORT (CONTINUED)

Key Service Agreements

Mr Peter Langworthy has entered into an executive services agreement with the Group in which he receives total remuneration of \$200,000 per annum (inclusive of superannuation). Mr Langworthy may terminate the agreement by providing 3 months' notice. The Group may terminate the agreement without notice for cause including if the director commits a serious or persistent breach of their obligations or engages in an act of serious misconduct. In the event of a change of control of the Company and a subsequent change of title, conditions or responsibilities occurs, the director's position will be deemed redundant and a termination payment of 6 months of the base remuneration will be paid to the director.

Mr Mark Cossom has entered into an executive services agreement with the Group in which he receives total remuneration of \$250,000 per annum (plus statutory superannuation). He also received 8,000,000 unlisted options in the Company subject to a number of vesting conditions. Mr Cossom or the Group may terminate the agreement by providing 3 months' notice. The Group may terminate the agreement without notice for cause including if the director commits a serious or persistent breach of their obligations or engages in an act of serious misconduct.

Mr Trent Franklin has entered into an agreement with the Group whereby he receives a director's fee of \$4,000 per month. The agreement can be terminated by the director by providing ninety days' written notice or by shareholders following a resolution of a general meeting; or by operation of law including if the director becomes disqualified from acting as a director of a public company pursuant to the Corporations Act or Bankruptcy Act.

Mr Scott Brown. The service agreement with Omni GeoX Pty Ltd provides non-executive director services to the Group for a fee of \$3,000 per month. Mr Brown provides services to the Group on behalf of Omni GeoX Pty Ltd. The agreement can be terminated by the director by providing ninety days' written notice or by shareholders following a resolution of a general meeting; or by operation of law including if the director becomes disqualified from acting as a director of a public company pursuant to the Corporations Act or Bankruptcy Act.

Ms Debra Fullarton. The service agreement with CA Direct Pty Ltd provides non-executive director services to the Group for a fee of \$3,000 per month. Ms Fullarton provides services to the Group on behalf of CA Direct Pty Ltd. The agreement can be terminated by the director by providing ninety days' written notice or by shareholders following a resolution of a general meeting; or by operation of law including if the director becomes disqualified from acting as a director of a public company pursuant to the Corporations Act or Bankruptcy Act.

DIRECTORS' REPORT

REMUNERATION REPORT (CONTINUED)

Voting and comments made at the Group's 2019 Annual General Meeting (AGM)

At the 2019 AGM, 99.94% of the votes received supported the adoption of the remuneration report for the year ended 30 June 2019. The Company did not receive any specific feedback at the AGM regarding its remuneration practices.

Performance Indicators

The earning of the consolidated entity for the five years to 30 June 2020 are summarised below:

	2020 \$,000	2019 \$,000	2018 \$,000	2017 \$,000	2016 \$,000
Sales Revenue	N/A	N/A	N/A	N/A	N/A
EBITDA	(666)	(784)	(624)	(9,249)	(1,346)
EBIT	(666)	(785)	(625)	(9,249)	(1,346)
Loss after Income Tax	(667)	(776)	(619)	(9,247)	(1,341)

The factors that are considered to affect total shareholders return ('TSR') are summarised below:

	2020	2019	2018	2017	2016
Share price at financial year end (\$)	0.019	0.010	0.026	0.019	0.024
Total dividends declared (cents per share)	-	-	-	-	-
Basic earnings per share (cents per share)	(0.05)	(0.08)	(0.13)	(3.01)	(0.46)

During the year, the Group entered into the following transactions with related parties:

Omni GeoX Pty Ltd which is a related party of Peter Langworthy (Managing Director) and Scott Brown (non-executive director) was paid \$899,622 (2019: \$1,044,843 for Geological services.

Related parties of Trent Franklin, a non-executive chairman of the Group including Enrizen Capital Pty Ltd received \$12,620 (2019: \$47,110) for capital raising and underwriting services; Enrizen Pty Ltd received \$2,955 (2019: \$3,090) for insurance services; Enrizen Lawyers Pty Ltd received \$125,164 (2019: \$62,666) for legal services; Enrizen Services Pty Ltd received \$721 (2019: \$1,950) for website design services; Enrizen Accounting Pty Ltd transactions for company secretarial and accounting services are disclosed under the remuneration report for the key management person (2019: \$73,000).

This concludes the Remuneration Report which has been audited.

DIRECTORS' REPORT

REMUNERATION REPORT (CONTINUED)

Shares under option

Unissued ordinary shares of Gateway Mining Limited under option at the date of this report are as follows:

Grant Date	Expiry Date	Exercise Price	Number
16 March 2018	28 February 2022	\$0.017	6,666,667
16 March 2018	28 February 2022	\$0.018	6,666,667
16 March 2018	28 February 2022	\$0.02	6,666,666
12 November 2019	12 November 2022	\$0.03	2,000,000
12 November 2019	12 November 2022	\$0.035	3,000,000
12 November 2019	12 November 2022	\$0.04	3,000,000
12 November 2019	12 November 2022	\$0.03	2,000,000
19 June 2020	19 June 2023	\$0.03	2,833,331
19 June 2020	19 June 2023	\$0.035	1,500,000
19 June 2020	19 June 2023	\$0.04	1,500,000
19 June 2020	19 June 2023	\$0.035	1,833,332
19 June 2020	19 June 2023	\$0.04	1,833,337
26 August 2020	26 August 2023	\$0.024	10,000,000

No person entitled to exercise the options had or has any right by virtue of the option to participate in any share issue of the company or of any other body corporate.

Shares issued on the exercise of options

No fully paid ordinary shares of Gateway Mining Limited were issued during the year ended 30 June 2020 and up to the date of this report.

Options issued to employees

The following options were issued to Company employees who are not part of Key Management Personnel during the reporting period:

Amount of options	1,000,000	1,500,000	1,500,000
Vesting conditions	vest six (6) months following the issue date.	vesting on the date the Company announces an audited JORC Compliant Indicated resource of 400,000 ounces or greater of gold (Resource).	the date the Company finalises and delivers a scoping study and financial model based on the Resource.
Exercise price	\$0.03 per Option	\$0.035 per Option	\$0.04 per Option
Expiry date	19 June 2023	19 June 2023	19 June 2023

There were no options issued to employees or Key Management Personnel after 30 June 2020.

DIRECTORS' REPORT

CORPORATE GOVERNANCE

In recognising the need for the highest standards of corporate behaviour and accountability, the directors of Gateway Mining Limited support and adhere to the principles of corporate governance. These principles have been formalised by the Board in the corporate governance statement contained in the additional ASX information section of the annual report.

PROCEEDINGS ON BEHALF OF THE GROUP

No person has applied for leave of Court to bring proceedings on behalf of the Group or intervene in any proceedings to which the Group is a party for the purpose of taking responsibility on behalf of the Group for all or any part of those proceedings. The Group was not a party to any such proceedings during the year.

NON-AUDIT SERVICES

There were no non-audit services performed by the external auditor during the financial year.

AUDITOR INDEPENDENCE DECLARATION

The auditor's independence declaration under Section 307C of the *Corporations Act 2001* for the year ended 30 June 2020 is enclosed and forms part of this annual report.

INDEMNIFYING OFFICERS

The Group has paid a premium to insure the directors and officers of the Group.

The insurance agreement limits disclosure of premium details.

The insurance premiums relate to:

- Costs and expenses incurred by the relevant officers in defending proceedings, whether civil or criminal and whatever their outcome; and
- Other liabilities that may arise from their position, with the exception of conduct involving a wilful breach of duty or improper use of information or position to gain a personal advantage.

INDEMNITY AND INSURANCE OF AUDITOR

The Group has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the Group or any related entity against a liability incurred by the auditor.

During the financial year, the Group has not paid a premium in respect of a contract to insure the auditor of the Group or any related entity.

DIRECTORS' REPORT

EVENTS SUBSEQUENT TO REPORTING DATE

Capital Raising

Subsequent to the reporting 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**).

Additionally, the Company launched a non-underwritten share purchase plan (**SPP**) to raise up to A\$2 million.

The SPP provided the opportunity for eligible shareholders to subscribe for up to \$30,000 worth of new shares, at a price of \$0.016 per share. The offer was undertaken at the same price as the July 2020 placement to institutional, professional and sophisticated investors.

On 19 August 2020, the Company advised that it has already received subscriptions in excess of the \$2 million available under the SPP offer and, as a result, the Company has closed the SPP with immediate effect. Subscriptions already received will be subject to a scale-back.

The funds raised under the SPP and the Placement will underpin the next major phase of drilling and exploration at the Company's flagship 100%-owned Gidgee Gold Project in Western Australia.

DIRECTORS' REPORT

Kashmir Gold Anomaly

Subsequent to the reporting period, the Company announced that it had intersected significant high-grade gold mineralisation at shallow depths in its maiden Reverse Circulation (RC) drill program at the Kashmir prospect, part of its 100%-owned 1,000km² Gidgee Gold Project in Western Australia.

The RC drilling at the 1.8km long Kashmir gold anomaly was completed as part of a larger 4,500m program testing several targets around the margins of the Montague Dome.

The results from Kashmir are considered to be outstanding for this early stage of exploration at a greenfields target and continue to reinforce the potential to delineate a significant large-scale gold system at the Gidgee Gold Project.

The Kashmir Prospect was identified by Gateway through fine fraction soil sampling, which highlighted a 1.8km long gold-in-soil anomaly along the south-eastern margin of the Montague Dome, directly along strike from Horizon Gold Ltd's (ASX: HRN) Howards gold deposit. This south-eastern margin is significantly under-explored, even though it represents the "mirror-image" position to the highly mineralised north-western margin that hosts the Company's Montague-Boulder and Whistler Mineral Resources, and has been shown to be extensively mineralised along strike by the Company's recently released RC results 1.1km north of Montague-Boulder.

Key Points

- The maiden drilling program at Kashmir consisted of two sections spaced 1km apart designed to provide an initial reconnaissance test of the geochemical anomaly. A total of nine holes were drilled, spaced 60m apart along section, and were drilled to a nominal target depth of 120m.
- Significant drilling results in this position include:
 - **GRC520:** 2m @ 7.9g/t Au from 3m
 - **GRC524:** 1m @ 8.8g/t Au from 59m
 - **GRC522:** 2m @ 1.6g/t Au from 105m
- The intersections in holes GRC520 and GRC524 are primary intersections in basalt and are spaced over 1km apart. This is the first-time effective drilling has been carried out in this area of the Montague Dome. The basalt sequence intersected is interpreted to be the same as that on the western side of the Montague Dome, although the stratigraphy is interpreted to be folded and therefore steeply east-dipping.
- These first-pass drill results are extremely encouraging, with the presence of high-grade gold bearing structures confirmed on this unexplored south-eastern margin of the Montague Dome within Gateway's tenure, directly along strike from the 200,000oz Howards deposit, owned by Horizon Gold (ASX: HRN).
- The intersection in hole GRC524 corresponds to an intense shear-zone with extensive potassic (biotite) alteration, which is analogous to the basalt-hosted mineralisation at Montague-Boulder and Caledonian on the north-western margin of the Montague Dome.
- These wide-spaced intersections are open along strike to the north and south. The presence of the Yale Lock group of old workings to the north indicates that high-grade

DIRECTORS' REPORT

mineralisation is persistent along this south-eastern contact zone for up to 2km further to the north.

- Historical drill testing around the Yale Lock group of workings has consisted of shallow drilling, with an average hole depth of 10m. The majority of drilling has consisted of 2-3m deep vacuum drilling, which is considered to be totally ineffective in this environment.
- The intersection in GRC522 is encouraging in that it is hosted within the granodiorite, indicating the potential for Whistler-style mineralisation to be present within this south-eastern contact zone.

COVID-19 Response

The Company continued to implement several measures in response to the COVID-19 pandemic subsequent to the financial year, including prudent cost saving measures such as reduction in administrative costs.

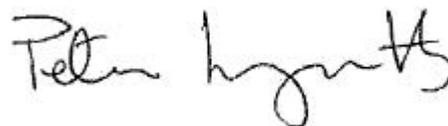
As intra-state travel restrictions within Western Australia were lifted, the Company made the decision to re-commence drilling and exploration at the Gidgee Project as part of the Company's strategy to expand on its Mineral Resources estimates and accelerate exploration across the project.

No other matter or circumstance has arisen since the reporting date that has significantly affected or may significantly affect the consolidated entity's operations, the results of those operations or the consolidated entity's state of affairs in future financial years.

The Directors' Report, incorporating the remuneration report, is signed in accordance with a resolution of the Board of Directors.



Trent Franklin
Non-executive Chairman



Peter Langworthy
Managing Director

Dated this 29th day of September 2020

29 September 2020

The Board of Directors
Gateway Mining Limited
Level 11, 52 Phillip Street
Sydney NSW 2000

Dear Board Members

Gateway 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 Gateway Mining Limited.

As lead audit partner for the audit of the financial report of Gateway Mining Limited for the financial year ended 30 June 2020, I declare that to the best of my knowledge and belief, that there have been no contraventions of:

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

Yours sincerely



Crowe Sydney



Suwarti Asmono
Partner

The title 'Partner' conveys that the person is a senior member within their respective division, and is among the group of persons who hold an equity interest (shareholder) in its parent entity, Findex Group Limited. The only professional service offering which is conducted by a partnership is the Crowe Australasia external audit division. All other professional services offered by Findex Group Limited are conducted by a privately owned organisation and/or its subsidiaries.

Findex (Aust) Pty Ltd, trading as Crowe Australasia is a member of Crowe Global, a Swiss verein. Each member firm of Crowe Global is a separate and independent legal entity. Findex (Aust) Pty Ltd and its affiliates are not responsible or liable for any acts or omissions of Crowe Global or any other member of Crowe Global. Crowe Global does not render any professional services and does not have an ownership or partnership interest in Findex (Aust) Pty Ltd. Services are provided by Crowe Sydney, an affiliate of Findex (Aust) Pty Ltd. Liability limited by a scheme approved under Professional Standards Legislation.

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**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER
 COMPREHENSIVE INCOME
 FOR THE YEAR ENDED 30 JUNE 2020**

	2020	2019
Note	\$	\$
Interest received	18,933	8,931
Other income	73,817	95,000
Realised gains (loss) on sale of investments	327,628	(4,587)
Employee benefits expenses	(240,232)	(222,818)
Professional services rendered	(320,947)	(236,802)
Directors' remuneration	(120,000)	(120,000)
Travel expenses	(3,755)	(16,458)
Depreciation expenses	(576)	(559)
Share registry fees	(43,320)	(70,483)
Share based payments	(68,920)	-
Public relations	(186,413)	(141,729)
Office and administrative expenses	(103,050)	(69,424)
Profit/(Loss) before income tax	(666,835)	(778,929)
Tax expense	-	-
Profit/(Loss) for the year	(666,835)	(778,929)
Other comprehensive income:		
Fair value on gain (loss) on available for sale financial assets	306,550	3,120
Other comprehensive income for the year, net of tax	306,550	3,120
Total comprehensive income (loss) for the year attributable to owners of the company	(360,285)	(775,809)
Earnings per share (cents per share)		
Basic & diluted earnings per share	(0.05)	(0.08)

The accompanying notes form part of these financial statements.

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**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
 AS AT 30 JUNE 2020**

	Note	2020 \$	2019 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	1,257,375	1,844,958
Trade and other receivables	5	208,317	115,052
TOTAL CURRENT ASSETS		1,465,692	1,960,010
NON-CURRENT ASSETS			
Financial assets at fair value through other comprehensive income	6	1,289,100	451,363
Exploration and evaluation expenditure	7	10,032,088	7,127,192
Property, plant and equipment		11,872	1,509
TOTAL NON-CURRENT ASSETS		11,333,060	7,580,064
TOTAL ASSETS		12,798,752	9,540,074
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	8	289,626	437,666
Provisions for employee benefits		42,986	18,156
TOTAL CURRENT LIABILITIES		332,612	455,822
NON-CURRENT LIABILITIES			
Provisions for employee benefits		1,398	3,937
TOTAL NON-CURRENT LIABILITIES		1,398	3,937
TOTAL LIABILITIES		334,010	459,759
NET ASSETS		12,464,742	9,080,315
EQUITY			
Issued capital	12	41,771,899	38,027,187
Share based payment reserve	12	380,872	311,952
Financial assets reserve	12	237,630	-
Accumulated losses		(29,925,659)	(29,258,824)
TOTAL EQUITY		12,464,742	9,080,315

The accompanying notes form part of these financial statements.

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**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
 FOR THE YEAR ENDED 30 JUNE 2020**

	Issued Capital	Accumulated losses	Financial assets reserve	Share based payments reserve	Total
	\$	\$	\$	\$	\$
Balance at 1 July 2018	34,882,059	(28,483,015)	-	311,952	6,710,996
Loss for the period	-	(778,929)	-	-	(778,929)
Other comprehensive income / (Loss) for the year	-	3,120	-	-	3,120
Total comprehensive income / (loss) for the period	-	(775,809)	-	-	(775,809)
Transactions with owners in their capacity as owners					
Shares issued in year	3,326,849	-	-	-	3,326,849
Cost of share issues	(181,721)	-	-	-	(181,721)
Balance at 30 June 2019	38,027,187	(29,258,824)	-	311,952	9,080,315
Balance at 1 July 2019	38,027,187	(29,258,824)	-	311,952	9,080,315
Loss for the period	-	(666,835)	-	-	(666,835)
Other comprehensive income / (Loss) for the year	-	-	237,630	68,920	306,550
Total comprehensive income / (loss) for the period	-	(666,835)	237,630	68,920	(360,285)
Transactions with owners in their capacity as owners					
Shares issued in year	3,918,017	-	-	-	3,918,017
Cost of share issues	(173,305)	-	-	-	(173,305)
Balance at 30 June 2020	41,771,899	(29,925,659)	237,630	380,872	12,464,742

The accompanying notes form part of these financial statements.

**CONSOLIDATED STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED 30 JUNE 2020**

	Note	2020 \$	2019 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments to suppliers and employees		(894,396)	(996,210)
Other income		60,000	95,000
Interest received		18,933	8,631
NET CASH USED IN OPERATING ACTIVITIES	17	(815,463)	(892,579)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of investments		250,190	180
Payment for exploration and evaluation		(3,376,238)	(2,505,176)
Purchase of Property, Plant and Equipment		(12,267)	-
R&D Tax Benefit		-	372,365
NET CASH USED IN INVESTING ACTIVITIES		(3,138,315)	(2,132,631)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares		3,539,500	3,326,849
Payments for capital raising costs		(173,305)	(181,721)
Advance received for unissued shares		-	113,000
NET CASH FROM FINANCING ACTIVITIES		3,366,195	3,258,128
NET INCREASE / (DECREASE) IN CASH HELD		(587,583)	232,918
Cash and cash equivalents at beginning of financial year		1,844,958	1,612,040
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR		1,257,375	1,844,958

The accompanying notes form part of these financial statements.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

a. Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards (AASB) and the requirements of Corporations Act 2001 and International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board as applicable to a for-profit entity. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

The financial report is intended to provide users with an update on the latest annual financial statements of Gateway Mining Limited and its controlled entities.

Except for the cash flow information, the financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The financial statements are presented in Australian dollars which is the Group's functional currency.

b. Going Concern

The directors believe that the going concern basis is appropriate for the preparation and presentation of the financial statements, notwithstanding continued operating losses, negative operating cash flows, and no ongoing revenue streams, as the Directors believe that the Group has sufficient cash and liquid assets or can access cash to continue operations. The cash is managed through:

- a) tight control of administrative expenses;
- b) raising additional share capital, for which the Company has a history of raising funds;
and
- c) by reducing the exploration program to maintain cash flow.

The Directors have prepared a forecast for the foreseeable future reflecting the above mentioned expectations and their effect on the Group. The forecast is conservative, and reflects current market prices, costs similar to this year for expenditure and exploration.

In the unlikely event that the above results in a negative outcome, then the going concern basis may not be appropriate with the result that the Group may have to realise its assets and extinguish its liabilities other than in the ordinary course of business and in amounts different from those stated in the Financial Report. No allowance for such circumstances has been made in the Financial Report.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

c. Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Gateway Mining Limited ('Company' or 'Parent Entity') as at 30 June 2020 and the results of its subsidiaries for the year then ended. Gateway Mining Limited and its subsidiary together are referred to in these financial statements as the 'consolidated entity' or 'the Group'.

Subsidiaries are all those entities over which the consolidated entity has control. The consolidated entity controls an entity when the consolidated entity is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity.

Intercompany transactions, balances and unrealised gains on transactions between entities in the consolidated entity are eliminated.

d. New or amended Accounting Standards and Interpretations adopted

The consolidated entity has adopted the following new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the consolidated entity.

The following Accounting Standards and Interpretations are most relevant to the consolidated entity:

AASB 16 Leases

This standard is applicable to annual reporting periods beginning on or after 1 July 2019. The standard replaces AASB 117 'Leases' and for lessees will eliminate the classifications of operating leases and finance leases. Subject to exceptions, a 'right-of-use' asset will be capitalised in the statement of financial position, measured as the present value of the unavoidable future lease payments to be made over the lease term. The exceptions relate to short-term leases of 12 months or less and leases of low-value assets (such as personal computers and small office furniture) where an accounting policy choice exists whereby either a 'right-of-use' asset is recognised or lease payments are expensed to profit or loss as incurred. A liability corresponding to the capitalised lease will also be recognised, adjusted for lease prepayments, lease incentives received, initial direct costs incurred and an estimate of any future restoration, removal or dismantling costs. Straight-line operating lease expense recognition will be replaced with a depreciation charge for the leased asset (included in operating costs) and an interest expense on the recognised lease liability (included in finance costs).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

In the earlier periods of the lease, the expenses associated with the lease under AASB 16 will be higher when compared to lease expenses under AASB 117. However, Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA) results will be improved as the operating expense is replaced by interest expense and depreciation in profit or loss under AASB 16. For classification within the statement of cash flows, the lease payments will be separated into both a principal (financing activities) and interest (either operating or financing activities) component. For lessor accounting, the standard does not substantially change how a lessor accounts for leases. The consolidated entity has adopted this standard from 1 July 2019.

e. New Accounting Standards and Interpretations not yet mandatory or early adopted

Conceptual Framework for Financial Reporting (Conceptual Framework)

The revised Conceptual Framework is applicable to annual reporting periods beginning on or after 1 January 2020 and early adoption is permitted. The Conceptual Framework contains new definition and recognition criteria as well as new guidance on measurement that affects several Accounting Standards. Where the consolidated entity has relied on the existing framework in determining its accounting policies for transactions, events or conditions that are not otherwise dealt with under the Australian Accounting Standards, the consolidated entity may need to review such policies under the revised framework. At this time, the application of the Conceptual Framework is not expected to have a material impact on the consolidated entity's financial statements.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

NOTE 2: CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Impairment of non-financial assets other than goodwill and other indefinite life intangible assets

The consolidated entity assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the consolidated entity and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

It is reasonably possible that the underlying metal price assumption may change which may then impact the estimated life of mine determinant and may then require a material adjustment to the carrying value of mining development assets. Furthermore, the expected future cash flows used to determine the value-in-use of these assets are inherently uncertain and could materially change over time. They are significantly affected by a number of factors including reserves and production estimates, together with economic factors such as metal spot prices, discount rates, estimates of costs to produce reserves and future capital expenditure.

Exploration and evaluation costs

Exploration and evaluation costs have been capitalised on the basis that the consolidated entity will commence commercial production in the future, from which time the costs will be amortised in proportion to the depletion of the mineral resources. Key judgements are applied in considering costs to be capitalised which includes determining expenditures directly related to these activities and allocating overheads between those that are expensed and capitalised. In addition, costs are only capitalised that are expected to be recovered either through successful development or sale of the relevant mining interest. Factors that could impact the future commercial production at the mine include the level of reserves and resources, future technology changes, which could impact the cost of mining, future legal changes and changes in commodity prices. To the extent that capitalised costs are determined not to be recoverable in the future, they will be written off in the period in which this determination is made.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

NOTE 2: CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (CONTINUED)

Share-based payments

Equity-settled and cash-settled share-based compensation benefits are provided to employees.

Equity-settled transactions are awards of shares, or options over shares, that are provided to employees in exchange for the rendering of services. Cash-settled transactions are awards of cash for the exchange of services, where the amount of cash is determined by reference to the share price.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using either the Binomial or Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the consolidated entity receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

The cost of cash-settled transactions is initially, and at each reporting date until vested, determined by applying either the Binomial or Black-Scholes option pricing model, taking into consideration the terms and conditions on which the award was granted. The cumulative charge to profit or loss until settlement of the liability is calculated as follows:

- during the vesting period, the liability at each reporting date is the fair value of the award at that date multiplied by the expired portion of the vesting period.
- from the end of the vesting period until settlement of the award, the liability is the full fair value of the liability at the reporting date.

Market conditions are taken into consideration in determining fair value. Therefore any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the consolidated entity or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the consolidated entity or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

**NOTE 2: CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS
(CONTINUED)**

Coronavirus (COVID-19) pandemic

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the consolidated entity based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographic regions in which the consolidated entity operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the consolidated entity unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

NOTE 3: OPERATING SEGMENTS

Identification of reportable operating segments

The consolidated entity is organised into one operating segment, being exploration operations. This operating segment is based on the internal reports that are reviewed and used by the Directors (who are identified as the Chief Operating Decision Makers (**CODM**)) in assessing performance and in determining the allocation of resources. The CODM reviews operating expenses in relation to the exploration activities and the Group's cash position. The accounting policies adopted for internal reporting to the CODM are consistent with those adopted in the financial statements.

The information reported to the CODM is on at least a monthly basis. Information is presented on a consolidated cash flow basis. Cash flow funding is treated as one pool of liquid assets noting relevant terms of any maturity or exercise of any investments for the purpose of funding exploration.

Types of products and services – The principal products and services of this operating segment are in exploration operations in Australia.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

NOTE 4: CASH AND CASH EQUIVALENTS

	2020	2019
	\$	\$
Cash at bank and on hand	1,257,375	1,844,958

Interest is on a variable rate. The Group is not sensitive to interest rate movement.

NOTE 5: TRADE AND OTHER RECEIVABLES

	2020	2019
	\$	\$
CURRENT		
GST receivables	15,486	99,611
Prepayments	11,534	13,974
Deferred consideration	175,000	-
Other receivables	6,279	1,467
Total trade and other receivables	208,317	115,052

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**NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2020**

**NOTE 6: FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE
 INCOME**

	2020 \$	2019 \$
NON-CURRENT		
<i>Listed investments</i>		
Opening fair value	21,909	23,556
Disposal consideration	(190)	(180)
Additions	600,000	-
Revaluation decrement	-	(4,587)
Revaluation increment	155,702	3,120
	777,421	21,909
<i>Unlisted investments</i>		
Opening fair value	400,000	400,000
Revaluation increment	81,928	-
	481,928	400,000
Total financial assets	1,259,349	421,909
Term Deposit	29,752	29,454

NOTE 7: NON-CURRENT DEFERRED EXPLORATION AND EVALUATION EXPENDITURE

	2020 \$	2019 \$
NON-CURRENT ASSET, WHOLLY OWNED		
Capitalised expenditure in respect of areas of interest at the beginning of the year	7,127,192	5,029,385
Expenditures during the year	3,492,768	2,097,807
Disposals	(697,373)	-
Additions	109,500	-
Capitalised exploration expenditure at the end of the year	10,032,088	7,127,192

The recoverability for the carrying amount of exploration assets is dependent upon further exploration and exploitation of commercially viable mineral deposits.

Exploration and evaluation expenditure for areas of interest for which rights of tenure are current is carried forward as an asset where it is expected that the expenditure will be recovered through the successful development of an area or by its sale; or exploration activities are continuing in an area and activities have not reached a stage which permits a reasonable estimate of the existence of economically recoverable reserves. Where a project or an area has been abandoned, the expenditure incurred thereon is written off in the year in which the decision is made.

In order to maintain current rights of tenure to exploration tenements, the Group is required to comply with the minimum expenditure obligations under the Mining Act. These obligations have been met. The future obligations which are subject to renegotiation when an application for a mining lease is made and at other times are not provided for in the financial statements.

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**NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2020**

NOTE 8: TRADE AND OTHER PAYABLES

	2020 \$	2019 \$
CURRENT		
Trade and other payables	289,626	437,666

NOTE 9: EARNINGS PER SHARE

	2020 \$	2019 \$
a. Reconciliation of earnings to profit or loss		
(Loss) used in the calculation of basic and dilutive earnings per share	(666,835)	(778,929)

	No. of shares	No. of shares
b. Weighted average number of ordinary shares outstanding during the year used in the calculation of basic earnings per share		
	1,290,775,776	932,270,701
Basic Earnings Per Share (cents)	(0.05)	(0.08)
Diluted Earnings Per Share (cents)	(0.05)	(0.08)

Diluted earnings per share is capped at basic earnings per share.

Basic earnings per share is calculated by dividing the profit attributable to the owners of Gateway Mining Limited, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

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**NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2020**

NOTE 10: INCOME TAX EXPENSE

	2020 \$	2019 \$
Loss for current year from ordinary activities:	(666,835)	(775,809)
Tax at 27.5%	(183,380)	(213,347)
Unrecognised deferred tax asset	(3,759,542)	(2,570,717)
Taxable loss for the year, not recognised	<u>(4,426,377)</u>	<u>(3,346,526)</u>
Tax losses brought forward from earlier years	(30,786,048)	(27,853,955)
Tax losses carried forward to later years	(35,212,425)	(31,200,481)
Future income tax benefit 27.5% of tax losses, not recognised	<u>9,683,417</u>	<u>8,580,132</u>

The tax rate used in the above table is the corporate tax rate of 27.50% payable by Australian corporate entities of this size on taxable profits under Australian Tax Law.

The income tax expense or benefit for the period is the tax payable on that year's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior years, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Thus given the Group is still in losses no deferred tax assets have been recognised.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

The potential net future tax benefits have not been brought into account within the Consolidated Statement of Profit and Loss and Other Comprehensive Income. Within the above note, the deferred tax liability \$2,642,727 (2019: \$1,777,114) is offset against tax losses. The balance of tax losses not recognised is \$7,040,690 (2019: \$6,803,018).

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**NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2020**

NOTE 10: INCOME TAX EXPENSE (CONTINUED)

This potential future income tax benefit will only be obtained if:

- (a) The Group derives future assessable income of a nature and an amount sufficient to enable the benefit to be realised in accordance with Division 170 of the *Income Tax Assessment Act 1997*;
- (b) The conditions for deductibility imposed by tax legislation continue to be complied with; and
- (c) No change in tax legislation adversely affects the Group in realising the benefits.

NOTE 11: AUDITORS' REMUNERATION

Remuneration of the auditors of the Group for:
 - Auditing or reviewing the financial report

2020 \$	2019 \$
53,500	55,164

NOTE 12: ISSUED CAPITAL

a. Ordinary shares fully paid

Balance at the beginning of the year
 Shares issued in year
 Capital raising costs

2020 \$	2019 \$
38,027,187	34,882,059
3,918,017	3,326,849
(173,305)	(181,721)

Balance at the end of the year

41,771,899	38,027,187
------------	------------

b. Movements in ordinary shares on issue

At the beginning of the financial year

2020 Number	2019 Number
1,077,372,773	836,845,924

Shares issued 25 October 2018 at 1.5 cents

- 81,250,070

Shares issued 4 December 2018 at 1.5 cents

- 18,749,933

Shares issued 16 April 2019 at 1.3 cents

- 140,526,846

Shares issued 23 July 2019 at 1.3 cents

15,770,539 -

Shares issued 30 August 2019 at 1.5 cents

210,966,664 -

Shares issued 13 November 2019 at 1.5 cents

33,233,333 -

Shares issued 17 December 2019 at 2.2 cents

2,272,727

At the end of the financial year

1,339,616,036	1,077,372,773
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There are no current on-market share buybacks.

**NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2020**

NOTE 12: ISSUED CAPITAL (CONTINUED)

c. Terms and conditions of ordinary shares

Ordinary shares have the right to receive dividends as declared and, in event of the winding up the company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of shares and amount paid up on the shares held. Ordinary shares entitle their holder to vote, either in person or by proxy, at a meeting of the company.

d. Share options

The below table shows the movement of options over the previous two full year periods.

	Number	Weighted Average Exercise Price \$
Options outstanding as at 30 June 2018	-	-
Granted	83,684,593	0.03
Exercised	-	-
Expired	-	-
Options outstanding as at 30 June 2019	83,684,593	0.03
Granted	19,499,998	-
Exercised	-	-
Expired	-	-
Options outstanding as at 30 June 2020	103,184,996	0.03

For the options granted during the current financial year, the valuation model inputs used to determine the fair value at the grant date, are as follows:

Tranches	Grant date	Expiry date	Share price at grant date	Exercise price	Expected volatility	Risk-free interest rate	Fair value at grant date
1	7-Nov-2019	12-Nov-2022	\$0.018	\$0.03	112.60%	0.59%	\$0.011
2	7-Nov-2019	12-Nov-2022	\$0.018	\$0.035	112.60%	0.59%	\$0.010
3	7-Nov-2019	12-Nov-2022	\$0.018	\$0.04	112.60%	0.59%	\$0.010
4	19-Jun-2020	19-Jun-2023	\$0.013	\$0.03	112.60%	0.59%	\$0.012
5	19-Jun-2020	19-Jun-2023	\$0.013	\$0.035	112.60%	0.59%	\$0.012
6	19-Jun-2020	19-Jun-2023	\$0.013	\$0.04	112.60%	0.59%	\$0.011

e. Capital Management

The directors control the capital of the Group in order to ensure that adequate cash flows are generated to fund its operations and continue as a going concern.

The Group's capital includes ordinary share capital.

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**NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2020**

NOTE 12: ISSUED CAPITAL (CONTINUED)

There are no externally imposed capital requirements.

The directors effectively manage the Group's capital by assessing the Group's financial risks and responding to changes in these risks.

There have been no changes in the strategy adopted by management since the prior year.

f. Reserve

	2020 \$	2019 \$
Share based payment reserve	380,872	311,952
Financial assets reserve	237,630	-
Total Reserve	618,502	311,952

g. Share based payments

A share option plan has been established by the consolidated entity and approved by shareholders at a general meeting, whereby the consolidated entity may, at the discretion of the board of directors, grant options over ordinary shares in the company to certain key management personnel of the consolidated entity. The options are issued for nil consideration and are granted in accordance with performance guidelines established by the board of directors.

Set out below are summaries of options granted in the financial period:

Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired	Balance at the end of the year
7-Nov-19	12-Nov-22	\$0.030	-	2,000,000	-	-	4,000,000
7-Nov-19	12-Nov-22	\$0.035	-	3,000,000	-	-	3,000,000
7-Nov-19	12-Nov-22	\$0.040	-	3,000,000	-	-	3,000,000
19-Jun-20	19-Jun-23	\$0.030	-	2,833,331	-	-	2,833,331
19-Jun-20	19-Jun-23	\$0.035	-	3,333,331	-	-	3,333,331
19-Jun-20	19-Jun-23	\$0.040	-	3,333,336	-	-	3,333,336

On 7 November 2019, 2,000,000 options at nil consideration was issued to the lead manager in relation to the capital raising during the year.

The weighted average share price during the financial year was \$0.03.

For the options granted during the current financial year, the valuation model inputs used to determine the fair value at the grant date, are as follows:

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

**NOTE 13: CONTINGENT LIABILITIES, CAPITAL EXPENDITURE AND MINING
TENEMENT COMMITMENTS**

The Board of Directors believe that there are no contingent liabilities or capital equipment commitments up to or subsequent to the 30th June 2020 (2019: nil) for either the parent company or its subsidiary. The mining tenement commitment as at the 30th June 2020 is \$1,196,617 (2019: \$1,252,940).

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

NOTE 14: EVENTS SUBSEQUENT TO REPORTING DATE

Capital Raising

Subsequent to the reporting 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**).

Additionally, the Company launched a non-underwritten share purchase plan (**SPP**) to raise up to A\$2 million.

The SPP provided the opportunity for eligible shareholders to subscribe for up to \$30,000 worth of new shares, at a price of \$0.016 per share. The offer was undertaken at the same price as the July 2020 placement to institutional, professional and sophisticated investors.

On 19 August 2020, the Company advised that it had received subscriptions in excess of the \$2 million available under the SPP offer and, as a result, the Company has closed the SPP with immediate effect. Subscriptions already received will be subject to a scale-back.

The funds raised under the SPP and the Placement will underpin the next major phase of drilling and exploration at the Company's flagship 100%-owned Gidgee Gold Project in Western Australia.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

NOTE 14: EVENTS SUBSEQUENT TO REPORTING DATE (CONTINUED)

Sylvania Project

Subsequent to the reporting period Gateway advised that it had entered into a tenement sale agreement for the sale of its Sylvania Project Exploration Licences in the Sylvania Inlier area of Western Australia. The divestment is part of the Company's strategy of crystallising value from its portfolio of non-core exploration assets while maintaining a strong focus on ongoing gold exploration and development activities at its flagship 100%-owned Gidgee Gold Project.

Through its wholly-owned subsidiary, Gateway Projects WA Pty Limited (**Gateway Projects**), the Company entered into a tenement sale agreement (**Transaction**) with Lighthouse Resources Holdings Pty Ltd (**Lighthouse**) under which Lighthouse has agreed to acquire a 100% interest in E52/3365 and E52/3366 (**Tenements**) (**Tenement Sale Agreement**).

As consideration for acquiring a 100% ownership interest in the Tenements, Lighthouse will provide to Gateway the following consideration:

- \$150,000 in Lighthouse shares, comprising 7,500,000 fully paid ordinary shares at an issue price of \$0.02 per Share; and
- The grant of a 1.5% gross revenue royalty over the Tenements.

As a result of the transaction, Gateway holds an interest of approximately 25% in Lighthouse.

Lighthouse has assembled a significant portfolio of projects on the margin of the Archean Sylvania Inlier near Newman, WA. The area is highly prospective for base metals, as demonstrated by the advanced Prairie Downs Zinc-Lead Deposit, and for large-scale gold systems similar to the nearby 2Moz Karlawinda Gold Project.

COVID-19 RESPONSE

During the financial year, the Company implemented the following actions in response to the current COVID-19 situation:

- Field activities, including planned drilling programs, have been put on hold to safeguard all personnel and local communities, and to adhere to the directives of the Western Australian Government.
- Prudent cost saving measures have been implemented that include:
 - temporary suspension of field work. Programs will re-commence as soon as the WA Government relaxes internal travel restrictions.
 - A significant reduction in administrative costs.

**NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2020**

NOTE 15: RELATED PARTY TRANSACTIONS

a. Directors and Key Management Persons

Key Management Persons	Position
Trent Franklin	Non-executive Chairman
Peter Langworthy	Managing Director
Mark Cossom	Executive Technical Director
Scott Brown	Non-executive Director
Debra Fullarton	Non-executive Director
Kar Chua	Company Secretary

Compensation

The aggregate compensation made to directors and other members of key management personnel of the consolidated entity is set out below:

	2020	2019
	\$	\$
Short-term employee benefits	537,467	479,513
Post-employment benefits	33,960	23,227
Share-based payments	103,815	-
	<u>675,242</u>	<u>502,740</u>

b. Directors loans

No directors or any key personnel have received any loans from the Group.

c. Other

During the year, the Group entered into the following transactions with related parties:

- (i) Omni GeoX Pty Ltd which is a related party of Peter Langworthy (Managing Director) and Scott Brown (non-executive director) was paid \$899,622 (2019: \$1,044,843 for Geological services).
- (ii) Related parties of Trent Franklin, a non-executive chairman of the Group including Enrizen Capital Pty Ltd received \$12,620 (2019: \$47,110) for capital raising and underwriting services; Enrizen Pty Ltd received \$2,955 (2019: \$3,090) for insurance services; Enrizen Lawyers Pty Ltd received \$125,164 (2019: \$62,666) for legal services; Enrizen Services Pty Ltd received \$721 (2019: \$1,950) for website design services; Enrizen Accounting Pty Ltd transactions for company secretarial and accounting services are disclosed under the remuneration report for the key management person (2019: \$73,000).

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**NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2020**

NOTE 15: RELATED PARTY TRANSACTIONS (CONTINUED)

d. Consolidated entities

The Group operates in the exploration industry in Australia only. The Group has the following 100% wholly owned subsidiaries whose transactions have been consolidated into the Group accounts:

Name	Principal place of business/ Country of incorporation	Ownership interest	
		2020 %	2019 %
Boomgate Capital Pty Ltd	Australia	100.00%	100.00%
Gateway Projects WA Pty Ltd (previously named, Omni Projects Pty Ltd)	Australia	100.00%	100.00%

NOTE 16: FINANCIAL RISK MANAGEMENT

The Group's financial instruments consist mainly of cash at banks, and deposits with Citibank, receivables and payables, and available for sale financial assets.

The Group does not have any derivative instruments at the end of the reporting period.

The totals for each category of financial instruments, measured in accordance with AASB 9 as detailed in the accounting policies to these financial statements are as follows:

	Note	2019 \$	2018 \$
Financial assets			
Cash and cash equivalents	4	1,257,375	1,844,958
Receivables	5	208,317	101,078
Financial assets at fair value through other comprehensive income -at fair value:			
- Listed investments	6	777,421	21,909
- Unlisted investments	6	481,928	400,000
Term Deposits	6	29,752	29,454
Total Financial Assets		2,754,792	2,397,399
Financial liabilities			
- Trade and other payables	8	289,626	437,666
Total Financial Liabilities		289,626	437,666

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

NOTE 16: FINANCIAL RISK MANAGEMENT (CONTINUED)

Financial Risk Management Policies

The Board's overall risk management strategy seeks to assist the Group in meeting its financial targets, whilst minimising potential adverse effects on financial performance. Risk management policies are approved and review by the directors on a regular basis. These include credit risk policies and future cash flow requirements.

Financial Risk Exposures and Managements

The main risks the Group is exposed to through its financial instruments are interest rate risk, liquidity risk and credit risk.

Interest Rate Risk

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at reporting date whereby future changes in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. Cash has an interest rate of 0.59% at year end. A change in rate will not be significant to the Group.

Liquidity risk

Liquidity risk arises from the possibility that the Group might encounter difficulty in settling its debts or otherwise meeting its obligations related to exploration expenditure. The Group manages liquidity risk by monitoring forecast cash flows and ensuring that adequate funds are maintained.

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**NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2020**

NOTE 16: FINANCIAL RISK MANAGEMENT (CONTINUED)

Financial liability and financial assets maturity analysis

The tables below reflect an undiscounted contractual maturity analysis for financial instruments.

Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates.

	Maturing within 1 Year		Maturing 1 to 5 Years		Total	
	2020	2019	2020	2019	2020	2019
	\$	\$	\$	\$	\$	\$
Financial assets						
Cash	1,257,375	1,844,958	-	-	1,257,375	1,844,958
Receivables & others	208,317	101,078	-	-	208,317	101,078
Term deposits	-	-	29,752	29,454	29,752	29,454
Financial assets at fair value through other comprehensive income						
- Listed investments	-	-	777,421	21,909	777,421	21,909
- Unlisted investments	-	-	481,928	400,000	481,928	400,000
<i>Total anticipated inflows</i>	1,465,692	1,946,036	1,289,100	451,363	2,754,792	2,397,399
Financial Liabilities						
Sundry payables and accruals	289,626	437,666	-	-	289,626	437,666
<i>Total expected outflows</i>	289,626	437,666	-	-	289,626	437,666
<i>Net inflow on financial instruments</i>	1,176,066	1,508,370	1,289,100	451,363	2,465,166	1,959,733

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**NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2020**

NOTE 16: FINANCIAL RISK MANAGEMENT (CONTINUED)

Credit Risk

The maximum exposure to credit risk by class or recognised financial assets at the end of the reporting period, excluding the value of any collateral or other security held, is equivalent to the carrying value and classification of those financial assets (net of any provisions) as present in the statement of financial position.

Fair Value

The fair values of listed investments have been valued at the fair value predominantly being the quoted market bid price at the end of the reporting period.

Fair value hierarchy

The following tables detail the consolidated entity's assets and liabilities, measured or disclosed at fair value, using a three-level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3: Unobservable inputs for the asset or liability

All financial assets held by the Group are assessed as Level 1 and Level 2 financial assets.

	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Consolidated - 2020				
<i>Assets</i>				
Ordinary shares - listed investments	777,421	-	-	777,421
Ordinary shares - unlisted investments	-	481,928	-	481,928
Total assets	777,421	481,928	-	1,259,349
Consolidated - 2019				
<i>Assets</i>				
Ordinary shares - listed investments	21,909	-	-	21,909
Ordinary shares - unlisted investments	-	400,000	-	400,000
Total assets	21,909	400,000	-	421,909

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**NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2020**

**NOTE 17: RECONCILIATION OF LOSS TO NET CASH
 OUTFLOWS FROM OPERATING ACTIVITIES**

	2020 \$	2019 \$
Loss for the year	(666,835)	(775,809)
Non-Cash flows in profit from ordinary activities		
(Gain)/Loss on disposal of financial assets	(327,628)	4,587
Depreciation expenses	576	559
Share based payment	68,921	-
Employee benefits expense	-	(72,134)
Changes in assets and liabilities:		
(Increase)/decrease in trade and other debtors	(93,265)	32,935
Increase/(decrease) in trade creditors	180,477	(76,045)
Increase/(decrease) in provision	22,291	(6,672)
Net cash flow from operating activities	(815,463)	(892,579)

NOTE 18: PARENT ENTITY INFORMATION

Statement of profit or loss and other comprehensive income

	2020 \$	2019 \$
Loss after income tax	(666,835)	(775,809)
Total comprehensive loss	(666,835)	(775,809)

Statement of financial position

	2020 \$	2019 \$
Total current assets	1,295,965	1,965,283
Total assets	12,800,954	9,542,275
Total current liabilities	333,992	457,202
Total liabilities	335,389	461,138
Equity: Issued capital	41,771,899	38,027,187
Reserve	618,502	311,952
Retained profits	(29,924,837)	(29,258,002)
Total equity	12,465,564	9,081,137

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

NOTE 19: COMPANY DETAILS

The registered office & sole principal place of business of the Group is:

Gateway Mining Limited
Level 11, 52 Phillip Street
Sydney NSW 2000 Australia

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DIRECTORS' DECLARATION

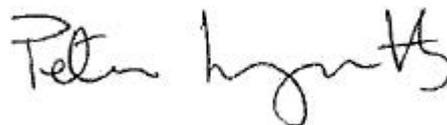
The directors declare that:

- 1 the financial statements and notes, as set out on pages 46 to 72 are in accordance with the Corporations Act 2001 and:
 - (a) comply with Accounting Standards and the Corporations Regulations 2001;
 - (b) give a true and fair view of the financial position as at 30 June 2020 and of the performance for the year ended on that date of the consolidated entity; and
 - (c) comply with International Financial Reporting Standards as issued by the International Accounting Standard Board as described in note 1 to the financial statements;
- 2 the Managing Director and the Company Secretary, who perform the functions of Chief Executive Officer and Chief Financial Officer respectively, have each declared that:
 - (a) the financial records of the Group for the financial year have been properly maintained in accordance with section 286 of the Corporations Act 2001;
 - (b) the financial statements and notes for the financial year comply with the Accounting Standards; and
 - (c) the financial statements and notes for the financial year give a true and fair view;
- 3 in the directors' opinion there are reasonable grounds to believe that the consolidated entity 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 Board of Directors.



Trent Franklin
Non-executive Chairman



Peter Langworthy
Managing Director

Dated this 29th day of September 2020

Independent Auditor's Report to the Members of Gateway Mining Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Gateway Mining Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2020, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the Group's financial position as at 30 June 2020 and of its financial performance for the year then ended; and
- (b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit 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* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

The title 'Partner' conveys that the person is a senior member within their respective division, and is among the group of persons who hold an equity interest (shareholder) in its parent entity, Findex Group Limited. The only professional service offering which is conducted by a partnership is the Crowe Australasia external audit division. All other professional services offered by Findex Group Limited are conducted by a privately owned organisation and/or its subsidiaries.

Findex (Aust) Pty Ltd, trading as Crowe Australasia is a member of Crowe Global, a Swiss verein. Each member firm of Crowe Global is a separate and independent legal entity. Findex (Aust) Pty Ltd and its affiliates are not responsible or liable for any acts or omissions of Crowe Global or any other member of Crowe Global. Crowe Global does not render any professional services and does not have an ownership or partnership interest in Findex (Aust) Pty Ltd. Services are provided by Crowe Sydney, an affiliate of Findex (Aust) Pty Ltd. Liability limited by a scheme approved under Professional Standards Legislation.

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Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter

How we addressed the Key Audit Matter

Recognition of Capitalised Exploration and Evaluation Expenditure – Note 7

The carrying amount of deferred exploration and development expenditure was a significant component of the Group's total assets, being \$10,032,088 as at 30 June 2020.

This area was considered a key audit matter as a significant level of judgement was required in the application of recognition criteria in AASB 6 *Exploration for and Evaluation of Mineral Resources*, including determining expenditures directly related to the exploration activities and allocating overheads between costs that are expensed and costs that are capitalised.

Our procedures included, amongst others

- Read management's accounting policy and assessed its compliance with AASB 6;
- Evaluated the directors' process regarding the capitalisation and recognition of exploration and evaluation expenditure; and
- Selected a sample of exploration expenditure capitalised for the year. We assessed the existence, valuation and allocation of the expenditure by agreeing the original invoice to the general ledger, agreeing the project reference and ensuring capitalisation was in line with AASB 6 and the group's accounting policy.

Consideration of Impairment for Capitalised Exploration and Evaluation Expenditure - Note 7

Exploration assets must also be assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount. This required a high degree of judgement by the directors as the impairment consideration was highly dependent on the following key factors:

- Detailed knowledge of the individual tenements held and status of operations and exploration activities in the specified area; and
- Viability of the tenements and how this is affected by any changes such as industry impacts, geography of project, committed expenditure and tenement expiry date.

The directors performed regular (every six months) assessments of the outstanding balance of exploration cost capitalised. This assessment was based on activities that had occurred between assessment dates.

We focused on this area as a key audit matter due to the high degree of estimation and judgement required by the directors to assess whether impairment is required for the specified tenements held and the high value of the capitalised deferred exploration expenditure.

We challenged the directors' assumptions that support its position on impairment for exploration and evaluation expenditure as follows:

- Reviewed the provided budgets and drilling programs and assessed whether they covered the committed expenditure before the expiry date;
- Assessed the Group's capacity to fund future committed exploration expenditure; and
- Checked the Group's ownership interest for each of the tenements to which the exploration expenditure related to the Government of Western Australia's Minerals and Titles database, and checked appropriate disclosures were made in the notes to the financial report.

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Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's Annual Report for the year ended 30 June 2020, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the 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 financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting

and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the group financial report. The auditor is responsible for the direction, supervision and performance of the group audit. The auditor remains solely responsible for the audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during the audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in the auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in the auditor's report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the remuneration report included in pages 34 to 39 of the directors' report for the year ended 30 June 2020.

In our opinion, the remuneration report of Gateway Mining Limited, for the year ended 30 June 2020, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the remuneration report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.


Crowe Sydney



Suwanti Asmono
Partner

29 September 2020
Sydney

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SHARE HOLDER INFORMATION

As at 21 September 2020, the Company provides the following information:

a. Voting Rights

The total number of shares on issue is 1,902,116,036.

The total number of shareholders was 2,448 and each share carries one vote in person, by proxy or poll.

b. Distribution of Shareholders by Number

Holding Ranges	Holders
1-1,000	245
1,001-5,000	267
5,001-10,000	121
10,0001-100,000	797
100,0001 – and above	1,018
Totals	2,448

c. Number of shareholdings held in less than marketable parcels is 817

d. The substantial shareholders in the Company are as follows:

HOLDER NAME	NUMBER HELD	PERCENTAGE
Harmanis Holdings Pty Ltd	212,875,243	11.19%
Omni GeoX Pty Ltd	147,916,668	7.78%

SHARE HOLDER INFORMATION

e. 20 largest Shareholders as at 21 September 2020

Position	Holder Name	Holding	% IC
1	HARMANIS HOLDINGS PTY LTD <HARMAN FAMILY A/C>	202,875,242	10.67%
2	OMNI GEOX PTY LTD	147,916,668	7.78%
3	L11 CAPITAL PTY LTD <GASCOYNE FAMILY A/C>	60,850,060	3.20%
4	CREST INVESTMENT GROUP LIMITED	38,666,667	2.03%
5	MR GREGORY JOHN SHARPLESS & MRS JENNIFER LEE SHARPLESS <SHARPLESS INVESTMENT A/C>	31,018,838	1.63%
6	MR MARK RAYMOND CLARKE	25,945,001	1.36%
7	ENABLE INVESTMENT MANAGER PTY LTD <ENABLE CAPITAL FUND A/C>	25,793,678	1.36%
8	CITICORP NOMINEES PTY LIMITED	21,995,689	1.16%
9	ACN 112 940 057 PTY LTD	21,227,180	1.12%
10	TREASURY SERVICES GROUP PTY LTD <NERO RESOURCE FUND A/C>	20,343,750	1.07%
11	RUNNING WATER LIMITED	20,000,000	1.05%
12	MR PETER JAMES LANGWORTHY & MRS CAROLYN PAULE LANGWORTHY <LANGWORTHY SUPER FUND A/C>	18,791,668	0.99%
13	ACCRECAP PTY LTD <ACCRECAP A/C>	17,333,333	0.91%
14	SESNA PTY LTD	16,000,000	0.84%
15	PETER JAMES LANGWORTHY & CAROLYN PAULE LANGWORTHY	14,358,975	0.75%
16	BOWMAN GATE PTY LTD <THE DISCOVERY A/C>	13,660,505	0.72%
17	REBECCA JANE PEERS <THE PEERS FAMILY A/C>	13,416,666	0.71%
18	AVERILL HOLDINGS PTY LIMITED <AVERILL SUPER FUND A/C>	12,753,460	0.67%
19	EQUITY TRUSTEES LIMITED <LOWELL RESOURCES FUND A/C>	12,260,505	0.64%
20	MRS CHRISTINE EMILY COGHLAN	12,000,000	0.63%
	Total	747,207,885	39.28%

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SHARE HOLDER INFORMATION

f. There are currently no listed options on issue.

g. The Company has the following unquoted securities on issue comprising a total of 36 holders:

- 6,666,667 unlisted options with an exercise price of \$0.017 and expiring on 28 February 2022 held by one holder;
- 6,666,667 unlisted options with an exercise price of \$0.018 and expiring on 28 February 2022 held by one holder; and
- 6,666,666 unlisted options with an exercise price of \$0.02 and expiring on 28 February 2022 held by one holder;
- 10,000,000 unlisted options exercisable at \$0.024, expiry 26 August 2023 held by one holder;
- 2,000,000 unlisted options exercisable at \$0.03, expiry 12 November 2022 held by eight holders;
- 2,000,000 unlisted options exercisable at \$0.03, expiry 12 November 2022 held by one holder;
- 3,000,000 unlisted options exercisable at \$0.035, expiry 12 November 2022 held by one holder;
- 3,000,000 unlisted options exercisable at \$0.04, expiry 12 November 2022 held by one holder;
- 2,833,331 unlisted options which will vest on 19 December 2020, with an exercise price of \$0.03 per option and expiring on 19 June 2023 held by seven holders;
- 1,500,000 unlisted 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 held by one holder;
- 1,500,000 unlisted 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 held by one holder;
- 1,833,332 unlisted options which will vest on 19 June 2021, with an exercise price of \$0.035 per option and expiring on 19 June 2023 held by six holders; and
- 1,833,337 unlisted options which will vest on 19 December 2021, with an exercise price of \$0.04 per option and expiring on 19 June 2023 held by six holders.

(Collectively, the **Options**).

The Options do not carry any voting rights.

CORPORATE GOVERNANCE STATEMENT

This Corporate Governance Statement of Gateway Mining Limited (the 'Group') has been prepared in accordance with the 4th Edition of the Australian Securities Exchange's ('ASX') Corporate Governance Principles and Recommendations of the ASX Corporate Governance Council ('ASX Principles and Recommendations'). The Group is required to disclose the extent to which it has followed the recommendations during the financial year, including reasons where the Group has not followed a recommendation and any related alternative governance practice adopted.

Both this Corporate Governance Statement and the ASX Appendix 4G have been lodged with the ASX. This statement has been approved by the Group's Board of Directors ('Board') and is current as at 29 September 2020.

The following governance related documents can be found on the Group's website at <http://www.gatewaymining.com.au>, under the section marked, 'Corporate Governance'.

Charters:

- Board
- Audit Committee
- Nomination Committee
- Remuneration Committee

Policies and Procedures:

- Code of Conduct
- Continuous Disclosure
- Diversity Policy
- Whistleblower Policy
- Anti-Bribery and Corruption Policy
- Selection and Appointment of New Directors
- Trading in Company Securities
- Assessing the Independence of Directors
- Independent Professional Advice
- Selection, Appointment and Rotation of External Auditor
- Performance Evaluation of the Board, Board Committees, Individual Directors and Key Executives
- Shareholder Communication Strategy
- Risk Management Policy
- Computer Usage and Conduct Policy
- Policy on Health and Safety
- Policy on Fitness for Work
- Policy on Environment
- Policy on Community Relations and Indigenous Peoples

The ASX Principles and Recommendations and the Group's response as to how and whether it follows those recommendations are set out below.

Principle 1: Lay Solid Foundations for Management and Oversight

Recommendation 1.1 - A listed entity should have and disclose a board charter setting out:

- (a) the respective roles and responsibilities of its board and management; and**
- (b) those matters expressly reserved to the board and those delegated to management.**

The Group has established the functions reserved to the Board, and those delegated to senior executives and has set out these functions in its Board Charter, which is disclosed on the Group website.

CORPORATE GOVERNANCE STATEMENT

The Board is collectively responsible for promoting the success of the Group through its key functions of:

- overseeing the management of the Group;
- providing overall corporate governance of the Group;
- monitoring the financial performance of the Group;
- engaging appropriate management commensurate with the Group's structure and objectives;
- overseeing the Group's process for making timely and balanced disclosure of all material information concerning the entity that a reasonable person would expect to have an effect on the price or value of the entity's securities;
- involvement in the development of corporate strategy and performance objectives;
- monitoring the effectiveness of the Group's governance practices;
- satisfying itself that the Group's remuneration policies are aligned with the purpose, values and objectives of the Group; and
- reviewing, ratifying and monitoring systems of risk management and internal control, codes of conduct and legal compliance.

Senior executives are responsible for implementing the Group's strategic objectives, operating within the Group's values, code of conduct, budget and risk appetite. Senior executives are also charged with supporting and assisting the managing director in implementing the running of the general operations and financial business of the Group in accordance with the delegated authority of the Board. Senior executives are responsible for reporting all matters which fall within the Group's materiality thresholds at first instance to the managing director, or, if the matter concerns the managing director, directly to the chairman, the Board or the independent directors, as appropriate.

Recommendation 1.2 - A listed entity should:

- (a) undertake appropriate checks before appointing a director or senior executive, or putting forward to security holders a candidate for election, as a director; and**
- (b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.**

Before appointing a director or senior executive, or putting forward to shareholders a director for appointment, the Group undertakes comprehensive reference checks that cover elements such as the person's character, experience, employment history, potential conflicts of interest and qualifications. Directors are required to declare each year that they have not been disqualified from holding the office of director by the Australian Securities and Investments Commission ('ASIC').

Where required, the Group also undertakes criminal background checks on potential directors and senior executives.

An election of directors is held each year. A director that has been appointed during the year must stand for election at the next Annual General Meeting ('AGM'). Retiring directors are not automatically re-appointed.

The Group has provided in the Director's Report (in the Annual Report) information about each director that the Board considers necessary for shareholders to make a fully informed decision as to the election of a director. This information is also included in the Notice of Meeting which contemplates the election or re-election of directors. Such information includes the person's

CORPORATE GOVERNANCE STATEMENT

biography, which includes experience and qualifications, details of other directorships, and any material information which may affect the person's ability to act independently on matters before the Board, and whether the Board supports the appointment or re-election and a summary of the reasons why.

Recommendation 1.3 - A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.

The terms of the appointment of a non-executive director are set out in writing and cover matters such as the term of appointment, required committee work, notice requirements and other special duties and remuneration entitlements.

Executive directors and senior executives are issued with service contracts which detail the above matters as well as the circumstances in which their service may be terminated (with or without notice) and any entitlements upon termination.

Recommendation 1.4 - The company secretary of a listed entity should be accountable directly to the Board, through the Chair, on all matters to do with the proper functioning of the Board.

The Company Secretary reports directly to the Board through the Chairman and is accessible to all Directors. The Company Secretary's role, in respect of matters relating to the proper functioning of the Board, includes:

- (a) advising the Board and its committees on governance matters;
- (b) monitoring compliance of the Board and associated committees with policies and procedures;
- (c) coordinating all Board business;
- (d) retaining independent professional advisors;
- (e) ensuring that the business at Board and committee meetings is accurately minuted; and
- (f) assisting with the induction and development of directors.

Recommendation 1.5 - A listed entity should:

- (a) have and disclose diversity policy;**
- (b) through its board or a committee of the board set measurable objectives for achieving gender diversity in the composition of its board, senior executives and workforce generally;**
- (c) disclose in relation to each reporting period:**
 - (1) the measuring objectives set for that period to achieve gender diversity;**
 - (2) the entity's progress towards achieving those objectives; and**
 - (3) either:**
 - (A) the respective proportions of men and women on the board, in senior executive positions and across the whole workforce (including how the entity has defined "senior executive" for these purposes); or**
 - (B) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent 'Gender Equality Indicators', as defined in and published under that Act.**

If the entity was in the S&P/ASX 300 Index at the commencement of the reporting period, the measurable objective for achieving gender diversity in the composition

CORPORATE GOVERNANCE STATEMENT

of its board should be to have not less than 30% of its directors of each gender within a specified period.

The Group has a Diversity Policy which includes requirements for the Board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the Group's progress in achieving these. The Group recognises the need to set diversity measures in each of its operating locations taking into account the differing diversity issues within each geographic location in which it operates.

The Group's Diversity Policy is available on its website. The Policy includes requirements for the Board, at the appropriate stage of its development, to establish measurable objectives for achieving gender diversity and for the Board to assess annually thereafter both the objectives and progress in achieving them. The Group intends to implement its Diversity Policy in the event that the Group's employee numbers grow to a level where implementation becomes practicable.

At present the Company, has one director who is a female, which results in females comprising 20% of the Board.

At this stage in the Group's development, the Board does not consider it practicable to set measurable gender diversity objectives.

The Group is not a "relevant employer" under the Workplace Gender Equality Act.

The respective proportion of women employees in the whole organisation, women in senior executive positions and women on the Board as at the date of this statement are set out in the following table:

	Proportion of women
On the Board	1 out of 5 (20%)
In senior executive positions	0 out of 1 (0%)
Across the whole organisation	1 out of 6 (17%)

For the purposes of this table, the Board has defined "senior executive" as an employee who reports directly to the Managing Director or the Board and is in a senior role, responsible for the management of employees.

Recommendation 1.6 - A listed entity should:

- (a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and
- (b) disclose for, in relation to each reporting period, whether a performance evaluation has been undertaken in the reporting period in accordance with that process during or in respect of that period.

The Chairman is responsible for evaluation of the Board and individual directors. The Board has not established any independent committees.

CORPORATE GOVERNANCE STATEMENT

The Chairman evaluates the performance of the Board and individual directors by way of ongoing review with reference to the compositions of the Board and its suitability to carry out the Group's objectives.

The Board intends to carry out a performance evaluation during the coming period. The Group's process for performance evaluation is disclosed on the Group's website.

An evaluation of the performance of the Board and individual directors took place in the 2020 financial period. The evaluation determined that the Board was satisfied with the performance of each Director and itself as a whole.

Recommendation 1.7 - A listed entity should:

- (a) have and disclose a process for periodically evaluating the performance of its senior executives at least once every reporting period; and**
- (b) disclose for each reporting period, whether a performance evaluation has been undertaken in accordance with that process during the reporting period.**

The managing director in consultation with the Board reviews the performance of the Group's senior executives. The current size and structure of the Group allows the managing director to conduct informal evaluation of the senior executives regularly. Open and regular communication with senior executives allows the managing director to ensure that senior executives meet their responsibilities as outlined in their contracts with the Group, and to provide feedback and guidance, particularly where any performance issues are evident. Annually, individual performance may be more formally assessed in conjunction with a remuneration review by the remuneration committee.

During the 2020 financial year, the Group conducted an evaluation of certain senior executives within the Group who were employed throughout the period. The Group's Process for Performance Evaluation is disclosed on the Group's website.

Principle 2: Structure the Board to be effective and Add Value.

Recommendation 2.1 - The board of a listed entity should:

- (a) have a nomination committee which:**
 - (i). has at least three members, a majority of whom are independent directors; and**
 - (ii). is chaired by an independent director,**
- (b) and disclose:**
 - (i). the charter of the committee;**
 - (ii). the members of the committee; and**
 - (iii). as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or**
- (c) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.**

The Board has not established a separate nomination committee. Given the current size and composition of the Board, the Board believes that there would be no efficiencies gained by

CORPORATE GOVERNANCE STATEMENT

establishing a separate nomination committee. Accordingly, the Board performs the role of the nomination committee.

Items that are usually required to be discussed by a nomination committee are marked as separate agenda items at Board meetings when required. When the Board convenes as the nomination committee it carries out those functions which are delegated to it by the Group's Nomination Committee Charter, which is available on the Group's website. Additionally, given the structure of the Board and the nature of the Group's operations and strategic objectives, the Board is satisfied it has the appropriate balance of skills, knowledge and experience to enable it to discharge its duties and responsibilities effectively.

The Board deals with any conflicts of interest that may occur when convening as the nomination committee by ensuring that the Director with the conflicting interests is not party to the relevant discussions.

Recommendation 2.2 - A listed entity should have and disclose a board skills matrix setting out the mix of skills that the board currently has or is looking to achieve in its membership.

The Board's skills matrix which it is looking to achieve in its membership includes technical experience, public company experience and financial experience. The skills and experience of each director is set out in the Directors report of the Annual Report and on the Group's website. The Board considers that this composition is appropriate for the effective execution of the Board's responsibilities and the size and operations of the Group, and can competently deal with current and emerging business issues.

Recommendation 2.3 - A listed entity should disclose:

- (a) the names of the directors considered by the Board to be independent directors;**
- (b) if a director has an interest, position or relationship of the type described in Box 2.3 of the ASX Corporate Governance Principles, but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position or relationship in question and an explanation of why the board is of that opinion; and**
- (c) the length of service of each director.**

The Board considers that Debra Fullarton is an independent director. Debra is considered independent as she is a non-executive director who is not a member of management and who is free of any business or other relationship that could materially interfere with or could be reasonably perceived to interfere with, the independent exercise of her judgment.

When considering the independence of a director, the Board considers whether the director:

- (a) is a substantial shareholder of the Group or an officer of, or otherwise;
- (b) is, represents, or is or has been within the last three years, an officer, employee or professional advisor of a substantial shareholder of the Group;
- (c) is employed, or has previously been employed in an executive capacity by the Group or another group member, and there has not been a period of at least three years between ceasing such employment and serving on the Board;
- (d) has within the last three years been a principal of a material professional adviser or a material consultant to the Group or another group member, or an employee materially associated with the service provided;

CORPORATE GOVERNANCE STATEMENT

- (e) receives performance-based remuneration (including options or performance rights) from, or participates in an employee incentive scheme of the Group;
- (f) has close personal ties with any person who falls within any of the categories described above;
- (g) is a material supplier or customer of the Group or other group member, or an officer of or otherwise associated directly or indirectly with a material supplier or customer; or
- (h) has been a director of the Group for such a period that their independence from management and substantial holders may have been compromised; or
- (i) has a material contractual relationship with the Group or another group member other than as a director.

Details of the Board of directors, their appointment dated, length of service as independence status is as follows:

Director's name	Appointment date	Length of service (approx.)	Independence status
Peter Langworthy	March 2018	2 years 6 months	Executive Managing Director, Non-Independent
Mark Cossom	October 2019	10 months	Executive Technical Director, Non-Independent
Trent Franklin	February 2013	7 years 7 months	Non-Executive Chairman, Non-Independent.
Scott Brown	April 2018	2 years 5 months	Non-Executive Director, Non-Independent
Debra Fullarton	April 2018	2 years 5 months	Independent Non-Executive Director

If and where it is determined that a non-executive director should no longer be considered independent, the Group will make an announcement to the market.

Recommendation 2.4 - A majority of the board of a listed entity should be independent directors.

Only one director on the Board is considered independent. The Board considers that the current size and composition of the Board is appropriate for the execution of the Board's responsibilities. To assist directors with independent judgement, it is the Board's policy (set out in the Group's website) that if a director considers it necessary to obtain independent professional advice to properly discharge the responsibility of their office as a director then, provided the director first obtains approval from the Chairman for incurring such expense, the Group will pay the reasonable expenses with obtaining such advice.

Recommendation 2.5 - The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO/ managing director of the entity.

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CORPORATE GOVERNANCE STATEMENT

The board considers that the Chairman Mr Trent Franklin is not an independent director. As stated above in Recommendation 2.4, the Board considers that the current size and composition of the Board is appropriate for the execution of the Board's responsibilities. To assist the directors with independent judgement, it is the Board's policy (set out in the Group's website) that if a director considers it necessary to obtain independent professional advice to properly discharge the responsibility of their office as a director then, provided the director first obtains approval from the Chairman for incurring such expense, the Group will pay the reasonable expenses with obtaining such advice. The Chairman is not the CEO or managing director of the entity.

Recommendation 2.6 - A listed entity should have a program for inducting new directors and for periodically reviewing whether there is a need for existing directors to undertake professional development to maintain the skills and knowledge needed to perform their role as directors effectively.

The Board in its capacity as nomination committee has a responsibility to ensure all new directors are provided with an induction into the Group and that directors have access to ongoing education relevant to their position in the Group. All directors are encouraged to communicate with the Group's employees and make visits to site to further their understanding of key operations.

The Board is in regular communication, as is necessary, with respect to briefing on material developments in laws, regulations and any accounting standards which may affect the Group.

There are procedures in place to enable Directors, in furtherance of their duties, to seek independent advice at the Company's expense, subject to the approval of the Chairman.

Principle 3: Instil a culture of acting lawfully, ethically and responsibly

Recommendation 3.1 - A listed entity should articulate and disclose its values.

The Group is committed to providing shareholders with exceptional returns via the acquisition, exploration and development of Gold and base metals projects, maximising leverage to an accretive gold price.

The Group's core values include:

- Excellence and Performance
- Integrity and Accountability
- Safety
- Innovation
- Collaboration
- Sustainability

The Group is committed to working by its core values and creating an environment that is diverse, collaborative, safe, innovative and driven by results.

Recommendation 3.2 – A listed entity should:

- have and disclose code of conduct for its directors, senior executives and employees; and**
- ensure that the board or committee of the board is informed of any material breaches of that code.**

CORPORATE GOVERNANCE STATEMENT

The Group has established a Code of Conduct as to the practices necessary to maintain confidence in the Group's integrity, the practices necessary to consider its legal obligations and the reasonable expectations of its stakeholders and the responsibility and accountability of individuals for reporting and investigating reports of unethical practices. The Code of Conduct is available on the Group's website.

Recommendation 3.3 – A listed entity should:

- (a) **have and disclose a Whistleblower policy; and**
- (b) **ensure that the board or a committee of the board is informed of any material incidents reported under that policy.**

The Group has established a whistleblower policy to ensure the Group is living up to its values. This policy is available on the Group's website.

The board is informed of any material incident reported under that policy, as soon as practicable following such a report.

Recommendation 3.4 – A listed entity should:

- (a) **have and disclose an anti-bribery and corruption policy; and**
- (b) **ensure that the board or a committee of the board is informed of any material breaches of that policy.**

The Group has established an anti-bribery and corruption policy as part of its Code of Conduct. This policy and the Code of Conduct are available on the Group's website.

Principle 4: Safeguard the Integrity of Corporate Reports

Recommendation 4.1 - The board of a listed entity should:

- (a) **have an audit committee which:**
 - (i) **has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and**
 - (ii) **is chaired by an independent director, who is not the chair of the board.**
- (b) **and disclose:**
 - (i) **the charter of the committee;**
 - (ii) **the relevant qualifications and experience of the members of the committee; and**
 - (iii) **in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or**
- (c) **if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.**

CORPORATE GOVERNANCE STATEMENT

The Board has not established a separate audit committee and therefore it is not structured in compliance with recommendation 4.1. Given the current size and composition of the Board, the Board believes there would be no efficiencies gained by establishing a separate audit committee. The Board performs the role of audit committee. Items required to be discussed by an audit committee are marked as separate agenda items at Board meetings as required. When the Board convenes as the audit committee it carries out those functions which are delegated to it in the Group's Audit Committee Charter, which is available on the Group's website.

The Board deals with any conflicts of interest that may occur when convening in the capacity of the audit committee ensuring that the director with conflicting interests is not party to the relevant discussions.

The Group has adopted an Audit Committee Charter which describes the role, compositions, functions and responsibilities of the audit committee.

The qualifications of the Board and company secretary are set out on the Group's website.

Recommendation 4.2 - The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO/managing director and CFO/company secretary a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

For the financial year ending on 30th June 2020, the Board received a statement from its Managing Director and Company Secretary, who perform the functions of CEO and CFO respectively, declaring that in their opinion, the financial records of the Group have been properly maintained and comply with the appropriate accounting standards.

Recommendation 4.3 - A listed entity should disclose its process to verify the integrity of any periodic corporate report it releases to the market that is not audited or reviewed by an external auditor.

The Group engages an external accounting firm to maintain its financial records and assist with the collation of periodic cash flow reports which are released to the market. Such reports are provided by the Company's accountants to the Group for consideration prior to release, and are finally reviewed and signed off by the Company Secretary and Managing Director. The completion of periodic reports by external professionals assists the Group to ensure the integrity of its financial reporting.

The Group's activity reports are prepared by employees of the Group in conjunction with external consultants and professional advisers who provide assistance with respect to compliance with ASX Listing Rules and Joint Ore Reserve Committee standards, thus assisting the Group to ensure the integrity of those reports.

Principle 5: Make Timely and Balanced Disclosure

Recommendation 5.1 - A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under Listing Rule 3.1.

The Group has established written policies and procedures designed to ensure compliance with ASX Listing Rule disclosure requirements and accountability at a senior executive level for that compliance. The Company's Directors and management have familiarised themselves

CORPORATE GOVERNANCE STATEMENT

with the ASX's continuous disclosure requirements and operate in an environment where strong emphasis is placed on full and appropriate disclosure to the market.

A summary of the Group's Policy on Continuous Disclosure and Compliance Procedure is disclosed on the Group's website.

Recommendation 5.2 – A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.

The Group ensures that all directors receive copies of each market announcement which is released which is sent to the board each time an announcement is published.

Recommendation 5.3 – A listed entity that gives a new and substantive investor or analyst presentation should release a copy of the presentation materials on the ASX Market Announcements Platform ahead of the presentation.

The Group ensures that investor or analyst presentation materials are released on the ASX Market Announcements Platform prior to the presentation.

Principle 6: Respect the Rights of Security Holders

Recommendation 6.1 - A listed entity should provide information about itself and its governance to investors via its website.

The Group maintains information in relation to governance documents, directors and senior executives, Board and committee charters, annual reports, ASX announcements and contact details on the Group's website.

Recommendations 6.2 and 6.3 - A listed entity should have an investor relations program that facilitates effective two-way communication with investors (6.2). A listed entity should disclose how it facilitates and encourages participation at meetings of security holders (6.3).

The Group has designed a communications policy for promoting effective communication with shareholders and encouraging shareholder participation at general meetings. The policy is disclosed on the Group's website.

The Company aims to have all significant information disclosed to the ASX posted on the Company's website as soon as it is disclosed to the ASX. There is also an email address and contact number available to shareholders who have enquiries or are seeking further information. Investors and securityholders may contact the Company by email at info@gatewaymining.com.au or via telephone at +61 2 8316 3998.

The Group provides security holders with the requisite notice before holding security holder meetings, and ensures that they are scheduled to be held in a central, accessible location (being the Central Business District of Sydney) to enable security holders ample opportunity to attend. The Directors and management encourage security holders to attend and participate in all meetings of security holders and invite attendees to ask questions of the Board.

During the COVID-19 pandemic, the Company has also been holding virtual meetings via webinar allowing shareholders to attend meetings and also adhere to social distancing practices.

Additionally, a notice of meeting and related communications are provided to the Company's auditor who, in accordance with the Corporations Act, is required to attend the Company's

CORPORATE GOVERNANCE STATEMENT

annual general meeting at which shareholders must be given a reasonable opportunity to ask questions of the auditor or their representative.

Recommendation 6.4 – A listed entity should ensure that all substantive resolutions at a meeting of security holders are decided by a poll rather than by a show of hands.

All resolutions put to a meeting of security holders are decided by poll rather than by a show of hands. This is to support the principle of “one share, one vote” and also supports the ASX stance on voting at general meetings of security holders.

Recommendation 6.5 – A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.

The Group’s website allows security holders to receive communications from and send communications to the entity electronically.

Principle 7: Recognise and Manage Risk

Recommendations 7.1 and 7.2 – The board of a listed entity should:

(a) have a committee or committees to oversee risk, each of which:

(i) has at least three members, a majority of whom are independent directors; and

(ii) is chaired by an independent director,

and disclose:

(i) the charter of the committee;

(ii) the members of the committee; and

(iii) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or

(b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity’s risk management framework (7.1).

The board or a committee of the board should:

(a) review the entity’s risk management framework at least annually to satisfy itself that it continues to be sound and that the entity is operating with due regard to the risk appetite set by the board; and

(b) disclose, in relation to each reporting period, whether such a review has taken place (7.2).

The Board does not have a specific risk management committee. The Board’s audit committee as referred to in recommendation 4 above assists with monitoring and reviewing the Group’s risk management processes and systems.

The Risk Management Policy, disclosed on the Group website, demonstrates the measures taken and policies implemented to manage risks associated with the Group’s business.

CORPORATE GOVERNANCE STATEMENT

The Board regularly considers and discusses the risks posed to it and the procedures in place to manage that risk to ensure that the Group is adequately protected against such risks. Annually, the Group receives and reviews recommendations from management and senior executives as to the effectiveness of the management of material business risks.

During the 2020 financial period, the received and reviewed recommendations from management and senior executives as to the effectiveness of the management of material business risks.

Recommendation 7.3 - A listed entity should disclose:

- (a) if it has an internal audit function, how the function is structured and what role it performs; or**
- (b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its governance, risk management and internal control processes.**

Given the size and composition of the Group, the Board has not established an internal audit function, other than the audit committee function which the Board serves as disclosed in recommendation 4 above and in the Audit Committee Charter disclosed on the website. The Board may from time to time engage an external auditor to conduct additional reviews of Group processes.

Recommendation 7.4 – A listed entity should disclose whether it has any material exposure to environmental or social risks and, if it does, how it manages or intends to manage those risks.

As a mining exploration entity focussed on the exploration of gold and base metals, the Group has material exposure to environmental and social risks at its site locations in Western Australia.

Environmental and social risks are managed through the engagement of environmental and community liaison officers who when required are responsible for managing these risks and ensuring that the Company's approach for managing such risks are considered and appropriate given the nature of each risk.

Additionally as per the Group's policy on the environment (which is disclosed on the Group's website), the Group views environmental management as essential to its own future and to the future of the mining industry in general. The Group considers that sound environmental management benefits all stakeholders, including shareholders, employees, contractors, the communities within which it works and the broader community as a whole. All employees will be active towards sound environmental management and as a minimum, ensure compliance with all statutory requirements associated with the Group's activities, from mineral exploration, mining and processing through to the sale of mineral products.

The Group has also implemented an Environmental Management System that incorporates elements to achieve and maintain high environmental standards, the Group and its employees undertake to identify, control, monitor and as appropriate rehabilitate environmental impacts from all stages of the Group's activities ultimately managing and mitigating environmental risks.

The Group also has a dedicated policy on community relations and indigenous peoples (as disclosed on the Group's website) to deal with social risks and to develop mutually beneficial relationships with the communities in which the Group works and proposes to work.

CORPORATE GOVERNANCE STATEMENT

Principle 8: Remunerate Fairly and Responsibly

Recommendation 8.1 - The board of a listed entity should:

- (a) have a remuneration committee which:
- (i) has at least three members, a majority of whom are independent directors; and
 - (ii) is chaired by an independent director,
- and disclose:
- (iii) the charter of the committee;
 - (iv) the members of the committee; and
 - (v) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or
- (b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.

The Board has not established a separate remuneration committee and accordingly it is not structured in accordance with recommendation 8.1. Given the current size and composition of the Board, the Board believes that there would be no efficiencies gained by establishing a separate remuneration committee. Accordingly, the Board performs the role of the remuneration committee.

Items usually required of a remuneration committee are marked as separate agenda items at Board meetings when required. When the Board convenes as the remuneration committee, it carries out those functions which are delegated to it by the Remuneration Committee Charter which is disclosed on the Group's website. The Board deals with any conflicts of interest that may occur when convening in the capacity of the remuneration committee by ensuring that the director with conflicting interests is not party to the relevant discussions.

The full Board in its capacity as remuneration committee did not meet during the 2020 financial year however, remuneration related items were tabled and considered during a number of Board meetings during that period.

Recommendation 8.2 - A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.

Details of remuneration are set out in the remuneration report which forms part of the director's report (in the Annual Report) and is set out in the Remuneration Charter on the Group's website. The policy on remuneration clearly distinguishes the structure of non-executive director's remuneration from that of executive directors. Executive directors are offered a competitive level of base pay at market rates and are reviewed annually to ensure market competitiveness.

There are no termination or retirement benefits for non-executive directors.

CORPORATE GOVERNANCE STATEMENT

The Group's Remuneration Committee Charter includes a statement of the Group's policy on prohibiting transactions in associated products which limits the risk of participating in unvested entitlements under any equity based remuneration schemes.

Recommendation 8.3 - A listed entity which has an equity-based remuneration scheme should:

- (a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and**
- (b) disclose that policy or a summary of it.**

Not applicable. The Group does not have an equity-based remuneration scheme.

Additional Recommendations

Recommendation 9.1 – A listed entity with a director who does not speak the language in which board or security holder meetings are held or key corporate documents are written should disclose the processes it has in place to ensure the director understands and can contribute to the discussions at those meetings and understands and can discharge their obligations in relation to those documents.

This recommendation is not applicable to the Group.

Recommendation 9.2 – A listed entity established outside Australia should ensure that meetings of security holders are held at a reasonable place and time.

This recommendation is not applicable to the Group.

Recommendation 9.3 – A listed entity established outside Australia, and an externally managed listed entity that has an AGM, should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.

This recommendation is not applicable to the Group.

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