



ASX Announcement: 22 October 2018

## GATEWAY RAISES \$1.5M TO UNDERPIN NEW PHASE OF DRILLING AT GIDGEE GOLD PROJECT, WA

**Drilling to re-commence shortly targeting maiden JORC Resources at Whistler and Montague Prospects as well as to test numerous other high-priority targets outlined in recent months**

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Gateway Mining Limited (ASX: GML) (**Gateway** or **Company**) is pleased to advise that it has successfully completed a capital raising of A\$1.5 million (before costs) (**Placement**) to institutional, professional and sophisticated investors to underpin upcoming drilling program at its flagship 100%-owned Gidgee Gold Project in Western Australia.

The Placement, which comprised the issue of 100,000,003 shares at an issue price of \$0.015 per share, was strongly supported by existing and new investors including, subject to shareholder approval, by the Company's directors.

As the participation of the Company's directors in the Placement is subject to shareholder approval, the Placement will be issued in the following two tranches:

- 81,250,070 shares to institutional, professional and sophisticated investors using the Company's capacity under ASX Listing rule 7.1 which will not require shareholder approval (**Tranche 1 Shares**); and
- 18,749,933 shares to Directors of the Company or their nominees, subject to shareholder approval being obtained at the Annual General Meeting of shareholders (**AGM**), which is expected to be held at the end of November 2018 (**Tranche 2 Shares**).

Issue of the Tranche 1 Shares is expected to occur on Thursday 25 October 2018. The Tranche 2 Shares will be issued immediately after the AGM if approval is obtained.

### Use of Funds

The proceeds of the Placement will underpin upcoming exploration programs at the Gidgee Project as part of the Company's recently announced exploration and resource development strategy in relation to highly prospective gold prospects outlined on the margin of the Montague Granodiorite.

The funds raised from the Placement will be used for the following:

- Undertake a drilling program at the Whistler and Montague Prospects which will include:
  - Reverse Circulation (**RC**) and diamond drilling to help establish an initial open pit resource at the advanced Whistler prospect;
  - Deeper drilling targeting down-plunge extensions of the Whistler high-grade shoot as well as the recently identified Gordon's Lode beneath Whistler;
  - Resource evaluation drilling at the advanced Montague prospect; and
  - Diamond drilling to obtain preliminary metallurgical and geotechnical data from Whistler.
- First-pass RC drilling at Our Jack and other high-priority targets established in the last 12 months.
- Initial assessment of the Eastern Margin.
- General working capital purposes.

The shares issued under Placement are fully-paid ordinary shares and will rank equally with the shares currently on issue.

Gateway's Managing Director, Mr Peter Langworthy, said the proceeds of the capital raising would allow it to build on the very strong foundations laid earlier this year with its highly successful maiden drill program at the Gidgee Gold Project.

"As a result of the work completed this year, we now have a large pipeline of targets to follow-up at Gidgee, ranging from advanced, resource-level opportunities at Whistler and Montague to earlier stage prospects where there is genuine potential to discover completely new deposits," he added.

"I would like to take this opportunity to thank both existing and new investors who have participated in this raising, particularly considering the challenging conditions in the junior resource market at the moment. This was an important capital raise for the Company which really clears the way for us to move to the next level.

"We are very excited about the opportunities in front of us, and we are looking forward to getting rigs back into the field as soon as possible and getting stuck into our work programs – which are already clearly mapped out. We expect to update the market shortly on our detailed drill planning and to announce the start of drilling in early November."

The Company requests that its securities are reinstated to official quotation with immediate effect.

Peter Langworthy  
Managing Director  
***For and on behalf of***  
***GATEWAY MINING LIMITED***