

# **Gateway Mining Limited and its controlled entities**

**INTERIM FINANCIAL REPORT  
FOR SIX MONTHS ENDED  
31 DECEMBER 2018**

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## **CORPORATE DIRECTORY**

### **Directors:**

- Mr Peter Langworthy (Executive Managing Director)
- Mr Trent Franklin (Non-Executive Chairman)
- Mr Scott Brown (Non-Executive Director)
- Ms Debra Fullarton (Non-Executive Director)

### **Company Secretary:**

- Mr Kar Chua

### **Registered Office:**

Level 11  
52 Phillip Street  
Sydney NSW 2000

Telephone: +61 2 8316 3998  
Facsimile: +61 2 8316 3999  
Email: [info@gatewaymining.com.au](mailto:info@gatewaymining.com.au)

### **Share Registry:**

Automic Registry Services  
Level 3/50 Holt Street  
Surry Hills NSW 2010

Telephone: +61 2 9698 5414

### **Auditors:**

Crowe Horwath 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](http://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 half-year ended 31 December 2018.

## **DIRECTORS**

The names of directors who held office during the year:

- Mr. Peter Langworthy (Managing Director)
- Mr. Trent Franklin (Non-Executive Chairman)
- 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 period.

## DIRECTORS' REPORT

### Operations Review

#### GIDGEE 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 ~700km<sup>2</sup> 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. The town of Sandstone provides limited logistics support and the project is centrally located within a ~120km radius of six operational gold treatment facilities.

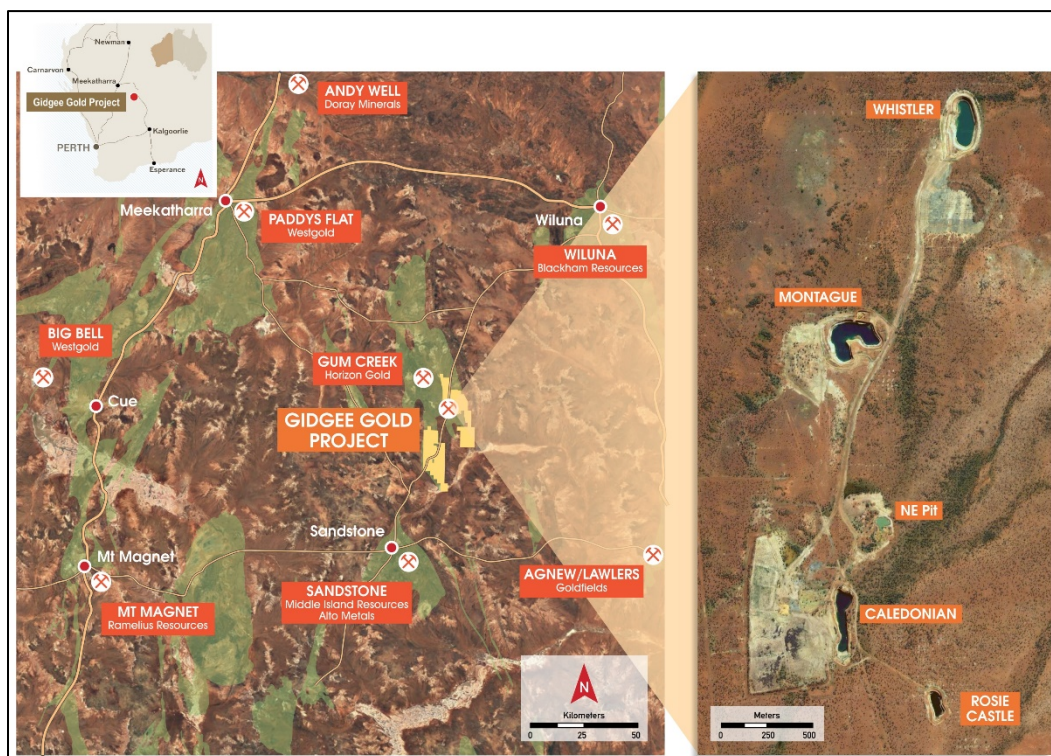


Figure (1): Gidgee Gold Project Location Plan

The Company's primary exploration strategy at the Gidgee Gold Project is to rapidly delineate the size and quality of the gold mineralised system that has been identified along the margins of the Montague Granodiorite (**MGD**). This high-priority contact target extends for a combined strike length of at least 20km within the Company's project tenements.

This objective is being achieved by the execution of focused programs of drilling (reverse circulation (**RC**) and diamond) on a series of defined high-priority targets, accompanied by systematic regional programs of exploration, including aircore drilling, to test the true potential of the contact of the MGD.

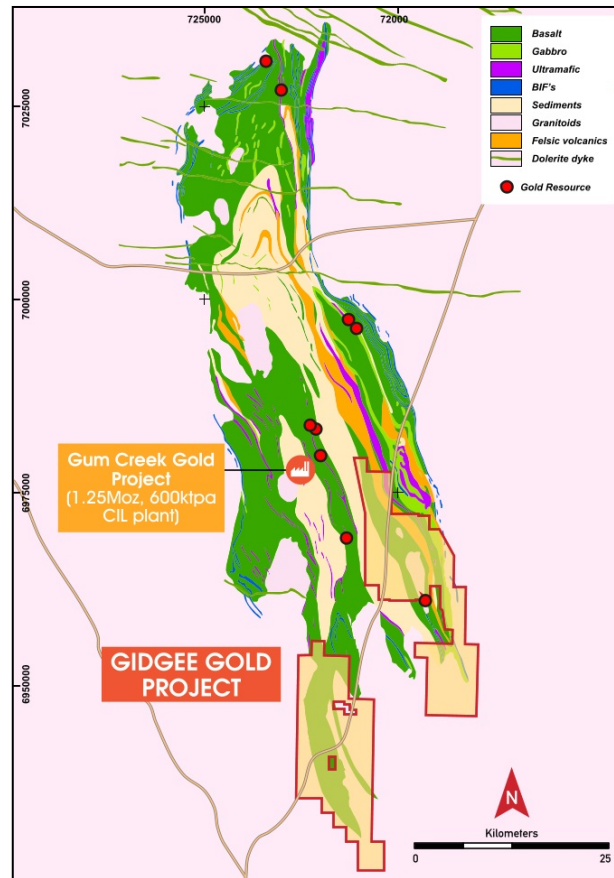
In addition to the exploration assessment of the wider project, programs of resource evaluation will be instigated at the appropriate time, when the resource size potential is considered large enough.

## DIRECTORS' REPORT

The key targets of the Company's planned programs of exploration comprise:

- **Whistler Target:** Located on the northern margin of the MGD, the Whistler Gold Deposit is host to a significant zone of gold mineralisation hosted on the sheared margin of the granodiorite. Historical drilling beneath a previously mined out oxide open pit demonstrates the presence of significant mineralisation system that includes a coherent zone of high-grade gold mineralisation. This mineralisation beneath the pit remains open in all directions and is the priority target within the Gidgee Project.
- **Montague Target:** Located on the western margin of the MGD, the Montague Gold Deposit consists of a series of interconnected shear zones and an associated stockwork system. The focus of exploration and resource assessment is on a priority high-grade target beneath the shallow (oxide), historical Montague open pit mine. The target demonstrates excellent potential for expansion of near-surface oxide mineralisation along strike and for high-grade primary mineralisation at depth and along strike.
- **Caledonian Target:** The Caledonian Gold Deposit is located on a major shear zone to the immediate west of the MGD contact. This discrete structure is interpreted as the western margin of the major structural corridor that controls gold mineralisation on the western margin of the MGD. The target in this position includes a series of shallow-dipping mineralised structures, including the one that hosts the mineralisation mined in the historical NE Pit, and the Caledonian shear itself that remains to be tested along strike for many kilometres and down-dip

## **DIRECTORS' REPORT**



**Figure (2): Gidgee Gold Project Interpreted Geology**

### **GIDGEE PROJECT - RECENT EXPLORATION ACTIVITIES**

#### **STRATEGY**

Following Gateway's successful maiden drilling programs earlier in 2018 prior to the reporting period which confirmed the presence of strong and extensive zones of gold mineralisation at both the Whistler and Montague Prospects, the Company decided to undertake significant programs of evaluation and expansion drilling to fully define the resource potential at both locations. This work would be undertaken in parallel with systematic programs across the broader Gidgee Gold Project.

#### **RESOURCE EVALUATION**

##### **Whistler Prospect**

Follow-up programs of RC and diamond drilling at the Whistler Prospect confirmed the presence of a significant, broad gold mineralised domain immediately beneath the base of the historical open pit. This mineralised domain also includes a substantial high-grade core containing intersections that include **20m @ 16g/t Au, 11m @ 5.6g/t Au, 12m @ 7.7g/t Au, 2.8m @ 79.2g/t Au and 10m @ 7.7g/t Au<sup>1</sup>**.

<sup>1</sup> See ASX announcement dated 10<sup>th</sup> July 2018 for details



## **DIRECTORS' REPORT**

The mineralisation remains open in most directions, demonstrating a significant opportunity to expand the extent of the known mineralisation. Based on the quality and the continuity of the mineralisation defined to date, the Company decided to commence a program of resource evaluation drilling.

The key objectives of this program include (see Figure 3):

- Defining a maiden open pit resource immediately beneath the existing historical open pit;
- Modelling of the high-grade domain to potentially define an underground resource;
- Providing key samples to commence metallurgical test work; and
- The collection of geotechnical information.

In parallel with this resource evaluation drilling, a program of resource expansion/exploration drilling will be undertaken that will be focused on defining:

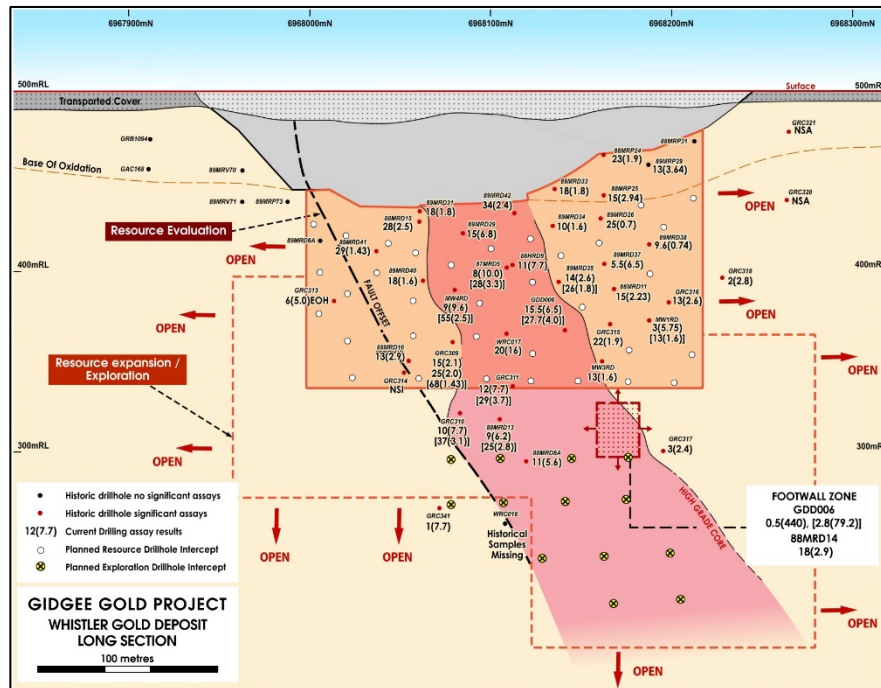
- Extensions to the high-grade mineralisation down-dip and along strike; and
- The controls on structures defined in the footwall of the main mineralised structure, where recent drilling returned intercepts including **2.8m @ 79.2g/t Au** and **18m @ 2.9g/t Au**.

The follow-up drilling program confirmed the presence and distribution of significant zones of thick, high-quality, gold mineralisation that remains open both at depth and along strike. The recent results include (Figures 4 and 5):

- **GRC0346 21 metres @ 5.30g/t Au from 149 metres**
- **GRC0354 15 metres @ 4.51g/t Au from 119 metres**
- **GRC0364 8 metres @ 6.04g/t Au from 190 metres**
- **GRC0343 6 metres @ 14.5g/t Au from 198 metres**
- **GRC0356 26 metres @ 2.61g/t Au from 126 metres**
- **GRC0355 18 metres @ 2.85g/t Au from 114 metres**
- **GRC0345 32 metres @ 1.21g/t Au from 125 metres**
- **GRC0344 8 metres @ 1.10g/t Au from 103 metres**
- **GRC0353 11 metres @ 1.78g/t Au from 100 metres**



## DIRECTORS' REPORT



**Figure (3): Whistler Prospect Resource Evaluation Long Section**

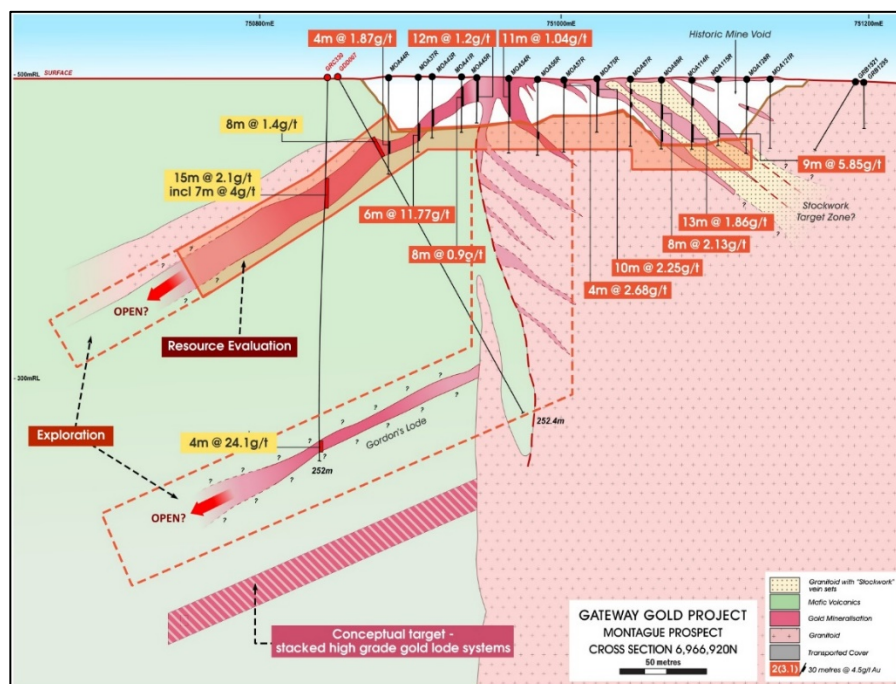
- While the mineralisation remains open and is yet to be constrained, the Company has decided to undertake an interim maiden Mineral Resource estimation with a particular focus on understanding the potential to undertake a cut-back on the existing open pit. Additional drilling is expected to expand the resource at depth and along strike.
- In parallel with the resource estimation process, preliminary programs of metallurgy and geotechnical evaluation will be instigated. The resource is scheduled for completion by the end of the current quarter and drilling will also commence during this time.
- A program of diamond drilling is currently being designed to continue testing the down-dip extensions to the high-grade mineralisation. This will include a series of new holes and also the completion of drilling four diamond tails to pre-collars completed in the recent work (Figure 4). The diamond tails are required due to the depth limitations of RC drilling due to water inflows.
- The new information has also provided important information on the structural parameters that control the plunge of the mineralisation and the positioning of the off-setting fault through the southern end of the deposit. This understanding allows for future drill targeting to be further optimized.
- A series of parallel gold mineralised structures have been identified in the hanging wall and footwall of the main mineralised zone at Whistler. Additional work is required to establish the ultimate significance of these positions, but they demonstrate the greater endowed potential of the Whistler mineralised system.

- Identifying immediate extensions of the Boulder shear zone that was interpreted to extend out of the western base of the historical open pit over a strike length of approximately 300m and a down-dip extent of approximately 200m (Figure 6). Results from this previous drilling

## **DIRECTORS' REPORT**

include **15 metres @ 2.1g/t Au** (including **7 metres @ 4.0g/t Au**), **5.0 metres @ 3.5g/t Au**, **8.0 metres @ 9.8g/t Au** and **8.2 metres @ 1.4g/t Au<sup>2</sup>**;

- Attempting to define the structural controls on the zone of granite-hosted stockwork mineralisation in the base of the eastern part of the open pit;
- Immediate strike extensions to the north and south of the Montague open pit where shallow drilling demonstrates that the Montague mineralisation has not been closed off; and
- Provision of samples for preliminary metallurgical test work.



**Figure (6): Montague Prospect Resource Evaluation Cross-Section**

In addition to the core assessment work, a number of deeper drill holes were completed to test for structures at depth that are sub-parallel to the Boulder Shear. The results of this drilling include:

- The discovery of the high-grade Gordon Lode (4m @ 24.2g/t Au) in the targeted position. The Gordon Lode remains totally unconstrained and, as such, represents a major exploration opportunity to define a high-grade mineralised structure;
- Development of a conceptual targets at depth based on a structural model that suggests the potential for stacked mineralised gold lodes with the potential to host significant high grades; and
- Identification of the contact between the mafic volcanic rocks and the granodiorite. This position is analogous to the structural setting of the Whistler deposit.

<sup>2</sup> See ASX announcement dated 6<sup>th</sup> July 2018 for details

## **DIRECTORS' REPORT**

During the reporting period further drilling was conducted at the Montague Prospect. This drilling was designed to provide sufficient information beneath the historical open pits to either undertake the estimation of a maiden Mineral Resources, and/or to evaluate the potential for high-grade extensions at depth. The program has been successful in achieving both objectives. Subsequent to the reporting period, the results of this drilling program were released to the market.

This initial exploration success was then followed-up with a recently completed program of RC Drilling that continues to confirm the presence of a significant high-grade gold mineralised structure immediately down-dip of the Montague historical open pit. The recent results include (Figures 7 and 8):

- **GRC357**            **5 metres @ 11.5g/t Au from 104 metres**
- **GRC358**            **2 metres @ 5.80g/t Au from 75 metres**
- **GRC342**            **9 metres @ 4.24g/t Au from 89 metres**
- **GRC360**            **3 metres @ 2.16g/t Au from 64 metres**
- **GRC361**            **7 metres @ 1.56g/t Au from 78 metres**

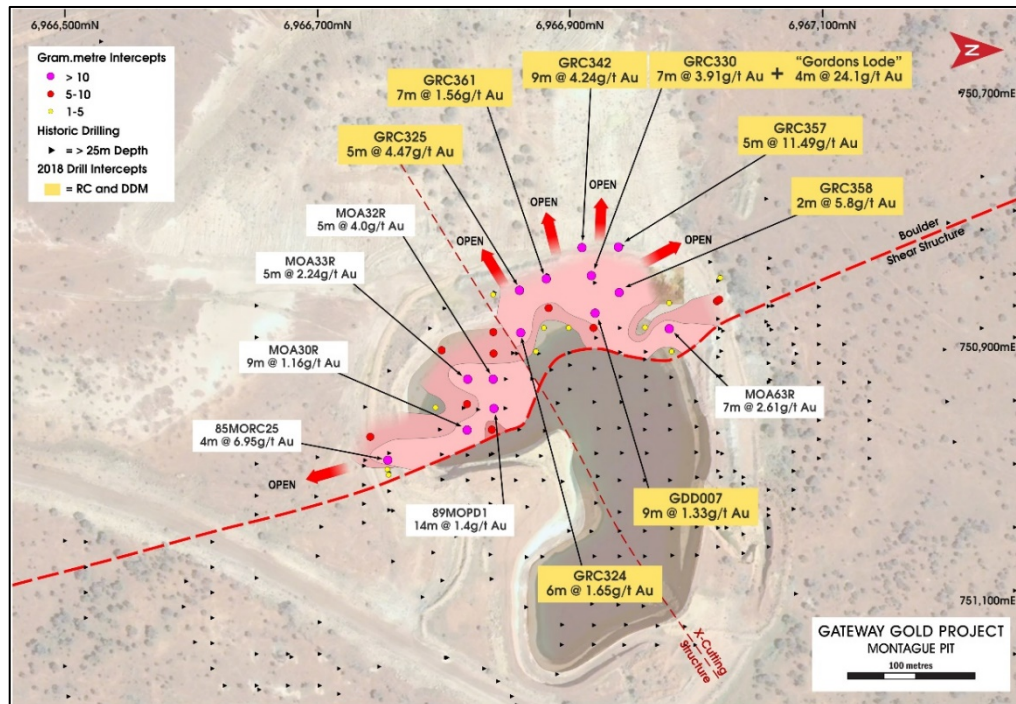
*(\* Previously reported results – see ASX announcement dated 10 July 2018)*

Key points from this recent work include:

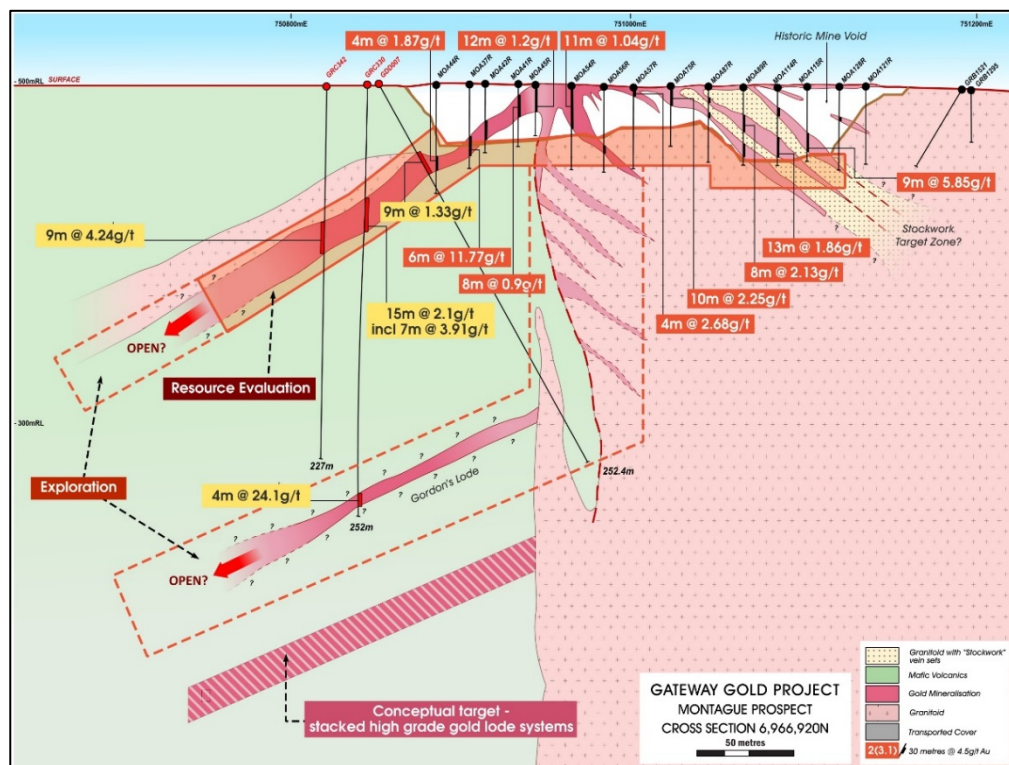
- The mineralisation remains open down-dip and is largely untested along strike. Additional drilling is considered likely to substantially expand the mineralised zone.
- The mafic-hosted shear zone has a moderate dip (30–45°), resulting in a significant amount of the mineralisation being located in shallow positions (<100m to date). In addition, the presence of the parallel, high-grade Gordon's Lode (**4m @ 24.1g/t Au**) at depth, indicates that the potential for multiple structures is excellent.
- Mining of the historical Montague Open pit was limited to shallow, oxide mineralisation. Extensions of the mineralisation into primary fresh rock in the base of the pit have not been systematically tested. On this basis, Gateway believes that significant potential exists to expand these zones of remnant gold mineralisation with additional drilling for inclusion in any future cut-back of the open pit.
- Given that the mineralisation is totally unconstrained and appears to be strengthening at depth, a decision has been taken to complete an additional round of drilling to expand the zone prior to committing to any Mineral Resource estimation work. This will also include a diamond tail on an existing RC pre-collar to further test Gordon's Lode at depth.



## DIRECTORS' REPORT



**Figure (7): Montague Gold Project Gold Distribution Plan**



**Figure (8): Montague Gold Project Gold Cross Section**

- A second phase of preliminary metallurgical test work comprising accelerated cyanide partial leach assays has also now been completed for the mineralised intersections at both Whistler and Montague. The results provide clear evidence that the gold at both deposits is free milling in nature.

## DIRECTORS' REPORT

### FURTHER DRILLING

Subsequent to the reporting period, on 4 February 2019 the Company announced that drilling was scheduled to recommence in mid-February 2019.

The new program will consist of a series of diamond drill tails at both the Whistler and Montague Gold Deposits (six holes for 350 metres), and 9 reverse circulation (RC) drill holes (~2,000m) at Montague. The drilling is targeting depth extensions of the high-grade mineralised zones at both the Whistler and Montague Gold Deposits.

This new program of RC drilling is designed to more aggressively test for significant down-dip extensions to the mineralisation prior to resource estimation work. A single diamond tail will also be completed to extend a previously completed RC hole to provide a follow-up test of the high-grade Gordon's Lode structure at depth.

### EXPLORATION

Gateway maintains a strong belief that the mineralised gold system associated with the margins of the Montague Granodiorite has the potential to develop into a large-scale opportunity.

As outlined in recent announcements and presentations, this opportunity is considered to be analogous to the King of the Hills-Tarmoola (2.3Moz) and Granny Smith (+2Moz) gold deposits located in the Eastern Goldfields of WA.

With this in mind, the Company remains committed to pursuing this broader growth opportunity at the same time as undertaking initial evaluation work programs to establish maiden Resources at both Whistler and Montague.

The following target descriptions provide an example of the high-priority quality exploration opportunities that are currently available within the Company's extensive target portfolio.

#### Our Jack Prospect

The Our Jack Prospect is located approximately 400m to the north of the Montague open pit. Drilling returned a series of significant intersections that confirmed and enhanced the results of historical drilling. Results include shallow intercepts of **16 metres @ 1.73g/t Au**, **7 metres @ 1.34g/t Au** and **23 metres @ 2.03g/t Au<sup>3</sup>** (Figure 9).

The next phase of exploration will focus on RC drilling to test for down-dip and along-strike continuity, as the mineralisation remains open in all directions. The drilling will also provide information as to how this mineralisation may relate to the Montague deposit to the south.

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<sup>3</sup> See ASX announcement dated 22<sup>nd</sup> August 2018 for details

## DIRECTORS' REPORT

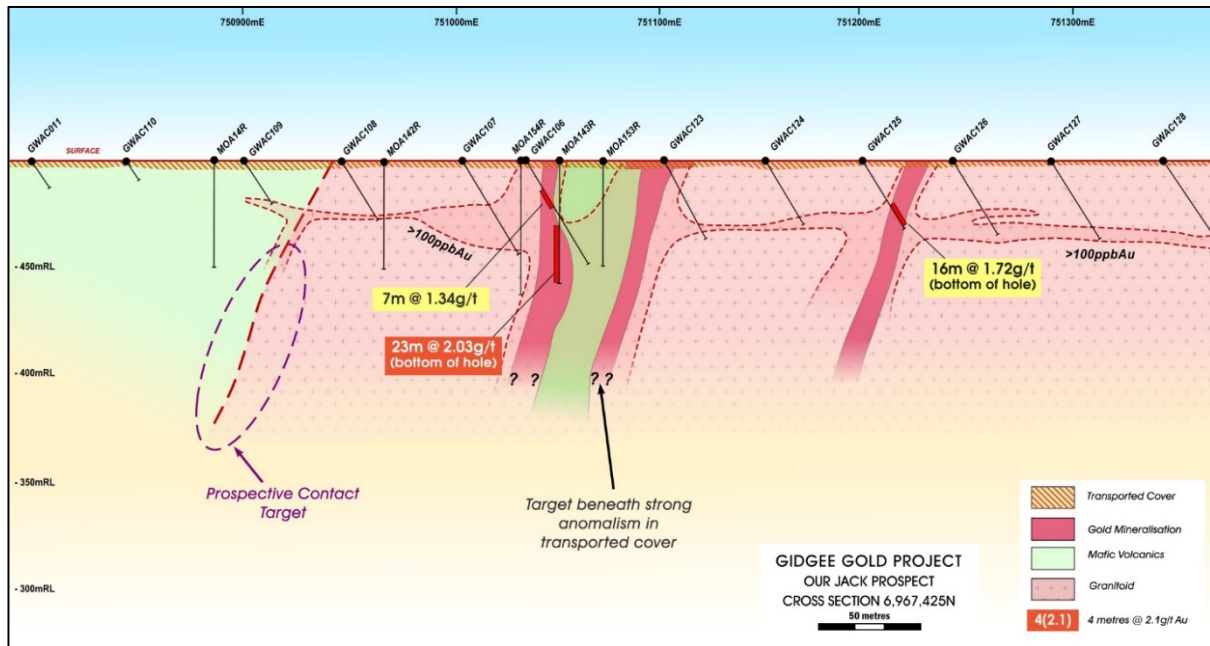


Figure (9): Our Jack Prospect – Interpreted Cross-Section 6,967,425N

### C2 Prospect

The C2 Prospect has been defined by programs of shallow Aircore and RAB drilling as a series of shallow-dipping, linking structures between the Caledonian and NE deposits. Significant results include **2 metres @ 5.82g/t Au**, **2 metres @ 24.6g/t Au**, **3 metres @ 15.7g/t Au**, **10m @ 1.62g/t Au** and **16m @ 1.61g/t Au**<sup>4</sup> (Figure 10).

Planned exploration will include initial RC drilling along these structures to test for down-dip and along strike continuity.

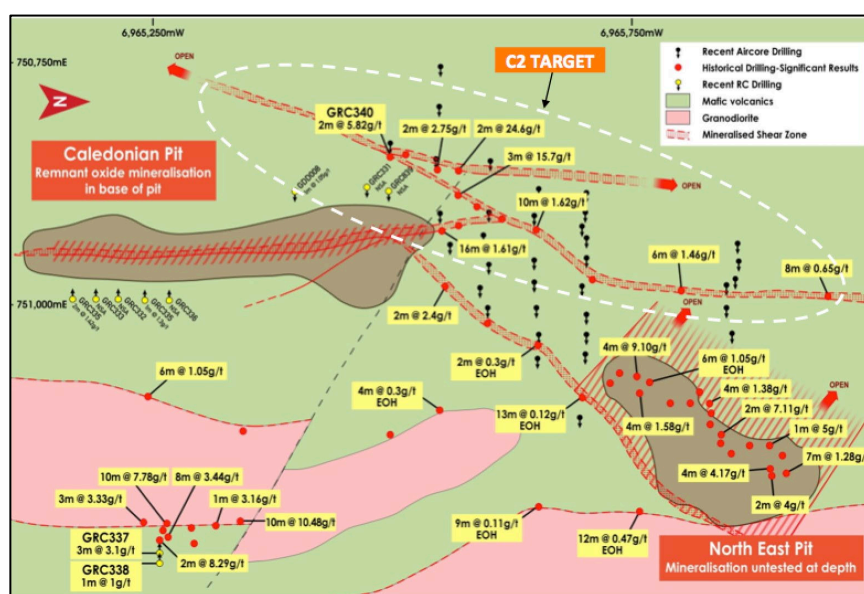


Figure (10): C2 Target – Interpreted Geology Plan and Gold Distribution

<sup>4</sup> See ASX announcement dated 22<sup>nd</sup> August 2018 for details



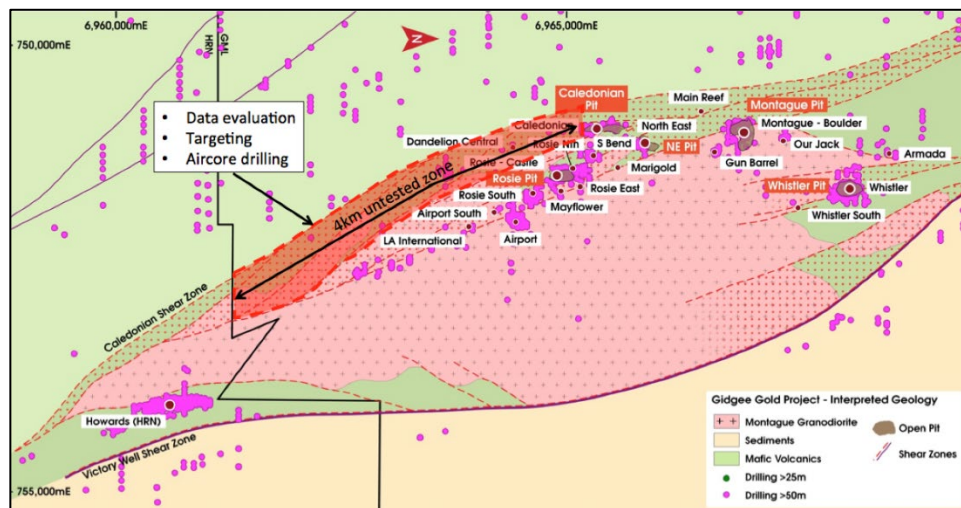
## **DIRECTORS' REPORT**

### **Boulder Trend**

An approximate 4km strike trend on the south-west margin of the Montague Granodiorite has only been the subject of minor historical drilling and remains largely untested. The drilling along this trend is typically wide-spaced and, in general, is considered too shallow to have effectively tested the bedrock beneath transported cover. In fact, less than 20 drill holes have been drilled deeper than 50m.

The structural and stratigraphic components that control the mineralisation to the immediate north are evident along the Boulder Trend and, as such, the prospectivity of the target area is considered very high.

Programs of exploration to assess this 4km trend will largely involve systematic Aircore drilling to complete effective bedrock testing beneath the transported cover.



**Figure (11): Boulder Trend – Interpreted Geology Plan and Gold Distribution**

### **Eastern Margin**

An extensive ~10km long gold mineralised trend extending north into Gateway's 100%-owned Gidjee Project has been identified immediately along strike from the 200,000oz Howard's Gold Deposit<sup>5</sup>.

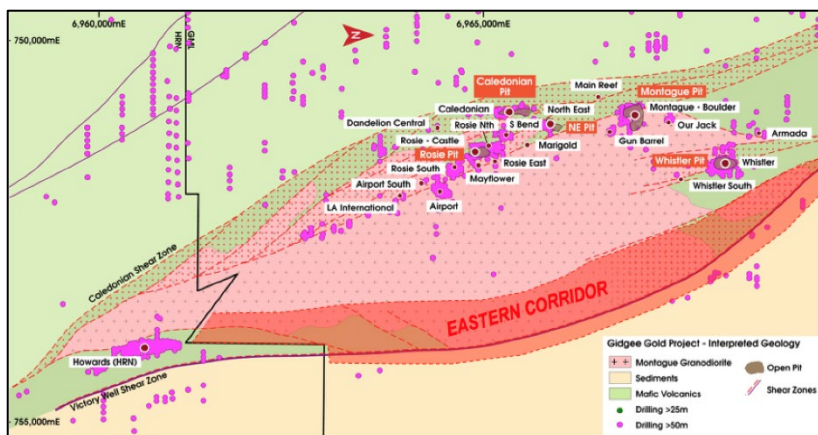
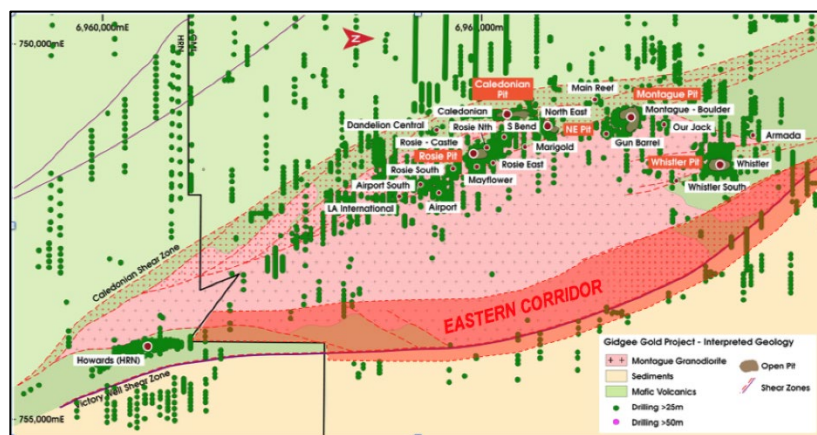
This gold trend remains largely untested by previous exploration activities. Key features of this significant gold trend include (Figure 12):

- It has been identified as a major structural corridor with strong similarities to the highly mineralised Western Margin of the Montague Granodiorite that hosts the advanced high-grade Whistler and Montague prospects, as well as a portfolio of advanced high-grade exploration targets.

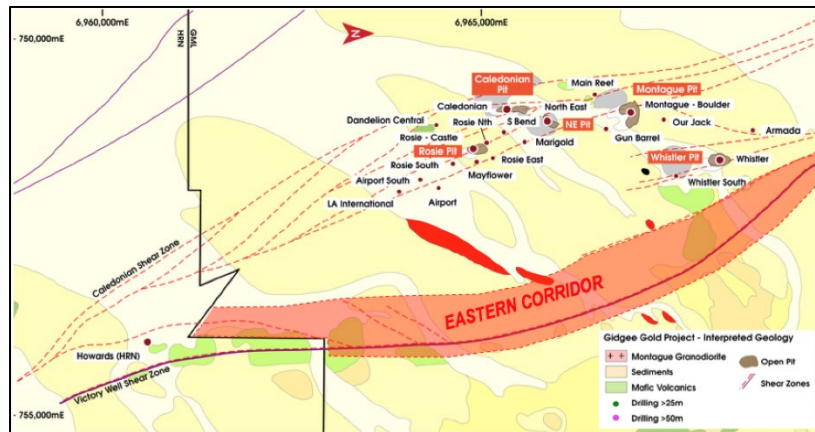
<sup>5</sup> See HRN website for full details of Horizon Gold Limited's JORC Resource reporting.

## **DIRECTORS' REPORT**

- The gold trend hosts the 200,000oz Howard's Gold Deposit, located on the immediate southern margin of Gateway's tenements. This mineralisation has strong potential to extend immediately along strike into Gateway's Gidgee Project.
- Previous exploration has been limited to erratic, shallow rotary air blast drilling that consistently has not penetrated the shallow transported cover.
- The presence of a number of historical prospector shafts and pits demonstrates the likely presence of high-grade gold mineralisation within this extensive new prospective gold corridor.



## **DIRECTORS' REPORT**



**Figure (12): Eastern Margin gold mineralised trend.**  
**Note the position of the Howard's resource on southern margin of Gateway's tenements**

During the reporting period the Company completed a reconnaissance program of surface geochemical sampling covering the Eastern Corridor. The aim of this work was to establish whether gold anomalies could be defined through the transported cover and provide viable drilling targets. The results indicated that the cover over the northern two thirds of the corridor probably obscure any coherent response, however a large coincident gold-silver anomaly was discovered over a 1.8km strike in the southern part of the survey.

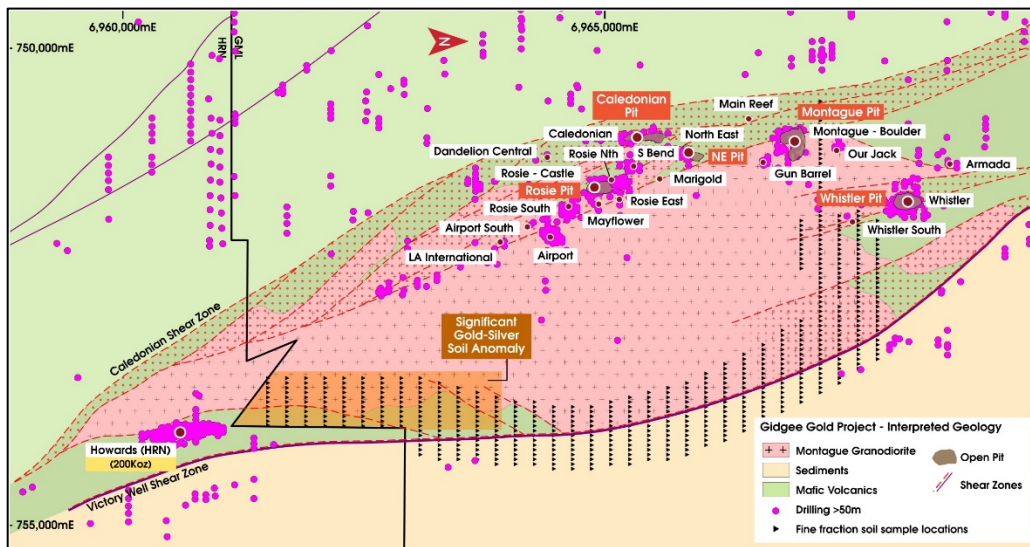
The key features of the newly-identified **Kashmir Prospect** geochemical target include (see Figures 13 and 14):

- Located immediately along strike from the 200,000oz Howard's Gold Deposit, owned by its neighbour Horizon Gold (ASX: HRN).
- The target is defined by part of the regional geochemical sampling program that was completed along the Eastern Margin of the Montague Granodiorite (n=588; 200m x 50m grid).
- The anomaly has been defined over a strike length of at least 1.8km and widths of up to 200m (20ppb Au contour). The true size of the anomaly may be restricted by transported cover associated with an adjacent active stream system.
- There are samples within the broader anomaly with significant elevated gold values (129ppb Au and 123ppb Au).
- The gold anomaly is supported by elevated pathfinder elements including silver (Ag) and to a lesser extent copper (Cu).
- The anomaly is located on or near the prospective granodiorite contact which forms the main target for gold mineralisation within the Gidgee Gold Project.

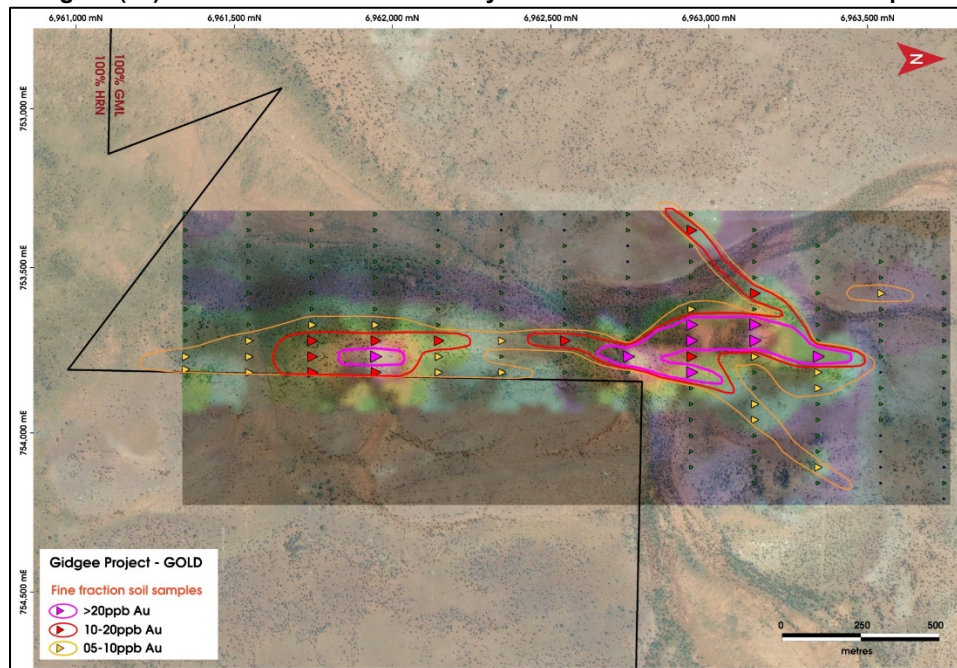
A number of lower order gold anomalies have been generated to the north along the Eastern Margin, however it is likely that the depth of transported cover in this area has largely made the sampling ineffective.



**DIRECTORS' REPORT**

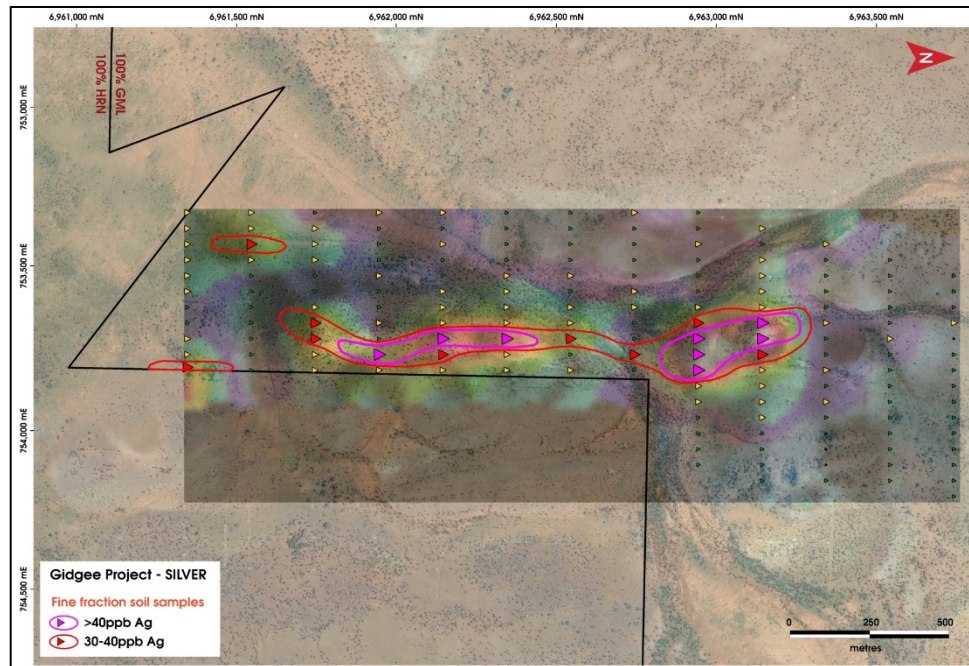


**Figure (13): Plan of Geochemical Survey and Location of the Kashmir Prospect**



**Figure (14a): Kashmir Prospect Geochemical Anomaly (gold)**

## **DIRECTORS' REPORT**



**Figure (14b): Kashmir Prospect Geochemical Anomaly (silver)**

This program of surface geochemical sampling represents the first part of a systematic exploration program along the ~10km strike of the highly prospective Eastern Corridor.

Follow-up exploration activities will include field checking of the gold anomaly, including geological mapping and characterization of the regolith (ground surface), and it is likely that this will then lead to a program of detailed Aircore drilling at the Kashmir Prospect as well as reconnaissance Aircore drilling to test under transported cover to the north.

### **REGIONAL PROJECTS**

There has been not been any exploration activities on the Company's regional exploration projects during the reporting period.

### **CAPITAL RAISING**

During the reporting period, on 22 October 2018 the Company announced that it had successfully completed a capital raising of A\$1.5 million (before costs) (**Placement**) to institutional, professional and sophisticated investors to underpin the upcoming drilling program at the Gidgee Gold Project.

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.

The proceeds of the Placement underpinned recent 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.

## **DIRECTORS' REPORT**

### **Financial Results**

The loss of the Group for the half-year to 31 December 2018 was \$309,079 compared to a loss of \$284,830 for the previous comparative half-year.

The Group incurred exploration expenditure of \$1,373,517 during the current half-year to 31 December 2018 compared to \$107,280 for the prior half-year to 31 December 2017.

The Group's cash and cash equivalents at 31 December 2018 was \$1,331,665 (June 2018: \$1,612,040). The total net assets of the Group at 31 December 2018 stands at \$7,820,196 (June 2018: \$6,710,997) of which investment in exploration expenditure accounts for \$6,402,902 (June 2018: \$5,029,385).

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.

### **SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS DURING THE FINANCIAL YEAR AND AFTER THE END OF THE REPORTING PERIOD**

#### **FURTHER DRILLING**

Subsequent to the reporting period, on 26 February 2019 the Company announced that the drilling at Gidgee Gold Project was recommenced.

The new program will consist of a series of diamond drill tails at both the Whistler and Montague Gold Deposits (six holes for 350 metres), and 9 reverse circulation (RC) drill holes (~2,000m) at Montague. The drilling is targeting depth extensions of the high-grade mineralised zones at both the Whistler and Montague Gold Deposits.

This new program of RC drilling is designed to more aggressively test for significant down-dip extensions to the mineralisation prior to resource estimation work. A single diamond tail will also be completed to extend a previously completed RC hole to provide a follow-up test of the high-grade Gordon's Lode structure at depth.

### **AUDITOR INDEPENDENCE DECLARATION**

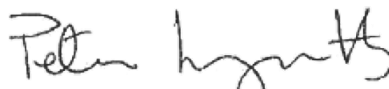
The auditor's independence declaration under Section 307C of the *Corporations Act 2001* for the half-year ended 31 December 2018 is enclosed and forms part of this interim financial report.

This report is signed in accordance with a resolution of the Board of Directors.



**Trent Franklin**  
**Non-executive Chairman**

Dated this 12<sup>th</sup> of March 2019



**Peter Langworthy**  
**Managing Director**



12 March 2019

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 review of the half-year financial statements of Gateway Mining Limited for the half-year ended 31 December 2018, 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 review; and
- (ii) any applicable code of professional conduct in relation to the review.

Yours sincerely



**Crowe Horwath Sydney**



**Suwarti Asmono**

Partner



**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER  
COMPREHENSIVE INCOME FOR THE HALF-YEAR ENDED 31 DECEMBER 2018**

	31 Dec 2018	31 Dec 2017
	\$	\$
Interest received	3,596	250
Other income	75,000	-
Employee benefits expense	(115,780)	(22,633)
Professional services rendered	(67,676)	(50,255)
Directors remuneration	(60,000)	(99,000)
Consulting fees	(18,000)	(29,147)
Travel expenses	(13,956)	(31,662)
Depreciation expenses	(282)	-
Share registry fees	(51,182)	(36,079)
Office and administrative expenses	(60,799)	(16,304)
Other expenses	-	-
<b>(Loss) before income tax</b>	<b>(309,079)</b>	<b>(284,830)</b>
Tax expense	-	-
<b>(Loss) for the half-year</b>	<b>(309,079)</b>	<b>(284,830)</b>
<b>Other comprehensive income:</b>		
<b>Other comprehensive income for the half-year, net of tax</b>	-	-
<b>Total comprehensive income (loss) for the half-year attributable to owners of the company</b>	<b>(309,079)</b>	<b>(284,830)</b>
<b>Earnings per share</b>		
Basic earnings per share (cents)	10 (0.04)	(0.09)
Diluted earnings per share (cents)	10 (0.04)	(0.09)

The accompanying notes form part of these financial statements.

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2018**

	Note	31 Dec 2018 \$	30 Jun 2018 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	4	1,331,665	1,612,040
Trade and other receivables	5	103,858	151,405
<b>TOTAL CURRENT ASSETS</b>		<b>1,435,523</b>	<b>1,763,445</b>
<b>NON-CURRENT ASSETS</b>			
Financial assets - deposits	6	29,454	29,154
Financial assets - available for sale	6	422,554	423,556
Exploration and evaluation expenditure	7	6,402,902	5,029,385
Property, plant and equipment		1,787	2,069
<b>TOTAL NON-CURRENT ASSETS</b>		<b>6,856,697</b>	<b>5,484,164</b>
<b>TOTAL ASSETS</b>		<b>8,292,220</b>	<b>7,247,609</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	8	435,945	507,847
Provisions for employee benefits		21,340	16,568
<b>TOTAL CURRENT LIABILITIES</b>		<b>457,285</b>	<b>524,415</b>
<b>NON-CURRENT LIABILITIES</b>			
Provisions for employee benefits		14,739	12,198
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>14,739</b>	<b>12,198</b>
<b>TOTAL LIABILITIES</b>		<b>472,024</b>	<b>536,613</b>
<b>NET ASSETS</b>		<b>7,820,196</b>	<b>6,710,996</b>
<b>EQUITY</b>			
Issued capital	9	36,300,338	34,882,059
Share based payment reserve		311,952	311,952
Accumulated losses		(28,792,094)	(28,483,015)
<b>TOTAL EQUITY</b>		<b>7,820,196</b>	<b>6,710,996</b>

The accompanying notes form part of these financial statements.

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2018**

	Issued Capital	Accumulated losses	Available for sale financial assets reserve	Share based payments reserve	Total
	\$	\$	\$	\$	
<b>Balance at 1 July 2017</b>	<b>28,895,980</b>	<b>(27,863,895)</b>	-	<b>233,000</b>	<b>1,265,085</b>
Loss for the period	-	(284,830)	-	-	(284,830)
Other comprehensive income / Loss for the year	-	-	-	-	-
<b>Total comprehensive income / (loss) for the period</b>	<b>-</b>	<b>(284,830)</b>	<b>-</b>	<b>-</b>	<b>(284,830)</b>
<b>Transactions with owners in their capacity as owners</b>					
Shares issued in year	-	-	-	-	-
Cost of share issues	-	-	-	-	-
<b>Balance at 31 December 2017</b>	<b>28,895,980</b>	<b>(28,148,725)</b>	<b>-</b>	<b>233,000</b>	<b>980,255</b>
<b>Balance at 1 July 2018</b>	<b>34,882,059</b>	<b>(28,483,015)</b>	<b>-</b>	<b>311,952</b>	<b>6,710,996</b>
Loss for the period	-	(309,079)	-	-	(309,079)
Other comprehensive income / Loss for the year	-	-	-	-	-
<b>Total comprehensive income / (loss) for the period</b>	<b>-</b>	<b>(309,079)</b>	<b>-</b>	<b>-</b>	<b>(309,079)</b>
<b>Transactions with owners in their capacity as owners</b>					
Shares issued in year	1,500,000	-	-	-	1,500,000
Options issued in year	-	-	-	-	-
Cost of share issues	(81,721)	-	-	-	(81,721)
<b>Balance at 31 December 2018</b>	<b>36,300,338</b>	<b>(28,792,094)</b>	<b>-</b>	<b>311,952</b>	<b>7,820,196</b>

The accompanying notes form part of these financial statements.

**CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2018**

	<b>NOTE</b>	<b>31 Dec 2018</b>	<b>31 Dec 2017</b>
		<b>\$</b>	<b>\$</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Payments to suppliers and employees		(463,433)	(232,814)
Receipts from customers		75,000	-
Interest received		3,295	-
<b>NET CASH USED IN OPERATING ACTIVITIES</b>		<u>(385,138)</u>	<u>(232,814)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payment for exploration and evaluation		(1,313,516)	(22,672)
<b>NET CASH USED IN INVESTING ACTIVITIES</b>		<u>(1,313,516)</u>	<u>(22,672)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Borrowings		-	253,900
Proceeds from issue of shares		1,500,000	-
Payments for capital raising costs		(81,721)	-
<b>NET CASH FROM FINANCING ACTIVITIES</b>		<u>1,418,279</u>	<u>253,900</u>
<b>NET INCREASE / (DECREASE) IN CASH HELD</b>		<u>(280,375)</u>	<u>(1,586)</u>
Cash and cash equivalents at beginning of financial year		1,612,040	4,516
<b>CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR</b>	<b>4</b>	<u>1,331,665</u>	<u>2,930</u>

The accompanying notes form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2018**

**NOTE 1: SIGNIFICANT ACCOUNTING POLICIES**

**a. Basis of Preparation**

The financial statements are general purpose interim financial statements that have been prepared in accordance with Australian Accounting Standard AASB 134: Interim Financial Reporting and the requirements of Corporations Act 2001.

The interim financial report is intended to provide users with an update on the latest annual financial statements of Gateway Mining Limited and its controlled entities. It is therefore recommended that this financial report to be read in conjunction with annual financial statements of the group for the year ended 30 June 2018, together with any public announcements made during the following half-year.

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.

**b. Accounting Policies**

The financial statements are general purpose interim financial statements that have been prepared in accordance with Australian Accounting Standard AASB 134: Interim Financial Reporting and the requirements of Corporations Act 2001. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

**c. Critical Accounting Estimates and Significant Judgments Used in Applying Accounting Policies**

The critical estimates and judgments are consistent with those applied and disclosed in the June 2018 annual report.

**d. New, revised or amending 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.

- AASB 9 Financial instruments; and
- AASB 15 Revenue from contracts with customers.

The adoption of these standards did not have any impact on the group accounting policies.

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2018**

**NOTE 1: SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**e. 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, and 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.

**f. 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 31 December 2018 and the results of its subsidiary for the period 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.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2018**

**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 plant and equipment, mining infrastructure and 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.



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2018**

**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 predominately in Australia.

**NOTE 4: CASH AND CASH EQUIVALENTS**

	<b>31-Dec-18</b>	<b>30-Jun-18</b>
	<b>\$</b>	<b>\$</b>
Cash at bank and on hand	1,331,665	1,612,040

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

**NOTE 5: TRADE AND OTHER RECEIVABLES**

	<b>31-Dec-18</b>	<b>30-Jun-18</b>
	<b>\$</b>	<b>\$</b>
<b>CURRENT</b>		
Other receivables	88,664	134,991
Prepayments	15,194	16,414
<b>Total trade and other receivables</b>	<b>103,858</b>	<b>151,405</b>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2018**

**NOTE 6: FINANCIAL ASSETS**

**NON-CURRENT**

*Available for sale financial assets:*

Shares in listed corporations-at fair value

Opening fair value

Amount recognised in profit and loss

**31-Dec-18**  
**\$**

**30-Jun-18**  
**\$**

23,556

23,358

(1,002)

198

**22,554**

**23,556**

Shares in unlisted corporations-at fair value

Opening fair value

Additions

400,000

-

-

400,000

**400,000**

**400,000**

**Total financial assets available for sale**

**422,554**

**423,556**

**Term Deposit**

**29,454**

**29,154**

**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.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2018**

**NOTE 6: FINANCIAL ASSETS (CONTINUED)**

	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
<b>Consolidated - 31 December 2018</b>				
<i>Assets</i>				
Ordinary shares available-for-sale - listed investments	22,554	-	-	22,554
Ordinary shares available-for-sale - unlisted investments	-	400,000	-	400,000
Total assets	22,554	400,000	-	422,554
<b>Consolidated - 30 June 2018</b>				
<i>Assets</i>				
Ordinary shares available-for-sale - listed investments	23,556	-	-	23,556
Ordinary shares available-for-sale - unlisted investments	-	400,000	-	400,000
Total assets	23,556	400,000	-	423,556

**NOTE 7 - NON-CURRENT DEFERRED EXPLORATION  
AND EVALUATION EXPENDITURE**

	31-Dec-18 \$	30-Jun-18 \$
<b>NON-CURRENT ASSET, WHOLLY OWNED</b>		
Capitalised expenditure in respect of areas of interest at the beginning of the year	5,029,385	2,000,000
Expenditures during the period	1,373,517	3,029,385
<b>Capitalised exploration expenditure at the end of the year</b>	<b>6,402,902</b>	<b>5,029,385</b>

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.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2018**

**NOTE 8: TRADE AND OTHER PAYABLES**

**CURRENT**

Trade and Other Payables

<b>31-Dec-18</b>	<b>30-Jun-18</b>
<b>\$</b>	<b>\$</b>
435,945	507,847

**NOTE 9: ISSUED CAPITAL**

**a. Ordinary shares fully paid**

	<b>31-Dec-18</b>	<b>30-Jun-18</b>
	<b>\$</b>	<b>\$</b>
Opening balance	34,882,059	28,895,980
Shares issued in year	1,500,000	6,221,076
Capital raising costs	(81,721)	(234,997)
Closing balance	36,300,338	34,882,059

**b. Movements in ordinary shares on issue**

	<b>31-Dec-18</b>	<b>30-Jun-18</b>
	<b>Number</b>	<b>Number</b>
Opening balance	836,845,924	318,422,962
Shares issued 16 March 2018 at 1.2 cents	-	518,422,962
Shares issued 25 October 2018 at 1.5 cents	81,250,070	-
Shares issued 4 December 2018 at 1.5 cents	18,749,933	-
Closing balance	936,845,927	836,845,924

**NOTE 10: EARNINGS PER SHARE**

**a. Reconciliation of earnings to profit or loss**

(Loss) used in the calculation of basic and dilutive earnings per share

<b>31-Dec-18</b>	<b>31-Dec-17</b>
<b>\$</b>	<b>\$</b>
(309,079)	(284,830)

**b. Weighted average number of ordinary shares outstanding during the year used in the calculation of basic earnings per share**

	<b>No. of shares</b>	<b>No. of shares</b>
	869,726,374	318,422,962
Basic Earnings Per Share (cents)	(0.04)	(0.09)
Diluted Earnings Per Share (cents)	(0.04)	(0.09)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2018**

**NOTE 11: 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 31<sup>st</sup> December 2018 (30 June 2018: nil) for either the parent company or its subsidiary. The mining tenement commitment as at the 31<sup>st</sup> December 2018 is \$1,409,760 (30 June 2018: \$1,225,760).

**NOTE 12: EVENTS SUBSEQUENT TO REPORTING DATE**

**FURTHER DRILLING**

Subsequent to the reporting period, on 4 February 2019 the Company announced that drilling was scheduled to recommence in mid-February 2019.

The new program will consist of a series of diamond drill tails at both the Whistler and Montague Gold Deposits (six holes for 350 metres), and 9 reverse circulation (RC) drill holes (~2,000m) at Montague. The drilling is targeting depth extensions of the high-grade mineralised zones at both the Whistler and Montague Gold Deposits.

This new program of RC drilling is designed to more aggressively test for significant down-dip extensions to the mineralisation prior to resource estimation work. A single diamond tail will also be completed to extend a previously completed RC hole to provide a follow-up test of the high-grade Gordon's Lode structure at depth.

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.

**NOTE 13: RELATED PARTY TRANSACTIONS**

**a. Directors and Key Management Persons**

<b>Key Management Persons</b>	<b>Position</b>
Trent Franklin	Non-Executive Chairman
Peter Langworthy	Managing Director
Scott Brown	Non-Executive Director
Debra Fullarton	Non-Executive Director

**b. Directors loans**

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2018**

**NOTE 13: RELATED PARTY TRANSACTIONS (CONTINUED)**

**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 \$540,624 (June 2018: \$451,694) for Geological services.
- (ii) Related parties of Trent Franklin, a non-executive chairman of the Group including Enrizen Capital Pty Ltd received \$47,110 (Dec 2017: \$Nil) for capital raising and underwriting services; Enrizen Pty Ltd received \$2,090 (Dec 2017: \$3,439) for insurance services; Enrizen Lawyers Pty Ltd received \$23,449 (Dec 2017: \$Nil) for legal services; Enrizen Accounting Pty Ltd received \$30,000 (Dec 2017: \$Nil) for company secretarial and accounting services; Enrizen Services Pty Ltd received \$1,500 (Dec 2017: \$Nil) for website design services.

**NOTE 14: INTERESTS IN SUBSIDIARIES**

During the six-month period to 31<sup>st</sup> December 2018, Gateway Mining Limited continued to control its 100% owned subsidiaries Boomgate Capital Pty Ltd and Omni Projects Pty Ltd. Boomgate Capital Pty Ltd and Omni Projects Pty Ltd were both established in the year ended 30 June 2013 and are incorporated in Australia. The consolidated financial statements incorporate the assets, liabilities and results of the subsidiary are in accordance with the accounting policy described in Note 1:

Name	Principal place of business/ Country of incorporation	Ownership interest	
		31 Dec 2018 %	30 June 2018 %
Boomgate Capital Pty Ltd	Australia	100.00%	100.00%
Omni Projects Pty Ltd	Australia	100.00%	100.00%

**NOTE 15: 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

## **DIRECTORS DECLARATION**

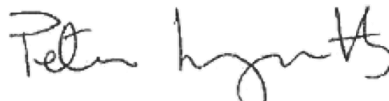
The directors declare that:

- 1 the financial statements and notes, as set out on pages 23 to 35 are in accordance with the Corporations Act 2001, the Corporations Regulations 2001 and other mandatory professional reporting requirements:
  - (a) comply with Accounting Standard AASB 134: Interim Financial Reporting; and
  - (b) give a true and fair view of the financial position as at 31 December 2018 and of the performance for the half-year ended on that date of the Group;
- 2 in the directors' opinion there are reasonable grounds to believe that the Company 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**  
Dated this 12<sup>th</sup> of March 2019  
Sydney



**Peter Langworthy**  
**Managing Director**



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

## Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Gateway Mining Limited (the Company) and its controlled entities (the Group) which comprises the consolidated statement of financial position as at 31 December 2018, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity, consolidated statement of cash flows for the half-year ended on that date, selected explanatory notes and the directors' declaration.

## Directors' Responsibility for the Half-Year Financial Report

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

## Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Group's financial position as at 31 December 2018 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Gateway Mining Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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

**Independence**

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

**Conclusion**

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Gateway Mining Limited is not in accordance with the *Corporations Act 2001* including:

- (i) giving a true and fair view of the Group's financial position as at 31 December 2018 and of its performance for the half-year ended on that date; and
- (ii) complying with AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

**Material Uncertainty Related to Going Concern**

We draw attention to Note 1(e) in the half-year financial report, which indicates that the Group incurred a net loss and had operating cash outflows during the half-year ended 31 December 2018, as of that date, had no ongoing revenue streams. As disclosed in Note 11, the Group had mining tenement commitment of \$1,409,760 as at 31 December 2018.

As stated in Note 1(e), the directors have prepared the 31 December 2018 financial report on a going basis and have been taking actions to address their cash requirements. Should the events or actions set forth in Note 1(e) not eventuate, it may result in a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Crowe Horwath Sydney

**Crowe Horwath Sydney****Suwarti Asmono**

Partner

Dated this 12<sup>th</sup> day of March 2019