



Quarterly Activities Report for the period ended 30th June 2019



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Mr Rick Anthon
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Mr Paul Marshall

Highlights

Agate Creek Gold Project

- + Laneway became a gold producer during the Quarter. The first ore blast occurred at the beginning of the quarter on 10 April with mining commencing immediately following and ore transportation to the Black Jack gold processing plant starting 13 April.
- + CIL processing of Agate Creek Ore commenced at the Black Jack Plant on 17 April initially at a process rate of 12 tonnes per hour (tph)
- + First gold pour was achieved within 10 weeks of the notification of Mining Lease grant on 23 April.
- + Since the start of production to 21 July, 41,500 tonnes of ore has been processed through Maroon's Black Jack CIL plant at an average (unreconciled) grade of 7.5 g/t with gold recoveries averaging over 98% with almost 10,000 ounces now recovered.
- + It is expected mining and processing for the current campaign will be finalised within the next 3 weeks with around 60,000t expected to be mined to this point.
- + Total gold sold in the period from the project start to 30 June was 6,966 ounces.
- + Laneway's share of the reconciled gold sales to 30 June is 2,329 ounces and the value realised for Laneway's net share of refined gold sold in this period is approximately \$4.33 million.



- + A RC drilling program of 34 holes, (1,101m) was also completed during the quarter in and around the current pit area to extend and further define some of the deeper ore zones and also some holes that could not be drilled during November program due to terrain constraints and drill pad access. Laneway is extremely pleased with these results, with numerous and consistent high-grade intersections encountered with several intervals again exceeding 100 g/t.

- + Planning is well advanced for further drilling programs at Agate Creek this year targeting further potential high grade zones - including potential extensions of the zones currently being mined. Additional exploration will also target other identified mineralised zones that have previously only been evaluated for potential large tonnage low grade processing. Geological understanding gained from the current mining campaign will allow for greater targeted drilling of the ore zones with the potential to add to the existing Global Resource.
- + The exploration within Laneway's large Exploration Tenement area at Agate Creek will be advanced with the objectives of confirming the potential for additional small tonnage high grade zoned deposits capable of being toll treated along with the targeting of additional large tonnage targets to supplement the possible long term mining and processing of the lower grade Agate Creek Resources onsite.

New Zealand Gold Project

- + A drilling program is being investigated for 2020 focusing within and below the historically mined area of Jubilee, targeting both the main Jubilee Vein System and also the newly identified zone identified following a re-assayed result of 0.3m @ 521 g/t Au interpreted \approx 50m behind the main stoped Jubilee Vein.

Ashford Coking Coal Project

- + With the continued strength of metallurgical coal prices, the relative scarcity of open pittable Metallurgical Coal deposits and recent corporate activity in the sector, Laneway sees considerable potential shareholder value creation from the Ashford Coking Coal project and is progressing the project towards the planned conversion of the existing Exploration Licenses 6234 & 6428 to a Mining Lease, over the Global Resource of 14.8 million tonnes of Coking Coal.

Corporate

- + Net Cash from operations of over \$3m in the quarter and cash at bank the end of the quarter of \$2.65 million.

Company Overview

Laneway Resources is an emerging producer with 100% owned projects in Queensland, New South Wales and New Zealand. Current mining activities at the Agate Creek high grade gold project is achieving material positive cash flow for the Company aided by recent high prices for AUD denominated gold. This cash flow will establish a sound financial platform for the company to progress its project portfolio including additional exploration appraisal of the broader Agate Creek Project area.

Agate Creek Gold Project

North Queensland

- 100% interest
- Epithermal Gold

Ashford Coking Coal Project

Northern NSW

- 100% interest
- Coking Coal

New Zealand Gold Project

North Island, New Zealand

- 100% interest
- Epithermal Gold

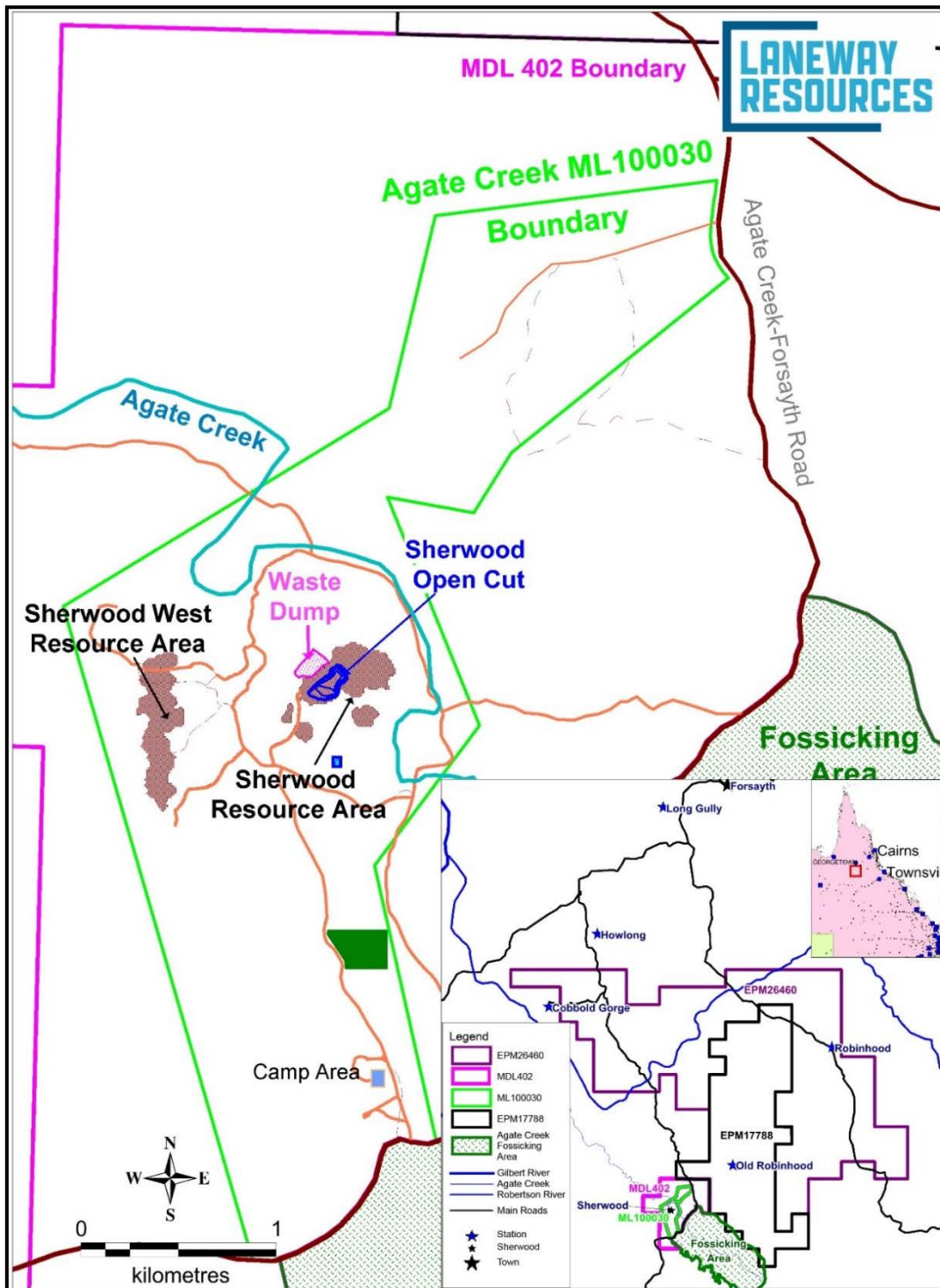


Location of Laneway Resources' Projects

Agate Creek Gold Project

The Agate Creek Gold Project is located approximately 40km south of Forsyth and 60km west of Kidston in North Queensland. The Project covers a total of 647.5 km² and comprises the following tenures EPM 17788, EPM 26460, MDL 402 & ML 100030.

The Mining Lease (ML 100030) - which covers the near surface high grade Sherwood and Sherwood West gold prospects as well as areas for all necessary infrastructure to support mining operations - was granted by the Queensland Department of Natural Resources, Mines and Energy with an effective date of 1st March 2019.



Start of Mining, Transport & Processing

Mining operations commenced during the Quarter - in line with previously indicated timelines - with the first ore blast undertaken on 10 April. Transportation of first ore to Maroon's Black Jack Gold Processing Plant at Charters Towers commenced 13 April. The first ore was fed into the crushing circuit on 17 April, with processing starting soon afterwards and first gold was poured on the 22 April, within 10 weeks of mining lease grant. Mining, transportation and processing of ore is currently ongoing, and the current mining campaign is expected to be completed within 3 weeks.



Gold Production Pursuant to Tribute and Toll Treatment Agreement with Maroon

The Mining and Processing Agreement entered into with Maroon Gold Pty Ltd (Maroon), enabled mining operations to commence very quickly following the grant of the Mining Lease. Utilising an existing processing plant significantly reduced the capital expenditure and time to first gold production and cashflow for Laneway.

The direct costs incurred with respect to, up to, the first 100,000 tonnes of production from the project including, but not limited to, mining; transportation, crushing and processing of ore; and rehabilitation of the disturbed area, will be incurred and paid for by Maroon. Gold produced will be paid 60% to Laneway and 40% to Maroon above 3.5 g/t gold head grade with the initial 3.5 g/t produced to be retained by Maroon towards the above costs.

Up to 21 July, 41,582 tonnes of ore had been processed with recoveries still >98% average at an overall unreconciled head grade of approximately 7.5 g/t gold with almost 10,000 ounces now recovered. In the period to 30 June 6,966 ounces of refined gold was sold. Laneway's share of the gold refined and sold from commencement of mining to 30 June was 2,329 ounces with net proceeds of approximately \$4.3 million

received by Laneway during the Quarter. The initial loan advance provided by Maroon to Laneway to meet some of the costs associated with the granting of the mining lease has also now been fully repaid.

Gold has been recovered from gravity, ILR (Intensive Leach Reactor) and CIL (Cyanide in Leach) extraction at Maroon's Black Jack Processing Plant (pictured below), processing rates are averaging ≈ 20 tonnes per hour. Processing is expected to continue for up to another 6 weeks.



During June the mined ore blocks were of overall lower grade than those mined previously and the southern area of the pit having now been blasted to its final depth. Stripping ratios were also higher in June due to the significant waste removal required to expose the deeper ore zones in the larger North Eastern pit area.

The grade control RC drilling undertaken in May suggests that head grades have the potential to increase slightly in the deeper sections of the open pit during the final weeks of mining. Grade control and geological supervision is being conducted by Laneway personnel focussing on maintaining high grade ore with minimal dilution from the narrow vein zones. The recovered gold grades are still maintaining higher values than the modelled figures estimated in the Sherwood High Grade subset of the Resource estimate of 89,000t @ 6.01g/t (see Table 2 below). This is likely to be due to the highly selective mining techniques, being undertaken onsite.

This has resulted in a reduction to the overall tonnes being mined as part of this program however, it is still expected recovered ounces will be comparable. It is now expected that approximately 60,000t of ore will be mined and processed as part of the current mining campaign with Maroon.

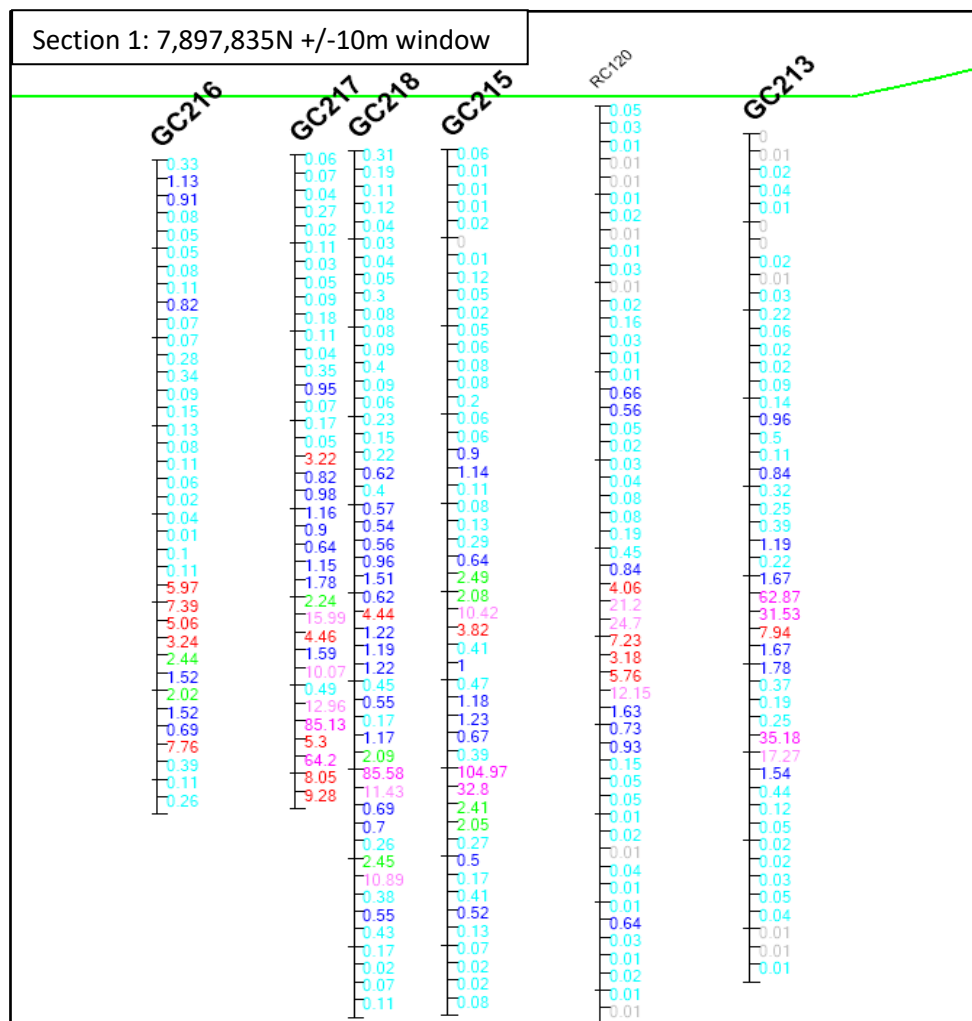
Mining is currently scheduled to continue for around another 2 weeks, with ore transportation to Maroon Gold's Plant at Charters Towers and processing expected to continue for up to 2 weeks following the end of mining.

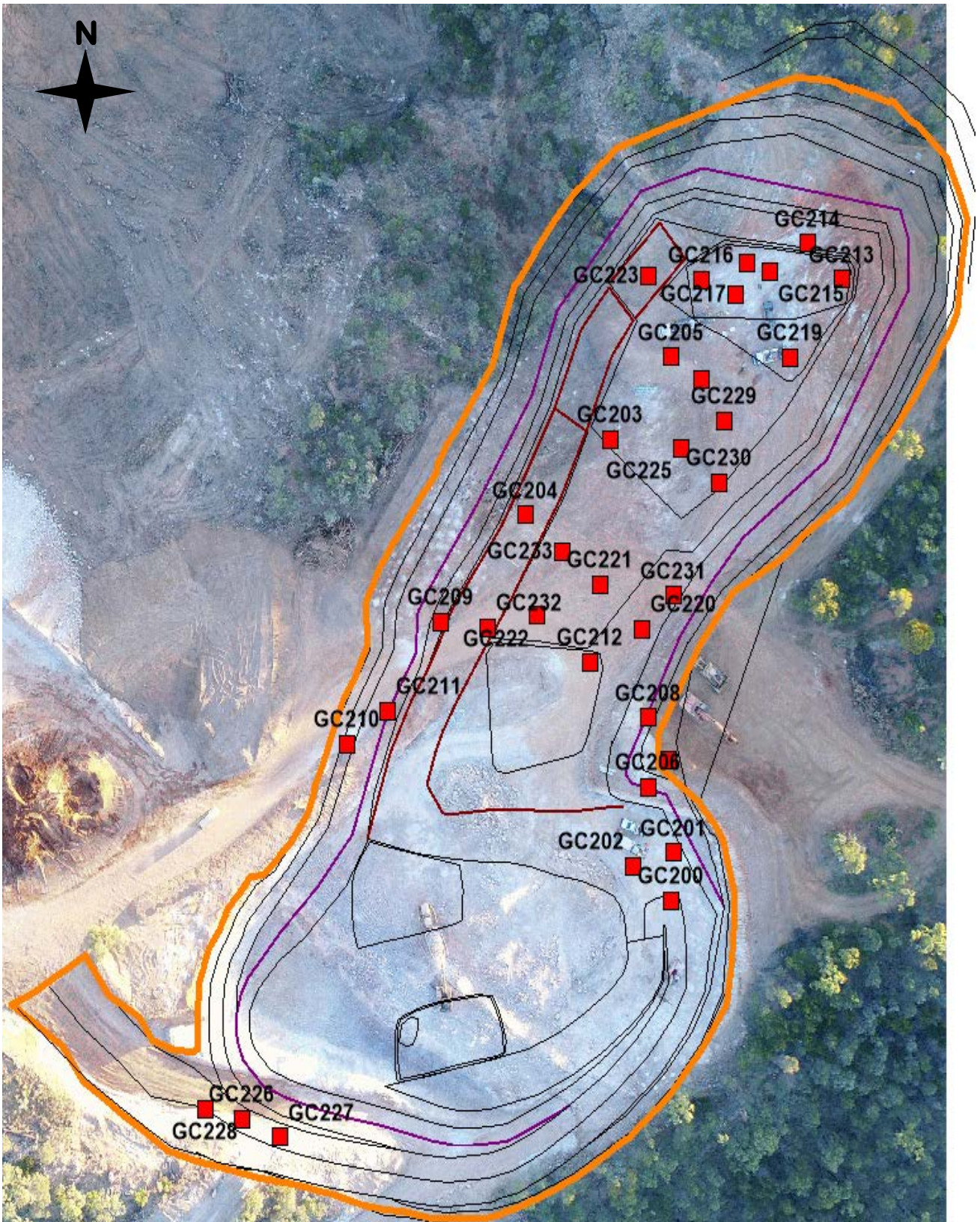
Drilling Program completed during Quarter at Sherwood

A RC drill program of 34 holes, (1,101m) was completed during the Quarter in and around the current pit area to extend and further define some of the deeper ore zones and also drill some holes that could not be accessed during the November drilling program due to terrain constraints and drill pad access.

A summary of the results from this drilling program are shown below with the full results from the program contained in the Company's ASX announcement dated 24 May 2019. Laneway is extremely pleased with the results, with numerous and consistent high-grade intersections encountered with several intersections exceeding 100 g/t.

- GC213 – 3m @ 34.1 g/t from 26m & 2m @ 26.2 g/t from 34m
- GC214 – 2m @ 30.5 g/t from 40m
- GC215 – 2m @ 68.9 g/t from 35m including 1m @ 104 g/t
- GC217 – 11m @ 19.8 g/t from 26m including 1m @ 85.1 g/t at 32m
- GC218 – 2m @ 48.5 g/t from 35m including 1m @ 85.5 g/t at 35m
- GC219 – 5m @ 54.8 g/t from 25m including 2m @ 125 g/t at 25m
- GC221 – 2m @ 16.3 g/t from 17m
- GC225 – 2m @ 68.8 g/t from 17m
- GC229 – 1m @ 33.5 g/t from 18m
- GC233 – 3m @ 21.8 g/t from 15m





Further Exploration Programs

Planning is well advanced for further drilling programs at Agate Creek this year targeting further potential high grade zones - including potential extensions of the zones currently being mined. Additional exploration will also target other identified mineralised zones that have previously only been evaluated for potential large tonnage low grade processing. Geological understanding gained from the current mining campaign will allow for greater targeted drilling of the ore zones with the potential to add to the existing Global Resource.

The exploration within Laneway's large Exploration Tenement area at Agate Creek will be advanced with the objectives of confirming the potential for additional small tonnage high grade zoned deposits capable of being toll treated along with the targeting of additional large tonnage targets to supplement the possible long term mining and processing of the lower grade Agate Creek Resources onsite.

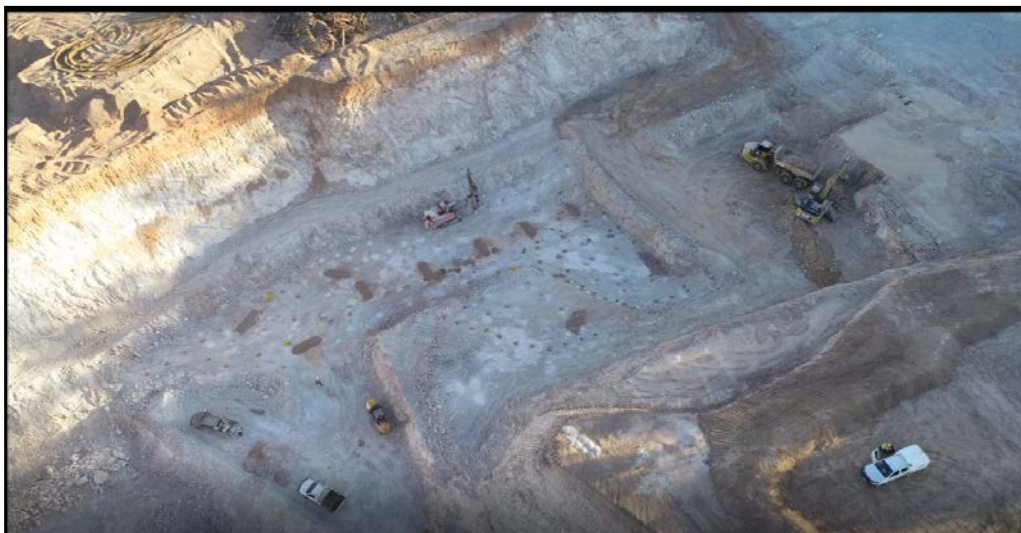
Mineral Resource

A global recoverable Mineral Resource has been defined for the Agate Creek Project in Table 1 - at a 0.5 g/t Au cut-off suitable for a large open pit operation. A continuous high-grade Mineral Resource can be interpreted at cut-off of 2 g/t Au for Sherwood and 1 g/t Au for Sherwood West shown in Table 2. NB: These mineral estimates were completed prior to the recent drilling programs & before the current mining activities, new estimates will be undertaken once current mining phase has been completed.

0.5 g/t cut-off	Sherwood			Sherwood South			Sherwood West			Total		
Resource Classification	Mt	Gold (g/t)	Gold (oz)	Mt	Gold (g/t)	Gold (oz)	Mt	Gold (g/t)	Gold (oz)	Mt	Gold (g/t)	Gold (oz)
Indicated	2.80	1.60	140,000				2.20	1.60	112,000	5.00	1.60	252,000
Inferred	1.40	1.30	57,000	0.30	1.20	12,000	1.50	1.20	59,000	3.20	1.24	128,000
Total	4.20	1.50	197,000	0.30	1.20	12,000	3.70	1.44	171,000	8.20	1.46	381,000
Grade and tonnage rounded to two decimal places. Ounces calculated after rounding and reported to nearest 1,000 ounces.												
High Grade Sub Set	Cut-Off Grade		Indicated			Inferred			Total			
	Au (g/t)		kt	Gold (g/t)	Gold (oz)	kt	Gold (g/t)	Gold (oz)	kt	Gold (g/t)	Gold (oz)	
Sherwood	2		89	6.01	17,300				89	6.01	17,300	
Sherwood West	1		1080	1.82	59,600	146	1.72	8,100	1164	1.81	67,700	
Total			1169	2.16	76,900	146	1.72	8,100	1253	2.16	85,000	

Table 1 - Mineral Resource Figures and Table 2 - High Grade sub set for Mineral Resource

Geological information gleaned from the mining and grade control will be incorporated into exploration modelling and targeting for the project to assist with identifying additional resources in the Project area.

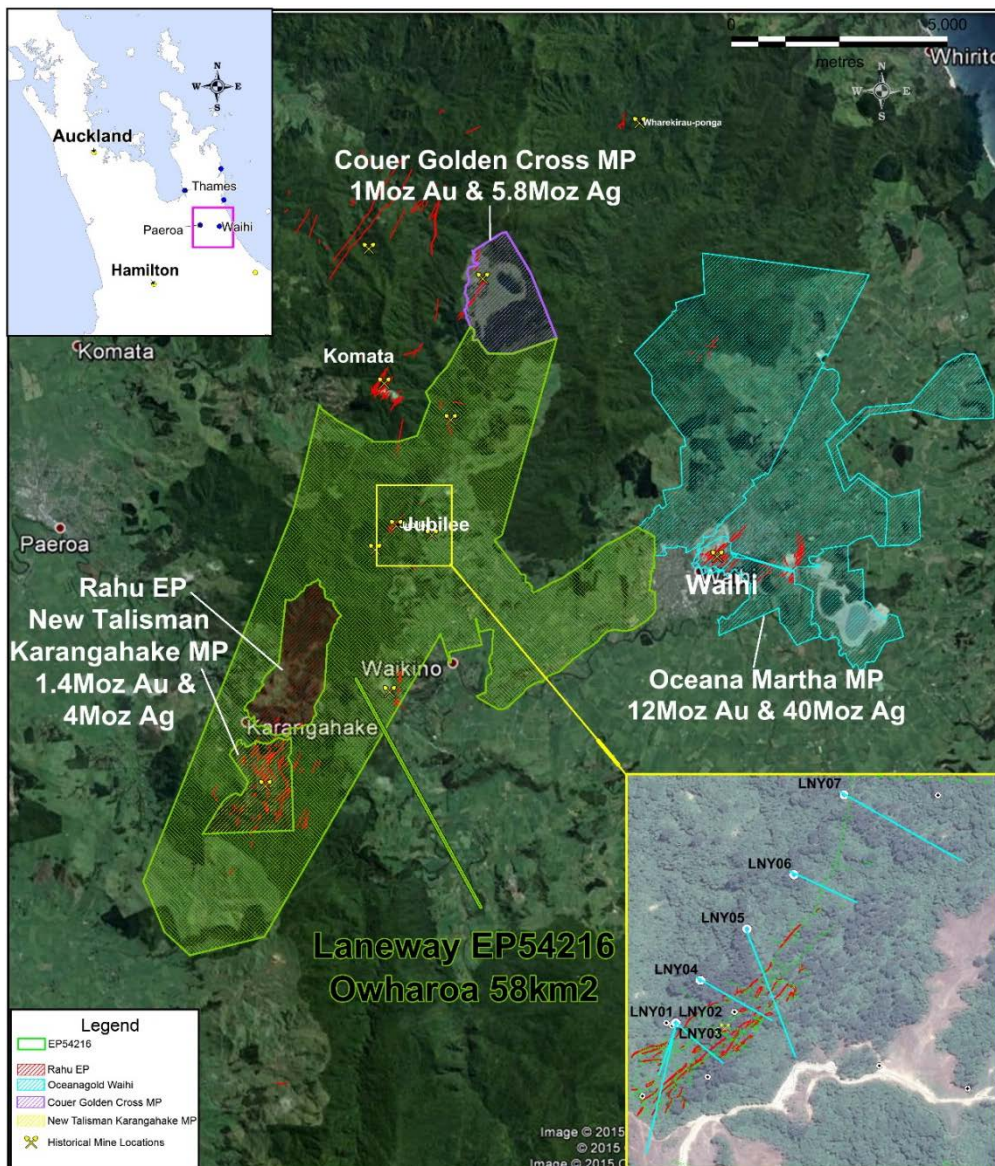


New Zealand Gold Project

The project area is located on the North Island of New Zealand in the Hauraki goldfield, within the mineralised corridor that is host to the historic Karangahake and Golden Cross gold-silver mines, and adjacent to Oceana Gold's operating Waihi Mine.

The area hosts approximately 50 low-sulphidation epithermal prospects and deposits and has yielded in excess of 45 million ounces of bullion. Workings generally only reached 140m below surface. The Karangahake orebody on the southern end is shown to have up to 700m vertical continuity (unusual in epithermal deposits) and Jubilee is likely the strike extent of the Karangahake system but was only historically mined to 200m and never tested at depth. There remains significant scope for down dip and strike extensions of this mineralisation particularly along a >10 km long prospective corridor.

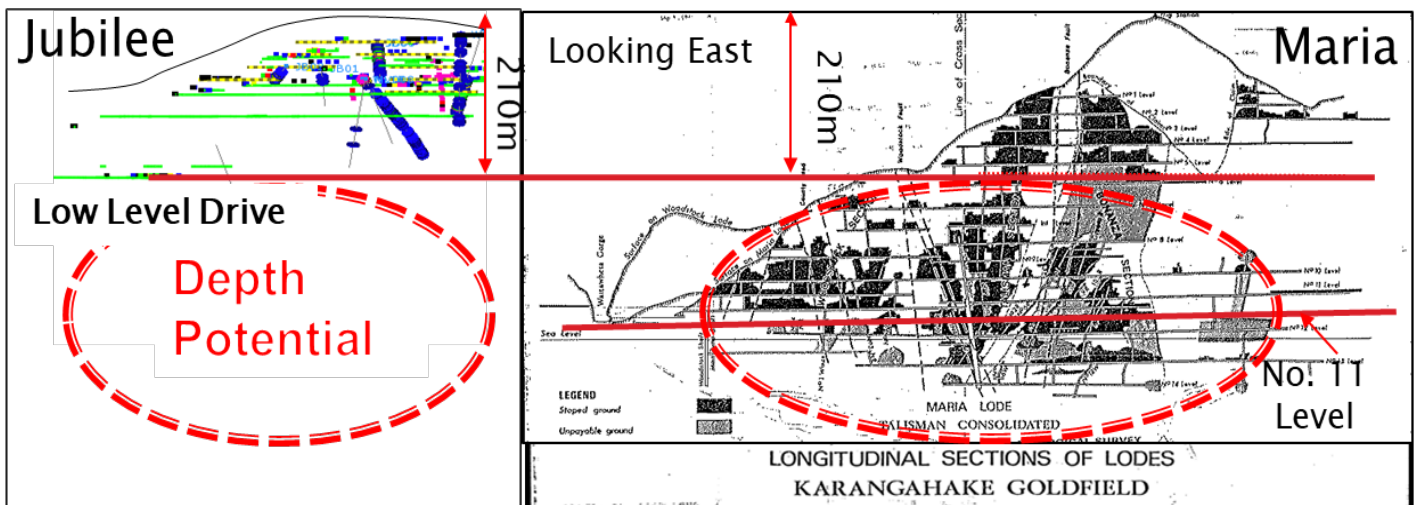
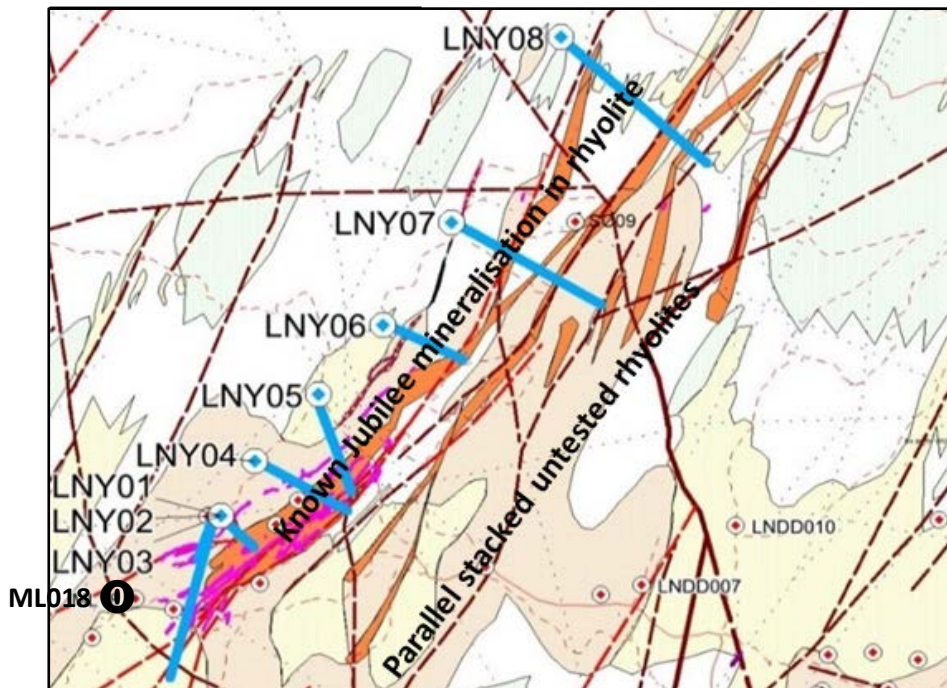
Mineralisation occurs as discrete low sulphidation high grade epithermal veins, primarily of banded quartz/chalcedony within rhyolites and andesites. Laneway has identified a 2m wide zone which originally assayed at 7.8g/t Au but was never followed up in ML018 (drilled in 1987). Within this 2m metre zone Laneway located and re-assayed a 30cm wide vein which returned an assay result of 521g/t Au.



Potential Exploration Drilling

There are still several drill ready target areas within the project area. The most exciting of these areas is the 500m long Jubilee trend, which was historically mined around the turn of last century. Recorded production was 1,300oz of gold bullion from 2,118 tons of quartz within one small stope within the area. Historical reports also state quartz veining was up to 32 feet wide mined in the lower levels 200m below surface.

The Jubilee area has had less than 10 holes drilled into the area shown below with only 2 of these holes deeper than 200m and as such retains significant depth potential, particularly when compared to the Maria vein within the Karangahake Mine System which sits 7km directly along trend from Jubilee. Laneway has another 8 drill ready targets (LNY01-08) at the Jubilee Prospect which target both along strike and down dip extensions of known mineralisation at the Jubilee workings. All agreements, permitting and drill pads are now in place to allow drilling of this exciting target.



Section showing potential comparison between Jubilee and Karangahake Systems

Ashford Coking Coal Project

The Ashford Coking Coal Project is located approximately 60km north of Inverell (northern NSW) and 4 km from the township of Ashford. The Project is comprised of EL 6234 & EL 6428 which covers approximately 14 km². The tenures hold part of the Ashford Coal Measures covering the only commercial operation to mine the Ashford Seam the “Ashford Colliery”. The Ashford Colliery was operated from 1959 to 1990, firstly by Davis Contractors until 1976 and then by White Industries Limited, supplying coal to the Ashford Power Station. In 1976 a study was undertaken to ascertain the quality of the Ashford Seam. The study revealed that the Power Station was in actual fact burning premium quality coking coal.

Laneway through its wholly owned subsidiary Renison Coal Pty Ltd applied for the tenement in 2004 since which time the project has been advanced sufficiently and with the updated resource estimates completed, Laneway is advancing the project towards Mining Lease Application over the project and resource areas.

Ashford Resource Estimate

The Ashford Coking Coal Project incorporates the historic Ashford Mine Area (EL 6234 and EL 6428).

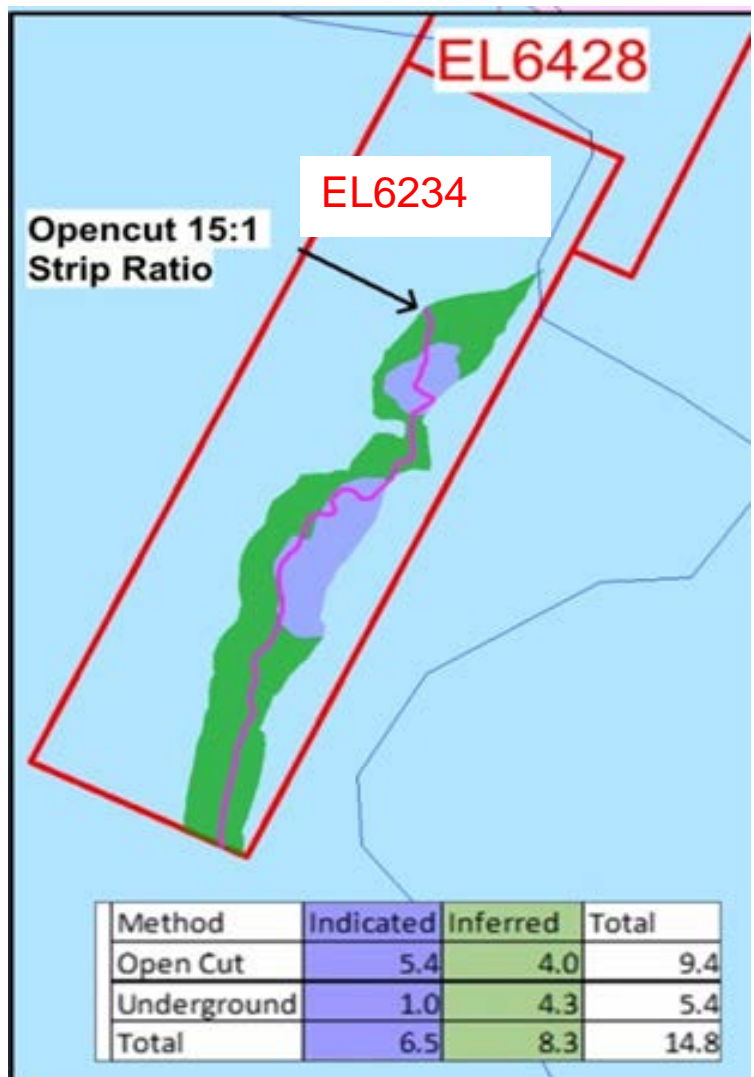
Total resources within EL6234 have been now estimated at 14.8 million tonnes of in-situ coking coal with 6.5 million tonnes classified as Indicated and 8.3 million tonnes as Inferred. Of the total resource, 9.4 million tonnes are likely to be accessible by conventional open cut methods to a 15:1 vertical waste to in-situ coal tonnes stripping ratio cut off. A further 5.4 million tonnes are expected to be mined via high wall mining methods.

The Ashford seam ranges from 0.2m to 24.4m in thickness and makes up the principal resource within EL6234.

Mining Lease Application

The proposed Mining Lease Application (MLA) will cover the resources and also sufficient additional area to allow for mining, stockpiles and washing if required. The MLA and associated approvals and studies are being progressed currently.

As part of the infrastructure requirements associated with mining, there are several transport options that have been assessed as viable at current coking coal prices and these options will be further developed.



Corporate

Net cashflow arising from operations of over \$3m in the quarter and cash at bank the end of the quarter of \$2.65 million.

With the focus being on mining operations exploration was limited during the quarter. A total of 80,000 was spent on exploration projects in the quarter with \$8,000 on the Agate Creek project, \$10,000 on the New Zealand exploration project and \$63,000 on the Ashford Coal project.

For further information contact:

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Chairman, Laneway Resources

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Competent Persons Statements

The information in this report that relates to Exploration Results is based on information compiled by Mr Scott Hall who is a member of the Australian Institute of Mining and Metallurgy. Mr Hall is a full-time employee of Laneway Resources Limited and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.' Mr Hall consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information relating to the Mineral Resources at the Agate Creek Project is extracted from the ASX Announcement as follows:

ASX Announcement titled:

'Resource Update for Agate Creek Gold Project' dated 1 February 2016.

The report is available to view on the Laneway Resources website www.lanewayresources.com.au. The report was issued in accordance with the 2012 Edition of the JORC Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. 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 and, in the case of estimates of Mineral Resources or Ore Reserves that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. 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.

The information relating to the Mineral Resources at the Ashford Coking Coal Project is extracted from the ASX Announcement as follows:

ASX Announcement titled:

'Ashford Coking Coal Project - Increased Resource' dated 20 November 2017.

The report is available to view on the Laneway Resources website www.lanewayresources.com.au. The report was issued in accordance with the 2012 Edition of the JORC Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, and also "Australian Guidelines for the Estimation and Classification of Coal Resources, (2014)". 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 and, in the case of estimates of Mineral Resources or Ore Reserves that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. 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.

Schedule of Interests in Mining Tenements

Laneway Resources Limited held the following interests in mining and exploration tenements as at 30 June 2019:

Queensland Tenements

<i>Type & Title No.</i>	<i>Location</i>	<i>Interest</i>
MDL402	Agate Creek	100%
EPM17788	Agate Creek	100%
EPM26460	Agate Creek	100%
ML 100030	Agate Creek	100%

NSW JV Tenements

<i>Type & Title No.</i>	<i>Location</i>	<i>Interest</i>
EL6234	Ashford	100%
EL6428	Ashford No III	100%

New Zealand Tenements

<i>Type & Title No.</i>	<i>Location</i>	<i>Interest</i>
EP54216	Owharoa	100%