



**ASX Announcement: 8 February 2021**

## **GATEWAY TO DIVEST NON-CORE SANDSTONE TENEMENT E57/1108 AS IT MAINTAINS GIDGEE FOCUS**

**Transaction with ASX-listed Alto Metals consistent with Gateway's focus on rapidly advancing its  
flagship Gidgee Gold Project**

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Gateway Mining Limited (ASX: GML) (**Gateway** or **Company**) is pleased to advise that it has entered into a binding terms sheet for the sale of its exploration tenement E57/1108 (**Tenement**) located in the Sandstone region of Western Australia Edjudina. 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 has entered into a binding terms sheet (**Transaction**) with ASX-listed Alto Metals Limited (ASX: AME) (**Alto**) under which Alto has agreed to acquire an 100% interest in the Tenement (**Tenements**)(**Terms Sheet**).

As consideration for acquiring an 100% ownership interest in the Tenement, Alto will provide to Gateway the following consideration:

- \$50,000 in Alto shares (based on the 10-day volume weighed average price ending on the day before the date of execution of the Terms Sheet); and
- The grant of a 1% net smelter revenue royalty over the Tenement (**Royalty**). Alto have the right to extinguish the royalty by paying Gateway A\$2.5 million at decision to mine.

### **MANAGEMENT COMMENT**

Gateway's Managing Director, Mark Cossom, said the agreement with Alto to divest E57/1108 was consistent with its continued focus on unlocking the potential of a large-scale gold system at the Gidgee Gold Project.

"The transaction crystallises value, from the divestment of this non-core tenement, while preserving exposure for our shareholders to future upside from exploration success through a future production royalty, and shares in Alto. The divestment allows us to continue to focus our resources on our flagship Gidgee Project which we are really excited about."

"Alto is a well-established ASX-listed explorer with a successful exploration history in the Sandstone area," he said.

This released has been authorised by:

Mark Cossom  
Managing Director

*For and on behalf of*  
**GATEWAY MINING LIMITED**

**Investors**  
Mark Cossom  
Managing Director  
T: 02 8316 3998  
or  
Kar Chua  
Company Secretary  
T: 02 8316 3998

**Media**  
Nicholas Read  
Read Corporate  
T: 08 9388 1474