



ASX Announcement: 29 April 2021

MARCH 2021 QUARTERLY ACTIVITIES REPORT

Major new exploration program commences at Gidgee with further RC and diamond drilling completed around the emerging high-grade Northwest Margin discovery – assays awaited

HIGHLIGHTS

- Final results received for follow-up Reverse Circulation (RC) drilling in late 2020 targeting around the high-grade gold discovery at the Northwest Margin “Lower Zone” (reported on 20 November 2020), as well as first-pass RC testing of the extensive air-core anomalism at the Achilles South target area.
- Results at the Northwest Margin have extended the thick, high-grade gold mineralisation at least 70m to the south, with the mineralisation remaining open. The key result from the 3-hole follow-up RC drill program completed prior to de-mobilising the rig in November 2020 was¹:
 - GRC630: 7 metres @ 11.7g/t Au from 97m
- This result builds on the previously announced intersections to the north of:
 - GRC550*: 15 metres @ 3.0g/t Au from 104m; and
10 metres @ 9.2g/t Au from 140m
 - GRC538*: 10 metres @ 2.5g/t Au from 114m
*(*Previous announced results)²*
- The high-grade “Lower Zone” mineralisation has now been defined over a strike length of ~220m and remains totally untested along strike to the north and south, representing the Company’s highest priority exploration target at Gidgee.
- Results received from the Achilles South target area have confirmed that significant primary bedrock gold mineralisation was intersected in RC drilling to follow up extensive air-core anomalism.
- Three RC holes targeted the anomalism extending immediately south of the historic Rosie open pit and, encouragingly, intersected extensive shearing in the host granodiorite, with associated bedrock gold mineralisation including³:
 - GRC628: 7 metres @ 1.6g/t Au from 50m
- Exploration re-commenced during the quarter with a 15,000m RC program to test the extents of the Lower Zone, as well as extending the systematic RC coverage south of the Montague-Boulder open pit toward the Caledonian Northeast pit.
- In addition, a 3,000m diamond program to test both the deeper potential of the Lower Zone, as well as provide critical geological information on this newly recognised ultramafic intrusive has commenced⁴.
- The diamond rig will also complete a 4-hole program of stratigraphic drilling around the margin of the Montague Granodiorite Dome, partly funded through a grant from the WA State Government Exploration Incentive Scheme (EIS).

¹ See ASX announcement dated 22 January 2021

² See ASX announcement dated 20 November 2020

³ See ASX announcement dated 12 February 2021

⁴ See ASX announcement dated 12 February 2021

GIDGEE GOLD PROJECT, WA (GML: 100%)

During the Quarter, Gateway received final results from the major Reverse Circulation (RC) drilling campaign which was completed during the December 2020 Quarter. This included results from the final follow-up holes completed at the new Lower Zone discovery along the Northwest Margin target area, as well as results from a single traverse of first-pass RC drilling into the Achilles South air-core anomaly delineated during 2020.

The Company also commenced a major RC and diamond drilling program, comprising approximately 12,000m of RC and 3,000m of diamond drilling, at the Montague Granodiorite. This program was primarily designed to follow-up the high-grade mineralisation intersected at the Lower Zone, as well as to test the same prospective geology south of the Montague-Boulder Mineral Resource, towards the historical Caledonian NE pit.

In addition, diamond drilling was also undertaken for four stratigraphic diamond holes designed to provide valuable geological and structural information which are co-funded through the WA State Government Exploration Incentive Scheme (EIS).

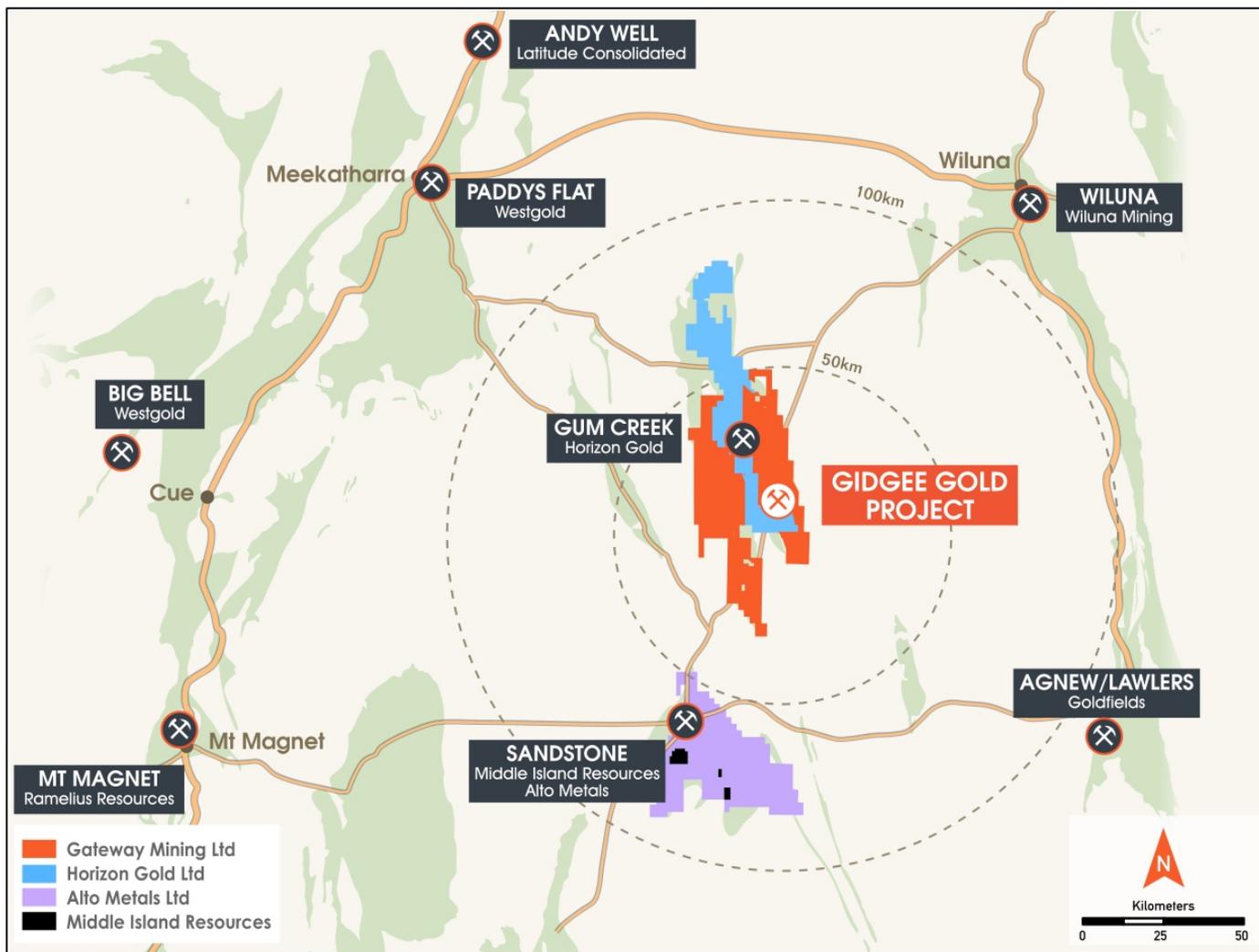


Figure (1): Gidgee Gold Project Location Plan

MONTAGUE GRANODIORITE DOME

NORTHWEST MARGIN RC DRILLING RESULTS

During the Quarter, significant intersections were reported from the final holes of the major RC drilling program completed in the December 2020 Quarter at the Northwest Margin, located 1.6km north along strike from the 120,000oz Montague-Boulder Inferred Mineral Resource. This component of the program was initiated following the significant new discovery of the high-grade Lower Zone that demonstrated considerable potential for multiple structures along the margin of the Montague Granodiorite.

The follow-up RC drilling, which targeted potential extensions of the previous outstanding discovery results at the Northwest Margin “Lower Zone”, extended the thick, high-grade gold mineralisation at least 70m to the south, with the mineralisation remaining open. The key result from the 3-hole follow-up RC drilling program completed prior to demobilising the drill rig in November 2020 was (Figure 2)²:

- **GRC630:** **7 metres @ 11.7g/t Au from 97m**

This intersection from GRC630 correlates with the upper intersection returned from GRC550 (15m @ 3.0g/t Au) and suggests that the lower intersection position (10m @ 9.2g/t Au) has not yet been tested (Figure 2). The high-grade “Lower Zone” mineralisation has now been defined over a strike length of approximately 220m (Figure 3) and remains totally untested along strike both to the north and south. This result builds on the previously announced results of:

- **GRC550*:** **15 metres @ 3.0g/t Au from 104m and;**
 10 metres @ 9.2g/t Au from 140m
- **GRC538*:** **10 metres @ 2.5g/t Au from 114m**

(*Previous announced results)³

The drilling has established that the high-grade mineralisation is controlled by a series of mineralised structures that intersect an ultramafic unit located along the contact between the mafic volcanic rocks and the granodiorite intrusive. This unit is currently being interpreted as an intrusion. The ultramafic unit appears to host thicker and higher-grade mineralisation as compared to the adjacent mafic volcanic rocks and the granodiorite intrusive. This is likely due to chemical and physical characteristics that create a preferred host for gold mineralisation.

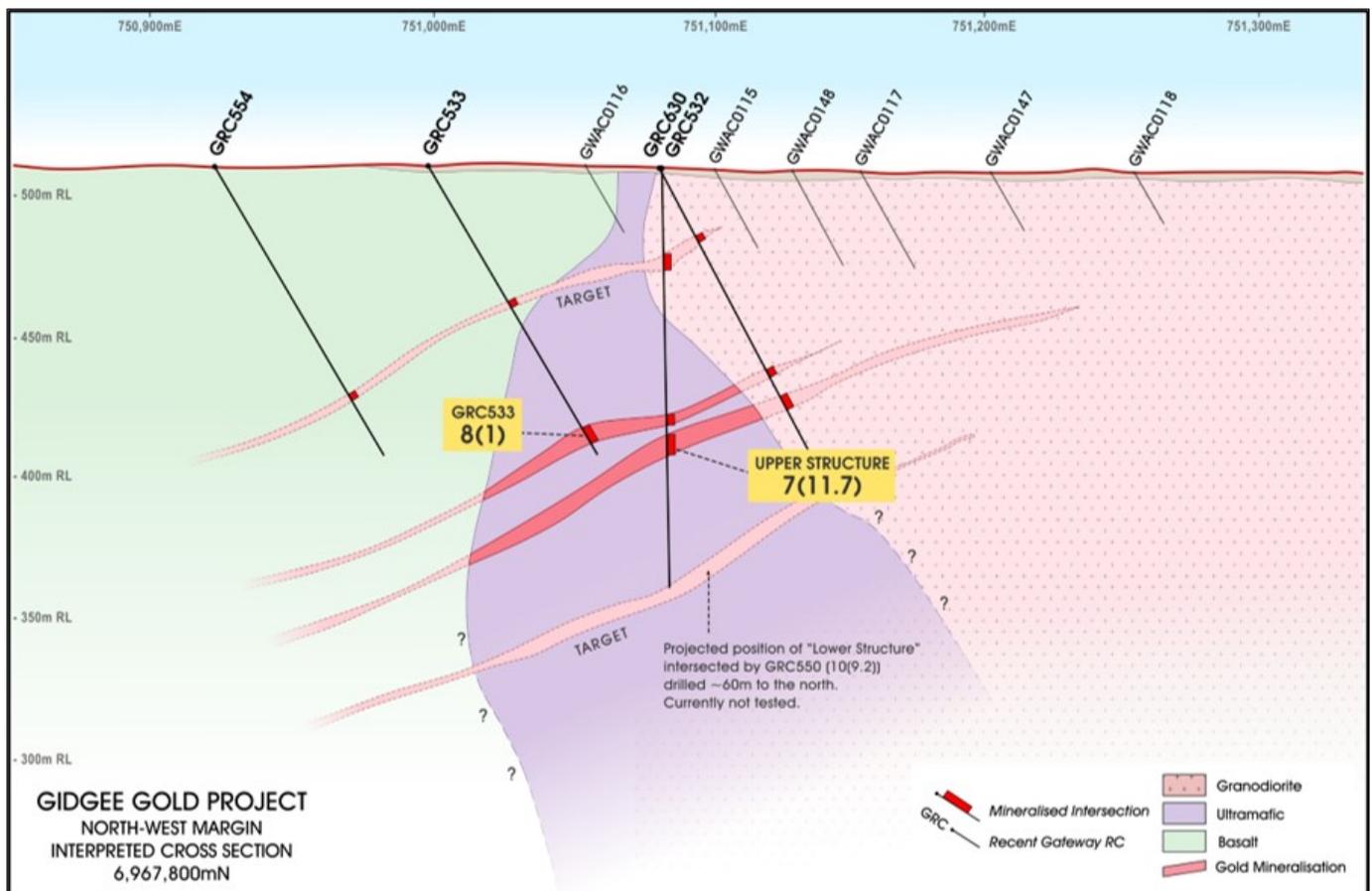


Figure (2): RC drill cross-section 6,967,800mN

² See ASX announcement dated 22 January 2021

³ See ASX announcement dated 20 November 2020

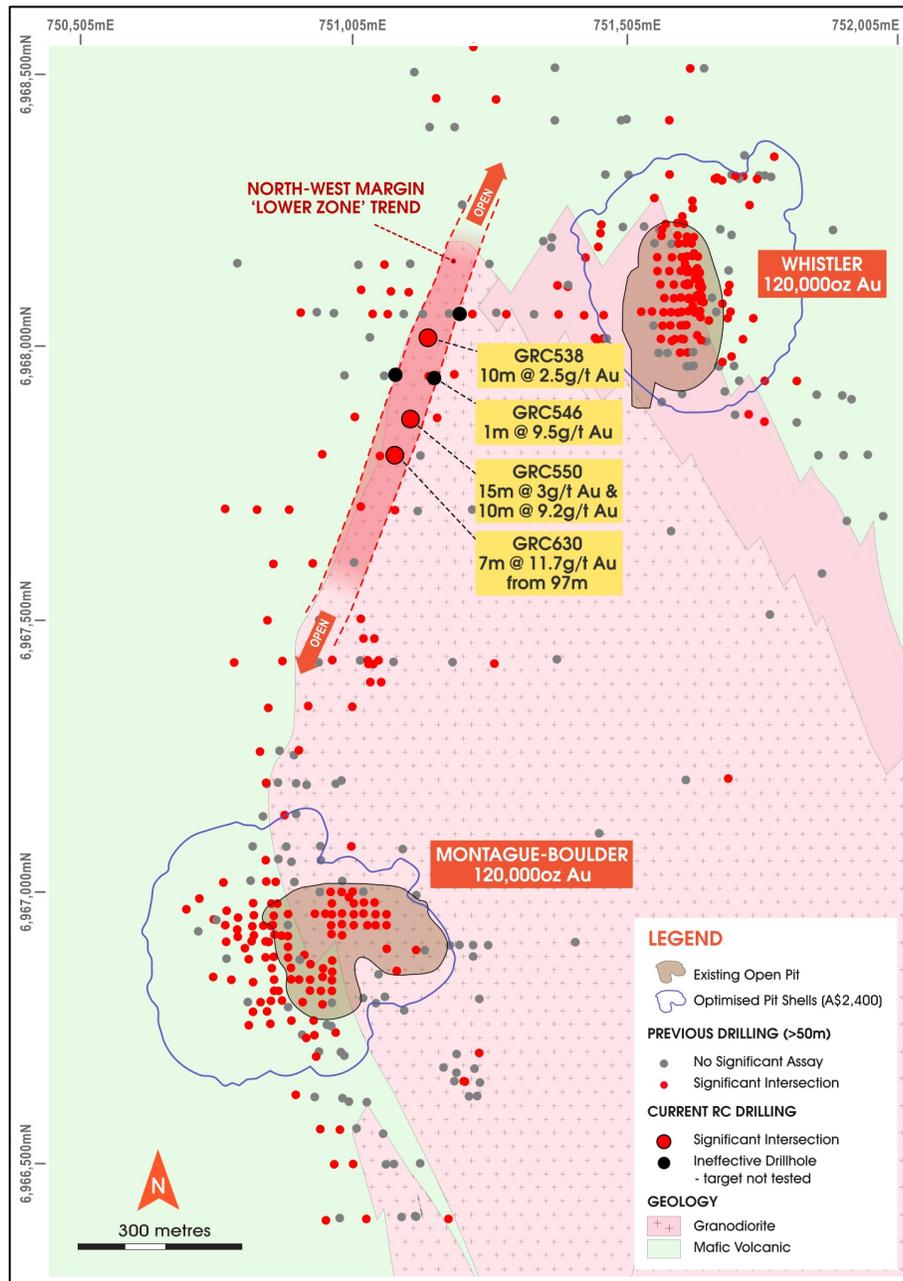


Figure (3): Northwest Corridor “Lower Zone” RC drilling with significant intercepts

ACHILLES SOUTH RC DRILLING RESULTS

During the Quarter, the Company received assay results relating to three holes drilled at the Achilles South target area, providing an initial test below extensive air-core anomalism delineated during September 2020. The results confirmed the presence of significant primary (bedrock) gold mineralisation within sheared granodiorite.

The anomaly tested is located immediately south of the historically mined Rosie open pit, where air-core drilling indicated the presence of mineralisation contiguous with the interpreted shear-zone that continues south for a further 3.5km to edge of Gateway’s tenure. A total of three holes for 360m were drilled on one section to provide an initial test of the effectiveness of the air-core drilling in defining bedrock hosted gold mineralisation. The drilling intersected extensive shearing within the granodiorite unit below the “blanket” of anomalism defined by air-core drilling (Figure 4).

High-grade gold mineralisation was returned from hole GRC628, including⁴:

- **GRC628: 7 metres @ 1.6g/t Au from 50m**

⁴ See ASX announcement dated 12 February 2021

While the mineralisation is contained within the primary zone of the granodiorite below the weathered saprolite, it is still highly encouraging in only being approximately 45m below surface. This structure also continues north of the Rosie open pit, where it has been followed by Gateway in RC drilling over a strike length of approximately 1km.

This mineralisation is contained both at the contact with the western mafic volcanic unit, as well as within the Montague Granodiorite unit, and extends near-surface to the base of transported overburden. Previous RC results returned from Gateway's RC drilling at Achilles North have included:

- **GRC446***: 21 metres @ 2.1g/t Au from 32m
- **GRC447***: 13 metres @ 3.4g/t Au from 5m
- **GRC430***: 11 metres @ 3.0g/t Au from 32m
- **GRC507***: 14 metres @ 1.0g/t Au from 3m

(*Previous announced results)⁵

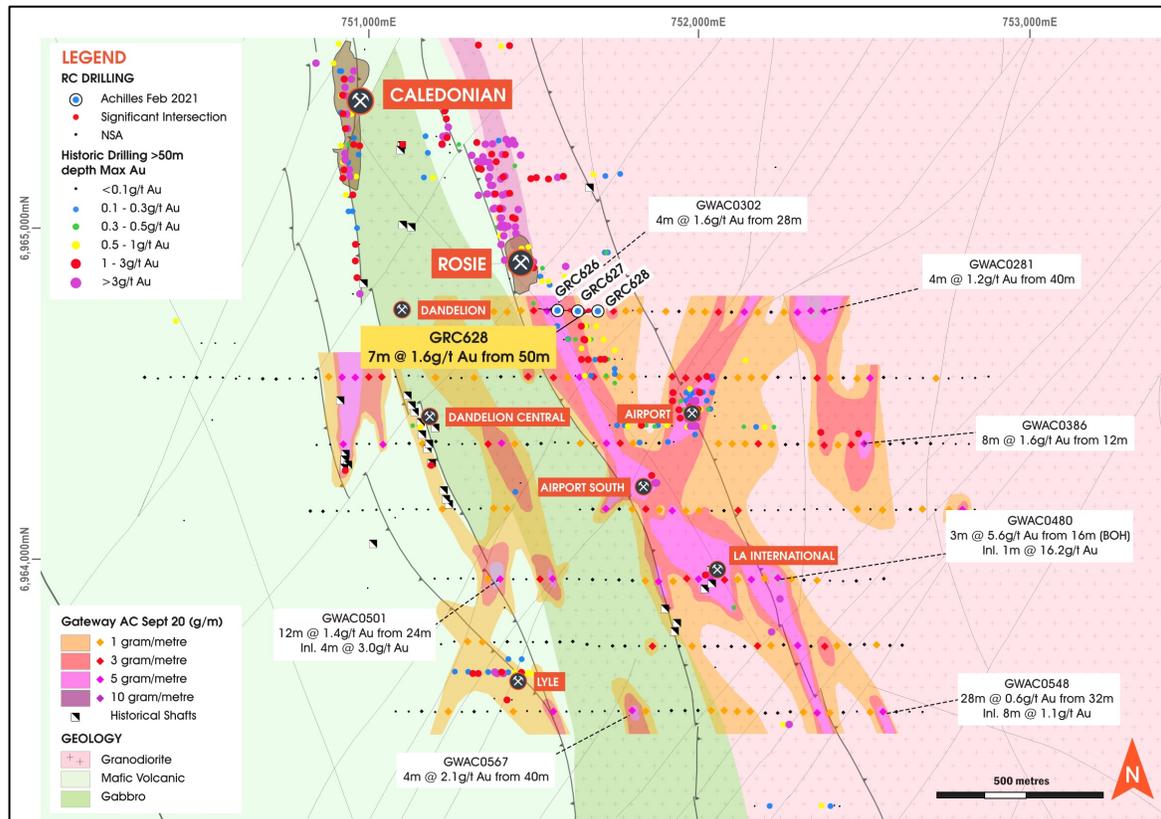


Figure (4): Achilles South RC drilling with air-core anomalies and historic drilling greater than 50m deep

RE-COMMENCEMENT OF DRILLING ACTIVITIES

Following the successful exploration campaign in the second half of 2020, field crews re-mobilised to Gidgee during the Quarter for the restart of drilling. Drilling initially focused on an aggressive follow-up of the mineralisation delineated at the Lower Zone of the Northwest Margin, where three deeper RC holes intersected an intrusive ultramafic unit along the granodiorite margin. Mineralised structures within this ultramafic have been shown to host thick, high-grade gold mineralisation over a strike length of 220m, which remains open to the south and north. This geological host for mineralisation has not been previously recognised at Gidgee, and indicates the potential for the mineralisation on the Northwest margin to be part of an extensive geological system.

The RC rig has initially undertaken a 15,000m program to test the extents of the Lower Zone, as well as extending the systematic RC coverage south of the Montague-Boulder open pit toward the Caledonian Northeast pit. This systematic RC drilling strategy was instrumental in making the key breakthrough at the Northwest Margin discovery.

A diamond drill rig has also been mobilized to site to complete a 3,000m diamond program testing both the deeper potential of the Lower Zone as well as provide critical geological information on this newly recognised ultramafic intrusive. Additionally, the diamond rig will complete a 4-hole program of stratigraphic drilling around the margin of the Montague Granodiorite Dome, partly funded through a grant from the WA State Government Exploration Incentive Scheme (EIS).

⁵ See ASX announcement dated 17 September 2020

Following the completion of the RC and diamond programs, an air-core rig is planned to mobilise to site to complete a 20,000m scout program covering near-surface mineralisation and to test additional geochemical anomalies west of the Northwest Margin target area.

During the Quarter, RC and diamond drilling progressed well and by quarter-end a total of 42 RC drill-holes for 6,859m and three diamond drill-holes for 971.2m had been completed. Good drilling conditions have been encountered and only three days were lost due to rain associated with regional rainfall events. Drilling has so far intersected the targeted prospective ultramafic intrusive unit as expected in the predicted locations, with assay results pending.

At the end of the Quarter, a total of 37 batches of RC drill samples had been submitted to a commercial laboratory in Perth. In addition, all diamond core from completed holes had been logged and marked-up on site and transported to Perth for cutting and sampling. However, due to an industry-wide lack of assay laboratory capacity, turnaround times on submitted samples are frustratingly slow.

REGIONAL PROJECTS

Southern Cross

During the Quarter, Gateway reached agreement with DiscovEx Resources Ltd (formerly, Syndicated Metals Ltd) (ASX: DCX) (**DCX**) to vary the terms of the conditional option agreement regarding E77/2309, located at the northern end of the Southern Cross Greenstone Belt in Western Australia. Under the varied terms Gateway will receive the following consideration for the sale of the Tenement:

- (a) (**Cash Consideration**): cash consideration of A\$50,000 at completion;
- (b) (**Share Consideration**): A\$250,000 fully-paid ordinary shares in the capital of DCX within 10 business days of DCX announcing a maiden JORC compliant Mineral Resource within the Tenement. The issue price of shares will be the 5-day VWAP of shares immediately prior to announcing the Mineral Resource; and
- (c) (**Royalty Consideration**): the grant of a 1.75% gross revenue royalty over the Tenement.

Subsequent to this variation, DCX elected to exercise its option to purchase the tenement, with the transaction completed by the end of the Quarter.

Divestment of Non-Core Sandstone asset to Alto

During the Quarter, Gateway announced that it had entered into a binding terms sheet for the sale of its exploration tenement E57/1108 (**Tenement**) located in the Sandstone region of Western Australia. 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 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 (**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.

Divestment of shareholding in Lighthouse Resource Holdings Pty Ltd

During the Quarter, Gateway agreed to the sale of its shares in private company Lighthouse Resource Holdings Pty Ltd (**Lighthouse**), obtained through the sale of the Sylvania Project announced during the September 2020 Quarter. The sale of these Tenements formed part of the Company's strategy of crystallising value from its portfolio of non-core exploration assets while maintain a strong focus on ongoing gold exploration and development activities at its flagship 100% owned Gidgee Gold Project. As part of the Sylvania Transaction, Gateway received:

- \$150,000 worth of 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.

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.

In a transaction announced to the market in January 2021, DCX agreed to acquire a 100% interest in Lighthouse. The consideration to be given by DCX for the acquisition of Lighthouse will be a total of 337,500,000 new fully-paid ordinary shares in DCX, to be issued to the shareholders of Lighthouse (or their nominees) on a pro-rata basis. In addition, Gateway retains its 1.5% Gross Revenue Royalty over the tenements.

Completion of the sale of is conditional upon the following conditions being satisfied or waived by DCX:

- Various shareholder approvals being received from DCX shareholders in an upcoming General Meeting;
- DCX receiving executed restriction agreements for some of the Consideration Shares as part of an ASX imposed escrow (Gateway notes its Consideration Shares are not subject to any ASX imposed escrow);
- DCX obtaining all regulatory consents and approvals which are necessary for the acquisition of all Lighthouse shares, including all approvals required from the ASX;
- DCX completing a placement to raise at least \$3.5M;
- No material adverse change having occurred in relation to Lighthouse prior to completion of the Transaction; and
- No breach of representations or warranties of the parties.

TENEMENTS

The following changes to the Company's tenements occurred:

Changes in Tenements	Tenement reference and location	Nature of Interest	Interest prior to change	Interest following change
Interest in mining tenements sold	- E77/2309 - E57/1108	Legal and beneficial ownership	- 100% - 100%	- 0% - 0%
Tenement Application	- E57/1178		- 0%	- 100%

A list of the Company's full tenement holdings held at the end of the Quarter are detailed in Appendix 1.

CORPORATE

Cash Position and Expenditure

As at 31 March 2021, the Company had cash reserves of \$5.688 million.

Exploration expenditure during the quarter comprised of \$597,000. This expenditure related to mining and exploration activities conducted at the Company's flagship Gidgee Gold Project located in Western Australia. As set out in the Company's March Quarter Appendix 5B, payments to related parties consisted of remuneration paid to executive and non-executive directors of \$138,000, and payments to director related entities for professional services (accounting, legal and insurance) of \$51,000 and for the provision of geological consultancy services of \$93,000.

Completion of Unmarketable Parcels Buy-Back

During the Quarter, the Company announced it had completed its unmarketable parcel share sale facility (**Buy-Back**). A total of 2,605,436 Gateway shares were acquired under the Buy-Back and were cancelled in accordance with the Corporations Act 2001 (Cth).

Eligible shareholders whose shares were bought back under the Buy-Back had their proceeds remitted to them and were sent documentation advising of the number of shares sold and the details of proceeds.

Key Board and Management Changes

During the Quarter, the Company announced a number of senior board and management changes as it embarks on the next stage of growth at its flagship 100%-owned Gidgee Gold Project in Western Australia and begins the transition from junior explorer to developer.

The changes are designed to ensure that the Company has a strong, well-balanced and experienced senior leadership team in place to oversee the execution of its accelerated exploration strategy and to advance the Gidgee Project rapidly towards feasibility and development.

The Company has experienced significant growth in the last 24 months since its strategic refocus on the Gidgee Gold Project, and is entering the next phase of its strategy of building a significant mid-tier Australian gold company.

As a result of this significant growth, the Company's Managing Director Mr Peter Langworthy, who has played an instrumental role in the evolution of the Company's growth strategy at Gidgee, moved to the newly created position of Executive Chairman.

In recognition of his strong performance as Executive Technical Director since his appointment in 2019, the Board decided to appoint Mr Mark Cossom as Managing Director. Mr Cossom assumed full executive responsibility for the day-to-day management of the Company and the exploration programs at Gidgee.

Mr Trent Franklin will continue to serve the Company as a non-executive Director, providing his invaluable corporate expertise as Gateway enters this next stage of accelerated development and advancement.

Ms Debra Fullarton and Mr Scott Brown retained their positions as non-executive Directors of the Company.

Following the changes, the structure of the Board and its officers is as follows:

- Peter Langworthy – Executive Chairman;
- Mark Cossom – Managing Director;
- Trent Franklin – Non-Executive Director;
- Debra Fullarton – Non-Executive Director;
- Scott Brown – Non-Executive Director; and
- Kar Chua – Company Secretary.

Share Capital

Issue of Incentive Options to Directors and Employees

During the Quarter, the Company announced it intended to make an offer of unquoted Options to Directors and employees under its Employee Incentive Plan.

The Directors' participation in the Scheme will be subject to shareholder approval at an Extraordinary General Meeting of shareholders, which is set for 30 April 2021.

Should the Directors' participation in the Scheme be approved, the Company is proposing to issue a total of 33,000,000 unquoted options to directors.

The Company also made an offer of a total 5,800,000 unquoted options under its to its Employee Incentive Scheme to its Senior Project Geologist and Exploration Manager. These unquoted options have since been issued.

Number	Class
1,903,635,600	Fully Paid Ordinary Shares
1,933,333	GML Unquoted Options which will vest on 2 August 2021, with an exercise price of \$0.038 per option and expiring on 2 February 2024
1,933,333	GML Unquoted Options which will vest on 2 February 2022, with an exercise price of \$0.048 per option and expiring on 2 February 2024
1,933,334	GML Unquoted Options which will vest on 2 August 2022, with an exercise price of \$0.058 per option and expiring on 2 February 2024
10,000,000	GML Unquoted Options exercisable at \$0.024, expiry 26 August 2023
2,000,000	GML Unquoted Options exercisable at \$0.03, expiry 12 November 2022
2,000,000	GML Unquoted Options exercisable at \$0.03, expiry 12 November 2022
3,000,000	GML Unquoted Options exercisable at \$0.035, expiry 12 November 2022
3,000,000	GML Unquoted Options exercisable at \$0.04, expiry 12 November 2022
6,666,667	GML Unquoted Options, exercisable at \$0.017, expiry 28 February 2022
6,666,667	GML Unquoted Options, exercisable at \$0.018, expiry 28 February 2022
6,666,666	GML Unquoted Options, exercisable at \$0.02, expiry 28 February 2022
2,833,331	GML Unquoted Options which will vest on 19 December 2020, with an exercise price of \$0.03 per option and expiring on 19 June 2023.
1,500,000	GML Unquoted 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.
1,500,000	GML Unquoted 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.
1,833,332	GML Unquoted Options which will vest on 19 June 2021, with an exercise price of \$0.035 per option and expiring on 19 June 2023.
1,833,337	GML Unquoted Options which will vest on 19 December 2021, with an exercise price of \$0.04 per option and expiring on 19 June 2023.

This released has been authorised by:

Mark Cossom
Managing Director

For and on behalf of
GATEWAY MINING LIMITED

Competent Person Statement

The information in this announcement 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.

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APPENDIX (1): GATEWAY MINING LIMITED CONSOLIDATED TENEMENT HOLDINGS

Project	Tenement	Owner
GIDGEE	E53/2108*	Gateway Mining Ltd
GIDGEE	E57/1039	Golden Mile Resources Ltd, Gateway Mining Ltd Earning 80%
GIDGEE	E57/1040	Golden Mile Resources Ltd, Gateway Mining Ltd Earning 80%
GIDGEE	E57/1057	Gateway Projects WA Pty Ltd
GIDGEE	E57/1060	Gateway Mining Ltd 80%, Element 25 Ltd 20%
GIDGEE	E57/1067	Gateway Projects Pty Ltd
GIDGEE	E57/1144*	Gateway Mining Ltd
GIDGEE	E57/1145*	Gateway Mining Ltd
GIDGEE	E57/1147	Gateway Mining Ltd
GIDGEE	P57/1409	Gateway Projects WA Pty Ltd
GIDGEE	P57/1410	Gateway Projects WA Pty Ltd
GIDGEE	P57/1411	Gateway Projects WA Pty Ltd
GIDGEE	P57/1413	Gateway Projects WA Pty Ltd
GIDGEE	P57/1449	Gateway Mining Ltd
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	P57/1494*	Gateway Mining Ltd
GIDGEE	P57/1495*	Gateway Mining Ltd
GIDGEE	P57/1496*	Gateway Mining Ltd
KALUWIRI	E57/1171*	Gateway Mining Ltd
KALUWIRI	E57/1178*	Gateway Mining Ltd
KALUWIRI	P57/1475	Gateway Mining Ltd
KALUWIRI	P57/1476	Gateway Mining Ltd
MONTAGUE	E57/0405	Gateway Mining Ltd
MONTAGUE	E57/0417	Gateway Mining Ltd
MONTAGUE	E57/0687	Gateway Mining Ltd
MONTAGUE	E57/0688	Gateway Mining Ltd
MONTAGUE	E57/0793	Gateway Mining Ltd 75%, Estuary Resources Pty Ltd 25%
MONTAGUE	E57/0807	Gateway Mining Ltd
MONTAGUE	E57/0823	Gateway Mining Ltd
MONTAGUE	E57/0824	Gateway Mining Ltd
MONTAGUE	E57/0874	Gateway Mining Ltd
MONTAGUE	E57/0875	Gateway Mining Ltd
MONTAGUE	E57/0876	Gateway Mining Ltd
MONTAGUE	E57/0888	Gateway Mining Ltd
MONTAGUE	E57/0945	Gateway Mining Ltd
MONTAGUE	E57/1004	Gateway Mining Ltd

MONTAGUE	E57/1005	Gateway Mining Ltd
MONTAGUE	M57/0048	Gateway Mining Ltd
MONTAGUE	M57/0098	Gateway Mining Ltd
MONTAGUE	M57/0099	Gateway Mining Ltd
MONTAGUE	M57/0217	Gateway Mining Ltd
MONTAGUE	M57/0429	Gateway Mining Ltd
MONTAGUE	M57/0485	Gateway Mining Ltd
MOUNT MARION	E57/1113	Gateway Mining Ltd
OLD GIDGEE	E57/1095	Gateway Mining Ltd
EDJUDINA	E39/1765	DiscovEx Resources Ltd 80% Gateway Projects Pty Ltd 20%
EDJUDINA	E39/1882	DiscovEx Resources Ltd 80% Gateway Projects Pty Ltd 20%
BRYAH BASIN	E52/3248	Auris Minerals Ltd 85% Gateway Projects Pty Ltd 15%
BRYAH BASIN	E52/3273	Auris Minerals Ltd 85% Gateway Projects Pty Ltd 15%

*Tenement application, approval pending