

ASX ANNOUNCEMENT

24 December 2014

Drilling Program Update from Agate Creek

Highlights

- + The Board of Laneway is pleased to advise on the progress of the first phase of the planned 5,000m drilling program at Laneway's Agate Creek Gold Project. The program has now been paused for the Christmas break with 69 holes completed for 4,257m. Assay results are expected to start being received from early January 2015
 - + This program of RC drilling has shown excellent geological continuity of the main target zone of gold mineralisation which originally outcropped within the area that the metallurgical sample was mined and processed from earlier this year. This zone extends over 200m down dip and 100m along strike and is still open in 3 directions.
 - + The drilling has also demonstrated good geological continuity through the middle and lower target zones which were originally planned to be tested by 6 drillholes but due to the observed geological continuity from these initial 6 holes, a further 15 holes were extended to investigate the middle zone and 7 holes were further extended to target the lower zone.
 - + The current 5,000m drilling program is planned to be completed in January 2015 and planning is also underway to enable consideration of expanding the program by an additional 2,500m to target the 2 additional lower zones that have been identified during this initial phase of drilling. The timing and extent of an additional program will be dependant on any access restrictions caused by the wet season.
 - + Initial gold fire assay results from the drilling completed to date are expected to be received from ALS Townsville in early January 2015 with further results being received over the next few weeks following.
 - + Drilling of planned regional targets has not yet been done and subject to completion of Native Title Clearances and any wet season access constraints, this drilling is expected to be undertaken from late January 2015.
 - + An updated JORC Resource (2012) is planned to be released during the first half 2015.
 - + Laneway is also progressing the upgrading of a portion of MDL 402 to a Mining Lease to support the commencement of mining operations.
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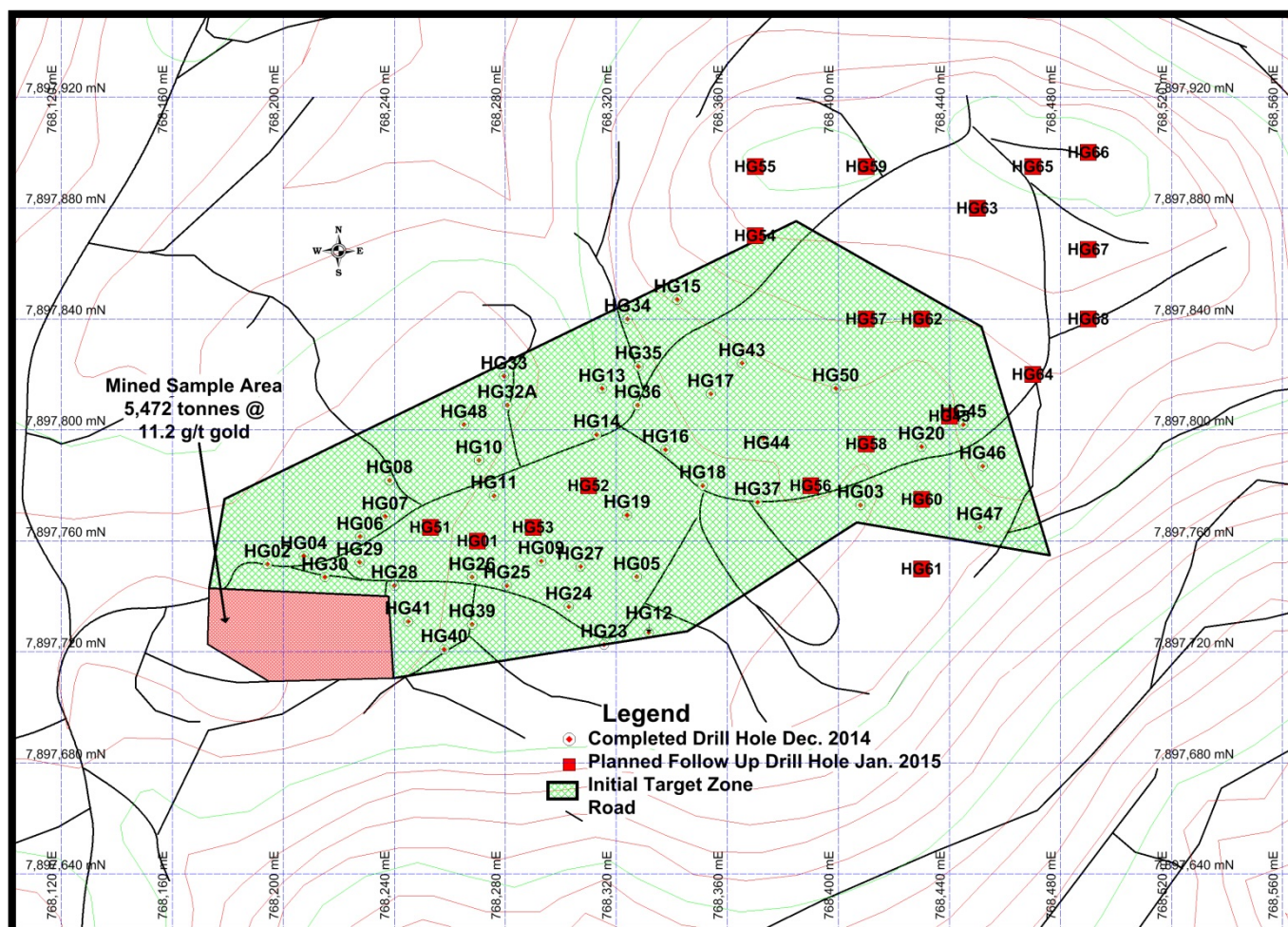


Figure 1: Completed and Planned Holes for High Grade Target Area

Drilling Details

The high grade zones targeted in the current drilling program at Sherwood have shown to be comprised of three distinct zones:

- The Upper Zone which outcrops near the metallurgical sample trial pit dips at approximately 10-15 degrees to the northeast and flattens out with depth. This zone, which shows drilled intervals of between 1 and 6 meters (not true width), is characterised by chalcedonic veining within a rhyolite breccia. Veining often shows hematite dusting, bladed marcasite and free gold (from gold panning of RC chips). This zone shows good continuity for over 200m down dip and 100m along strike. The zone shows a bounding structure to the south but currently appears open in all other directions. The metallurgical sample testing program comprising a 5,742t sample processed through the Georgetown Mill in January 2014 tested the shallowest portion of this zone.
- The Middle Zone dips at approximately 30 degrees to the north east and flattens out to almost horizontal with depth. This zone, which shows drilled intervals of between 1 and 4 meters (not true width), is characterised by chalcedonic veining and breccias along the upper contact of a rhyolite and granite contact zone. The zone shows free gold in veining

and fractures (from gold panning of RC chips) within a few metres of the geological contact. This zone shows good continuity over 150m down dip and 100m along strike. This Zone is still being tested to the North East.

- The Lower Zone dips at approximately 60 degrees to the north east and flattens out to almost horizontal with depth. This zone, which shows drilled intervals of between 1 and 4 meters (not true width), is characterised by chalcedonic veining and breccias along the lower contact of a rhyolite and granite contact zone. The zone shows free gold in veining and fractures (from gold panning of RC chips) within a few metres of the geological contact. This zone is less well defined with several drillholes in the phase two program aimed at further defining the extent down dip and along strike.
- The high grade zone at Sherwood West was tested by several holes and is characterised by massive chalcedonic veining and breccias within the Sherwood West Fault in altered metasediments. This zone, which shows drilled intervals of between 1 and 3 meters (not true width), shows free gold over 50m down dip and 100m along strike. Further work is required to define the extent of this zone.
- Several holes were aimed at expanding the Sherwood mineralisation to the southeast. These holes show good intersections of chalcedonic veining within rhyolites.
- Several holes tested the southern extension of Sherwood West where the target mineralised zone remains open and has been continuously mapped some 700m to the south of current drilling. These holes showed the zone was continuous down dip and along strike.
- Two holes testing a new sub-parallel rhyolite breccia zone at South Sherwood West showed this unit to be 1-3m wide at depth and followed by several tens of metres of strongly altered granite with minor veining near the metasediment boundary.
- Approximately 4,600 samples including duplicates and check standards have now been submitted to ALS Townsville for analysis by Fire Assay. First assays results from the program are expected to be received from early January 2015 with further results expected to be received over the next few weeks following.

NB Visible gold from gold panning of RC chips does not imply any expectation of gold grade from assays purely that free gold is present within the panned intervals.

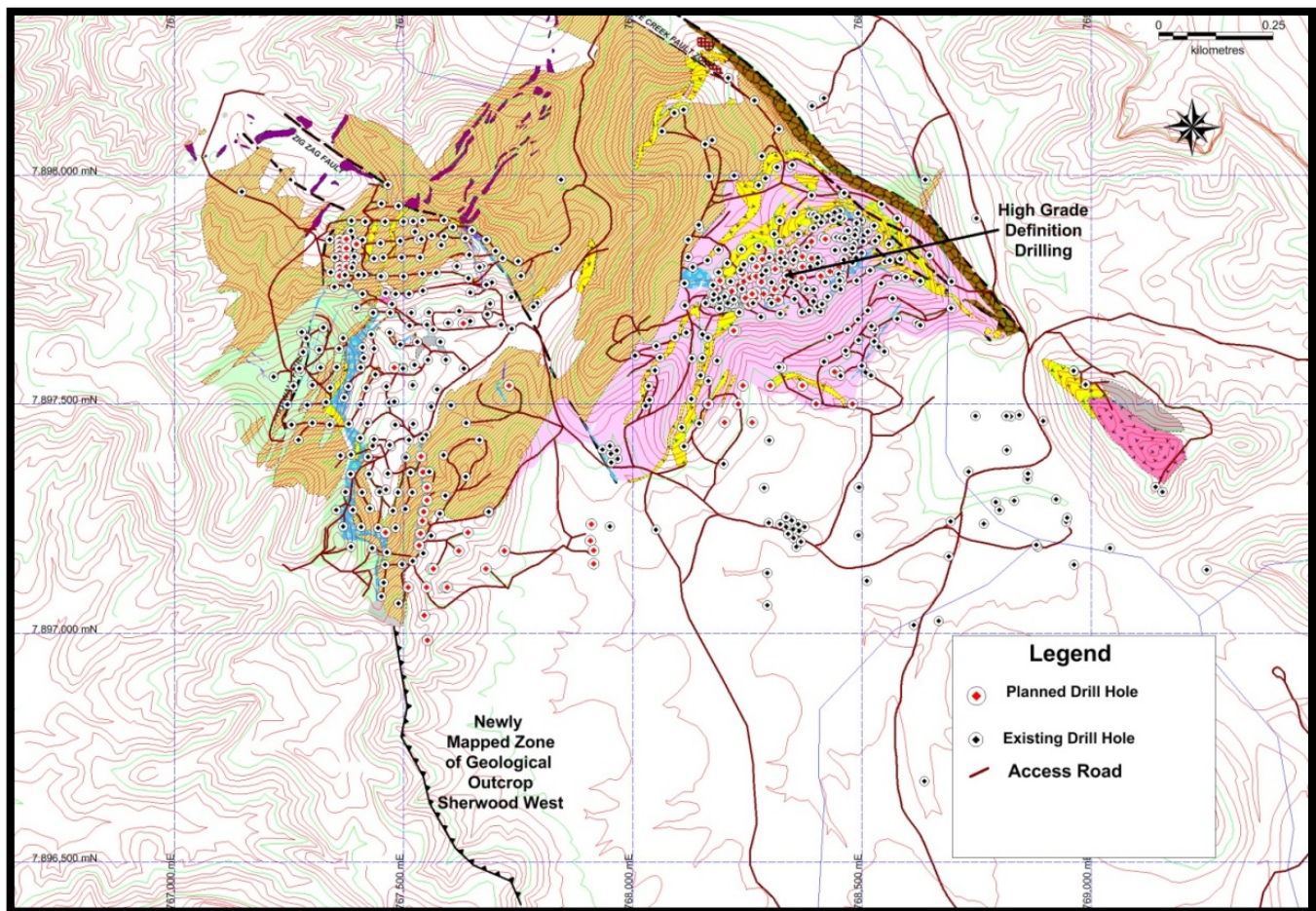


Figure 2: Sherwood and Sherwood West areas showing planned drill hole locations, as well as the mapped Sherwood West southern extension.

For and on behalf of the Board
JPK Marshall
 Company Secretary

Competent Persons Statement

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.