

ABN: 31 008 402 391
Level 11, 52 Phillips Street Sydney NSW 2000
GPO Box 225 Sydney NSW 2001
Tel: 61 2 8316 3998
Fax: 61 28316 3999
Website: www.gatewaymining.com.au
Email: info@gatewaymining.com.au



14 February 2018

Dear Shareholder

Gateway Mining Ltd – Non-Renounceable Entitlements Issue

Gateway Mining Limited (ACN 008 402 391) (**Company**) has announced a non-renounceable entitlement issue of one (1) Share for every one (1) Share held by eligible shareholders at an issue price of \$0.012 per Share (**New Shares**), to raise up to \$3,821,076 before costs (together with one (1) free attaching option for every five (5) Shares subscribed for and issued (**New Option**)) (**Offer**). The Company lodged a prospectus for the Offer (**Prospectus**) with ASIC and ASX on 13 February 2018.

The Offer is being made to all shareholders (**Shareholders**) of the Company named on its register of members at 5:00pm on 19 February 2018 (**Record Date**), whose registered address is in Australia or New Zealand.

Under the offer eligible Shareholders will be offered one (1) New Share for every share held in the Company at the Record Date. Eligible Shareholders will also receive one (1) free attaching option for every five (5) New Shares subscribed for and issued.

Each New Share will rank equally with all fully paid ordinary shares in the capital of the Company already on issue (**Shares**). The offer can be accepted at any time up to the closing date of 9 March 2018.

Following completion of the Offer, the Company will have issued approximately 318,422,962 New Shares and 63,684,593 New Options (assuming full subscription).

The purpose of the Offer is to raise up to \$3,821,076 before costs. The funds raised from the Offer are planned to be used in accordance with the table set out below:

Proceeds of the Offer ¹	Full Subscription (\$)	%
Repayment of Loans	\$0.480	12.56%
Capital Raising Fees	\$0.230	6.02%
Legal Fees	\$0.070	1.83%
Exploration Costs	\$2.600	68.04%
Working Capital	\$0.441	11.54%
Total	\$3.821	100.00%

The Offer is partially underwritten by Enrizen Capital Pty Limited (**Underwriter**) up to \$2,000,000. The Company must pay the Underwriter and underwriting fee of 6%. Subject to agreements with sub-underwriters, the Underwriters will pass on a fee, in either Shares or cash, to sub-underwriters. The Company may, subject to Shareholder approval if necessary, pay the Underwriter their fee in Shares. The Company confirms that the fee will not be paid in Shares to the Underwriter where the issue of Shares would result in their respective interests going above 19.99%.

As an Eligible Shareholder, we look forward to extending the Offer to you. You should read the Prospectus carefully and seek professional investment advice before deciding what course of action to take.

The Prospectus and Entitlement & Acceptance Form will be issued to Eligible Shareholders in paper form or as electronically where Eligible Shareholders have requested to receive notices by email.

A copy of the Prospectus is available on the ASX website (ASX:GML). Eligible Shareholders will be mailed a Prospectus together with an Entitlement and Acceptance Form. Your entitlement will be set out on the personalised Entitlement and Acceptance Form accompanying the Prospectus.

For the purpose of calculating each Eligible Shareholders' entitlement fractions of entitlements have been rounded up to the nearest whole number of New Shares.

Actions required of Eligible Shareholders

There are a number of actions Eligible Shareholders may take:

- You may wish to accept all of your rights to subscribe for New Shares pursuant to the Prospectus (**Entitlement**).
- You may wish to accept all of your rights to subscribe for New Shares pursuant to the Entitlement and apply for additional shares under the Shortfall Offer.
- You may wish to accept part of your Entitlement.
- You may do nothing. If you choose to do nothing with your Entitlements, while you will continue to hold the same number of Shares, your interest in the Company will be diluted and you will receive no value for your Entitlement.

Key Dates and Offer Timetable*

Event	Date
Lodgement of Prospectus with ASIC	13 February 2018
Lodgement of Prospectus with ASX	13 February 2018
Notice sent to Shareholders	14 February 2018
Record Date for determining Entitlements	19 February 2018
Opening Date for Offer	20 February 2018
Closing Date	9 March 2018
ASX notified of under subscriptions	13 March 2018
Issue date	16 March 2018
Trading of New Securities commences on a normal basis	16 March 2018

* These dates are determined based upon the current expectations of the Directors. The Directors may extend the Closing Date by giving at least three Business Days' notice to ASX prior to the Closing Date. Such extensions would have a consequential effect on subsequent dates.

If you have any queries regarding the Offer, please contact your financial adviser or Gary Franklin, the Company Secretary, on +61 2 8316 3998.

Yours sincerely

Gary Franklin
Company Secretary