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COMPANY UPDATE

- Recent drill program now completed
- Planning for a major aircore program significantly advanced
- Further corporate progress

Recent Drill Program

Gateway Mining Limited ('Gateway' or 'the Company') is pleased to announce that the recent RC drilling program has now been completed and all results have been delivered to the laboratory for assaying.

The program planned to drill 18 holes, with most holes reaching targeted depth. At the program's end, approximately 1,900m of RC drilling had been completed.

The program was designed to test seven areas across the Gidgee project tenements, mostly following up on historical geochemical and geophysical anomalism in areas that had previously been untested or inadequately tested.

Drill samples returned several visually interesting results. Due to pulverisation, visual interpretation of RC samples was difficult, however the Company is pleased to report that there were **several significant intersections of what appear to be disseminated sulphides and massive sulphides**. The base and precious metal content of such sulphides cannot be known until assays are returned.

Intersections of sulphides are very encouraging for the Company's exploration targets as it provides further evidence that the Gidgee tenements are potentially host to fertile VMS systems. The tenements remain, at this point, highly underexplored.

The Company will release the results of the drilling program once all assays are received.

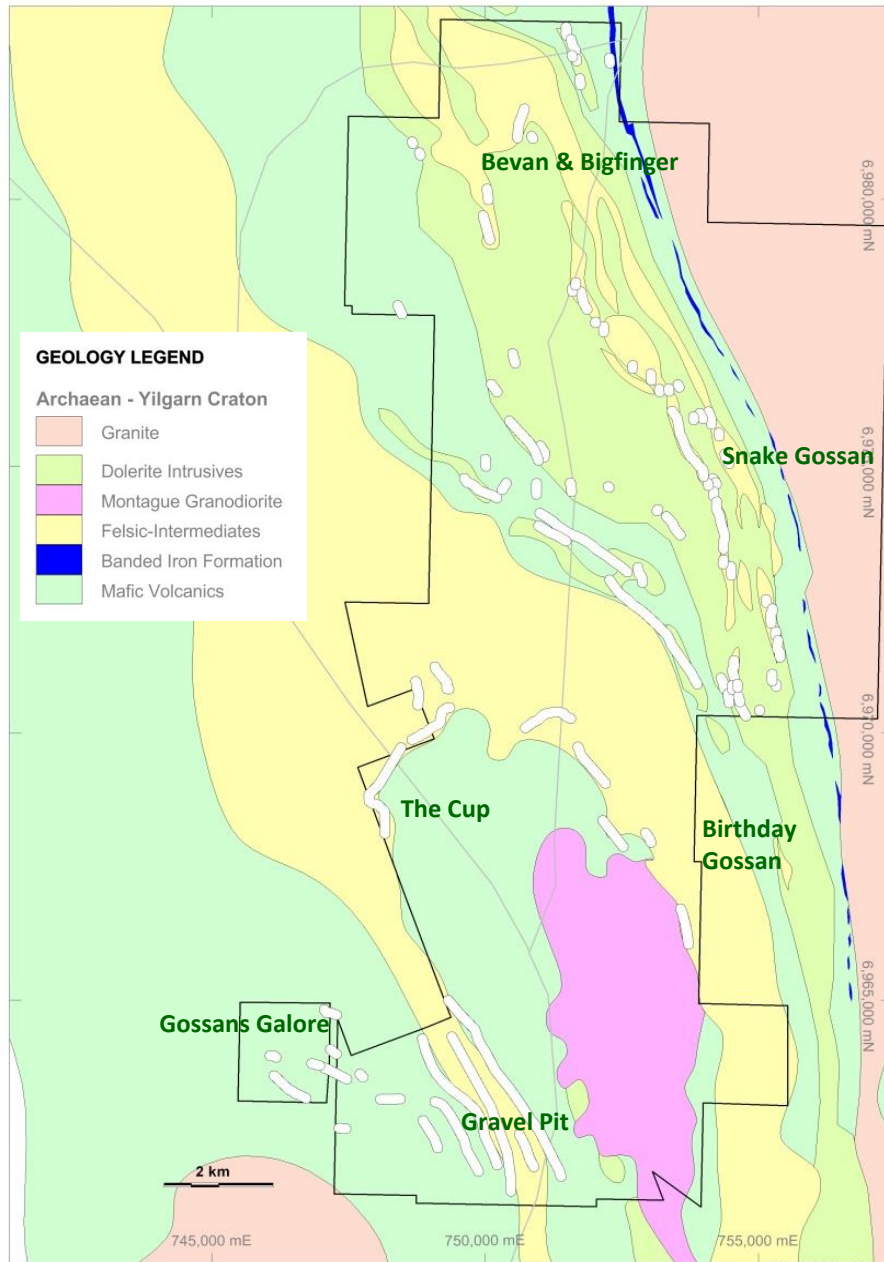


Figure 1: Overview of recently drilled targets – also highlights extensive EM conductors, many of which will be tested this year

There are extensive EM conductors across the entire project stratigraphy. VMS deposits are typically characterised by strong EM responses. Many of the conductors have coincident geochemical responses suggesting they are potentially fertile base metal systems. Typical geochemical results include highly anomalous Ag, As, Bi, Co, Cu, Pb, Zn, Se, Sb, Te, Sn, Mo, Cd, and In. Furthermore, **VMS deposits occur in clusters, and there is already known & discovered VMS mineralisation at The Cup prospect.** This gives the Company further confidence that there are other occurrences of VMS mineralisation within the project.



Figure 2: GRC238 from the Snake prospect: visible sulphides from near surface to over 100m downhole

Planning for major aircore program significantly advanced

The Company has made significant progress on planning a major aircore drilling program and expects to soon lodge a POW with the WA Department of Mines and Petroleum. It is **expected that the aircore program will begin in April / May.**

The aircore drill program is an essential part of the Company's strategy for systematic and efficient exploration. It is designed to test for VMS pathfinder elements (Ag, As, Co, Cu, Zn, Pb, Sb, Bi, Se, Te, Sn, Mo, Cd, and In) in areas where there are **historical strong geochemical responses coincident with geophysical EM conductors.**

VMS 'pathfinder elements' are used in exploration to locate potentially fertile base metal systems. Where elements like Cu and Zn would have been leached or weathered away, the pathfinder elements are less mobile and can be a strong indicator of base metal fertility. Encouragingly, these VMS pathfinder elements have already been identified widely across the Gidjee project area.

The aircore results will allow the Company to better spatially define the location of the EM conductors while also testing, from a geochemical perspective, their potential base-metal fertility. This means there will be greater confidence that planned RC holes will intersect the targeted sulphide zones in geochemically strong areas. This **subsequent RC program is expected to begin in July / August this year** once results from the aircore program have been received and fully analysed.

Corporate Update

Mr Trent Franklin recently joined the board of Gateway as the Non-Executive Chairman after the resignation of Mr Brian Gomez. Mr Franklin is qualified geologist with very strong corporate experience. He has particular expertise in corporate governance and corporate finance, currently being Managing Director of Enrizen Financial Group and having served on the boards of several public and private entities.

Gateway also moved offices to a new location at Level 8, 210 George Street, Sydney. The company does not pay any rent for the office space and is not expected to have to do so for the foreseeable future. This is in line with management's philosophy of keeping administration costs to a minimum to ensure maximum expenditure on drilling programs.

For further information please contact Andrew Bray on +61 401 025 002

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Scott Jarvis, the Head Geologist at Gateway Mining, a member of the Australian Institute of Geoscientists. Mr Scott Jarvis has a minimum of 5 years' experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Scott Jarvis consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.