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JUNE 2013 QUARTERLY ACTIVITIES REPORT

Highlights:

- **Aircore program completed and results expected soon**
- **Planning for a further RC program underway with commencement expected within three weeks**
- **Continuing evaluation of farm-in opportunities**
- **Strong balance sheet with approx. \$3.5mil available for future programs**

Aircore program completed

The Company completed an aircore program earlier in July over some of the Gidgee tenement package and expects to receive and release the results within the coming weeks. Analysis of the results in light of some of the very encouraging geology should provide further insight into the potential of the area to host both gold and base metal mineralisation.

The program focused primarily on the Gravel Pit and Gossans Galore areas which to date are largely unexplored. The main objectives of the drilling were to achieve a broad coverage of the ground in an attempt to identify geochemically anomalous zones which could be swiftly followed up with subsequent RC drilling. The program was also designed to assist in developing the understanding of the geology and surrounding lithology.

Wide spaced lines of aircore fence drilling were carried out at Gravel Pit prospect. Previously described as "the southwest exploration frontier" our understanding of this region has advanced significantly as a result of this recent drilling. Aircore holes were drilled to blade refusal through the weathering profile with very limited capacity to drill deeper into fresh and/or hard rocks. The purpose of this drilling was to rapidly traverse the wide extent of MLTEM conductive anomalism at relatively low cost and to pinpoint the location of prospective horizons.

Two interesting horizons appear to have been successfully delineated at Gravel Pit and are characterised by carbonaceous and siliceous sediment. Assays will provide confirmation and an extension of understanding. Sediment from the east horizon is hosted wholly within volcanoclastic rocks while the west horizon is classified bi-modal because it is located at the contact between two different rock types, volcanoclastic and mafic volcanic rocks.

Aircore drilling is not suited to testing below the weathering profile and therefore is not able to evaluate gold and base metal concentrations that occur at this depth. However this drilling has started to accurately delineate near surface VMS stratigraphy and results may potentially show geochemical fertility. This is a large step towards accurate targeting for deeper RC drilling into zones of interest below the weathering profile.

Analysis of the intersected geology in light of the results will provide further insight into the structure and potential of the area. The Company hopes to communicate this to the market in the coming weeks.

Drilling also tested for anomalism above interpreted MLTEM conductors in the Gossans Galore area, which is hosted wholly within mafic volcanic rocks.

Gossans Galore West – the holes drilled into a relatively deep sequence of transported cover up to 50m vertical depth and including a thick sequence of lake clays with sticky consistency. This resulted in difficult drilling conditions and also reduced the "coverage" of drilling achieved into bed rock. The drilling did not intersect any lithology that would account for the MLTEM conductor however this likely due to the drilling conditions and the consequent poor coverage gained in bedrock.

Gossans Galore East - A fence of aircore drilling intersected siliceous and carbonaceous sediment 250m east of previous drilling. These sediments were difficult to penetrate with the aircore rig, an initial hole terminating at 11m and a second hole terminating at 36m depth. Assays, albeit from short holes, may shed further light on the target

Dummy Spit - Two fences of drilling crossed the Dummy Spit conductor, both intersecting zones of carbonaceous sediment and gossan. Multielement results from this conductor should provide further insight into the potential for mineralisation at Dummy Spit.

Further RC drilling planned

The Company lodged a Program of Work with the Department of Mines and Petroleum to undertake further drilling predominantly on the northern portion of Gateway's project tenure in Gidgee, known as the 'Bungarra Project'.

Approval was received last week for the program and the Company is currently prioritising holes and will provide further information on the program once its composition has been determined. It is expected this program will commence within three weeks and the Company will complete approximately 2,000m of RC drilling.

Further information on the specific targets will be provided upon commencement, however it is expected that the Company will follow up encouraging targets intersected in previous programs, including the Bevan, Dummy Spit, The Cup and Gravel Pit targets, amongst several others.

Other Opportunities

The Company was approached during the quarter regarding a potential farm-in to the Victory Creek gold target. Discussions and negotiations are continuing and the Company will provide an update to the market should any material developments occur. The Company is also looking at other farm-in opportunities

Strong Balance Sheet

Importantly for an exploration company, Gateway has cash and other liquid assets totaling approximately \$3.5million as at 30 June, 2013. As always, the company maintains a strong focus on keeping administrative costs to a minimum while ensuring that exploration is conducted effectively and efficiently.

About Gateway Mining Limited

Gateway holds approximately 150sqkm of tenements over the Gum Creek Greenstone Belt in the Yilgarn Craton, Gidgee WA (600km NE of Perth). The tenements have all the hallmarks of a significant new VMS province, along with existing gold mineralisation throughout the project. The Company is well funded and plans to test a large number of highly prospective targets over the remainder of 2013. Gateway also has in place a very experienced management and technical team.

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.