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GATEWAY RAISES \$2.0M TO UNDERPIN EXPANDED DRILLING AND EXPLORATION PUSH AT GIDGEE GOLD PROJECT, WA

Outstanding pipeline of targets to be systematically drill-tested

Key Points:

- Well supported by existing and new institutional, professional and sophisticated investors.
- Drilling to re-commence shortly across several high-priority targets.
- Depth and strike extensions to be targeted at Whistler and Montague.
- Exploration will also focus on the emerging potential of the Montague Granodiorite contact zone, emerging oxide potential at Victory Creek and at a series of other exciting targets across the Gidgee Project.

Gateway Mining Limited (ASX: GML) (**Gateway** or **Company**) is pleased to advise that it has successfully completed a capital raising of A\$2.0 million (before costs) (**Placement**) to institutional, professional and sophisticated investors to underpin a major new phase of drilling and exploration at its flagship 100%-owned Gidgee Gold Project in Western Australia.

The new exploration program will build on the Company's drilling success over the past 12 months, focusing on an impressive pipeline of targets ranging from advanced prospects such as Whistler and Montague to the emerging potential of the Montague Granodiorite contact – where Gateway is targeting large-scale gold potential – plus a suite of shallow regional targets with the potential to host a significant oxide gold component.

Placement Details

The Placement, which comprised the issue of 154,988,385 shares at an issue price of \$0.013 per share, was strongly supported by existing and new investors including, subject to shareholder approval, by the Company's Directors.

The Placement was managed by JP Equity Partners.

As the participation of the Company's directors in the Placement is subject to shareholder approval, the Placement will be issued in the following two tranches:

- 140,526,846 shares to institutional, professional and sophisticated investors using the Company's capacity under ASX Listing rule 7.1 which will not require shareholder approval (**Tranche 1 Shares**); and
- 14,461,539 shares to Directors of the Company or their nominees, subject to shareholder approval being obtained at a general meeting of shareholders (**Tranche 2 Shares**).

Issue of the Tranche 1 Shares is expected to occur on Tuesday 16 April 2019. The Tranche 2 Shares will be issued immediately after the general meeting of shareholders (if approval is obtained).

The shares issued under the Placement are fully-paid ordinary shares and will rank equally with the shares currently on issue.

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Use of Funds

The proceeds of the Placement will underpin upcoming exploration programs at the Gidgee Project as part of the Company's recently announced strategy to accelerate exploration across the project. Key upcoming exploration activities will include:

- Drilling to test strike and depth extensions of the Whistler and Montague gold deposits ahead of maiden JORC Mineral Resource estimates;
- Drilling to test the recently identified southern extensions of the Whistler deposit, including the newly identified 1.25km prospective corridor along the Montague Granodiorite contact zone;
- Drill testing of other regional targets to test the broader potential of the Montague Granodiorite contact; and
- Initial testing of emerging shallow oxide targets such as Victory Creek.

The proceeds will also be used for corporate and general working capital purposes.

Management Comment

Gateway's Managing Director, Mr Peter Langworthy, said the Company was delighted with the outstanding response to the capital raising from both existing and new investors.

"This is a direct reflection of the huge potential of the Gidgee Project, as evidenced by the outstanding drill results we have reported over the past year," he said.

"Not only do we have an exceptional pipeline of targets, we also have a much clearer understanding of the emerging geological potential of the Project to host a genuinely large-scale gold system. Of particular note is the potential of the Montague Granodiorite contact zone – a geological setting which has direct analogies to some of the most exciting granite-hosted gold deposits of the WA Goldfields like King of the Hills and Granny Smith.

"There is potentially more than 3km of this prospective contact to test, between the known resource-level prospects such as Whistler and Montague. Add to this a suite of regional targets and some exciting shallow oxide targets, and you have project which ticks a lot of boxes from an investor's perspective.

"With a strengthened cash position as a result of this raising, we are really looking forward to getting back into the field and generating more exciting results," he added.

The Company requests that its securities are reinstated to official quotation with immediate effect.

Peter Langworthy
Managing Director
For and on behalf of
GATEWAY MINING LIMITED