



## ASX Announcement

ASX: GML

2 October 2024

# Gateway Completes \$14M Brightstar Resources Transaction and Announces Leadership Transition

## HIGHLIGHTS

- Sale of Gateway's gold rights within the eastern tenement block of the Montague Project to Brightstar Resources Limited (ASX: BTR) completed following satisfaction of all conditions.
- \$5 million cash consideration received and 466,666,667 million Brightstar shares issued to Gateway, with a current market value of \$8.40 million.
- Deferred consideration of \$2 million in Brightstar shares subject to further project milestones.
- Transaction strengthens Gateway's balance sheet, allowing it to focus on ongoing gold and base metals exploration at the Montague Range Project while targeting new value-accretive growth and business development opportunities.
- With the Brightstar transaction now completed, Gateway Managing Director Mark Cossom has decided to step down as Managing Director after five years in the role, to pursue new career opportunities in the WA resource sector.
- Gateway Non-Executive Chair Peter Langworthy will become Executive Chair to oversee the Company's transition into its next chapter of growth.
- Mr Cossom will be retained as a strategic consultant to Gateway, to help oversee the integration of the Montague gold assets as part of the expanded Brightstar portfolio and to assist in the identification of new business development opportunities.
- As a significant shareholder in Brightstar, and with a strengthened cash balance, Gateway is in an exceptional position to capitalise on new growth opportunities against the backdrop of a buoyant gold and precious metals market.

Further to its ASX announcement on 1 August 2024 regarding the sale of the gold rights at its Montague East Project in WA to Brightstar Resources (ASX: BTR) (**Brightstar**) for \$14 million in cash and shares (**Transaction**), Gateway Mining Limited (ASX: GML) (**Gateway** or **Company**) is pleased to provide the following corporate updates.

### Brightstar Transaction

The Transaction with Brightstar has now been completed following satisfaction of all Conditions Precedent. The tenements which make up Montague East are listed in Annexure A (**Sale Tenements**).

As a result, the Company has received the \$5 million cash consideration as well as \$7 million worth of fully paid Brightstar shares (466,666,667 shares). The current market value of the Brightstar shares is \$8.40 million.

The deferred consideration of \$2 million worth of fully paid Brightstar shares is payable upon the achievement of key milestones, being the commencement of commercial gold production at Montague East or the delineation of a 1Moz JORC compliant Mineral Resource at Montague East.

The Company will retain 100% of all other mineral rights (excluding the Gold Rights) in the Sale Tenements.

The Company will also retain legal and beneficial ownership of the tenements which make up Montague West (including all mineral rights) which are not part of the Transaction.

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For further details regarding the Transaction please refer to the Company's ASX announcement released on 1 August 2024.

### **Leadership Transition**

Having overseen the completion of the Brightstar Transaction, Mark Cossom has made the decision to step down from the Gateway Board as Managing Director after five years in the role.

During his tenure, Gateway consolidated a significant 1,000km<sup>2</sup> tenement position in the Sandstone gold district and delivered significant growth in the resource inventory at the Montague Gold Project to over half a million ounces, culminating in the recently announced Transaction with Brightstar.

The Company has also identified a significant pipeline of exciting new exploration and discovery opportunities, including multiple new gold targets and the exciting new magmatic nickel-copper sulphide prospect announced earlier this year.

Mr Cossom will continue to provide strategic consulting services to Gateway on a part-time basis, both to help ensure a seamless integration of the Montague gold assets into the expanded Brightstar portfolio and to identify and evaluate potential new business development opportunities.

Gateway's Non-Executive Chair, Mr Peter Langworthy, will transition to Executive Chair to oversee the Company's transition into its next chapter of growth.

Details of Mr Langworthy's remuneration package is included in Appendix B to this announcement.

The structure of the Board and its officers will be as follows:

- Mr Peter Langworthy – Executive Chair;
- Mr Trent Franklin – Non-Executive Director;
- Mr Peter Lester – Non-Executive Director; and
- Kar Chua – Company Secretary.

### **Management Comment**

Gateway Chairman, Peter Langworthy, said: *"We are pleased to announce the completion of our transaction with Brightstar Resources, crystallising significant value from our resource-level gold assets within the Eastern Montague Project. We are excited to become a significant shareholder in Brightstar and we look forward to supporting Alex Rovira and his team as they embark on an exciting journey to build Australia's next significant gold company."*

*"With the completion of this transaction, Mark has decided that now is a logical time to step down as Managing Director of Gateway and pursue new opportunities in the resource sector. We are pleased to retain his invaluable skillsets and experience as a strategic consultant to help us navigate this next chapter, and I would like to take this opportunity to thank him sincerely for his enormous hard work, strong leadership, courage and commitment as Managing Director over the past five years."*

*"Mark has helped steer the company through some of the most challenging times any of us have seen in the junior resource sector – through a period when there has been minimal investor support for or interest in junior gold companies. Mark has tackled every aspect of the job with enormous enthusiasm, dedication, integrity and a relentless work ethic. He is a consummate team player and I would like to acknowledge what he has done for Gateway."*

*"With the completion of this deal, Gateway is in an exciting position – with a significant seat at the table of the Sandstone consolidation through our shareholding in Brightstar, a strong cash position, a great asset at Montague Range and a fantastic team. We are looking forward to what the future will bring for Gateway shareholders."*

This released has been authorised by:

Peter Langworthy  
Executive Chair

*For and on behalf of  
GATEWAY MINING LIMITED*

**Investors**

**Peter Langworthy  
Executive Chair**

**T: 08 6383 9969**

**or**

**Kar Chua**

**Company Secretary**

**T: 02 8316 3998**

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## Competent Person Statement

The information in this report that relates to Exploration Results and Mineral Resources has been extracted from various Gateway ASX announcements and are available to view on the Company's website at [www.gatewaymining.com.au](http://www.gatewaymining.com.au) or through the ASX website at [www.asx.com.au](http://www.asx.com.au) (using ticker code "GML"). The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement. The company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

## Forward Looking Statement

This announcement may contain certain forward-looking statements, guidance, forecasts, estimates, prospects, projections or statements in relation to future matters that may involve risks or uncertainties and may involve significant items of subjective judgement and assumptions of future events that may or may not eventuate (**Forward-Looking Statements**). Forward-Looking Statements can generally be identified by the use of forward-looking words such as "anticipate", "estimates", "will", "should", "could", "may", "expects", "plans", "forecast", "target" or similar expressions and may include, without limitation, statements regarding plans, strategies and objectives of management, anticipated production and expected costs. Indications of, and guidance on future earnings, cash flows, costs, financial position and performance are also Forward Looking Statements.

Persons reading this announcement are cautioned that such statements are only predictions, and that actual future results or performance may be materially different. Forward-Looking Statements, opinions and estimates included in this announcement are based on assumptions and contingencies which are subject to change, without notice, as are statements about market and industry trends, which are based on interpretation of current market conditions. Forward-Looking Statements are provided as a general guide only and should not be relied on as a guarantee of future performance.

No representation or warranty, express or implied, is made by Gateway that any Forward-Looking Statement will be achieved or proved to be correct. Further, Gateway disclaims any intent or obligation to update or revise any Forward-Looking Statement whether as a result of new information, estimates or options, future events or results or otherwise, unless required to do so by law.

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**ANNEXURE A: SALE TENEMENS (SALE OF GOLD RIGHTS ONLY)**

Tenement	Registered Holder	Shares	Application Date	Grant Date	Expiry Date
E 53/2108	Gateway Mining Limited	100/100	04/10/2019	21/11/2022	20/11/2027
E 53/2340	Gateway Mining Limited	100/100	29/04/2024	Pending	Pending
E 57/1004	Gateway Mining Limited	100/100	26/11/2014	10/09/2015	09/09/2025
E 57/1005	Gateway Mining Limited	100/100	27/11/2014	04/10/2017	03/10/2027
E 57/1060	Gateway Mining Limited Element 25 Limited	80/100 20/100	23/11/2016	15/06/2018	14/06/2028
E 57/1095	Gateway Mining Limited	100/100	18/04/2018	18/02/2020	17/02/2025
E 57/1113	Gateway Mining Limited	100/100	07/01/2019	22/08/2019	21/08/2024
E 57/1145	Gateway Mining Limited	100/100	04/10/2019	22/11/2022	21/11/2027
E 57/1147	Gateway Mining Limited	100/100	08/11/2019	04/08/2020	03/08/2025
E 57/1215	Gateway Mining Limited	100/100	07/02/2022	10/10/2022	09/10/2027
E 57/1423	Gateway Mining Limited	100/100	04/12/2023	Pending	Pending
E 57/1424	Gateway Mining Limited	100/100	04/12/2023	Pending	Pending
E 57/1441	Gateway Mining Limited	100/100	29/04/2024	Pending	Pending
E 57/405	Gateway Mining Limited	100/100	22/10/1997	20/02/2012	19/02/2025
E 57/417	Gateway Mining Limited	100/100	07/05/1998	27/04/2006	26/04/2024

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Tenement	Registered Holder	Shares	Application Date	Grant Date	Expiry Date
E 57/687	Gateway Mining Limited	100/100	08/01/2007	26/03/2008	25/03/2024
E 57/793	Gateway Mining Limited Estuary Resources Pty Ltd	75/100 25/100	28/04/2009	04/02/2010	03/02/2026
E 57/807	Gateway Mining Limited	100/100	08/10/2009	22/06/2010	21/06/2024
E 57/823	Gateway Mining Limited	100/100	25/02/2010	03/03/2011	02/03/2025
E 57/824	Gateway Mining Limited	100/100	25/02/2010	03/03/2011	02/03/2025
E 57/874	Gateway Mining Limited	100/100	24/12/2010	06/03/2012	05/03/2024
E 57/875	Gateway Mining Limited	100/100	24/12/2010	06/03/2012	05/03/2024
E 57/888	Gateway Mining Limited	100/100	31/05/2011	06/03/2012	05/03/2026
E 57/945	Gateway Mining Limited	100/100	03/05/2013	02/01/2014	01/01/2026
M 57/217	Gateway Mining Limited	100/100	11/02/1992	24/09/1992	23/09/2034
M 57/429	Gateway Mining Limited Estuary Resources Pty Ltd	75/100 25/100	13/11/1998	06/07/2005	05/07/2026
M 57/48	Gateway Mining Limited	100/100	07/03/1986	15/05/1986	14/05/2028
M 57/485	Gateway Mining Limited Estuary Resources Pty Ltd	75/100 25/100	28/06/2001	03/02/2005	02/02/2026
M 57/98	Gateway Mining Limited	100/100	28/01/1988	19/05/1988	18/05/2030
M 57/99	Gateway Mining Limited	100/100	28/01/1988	19/05/1988	18/05/2030
P 57/1409	Gateway Projects WA Pty Ltd	100/100	07/06/2017	10/01/2018	09/01/2026

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Tenement	Registered Holder	Shares	Application Date	Grant Date	Expiry Date
P 57/1410	Gateway Projects WA Pty Ltd	100/100	07/06/2017	10/01/2018	09/01/2026
P 57/1411	Gateway Projects WA Pty Ltd	100/100	07/06/2017	10/01/2018	09/01/2026
P 57/1413	Gateway Projects WA Pty Ltd	100/100	07/06/2017	10/01/2018	09/01/2026
P 57/1455	Gateway Mining Limited	100/100	19/10/2018	16/05/2019	15/05/2027
P 57/1456	Gateway Mining Limited	100/100	19/10/2018	16/05/2019	15/05/2027
P 57/1494	Gateway Mining Limited	100/100	15/06/2020	Pending	Pending
P 57/1495	Gateway Mining Limited	100/100	15/06/2020	Pending	Pending
P 57/1496	Gateway Mining Limited	100/100	15/06/2020	Pending	Pending

**Notes:**

1. E57/1060 are subject to a joint venture agreement, whereby the Company holds an 80% interest and Element 25 Limited holds the remaining 20% interest.
2. M57/429, M57/485 and E57/793 are subject to a joint venture agreement, whereby the Company holds a 75% interest and Estuary Resources holds the remaining 25% interest. It is proposed that BTR will assume Gateway's obligations under this agreement.
3. E57/405, E57/687, E57/793, E57/793, E57/823, E57/824, E57/875, E57/888, M57/217, M57/48, M57/485, M57/98, M57/99, P57/1409, P57/1410, P57/1411 and P57/1413 are subject to a farm-in joint venture agreement with Premier 1 Lithium Limited (ASX:PLC), whereby PLC will the right to acquire an 80% interest in the lithium rights (and related by-products). The Company will retain the precious metals and base metals rights.

## ANNEXURE B: MATERIAL TERMS OF EXECUTIVE SERVICES AGREEMENT – PETER LANGWORTHY

The material terms of Mr Peter Langworthy's executive services agreement with Gateway are as follows:

(a) **Commencement Date**

1 October 2024.

(b) **Term**

No fixed term. position will continue until terminated by either party, in accordance with the executive services agreement as summarised below.

(c) **Total Fixed Remuneration**

\$180,000 per annum (TFR) inclusive of statutory superannuation, subject to review from time to time.

(d) **Short term incentives**

Mr Langworthy will be eligible for annual Short-Term Incentives (STIs) of up to 100% of TFR.

The STIs will be payable at the Board's discretion and upon achievement by Mr Langworthy of Key Performance Indicators (KPIs) as agreed by the Board from time to time.

The Board may decide to pay the STIs in cash, shares or in a combination of cash and shares.

Any decision by the Board to pay any STIs in shares in the Company will be subject to shareholder approval in accordance with the ASX Listing Rules and other applicable law.

(e) **Long Term Incentives**

Subject to shareholder approval, Mr Langworthy will be entitled to participate in the Company's Employee Incentive Scheme.

(f) **Notice and Termination**

Either party may terminate the agreement by providing 3 months' notice.

The Company may elect to require Mr Langworthy to serve out the whole or part of the notice period, or to pay Mr Langworthy in lieu of notice.

The Company may terminate Mr Langworthy's engagement without notice in certain circumstances, including for serious misconduct or non-rectified breach of the employment contract.