

Cowra and Boorowa JV update

Gateway Mining, with Joint Venture partners Mitsubishi Materials Corporation, Mitsubishi Corporation and Minotaur is pleased to announce that airborne electromagnetic (VTEM) surveys completed in March on the Cowra and Boorowa joint venture tenements, successfully identified over 50 targets, some of which are associated with surficial expressions of mineralisation including old shafts and prospecting pits.

During May and June Minotaur undertook extensive ground EM and ground magnetic surveys over the 12 highest priority VTEM targets. Over 20 line-kms of ground EM and 47 line-kms of ground magnetic data were acquired during this program. Eight of the 12 targets gave excellent ground geophysical responses and are undergoing 3D modelling to assist drill planning. Two examples are presented below; target 'C140' adjacent to the Kiola prospect, and target 'C201' 10 km further to the south (Figure 1).

At the Kiola prospect work completed previously by Gateway confirmed the presence of skarn alteration with associated elevated copper and gold geochemistry. Drilling returned sporadic but significant gold and copper assays (eg CWC002, 2m @ 9.1 g/t gold from 32 m and CWC010, 10m @ 0.32% copper from 98m). Minotaur completed a single hole approximately 300 metres southeast of this prospect in 2008 and intersected further skarn alteration and bands of massive pyrite, pyrrhotite and chalcopyrite. Best results from this hole are:

KIORC003 4 metres at 0.13% copper from 174 metres,
 6 metres at 0.64% copper from 198 metres.

New EM target 'C140' is located a further 250 metres south of KIORC003 (Figure 2) and is untested by previous work. Modelling completed of the ground EM data indicates a steeply dipping, high conductance target commencing 40 metres below ground level with a strike length of 250 metres and open to the south. The ground EM surveys also revealed another target 'C143' 500 metres southeast of 'C140'. Modelling indicates this high conductance target has a more moderate dip and a strike length of 350 metres, and open to both the north and south.

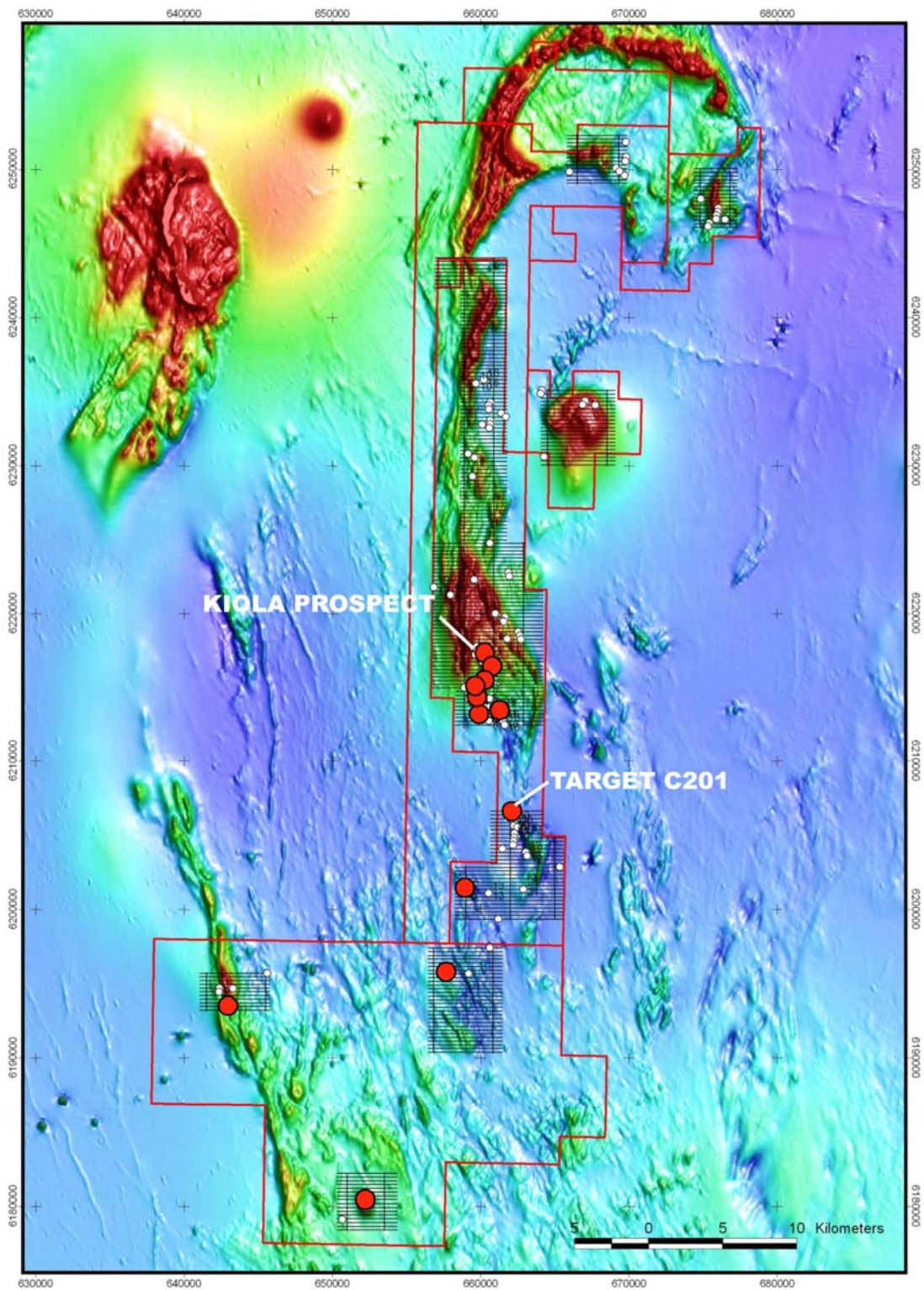


Figure 1. Cowra and Boorowa Joint Venture, aeromagnetic image showing location of VTEM surveys (black lines), ground EM surveys (red dots) and additional VTEM targets (white dots). Target C140 is adjacent to Kiola

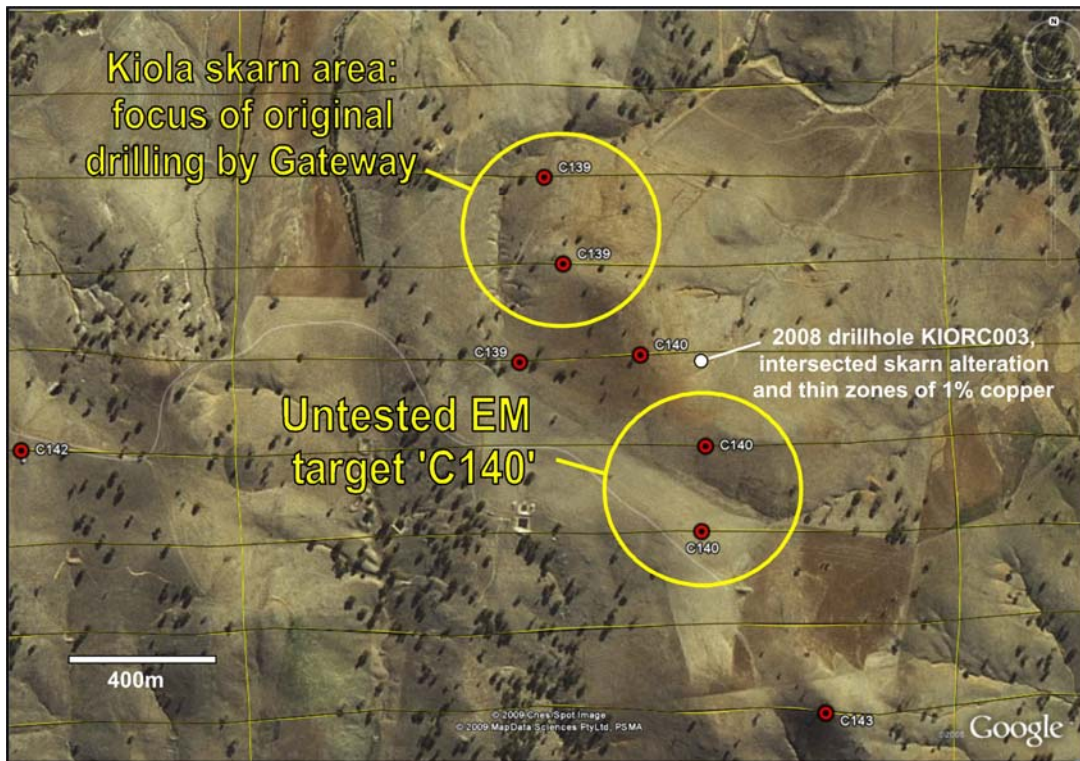


Figure 2. Cowra and Boorowa Joint Venture, aerial photo showing location of high priority EM targets 'C140' and 'C143' relative to mineralised skarn at Kiola. East-West lines are VTEM flight lines.

Another high priority target, 'C201', has been identified 10km southeast of the Kiola Prospect (Figure 1). Modelling of ground EM data at this target suggests a steeply dipping, high conductance body, 130 metres below ground level, 200 metres in strike length and open to the north. Numerous historical copper workings occur in the vicinity, and this target is also considered high priority for drill testing.

Forward Plan

Modelling of the EM and ground magnetic data and drill planning will continue throughout July. It is anticipated that a drilling program to test eight targets will commence later this quarter.

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Dr. R.A.Creelman, a Director of the company, a Fellow of the Australasian Institute of Mining and Metallurgy and a Certified Professional (CP) of Aus. I.M.M. Dr.R.A.Creelman has a minimum of 5 years experience which is relevant to the style of mineralization 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". Dr. R.A.Creelman consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.