

Quarterly Report

For the Quarter ended 30th June 2008

HIGHLIGHTS

- Assaying of 1m RC splits from The Cup at Gidgee has confirmed previously announced drilling results with some better grades. GRC200 had 27m @ 1.42% copper and 20m @ 1.57% copper and GRC199 had 41m @ 0.53% copper including a 2m cap from 58m at 117 g/t silver.
- Preliminary work indicates “The Cup” is a highly prospective copper exploration target with possible multiple parallel zones of shallow dipping oxide/supergene copper mineralisation.
- Similar 1m RC splits at the nearby Julia’s Fault also showed improved gold grades with GRC194 intersecting 21m @ 1.26 g/t, including 6m @ 3.8 g/t and 26m @ 0.7 g/t gold, including 2m @ 4.7g/t gold.
- A six-hole drilling programme was completed at Cowra, NSW, with a number of holes intersecting skarn-style alteration and sulphides. Assay results are awaited.
- A four-hole drilling programme at the Surprise prospect in Queensland by joint venture partners Minotaur Exploration targeted at a number of significant IP anomalies intersected two sulphide zones, with a best intersection of 4m @ 0.86% Cu and 44ppm Co.
- Results obtained during the quarter are very positive, with a new RAB programme about to commence at The Cup and further work being planned at potential copper prospects at Surprise and Cowra.

OVERVIEW OF EXPLORATION PROJECTS

WESTERN AUSTRALIA

GIDGEE PROJECT

Work during the current quarter included re-sampling and assaying of one-metre RC splits that comprise the significant composite results reported in the March 2008 Quarterly Report. Significant results were returned from three of the prospects, namely The Cup (copper), Julia’s Fault (gold) and Victory Creek (gold).

In addition interpretation of all results from the programme are currently underway. The initial results and preliminary interpretations from drilling The Cup were previously released to the market on April 23, 2008.

JV operators carried out work on the main JV areas (Airport Central with WCP Resources Limited and the West Bungarra JV with Legend Mining Limited). This work is detailed below.

A review of all data is currently underway, and a RAB drilling programme to test areas of interest thus far identified is planned by Gateway for the upcoming quarter.

Montague Area

The Cup E57/417

Gateway 100%

The previously reported program of five RC holes for a total of 848 m was designed to follow up significant copper mineralisation from previous drilling and coincident ground EM anomalies.

All original assaying was carried out on 5m sample composites, with the results having been previously reported.

Resampling and assaying of the 1m RC sample splits over significant intersections was carried out during the quarter, and the results of this are presented in the table below. This included a 41m intersection at GRC199 with 0.53% copper from a depth of 58m, including 5m @ 0.99% copper and 3m @ 1.13% copper. From 58m, the assays also recorded a 2m cap @ 117 g/t silver. A second hole, GRC200, intersected 76m from a depth of 66m at 0.70% copper, including 27m @ 1.42% copper and 20m @ 1.57% copper. This hole also intersected 3m @ 25 g/t silver from 64m.

Hole	East AGD84	North AGD84	Dip/Azimuth	Total Depth	From (m)	To (m)	Length (m)	Cu %	Notes
GRC197 ⁽¹⁾	748000	6968300	-60/090	153	81	92	11	0.37	
Including ⁽²⁾	748000	6968300	-60/090	153	87	92	5	0.55	
GRC198 ⁽¹⁾	747900	6968300	-60/090	183	121	150	29	0.31	
Including ⁽²⁾	748000	6968300	-60/090	183	129	133	4	0.52	
GRC199 ⁽¹⁾	748000	6968070	-60/090	171	58	99	41	0.53	2m @ 117g/t Ag from 58m
Including ⁽²⁾	748000	6968070	-60/090	171	75	80	5	0.60	
Including ⁽²⁾	748000	6968070	-60/090	171	85	90	5	0.99	
Including ⁽²⁾	748000	6968070	-60/090	171	95	98	3	1.13	
GRC199 ⁽¹⁾	748000	6968070	-60/090	171	107	127	20	0.29	
Including ⁽²⁾	748000	6968070	-60/090	171	112	115	3	0.63	
GRC200 ⁽¹⁾	747975	6968000	-60/090	171	66	142	76	0.70	3m @ 25g/t Ag from 64m
Including ⁽²⁾	747975	6968000	-60/090	171	69	73	4	1.47	
Including ⁽²⁾	747975	6968000	-60/090	171	89	116	27	1.42	
Including ⁽³⁾	747975	6968000	-60/090	171	89	109	20	1.57	

Notes:

(1) Calculated on a 0.1% Cu cutoff

(2) Calculated on a 0.5% Cu cutoff

(3) Calculated on a 1.0% Cu cutoff

Minimum intersection width of 3m

Up to 5m internal dilution allowed in all calculations

The results of the 1m samples do support the original results, with general agreement over the broad lower cutoff intervals. A comparison for holes GRC199 and 200 is shown in the table below.

Hole	From	To	Length	Cu% - Comps	Cu% - 1m splits
GRC199	55	145	90	0.37	0.33
GRC200	85	145	80	0.66	0.66

A detailed interpretation is yet to be carried out on this prospect; however preliminary work indicates “The Cup” is a highly prospective copper exploration target with possible multiple parallel zones of shallow westerly dipping oxide/supergene copper mineralisation. Further drilling is required to test the potential of the prospect, and to close it off in all directions as well as test the sulphide potential.

The Cup presently has a strike length of 350 metres and remains open along strike.

Julia’s Fault M57/429

Gateway 75%, Red 5 25%

The Julia’s Fault prospect is located immediately NNE of “The Cup”, and is possibly located along the same or a parallel structure, north of where it appears to swing around from SSE to NNE. The geology of The Cup and Julia’s Fault is similar - both being within strongly altered metasediments, and having mineralisation associated with disseminated to massive sulphides.

A series of eight holes (GRC187 to 189; GRC192 to 196) were drilled for 790m. The objective of the drilling was to explore the Julia’s Fault massive sulphide horizon north-eastwards testing both existing gold anomalism and strong ground EM responses.

Results from assaying of the 1m splits of originally assayed 5m composites are presented below. A listing of the original assay results is presented in the March 2008 Quarterly report and the April 23, 2008 release. The 1m splits yielded 21m @ 1.26 g/t from 14m, including 6m @ 3.8 g/t, plus 26m @0.78 g/t from 54m, including 2m @ 4.7 g/t.

Hole	East AGD84	North AGD84	Dip/Azimuth	Total Depth	From (m)	To (m)	Length (m)	Au ppm	Notes
Julia’s Fault RC Drilling									
GRC194 ⁽¹⁾	748100	6969000	-60/090	81	14	35	21	1.26	
Including⁽²⁾	748100	6969000	-60/090	81	28	34	6	3.80	
GRC194 ⁽¹⁾	748100	6969000	-60/090	81	54	80	26	0.78	
Including⁽²⁾	748100	6969000	-60/090	81	55	57	2	4.70	
Including⁽²⁾	748100	6969000	-60/090	81	62	63	1	1.22	
Including⁽²⁾	748100	6969000	-60/090	81	76	77	1	2.43	
Victory Creek RC Drilling									
GRC203 ⁽¹⁾	750300	6971800	-60/360	153	95	100	5	1.95	
Including⁽²⁾	750300	6971800	-60/360	153	95	99	4	2.24	

Notes:

(1) Calculated on a 0.1g/t Au cutoff

(2) Calculated on a 1.0g/t Au cutoff

Minimum intersection width of 1m

Up to 3m internal dilution

The prospect is a virgin find discovered by Gateway in 2005 from RC drilling testing gold anomalism in RAB drillholes. Initial interpretations indicate a shallow westerly dipping zone of mineralisation, with this being open along strike to the north.

Interpretation of the drilling results is currently underway.

Victory Creek M57/485

Gateway 75%, Red 5 25%

As reported in the March quarterly report, significant gold, arsenic and antimony anomalism was returned from GRC203 on the 750300E line. This included a 55m intersection at 0.46g/t from 75-130m downhole, including 5m @ 1.88g/t Au from 95m, all collected from 5m composites.

Resampling and assaying of the one metre RC splits was completed for the 1.88g/t Au 5m composite, with these re-assays returning 4m @ 2.24g/t Au, thus confirming the original result.

Interpretation of the results for follow up exploration is currently underway.

Airport Central Joint Venture

Gateway 85%, Herald Resources 15%, WCP Resources earning 70%

WCP have engaged an independent consulting group to fully evaluate the database and identify drill targets. This has involved a review of data from Whistler, Rosie North, Airport and other prospective resources. Their report is now being studied and the next stages for further exploration are being planned.

An exploration program involving an RC-diamond drill program to advance these prospects will be formulated for the next quarter. Targets to be further explored will include the high-grade gold intersected in the previous drill program at Whistler. Drill targets will be further refined following additional surface mapping and sampling.

Bungarra West Joint Venture E57/709, P57/976

Gateway 30%, Legend Mining 70%

Legend, as managers and operators of the JV carried out an aircore-drilling programme (29 holes for 651m) over a number of VTEM targets, and assay results have now been received. These results were generally low, however two holes (LGCA151 and 152) intersected elevated PGA and copper values associated with gabbroic lithologies and sheared sediments.

Reconnaissance mapping over VTEM targets in the southern part of the JV area delineated quartz veining and shearing associated with one VTEM feature. Although no anomalous results were returned from rock chip sampling, the area is considered prospective for gold mineralisation and further evaluation is required.

Barrelmaker Area

Work carried out during the quarter has included a review of all exploration data, and a RAB drilling programme is planned during the upcoming quarter to test areas of interest.

NEW SOUTH WALES

COWRA PROJECT EL 5514 & 6102

Gateway 100%, Minotaur together with Mitsubishi earning 75%

An RC programme of six holes totalling 1417.8m has now been completed at Cowra, with three holes being completed at the Balbardie prospect and three at the Kiola prospect. Skarn-style alteration and sulphides were noted in a number of the drillholes, with the holes currently being cut for assaying. Assay results are expected in the next quarter.

SURPRISE PROJECT EPM 9053 & 13677

Gateway 100%, Minotaur earning 75%

Several IP targets were drill tested in a four (4) hole angled RC drilling program totalling 438m. Visible sulphides occur in two holes, with hole 08RCSU002 returning an intersection of 4m @ 0.86% Cu, 44ppm Co from 50m. Follow-up EM surveying has been completed, and results of this are currently being evaluated.

HODGKINSON BASIN

Republic Gold, Gateway 6% free carried

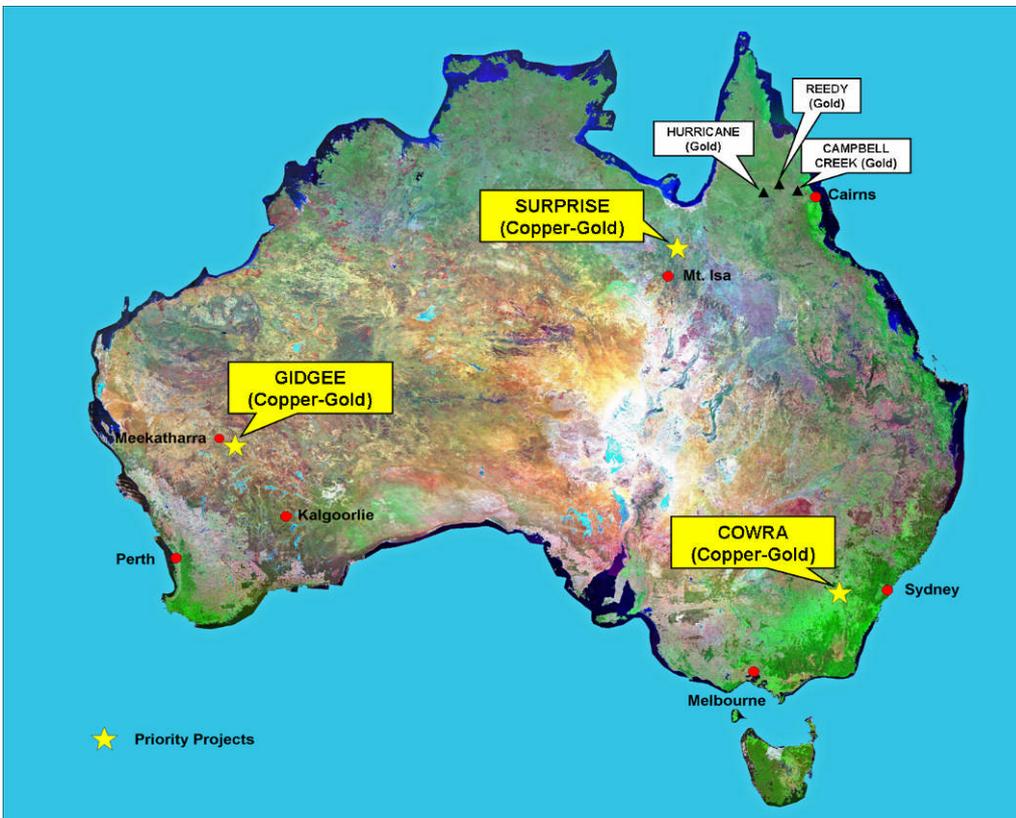
Republic Gold is continuing on work to advance its Far North Queensland gold and tungsten projects.

CORPORATE

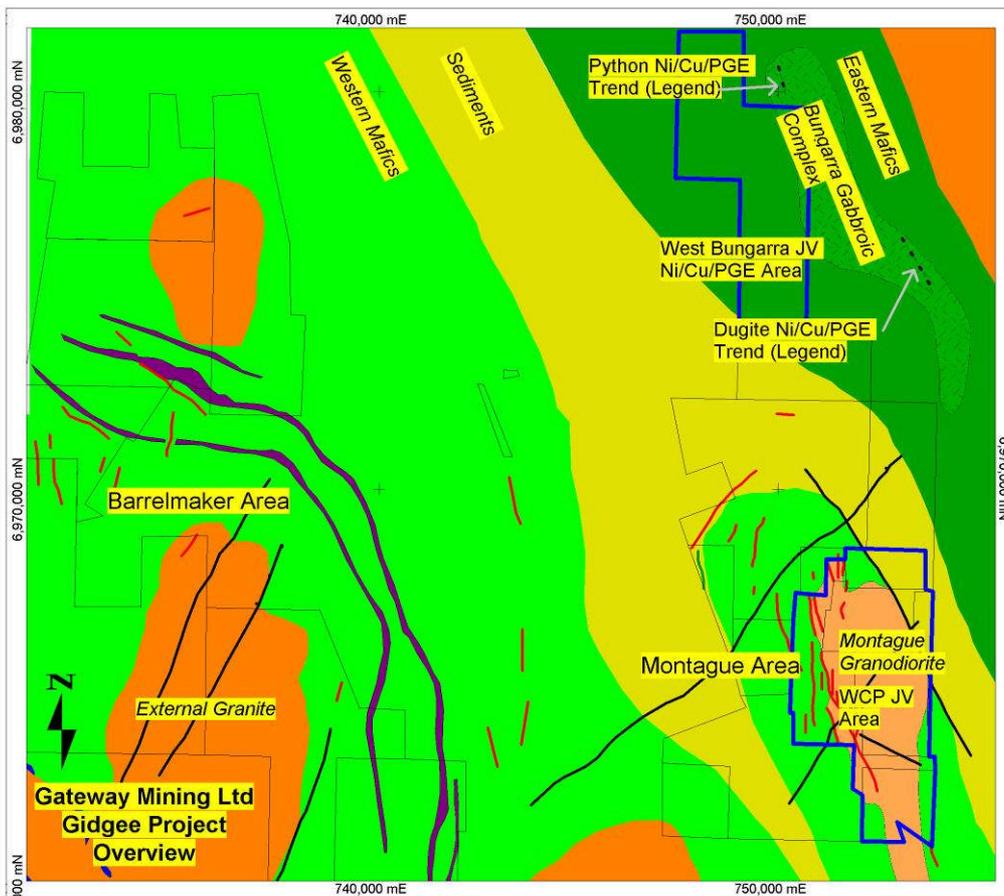
The company intends to make a placement of four million shares at 12 cents per share to raise additional working capital.

***For further information visit our website at www.gatewaymining.com.au
or contact: Brian Gomez , Chairman or Bob Creelman, Director on Tel: 02 9283 5711***

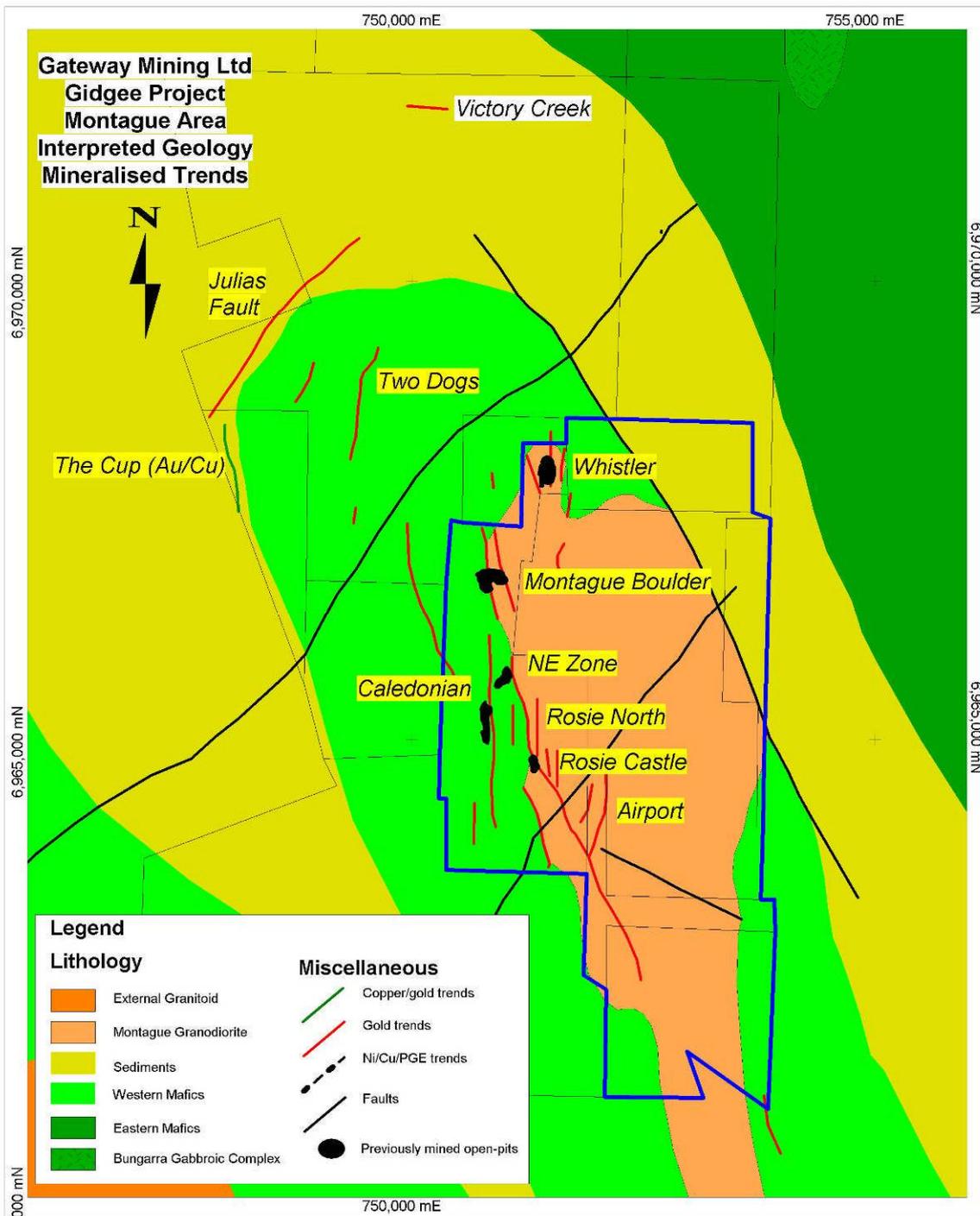
The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Dr. R.A.Creelman, a Director of the company, a Fellow of the Australasian Institute of Mining and Metallurgy and a Certified Professional (CP) of Aus. I.M.M. Dr.R.A.Creelman 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.



Gateway Mining Limited Project Locations



Overview of Gidgee Project tenements



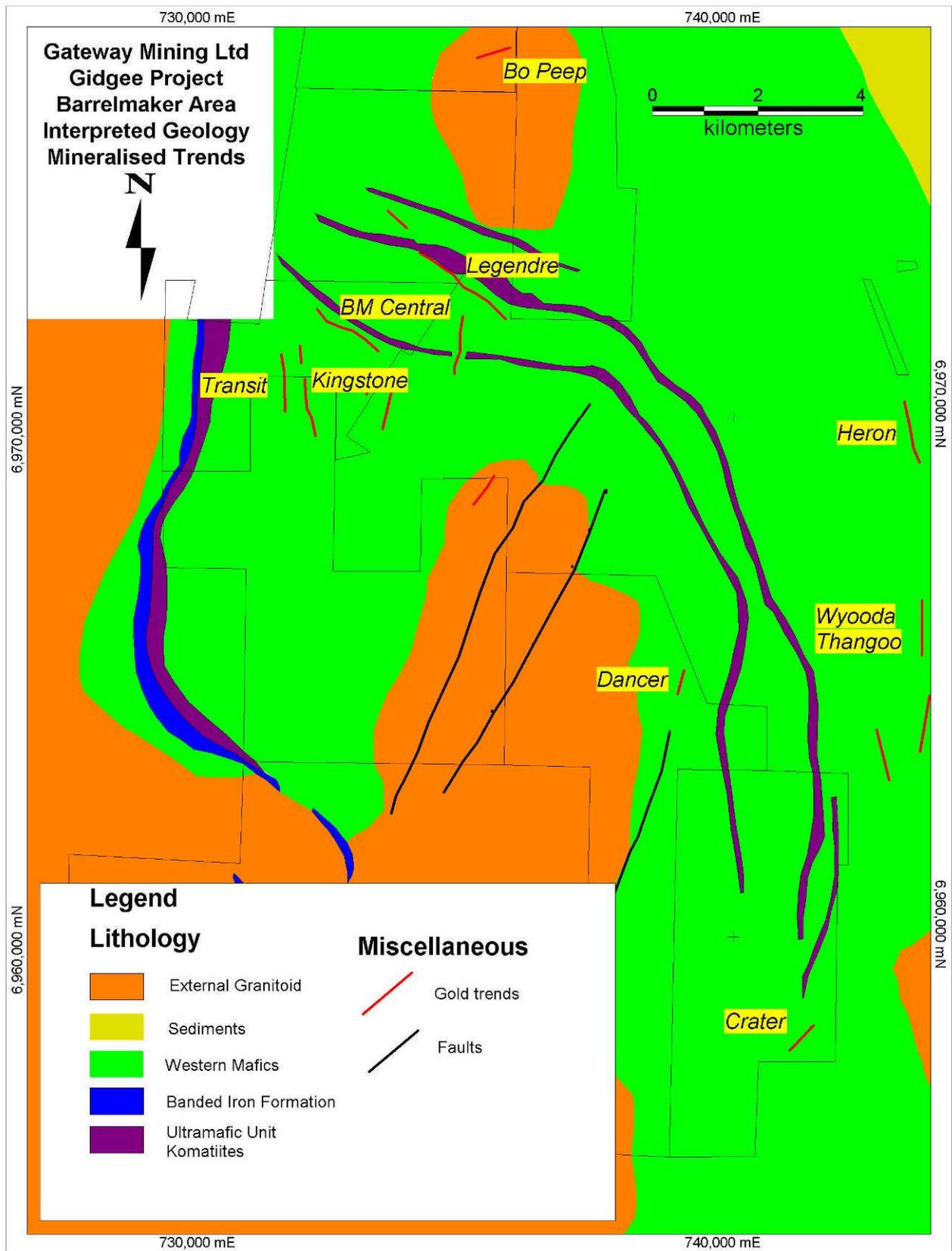
Montague area tenements and prospects, Gidgee Project



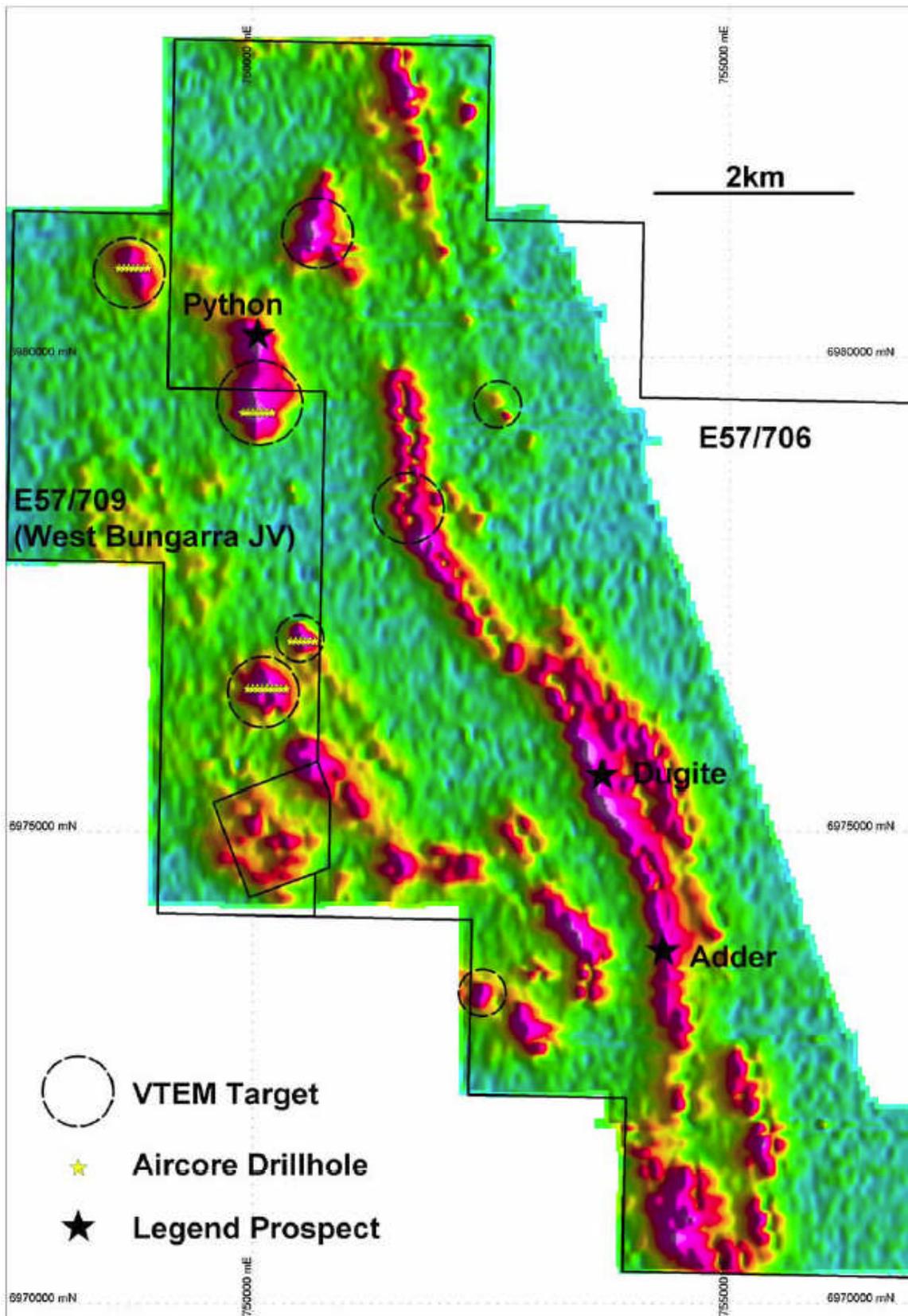
Drilling plan and significant results, The Cup (intersections calculated on 0.1% and 0.5% copper downhole cutoffs, orange text boxes are intersections from 1m split reassays, red boxes show previously announced results)



Drilling plan and significant results, Julia's Fault (intersections calculated at 0.1g/t and 1g/t gold downhole cutoffs orange text boxes are intersections from 1m split reassays, red boxes show previously announced results)



Barrelmaker area tenements and prospects



Bungarra West JV VTEM image (CHANNEL 34) and targets (source - Legend Mining June 2008 JV report)