



**GATEWAY
MINING LTD**
ASX Code:GML

GATEWAY MINING LIMITED

**ANNUAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021**

ABN: 31 008 402 391



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CORPORATE DIRECTORY

Directors:

- Mr Trent Franklin (Non-Executive Chairman)
- Mr Mark Cossom (Managing Director)
- Mr Scott Brown (Non-Executive Director)
- Ms Debra Fullarton (Non-Executive Director)

Company Secretary:

- Mr Kar Chua

Registered Office:

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Telephone: 1300 288 664

Auditors:

Crowe Sydney
Chartered Accountants
Level 15
1 O'Connell Street
Sydney NSW 2000

Solicitors:

Enrizen Lawyers Pty Ltd
Level 11
52 Phillip Street
Sydney NSW 2000

Securities Exchange Listing:

The Group is listed on the Australian Securities Exchange under code GML

Website:

www.gatewaymining.com.au

DIRECTORS' REPORT

Your directors submit the financial report of the Group consisting of Gateway Mining Limited and its controlled entities (**Gateway** or the **Company**) for the year ended 30 June 2021.

DIRECTORS

The names of directors who held office during the year:

- Mr. Trent Franklin (Non-Executive Chairman)
- Mr. Mark Cossom (Managing Director)
- Mr. Peter Langworthy (Executive Chairman) (resigned 25 May 2021)
- Mr. Scott Brown (Non-Executive Director)
- Ms. Debra Fullarton (Non-Executive Director)

PRINCIPAL ACTIVITIES

The activities of the Group during the financial year were in the mineral exploration industry principally exploration for gold and base metals. There were no significant changes in the nature of the activities of the Group that occurred during the year.

OPERATIONS REVIEW

The Company's focus is the extensive landholding it has acquired at its Gidgee Gold Project, located within the Gum Creek Greenstone belt 800km northeast of Perth in Western Australian. The Gidgee Gold Project consists of 1,000km² of tenure (Figure 1), with historic production between 1986 and 1992 from five shallow open pits. The majority of the Company's exploration activities are centred on the margin of the Montague Granodiorite. During the year exploration activities were focussed on the three highest priority target areas – The Northwest Margin, Kashmir and the Achilles (Figure 2).

The Project is easily accessible from Perth via major sealed and well-formed gravel roads, with the town of Sandstone providing limited logistics support. The Project is centrally located within a ~120km radius of six operational gold treatment facilities.

DIRECTORS' REPORT

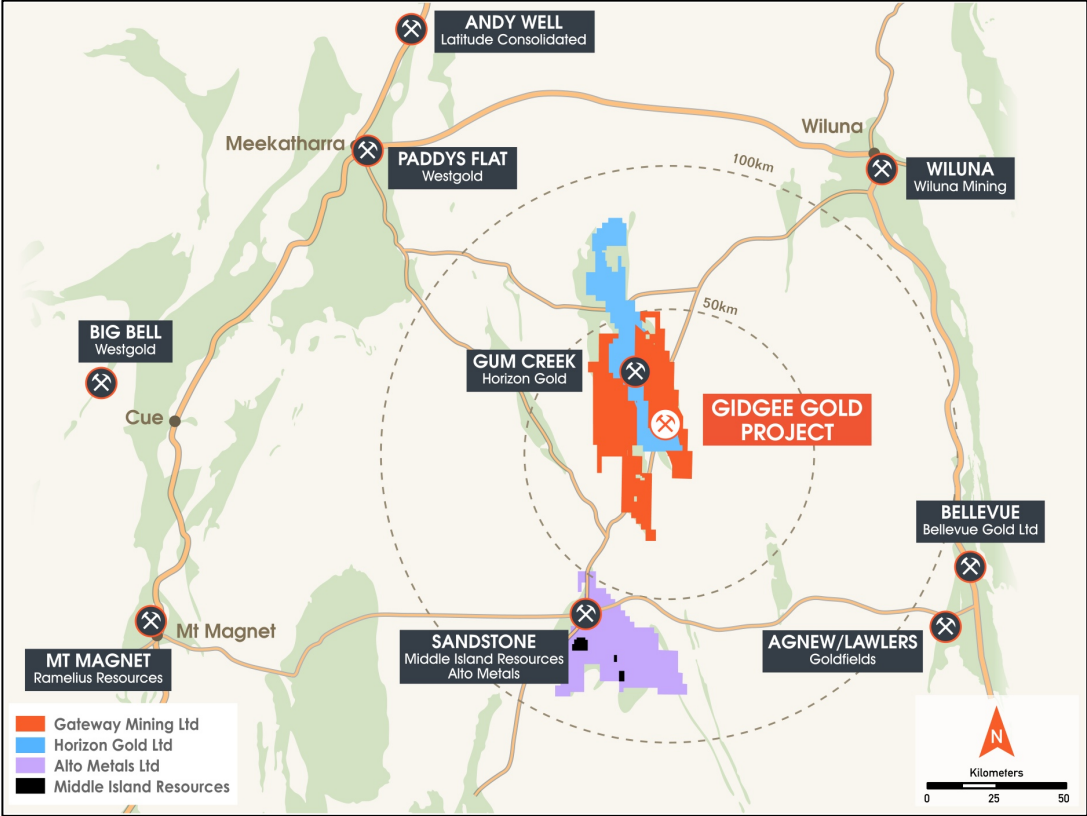


Figure (1): Gidgee Gold Project Location Plan

DIRECTORS' REPORT

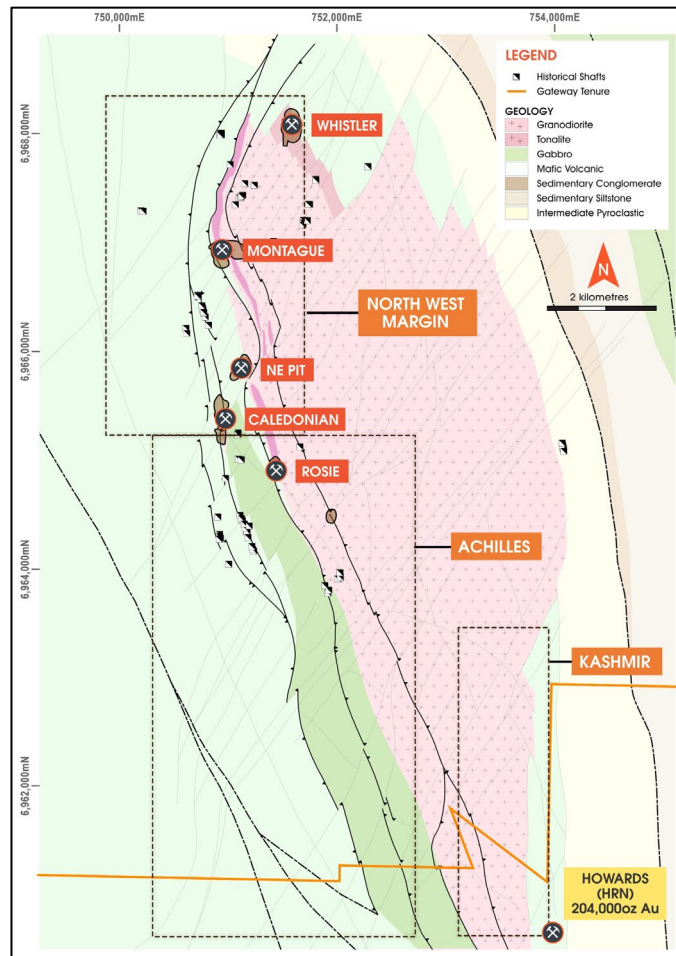


Figure (2): Montague Granodiorite with historic open pits, target areas

NORTHWEST MARGIN

The Northwest Margin target area encompasses approximately 4km of the contact zone of the Montague Granodiorite between the Whistler Mineral Resource and the Caledonian historic open pit (Figure 2). This Northwest Margin area has been the focus of the majority of historic mining activity at the Gidgee Gold Project, including all of the open pits mined in the late-1980's to early-1990's.

Evermore

During the year, work focussed on systematically drill-testing north along strike from the 120,000oz Montague-Boulder Inferred Mineral Resource toward the 120,000oz Whistler Inferred Mineral Resource.

Reverse Circulation (RC) drilling was initially carried out as a single traverse west from the Whistler deposit across the western contact of the granodiorite intrusion. Results from this drilling identified what was considered to be a significant new high-grade gold discovery and confirmed the presence of multiple structures with strong high-grade domains. Significant intersections returned included:

- **GRC496:** 6m @ 6.0g/t Au from 54m
- **GRC488:** 10m @ 1.5g/t Au from 37m
- **GRC566:** 8m @ 3.0g/t Au from 92m
- **GRC534:** 6m @ 6.1g/t Au from 88m
- **GRC535:** 3m @ 5.5g/t Au from 46m
- **GRC542:** 6m @ 2.2g/t Au from 67m

DIRECTORS' REPORT

Following success in this first-pass traverse, two phases of systematic RC and diamond drilling were completed across the granodiorite margin for approximately 1.6km north of the 120,000oz Montague-Boulder Inferred Resource. This drilling successfully followed up the initial RC intersections and outlined a zone of high-grade gold mineralisation over a strike length of approximately 800m, named the Evermore prospect. Evermore is the first discovery to be made outside of the historic mining areas around the margin of the Montague Granodiorite Dome.

The Evermore mineralisation consists of a flat lying shear zone that interacts with the margin of the granodiorite to form a high-grade zone of mineralisation 80-120m wide, with results including:

- **GRC550:** 15m @ 3.0g/t Au from 104m and;
10m @ 9.2g/t Au from 140m
- **GRC538:** 10m @ 2.5g/t Au from 114m
- **GRC630:** 7m @ 11.7g/t Au from 97m
- **GRC651:** 12m @ 5.6g/t Au from 78m, including 4m @ 13.2g/t Au
- **GRC711:** 10m @ 2.8g/t Au from 101m
- **GRC634:** 23m @ 1.4g/t Au from 105m
- **GRC706:** 2m @ 10.8g/t Au from 87m
- **GRC633:** 2m @ 4.1g/t Au from 111m
- **GRC635:** 4m @ 10.1g/t Au from 132m
- **GDD018:** 1.9m @ 22.4g/t Au from 151.4m
- **GRC710:** 2m @ 3.3g/t Au from 139m

Within Evermore a number of high-grade domains have been identified. The northern domain has now been systematically drilled on a nominal 40m x 40m spacing over a strike length of approximately 420m and remains open to the north, where there is a significant data gap around the nose of the granodiorite to the 120koz Inferred Whistler Deposit (Figure 3). The southern strike extent of Evermore has only currently been drill tested on a nominal 80m x 100m spacing and presents a major opportunity to define additional zones of high-quality gold mineralisation (Figure 4).

It is planned to utilise data generated from these various programs to undertake a maiden Mineral Resource estimate for Evermore in FY2022.

DIRECTORS' REPORT

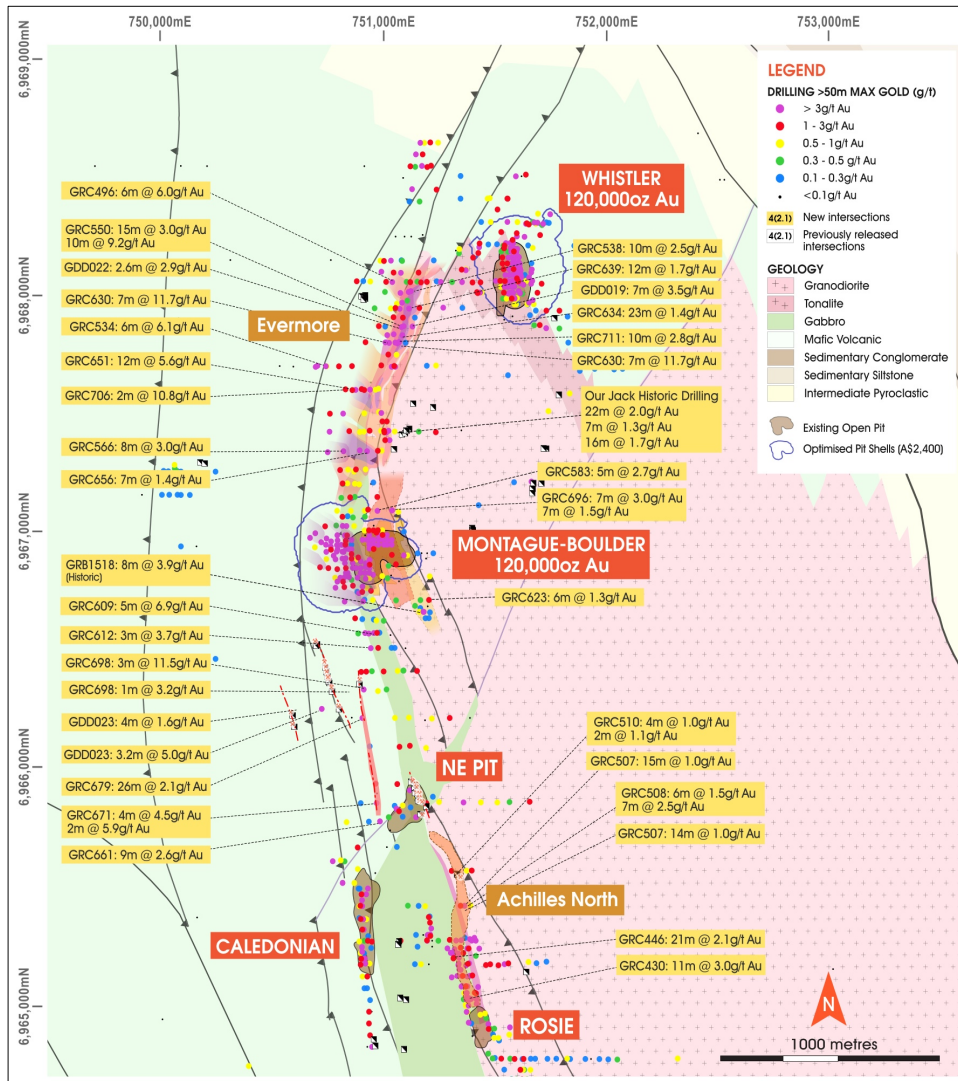


Figure (3): Northwest Margin compiled interpretation detailed plan (including significant intercepts). Note the interpreted new high-grade zones at Evermore, Achilles North and immediately east of the Montague-Boulder pit.

DIRECTORS' REPORT

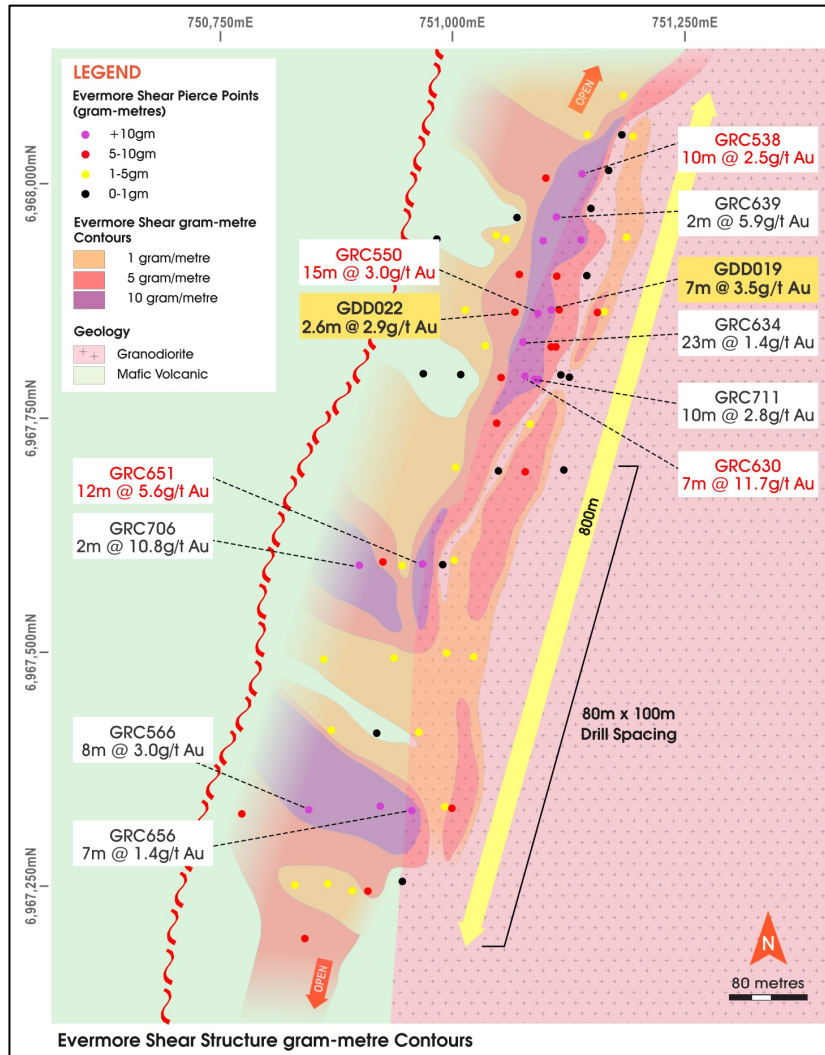


Figure (4): Evermore Shear interpretation gram-metre contour plan with associated pierce points. Note open ends along strike and extensive zone of wide-spaced drill coverage

DIRECTORS' REPORT

Montague-Boulder to Northeast Pit

Following the success in systematically RC drilling the margin of the Montague dome north of the Montague-Boulder Mineral Resource, a similar drill program was completed south of the Montague-Boulder toward the historically mined Northeast open pit. This wide spaced drilling highlighted the presence of several high-grade mineralised structures over the 900m strike length between the Montague-Boulder and Northeast open pits.

A low-angle west dipping shear was intersected, interpreted to be the southern extension of the “Gordon’s Lode” present below Montague-Boulder. Significant results include:

- **GRC698: 3m @ 11.5g/t Au from 177m**
- **GDD023: 3.2m @ 5.0g/t Au from 314m**

In addition, drilling also highlighted several steep “Link Structures” present near surface, correlated with significant lines of historic workings (Figure 5). Significant results from these near surface structures included:

- **GRC679: 26m @ 2.1g/t Au from 64m**
- **GRC671: 2m @ 5.9g/t Au from 11m and 4m @ 4.5g/t Au from 32m**

It is planned to continue to follow-up these RC intersections, particularly the near-surface steep dipping structures, in FY2022.

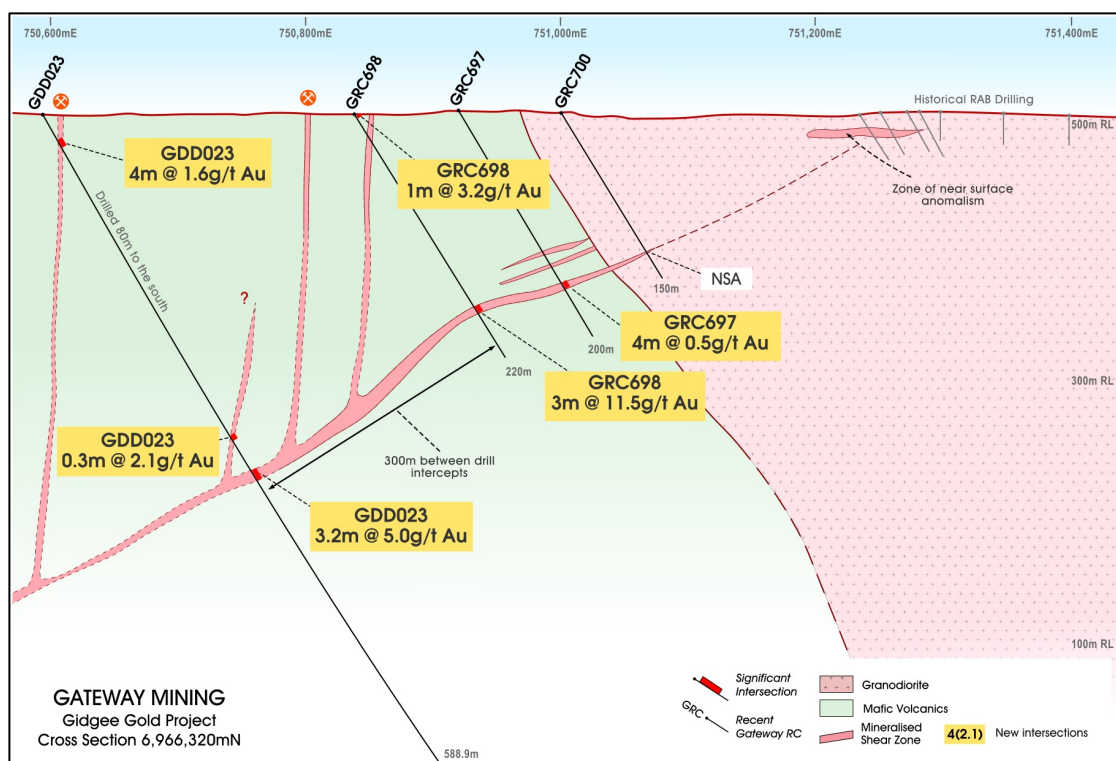


Figure (5): Montague-Boulder to Northeast Pit drill cross-section 6,966,320mN. Note hole GDD023 has been projected from 80m south.

DIRECTORS' REPORT

Montague-Boulder Resource In-fill and Extensional Drilling

During the year, Gateway completed several programs of RC in-fill drilling targeting several high-grade domains within the Montague-Boulder Resource, as well as infilling the data density across the majority of the mafic hosted mineralisation.

Analysis of structural data defined a strong north-west plunge trend of the gold mineralisation and highlighted the potential for strong continuity of the high-grade gold domains within the broader mineralised shear zone. As a result, two holes for 264m were drilled into two selected targets to test this interpretation. Both holes intersected high-grade mineralisation as targeted:

- **GRC525: 8m @ 5.2g/t Au from 124m (including 4m @ 9.0g/t Au)**
- **GRC526: 4m @ 16.0g/t Au from 69m**

Following this, a program of RC drilling was completed to systematically in-fill the existing Mineral Resource area on nominal 40m x 40m spacing. Several excellent results were returned, including:

- **GRC588: 6m @ 6.2g/t Au from 96m**
- **GRC591: 3m @ 9.0g/t Au from 62m**
- **GRC625: 7m @ 4.6g/t Au from 112m**
- **GRC594: 2m @ 4.3g/t Au from 97m**
- **GRC593: 6m @ 3.6g/t Au from 11m**

Additionally, drilling around the margins of the Resource identified a series of new zones of mineralisation.

High-grade intersections were returned from several holes stepping out immediately to the south of the existing Mineral Resource (Figure 3), hosted within the moderately dipping, mafic volcanic hosted shear zone that hosts the majority of mineralisation within the Resource. These significant intersections include:

- **GRC609: 5m @ 6.9g/t Au from 67m**
- **GRC612: 3m @ 3.7g/t Au from 88m**

Several key sections of the Mineral Resource area were also selected for deeper drilling, to test for potential additional mineralised structures below the existing structures defined in the current estimate. New structures below the mafic volcanic hosted shear zone lodes were intersected at depth (Figure 6), with several high-grade intersections returned including:

- **GRC599: 5m @ 17.4g/t Au from 83m**
- **GRC603: 2m @ 5.6g/t Au from 178m**

Also, drilling to test below the shallow granodiorite-hosted mineralisation mined as part of the historical open pit mining campaign successfully intersected what appears to be a new zone of granodiorite-hosted mineralisation (Figure 7). Significant results include:

- **GRC583: 5m @ 2.7g/t Au from 115m**
- **GRC696: 7m @ 3.0g/t Au from 84m; and
7m @ 1.5g/t Au from 113m**

Mineralisation at depth within the granodiorite has essentially not been previously tested and provides a significant new exploration target as well as a possible vector to a related mafic volcanic hosted shear. All these multiple mineralised lodes are interpreted to form part of an overall highly mineralised structural regime immediately adjacent to the contact of the Montague Granodiorite Dome.

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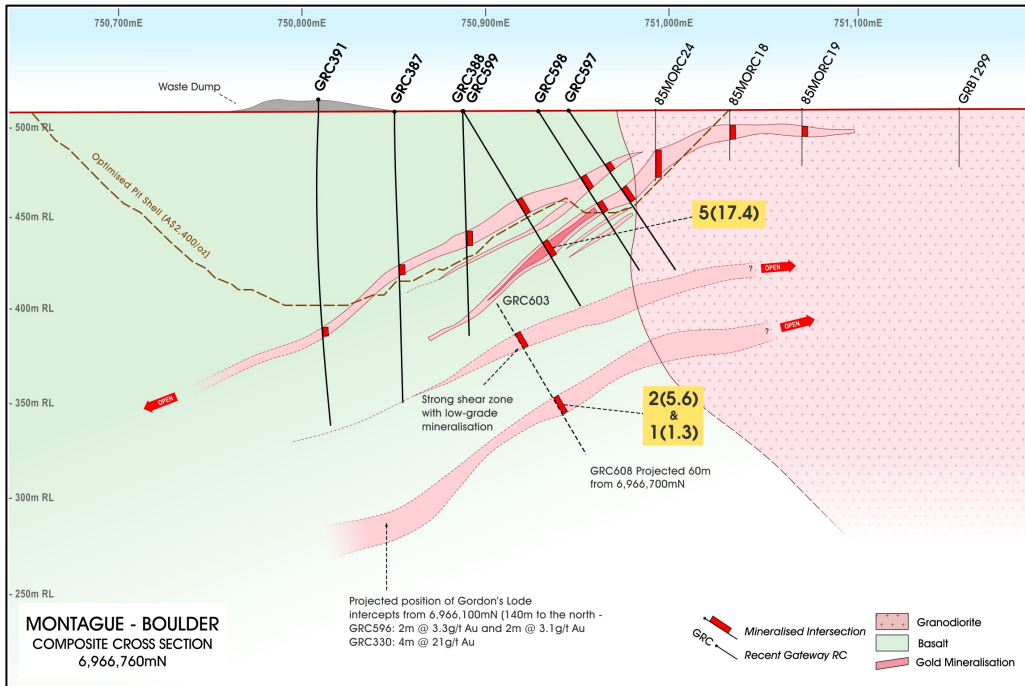


Figure (6): Montague-Boulder composite cross section highlighting potential repeat shears beneath the current Mineral Resource interpretation and AUD\$2,400/oz constraining shell

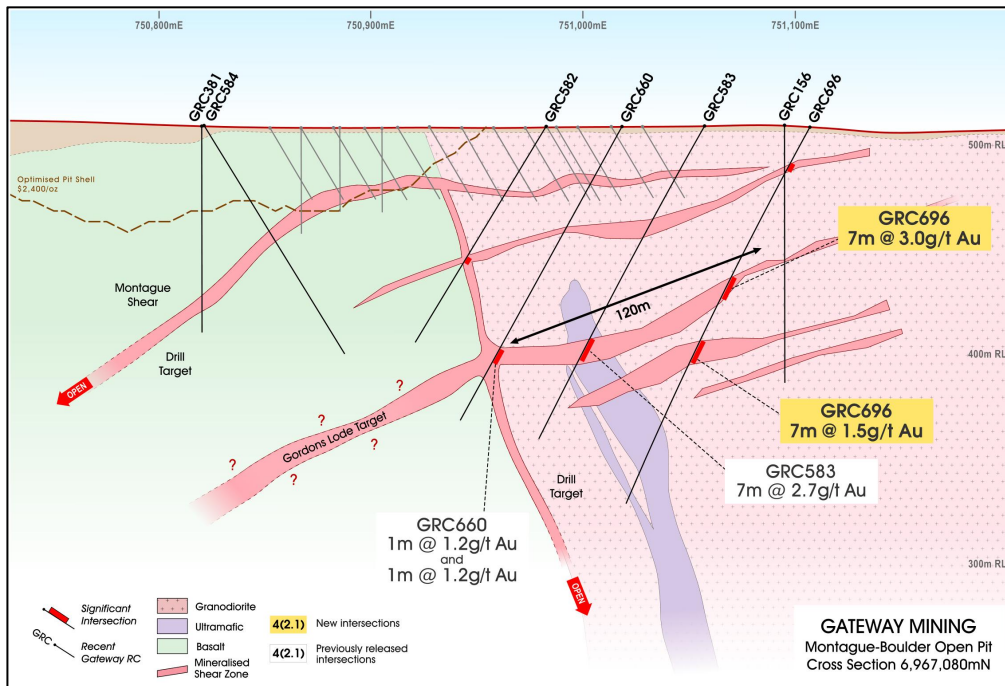


Figure (7): Montague-Boulder drill cross-section 6,967,080mN. Note the proximity of this new structure to the existing Mineral Resource interpretation and AUD\$2,400/oz constraining shell

DIRECTORS' REPORT

KASHMIR

The Kashmir Prospect was identified by Gateway through fine fraction soil sampling, which highlighted a 1.8km long gold-in-soil anomaly along the south-eastern margin of the Montague Dome, directly along strike from Horizon Gold Ltd's (ASX: HRN) Howards gold deposit. This south-eastern margin is significantly under-explored, even though it represents the "mirror-image" position to the highly mineralised Northwest Margin. During the year, RC drilling at the Kashmir Prospect intersected significant high-grade gold mineralisation at shallow depths in the first drill campaign conducted at the target.

The program at Kashmir consisted of two sections spaced 1km apart designed to provide an initial reconnaissance test of the geochemical anomaly. A total of nine holes were drilled, spaced 60m apart along section, and were drilled to a nominal target depth of 120m (see Figure 8). Significant results returned include:

- **GRC520: 2m @ 7.9g/t Au from 3m**
- **GRC524: 1m @ 8.8g/t Au from 59m**
- **GRC522: 2m @ 1.6g/t Au from 105m**

These results from Kashmir are important in that they confirm the presence of gold-bearing structures within the primary rock on the south-eastern contact of the Montague Dome. No previous exploration has been effective at testing the bedrock on the south-eastern contact within Gateway's tenure.

The widely spaced nature of the two drill traverses completed in this program indicate that they are mineralised over an extensive strike length, with the results in hole GRC520 confirming that they persist to near-surface. It is planned to follow-up these RC results with further RC drilling in FY2022.

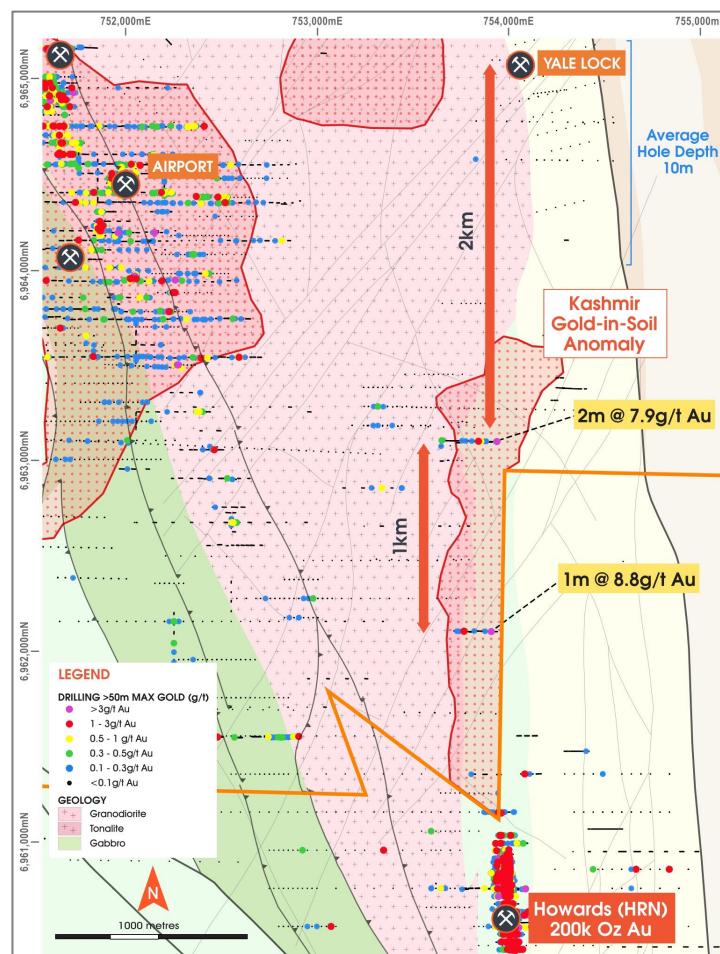


Figure (8): Kashmir RC drilling and previous drilling, with maximum down-hole gold results.

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ACHILLES

During the year, RC drilling at Achilles North substantially extended the zone of shallow oxide mineralisation north of the Rosie open pit. Wide-spaced step-out drilling returned significant results well beyond the previous limits of RC drilling completed by Gateway in late-2019. In addition, a significant air-core program was completed at Achilles South, located immediately south of the Rosie open pit, extending the known corridor of bedrock gold anomalism, which remains open for a further 2.5km to the southern edge of Gateway's tenure.

Achilles North

RC Drilling at Achilles North was undertaken on nominal 150m spaced RC traverses to provide a first-pass drill test in the approximate 600m gap between Gateway's previous drilling and the Caledonian Northeast Pit. The drilling successfully intersected significant, shallow oxide gold mineralisation, clearly demonstrating the potential for continuous mineralisation over an approximate 800m strike length between the two historical open pits (Figure 9). Significant results from the program include:

- **GRC507: 14m @ 1.0g/t Au from 3m**
- **GRC508: 7m @ 2.5g/t Au from 61m**
- **GRC501: 2m @ 1.1g/t Au from 23m, and 4m @ 2.9g/t Au from 64m**
- **GRC503: 4m @ 1.5g/t Au from 105m**
- **GRC510: 4m @ 1.0g/t Au from 23m**
- **GRC502: 2m @ 1.2g/t Au from 36m**

The mineralisation is located within moderately east-dipping shear zones, which are interpreted to be part of a large-scale thrust structure on the margin of the granodiorite that separates it from the western basalt sequence. Mineralisation is hosted predominantly within the granodiorite, in a thrust surface sub-parallel to the contact, as well as an interpreted steeper splay.

The mineralisation at Achilles between the historical Rosie and Caledonian Northeast Open Pits has never been mined and is largely hosted within the oxide zone. The success of RC drilling along this trend, beneath previous ineffective historical RAB drilling, has highlighted the potential to delineate significant oxide gold mineralisation close to the Company's existing Mineral Resources in the Northwest Margin of the Montague Granodiorite Dome.

DIRECTORS' REPORT

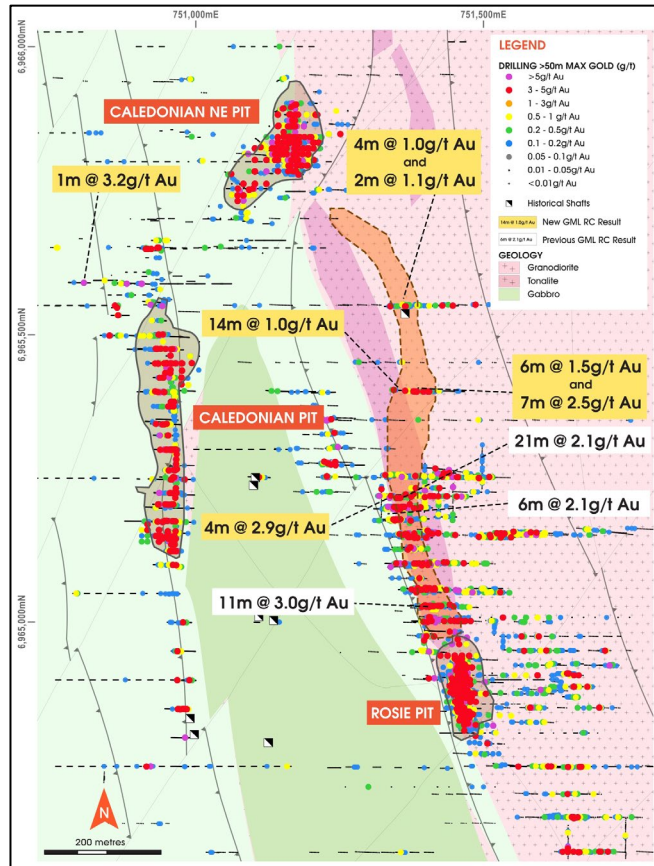


Figure (9): Achilles North target area, RC drill drill plan with significant intersections.

Achilles South

Following the successful RC program on the Achilles North trend, Gateway completed a major air-core drilling program targeting the immediate southern extension of the Achilles Target Area. The air-core drilling consisted of a grid-based program, drilled to blade refusal (top of fresh rock) on a nominal 200m x 40m spacing. The results from the air-core have defined a series of coherent, high-order oxide and bedrock gold anomalies extending over a strike length of 1.4km (Figure 10), with the zone remaining open for a further 2.5km to the south beyond this new drilling, to the edge of Gateway's tenure.

These large-scale anomalies are also supported by associated bottom-of-hole (BOH) multi-element anomalism with key indicator elements, including copper, silver, arsenic and antimony. This association is a common group of pathfinder elements within the Archean gold deposits of Western Australia, lending further weight to the potential bedrock source of the gold mineralisation.

DIRECTORS' REPORT

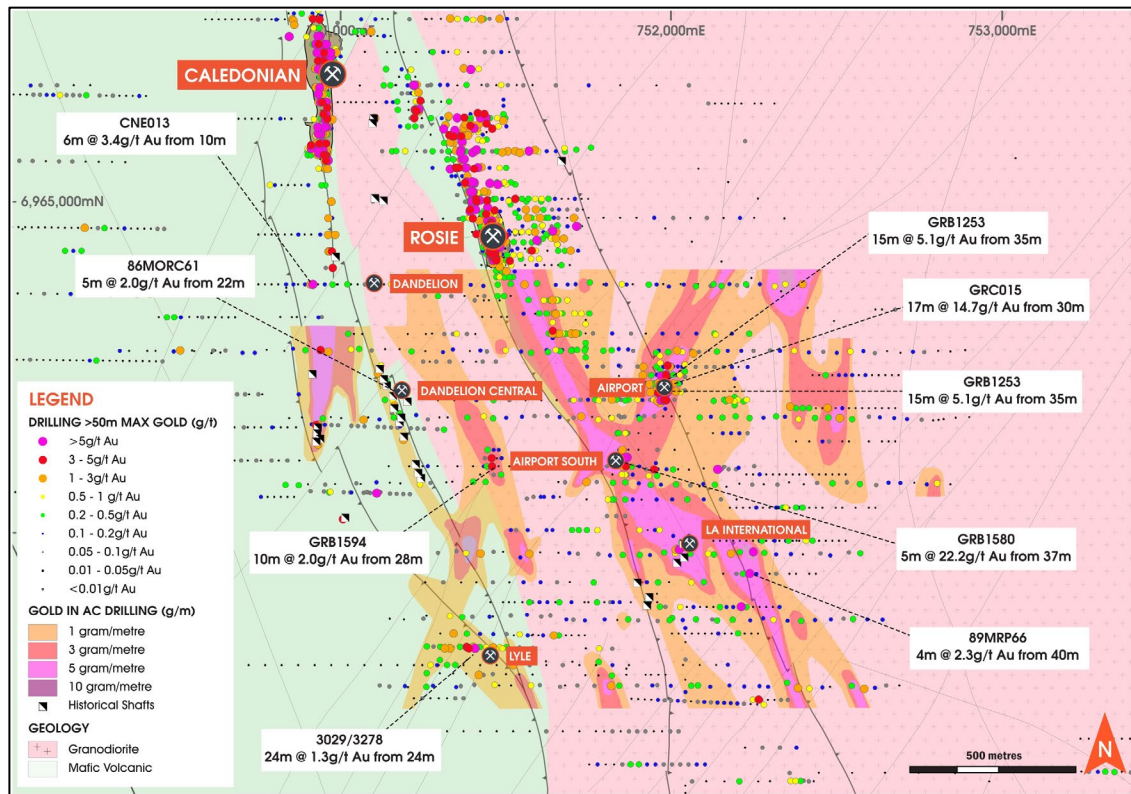


Figure (10): Achilles South air-core drilling oxide zone gold accumulation and contours with historic drilling maximum downhole gold and historic significant intercepts

GIDGEE GOLD PROJECT EXPANSION

During the year, Gateway announced the execution of a strategic earn-in agreement with Golden Mile Resources Ltd (ASX: G88) (**G88**), increasing the footprint of the Gidgee Gold Project to over 1,000km² (see Figure 10). The two tenements comprising the G88 ground cover an area of approximately 400km² spanning the western side of the Gum Creek Greenstone Belt (Figure 11). A ~30km long major gold-bearing structural corridor (termed the “Woodley Domain”) has been defined through the project, and represents the third major identified gold trend within the belt.

Exploration on the Woodley Domain by previous explorers (including Gateway between 1996 and 2006) has highlighted significant geochemical gold anomalies, which have only been followed up by rudimentary drilling. Several outstanding, shallow historical drilling intercepts include:

- **40m @ 3.0g/t Au from surface (Arimco RAB hole 3840/1656 – whole-hole composite)**
- **20m @ 2.5g/t Au from surface (Arimco RAB hole 3760/1624 – whole-hole composite)**
- **24m @ 3.3g/t from surface (Arimco RAB hole 3660/1880 – whole-hole composite)**
- **11m @ 4.5g/t Au from 58m (Arimco RAB hole 3660/1472)**
- **20m @ 1.3g/t Au from surface (Arimco RAB hole 3720/1548 – whole-hole composite)**
- **22m @ 2.3g/t Au from 61m (Gateway RAB hole GRB660)**

These drill intercepts remain largely open with little to no follow-up work. Gateway intends to leverage off its understanding of the geology and controls on mineralisation within the belt to follow up on this historical work and systematically test the potential of this third major structural corridor.

The Earn-In Agreement consists of a three stage earn-in for Gateway to ultimately achieve 80% equity in exploration licenses E57/1039 and E57/1040 (**Tenements**) on the following terms:

DIRECTORS' REPORT

- 12-month, non-withdrawal period with a minimum of \$210,000 exploration expenditure (**Non-Withdrawal Period**);
- Exploration expenditure of a further \$420,000 over 2 years following the Non-Withdrawal Period to earn 51% interest in the Tenements (**First Earn-In Period**);
- Exploration expenditure of a further \$500,000 over 2 years following the First Earn-In Period to earn a further 29% interest in the Tenements; and
- Golden Mile's interest in the Tenements to be free-carried interest to a decision to mine, at which point they can elect to contribute or dilute to a 0.5% NSR.

Gateway's obligations under the Earn-In Agreement were conditional on Golden Mile having obtained appropriate exemptions pursuant to the *Mining Act 1978* (WA) relating to any expenditure conditions of the Tenements for the 2019 and 2020 expenditure years. Subsequent to the reporting period, this condition was satisfied.

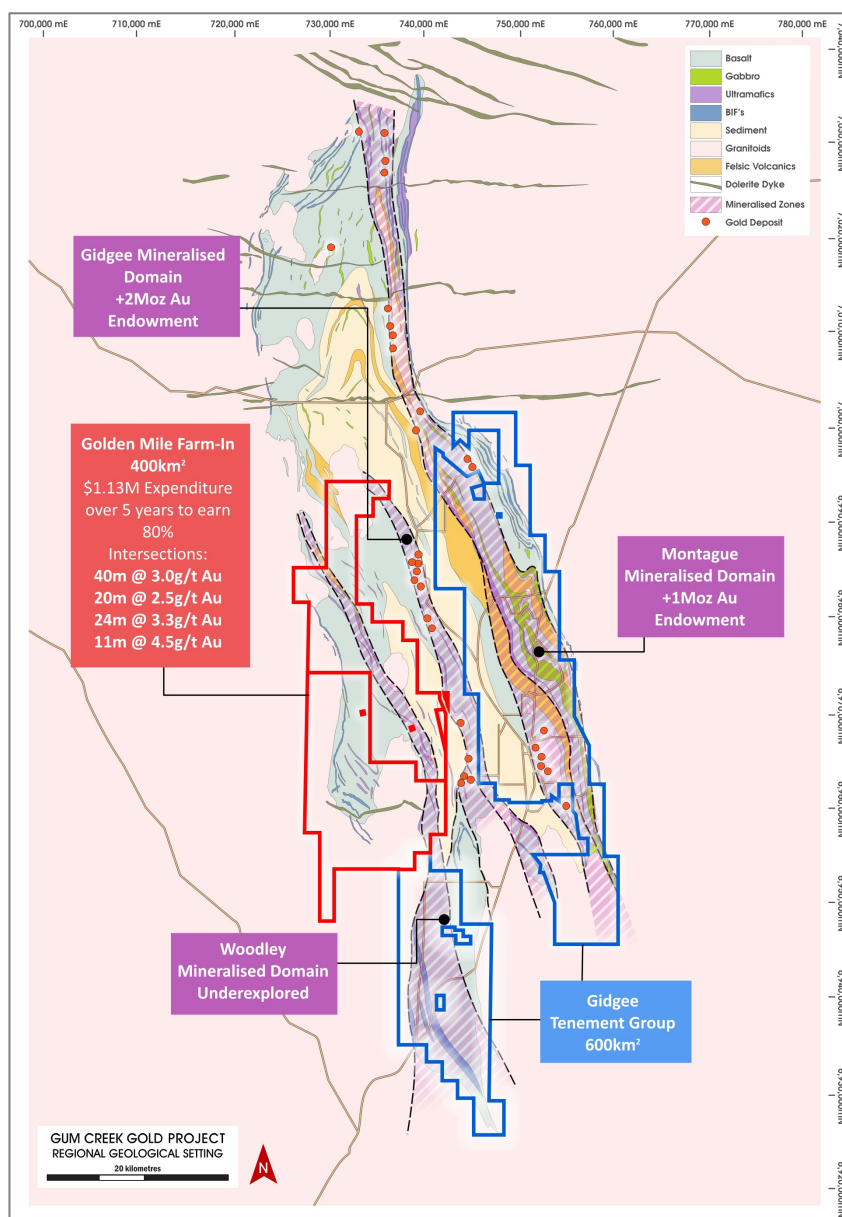


Figure (11): Gidgee Project Exploration Target Summary Plan with new Farm-in tenements

DIRECTORS' REPORT

RESOURCES

Gateway currently has a JORC 2012 Inferred Mineral Resource estimate (**MRE**) for the Gidgee Gold Project. This initial Mineral Resource position represents the first step in what is expected to be an ongoing process of Resource growth and upgrade over the short to medium term.

The reported MRE comprises a total Inferred Resource of **3.425 million tonnes grading 2.2g/t Au for 240,000 ounces of contained gold** (see Table 1). This Resource contains the **Whistler Gold Deposit** and **Montague Gold Deposit**, which are both located on the prospective margin of the Montague Granodiorite. The two Resources are located approximately 800m apart (see Figure 2).

Full details relating to the Resource estimation method and assumptions are detailed in the ASX Release dated 3 October 2019.

TABLE (1): GIDGEE GOLD PROJECT - OCTOBER 2019 MINERAL RESOURCE ESTIMATE SUMMARY				
Resource	Cut-off grade (g/t Au)	INFERRED		
		Tonnes	Grade (g/t)	Contained Gold (oz)
Whistler Open Pit	0.5	1,600,000	2.16	109,000
Whistler Underground	2	100,000	3.32	11,000
Sub-Total Whistler		1,700,000	2.23	120,000
Montague Open Pit	0.5	1,165,000	2.13	80,000
Boulder Open Pit	0.5	500,000	1.30	20,000
Montague Underground	2	60,000	10.3	20,000
Sub-Total Montague		1,725,000	2.18	120,000
Total Gidgee Gold Project		3,425,000	2.20	240,000

Note - The MRE is constrained within a A\$2,400 per ounce gold price pit shell optimisation.

REGIONAL PROJECTS

During the reporting period, the Company surrendered its remaining tenements at Cunyu (E51/1762), Edna May (E77/2290) and Thadoona (E51/1863). These actions, coupled with the Sylvania Project divestment detailed below, will allow the Company to completely focus its resources and capital on exploration of the Gidgee Gold Project, whilst retaining indirect exposure to the Edjudina and Southern Cross Projects (DiscovEx Resources Ltd) and Bryah Basin Project (Auris Minerals Ltd) through a free-carried non-controlling interest.

Sylvania Project – Divestment

As reported to the ASX on 28 July 2020, the Company announced the successful divestment of the Sylvania Project to Lighthouse Resources Holdings Pty Ltd (**Lighthouse**). As consideration for acquiring a 100% ownership interest in the Tenements, Lighthouse provided to Gateway the following consideration:

- \$150,000 in Lighthouse shares, comprising 7,500,000 fully paid ordinary shares at an issue price of \$0.02 per Share; and
- The grant of a 1.5% gross revenue royalty over the Tenements.

At completion, Gateway held an interest of approximately 25% in Lighthouse.

DIRECTORS' REPORT

Lighthouse has assembled a significant portfolio of projects on the margin of the Archean Sylvania Inlier near Newman, WA. The area is highly prospective for base metals, as demonstrated by the advanced Prairie Downs Zinc-Lead Deposit, and for large-scale gold systems similar to the nearby 2Moz Karlawinda Gold Project.

Subsequently, Gateway agreed to the sale of its shares in Lighthouse. In a transaction announced to the market in January 2021, DiscovEx Resources Ltd (**DCX**) agreed to acquire a 100% interest in Lighthouse. The consideration to be given by DCX for the acquisition of Lighthouse will be a total of 337,500,000 new fully-paid ordinary shares in DCX, to be issued to the shareholders of Lighthouse (or their nominees) on a pro-rata basis. In addition, Gateway retained its 1.5% Gross Revenue Royalty over the tenements.

Edjudina Project (DCX 80%:GML 20%) – Partial Divestment

During the reporting period Gateway entered into a Sale and Purchase Agreement with Orecorp Ltd (ASX: ORR) (**ORR**), for the sale of its 20% interest in two tenements (E31/1134 and E31/1150) in the Edjudina Project, currently part of a Joint Venture with DiscovEx Ltd (ASX: DCX). As consideration for the sale, Gateway received 46,153 ORR shares, and retained a 1.5% Gross Revenue Royalty over the tenements.

Southern Cross Project – Divestment

The Company had an option agreement for the sale of its exploration licence located at the northern end of the Southern Cross Greenstone Belt. The Company entered into a conditional option agreement (**Transaction**) with DCX under which DCX has an exclusive option to acquire Gateway Projects WA's interests in E77/2309 (**Tenement**) (**Option Agreement**).

During the period, Gateway reached an agreement with DCX to vary the terms of the Option Agreement. Under the varied terms Gateway will receive the following consideration for the sale of the Tenement:

- (a) (**Cash Consideration**): cash consideration of A\$50,000 at completion;
- (b) (**Share Consideration**): A\$250,000 fully-paid ordinary shares in the capital of DCX within 10 business days of DCX announcing a maiden JORC compliant Mineral Resource within the Tenement. The issue price of shares will be the 5-day VWAP of shares immediately prior to announcing the Mineral Resource; and
- (c) (**Royalty Consideration**): the grant of a 1.75% gross revenue royalty over the Tenement.

Subsequent to this variation, DCX elected to exercise its option to purchase the Tenement.

Divestment of Non-Core Sandstone asset to Alto

Gateway announced on 8 February 2021 that it had entered into a binding terms sheet for the sale of its exploration tenement E57/1108 (**Tenement**) located in the Sandstone region of Western Australia. This divestment is part of the Company's strategy of crystallising value from its portfolio of non-core exploration assets while maintaining a strong focus on gold exploration and development at its flagship 100%-owned Gidgee Gold Project.

The Company entered into a binding terms sheet (**Transaction**) with ASX-listed Alto Metals Limited (ASX: AME) (**Alto**) under which Alto has agreed to acquire an 100% interest in the Tenement (**Terms Sheet**).

As consideration for acquiring an 100% ownership interest in the Tenement, Alto will provide to Gateway the following consideration:

- \$50,000 in Alto shares (based on the 10-day volume weighed average price ending on the day before the date of execution of the Terms Sheet); and
- The grant of a 1% net smelter revenue royalty over the Tenement (**Royalty**). Alto have the right to extinguish the royalty by paying Gateway A\$2.5 million at decision to mine.

DIRECTORS' REPORT

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 or through the ASX website at 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.

DIRECTORS' REPORT

MINING TENEMENTS

The consolidated tenement holdings of the Group held during the reporting period are as follows:

Project	Tenement	Owner
GIDGEE	E53/2108*	Gateway Mining Ltd
GIDGEE	E57/1039	Golden Mile Resources Ltd, Gateway Mining Ltd Earning 80%
GIDGEE	E57/1040	Golden Mile Resources Ltd, Gateway Mining Ltd Earning 80%
GIDGEE	E57/1057	Gateway Projects WA Pty Ltd
GIDGEE	E57/1060	Gateway Mining Ltd 80%, Element 25 Ltd 20%
GIDGEE	E57/1067	Gateway Projects Pty Ltd
GIDGEE	E57/1144*	Gateway Mining Ltd
GIDGEE	E57/1145*	Gateway Mining Ltd
GIDGEE	E57/1147	Gateway Mining Ltd
GIDGEE	P57/1409	Gateway Projects WA Pty Ltd
GIDGEE	P57/1410	Gateway Projects WA Pty Ltd
GIDGEE	P57/1411	Gateway Projects WA Pty Ltd
GIDGEE	P57/1413	Gateway Projects WA Pty Ltd
GIDGEE	P57/1449	Gateway Mining Ltd
GIDGEE	P57/1455	Gateway Mining Ltd
GIDGEE	P57/1456	Gateway Mining Ltd
GIDGEE	P57/1457	Gateway Mining Ltd
GIDGEE	P57/1458	Gateway Mining Ltd
GIDGEE	P57/1459	Gateway Mining Ltd
GIDGEE	P57/1460	Gateway Mining Ltd
GIDGEE	P57/1461	Gateway Mining Ltd
GIDGEE	P57/1494*	Gateway Mining Ltd
GIDGEE	P57/1495*	Gateway Mining Ltd
GIDGEE	P57/1496*	Gateway Mining Ltd
KALUWIRI	E57/1171	Gateway Mining Ltd
KALUWIRI	E57/1178*	Gateway Mining Ltd
KALUWIRI	P57/1475	Gateway Mining Ltd
KALUWIRI	P57/1476	Gateway Mining Ltd
MONTAGUE	E57/0405	Gateway Mining Ltd
MONTAGUE	E57/0417	Gateway Mining Ltd
MONTAGUE	E57/0687	Gateway Mining Ltd
MONTAGUE	E57/0688	Gateway Mining Ltd
MONTAGUE	E57/0793	Gateway Mining Ltd 75%, Estuary Resources Pty Ltd 25%

DIRECTORS' REPORT

MONTAGUE	E57/0807	Gateway Mining Ltd
MONTAGUE	E57/0823	Gateway Mining Ltd
MONTAGUE	E57/0824	Gateway Mining Ltd
MONTAGUE	E57/0874	Gateway Mining Ltd
MONTAGUE	E57/0875	Gateway Mining Ltd
MONTAGUE	E57/0876	Gateway Mining Ltd
MONTAGUE	E57/0888	Gateway Mining Ltd
MONTAGUE	E57/0945	Gateway Mining Ltd
MONTAGUE	E57/1004	Gateway Mining Ltd
MONTAGUE	E57/1005	Gateway Mining Ltd
MONTAGUE	M57/0048	Gateway Mining Ltd
MONTAGUE	M57/0098	Gateway Mining Ltd
MONTAGUE	M57/0099	Gateway Mining Ltd
MONTAGUE	M57/0217	Gateway Mining Ltd
MONTAGUE	M57/0429	Gateway Mining Ltd 75%, Estuary Resources Pty Ltd 25%
MONTAGUE	M57/0485	Gateway Mining Ltd 75%, Estuary Resources Pty Ltd 25%
MOUNT MARION	E57/1113	Gateway Mining Ltd
OLD GIDGEE	E57/1095	Gateway Mining Ltd
EDJUDINA	E39/1765	DiscovEx Resources Ltd 80% Gateway Projects Pty Ltd 20%
EDJUDINA	E39/1882	DiscovEx Resources Ltd 80% Gateway Projects Pty Ltd 20%
BRYAH BASIN	E52/3248	Auris Minerals Ltd 85% Gateway Projects Pty Ltd 15%
BRYAH BASIN	E52/3273	Auris Minerals Ltd 85% Gateway Projects Pty Ltd 15%
*Tenement application, approval pending		

DIRECTORS' REPORT

CORPORATE ACTIVITIES

Capital Raising

During the reporting period, the Company announced it successfully completed a capital raising of A\$7 million (before costs) (**Placement**) to institutional, professional and sophisticated investors.

The Placement, which comprised the issue of 437,500,000 shares at an issue price of \$0.016 per share, was overwhelmingly supported by existing and new investors including, subject to shareholder approval, the Company's Directors.

The Placement saw further support from the Company's largest shareholder, Mr Kerry Harmanis, who subscribed for A\$1.0 million of the Placement. The issue of shares to Mr Harmanis will be subject to shareholder approval under Tranche 2 as detailed further below.

The Company also launched a Share Purchase Plan (**SPP**). Under the SPP eligible shareholders had the opportunity to apply for up to \$30,000 worth of fully-paid ordinary shares in Gateway at \$0.016 per share to raise \$2 million. In light of the overwhelming support received from shareholders and the \$2 million amount being surpassed, the Company elected to close the SPP early. The Company advised that it would scale back valid applications equally on a pro rata basis in accordance with the terms of the SPP offer.

Unmarketable Buy-Back

On 7 December 2020, the Company announced details of an Unmarketable Parcel Sale Facility for holders of less than marketable parcels of shares in the Company (**Buy-Back**).

Under the ASX Listing Rules, holdings of Gateway shares valued at less than \$500 are considered to be less than marketable parcels (**Unmarketable Parcels**). The Buy-Back was instituted to enable shareholders holding Unmarketable Parcels (**Eligible Shareholders**) to sell their shares back to the Company.

On the basis of the Buy-Back price per share of \$0.0282 and the register of members of Gateway as at 7:00pm (AEDT) on the record date 3 December 2020:

- (a) An Unmarketable Parcel of shares is any shareholding of less than 17,731 shares;
- (b) 737 out of 2,755 Gateway Shareholders hold an Unmarketable Parcel; and
- (c) the total value of Gateway fully paid ordinary shares held by all holders of Unmarketable Parcels is A\$91,609.82.

The Buy-Back subsequently closed after a total of 2,605,436 Gateway shares had been acquired under the Buy-Back at the Buy-Back Price and were cancelled in accordance with the Corporations Act 2001 (Cth).

Key Board and Management Changes

During the period, the Company announced a number of senior board and management changes as it embarks on the next stage of growth at its flagship 100%-owned Gidgee Gold Project in Western Australia and begins the transition from junior explorer to developer.

The changes are designed to ensure that the Company has a strong, well-balanced and experienced senior leadership team in place to oversee the execution of its accelerated exploration strategy and to advance the Gidgee Project rapidly towards feasibility and development.

The Company has experienced significant growth in the last 24 months since its strategic refocus on the Gidgee Gold Project, and is entering the next phase of its strategy of building a significant mid-tier Australian gold company.

DIRECTORS' REPORT

In recognition of his strong performance as Executive Technical Director since his appointment in 2019, the Board decided to appoint Mr Mark Cossom as Managing Director. Mr Cossom assumed full executive responsibility for the day-to-day management of the Company and the exploration programs at Gidgee.

Ms Debra Fullarton and Mr Scott Brown retained their positions as Non-Executive Directors of the Company.

During the period, the Company's Executive Chairman, Peter Langworthy, resigned from the board, following his decision to step down from all public company positions to allow him to focus on his private business interests and spend more time with his family. Mr Langworthy will continue to be a supportive major shareholder in Gateway and will continue to provide ongoing technical and strategic input to Gateway under a consultancy arrangement.

Non-Executive Director Trent Franklin assumed the role of Chairman.

Following the changes, the structure of the Board and its officers is as follows:

- Mark Cossom – Managing Director;
- Trent Franklin – Non-Executive Chairman;
- Debra Fullarton – Non-Executive Director;
- Scott Brown – Non-Executive Director; and
- Kar Chua – Company Secretary.

Issue of Incentive Options to Directors and Employees

During the reporting period, Gateway announced that it intends to make an offer of unquoted Options to Directors and employees under its Employee Incentive Plan.

Since the Company reset its strategic direction in 2018 focusing on gold exploration at its flagship Gidgee Gold Project in Western Australia, the Company's existing directors, employees and contractors have been integral in advancing the Company's exploration objectives and progressing the Company's stated objectives.

This strategic focus has resulted in significant exploration success at the Gidgee Project, over the past 12 months, paving the way for an expanded exploration program in 2021 aimed at aggressively expanding the resource base and advancing the project towards development.

At the Company's 2019 Annual General Meeting, shareholders approved the implementation of the Gateway Mining Employee Incentive Scheme, which allowed the Board to issue incentive options to its employees and consultants, with the objective of aligning the objectives of employees more closely with the interests of the Company and its shareholders, while also attracting, motivating and retaining valuable employees and consultants.

At the time of this approval, the terms of the Incentive Scheme denied participation by Directors in the scheme.

Accordingly, the Board has resolved that, in order to continue to ensure strong alignment of objectives and interests across the Company's entire senior leadership team and employee group, the terms of the Incentive Scheme be amended to allow Directors to participate in the scheme.

These options will vest in three tranches, with the exercise price of each tranche set to appropriately incentivise the Directors as the Company moves up the value curve with continued resource growth and development progress at the Gidgee Project over the next few years.

The Company issued a total of 33,000,000 unquoted options to directors. The Options issued to directors under the Employee Incentive Scheme were issued pursuant to the Shareholder Approval at a general meeting of shareholders of the Company on 30 April 2021 pursuant to ASX Listing Rule 10.14. 9,000,000 of the Options were issued to Mr Langworthy who has since resigned as a director of the Company as Executive Chairman and as the vesting date of these options were not satisfied, these options have lapsed.

DIRECTORS' REPORT

The Company has also made an offer of a total 5,800,000 unquoted options under its Employee Incentive Scheme to its Senior Project Geologist and Exploration Manager.

Financial Results

The loss of the Group for the financial year after providing for income tax amounted to \$1,590,069 compared to a loss of \$666,835 for the previous year.

The Group incurred exploration expenditure of \$5,580,125 during the year (2020: \$3,492,768).

The Group's cash and cash equivalents at 30 June 2021 was \$3,574,249 (2020: \$1,257,375).

The total net assets of the Group stands at \$19,823,954 (2020: \$12,464,742) of which investment in exploration expenditure accounts for \$14,618,298 (2020: \$10,032,088).

The Group is a mining exploration entity, and as such does not earn income from the sale of product. No dividends have been declared or paid during the year.

DIRECTORS AND COMPANY SECRETARY

The names and details of the directors and the Company Secretary of the Group in office at the date of this report are as follows:

Trent Franklin
Non-Executive Chairman
BSc (Geology)

Mr Trent Franklin is a qualified geologist with a strong track record of corporate experience. He is currently the Managing Director of Enrizen Financial Group and formerly a director of the Australian Olympic Committee Inc. and Australian Water Polo Inc. He is also an Associate of the Australian Institute of Company Directors. Furthermore, Mr Franklin is currently director of listed company Strickland Metals Limited and company secretary of listed company Silver Mines Limited.

Mark Cossom
Managing Director
MSc (Mineral Economics), BSc (Applied Geology) (Hons)

Mr Cossom is a highly regarded geologist and mining executive with a strong background in gold exploration and mining geology, coupled with strong economic evaluation and corporate experience. He was a key part of the team that helped transform Doray Minerals from a junior gold explorer to an ASX-200 gold miner, holding a range of senior positions with the company including as Geology-Development Manager from 2010-2015 and General Manager – Geology and Exploration from 2015 to 2019 (prior to its takeover by Silver Lake Resources). Mark Cossom is currently director of listed company Strickland Metals Limited.

DIRECTORS' REPORT

DIRECTORS AND COMPANY SECRETARY (CONTINUED)

Scott Brown
Non-Executive Director

Mr Scott Brown is a Company Director with 25 years experience in project management, business development and logistics across resource sectors, security risk-management and commercial construction, both in Australia and internationally.

Debra Fullarton
Non-Executive Director
BA (Accounting) (Hons)

Ms Debra Fullarton is an experienced Chartered Accountant with 25 years experience in senior roles including as Executive Director, Chief Financial Officer and Financial Manager at Auris Minerals Ltd and De Beers Australia Exploration Limited. She is currently the Group Chief Executive Officer of Westgold Resources Limited.

Kar Chua
Company Secretary
B.Com (Accounting and Corporate Finance)

Mr Kar Chua is a member of the Institute of Chartered Accountants in Australia. He has a range of experience in assisting a number of ASX-listed companies with their reporting, company secretarial and accounting functions, in addition to having a background in financial reporting for the Australia/New Zealand operations of a substantial multi-national group.

DIRECTORS' MEETINGS

During the financial year, 6 meetings of directors (including committees) were held.

	Meetings eligible to attend	Meetings attended
T Franklin	6	6
P Langworthy*	4	4
D Fullarton	6	5
S Brown	6	6
M Cossom	6	6

**Resigned 25 May 2021*

The Group does not have a separate Audit Committee as this function is performed by the Board.

DIRECTORS' REPORT

ENVIRONMENTAL REGULATION

The Group's operations are subject to various environmental regulations under Western Australian State Legislation and Regulations. The directors are not aware of any material breaches during the financial year.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

Capital Raising

During the reporting period, the Company announced it successfully completed a capital raising of A\$7 million (before costs) (**Placement**) to institutional, professional and sophisticated investors.

The Placement, which comprised the issue of 437,500,000 shares at an issue price of \$0.016 per share, was overwhelmingly supported by existing and new investors including, subject to shareholder approval, the Company's Directors.

The Placement saw further support from the Company's largest shareholder, Mr Kerry Harmanis, who subscribed for A\$1.0 million of the Placement. The issue of shares to Mr Harmanis will be subject to shareholder approval under Tranche 2 as detailed further below.

The Company also launched a Share Purchase Plan (**SPP**). Under the SPP eligible shareholders had the opportunity to apply for up to \$30,000 worth of fully-paid ordinary shares in Gateway at \$0.016 per share to raise \$2 million. In light of the overwhelming support received from shareholders and the \$2 million amount being surpassed, the Company elected to close the SPP early. The Company advised that it would scale back valid applications equally on a pro rata basis in accordance with the terms of the SPP offer.

DIRECTORS' REPORT

FUTURE DEVELOPMENTS, PROSPECTS AND BUSINESS STRATEGIES

The directors believe, on reasonable grounds, that it would unreasonably prejudice the interests of the Group if any further information on likely developments, future prospects and business strategies in the operations of the Group and the expected results of these operations, were included herein.

REMUNERATION REPORT

The remuneration report, which has been audited, outlines key management personnel remuneration arrangements for the consolidated entity, in accordance with the requirements of the *Corporations Act 2001* and its regulations.

Directors' and Specific Executives' (being key management personnel) Remuneration

The Group's policy for determining the nature and amount of emoluments of board members and executives is as follows:

Group officers and directors are remunerated to a level consistent with the size of the Group. The Group's aim is to remunerate at a level that will attract and retain suitably qualified directors and employees.

The remuneration of non-executive directors is determined by the Board. This remuneration is by way of a fixed fee and may be supplemented by the issue of incentive options as approved by shareholders in a general meeting of the Group.

The remuneration structure for executive officers is based on a number of factors including experience of the individual concerned and their overall performance. The contracts for service between the Group and executives are on a fixed basis the terms of which are not expected to change in the immediate future.

As the Group is a mining exploration entity, it does not earn any revenue from the sale of product. The Group is therefore reliant on raising capital to continue operations. Consequently, the directors are very mindful of keeping cash remuneration to minimum levels. The Board may consider other non-cash remuneration in the future should it be required to attract and maintain particular talent.

The Board is of the opinion shareholder interests have been well looked after by keeping cash remuneration levels low relative to many industry peers.

Directors and Specified Executives' (being key management personnel) Interests

As at 30 June 2021, the interests of the directors and specified executives in the shares and options of the Group were as below.

Shareholdings of Key Management Personnel

The number of shares held directly, indirectly or beneficially, by each Key Management Person, including their controlled entities, is as follows:

DIRECTORS' REPORT

REMUNERATION REPORT (CONTINUED)

2021

Key Management Person	Balance at the start of the year	Net changes during the year	Net change due to directors' resignations	Balance at the end of the year
Peter Langworthy ¹	30,025,643	3,125,000	(33,150,643)	-
Trent Franklin ²	40,639,511	10,043,489	-	50,683,000
Scott Brown ³	6,602,564	3,125,000	-	9,727,564
Debra Fullarton	2,333,333	-	-	2,333,333
Mark Cossom	3,333,333	1,875,000	-	5,208,333
Kar Chua	1,666,667	860,466	-	2,527,133

1. Mr Langworthy also indirectly holds 147,916,668 shares in the Company through Omni GeoX Pty Ltd of which he is a director and has a 37% shareholding. Mr Langworthy also indirectly holds 38,666,667 shares in the company through Crest Investment Group Limited of which he has a 2.7% shareholding.
2. Mr Franklin's shares are indirectly held in entities Accrecap Pty Ltd, Enrizen Accounting Pty Ltd and Enable Investment Manager Pty Ltd, of which Mr Franklin is a director of both companies.
3. Mr Brown's shares are indirectly held in entity Gold River Pty Ltd, of which Mr Brown is as director of the company. He also indirectly holds 147,916,668 Shares in the Company through Omni GeoX Pty Ltd of which he is a director and has a 4.5% shareholding. Mr Brown also indirectly holds 38,666,667 shares in the Company Crest Investment Group Limited of which he has a 2.7% shareholding.

2020

Key Management Person	Balance at the start of the year	Net changes during the year	Net change due to directors' resignations	Balance at the end of the year
Peter Langworthy ¹	15,666,668	14,358,945	-	30,025,643 ¹
Trent Franklin ²	30,106,178	10,533,333	-	40,639,511 ²
Scott Brown ³	2,500,000	4,102,564	-	6,602,564 ³
Debra Fullarton	1,333,333	1,000,000	-	2,333,333
Mark Cossom	-	3,333,333	-	3,333,333
Kar Chua	1,666,667	-	-	1,666,667

1. Mr Langworthy also indirectly holds 141,666,668 shares in the Company through Omni GeoX Pty Ltd of which he is a director and has a 37% shareholding. Mr Langworthy also indirectly holds 38,666,667 shares in the company through Crest Investment Group Limited of which he has a 2.7% shareholding.
2. Mr Franklin's shares are indirectly held in entities Accrecap Pty Ltd, Enrizen Accounting Pty Ltd and Enable Investment Manager Pty Ltd, of which Mr Franklin is a director of both companies.
3. Mr Brown's shares are indirectly held in entity Gold River Pty Ltd, of which Mr Brown is as director of the company. He also indirectly holds 141,666,668 Shares in the Company through Omni GeoX Pty Ltd of which he is a director and has a 4.5% shareholding. Mr Brown also indirectly holds 38,666,667 shares in the Company Crest Investment Group Limited of which he has a 2.7% shareholding.

Option holdings of Key Management Personnel

2021

Key Management Person	Balance at the start of the year	Net changes during the year	Net change due to directors' resignation	Balance at the end of the year (Vested)	Balance at the end of the year (Vesting)
Peter Langworthy	20,000,000	-	(20,000,000)	-	-
Trent Franklin	-	6,000,000	-	-	6,000,000
Mark Cossom	8,000,000	12,000,000	-	2,000,000	18,000,000
Scott Brown	-	3,000,000	-	-	3,000,000
Kar Chua	1,000,000	-	-	666,667	333,333
Debra Fullarton	-	3,000,000	-	-	3,000,000

DIRECTORS' REPORT

REMUNERATION REPORT (CONTINUED)

2020

Key Management Person	Balance at the start of the year	Net changes during the year	Balance at the end of the year (Vested)	Balance at the end of the year (Vesting)
Peter Langworthy	21,666,667	(1,666,667) ¹	20,000,000	-
Mark Cossom	-	8,000,000	2,000,000	6,000,000
Scott Brown	500,000	(500,000) ²	-	-
Kar Chua	-	1,000,000	-	1,000,000

1. Expiry of Options 16 March 2020. Mr Langworthy also indirectly held 333,334 unlisted options in the Company through Omni GeoX Pty Ltd of which he is a director and has a 37% shareholding. Mr Langworthy also indirectly held 6,666,667 unlisted options in the Company through Crest Investment Group Limited of which he has a 2.7% shareholding. These indirectly held options also expired on 16 March 2020.
2. Expiry of Options 16 March 2020. Mr Brown also indirectly held 333,334 unlisted options in the Company through Omni GeoX Pty Ltd of which he is a director and has a 4.5% shareholding. Mr Brown also indirectly held 6,666,667 unlisted options in the Company through Crest Investment Group Limited of which he has a 2.7% shareholding. These indirectly held options also expired on 16 March 2020.

The terms and conditions of each grant of options affecting remuneration in the current or a future reporting period are as follows:

Grant date	Vesting and exercise date	Expiry date	Exercise price	Value per option at grant date	% Vested
12 November 2019	12 May 2020	12 November 2022	\$0.030	\$0.011	100%
12 November 2019	Milestone achievement (Resource) ¹	12 November 2022	\$0.035	\$0.010	54%
12 November 2019	Milestone achievement (Scoping Study) ²	12 November 2022	\$0.040	\$0.010	40%
19 June 2020	19 December 2020	19 June 2023	\$0.030	\$0.022	100%
19 June 2020	19 June 2021	19 June 2023	\$0.035	\$0.0115	100%
19 June 2020	19 December 2021	19 June 2023	\$0.040	\$0.0110	69%
12 May 2021	11 Nov 2021 ³	12 May 2024	\$0.038	\$0.0019	27%
12 May 2021	12 May 2022 ⁴	12 May 2024	\$0.048	\$0.0008	13%
12 May 2021	11 Nov 2022 ⁵	12 May 2024	\$0.058	\$0.0005	9%

1. Vesting on the date the Company announces an audited JORC Compliant Indicated resource of 400,000 ounces or greater of gold ("Resource")
2. Vesting on the date the Company finalises and delivers a scoping study and financial model based on the Resource.
3. Vest six months following the issue date
4. Vest twelve months following the issue date
5. Vest eighteen months following the issue date

DIRECTORS' REPORT

REMUNERATION REPORT (CONTINUED)

Details of Remuneration

The aggregate compensation made to directors and other members of key management personnel of the consolidated entity is set out below:

2021

Personnel	Short-term benefits			Post-employment benefits	Share-based payments		Total
	Cash salary and fees	Cash bonus	Non-monetary benefits	Super-contribution	Equity-settled shares	Equity-settled options	
	\$	\$	\$	\$	\$	\$	\$
Directors:							
M Cossom	275,327	-	-	25,531	-	12,901	313,759
P Langworthy	168,950	-	-	16,050	-	-	185,000
T. Franklin	58,000	-	-	-	-	6,450	64,450
S Brown	36,000	-	-	-	-	3,225	39,225
D Fullarton	36,000	-	-	-	-	3,225	39,225
Other Key Management Personnel:							
K Chua ¹	126,000	-	-	-	-	9,946	135,946
Total	700,277	-	-	41,581	-	35,747	777,605

1. Fee Payable to Mr. K Chua are paid to Enrizen Accounting Pty Ltd and encompass Company Secretarial as well as accounting services to the Group

2020

Personnel	Short-term benefits			Post-employment benefits	Share-based payments		Total
	Cash salary and fees	Cash bonus	Non-monetary benefits	Super-contribution	Equity-settled shares	Equity-settled options	
	\$	\$	\$	\$	\$	\$	\$
Directors:							
M Cossom	174,819	-	-	16,608	-	43,742	235,169
P Langworthy	182,648	-	-	17,352	-	-	200,000
T. Franklin	48,000	-	-	-	-	-	48,000
S Brown	36,000	-	-	-	-	-	36,000
D Fullarton	36,000	-	-	-	-	-	36,000
Other Key Management Personnel:							
K Chua ¹	60,000	-	-	-	60,000	73	120,073
Total	537,467	-	-	33,960	60,000	43,815	675,242

2. Fee Payable to Mr. K Chua are paid to Enrizen Accounting Pty Ltd and encompass Company Secretarial as well as accounting services to the Group

DIRECTORS' REPORT

REMUNERATION REPORT (CONTINUED)

Key Service Agreements

Mr Mark Cossom has entered into an executive services agreement with the Group in which he receives total remuneration of \$265,000 per annum (plus statutory superannuation). During the year, he also received 12,000,000 unlisted options in the Company subject to a number of vesting conditions. Mr Cossom or the Group may terminate the agreement by providing 3 months' notice. The Group may terminate the agreement without notice for cause including if the director commits a serious or persistent breach of their obligations or engages in an act of serious misconduct.

Mr Trent Franklin has entered into an agreement with the Group whereby he receives a director's fee of \$4,000 per month. During the year, he also received 6,000,000 unlisted options in the Company subject to a number of vesting conditions. The agreement can be terminated by the director by providing ninety days' written notice or by shareholders following a resolution of a general meeting; or by operation of law including if the director becomes disqualified from acting as a director of a public company pursuant to the Corporations Act or Bankruptcy Act.

Mr Scott Brown. The service agreement with Omni GeoX Pty Ltd provides non-executive director services to the Group for a fee of \$3,000 per month. During the year, he also received 3,000,000 unlisted options in the Company subject to a number of vesting conditions. Mr Brown provides services to the Group on behalf of Omni GeoX Pty Ltd. The agreement can be terminated by the director by providing ninety days' written notice or by shareholders following a resolution of a general meeting; or by operation of law including if the director becomes disqualified from acting as a director of a public company pursuant to the Corporations Act or Bankruptcy Act.

Ms Debra Fullarton. The service agreement with CA Direct Pty Ltd provides non-executive director services to the Group for a fee of \$3,000 per month. During the year, she also received 3,000,000 unlisted options in the Company subject to a number of vesting conditions. Ms Fullarton provides services to the Group on behalf of CA Direct Pty Ltd. The agreement can be terminated by the director by providing ninety days' written notice or by shareholders following a resolution of a general meeting; or by operation of law including if the director becomes disqualified from acting as a director of a public company pursuant to the Corporations Act or Bankruptcy Act.

DIRECTORS' REPORT

REMUNERATION REPORT (CONTINUED)

Voting and comments made at the Group's 2020 Annual General Meeting (AGM)

At the 2020 AGM, 96.25% of the votes received supported the adoption of the remuneration report for the year ended 30 June 2020. The Company did not receive any specific feedback at the AGM regarding its remuneration practices.

Performance Indicators

The earning of the consolidated entity for the five years to 30 June 2021 are summarised below:

	2021 \$,000	2020 \$,000	2019 \$,000	2018 \$,000	2017 \$,000
Sales Revenue	N/A	N/A	N/A	N/A	N/A
EBITDA	(1,558)	(666)	(784)	(624)	(9,249)
EBIT	(1,590)	(666)	(785)	(625)	(9,249)
Loss after Income Tax	(1,590)	(667)	(776)	(619)	(9,247)

The factors that are considered to affect total shareholders return ('TSR') are summarised below:

	2021	2020	2019	2018	2017
Share price at financial year end (\$)	0.018	0.019	0.010	0.026	0.019
Total dividends declared (cents per share)	-	-	-	-	-
Basic earnings per share (cents per share)	(0.09)	(0.05)	(0.08)	(0.13)	(3.01)

During the year, the Group entered into the following transactions with related parties:

Omni GeoX Pty Ltd which is a related party of Peter Langworthy (Managing Director) and Scott Brown (non-executive director) was paid \$761,521 (2020: \$899,622) for Geological services. As at reporting date, \$117,272 was payable to Omni GeoX Pty Ltd.

Related parties of Trent Franklin, a non-executive chairman of the Group including Enrizen Capital Pty Ltd received \$40,000 (2020: \$12,620) for capital raising and underwriting services; Enrizen Pty Ltd received \$3,165 (2020: \$2,955) for insurance services; Enrizen Lawyers Pty Ltd received \$101,198 (2020: \$125,164) for legal services; Enrizen Services Pty Ltd received \$Nil (2020: \$721) for website design services; Enrizen Accounting Pty Ltd transactions for company secretarial and accounting services are disclosed under the remuneration report for the key management person (2020: \$60,000). As at reporting date, \$30,000 was payable to Enrizen Accounting Pty Ltd and \$1,540 was payable to Enrizen Lawyers Pty Ltd.

This concludes the Remuneration Report which has been audited.

DIRECTORS' REPORT

Shares under option

Unissued ordinary shares of Gateway Mining Limited under option at the date of this report are as follows:

Grant Date	Expiry Date	Exercise Price	Number
16 March 2018	28 February 2022	\$0.017	6,666,667
16 March 2018	28 February 2022	\$0.018	6,666,667
16 March 2018	28 February 2022	\$0.02	6,666,666
12 November 2019	12 November 2022	\$0.03	2,000,000
12 November 2019	12 November 2022	\$0.035	3,000,000
12 November 2019	12 November 2022	\$0.04	3,000,000
12 November 2019	12 November 2022	\$0.03	2,000,000
19 June 2020	19 June 2023	\$0.03	2,833,331
19 June 2020	19 June 2023	\$0.035	1,500,000
19 June 2020	19 June 2023	\$0.04	1,500,000
19 June 2020	19 June 2023	\$0.035	1,833,332
19 June 2020	19 June 2023	\$0.04	1,833,337
26 August 2020	26 August 2023	\$0.024	10,000,000
2 February 2021	2 February 2024	\$0.038	1,933,333
2 February 2021	2 February 2024	\$0.048	1,933,333
2 February 2021	2 February 2024	\$0.058	1,933,334
12 May 2021	12 May 2024	\$0.038	11,000,000
12 May 2021	12 May 2024	\$0.048	11,000,000
12 May 2021	12 May 2024	\$0.058	11,000,000

No person entitled to exercise the options had or has any right by virtue of the option to participate in any share issue of the company or of any other body corporate.

Shares issued on the exercise of options

No fully paid ordinary shares of Gateway Mining Limited were issued on the exercise of options during the year ended 30 June 2021 and up to the date of this report.

DIRECTORS' REPORT

Options issued to employees or Key Management Personnel

The following options were issued to directors who were part of Key Management Personnel during the reporting period under the Company's Employee Incentive Plan:

Item	First Vesting Options	Second Vesting Options	Third Vesting Options
Options to Mark Cossom	4,000,000	4,000,000	4,000,000
Options to Peter Langworthy	3,000,000	3,000,000	3,000,000
Options to Trent Franklin	2,000,000	2,000,000	2,000,000
Options to Scott Brown	1,000,000	1,000,000	1,000,000
Options to Debra Fullarton	1,000,000	1,000,000	1,000,000
Vesting conditions	Vest six (6) months following the issue date.	Vest twelve (12) months following the issue date.	Vest eighteen (18) months following the issue date.
Exercise price	\$0.038 per Option	\$0.048 per Option	\$0.058 per Option
Expiry date	12 May 2024	12 May 2024	12 May 2024

The Options issued to directors under the Employee Incentive Scheme were issued pursuant to the Shareholder Approval at a general meeting of shareholders of the Company on 30 April 2021 pursuant to ASX Listing Rule 10.14.

9,000,000 of the Options were issued to Mr Langworthy who has since resigned as a director of the Company as Executive Chairman and as the vesting date of these options were not satisfied, these options have lapsed.

The following options were issued to Company employees who are not part of Key Management Personnel during the reporting period under the Company's Employee Incentive Plan:

Item	First Vesting Options	Second Vesting Options	Third Vesting Options
Amount of options	1,933,333	1,933,333	1,933,334
Vesting conditions	Vest six (6) months following the issue date.	Vest twelve (12) months following the issue date.	Vest eighteen (18) months following the issue date.
Exercise price	\$0.038 per Option	\$0.048 per Option	\$0.058 per Option
Expiry date	2 February 2024	2 February 2024	2 February 2024

There were no options issued to employees or Key Management Personnel after 30 June 2021.

DIRECTORS' REPORT

CORPORATE GOVERNANCE

In recognising the need for the highest standards of corporate behaviour and accountability, the directors of Gateway Mining Limited support and adhere to the principles of corporate governance. These principles have been formalised by the Board in the corporate governance statement contained in the additional ASX information section of the annual report.

PROCEEDINGS ON BEHALF OF THE GROUP

No person has applied for leave of Court to bring proceedings on behalf of the Group or intervene in any proceedings to which the Group is a party for the purpose of taking responsibility on behalf of the Group for all or any part of those proceedings.

The Group was not a party to any such proceedings during the year.

NON-AUDIT SERVICES

There were no non-audit services performed by the external auditor during the financial year.

AUDITOR INDEPENDENCE DECLARATION

The auditor's independence declaration under Section 307C of the *Corporations Act 2001* for the year ended 30 June 2021 is enclosed and forms part of this annual report.

INDEMNIFYING OFFICERS

The Group has paid a premium to insure the directors and officers of the Group.

The insurance agreement limits disclosure of premium details.

The insurance premiums relate to:

- Costs and expenses incurred by the relevant officers in defending proceedings, whether civil or criminal and whatever their outcome; and
- Other liabilities that may arise from their position, with the exception of conduct involving a wilful breach of duty or improper use of information or position to gain a personal advantage.

INDEMNITY AND INSURANCE OF AUDITOR

The Group has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the Group or any related entity against a liability incurred by the auditor.

During the financial year, the Group has not paid a premium in respect of a contract to insure the auditor of the Group or any related entity.

DIRECTORS' REPORT

EVENTS SUBSEQUENT TO REPORTING DATE

New High Grade Gold Zone Discovered Between Montague-Boulder and Northeast Pits At Gidgee

Subsequent to the reporting period, the Company reported further high-grade assay results from systematic Reverse Circulation (RC) and diamond drilling between the historic Montague-Boulder and Northeast open pits, part of its 100%-owned Gidgee Gold Project in Western Australia.

RC and diamond drilling over an ~800m strike length between the historic Montague-Boulder and Northeast Open Pits have identified the following:

- A new high-grade zone of gold mineralisation that is interpreted as an extensive, moderately-dipping structure, with a series of steep "Link Structures". These linking structures have only recently been identified and represent a highly prospective new target.
- Significant high-grade gold intersections (located ~300m apart) from the newly discovered structure include:
 - **GRC698: 3.0 metres @ 11.5g/t Au from 177m**
 - **GDD023: 3.2 metres @ 5.0g/t Au from 314m**
- Interpretation of these results indicates that they correspond to the Gordon's Lode, located below the current Mineral Resource at Montague Boulder, approximately 550m to the north. There is no effective drilling of this structure between the two positions. Previously reported high-grade intersections from the Gordon's Lode include¹:
 - **GRC330: 4.0 metres @ 24g/t Au from 241m**
 - **GRC603: 2.0 metres @ 5.6g/t Au from 178m**
- A series of "Link Structures", which appear to coincide with extensive lines of historic shafts, have now been identified over a strike length of approximately 500m. These structures were first identified in recently reported RC drilling to the south² and represent new high-priority follow-up drill targets. Drilling results returned from these structures are now reported as:
 - **GRC679: 26 metres @ 2.1g/t Au from 64m, including 5m @ 7.9g/t Au⁴**
 - **GRC671: 2 metres @ 5.9g/t Au from 11m and 4m @ 4.5g/t Au from 32m⁴**
 - **GRC698: 1 metre @ 3.2g/t Au from 18m**
 - **GDD023: 4 metres @ 1.6g/t Au from 23m**
- These intersections, from sections spaced approximately 80m apart, have stepped out approximately 550m to the south of those intersections within the Montague-Boulder Mineral Resource area. The intersections represent a down-dip extent of over 300m and remain open along strike and down-dip (see Figures 1 and 2).
- The high-grade tenor of these intercepts, returned from sparse deeper drilling over a wide area, is significant in that it points to the potential for substantial high-grade domains to be present along this structure south of the Montague-Boulder Mineral Resource.
- Targeted drilling within the Montague-Boulder Mineral Resource in late-2020 by Gateway demonstrated that these high-grade domains can be extensive along strike.

¹ See ASX Releases dated 10 July 2018 and 18 December 2020

² See ASX Release dated 1 June 2021

DIRECTORS' REPORT

- Diamond hole GDD023 was drilled as part of the Exploration Incentive Scheme (EIS) made available by the WA State Government. The aim of this hole was to test for deeper, repeat structures and to provide invaluable litho-structural information to advance the broader understanding of the Northwest margin gold system. Gateway acknowledges and thanks the WA State Government for its support of exploration.
- Data generated from drilling and subsequent interpretation by Gateway is illuminating the extensive structurally controlled gold system present along the Northwestern Margin, which includes the current Montague-Boulder Mineral Resource, and extensions along strike to the north (including the high-grade Evermore discovery) and south, as well as multiple “stacked” mineralised structures.
- This work has been critical to understanding the “live” structures present and identifying the controls on the high-grade components. There is clear potential to delineate further economic mineralisation within a system that has seen five open pits mined historically over those areas where mineralisation has outcropped. Work to date has identified significant mineralisation away from these pits in relatively shallow positions, over a strike length of over 2.5km, and localized areas of substantial high grades.

Resources Growth

Subsequent to the reporting period, the Company announced that it has now received all assay results from its 2021 drilling program at the 100%-owned Gidgee Gold Project in Western Australia, with compilation and interpretation of the data paving the way the next phase of resource growth at the Project.

Systematic RC and diamond drilling was completed over the entire 2.5km Northwest Margin of the Montague Granodiorite dome with the program already resulting in the previously reported discovery of the new Evermore Prospect.

Compilation of all drilling data received from successive programs completed by Gateway since July 2020 has allowed for a clearer picture to emerge of the mineralisation controls of what is obviously a large-scale gold system.

This drilling has provided key information that will now be utilised for the next upgrade of the Company's Mineral Resources.

In addition to the Resource upgrade, a series of new areas have been identified in wide-spaced drilling that have the potential to deliver additional, significant Resource growth with further drilling.

The next stage of work at the Gidgee Gold Project will include the following:

- Estimation of a maiden Inferred Resource for the Evermore Prospect, combined with a program of infill drilling to further expand and upgrade the Resource classification. First stage metallurgical and geotechnical assessments will also be completed.
- Updating the Mineral Resource estimate for the Montague-Boulder Deposit.
- Review and update of the Whistler Deposit Mineral Resource estimate.
- Estimation of a maiden Inferred Resource for the Achilles Prospect, combined with an infill and expansion drilling program. First stage metallurgical and geotechnical assessments will also be completed.
- Focused programs of drilling to test the series of advanced exploration targets identified over the 800m strike length between the Montague-Boulder and Northeast open pits.

DIRECTORS' REPORT

COVID-19 Response

The Company continued to implement several measures in response to the COVID-19 pandemic subsequent to the financial year, including prudent cost saving measures such as reduction in administrative costs.

The impact of the Coronavirus (COVID-19) pandemic is ongoing and, it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

No other matter or circumstance has arisen since the reporting date that has significantly affected or may significantly affect the consolidated entity's operations, the results of those operations or the consolidated entity's state of affairs in future financial years.

The Directors' Report, incorporating the remuneration report, is signed in accordance with a resolution of the Board of Directors.



Trent Franklin
Non-Executive Chairman



Mark Cossom
Managing Director

Dated this 30th of September 2021

30 September 2021

The Board of Directors
Gateway Mining Limited
Level 11, 52 Phillip Street
Sydney NSW 2000

Dear Board Members

Gateway Mining Limited

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the Directors of Gateway Mining Limited.

As lead audit partner for the audit of the financial report of Gateway Mining Limited for the financial year ended 30 June 2021, I declare that to the best of my knowledge and belief, that there have been no contraventions of:

- (i) the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

Yours sincerely



Crowe Sydney



Suwarti Asmono
Partner

Liability limited by a scheme approved under Professional Standards Legislation.

The title 'Partner' conveys that the person is a senior member within their respective division, and is among the group of persons who hold an equity interest (shareholder) in its parent entity, Findex Group Limited. The only professional service offering which is conducted by a partnership is external audit, conducted via the Crowe Australasia external audit division and Unison SMSF Audit. All other professional services offered by Findex Group Limited are conducted by a privately owned organisation and/or its subsidiaries.

Findex (Aust) Pty Ltd, trading as Crowe Australasia is a member of Crowe Global, a Swiss verein. Each member firm of Crowe Global is a separate and independent legal entity. Findex (Aust) Pty Ltd and its affiliates are not responsible or liable for any acts or omissions of Crowe Global or any other member of Crowe Global. Crowe Global does not render any professional services and does not have an ownership or partnership interest in Findex (Aust) Pty Ltd. Services are provided by Crowe Sydney, an affiliate of Findex (Aust) Pty Ltd. Liability limited by a scheme approved under Professional Standards Legislation.

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**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER
 COMPREHENSIVE INCOME
 FOR THE YEAR ENDED 30 JUNE 2021**

	2021	2020
Note	\$	\$
Interest received	25,426	18,933
Other income	50,000	73,817
Realised gains (loss) on disposal of tenements	(255,746)	327,628
Gain on initial recognition of financial assets	271,448	-
Employee benefits expenses	(284,570)	(240,232)
Professional services expenses	(311,053)	(320,947)
Directors' remuneration	(118,000)	(120,000)
Travel expenses	(212)	(3,755)
Depreciation expenses	(32,001)	(576)
Share registry fees	(86,216)	(43,320)
Share based payment expenses	(77,964)	(68,920)
Exploration expenditure written off	(458,264)	-
Public relations expenses	(181,579)	(186,413)
Office and administrative expenses	(131,338)	(103,050)
Profit/(Loss) before income tax	(1,590,069)	(666,835)
Income tax expense	-	-
Profit/(Loss) for the year	(1,590,069)	(666,835)
Items that will not be reclassified subsequently to profit and loss:		
Gain on the revaluation of equity instruments at fair value through other comprehensive income, net of tax	337,124	237,630
Other comprehensive income for the year, net of tax	337,124	237,630
Total comprehensive income (loss) for the year attributable to owners of the company	(1,252,945)	(429,205)
Earnings per share (cents per share)		
Basic & diluted earnings per share	(0.09)	(0.05)

The accompanying notes form part of these financial statements.

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
 AS AT 30 JUNE 2021**

	Note	2021 \$	2020 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	3,574,249	1,257,375
Trade and other receivables	5	159,495	208,317
TOTAL CURRENT ASSETS		3,733,744	1,465,692
NON-CURRENT ASSETS			
Financial assets	6	2,127,672	1,289,100
Deferred exploration and evaluation expenditure	7	14,618,298	10,032,088
Property, plant and equipment		45,250	11,872
Right of use assets		119,931	-
Other assets	5	14,800	-
TOTAL NON-CURRENT ASSETS		16,925,951	11,333,060
TOTAL ASSETS		20,659,695	12,798,752
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	8	670,947	289,626
Lease liability	19	33,092	-
Provisions for employee benefits		35,977	42,986
TOTAL CURRENT LIABILITIES		740,016	332,612
NON-CURRENT LIABILITIES			
Provision for Make Good		4,857	-
Lease liability	19	90,120	-
Provisions for employee benefits		748	1,398
TOTAL NON-CURRENT LIABILITIES		95,725	1,398
TOTAL LIABILITIES		835,741	334,010
NET ASSETS		19,823,954	12,464,742
EQUITY			
Issued capital	12	50,143,877	41,771,899
Share based payment reserve	12	621,051	380,872
Financial assets reserve	12	574,754	237,630
Accumulated losses		(31,515,728)	(29,925,659)
TOTAL EQUITY		19,823,954	12,464,742

The accompanying notes form part of these financial statements.

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
 FOR THE YEAR ENDED 30 JUNE 2021**

	Issued Capital	Accumulated losses	Share based payments reserve	Financial assets reserve	Total
	\$	\$	\$	\$	\$
Balance at 1 July 2019	38,027,187	(29,258,824)	311,952	-	9,080,315
Loss for the year	-	(666,835)	-	-	(666,835)
Other comprehensive income / (Loss) for the year	-	-	-	237,630	237,630
Total comprehensive income / (loss) for the year	-	(666,835)	-	237,630	(429,205)
Transactions with owners in their capacity as owners					
Shares issued in year	3,918,017	-	-	-	3,918,017
Cost of share issues	(173,305)	-	-	-	(173,305)
Options issued	-	-	68,920	-	68,920
Balance at 30 June 2020	41,771,899	(29,925,659)	380,872	237,630	12,464,742
Balance at 1 July 2020	41,771,899	(29,925,659)	380,872	237,630	12,464,742
Loss for the year	-	(1,590,069)	-	-	(1,590,069)
Other comprehensive income / (Loss) for the year	-	-	-	337,124	337,124
Total comprehensive income / (loss) for the year	-	(1,590,069)	-	337,124	(1,252,945)
Transactions with owners in their capacity as owners					
Share Buyback	(73,473)	-	-	-	(73,473)
Shares issued in year	9,066,000	-	-	-	9,066,000
Cost of share issues	(620,549)	-	-	-	(620,549)
Options issued	-	-	240,179	-	240,179
Balance at 30 June 2021	50,143,877	(31,515,728)	621,051	574,754	19,823,954

The accompanying notes form part of these financial statements.

**CONSOLIDATED STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED 30 JUNE 2021**

	Note	2021 \$	2020 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments to suppliers and employees		(1,077,655)	(894,396)
Other income		50,000	60,000
Interest received		25,426	18,933
NET CASH USED IN OPERATING ACTIVITIES	17	<u>(1,002,229)</u>	<u>(815,463)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of investments		240,000	250,190
Payment for exploration and evaluation		(5,343,853)	(3,376,238)
Purchase of Property, Plant and Equipment		(45,391)	(12,267)
NET CASH USED IN INVESTING ACTIVITIES		<u>(5,149,244)</u>	<u>(3,138,315)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares		9,000,000	3,539,500
Payments for capital raising costs		(458,335)	(173,305)
Payments for share buy back		(73,318)	-
NET CASH FROM FINANCING ACTIVITIES		<u>8,468,347</u>	<u>3,366,195</u>
NET INCREASE / (DECREASE) IN CASH HELD		<u>2,316,874</u>	<u>(587,583)</u>
Cash and cash equivalents at beginning of financial year		<u>1,257,375</u>	<u>1,844,958</u>
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR		<u>3,574,249</u>	<u>1,257,375</u>

The accompanying notes form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021**

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

a. Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards (AASB) and the requirements of Corporations Act 2001 and International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board as applicable to a for-profit entity. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

The financial report is intended to provide users with an update on the latest annual financial statements of Gateway Mining Limited and its controlled entities.

Except for the cash flow information, the financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The financial statements are presented in Australian dollars which is the Group's functional currency.

b. Going Concern

The directors believe that the going concern basis is appropriate for the preparation and presentation of the financial statements, notwithstanding continued operating losses, negative operating cash flows, and no ongoing revenue streams, as the Directors believe that the Group has sufficient cash and liquid assets or can access cash to continue operations. The cash is managed through:

- a) tight control of administrative expenses;
- b) raising additional share capital, for which the Company has a history of raising funds; and
- c) by reducing the exploration program to maintain cash flow.

The Directors have prepared a forecast for the foreseeable future reflecting the above-mentioned expectations and their effect on the Group. The forecast is conservative, and reflects current market prices, costs similar to this year for expenditure and exploration.

In the unlikely event that the above results in a negative outcome, then the going concern basis may not be appropriate with the result that the Group may have to realise its assets and extinguish its liabilities other than in the ordinary course of business and in amounts different from those stated in the Financial Report. No allowance for such circumstances has been made in the Financial Report.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

c. Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Gateway Mining Limited ('Company' or 'Parent Entity') as at 30 June 2021 and the results of its subsidiaries for the year then ended. Gateway Mining Limited and its subsidiaries together are referred to in these financial statements as the 'consolidated entity' or 'the Group'.

Subsidiaries are all those entities over which the consolidated entity has control. The consolidated entity controls an entity when the consolidated entity is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity.

Intercompany transactions, balances and unrealised gains on transactions between entities in the consolidated entity are eliminated.

d. Share-based payment transactions

Equity-settled and cash-settled share-based compensation benefits are provided to employees.

The consolidated entity measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using either the Binomial or Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity. Refer to note 12 for further information.

Equity-settled transactions are awards of shares, or options over shares, that are provided to employees in exchange for the rendering of services. Cash-settled transactions are awards of cash for the exchange of services, where the amount of cash is determined by reference to the share price.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using either the Binomial or Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the consolidated entity receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

The cost of cash-settled transactions is initially, and at each reporting date until vested, determined by applying either the Binomial or Black-Scholes option pricing model, taking into consideration the terms and conditions on which the award was granted. The cumulative charge to profit or loss until settlement of the liability is calculated as follows:

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021**

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

- during the vesting period, the liability at each reporting date is the fair value of the award at that date multiplied by the expired portion of the vesting period.
- from the end of the vesting period until settlement of the award, the liability is the full fair value of the liability at the reporting date.

Market conditions are taken into consideration in determining fair value. Therefore any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the consolidated entity or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the consolidated entity or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

e. New or amended Accounting Standards and Interpretations adopted

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the consolidated entity.

The following Accounting Standards and Interpretations are most relevant to the consolidated entity:

Conceptual Framework for Financial Reporting (Conceptual Framework)

The consolidated entity has adopted the revised Conceptual Framework from 1 July 2020. The Conceptual Framework contains new definition and recognition criteria as well as new guidance on measurement that affects several Accounting Standards, but it has not had a material impact on the consolidated entity's financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

NOTE 2: CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Impairment of non-financial assets other than goodwill and other indefinite life intangible assets

The consolidated entity assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the consolidated entity and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

Exploration and evaluation costs

Exploration and evaluation costs have been capitalised on the basis that the consolidated entity will commence commercial production in the future, from which time the costs will be amortised in proportion to the depletion of the mineral resources. Key judgements are applied in considering costs to be capitalised which includes determining expenditures directly related to these activities and allocating overheads between those that are expensed and capitalised. In addition, costs are only capitalised that are expected to be recovered either through successful development or sale of the relevant mining interest. Factors that could impact the future commercial production at the mine include the level of reserves and resources, future technology changes, which could impact the cost of mining, future legal changes and changes in commodity prices. To the extent that capitalised costs are determined not to be recoverable in the future, they will be written off in the period in which this determination is made.

Equity-settled and cash-settled share-based compensation benefits are provided to employees.

The consolidated entity measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using either the Binomial or Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity. Refer to note 12 for further information.

Incremental borrowing rate

Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the consolidated entity estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021**

**NOTE 2: CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS
(CONTINUED)**

Lease Term

The lease term is a significant component in the measurement of both the right-of-use asset and lease liability. Judgement is exercised in determining whether there is reasonable certainty that an option to extend the lease or purchase the underlying asset will be exercised, or an option to terminate the lease will not be exercised, when ascertaining the periods to be included in the lease term. In determining the lease term, all facts and circumstances that create an economical incentive to exercise an extension option, or not to exercise a termination option, are considered at the lease commencement date. Factors considered may include the importance of the asset to the consolidated entity's operations; comparison of terms and conditions to prevailing market rates; incurrence of significant penalties; existence of significant leasehold improvements; and the costs and disruption to replace the asset. The consolidated entity reassesses whether it is reasonably certain to exercise an extension option, or not exercise a termination option, if there is a significant event or significant change in circumstances.

Lease make good provision

A provision has been made for the present value of anticipated costs for future restoration of leased premises. The provision includes future cost estimates associated with closure of the premises. The calculation of this provision requires assumptions such as application of closure dates and cost estimates. The provision recognised for each site is periodically reviewed and updated based on the facts and circumstances available at the time. Changes to the estimated future costs for sites are recognised in the statement of financial position by adjusting the asset and the provision. Reductions in the provision that exceed the carrying amount of the asset will be recognised in profit or loss.

Coronavirus (COVID-19) pandemic

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the consolidated entity based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographic regions in which the consolidated entity operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the consolidated entity unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021**

NOTE 3: OPERATING SEGMENTS

Identification of reportable operating segments

The consolidated entity is organised into one operating segment, being exploration operations. This operating segment is based on the internal reports that are reviewed and used by the Directors (who are identified as the Chief Operating Decision Makers (**CODM**) in assessing performance and in determining the allocation of resources.

The CODM reviews operating expenses in relation to the exploration activities and the Group's cash position. The accounting policies adopted for internal reporting to the CODM are consistent with those adopted in the financial statements.

The information reported to the CODM is on at least a monthly basis. Information is presented on a consolidated cash flow basis. Cash flow funding is treated as one pool of liquid assets noting relevant terms of any maturity or exercise of any investments for the purpose of funding exploration.

Types of products and services – The principal products and services of this operating segment are in exploration operations in Australia.

NOTE 4: CASH AND CASH EQUIVALENTS

	2021	2020
	\$	\$
Cash at bank and on hand	3,574,249	1,257,375

Interest is on a variable rate. The Group is not sensitive to interest rate movement.

NOTE 5: TRADE AND OTHER RECEIVABLES

	2021	2020
	\$	\$
CURRENT		
GST receivables	149,883	15,486
Prepayments	9,612	11,534
Deferred consideration	-	175,000
Other receivables	-	6,297
Total trade and other receivables	159,495	208,317

**NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2021**

NOTE 5: TRADE AND OTHER RECEIVABLES (CONTINUED)

	2021 \$	2020 \$
NON-CURRENT		
Bank Guarantee	14,800	-
Total trade and other receivables	174,295	208,317

NOTE 6: FINANCIAL ASSETS

	2021 \$	2020 \$
NON-CURRENT		
Financial assets at fair value through other comprehensive income		
<i>Listed investments</i>		
Opening fair value	777,420	21,908
Disposal consideration	-	(190)
Additions	713,378	600,000
Revaluation increment	125,194	155,702
	1,615,992	777,420
<i>Unlisted investments</i>		
Opening fair value	481,928	400,000
Additions	150,000	-
Disposal	(150,000)	-
Revaluation increment	-	81,928
	481,928	481,928
Total financial assets at fair value through other comprehensive income	2,097,920	1,259,348
Term Deposit	29,752	29,752
Total financial assets	2,127,672	1,289,100

If the entity derecognised investments in equity instruments measured at fair value through other comprehensive income during the reporting period, it shall disclose:

- (a) the reasons for disposing of the investments.
- (b) The fair value of the investments at the date of derecognition.
- (c) The cumulative gain or loss on disposal.

**NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2021**

NOTE 7: DEFERRED EXPLORATION AND EVALUATION EXPENDITURE

	2021 \$	2020 \$
NON-CURRENT ASSET, WHOLLY OWNED		
Capitalised expenditure in respect of areas of interest at the beginning of the year	10,032,088	7,127,192
Expenditures during the year	5,580,125	3,492,769
Disposals	(535,651)	(697,373)
Written off	(458,264)	-
Additions	-	109,500
Capitalised exploration expenditure at the end of the year	14,618,298	10,032,088

The recoverability for the carrying amount of exploration assets is dependent upon further exploration and exploitation of commercially viable mineral deposits.

Exploration and evaluation expenditure for areas of interest for which rights of tenure are current is carried forward as an asset where it is expected that the expenditure will be recovered through the successful development of an area or by its sale; or exploration activities are continuing in an area and activities have not reached a stage which permits a reasonable estimate of the existence of economically recoverable reserves. Where a project or an area has been abandoned, the expenditure incurred thereon is written off in the year in which the decision is made.

In order to maintain current rights of tenure to exploration tenements, the Group is required to comply with the minimum expenditure obligations under the Mining Act. These obligations have been met. The future obligations which are subject to renegotiation when an application for a mining lease is made and at other times are not provided for in the financial statements.

NOTE 8: TRADE AND OTHER PAYABLES

	2021 \$	2020 \$
CURRENT		
Trade and other payables	670,947	289,626

NOTE 9: EARNINGS PER SHARE

	2021 \$	2020 \$
a. Reconciliation of earnings to profit or loss		
(Loss) used in the calculation of basic and dilutive earnings per share	(1,590,069)	(666,835)

**NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2021**

NOTE 9: EARNINGS PER SHARE (CONTINUED)

	No. of shares	No. of shares
b. Weighted average number of ordinary shares outstanding during the year used in the calculation of basic earnings per share		
	1,850,547,777	1,290,775,776
Basic Earnings Per Share (cents)	(0.09)	(0.05)
Diluted Earnings Per Share (cents)	(0.09)	(0.05)

Basic earnings per share is calculated by dividing the profit attributable to the owners of Gateway Mining Limited, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after-income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

NOTE 10: INCOME TAX EXPENSE

	2021 \$	2020 \$
Loss for current year from ordinary activities:	(1,590,069)	(666,835)
Tax at 26% (2020: 27.5%)	(413,418)	(183,380)
Unrecognised deferred tax asset	(5,416,201)	(3,759,542)
Taxable loss for the year, not recognised	<u>(7,006,270)</u>	<u>(4,426,377)</u>
Tax losses brought forward from earlier years	(32,550,340)	(30,786,048)
Tax losses carried forward to later years	(39,556,610)	(35,212,425)
Future income tax benefit 26% of tax losses, not recognised	<u>10,284,719</u>	<u>9,683,417</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

NOTE 10: INCOME TAX EXPENSE (CONTINUED)

The tax rate used in the above table is the corporate tax rate of 26% payable by Australian corporate entities of this size on taxable profits under Australian Tax Law.

The income tax expense or benefit for the period is the tax payable on that year's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior years, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Thus given the Group is still in losses no deferred tax assets have been recognised.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

The potential net future tax benefits have not been brought into account within the Consolidated Statement of Profit and Loss and Other Comprehensive Income. Within the above note, the deferred tax liability \$3,593,120 (2020: \$2,642,727) is offset against tax losses. The balance of tax losses not recognised is \$6,691,599 (2020: \$7,040,690).

This potential future income tax benefit will only be obtained if:

- The Group derives future assessable income of a nature and an amount sufficient to enable the benefit to be realised in accordance with Division 170 of the *Income Tax Assessment Act 1997*;
- The conditions for deductibility imposed by tax legislation continue to be complied with; and
- No change in tax legislation adversely affects the Group in realising the benefits.

NOTE 11: AUDITORS' REMUNERATION

Remuneration of the auditors of the Group for:

- Auditing or reviewing the financial report

2021	2020
\$	\$
54,640	53,500

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021**

NOTE 12: ISSUED CAPITAL

	2021	2020
	\$	\$
a. Ordinary shares fully paid		
Balance at the beginning of the year	41,771,899	38,027,187
Share Buyback	(73,473)	-
Shares issued in year	9,066,000	3,918,017
Capital raising costs	(620,549)	(173,305)
	<hr/>	<hr/>
Balance at the end of the year	50,143,877	41,771,899
	<hr/>	<hr/>
b. Movements in ordinary shares on issue		
	2021	2020
	Number	Number
At the beginning of the financial year	1,339,616,036	1,077,372,773
Shares issued 23 July 2019 at 1.3 cents	-	15,770,539
Shares issued 30 August 2019 at 1.5 cents	-	210,966,664
Shares issued 13 November 2019 at 1.5 cents	-	33,233,333
Shares issued 17 December 2019 at 2.2 cents	-	2,272,727
Shares issued 21 July 2020 at 1.6 cents	332,063,099	-
Shares issued 26 August 2020 at 1.6 cents	125,000,000	-
Shares issued 26 August 2020 at 1.6 cents	105,436,901	-
Shares issued 24 November 2020 at 1.6 cents	4,125,000	-
Shares buy back 3 February 2021 at 2.8 cents	(2,605,436)	-
	<hr/>	<hr/>
At the end of the financial year	1,903,635,600	1,339,616,036

c. Terms and conditions of ordinary shares

Ordinary shares have the right to receive dividends as declared and, in event of the winding up the company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of shares and amount paid up on the shares held. Ordinary shares entitle their holder to vote, either in person or by proxy, at a meeting of the company.

d. Share options

The below table shows the movement of options over the previous two full year periods.

**NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2021**

NOTE 12: ISSUED CAPITAL (CONTINUED)

	Number	Weighted Average Exercise Price \$
Options outstanding as at 30 June 2019	83,684,593	-
Granted	19,499,998	0.03
Exercised	-	-
Expired	-	-
Options outstanding as at 30 June 2020	103,184,996	0.03
Granted	48,800,000	0.04
Exercised	-	-
Lapsed	(9,000,000)	0.04
Expired	-	-
Options outstanding as at 30 June 2021	142,984,966	0.03

For the options granted during the current financial year, the valuation model inputs used to determine the fair value at the grant date, are as follows:

Tranches	Grant date	Expiry date	Share price at grant date	Exercise price	Expected volatility	Risk-free interest rate	Fair value at grant date
1	26-Aug-20	26-Aug-23	\$0.023	\$0.024	79.44%	0.16%	\$0.0016
2	2-Feb-21	2-Feb-24	\$0.031	\$0.038	91.39%	0.12%	\$0.0053
3	2-Feb-21	2-Feb-24	\$0.031	\$0.048	91.39%	0.12%	\$0.0023
4	2-Feb-21	2-Feb-24	\$0.031	\$0.058	91.39%	0.12%	\$0.0013
5	12-May-21	12-May-24	\$0.024	\$0.038	91.39%	0.12%	\$0.0019
6	12-May-21	12-May-24	\$0.024	\$0.048	91.39%	0.12%	\$0.0008
7	12-May-21	12-May-24	\$0.024	\$0.058	91.39%	0.12%	\$0.0005

e. Capital Management

The directors control the capital of the Group in order to ensure that adequate cash flows are generated to fund its operations and continue as a going concern.

The Group's capital includes ordinary share capital.

There are no externally imposed capital requirements.

The directors effectively manage the Group's capital by assessing the Group's financial risks and responding to changes in these risks.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021**

NOTE 12: ISSUED CAPITAL (CONTINUED)

There have been no changes in the strategy adopted by management since the prior year.

f. Reserve

	2021 \$	2020 \$
Share based payment reserve	621,051	380,872
Financial assets reserve	574,754	237,630
Total Reserve	1,195,805	618,502

g. Share based payments

A share option plan has been established by the consolidated entity and approved by shareholders at a general meeting, whereby the consolidated entity may, at the discretion of the board of directors, grant options over ordinary shares in the company to certain key management personnel of the consolidated entity. The options are issued for nil consideration and are granted in accordance with performance guidelines established by the board of directors.

Set out below are summaries of options granted in the financial period:

Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired	Lapsed	Balance at the end of the year
26-Aug-20	26-Aug-23	\$0.024	-	10,000,000	-	-	-	10,000,000
2-Feb-21	2-Feb-24	\$0.038	-	1,933,333	-	-	-	1,933,333
2-Feb-21	2-Feb-24	\$0.048	-	1,933,333	-	-	-	1,933,333
2-Feb-21	2-Feb-24	\$0.058	-	1,933,334	-	-	-	1,933,334
12-May-21	12-May-24	\$0.038	-	11,000,000	-	-	(3,000,000)	8,000,000
12-May-21	12-May-24	\$0.048	-	11,000,000	-	-	(3,000,000)	8,000,000
12-May-21	12-May-24	\$0.058	-	11,000,000	-	-	(3,000,000)	8,000,000

On 2 February 2021, 5,800,000 options at nil consideration were issued to the geologist of the company under the Employee Incentive Scheme during the year. On 12 May 2021, 33,000,000 options at nil consideration were issued to the directors of the company under the Employee Incentive Scheme during the year. 9,000,000 of these Options were issued to Mr Langworthy who has since resigned as a director of the Company as Executive Chairman and as the vesting date of these options were not satisfied, these options have lapsed.

The weighted average exercise price during the financial year was \$0.04.

NOTE 13: CONTINGENT LIABILITIES, CAPITAL EXPENDITURE AND MINING TENEMENT COMMITMENTS

Native Title and Aboriginal Heritage

Native title claims have been made with respect to areas which include tenements in which the Company has an interest. The Company is unable to determine the prospects for success or otherwise of the claims and, in any event, whether or not and to what extent the claims may significantly affect the Company or its projects. Agreement is being or has been reached with various native title claimants in relation to Aboriginal Heritage issues regarding certain areas in which the Company has an interest.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

NOTE 13: CONTINGENT LIABILITIES, CAPITAL EXPENDITURE AND MINING TENEMENT COMMITMENTS (CONTINUED)

The Board of Directors believe that there are no contingent liabilities or capital equipment commitments up to or subsequent to the 30th June 2021 (2020: nil) for either the parent company or its subsidiary. The mining tenement commitment as at the 30th June 2021 is \$1,870,100 (2020: \$1,196,617).

NOTE 14: EVENTS SUBSEQUENT TO REPORTING DATE

Golden Mile JV Conditions Satisfied

Gateway's obligations under the Earn-In Agreement were conditional on Golden Mile having obtained appropriate exemptions pursuant to the *Mining Act 1978* (WA) relating to any expenditure conditions of the Tenements for the 2019 and 2020 expenditure years. Subsequent to the reporting period, this condition was satisfied.

COVID-19 RESPONSE

The Company continued to implement several measures in response to the COVID-19 pandemic subsequent to the financial year, including prudent cost saving measures such as reduction in administrative costs.

The impact of the Coronavirus (COVID-19) pandemic is ongoing and, it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

No other matter or circumstance has arisen since the reporting date that has significantly affected or may significantly affect the consolidated entity's operations, the results of those operations or the consolidated entity's state of affairs in future financial years.

NOTE 15: RELATED PARTY TRANSACTIONS

a. Directors and Key Management Persons

Key Management Persons	Position
Trent Franklin	Non-executive Chairman
Mark Cossom	Managing Director
Scott Brown	Non-executive Director
Debra Fullarton	Non-executive Director
Peter Langworthy	Executive Chairman (resigned 25 May 2021)
Kar Chua	Company Secretary

**NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2021**

NOTE 15: RELATED PARTY TRANSACTIONS (CONTINUED)

Compensation

The aggregate compensation made to directors and other members of key management personnel of the consolidated entity is set out below:

	2021 \$	2020 \$
Short-term employee benefits	700,277	537,467
Post-employment benefits	41,581	33,960
Share-based payments	35,747	103,815
	777,605	675,242

b. Directors loans

No directors or any key personnel have received any loans from the Group.

c. Other

During the year, the Group entered into the following transactions with related parties:

- (i) Omni GeoX Pty Ltd which is a related party of Scott Brown (non-executive director) was paid \$761,521 (2020: \$899,622) for Geological services. As at reporting date, \$117,272 was payable to Omni GeoX Pty Ltd.
- (ii) Related parties of Trent Franklin, a non-executive chairman of the Group including Enrizen Capital Pty Ltd received \$40,000 (2020: \$12,620) for capital raising and underwriting services; Enrizen Pty Ltd received \$3,165 (2020: \$2,955) for insurance services; Enrizen Lawyers Pty Ltd received \$101,198 (2020: \$125,164) for legal services; Enrizen Services Pty Ltd received \$Nil (2020: \$721) for website design services; Enrizen Accounting Pty Ltd transactions for company secretarial and accounting services are disclosed under the remuneration report for the key management person (2020: \$60,000). As at reporting date, \$30,000 was payable to Enrizen Accounting Pty Ltd and \$1,540 was payable to Enrizen Lawyers Pty Ltd.

d. Consolidated entities

The Group operates in the exploration industry in Australia only. The Group has the following 100% wholly owned subsidiaries whose transactions have been consolidated into the Group accounts:

Name	Principal place of business/ Country of incorporation	Ownership interest	
		2021 %	2020 %
Boomgate Capital Pty Ltd	Australia	100.00%	100.00%
Gateway Projects WA Pty Ltd	Australia	100.00%	100.00%

NOTE 16: FINANCIAL RISK MANAGEMENT

The Group's financial instruments consist mainly of cash at banks, and deposits with Citibank, receivables and payables, and financial assets at fair valued through other comprehensive income.

**NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2021**

NOTE 16: FINANCIAL RISK MANAGEMENT (CONTINUED)

The Group does not have any derivative instruments at the end of the reporting period.

The totals for each category of financial instruments, measured in accordance with AASB 9 as detailed in the accounting policies to these financial statements are as follows:

	Note	2021 \$	2020 \$
Financial assets			
Cash and cash equivalents	4	3,574,249	1,257,375
Receivables	5	159,495	208,317
Bank Guarantee	5	14,800	-
Financial assets at fair value through other comprehensive income			
-at fair value:			
- Listed investments	6	1,615,992	777,420
- Unlisted investments	6	481,928	481,928
Term Deposits	6	29,752	29,752
Total Financial Assets		5,876,216	2,754,792
Financial liabilities			
- Trade and other payables	8	670,947	289,626
- Lease liabilities	19	123,212	-
Total Financial Liabilities		794,159	289,626

Financial Risk Management Policies

The Board's overall risk management strategy seeks to assist the Group in meeting its financial targets, whilst minimising potential adverse effects on financial performance. Risk management policies are approved and review by the directors on a regular basis. These include credit risk policies and future cash flow requirements.

Financial Risk Exposures and Managements

The main risks the Group is exposed to through its financial instruments are price risk, interest rate risk, liquidity risk and credit risk.

Price Risk

The Group in the current year did not have any significant exposure to commodity price risk. The Group will have exposure to silver price risk if and when mining operations begin. Directors have not made any determination at this stage as to whether they will consider commodity price hedge arrangements.

The Group's investment in listed shares that listed on the ASX are exposed to price risk. The sensitivity analysis of the Group's exposure to price risk is as follows:

**NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2021**

NOTE 16: FINANCIAL RISK MANAGEMENT (CONTINUED)

	Average price increase			Average price decrease		
	% Change	Effect on profit	Effect on net assets	% Change	Effect on profit	Effect on net assets
Consolidated - 2021						
Financial assets at fair value through other comprehensive income						
- Investment in listed shares	10%	-	161,599	8%	-	129,279

Interest rate risk

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at reporting date whereby future changes in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. Cash has an interest rate of 0.59% at year end. A change in rate will not be significant to the Group.

Liquidity risk

Liquidity risk arises from the possibility that the Group might encounter difficulty in settling its debts or otherwise meeting its obligations related to exploration expenditure. The Group manages liquidity risk by monitoring forecast cash flows and ensuring that adequate funds are maintained.

Financial liability and financial assets maturity analysis

The tables below reflect an undiscounted contractual maturity analysis for financial instruments. Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates.

**NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2021**

NOTE 16: FINANCIAL RISK MANAGEMENT (CONTINUED)

	Maturing within 1 Year		Maturing 1 to 5 Years		Total	
	2021	2020	2021	2020	2021	2020
	\$	\$	\$	\$	\$	\$
Financial assets						
Cash	3,574,249	1,257,375	-	-	3,574,249	1,257,375
Receivables & others	174,295	208,317	-	-	174,295	208,317
Term deposits	-	-	29,752	29,752	29,752	29,752
Financial assets at fair value through other comprehensive income						
- Listed investments	-	-	1,615,992	777,420	1,615,992	777,420
- Unlisted investments	-	-	481,928	481,928	481,928	481,928
<i>Total anticipated inflows</i>	3,748,544	1,465,692	2,127,672	1,289,100	5,876,216	2,754,792
Financial Liabilities						
Sundry payables and accruals	(670,947)	(289,626)	-	-	(670,947)	(289,626)
<i>Total expected outflows</i>	(670,947)	(289,626)	-	-	(670,947)	(289,626)
<i>Net inflow on financial instruments</i>	3,077,597	1,176,066	2,127,672	1,289,100	5,205,269	2,465,166

Credit Risk

The maximum exposure to credit risk by class or recognised financial assets at the end of the reporting period, excluding the value of any collateral or other security held, is equivalent to the carrying value and classification of those financial assets (net of any provisions) as present in the statement of financial position.

**NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2021**

NOTE 16: FINANCIAL RISK MANAGEMENT (CONTINUED)

Fair Value

The fair values of listed investments have been valued at the fair value predominantly being the quoted market bid price at the end of the reporting period.

Fair value hierarchy

The following tables detail the consolidated entity's assets and liabilities, measured or disclosed at fair value, using a three-level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3: Unobservable inputs for the asset or liability

All financial assets held by the Group are assessed as Level 1 and Level 2 financial assets.

	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Consolidated - 2021				
<i>Assets</i>				
Ordinary shares - listed investments	1,615,992	-	-	1,615,992
Ordinary shares - unlisted investments	-	481,928	-	481,928
Total assets	1,615,992	481,928	-	2,097,920
Consolidated - 2020				
<i>Assets</i>				
Ordinary shares - listed investments	777,421	-	-	777,421
Ordinary shares - unlisted investments	-	481,928	-	481,928
Total assets	777,421	481,928	-	1,259,349

**NOTE 17: RECONCILIATION OF PROFIT/(LOSS) TO NET CASH
 OUTFLOWS FROM OPERATING ACTIVITIES**

	2021 \$	2020 \$
Profit/(Loss) for the year	(1,590,069)	(666,835)
Non-Cash flows in profit from ordinary activities		
Gain/(Loss) on disposal of tenements	255,746	(327,628)
Depreciation expenses	32,001	576
Share based payment	-	68,921
Fair value (gain)/loss on financial assets	(271,448)	-
Exploration expenditure and financial investments written off	458,264	-
Changes in assets and liabilities:		
(Increase)/decrease in trade and other debtors	48,822	(93,265)
Increase/(decrease) in trade creditors	88,726	180,477
Increase/(decrease) in provision	(24,271)	22,291
Net cash flow from operating activities	(1,002,229)	(815,463)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021**

NOTE 18: PARENT ENTITY INFORMATION

Statement of profit or loss and other comprehensive income

	2021	2020
	\$	\$
Profit/(Loss) after income tax	(1,590,069)	(666,835)
Total comprehensive loss	(1,590,069)	(666,835)

Statement of financial position

	2021	2020
	\$	\$
Total current assets	3,768,769	1,295,965
Total assets	20,661,897	12,800,954
Total current liabilities	836,374	333,992
Total liabilities	837,122	335,389
Equity: Issued capital	50,143,877	41,771,899
Reserve	1,195,805	618,502
Retained profits	(31,514,906)	(29,924,837)
Total equity	19,824,775	12,465,564

NOTE 19: LEASE LIABILITIES

	2021	2020
	\$	\$
Lease Liabilities (current)	33,092	-
Lease Liabilities (non-current)	90,120	-
Total lease liabilities	123,212	-

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the consolidated entity's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021**

NOTE 19: LEASE LIABILITIES (CONTINUED)

The consolidated statement of profit or loss and other comprehensive income shows the following amounts relating to leases:

	2021 \$	2020 \$
Interest expenses	1,950	-
Depreciation expenses	19,988	-
Total equity	<u>21,938</u>	<u>-</u>

NOTE 20: COMPANY DETAILS

The registered office & sole principal place of business of the Group is:

Gateway Mining Limited
Level 11, 52 Phillip Street
Sydney NSW 2000 Australia

DIRECTORS' DECLARATION

The directors declare that:

- 1 the financial statements and notes, as set out on pages 41 to 65 are in accordance with the Corporations Act 2001 and:
 - (a) comply with the Accounting Standards and the Corporations Regulations 2001;
 - (b) give a true and fair view of the financial position as at 30 June 2021 and of the performance for the year ended on that date of the consolidated entity; and
 - (c) comply with International Financial Reporting Standards as issued by the International Accounting Standard Board as described in note 1 to the financial statements;
- 2 the Managing Director and the Company Secretary, who perform the functions of Chief Executive Officer and Chief Financial Officer respectively, have each declared that:
 - (a) the financial records of the Group for the financial year have been properly maintained in accordance with section 286 of the Corporations Act 2001;
 - (b) the financial statements and notes for the financial year comply with the Accounting Standards; and
 - (c) the financial statements and notes for the financial year give a true and fair view;
- 3 in the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.



Trent Franklin
Non-Executive Chairman



Mark Cossom
Managing Director

Dated this 30th of September 2021

Independent Auditor's Report to the Members of Gateway Mining Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Gateway Mining Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2021, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of Group is in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the Group's financial position as at 30 June 2021 and of its financial performance for the year then ended;
- (b) and complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Liability limited by a scheme approved under Professional Standards Legislation.

The title 'Partner' conveys that the person is a senior member within their respective division, and is among the group of persons who hold an equity interest (shareholder) in its parent entity, Findex Group Limited. The only professional service offering which is conducted by a partnership is external audit, conducted via the Crowe Australasia external audit division and Unison SMSF Audit. All other professional services offered by Findex Group Limited are conducted by a privately owned organisation and/or its subsidiaries.

Findex (Aust) Pty Ltd, trading as Crowe Australasia is a member of Crowe Global, a Swiss verein. Each member firm of Crowe Global is a separate and independent legal entity. Findex (Aust) Pty Ltd and its affiliates are not responsible or liable for any acts or omissions of Crowe Global or any other member of Crowe Global. Crowe Global does not render any professional services and does not have an ownership or partnership interest in Findex (Aust) Pty Ltd. Services are provided by Crowe Sydney, an affiliate of Findex (Aust) Pty Ltd. Liability limited by a scheme approved under Professional Standards Legislation.

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Material Uncertainty Related to Going Concern

We draw attention to Note 1(b) in the financial report, which indicates the directors' assessment for the appropriateness to use the going concern basis for the preparation and presentation of the financial statements. Should the events or actions set forth in Note 1(b) not eventuate, it may result in a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How we addressed the Key Audit Matter
Recognition of Capitalised Exploration and Evaluation Expenditure – Note 7	
<p>The carrying amount of deferred exploration and development expenditure was a significant component of the Group's total assets, being \$14,618,298 as at 30 June 2021.</p> <p>This area was considered a key audit matter as a significant level of judgement was required in the application of recognition criteria in AASB 6 <i>Exploration for and Evaluation of Mineral Resources</i>, including determining expenditures directly related to the exploration activities and allocating overheads between costs that are expensed and costs that are capitalised.</p>	<p>Our procedures included, amongst others</p> <ul style="list-style-type: none"> • Read management's accounting policy and assessed its compliance with AASB 6; • Evaluated the directors' process regarding the capitalisation and recognition of exploration and evaluation expenditure; and • Selected a sample of exploration expenditure capitalised for the year. We checked the existence, valuation and allocation of the expenditure by agreeing the original invoices to the general ledger, agreeing the project reference and checking capitalisation was in line with AASB 6 and the group's accounting policy.
Consideration of Impairment for Capitalised Exploration and Evaluation Expenditure - Note 7	
<p>Exploration assets must also be assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount. This required a high degree of judgement by the directors as the impairment consideration was highly dependent on the following key factors:</p> <ul style="list-style-type: none"> • Detailed knowledge of the individual tenements held and status of operations and exploration activities in the specified area; and • Viability of the tenements and how this is affected by any changes such as industry impacts, geography of project, committed expenditure and tenement expiry date. <p>The directors performed regular (every six months) assessments of the outstanding balance of exploration cost capitalised. This assessment was</p>	<p>We challenged the directors' assumptions that support its position on impairment for exploration and evaluation expenditure as follows:</p> <ul style="list-style-type: none"> • Reviewed the provided budgets and drilling programs and checked whether they covered the committed expenditure before the expiry date; • Checked the Group's capacity to fund future committed exploration expenditure; and • Checked the Group's ownership interest for each of the tenements to which the exploration expenditure related to the Government of Western Australia's Minerals and Titles database, and checked appropriate disclosures were made in the notes to the financial report.

Key Audit Matter	How we addressed the Key Audit Matter
<p>based on activities that had occurred between assessment dates.</p> <p>We focused on this area as a key audit matter due to the high degree of estimation and judgement required by the directors to assess whether impairment is required for the specified tenements held and the high value of the capitalised deferred exploration expenditure.</p>	

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's Annual Report for the year ended 30 June 2021 but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not

detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the group financial report. The auditor is responsible for the direction, supervision and performance of the group audit. The auditor remains solely responsible for the audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during the audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in the auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in the auditor's report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the remuneration report included in pages 28 to 33 of the directors' report for the year ended 30 June 2021.

In our opinion, the remuneration report of Gateway Mining Limited, for the year ended 30 June 2021, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the remuneration report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

Crowe Sydney

Crowe Sydney



Suwanti Asmono
Partner

30 September 2021
Sydney

SHAREHOLDER INFORMATION

As at 9 September 2021, the Company provides the following information:

a. Voting Rights

The total number of shares on issue is 1,903,635,600.

The total number of shareholders was 2,022 and each share is entitled to one vote when a poll is called, otherwise each member present at a meeting or by proxy has one vote on a show of hands.

b. Distribution of Shareholders by Number (ordinary Shares)

Holding Ranges	Holders
1-1,000	28
1,001-5,000	16
5,001-10,000	14
10,0001-100,000	894
100,0001 – and above	1,070
Totals	2,022

c. Number of shareholdings held in less than marketable parcels is 315

d. The substantial shareholders in the Company are as follows:

HOLDER NAME	NUMBER HELD	PERCENTAGE
Harmanis Holdings Pty Ltd	234,402,927	12.31%
Omni GeoX Pty Ltd	147,916,668	7.77%

SHAREHOLDER INFORMATION

e. 20 largest Shareholders as at 9 September 2021

Position	Holder Name	Holding	% IC
1	HARMANIS HOLDINGS PTY LTD <HARMAN FAMILY A/C>	202,875,242	10.66%
2	OMNI GEOX PTY LTD	147,916,668	7.77%
3	L11 CAPITAL PTY LTD <GASCOYNE FAMILY A/C>	64,850,060	3.40%
4	CREST INVESTMENT GROUP LIMITED	38,666,667	2.03%
5	MR GREGORY JOHN SHARPLESS & MRS JENNIFER LEE SHARPLESS <SHARPLESS INVESTMENT A/C>	36,018,838	1.89%
6	ENABLE INVESTMENT MANAGER PTY LTD <ENABLE CAPITAL FUND A/C>	32,118,678	1.69%
7	HARMANIS HOLDINGS PTY LTD <HARMAN FAMILY A/C>	24,861,018	1.31%
8	BOWMAN GATE PTY LTD <THE DISCOVERY A/C>	22,000,505	1.16%
9	MR PETER JAMES LANGWORTHY & MRS CAROLYN PAULE LANGWORTHY <LANGWORTHY SUPER FUND A/C>	18,791,668	0.99%
10	CITICORP NOMINEES PTY LIMITED	18,687,762	0.98%
11	MRS CHRISTINE EMILY COGHLAN	18,000,000	0.95%
12	ACCRECAP PTY LTD <ACCRECAP A/C>	17,333,333	0.91%
13	MR RICHARD JULIAN PANG <THE RICHARD PANG FAMILY A/C>	17,055,729	0.90%
14	RUNNING WATER LTD	17,000,000	0.89%
15	MR MARK RAYMOND CLARKE	16,331,141	0.86%
16	AVERILL HOLDINGS PTY LIMITED <AVERILL SUPER FUND A/C>	14,753,460	0.78%
17	PETER JAMES LANGWORTHY & CAROLYN PAULE LANGWORTHY	14,358,975	0.75%
18	REBECCA JANE PEERS <THE PEERS FAMILY A/C>	13,416,666	0.70%
19	M & C COGHLAN PTY LTD <COGHLAN FAMILY SUPER A/C>	13,000,000	0.68%
20	GASCOYNE HOLDINGS PTY LTD <BRAY SUPER FUND PENSION A/C>	11,366,667	0.60%
	Total	755,403,077	39.68%

f. There is no on-market buy back currently being undertaken.

g. There are currently no listed options on issue.

SHAREHOLDER INFORMATION

h. Distribution of Optionholders by Number (unlisted options)

Holding Ranges	Holders				
	Unlisted Options				
	Exc \$0.017, Exp 28/2/22	Exc \$0.018, Exp 28/2/22	Exc \$0.02, Exp 28/2/22	Exc \$0.024, Exp 26/08/23	Exc \$0.03, Exp 12/11/22
1-1,000					
1,001-5,000					
5,001-10,000					
10,0001-100,000					3
100,0001 – and above	1	1	1	1	5
Totals	1	1	1	1	8

Holding Ranges	Holders				
	Unlisted Options				
	Exc \$0.03, Exp 12/11/22	Exc \$0.035, Exp 12/11/22	Exc \$0.04, Exp 12/11/22	Exc \$0.03, Exp 19/6/23	Exc \$0.035, Exp 19/6/23
1-1,000					
1,001-5,000					
5,001-10,000					
10,0001-100,000					
100,0001 – and above	1	1	1	7	1
Totals	1	1	1	7	1

Holding Ranges	Holders				
	Unlisted Options				
	Exc \$0.04, Exp 19/6/23	Exc \$0.035 Exp 19/6/23	Exc \$0.04 Exp 19/6/23	Exc \$0.038 Exp 12/5/24	Exc \$0.048 Exp 12/5/24
1-1,000					
1,001-5,000					
5,001-10,000					
10,0001-100,000					
100,0001 – and above	1	6	6	5	5
Totals	1	1	1	5	5

Holding Ranges	Holders			
	Unlisted Options			
	Exc \$0.058, Exp 12/5/24	Exc \$0.038 Exp 2/2/24	Exc \$0.048 Exp 2/2/24	Exc \$0.058 Exp 2/2/24
1-1,000				
1,001-5,000				
5,001-10,000				
10,0001-100,000				
100,0001 – and above	5	2	2	2
Totals	5	2	2	2

SHAREHOLDER INFORMATION

i. The Company has the following unquoted securities on issue comprising a total of 57 holders:

- 6,666,667 unlisted options with an exercise price of \$0.017 and expiring on 28 February 2022 held by one holder;
- 6,666,667 unlisted options with an exercise price of \$0.018 and expiring on 28 February 2022 held by one holder; and
- 6,666,666 unlisted options with an exercise price of \$0.02 and expiring on 28 February 2022 held by one holder;
- 10,000,000 unlisted options exercisable at \$0.024, expiry 26 August 2023 held by one holder;
- 2,000,000 unlisted options exercisable at \$0.03, expiry 12 November 2022 held by eight holders;
- 2,000,000 unlisted options exercisable at \$0.03, expiry 12 November 2022 held by one holder;
- 3,000,000 unlisted options exercisable at \$0.035, expiry 12 November 2022 held by one holder;
- 3,000,000 unlisted options exercisable at \$0.04, expiry 12 November 2022 held by one holder;
- 2,833,331 unlisted options which will vest on 19 December 2020, with an exercise price of \$0.03 per option and expiring on 19 June 2023 held by seven holders;
- 1,500,000 unlisted options which will vest on the date the Company announces an audited JORC Compliant Indicated resource of 400,000 ounces or greater of gold (**Resource**), with an exercise price of \$0.035 per option and expiring on 19 June 2023 held by one holder;
- 1,500,000 unlisted options which will vest the date the Company finalises and delivers a scoping study and financial model based on the Resource, with an exercise price of \$0.04 per option and expiring on 19 June 2023 held by one holder;
- 1,833,332 unlisted options which will vest on 19 June 2021, with an exercise price of \$0.035 per option and expiring on 19 June 2023 held by six holders; and
- 1,833,337 unlisted options which will vest on 19 December 2021, with an exercise price of \$0.04 per option and expiring on 19 June 2023 held by six holders;
- 11,000,000* unlisted Options which will vest on 12 November 2021, with an exercise price of \$0.038 per option and expiring on 12 May 2024, held by five holders;
- 11,000,000* unlisted Options which will vest on 12 May 2022, with an exercise price of \$0.048 per option and expiring on 12 May 2024, held by five holders;
- 11,000,000* unlisted Options which will vest on 12 November 2022, with an exercise price of \$0.058 per option and expiring on 12 May 2024, held by five holders;
- 1,933,333 unlisted Options which will vest on 2 August 2021, with an exercise price of \$0.038 per option and expiring on 2 February 2024, held by two holders;
- 1,933,333 unlisted Options which will vest on 2 February 2022, with an exercise price of \$0.048 per option and expiring on 2 February 2024 held by two holders; and
- 1,933,334 unlisted Options which will vest on 2 August 2022, with an exercise price of \$0.058 per option and expiring on 2 February 2024, held by two holders.

(Collectively, the **Options**)

* 9,000,000 of these Options were issued to Mr Langworthy who has since resigned as a director of the Company as Executive Chairman and as the vesting date of these options were not satisfied, these options have lapsed.

SHAREHOLDER INFORMATION

The Options do not carry any voting rights.

- j. The following persons hold 20% or more of unquoted equity securities (excluding those issued under an employee incentive scheme):

- (a) 6,666,667 unlisted options with an exercise price of \$0.017 and expiring on 28 February 2022:

HOLDER NAME	NUMBER HELD
Mr Peter Langworthy	6,666,667

- (b) 6,666,667 unlisted options with an exercise price of \$0.018 and expiring on 28 February 2022:

HOLDER NAME	NUMBER HELD
Mr Peter Langworthy	6,666,667

- (c) 6,666,666 unlisted options with an exercise price of \$0.02 and expiring on 28 February 2022 :

HOLDER NAME	NUMBER HELD
Mr Peter Langworthy	6,666,666

- (d) 10,000,000 unlisted options exercisable at \$0.024, expiry 26 August 2023:

HOLDER NAME	NUMBER HELD
CG Nominees (Australia) Pty Ltd	10,000,000

- (e) 2,000,000 unlisted options exercisable at \$0.03, expiry 12 November 2022:

HOLDER NAME	NUMBER HELD
Auric Capital (WA) Pty Ltd	500,000
JP Equity Holdings Pty Ltd	600,000
Mr Jason Paul Skinner	500,000

- (f) 2,000,000 unlisted options exercisable at \$0.03, expiry 12 November 2022:

HOLDER NAME	NUMBER HELD
Mark William Cossom and Kelly Jean Cossom	2,000,000

- (g) 3,000,000 unlisted options exercisable at \$0.035, expiry 12 November 2022:

HOLDER NAME	NUMBER HELD
Mark William Cossom and Kelly Jean Cossom	3,000,000

- (h) 3,000,000 unlisted options exercisable at \$0.04, expiry 12 November 2022:

HOLDER NAME	NUMBER HELD
Mark William Cossom and Kelly Jean Cossom	3,000,000

CORPORATE GOVERNANCE STATEMENT

This Corporate Governance Statement of Gateway Mining Limited (**the 'Group'**) has been prepared in accordance with the 4th Edition of the Australian Securities Exchange's (**'ASX'**) Corporate Governance Principles and Recommendations of the ASX Corporate Governance Council (**'ASX Principles and Recommendations'**). The Group is required to disclose the extent to which it has followed the recommendations during the financial year, including reasons where the Group has not followed a recommendation and any related alternative governance practice adopted.

Both this Corporate Governance Statement and the ASX Appendix 4G have been lodged with the ASX. This statement has been approved by the Group's Board of Directors (**'Board'**) and is current as at 30 September 2021.

The following governance related documents can be found on the Group's website at <http://www.gatewaymining.com.au>, under the section marked, 'Corporate Governance'.

Charters:

- Board
- Audit Committee
- Nomination Committee
- Remuneration Committee

Policies and Procedures:

- Code of Conduct
- Continuous Disclosure
- Diversity Policy
- Whistleblower Policy
- Anti-Bribery and Corruption Policy
- Selection and Appointment of New Directors
- Trading in Company Securities
- Assessing the Independence of Directors
- Independent Professional Advice
- Selection, Appointment and Rotation of External Auditor
- Performance Evaluation of the Board, Board Committees, Individual Directors and Key Executives
- Shareholder Communication Strategy
- Risk Management Policy
- Computer Usage and Conduct Policy
- Policy on Health and Safety
- Policy on Fitness for Work
- Policy on Environment
- Policy on Community Relations and Indigenous Peoples

The ASX Principles and Recommendations and the Group's response as to how and whether it follows those recommendations are set out below.

Principle 1: Lay Solid Foundations for Management and Oversight

Recommendation 1.1 - A listed entity should have and disclose a board charter setting out:

- (a) the respective roles and responsibilities of its board and management; and**
- (b) those matters expressly reserved to the board and those delegated to management.**

The Group has established the functions reserved to the Board, and those delegated to senior executives and has set out these functions in its Board Charter, which is disclosed on the Group website.

The Board is collectively responsible for promoting the success of the Group through its key functions of:

CORPORATE GOVERNANCE STATEMENT

- overseeing the management of the Group;
- providing overall corporate governance of the Group;
- monitoring the financial performance of the Group;
- engaging appropriate management commensurate with the Group's structure and objectives;
- overseeing the Group's process for making timely and balanced disclosure of all material information concerning the entity that a reasonable person would expect to have an effect on the price or value of the entity's securities;
- involvement in the development of corporate strategy and performance objectives;
- monitoring the effectiveness of the Group's governance practices;
- satisfying itself that the Group's remuneration policies are aligned with the purpose, values and objectives of the Group; and
- reviewing, ratifying and monitoring systems of risk management and internal control, codes of conduct and legal compliance.

Senior executives are responsible for implementing the Group's strategic objectives, operating within the Group's values, code of conduct, budget and risk appetite. Senior executives are also charged with supporting and assisting the managing director in implementing the running of the general operations and financial business of the Group in accordance with the delegated authority of the Board. Senior executives are responsible for reporting all matters which fall within the Group's materiality thresholds at first instance to the managing director, or, if the matter concerns the managing director, directly to the chairman, the Board or the independent directors, as appropriate.

Recommendation 1.2 - A listed entity should:

- (a) undertake appropriate checks before appointing a director or senior executive, or putting forward to security holders a candidate for election, as a director; and**
- (b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.**

Before appointing a director or senior executive, or putting forward to shareholders a director for appointment, the Group undertakes comprehensive reference checks that cover elements such as the person's character, experience, employment history, potential conflicts of interest and qualifications. Directors are required to declare each year that they have not been disqualified from holding the office of director by the Australian Securities and Investments Commission ('ASIC').

Where required, the Group also undertakes criminal background checks on potential directors and senior executives.

An election of directors is held each year. A director that has been appointed during the year must stand for election at the next Annual General Meeting ('AGM'). Retiring directors are not automatically re-appointed.

The Group has provided in the Director's Report (in the Annual Report) information about each director that the Board considers necessary for shareholders to make a fully informed decision as to the election of a director. This information is also included in the Notice of Meeting which contemplates the election or re-election of directors. Such information includes the person's biography, which includes experience and qualifications, details of other directorships, and any material information which may affect the person's ability to act independently on matters before the Board, and whether the Board supports the appointment or re-election and a summary of the reasons why.

Recommendation 1.3 - A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.

The terms of the appointment of a non-executive director are set out in writing and cover matters such as the term of appointment, required committee work, notice requirements and other special duties and remuneration entitlements.

CORPORATE GOVERNANCE STATEMENT

Executive directors and senior executives are issued with service contracts which detail the above matters as well as the circumstances in which their service may be terminated (with or without notice) and any entitlements upon termination.

Recommendation 1.4 - The company secretary of a listed entity should be accountable directly to the Board, through the Chair, on all matters to do with the proper functioning of the Board.

The Company Secretary reports directly to the Board through the Chairman and is accessible to all Directors. The Company Secretary's role, in respect of matters relating to the proper functioning of the Board, includes:

- (a) advising the Board and its committees on governance matters;
- (b) monitoring compliance of the Board and associated committees with policies and procedures;
- (c) coordinating all Board business;
- (d) retaining independent professional advisors;
- (e) ensuring that the business at Board and committee meetings is accurately minuted; and
- (f) assisting with the induction and development of directors.

Recommendation 1.5 - A listed entity should:

- (a) **have and disclose diversity policy;**
- (b) **through its board or a committee of the board set measurable objectives for achieving gender diversity in the composition of its board, senior executives and workforce generally;**
- (c) **disclose in relation to each reporting period:**
 - (1) **the measuring objectives set for that period to achieve gender diversity;**
 - (2) **the entity's progress towards achieving those objectives; and**
 - (3) **either:**
 - (A) **the respective proportions of men and women on the board, in senior executive positions and across the whole workforce (including how the entity has defined "senior executive" for these purposes); or**
 - (B) **if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent 'Gender Equality Indicators', as defined in and published under that Act.**

If the entity was in the S&P/ASX 300 Index at the commencement of the reporting period, the measurable objective for achieving gender diversity in the composition of its board should be to have not less than 30% of its directors of each gender within a specified period.

The Group has a Diversity Policy which includes requirements for the Board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the Group's progress in achieving these. The Group recognises the need to set diversity measures in each of its operating locations taking into account the differing diversity issues within each geographic location in which it operates.

The Group's Diversity Policy is available on its website. The Policy includes requirements for the Board, at the appropriate stage of its development, to establish measurable objectives for achieving gender diversity and for the Board to assess annually thereafter both the objectives and progress in achieving them. The Group intends to implement its Diversity Policy in the event that the Group's employee numbers grow to a level where implementation becomes practicable.

At present the Company, has one director who is a female, which results in females comprising 25% of the Board.

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At this stage in the Group's development, the Board does not consider it practicable to set measurable gender diversity objectives.

The Group is not a "relevant employer" under the Workplace Gender Equality Act.

The respective proportion of women employees in the whole organisation, women in senior executive positions and women on the Board as at the date of this statement are set out in the following table:

	Proportion of women
On the Board	1 out of 4 (25%)
In senior executive positions	0 out of 1 (0%)
Across the whole organisation	1 out of 5 (20%)

For the purposes of this table, the Board has defined "senior executive" as an employee who reports directly to the Managing Director or the Board and is in a senior role, responsible for the management of employees.

Recommendation 1.6 - A listed entity should:

- (a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and**
- (b) disclose for, in relation to each reporting period, whether a performance evaluation has been undertaken in the reporting period in accordance with that process during or in respect of that period.**

The Chairman is responsible for evaluation of the Board and individual directors. The Board has not established any independent committees.

The Chairman evaluates the performance of the Board and individual directors by way of ongoing review with reference to the compositions of the Board and its suitability to carry out the Group's objectives.

The Board intends to carry out a performance evaluation during the coming period. The Group's process for performance evaluation is disclosed on the Group's website.

An evaluation of the performance of the Board and individual directors took place in the 2021 financial period. The evaluation determined that the Board was satisfied with the performance of each Director and itself as a whole.

Recommendation 1.7 - A listed entity should:

- (a) have and disclose a process for periodically evaluating the performance of its senior executives at least once every reporting period; and**
- (b) disclose for each reporting period, whether a performance evaluation has been undertaken in accordance with that process during the reporting period.**

The managing director in consultation with the Board reviews the performance of the Group's senior executives. The current size and structure of the Group allows the managing director to conduct informal evaluation of the senior executives regularly. Open and regular communication with senior executives allows the managing director to ensure that senior executives meet their responsibilities as outlined in their contracts with the Group, and to provide feedback and guidance, particularly where any

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performance issues are evident. Annually, individual performance may be more formally assessed in conjunction with a remuneration review by the remuneration committee.

During the 2021 financial year, the Group conducted an evaluation of certain senior executives within the Group who were employed throughout the period. The Group's Process for Performance Evaluation is disclosed on the Group's website.

Principle 2: Structure the Board to be effective and Add Value.

Recommendation 2.1 - The board of a listed entity should:

(a) have a nomination committee which:

- (i). has at least three members, a majority of whom are independent directors; and**
- (ii). is chaired by an independent director,**

(b) and disclose:

- (i). the charter of the committee;**
- (ii). the members of the committee; and**
- (iii). as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or**

(c) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.

The Board has not established a separate nomination committee. Given the current size and composition of the Board, the Board believes that there would be no efficiencies gained by establishing a separate nomination committee. Accordingly, the Board performs the role of the nomination committee.

Items that are usually required to be discussed by a nomination committee are marked as separate agenda items at Board meetings when required. When the Board convenes as the nomination committee it carries out those functions which are delegated to it by the Group's Nomination Committee Charter, which is available on the Group's website. Additionally, given the structure of the Board and the nature of the Group's operations and strategic objectives, the Board is satisfied it has the appropriate balance of skills, knowledge and experience to enable it to discharge its duties and responsibilities effectively.

The Board deals with any conflicts of interest that may occur when convening as the nomination committee by ensuring that the Director with the conflicting interests is not party to the relevant discussions.

Recommendation 2.2 - A listed entity should have and disclose a board skills matrix setting out the mix of skills that the board currently has or is looking to achieve in its membership.

The Board's skills matrix which it is looking to achieve in its membership includes technical experience, public company experience and financial experience. The skills and experience of each director is set out in the Directors report of the Annual Report and on the Group's website. The Board considers that this composition is appropriate for the effective execution of the Board's responsibilities and the size and operations of the Group, and can competently deal with current and emerging business issues.

Recommendation 2.3 - A listed entity should disclose:

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- (a) the names of the directors considered by the Board to be independent directors;
- (b) if a director has an interest, position or relationship of the type described in Box 2.3 of the ASX Corporate Governance Principles, but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position or relationship in question and an explanation of why the board is of that opinion; and
- (c) the length of service of each director.

The Board considers that Debra Fullarton is an independent director. Debra is considered independent as she is a non-executive director who is not a member of management and who is free of any business or other relationship that could materially interfere with or could be reasonably perceived to interfere with, the independent exercise of her judgment.

When considering the independence of a director, the Board considers whether the director:

- (a) is a substantial shareholder of the Group or an officer of, or otherwise;
- (b) is, represents, or is or has been within the last three years, an officer, employee or professional advisor of a substantial shareholder of the Group;
- (c) is employed, or has previously been employed in an executive capacity by the Group or another group member, and there has not been a period of at least three years between ceasing such employment and serving on the Board;
- (d) has within the last three years been a principal of a material professional adviser or a material consultant to the Group or another group member, or an employee materially associated with the service provided;
- (e) receives performance-based remuneration (including options or performance rights) from, or participates in an employee incentive scheme of the Group;
- (f) has close personal ties with any person who falls within any of the categories described above;
- (g) is a material supplier or customer of the Group or other group member, or an officer of or otherwise associated directly or indirectly with a material supplier or customer; or
- (h) has been a director of the Group for such a period that their independence from management and substantial holders may have been compromised; or
- (i) has a material contractual relationship with the Group or another group member other than as a director.

Details of the Board of directors, their appointment dated, length of service as independence status is as follows:

Director's name	Appointment date	Length of service (approx.)	Independence status
Mark Cossom	October 2019	1 year 11 months	Managing Director, Non-Independent
Trent Franklin	February 2013	8 years 7 months	Non-Executive Chairman, Non-Independent.
Scott Brown	April 2018	3 years 5 months	Non-Executive Director, Non-Independent
Debra Fullarton	April 2018	3 years 5 months	Independent Non-Executive Director

If and where it is determined that a non-executive director should no longer be considered independent, the Group will make an announcement to the market.

Recommendation 2.4 - A majority of the board of a listed entity should be independent directors.

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Only one director on the Board is considered independent. The Board considers that the current size and composition of the Board is appropriate for the execution of the Board's responsibilities. To assist directors with independent judgement, it is the Board's policy (set out in the Group's website) that if a director considers it necessary to obtain independent professional advice to properly discharge the responsibility of their office as a director then, provided the director first obtains approval from the Chairman for incurring such expense, the Group will pay the reasonable expenses with obtaining such advice.

Recommendation 2.5 - The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO/ managing director of the entity.

The board considers that the Chairman Mr Trent Franklin is not an independent director. As stated above in Recommendation 2.4, the Board considers that the current size and composition of the Board is appropriate for the execution of the Board's responsibilities. To assist the directors with independent judgement, it is the Board's policy (set out in the Group's website) that if a director considers it necessary to obtain independent professional advice to properly discharge the responsibility of their office as a director then, provided the director first obtains approval from the Chairman for incurring such expense, the Group will pay the reasonable expenses with obtaining such advice. The Chairman is not the CEO or managing director of the entity.

Recommendation 2.6 - A listed entity should have a program for inducting new directors and for periodically reviewing whether there is a need for existing directors to undertake professional development to maintain the skills and knowledge needed to perform their role as directors effectively.

The Board in its capacity as nomination committee has a responsibility to ensure all new directors are provided with an induction into the Group and that directors have access to ongoing education relevant to their position in the Group. All directors are encouraged to communicate with the Group's employees and make visits to site to further their understanding of key operations.

The Board is in regular communication, as is necessary, with respect to briefing on material developments in laws, regulations and any accounting standards which may affect the Group.

There are procedures in place to enable Directors, in furtherance of their duties, to seek independent advice at the Company's expense, subject to the approval of the Chairman.

Principle 3: Instil a culture of acting lawfully, ethically and responsibly

Recommendation 3.1 - A listed entity should articulate and disclose its values.

The Group is committed to providing shareholders with exceptional returns via the acquisition, exploration and development of Gold and base metals projects, maximising leverage to an accretive gold price.

The Group's core values include:

- Excellence and Performance
- Integrity and Accountability
- Safety
- Innovation
- Collaboration
- Sustainability

The Group is committed to working by its core values and creating an environment that is diverse, collaborative, safe, innovative and driven by results.

Recommendation 3.2 – A listed entity should:

- (a) have and disclose code of conduct for its directors, senior executives and employees; and**

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- (b) ensure that the board or committee of the board is informed of any material breaches of that code.**

The Group has established a Code of Conduct as to the practices necessary to maintain confidence in the Group's integrity, the practices necessary to consider its legal obligations and the reasonable expectations of its stakeholders and the responsibility and accountability of individuals for reporting and investigating reports of unethical practices.

The Code of Conduct is available on the Group's website.

Recommendation 3.3 – A listed entity should:

- (a) have and disclose a Whistleblower policy; and**
- (b) ensure that the board or a committee of the board is informed of any material incidents reported under that policy.**

The Group has established a whistleblower policy to ensure the Group is living up to its values. This policy is available on the Group's website.

The board is informed of any material incident reported under that policy, as soon as practicable following such a report.

Recommendation 3.4 – A listed entity should:

- (a) have and disclose an anti-bribery and corruption policy; and**
- (b) ensure that the board or a committee of the board is informed of any material breaches of that policy.**

The Group has established an anti-bribery and corruption policy as part of its Code of Conduct. This policy and the Code of Conduct are available on the Group's website.

Principle 4: Safeguard the Integrity of Corporate Reports

Recommendation 4.1 - The board of a listed entity should:

- (a) have an audit committee which:**
- (i) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and**
 - (ii) is chaired by an independent director, who is not the chair of the board.**
- (b) and disclose:**
- (i) the charter of the committee;**
 - (ii) the relevant qualifications and experience of the members of the committee; and**
 - (iii) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or**
- (c) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the**

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processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.

The Board has not established a separate audit committee and therefore it is not structured in compliance with recommendation 4.1. Given the current size and composition of the Board, the Board believes there would be no efficiencies gained by establishing a separate audit committee. The Board performs the role of audit committee. Items required to be discussed by an audit committee are marked as separate agenda items at Board meetings as required. When the Board convenes as the audit committee it carries out those functions which are delegated to it in the Group's Audit Committee Charter, which is available on the Group's website.

The Board deals with any conflicts of interest that may occur when convening in the capacity of the audit committee ensuring that the director with conflicting interests is not party to the relevant discussions.

The Group has adopted an Audit Committee Charter which describes the role, compositions, functions and responsibilities of the audit committee.

The qualifications of the Board and company secretary are set out on the Group's website.

Recommendation 4.2 - The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO/managing director and CFO/company secretary a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

For the financial year ending on 30th June 2021, the Board received a statement from its Managing Director and Company Secretary, who perform the functions of CEO and CFO respectively, declaring that in their opinion, the financial records of the Group have been properly maintained and comply with the appropriate accounting standards.

Recommendation 4.3 - A listed entity should disclose its process to verify the integrity of any periodic corporate report it releases to the market that is not audited or reviewed by an external auditor.

The Group engages an external accounting firm to maintain its financial records and assist with the collation of periodic cash flow reports which are released to the market. Such reports are provided by the Company's accountants to the Group for consideration prior to release, and are finally reviewed and signed off by the Company Secretary and Managing Director. The completion of periodic reports by external professionals assists the Group to ensure the integrity of its financial reporting.

The Group's activity reports are prepared by employees of the Group in conjunction with external consultants and professional advisers who provide assistance with respect to compliance with ASX Listing Rules and Joint Ore Reserve Committee standards, thus assisting the Group to ensure the integrity of those reports.

Principle 5: Make Timely and Balanced Disclosure

Recommendation 5.1 - A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under Listing Rule 3.1.

The Group has established written policies and procedures designed to ensure compliance with ASX Listing Rule disclosure requirements and accountability at a senior executive level for that compliance. The Company's Directors and management have familiarised themselves with the ASX's continuous disclosure requirements and operate in an environment where strong emphasis is placed on full and appropriate disclosure to the market.

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A summary of the Group's Policy on Continuous Disclosure and Compliance Procedure is disclosed on the Group's website.

Recommendation 5.2 – A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.

The Group ensures that all directors receive copies of each market announcement which is released which is sent to the board each time an announcement is published.

Recommendation 5.3 – A listed entity that gives a new and substantive investor or analyst presentation should release a copy of the presentation materials on the ASX Market Announcements Platform ahead of the presentation.

The Group ensures that investor or analyst presentation materials are released on the ASX Market Announcements Platform prior to the presentation.

Principle 6: Respect the Rights of Security Holders

Recommendation 6.1 - A listed entity should provide information about itself and its governance to investors via its website.

The Group maintains information in relation to governance documents, directors and senior executives, Board and committee charters, annual reports, ASX announcements and contact details on the Group's website.

Recommendations 6.2 and 6.3 - A listed entity should have an investor relations program that facilitates effective two-way communication with investors (6.2).

A listed entity should disclose how it facilitates and encourages participation at meetings of security holders (6.3).

The Group has designed a communications policy for promoting effective communication with shareholders and encouraging shareholder participation at general meetings. The policy is disclosed on the Group's website.

The Company aims to have all significant information disclosed to the ASX posted on the Company's website as soon as it is disclosed to the ASX. There is also an email address and contact number available to shareholders who have enquiries or are seeking further information. Investors and securityholders may contact the Company by email at info@gatewaymining.com.au or via telephone at +61 2 8316 3998.

The Group provides security holders with the requisite notice before holding security holder meetings, and ensures that they are scheduled to be held in a central, accessible location (being the Central Business District of Sydney) to enable security holders ample opportunity to attend. The Directors and management encourage security holders to attend and participate in all meetings of security holders and invite attendees to ask questions of the Board.

During the COVID-19 Pandemic, the Company has also been holding virtual meetings via webinar allowing shareholders to attend meetings and also adhere to social distancing practices.

Additionally, a notice of meeting and related communications are provided to the Company's auditor who, in accordance with the Corporations Act, is required to attend the Company's annual general meeting at which shareholders must be given a reasonable opportunity to ask questions of the auditor or their representative.

Recommendation 6.4 – A listed entity should ensure that all substantive resolutions at a meeting of security holders are decided by a poll rather than by a show of hands.

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All resolutions put to a meeting of security holders are decided by poll rather than by a show of hands. This is to support the principle of “one share, one vote” and also supports the ASX stance on voting at general meetings of security holders.

Recommendation 6.5 – A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.

The Group’s website allows security holders to receive communications from and send communications to the entity electronically.

Principle 7: Recognise and Manage Risk

Recommendations 7.1 and 7.2 – The board of a listed entity should:

- (a) have a committee or committees to oversee risk, each of which:**
 - (i) has at least three members, a majority of whom are independent directors; and**
 - (ii) is chaired by an independent director,**

and disclose:

 - (i) the charter of the committee;**
 - (ii) the members of the committee; and**
 - (iii) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or**
- (b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity’s risk management framework (7.1).**

The board or a committee of the board should:

- (a) review the entity’s risk management framework at least annually to satisfy itself that it continues to be sound and that the entity is operating with due regard to the risk appetite set by the board; and**
- (b) disclose, in relation to each reporting period, whether such a review has taken place (7.2).**

The Board does not have a specific risk management committee. The Board’s audit committee as referred to in recommendation 4 above assists with monitoring and reviewing the Group’s risk management processes and systems.

The Risk Management Policy, disclosed on the Group website, demonstrates the measures taken and policies implemented to manage risks associated with the Group’s business.

The Board regularly considers and discusses the risks posed to it and the procedures in place to manage that risk to ensure that the Group is adequately protected against such risks. Annually, the Group receives and reviews recommendations from management and senior executives as to the effectiveness of the management of material business risks.

During the 2021 financial period, the received and reviewed recommendations from management and senior executives as to the effectiveness of the management of material business risks.

Recommendation 7.3 - A listed entity should disclose:

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- (a) if it has an internal audit function, how the function is structured and what role it performs;
or
- (b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its governance, risk management and internal control processes.

Given the size and composition of the Group, the Board has not established an internal audit function, other than the audit committee function which the Board serves as disclosed in recommendation 4 above and in the Audit Committee Charter disclosed on the website. The Board may from time to time engage an external auditor to conduct additional reviews of Group processes.

Recommendation 7.4 – A listed entity should disclose whether it has any material exposure to environmental or social risks and, if it does, how it manages or intends to manage those risks.

As a mining exploration entity focussed on the exploration of gold and base metals, the Group has material exposure to environmental and social risks at its site locations in Western Australia.

Environmental and social risks are managed through the engagement of environmental and community liaison officers who when required are responsible for managing these risks and ensuring that the Company's approach for managing such risks are considered and appropriate given the nature of each risk.

Additionally as per the Group's policy on the environment (which is disclosed on the Group's website), the Group views environmental management as essential to its own future and to the future of the mining industry in general. The Group considers that sound environmental management benefits all stakeholders, including shareholders, employees, contractors, the communities within which it works and the broader community as a whole. All employees will be active towards sound environmental management and as a minimum, ensure compliance with all statutory requirements associated with the Group's activities, from mineral exploration, mining and processing through to the sale of mineral products.

The Group has also implemented an Environmental Management System that incorporates elements to achieve and maintain high environmental standards, the Group and its employees undertake to identify, control, monitor and as appropriate rehabilitate environmental impacts from all stages of the Group's activities ultimately managing and mitigating environmental risks.

The Group also has a dedicated policy on community relations and indigenous peoples (as disclosed on the Group's website) to deal with social risks and to develop mutually beneficial relationships with the communities in which the Group works and proposes to work.

Principle 8: Remunerate Fairly and Responsibly

Recommendation 8.1 - The board of a listed entity should:

- (a) have a remuneration committee which:
- (i) has at least three members, a majority of whom are independent directors; and
 - (ii) is chaired by an independent director,
- and disclose:
- (iii) the charter of the committee;
 - (iv) the members of the committee; and

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- (v) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or
- (b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.

The Board has not established a separate remuneration committee and accordingly it is not structured in accordance with recommendation 8.1. Given the current size and composition of the Board, the Board believes that there would be no efficiencies gained by establishing a separate remuneration committee. Accordingly, the Board performs the role of the remuneration committee.

Items usually required of a remuneration committee are marked as separate agenda items at Board meetings when required. When the Board convenes as the remuneration committee, it carries out those functions which are delegated to it by the Remuneration Committee Charter which is disclosed on the Group's website. The Board deals with any conflicts of interest that may occur when convening in the capacity of the remuneration committee by ensuring that the director with conflicting interests is not party to the relevant discussions.

The full Board in its capacity as remuneration committee did not meet during the 2021 financial year however, remuneration related items were tabled and considered during a number of Board meetings during that period.

Recommendation 8.2 - A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.

Details of remuneration are set out in the remuneration report which forms part of the director's report (in the Annual Report) and is set out in the Remuneration Charter on the Group's website. The policy on remuneration clearly distinguishes the structure of non-executive director's remuneration from that of executive directors. Executive directors are offered a competitive level of base pay at market rates and are reviewed annually to ensure market competitiveness.

There are no termination or retirement benefits for non-executive directors.

The Group's Remuneration Committee Charter includes a statement of the Group's policy on prohibiting transactions in associated products which limits the risk of participating in unvested entitlements under any equity based remuneration schemes.

Recommendation 8.3 - A listed entity which has an equity-based remuneration scheme should:

- (a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and
- (b) disclose that policy or a summary of it.

Not applicable. The Group does not have an equity-based remuneration scheme.

Additional Recommendations

Recommendation 9.1 – A listed entity with a director who does not speak the language in which board or security holder meetings are held or key corporate documents are written should disclose the processes it has in place to ensure the director understands and can contribute to the discussions at those meetings and understands and can discharge their obligations in relation to those documents.

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This recommendation is not applicable to the Group.

Recommendation 9.2 – A listed entity established outside Australia should ensure that meetings of security holders are held at a reasonable place and time.

This recommendation is not applicable to the Group.

Recommendation 9.3 – A listed entity established outside Australia, and an externally managed listed entity that has an AGM, should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.

This recommendation is not applicable to the Group.