ABN: 31 008 402 391
Level 7, Simpson House, 249 Pitt Street Sydney NSW 2000
PO Box A278 Sydney South NSW 1235
Tel: 61 2 9283 5711
Fax: 61 2 9283 5766
Email: info@gatewaymining.com.au
Website: www.gatewaymining.com.au

Quarterly Report

For the Quarter ended 30th September 2007

HIGHLIGHTS

- Promising copper-gold targets are expected to be drilled at the Cowra leases during the December quarter. The drilling targets significant IP responses with magnetics that correlate with known geology.
- Drilling of targets at Surprise, Queensland, pinpointed from recent gravity surveys, is expected to take place during the quarter.
- At Gidgee, Western Australia, assay results are awaited from 73 RAB holes at Barrelmaker, as well as potential extensions to Gateway's copper discovery at the Cup and prospective nickel and gold targets.
- A program of RC drilling is planned later this year to follow up significant EM responses at Julia's Fault, to test gold targets at Victory Creek, and the copper mineralisation at the Cup.
- At the West Bungarra joint venture with Legend assay results are awaited from 507 soil samples at the Python copper-nickel-PGE gossan and regional traverses over the western margin of the Bungarra intrusive complex.
- Gateway entered into a Deed of Variation on 6 October 2007 with WCP Resources Limited (WCP) on the existing Option Agreement over Gateway's Barrelmaker and Airport Central projects. Under the terms of this document WCP has added four extra licences that collectively cover 7.32 square kilometres within the Montague area, and removed all tenements included within the Barrelmaker project.

OVERVIEW OF EXPLORATION PROJECTS

NEW SOUTH WALES

COWRA PROJECT EL 5514, 6102

Gateway 100%, Minotaur earning 75%

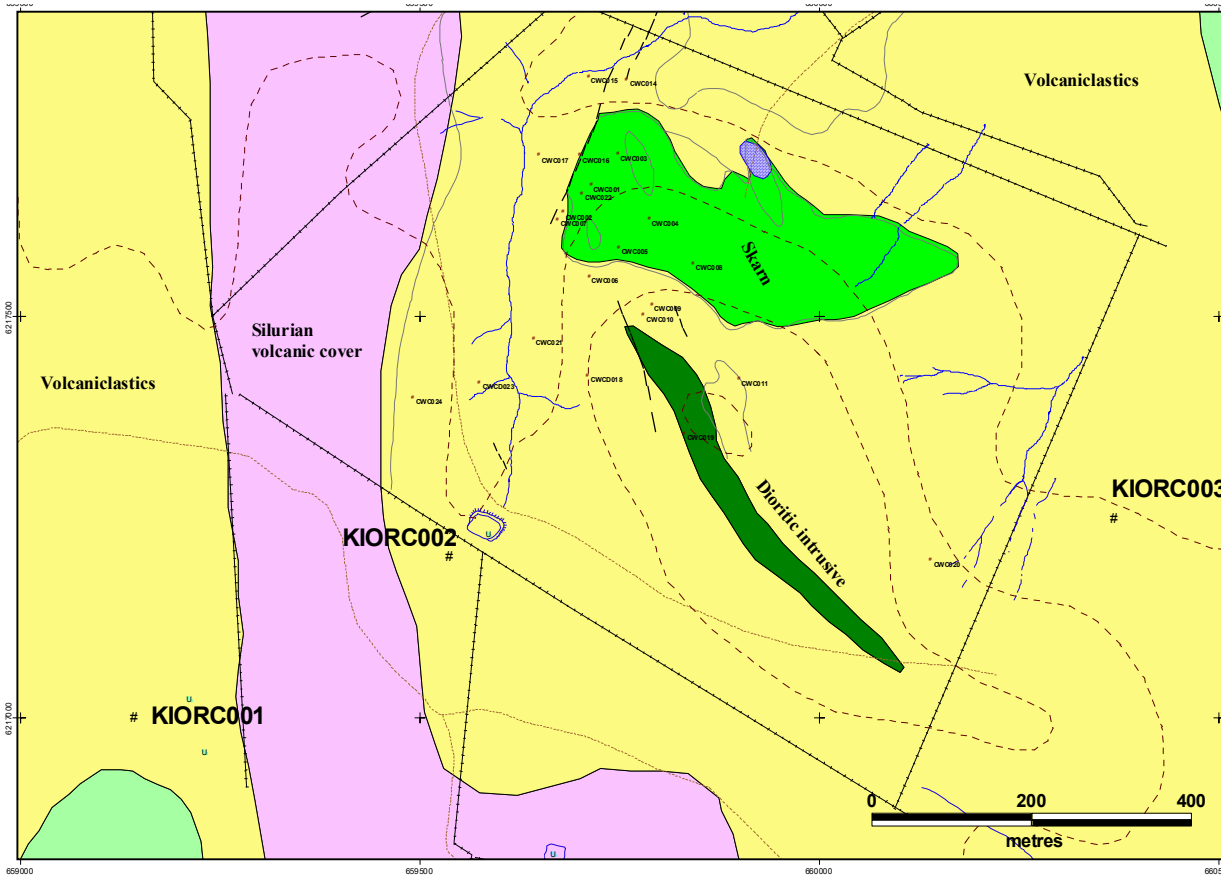
Following the entry of Japan's Mitsubishi Metals into the project in a deal with Minotaur, exploration at these highly prospective lease areas will be expedited. The joint venture has reviewed all geophysical and geochemical data and confirmed targets identified by Gateway and added new prospects in the area.

Minotaur introduced the use of hand held X-Ray florescence (XRF) equipment and advanced ways of interpreting Induced Polarised data to confirm anomalies previously recognised by Gateway at Kiola. The XRF identified two further prospects to the south of Kiola, Stockfeed and Balbardie. These new prospects are associated with small gossans.

IP lines run across the Balbardie soil geochemistry anomaly yielded significant results. The IP was blended with the magnetic data, and the results have a strong continuity with what is known of the geology.

Knowledge of the Cowra geology was advanced in the last quarter by reviewing and adding to the previous mapping. Figure 1 is a map showing the geology of the Kiola area as now understood.

Figure 1: Geology of the Kiola area showing the domal structure identified by recent mapping. Also shown are proposed drill holes.

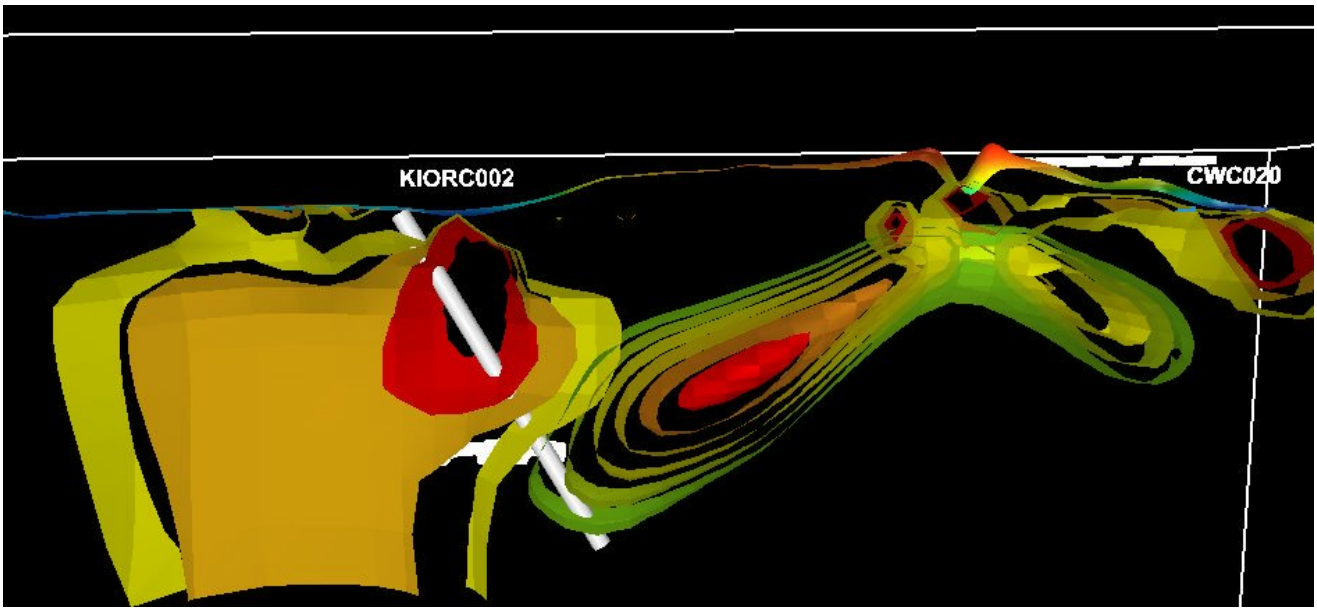


Also shown are the three drill holes planned as soon as a rig becomes available. This will be mid December at the earliest, but due to an industry wide lack of rigs, this date may extend to mid January 2007.

Figure 2 shows the combination IP and magnetic section targeted by Drill Hole KIORC002 as an example of the quality of the geophysical and geochemical targets generated. Drill hole KIORC002 is directed towards the modeled IP body (yellow and red contours to the left of image) and magnetic body model (green and red contours to right of image).

The drill hole is planned to intersect both a substantial, highly conductive IP anomaly and underlying magnetic feature. The modeled magnetic body has an antiformal shape, and is interpreted to be associated with skarn alteration outcropping to the north.

Figure 2: Combination IP – magnetics targeted by drill hole KIORC002.



A further four drill holes are planned for the Balbardie prospect. The locations are shown in figure 3. Under current plans seven drill holes are planned in the December quarter to intersect some of these highly promising target areas.

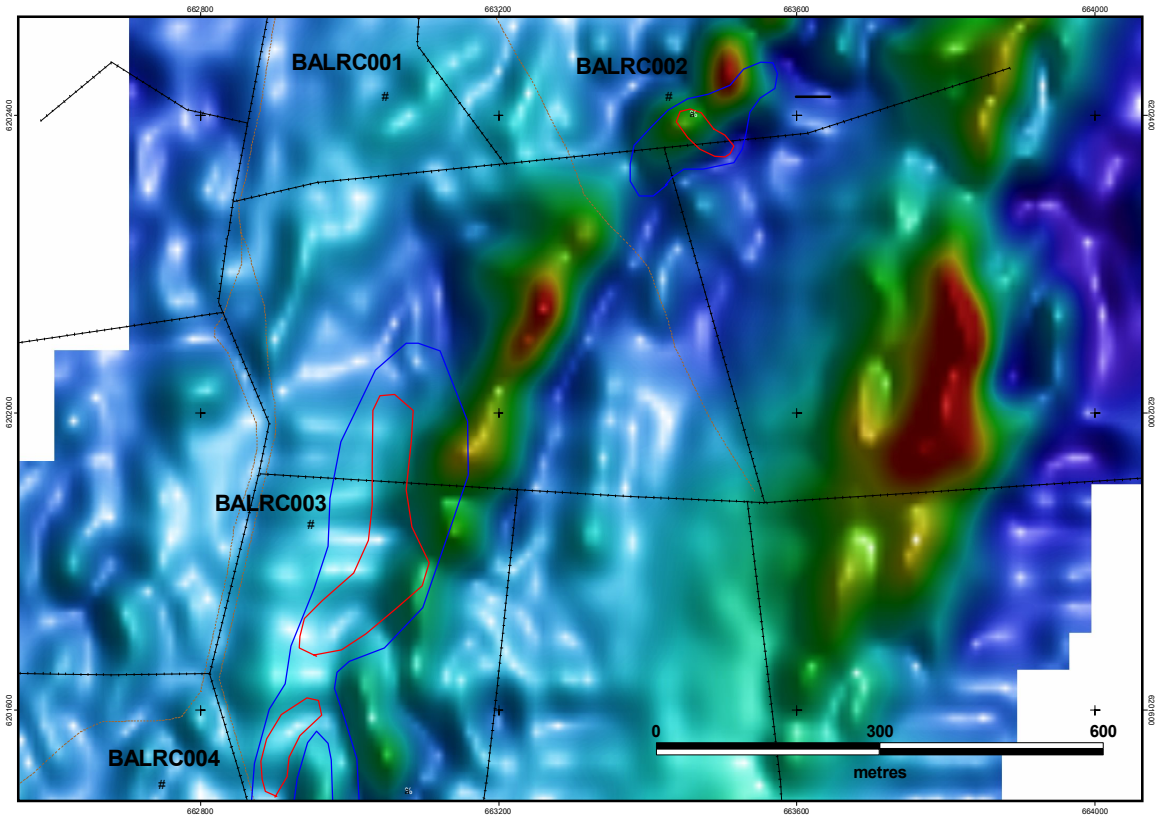
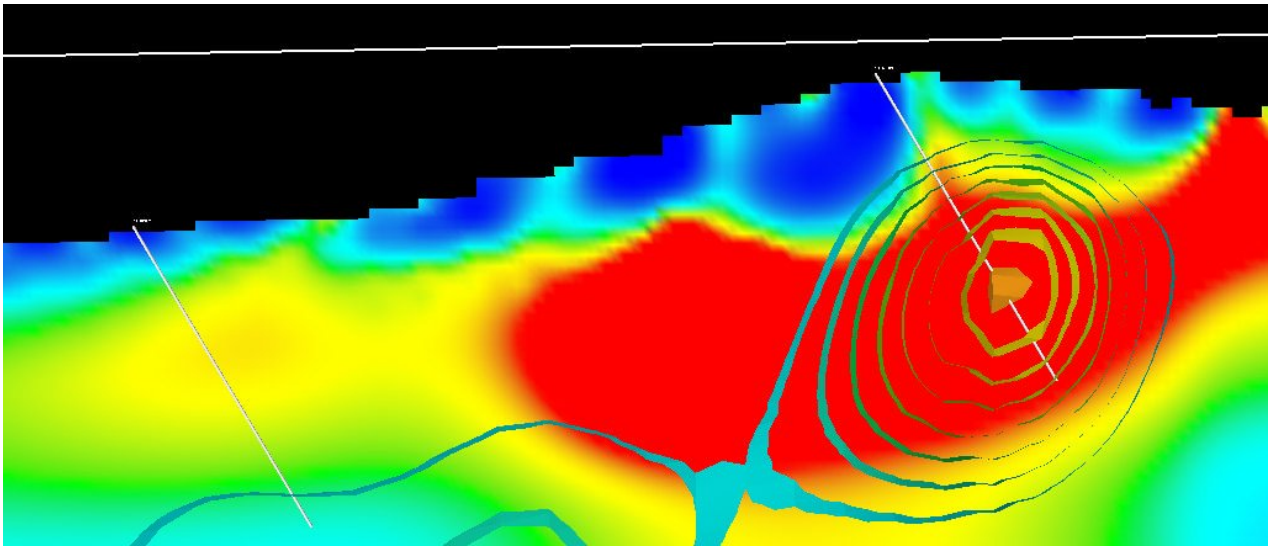


Figure 3: Location of planned drill holes for Balbardie prospect. Base map is the magnetic response

Again by way of example the combination IP-magnetic response targeted by drill holes BALRC 001 and BALRC002 are shown in figure 4.

Figure 4: Combination IP-Magnetics responses targeted by drill holes BALRC001 and BALRC002



BALCR001 is designed to test a more subtle IP response with associated high resistivity that is possibly the result of silicic alteration, and hence could be a stockwork. BALRC002 is designed to test a coincident very strong IP and moderate magnetic anomaly.

QUEENSLAND

SURPRISE PROJECT

Gateway 100%, Minotaur/Oxiana earning 75%

The completion of a new gravity survey has confirmed several deep drilling targets for potential copper-gold mineralisation. Attempts are currently being made to obtain a drilling rig to undertake this work during the December quarter.

Further soil geochemistry using the XRF system employed by Minotaur at Cowra has revealed a region of anomalous Cu, Co, Fe to the north of the Surprise Mine, which has not been previously drill tested.

WESTERN AUSTRALIA

GIDGEE
VICTORY CREEK, BARRELMAKER, THE CUP

During the quarter 2,480 line kilometres of detailed airborne magnetics covering approximately 105 sq km was completed over portions of the Barrelmaker area, encompassing prospective nickel and gold mineralisation targets. Interpretation of the data is underway and is expected to generate potential drill targets in the near future.

Assay results are awaited from 2346m of RAB drilling from 73 holes completed in late September.

This program covered prospective nickel targets at the Barrelmaker prospect and potential southern extensions to copper mineralisation at the Cup. Interpreted komatiitic flows ranging from 100m to 300m thick were intersected at Barrelmaker. The Crater area is interpreted to be prospective for Kambalda style nickel in sulphide mineralisation associated with the base of komatiitic flows.

At the Cup, subsurface gossans were intersected in drilling 200m and 400m south of previously reported mineralisation of 30m @ 1% copper. Similar gossans were also intersected 1.8km and 2.5 km further to the southeast. Assay results could help determine whether these are part of the same mineralised trend.

There are some indications that copper-gold at the Cup and the Julia's Fault gold mineralisation 800m to the north may be part of the same arcuate mineralised system controlled by the regional basalt sediment contact interpreted to date.

Samples of copper mineralisation at the Cup were submitted for mineralogy with the aim of determining whether or not the copper was leachable. Results indicate the main copper mineral was a sooty-style chalcocite. Additional drilling by Gateway will be carried out to determine if an opportunity exists to define a leachable copper resource.

Gateway's 30m copper intersection could point to an exciting opportunity at the Cup since previous drilling suggests the prospect could be up to 1km long. An old drill hole 300m north of the Cup intersected 4000ppm copper and subsurface gossans, that were not analysed, were found 200m and 400m to the south.

Significant responses were obtained from three EM surveys over sulphide mineralisation at Julia's Fault, the Cup copper-gold sulphide mineralisation and over an ironstone horizon interpreted to be near the base of an ultramafic unit at Crater.

These target areas will be investigated by RC drilling during the December quarter with the possibility that further regional airborne VTEM surveys may be applicable to these types of target areas in the future.

This drilling expected to total 2500m-3000m is scheduled to commence in late November or early December.

Montague Project

Gateway 100%, WCP earning 70%

Gateway entered into a Deed of Variation on 6 October 2007 with WCP Resources Limited (WCP) on the existing Option Agreement over Gateway's Barrelmaker and Airport Central projects. Under the terms of this document WCP has added four extra licences that collectively cover 7.32 square kilometres within the Montague area, and removed all tenements included within the Barrelmaker project.

WCP as operators of the joint venture will be carrying out ongoing work on the revised joint venture area, including defining new drill targets and further assessment of the resource potential at Whistler in light of the results of the drill programme finished in the March 2007 quarter. This work will lead to a drilling programme that is scheduled for commencement in November.

West Bungarra Joint Venture

Legend 70% Gateway 30%

Legend Mining is planning a major drilling campaign over its Gum Creek project area, which includes Gateway's P57/976 lease areas. Its Python copper-nickel-platinum group elements discovery is believed to extend into the Gateway blocks.

A Moving Loop Transient Electromagnetic survey at Python has identified a strong conductor that is coincident with a mineralised gossan. Results of 507 soil samples are also awaited from the Python prospect and regional traverses over the western margin of the West Bungarra Intrusive Complex.

The information in this report that relates to Exploration Results, Mineral Resources orOre Reserves is based on information compiled by Dr. R.A.Creelman, a Director ofthe company, a Fellow ofthe Australasian Institute of Mining and Metalurgy and a Certified Professional (CP) ofAus. I.M.M. Dr.R.A.Creelman has a minimum of 5 years expeñence which is relevant to the style of mineralization and type of depositunderconsideration and to the activitywhich he is undertaking to qualifyas a Competent Person as defined in the 2004 Edition of the 'Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Dr. R.A.Creelman consents to the inclusion in the reportofthe matters based on his information in the form and context in which it appears.

MINING TENEMENTS

The company holds the following percentage interest in the undermentioned tenements:

TENEMENT SCHEDULE		
PROJECT	TENEMENTS	% INTEREST
GIDGEE	MLA53/905 (PLA53/1304), MLA53/938 (PLA53/1331-1333), P57/976, MLA53/939 (PLA53/1306), MLA53/906 (ELA53/1298, PLA53/1303), MLA53/926 (PLA53/1330, PLA53/1334), P57/879 (MLA57/483, P57/1168, PLA57/1170), P57/882 (MLA57/472, PLA57/1150), P57/883 (MLA57/471, PLA57/1155, PLA57/1151), P57/884 (MLA57/471, PLA57/1155), P57/893 (MLA57/497, PLA57/1144), MLA57/504 (PLA57/1175-1178), MLA57/464 (PLA57/1171-1174), E57/342 (MLA57/487, ELA57/688, PLA57/1152), E57/343 (MLA57/486, ELA57/687, PLA57/1149), E57/359 (MLA57/460, MLA57/495, MLA57/496, ELA57/685, PLA57/1145-1147), MLA57/462 (PLA57/1133), MAL57/463 (PLA57/1136), MLA57/466 (PLA57/1179, PLA57/1180), MLA57/484 (PLA57/1181, PLA57/1182), E57/394 (MLA57/470, MLA57/498, ELA57/683, PLA57/1140, PLA57/1143), ELA57/563, ELA57/405, E57/417, E57/418, E57/562, E57/554, MLA53/909 (PLA53/1305), MLA57/456 (PLA57/1163, PLA57/1164),	100
	E57/232 (MAL57/387, MLA57/388, ELA57/686,PLA57/1148, PLA57/1183-1186) - **LEGENDRE JV**	80
	E57/334 (MLA57/447, MLA57/488, MLA57/489, ELA57/689, ELA57/682, PLA57/1153, PLA57/1154), E57/335 MLA57/488-491, ELA57/689, ELA57/682, PLA57/1137-1139) - **HERALD RESOURCES JV**	80
	M57/429, M57/485, E57/561 - **ESTURAY RESOURCES JV**	75
	M57/48, M57/49, M57/99, M57/217 & G57/2 - **HERALD RESOURCES JV (WCP JV)**	85
	MLA57/446 (PLA57/1132), MLA57/503 (PLA57/1156, PLA57/1157), MLA57/461 (PLA57/1158-1160), MLA57/445 (PLA53/1325, PLA57/1161, PLA57/1162), MLA57/502 (PLA57/1165, PLA57/1166), MLA53/907 (PLA53/1326, PLA53/1327), MLA53/987 (PLA53/1328, PLA53/1329), - **FALCON MINERALS JV**	75
COWRA	EL 5514 EL 6102	100 100
HODGKINSON BASIN	EPM 9934 EPM 10026 EPM 11765 EPM 12240 MDL(A) 254	6 6 6 6 100*
SURPRISE	ML 2483, 2509, 2686, 90102 EPM 9053, EPM 13677	100 100

*Denotes Transfers to be lodged with Department of Natural Resources and Mines.
Gateway to reduce to 6% on approval.