

Quarterly Report

For the Quarter ended 31st March 2007

HIGHLIGHTS

- Following recent successful drilling beneath the resource at the Whistler Pit, in Gidgee, detailed modeling of the structural geology is being undertaken prior to a new round of drilling during the June quarter.
The latest RC and diamond drill hole intersected 3m @ 6.93 g/t gold from a new structure interpreted to extend for over 200 m along strike in the hanging wall of the existing resource. The diamond portion of WRCO18 returned 2m @ 10.53 g/t gold.
- Similar reappraisal will be conducted at Rosie North, where the latest drilling confirmed continuation of gold mineralisation at depth. Further drilling is anticipated in the June quarter.
- The Cowra copper-gold prospect is being reassessed by Minotaur Exploration, which is earning a 75% stake in these areas from Gateway. A review of geophysical data indicates that previous drilling has not intersected existing IP anomalies with further analysis being carried out prior to drilling.
- Regional gravity data obtained at Surprise during the December quarter were processed and integrated with historical geochemical data. Areas that coincide with anomalous soil geochemistry will be selected for further in-fill surveys.

OVERVIEW OF EXPLORATION PROJECTS

WESTERN AUSTRALIA

GIDGEE GOLD PROJECT

AIRPORT CENTRAL

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

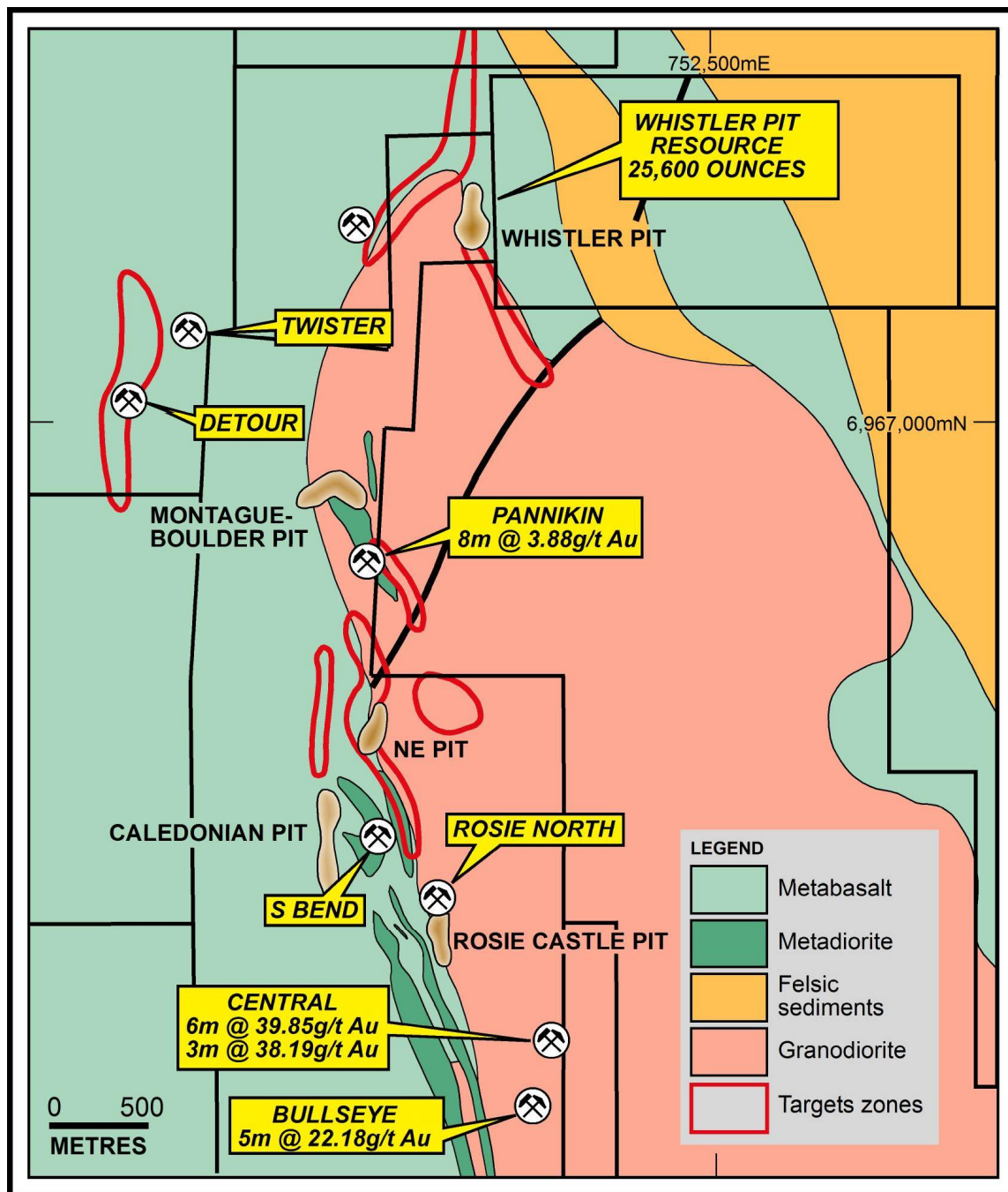
Whistler Project

WCP completed further drilling at the Whistler Pit. It announced that the RC portion of WRCO18 had returned a significant gold intersection of 3 metres at 6.93 g/t gold from a new structure interpreted to extend for over 200 metres along strike in the hanging wall of the existing gold resource at Whistler. The diamond portion of WRCO18 returned 2m @ 10.53 g/t.

A program of detailed modeling using existing drilling data is being undertaken with a view to planning a follow-up drilling program in the June quarter. Figure 2 is a cross section of the Whistler Pit with the more recent results. These are complex structures that require further investigation.

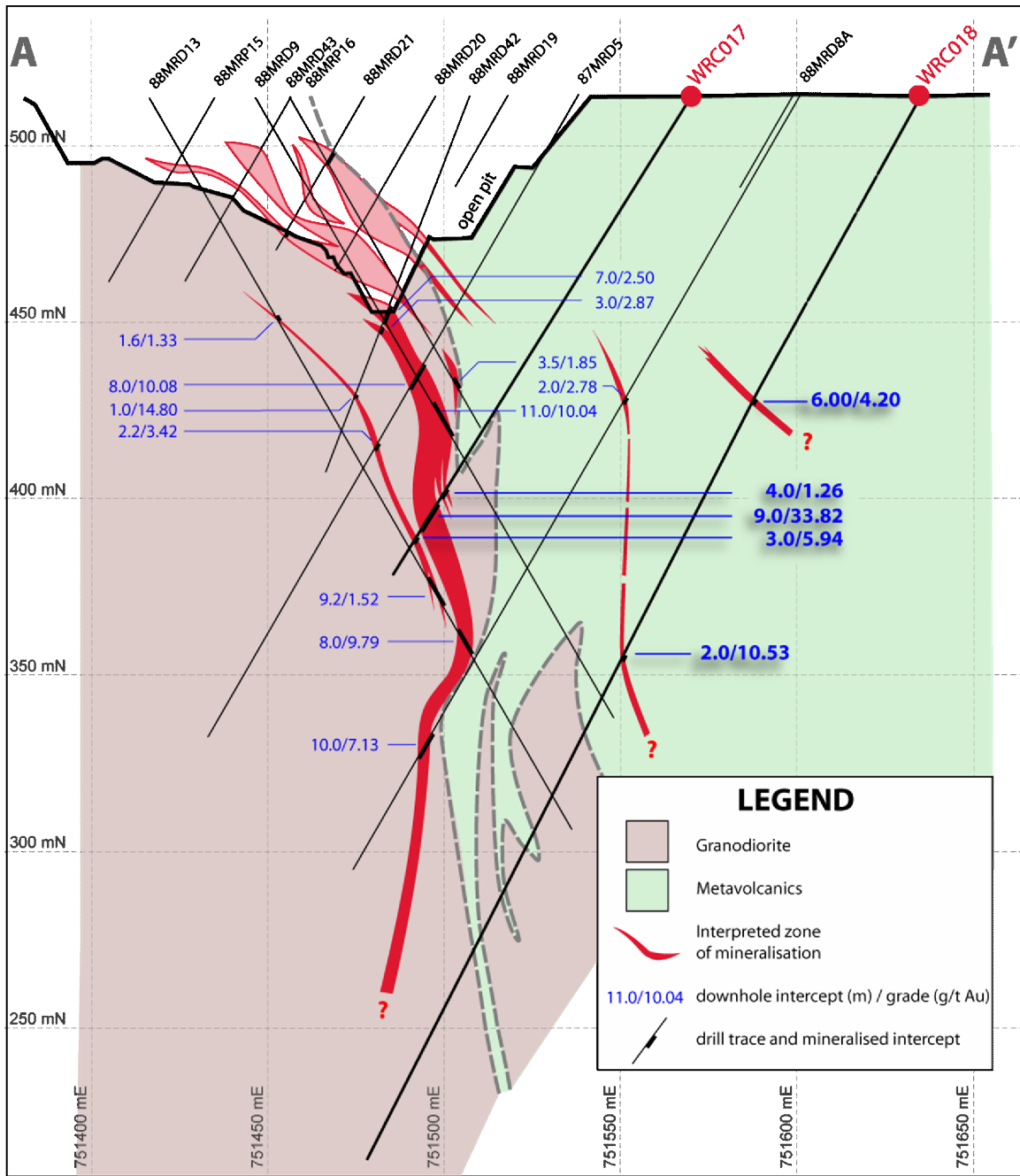
Rosie North

Drilling by WCP at Rosie North has confirmed the continuation of gold mineralisation at depth with a best result being 5m @ 2.72 g/t gold and 1 m @ 12.65 g/t. As with Whistler, Rosie North is in a complex structural setting that requires more detailed analysis prior to a new round of drilling in the current quarter.



AIRPORT GOLD TARGETS

Figure 1



Whistler - Cross Section

Figure 2

COWRA PROJECT EL 5514, 6102

Gateway 100%, Minotaur earning 75%

Since farming into the project in the December quarter, Minotaur has been applying two new technologies to advance exploration efforts in the Cowra area, which is prospective for copper-gold.

Rock chips from recent RC drilling have been examined with HyChips, a CSIRO developed Infra Red spectral technology that characterises alteration mineral assemblages that help reveal patterns in the alteration sequences, or alteration vectors, that exist around hydrothermal mineralization.

Minotaur personnel have also completed an orientation survey using a portable X-ray spectrometer. This technology allows the rapid and accurate collection of elemental geochemical data from soils, providing immediate results from a survey. The portable X-ray spectrometer was able to reproduce the surface soil anomaly at the NASDAQ Prospect discovered by Gateway, and a significant expansion of its application to the Cowra Project is planned.

The review and representation of IP responses over the NASDAQ prospect completed and reported in the last quarter showed that previous drilling had not penetrated the IP anomalies (see Figure 3 below).

However the alteration observed as the holes approached the IP targets suggested that there would be value in using HyChips responses to alteration, providing a set of alteration vectors to guide future drilling.

This proved to be fruitful, and the geologists will now have a means of assessing whether or not the drill is approaching mineralization, or proceeding away from mineralisation. The combination of the IP responses and the alteration vectors provide powerful tools for directing future drilling.

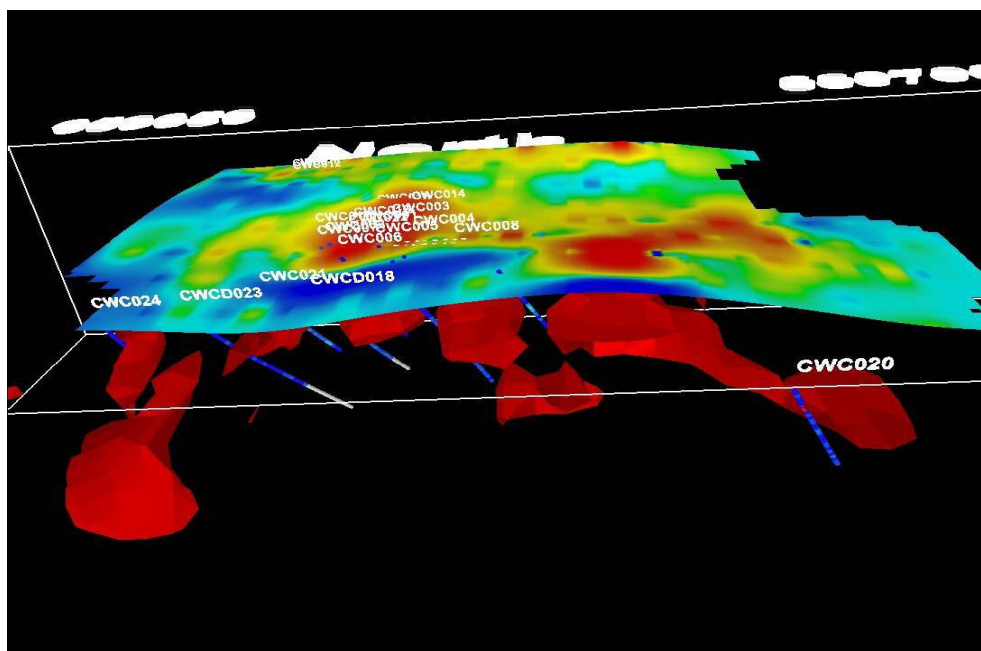


Figure 3: Geophysical and geochemical anomalies still to be drill tested

TUCKERBOX GOLD PROJECT EL 4811

Gateway 100%

A decision was taken to relinquish this project. The licence was surrendered on 19th March 2007 and the required relinquishment documentation is in preparation.

QUEENSLAND

SURPRISE PROJECT

Gateway 100%, Minotaur earning 75%

Little field activity occurred in the Cloncurry district during the quarter due to the wet season. Regional gravity data collected in the December quarter was processed and integrated with historic geochemical data.

Areas that coincide with anomalous soil geochemistry have been selected for infill surveys in the coming quarter. These potential iron oxide targets, and targets generated from re-processing of historical electrical geophysical data, are expected to be drill tested later in the year after collars are finalised and formal approvals are in place.

HODGKINSON BASIN

Gateway 6% free carried

No work was completed during the quarter.

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

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Dr. R.A.Creelman, a Director of the company, a Fellow of the Australasian Institute of Mining and Metallurgy and a Certified Professional (CP) of Aus. I.M.M. Dr.R.A.Creelman has a minimum of 5 years experience which is relevant to the style of mineralization and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Dr. R.A.Creelman consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

MINING TENEMENTS

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

TENEMENT SCHEDULE		
PROJECT	TENEMENTS	% INTEREST
GIDGEE	P53/673 - 674 (MLA53/593), P53/676 (MLA53/592), P57/801-802 (MLA57/452), P57/844 (MLA57/453), E57/255 (MLA57/467, 468)	90
	MLA53/938, PLA57/976, P53/1004, MLA53/939 & MLA53/905, MLA53/906, MLA53/926, P57/879 (MLA57/483), P57/882 (MLA57/472)-884 (MLA57/471), P57/893 (MLA57/497), E57/340 (MLA57/464, 504), E57/342 (MLA57/487), E57/343 (MLA57/486), E57/359 (MLA57/460, 495 & 496), MLA57/462, 463, MLA57/466, 484, E57/394 (MLA57/470, 498), ELA57/401, ELA57/402, ELA57/405, ELA57/417, ELA57/418, ELA57/562, ELA57/563	100
	E57/232 (MLA57/387, 388)(Legendre JV)	(earning) 80
	MLA53/907, 987, MLA57/445, 446, 461, 502 & 503 (Yardarino JV)	75
	E57/334 (MLA57/447, 486, 488, 489), E57/335 (MLA57/448, 449, 490, 491)(Herald Resources JV)	80
	E57/239 (M57/429, 485), ELA57/390, 561 (Estuary Resources JV)	75
	M57/48,98,99,217, G57/2 (Herald Resources JV)	85
COWRA	EL 5514	100
	EL 6102	100
COOTAMUNDRA	EL 4811	100
HODGKINSON BASIN	EPM 9934	6
	EPM 10026	6
	EPM(A) 11765	60*
	EPM 12240	6
	MDL(A) 254	100+
SURPRISE	ML 2483, 2509, 2686, 90102	100
	EPM 9053, EPM 13677	100

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