

GATEWAY MINING LIMITED
ABN: 31 008 402 391



Gateway Mining Limited

ANNUAL REPORT 2014

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DIRECTORY

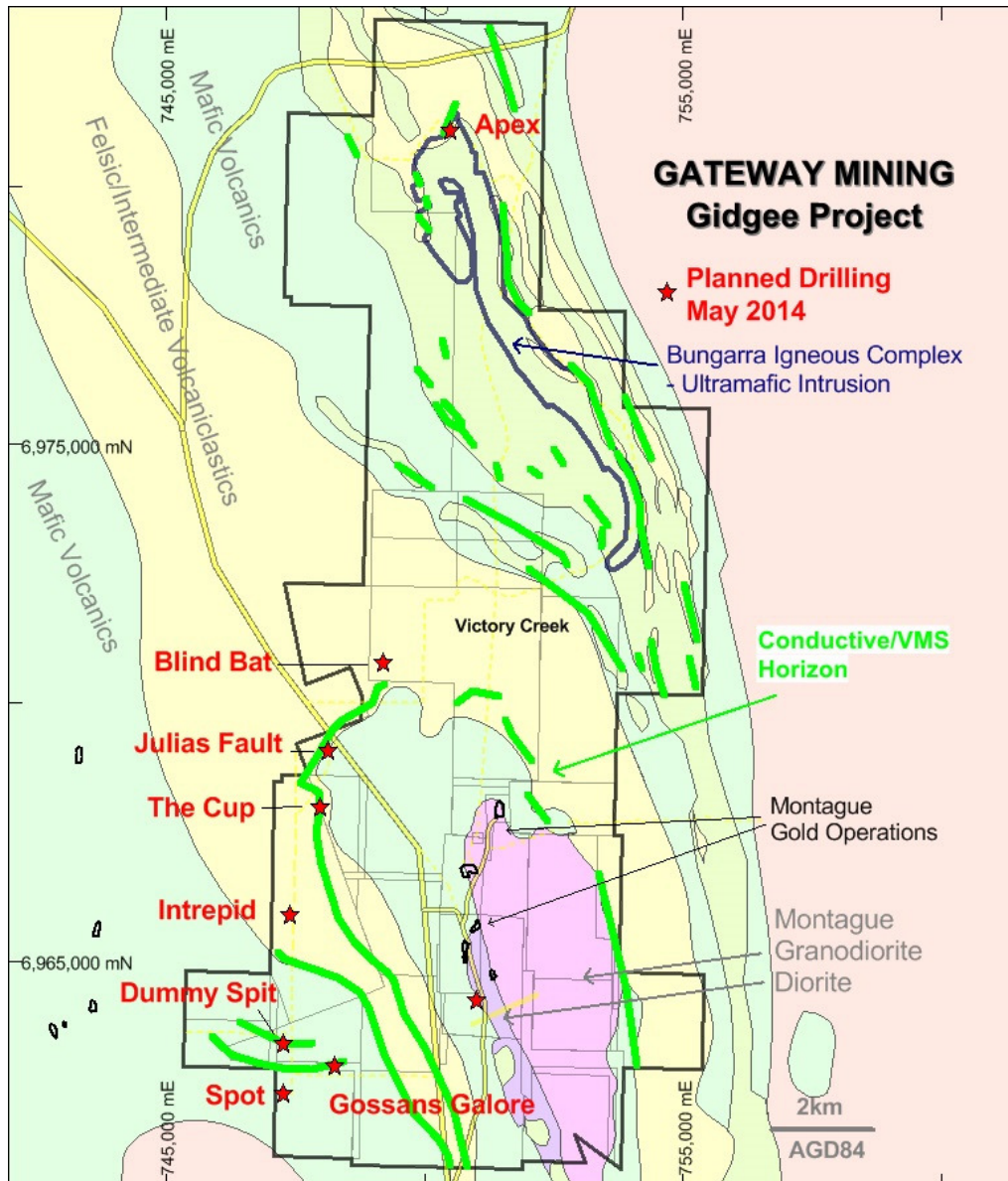
Registered Office	Level 8 210 George Street Sydney NSW 2000	Telephone: 02 9191 4543 Facsimile: 02 8247 7999 Email: info@gatewaymining.com.au
Directors	Mr. Trent Franklin (Non-executive Chairman) Mr. Andrew Bray (Managing Director) Mr. Ian McDonald (Non-executive Director)	
Company Secretary	Mr. Gary Franklin	
Auditors	Crowe Horwath Sydney Chartered Accountants Level 15 1 O'Connell Street Sydney NSW 2000	
Solicitors	Chris Apostolakos Solicitor Suite 2, 8E Faraday Rd Padstow, NSW 2211	
Bankers	Macquarie Bank Limited 1 Shelley St Sydney NSW 2000	Commonwealth Bank of Australia Tower 1, 201 Sussex St Sydney NSW 2000
Share Registry	Security Transfer Registrars Pty Ltd 770 Canning Highway Applecross WA 6153 Telephone: (08) 9315 2333 Facsimile: (08) 9315 2233	
Securities Exchange Listing	The Group is listed on the Australian Securities Exchange under Code GML	
Website	www.gatewaymining.com.au	

OPERATIONS REVIEW

The Group has continued to actively explore its package of tenements in Gidgee, Western Australia.

The Group holds interests in approximately 150km² of tenements over the Gum Creek Greenstone belt which have shown to be highly prospective for Volcanogenic Massive Sulphide (VMS), gold and intrusive related nickel mineralisation

Results received throughout the period have been very encouraging and continue to demonstrate a large, fertile mineralised system that warrants further significant exploration.



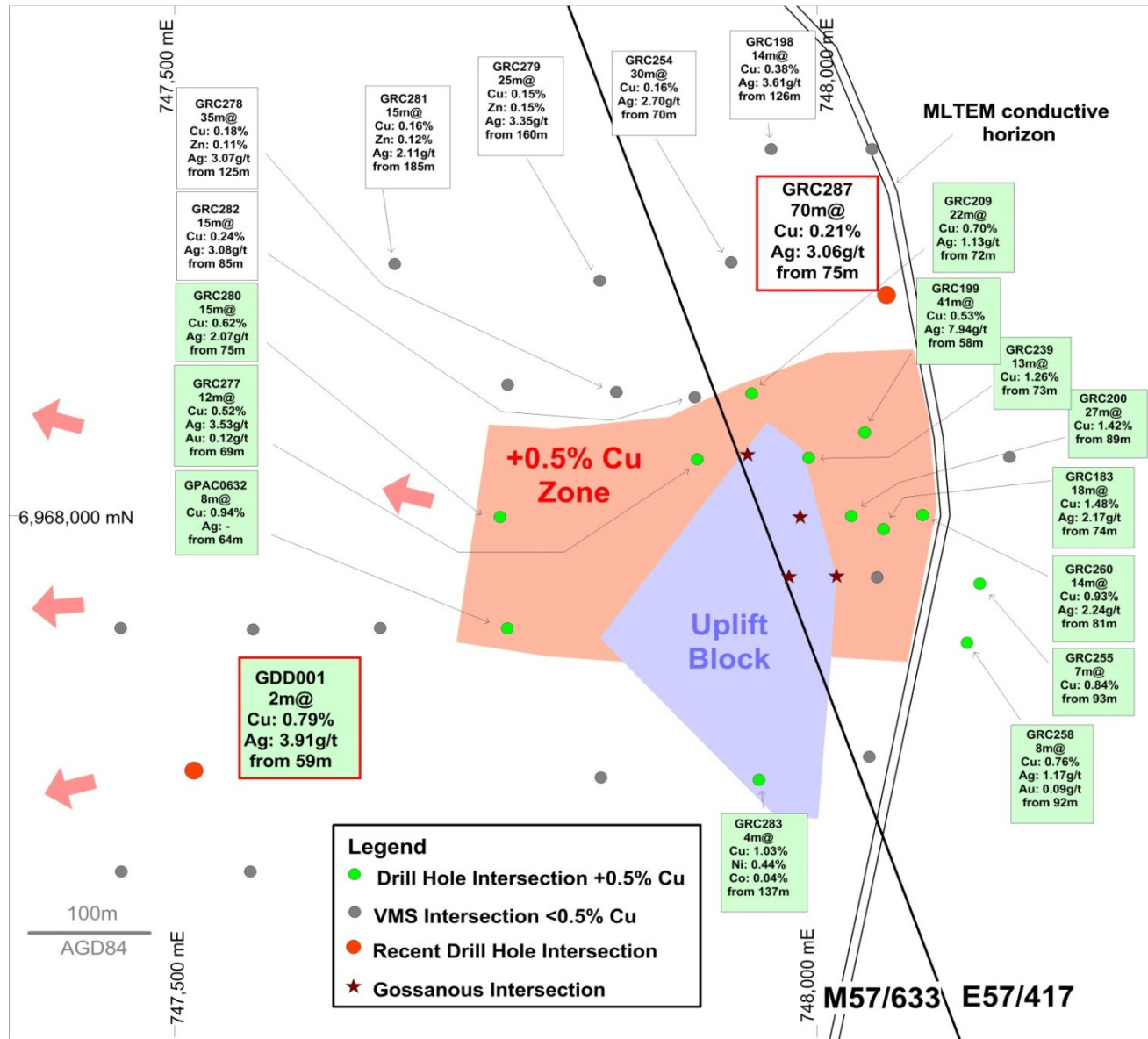
The Cup area is host to VMS mineralisation. VMS deposits typically form in 'clusters', meaning that identification of this style of mineralisation in one area is a very good indicator for further mineralisation to be discovered nearby.

Exploration work during the period at The Cup included aircore drilling, RC drilling, diamond drilling, as well as geophysical and surface sampling work. All results continued to point towards the host stratigraphy being base metalliferous and needing further exploration work to vector towards higher grades of mineralisation.

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Diamond hole GDD003 at The Cup tested the chalcocite zone and returned 53m @ 1.01%, 1.77g/t Ag from 67m, including 27m @ 1.55% Cu, .95g/t Ag from 87m.

Other historic results at The Cup include 33m @ 1.23% Cu from 89m in GRC200, 22m @ 1.31% Cu from 74m in GRC183, 22m @ 0.70% Cu from 72m in GRC209, 25m @ 0.78% Cu from 65m in GRC239, and 41m @ 0.53% Cu from 53m in GRC199.



During the period the Group also conducted initial leach testing of the copper samples from The Cup.

These intersections are all relatively near the surface, and the results received have the potential to significantly improve the economics of any operation at The Cup. The results are presented in the table below, and show that approximately 97% of copper was recoverable through leaching.

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Hole	Sample	From	To	Assay Head (Cu)	Leached Cu recovery
GRC209	K034	77	78	1.47%	99.0%
GRC209	K048	91	92	0.92%	98.7%
GRC239	SDJ0583	75	76	2.62%	99.4%
GRC239	SDJ0592	84	85	0.57%	97.2%
GRC277	SDJ1858	78	79	1.11%	98.8%
GRC260	SDJ1221	81	82	0.79%	96.8%
GRC260	SDJ1225	85	86	2.01%	98.8%
GRC280	SDC2665	85	90	0.59%	97.2%
GRC255	SDJ1086	95	96	1.19%	99.4%
GRC258	SDJ1164	96	97	0.88%	99.4%
GRC283	SDJ2694	137	138	2.62%	94.6%
GRC283	SDJ2697	140	141	0.55%	74.7%*
GRC281	SDC2732	135	140	0.26%	93.4%
				Average	97.2%

*This intersection is part of a different style of mineralisation (Ni-Cu-PGE) intersected near The Cup and is not part of the VMS system to which the other results relate.

A large diamond hole was drilled near The Cup. The hole was designed to test a deep conductor, while also providing valuable geological understanding of the broader mineralised system.

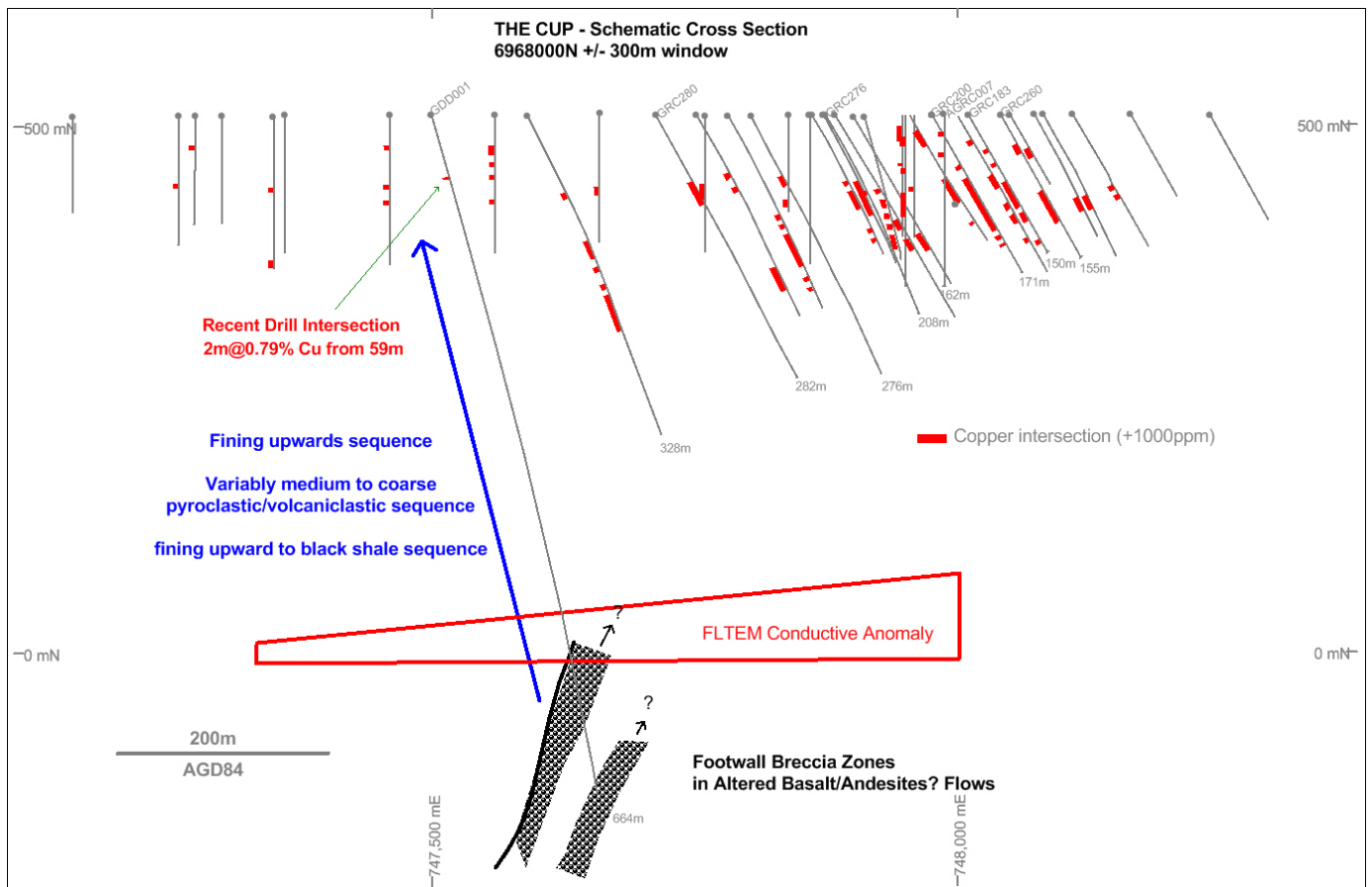
The diamond hole has demonstrated the existence of a feeder plumbing system that is no doubt driven by an underlying sub-volcanic intrusion. Exploration to date has unequivocally demonstrated that the plumbing system is base metal, precious metal and trace element fertile.

Only minor base metal/precious metal anomalism was recorded in the lower part of the hole, the majority of which was intersected in the altered footwall sequence. While only containing anomalous levels of base and precious metals, this footwall flow sequence is characterised by abundant alteration/bleaching, which is visually consistent with silica-carbonate-albite(?)-sulphide type alteration. This is typical of large VMS systems.

Preliminary interpretation of the entire sequence traversed by the diamond hole generally shows a highly altered, brecciated, footwall flow sequence overlain by a sequence of variably coarse, intermediate, pyroclastics/volcaniclastics/hyaloclastites that, are in turn overlain by a black shale/siltstone sequence. Pyrite and pyrrhotite stringer zones and disseminations occur throughout the entire stratigraphic sequence. This is an ideal geological setting for the formation of significant sized VMS deposits

The Group tested as far north of the VMS trend as the Blind Bat prospect. Diamond drill hole GDD005 intersected VMS related stratigraphy that would appear to explain the conductor identified in earlier FLTEM surveying. Stratigraphy includes two 8m wide zones of massive pyrite overlying 40 metres of carbonaceous shale. The sulphide zones and the shale show elevated VMS multi-element anomalism, with good sodium depletion with enrichments in zinc and copper. There was also a strong Sb-Tl-Te-W-Cs-Ni-Cr-Mo-Se halo in the footwall of the massive sulphides, which is consistent with a VMS system. Further work is planned on the target in 2015.

Preliminary interpretation of the stratigraphic sequence is highly suggestive of exactly the right cycle of volcanism and sedimentation necessary for the formation of significant size VMS type deposits.



An approximate 5km stretch between The Cup and the top of the Gravel Pit trend had had very little exploration work completed. Early stage aircore drilling was completed, however results were not available at the time of writing.

Further aircore and RC drillings, along with geophysical work, is planned for 2015.

During the period the Group also entered into an agreement whereby it can earn 70% of M57/633, which sits within the interpreted VMS stratigraphy. This is an important strategic tenement for the Group as it opens up exploration options in a number of directions and links The Cup area with the Gravel Pit & Gossans Galore areas. Early stage work has been conducted on the tenement with encouraging results. Further work is planned to commence in 2015.

Gravel Pit and Gossans Galore

The Gravel Pit trend begins approximately 6km to the South of The Cup. Minimal work was conducted on the trend due to increased focus on other areas, however the Group is planning further exploration in the coming period.

Historic exploration identified two new VMS horizons, characterised by carbonaceous and siliceous VMS sediment. VMS sediment from the east horizon is hosted wholly within volcaniclastic rocks while the west horizon is classified bi-modal because it is located at the contact between two different rock types, volcaniclastic and mafic volcanic rocks. The results

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have been variably anomalous in Cu, Zn, Pb, Au, Ag, As, Cd, Bi, Mo, Se, Te, Tl, Sb, Co, In and W. The multielement signature is consistent with a VMS system.

The existence of such strong geochemistry bodes well for future exploration efforts.

The Gossans Galore area is similarly host to very strong geochemistry coincident with electromagnetic conductors. The area remains at an early stage of exploration, however the Group plans to conduct further exploration work in the coming Period.

Other targets

The Group also undertook work within the Bungarra package of tenements further to the north. Surface sampling, geophysical surveying and drilling identified a promising intrusive-related nickel target. An RC hole drilled underneath a large surface gossan returned 60m @ 0.11% Ni, 0.04g/t Pt and 0.13g/t Pd from 180m, confirming this style of mineralisation is present in the area. Further work is required to understand both the host geology and possible areas for higher grades of mineralisation.

Data review and other surface sampling of targets in the Bungarra area have identified several exciting targets which are planned to be drilled in future programs.

Review of the existing data continued on the Group's gold prospective tenements. This includes the Victory Creek prospect and the Airport Area. Further drilling may be planned on these projects next year depending on available funds and preliminary exploration results.

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Scott Jarvis, a full time employee & Head Geologist at Gateway Mining, a member of the Australian Institute of Geoscientists. Mr Scott Jarvis has a minimum of 5 years' experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Scott Jarvis consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

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FULL YEAR FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2014

DIRECTORS' REPORT

Your directors submit the financial report of the Group consisting of Gateway Mining Limited and its controlled entities for the year ended 30 June 2014.

DIRECTORS

The names of directors who held office during the year:

Mr. Trent Franklin (Non-executive Chairman)

Mr. Andrew Bray (Managing Director)

Mr. Ian McDonald (Non-executive Director)

REVIEW OF OPERATIONS

Gateway Mining Limited ('Gateway' or 'the Group') has continued to advance its Gidgee project over the past twelve months. The Group remains of the opinion that the tenements have the potential to host significant Volcanogenic Massive Sulphide (VMS) deposits. The Group has already identified many of the hallmarks of a large fertile VMS system, and looks forward to more positive developments regarding the project over the coming period.

The Group continues to maintain very low administrative overhead expenses so that the majority of funds are able to be allocated to exploration expenditure. The Group will continue to systematically advance the overall project with the aim of making more significant discoveries within the tenement package in the coming year.

PRINCIPAL ACTIVITIES

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

RESULTS AND DIVIDENDS

The loss of the Group for the financial year after providing for income tax amounted to \$426,347. No dividends have been declared or paid during the year.

The Group is a mining exploration entity, and as such does not earn income from the sale of product. The loss for the group of \$426,347 is significantly lower than the loss for the previous year (\$1,573,482), as last year included a \$802,079 impairment.

Following favourable geological reports, the Group incurred exploration expenditure of \$1,575,571 during the year. As a result the total current assets of the Group stands at \$1,460,856 (2013 - \$3,315,306). As in the past, the Group's cash position continues to remain well managed directed at exploration activities.

DIRECTORS' REPORT

DIRECTORS

The names and details of the directors of the Group in office are as follows;

Trent Franklin
Non Executive Chairman
BSc (Geology)

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 a Fellow of the Australian Institute of Company Directors.

Andrew Bray
Managing Director
BEC LLB (Hons)

Mr Andrew Bray was appointed Managing Director in October 2012. He has a background in investment banking, corporate advisory and consulting. Mr Bray was instrumental in recapitalising Gateway during 2012. He holds a Bachelor of Economics and Bachelor of Laws (Hons I) from the University of Sydney.

Ian McDonald
Non Executive Director
BSc (Hons) (Geology)

Mr McDonald has a career spanning more than three decades in the mineral exploration industry. He has previously held senior geologist positions with a number of leading resources companies, including Western Mining Corporation Limited, North Limited and Jabiru Metals Limited. Mr McDonald has extensive experience in VMS and Gold exploration projects.

Gary Franklin FCPA
Company Secretary
BEC

Mr Franklin has in excess of 30 years' experience in Company Secretarial and Chief Financial Officer roles. He has previously worked with Wambo Coal, Hartogen Energy Group, United Collieries and Mount Isa Mines Limited. He holds a Bachelor of Economics and is a Fellow of the Society of Certified Practising Accountants.

There were no directorships held in listed entities by any Directors this year or in the previous three years.

DIRECTORS' REPORT

DIRECTORS' MEETINGS

During the financial year, 9 meetings of directors (including committees) were held.

	Meetings eligible to attend	Meetings attended
T. Franklin	9	9
A. Bray	9	9
I. McDonald	9	9

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

ENVIRONMENTAL REGULATION

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

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS DURING THE FINANCIAL YEAR AND AFTER THE END OF THE REPORTING PERIOD

The Group has not had any significant changes in the state of the affairs of the Group during the year. Since year end the Group has not had any significant events that have affected, or may significantly affect the Group operations, the results of the Group or the Groups state of affairs in future financial years.

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.

SHARE OPTIONS

At the date of this report, there were 228,800,000 options as per the table below:

<u>Number of Options</u>	<u>Ex price per option</u>	<u>Grant Date</u>	<u>Expiring on or before</u>
28,800,000	2 cents	16 December 2011	15 November 2014
200,000,000	8 cents	6 December 2012	6 December 2016

DIRECTORS' REPORT

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. No external consultants have been used.

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 very low relative to many industry peers.

Directors and Specified Executives (being key management personnel) Interests

As at 30 June 2014, the interests of the directors and specified executives in the shares and options of the Group were:

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

2014

Key Management Person	Balance at the start of the year	Net changes during the year	Balance at the end of the year
Trent Franklin	-	-	-
Andrew Bray	3,300,000	400,000	3,700,000
Ian McDonald	-	-	-
Gary Franklin	-	-	-
Scott Jarvis	-	-	-

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2014

2013

Key Management Person	Balance at the start of the year	Net changes during the year	Balance at the end of the year
Trent Franklin	-	-	-
Andrew Bray	180,000	3,120,000	3,300,000
Ian McDonald	-	-	-
Gary Franklin	-	-	-
Scott Jarvis	-	-	-

Option holdings of Key Management Personnel

2014

Key Management Person	Balance at the start of the year	Net changes during the year	Balance at the end of the year
Trent Franklin	-	-	-
Andrew Bray	-	-	-
Ian McDonald	-	-	-
Gary Franklin	500,000	-	500,000
Scott Jarvis	1,000,000	-	1,000,000

2013

Key Management Person	Balance at the start of the year	Net changes during the year	Balance at the end of the year
Trent Franklin	-	-	-
Andrew Bray	-	-	-
Ian McDonald	-	-	-
Gary Franklin	-	500,000	500,000
Scott Jarvis	-	1,000,000	1,000,000

During the year the Group has not issued any shares or options as part of compensation.

DIRECTOR'S REPORT

Details of Directors' Remuneration

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

2014

Directors:	Short-term benefits			Post-employment benefits	Share-based payments	Total
	Fees	Non-monetary benefits	Other short-term benefits	Super-contribution	Options	
	\$	\$	\$	\$	\$	\$
T. Franklin	42,000	-	-	-	-	42,000
A. Bray	204,000	-	-	5,500	-	209,500
I. McDonald	12,000	-	-	-	-	12,000
Total	258,000	-	-	5,500	-	263,500

2013

Directors:	Short-term benefits			Post-employment benefits	Share-based payments	Total
	Fees	Non-monetary benefits	Other short-term benefits	Super-contribution	Options	
	\$	\$	\$	\$	\$	\$
B. Gomez (resigned 28-02-2013)	-	-	-	-	-	-
R.A. Creelman (resigned 13-11-2012)	-	-	-	-	-	-
M. J. Lynch (resigned 17-01-2013)	10,000	-	-	-	-	10,000
T. Franklin	15,000	-	-	-	-	15,000
A. Bray	116,000	-	-	720	-	116,720
I. McDonald	7,750	-	-	-	-	7,750
Total	148,750	-	-	720	-	149,470

All remuneration is 100% fixed remuneration, with no Post-employment benefits, Long-term benefits or Share-based payments except as noted above.

DIRECTOR'S REPORT

Details of Specified Executives Remuneration

2014

					Post-employment benefits	Share-based payments	Total
	Cash Salary (\$)	Annual Leave (\$)	Long Service Leave (\$)	Other short-term benefits (\$)	Super-contribution (\$)	Options (\$)	(\$)
Gary Franklin (Company Secretary)	60,000	-	-	-	-	-	60,000
Scott Jarvis (Head Geologist)	150,000	3,437	-	-	13,875	-	167,312
Total	210,000	3,437	-	-	13,875	-	227,312

2013

					Post-employment benefits	Share-based payments	Total
	Cash Salary (\$)	Annual Leave (\$)	Long Service Leave (\$)	Other short-term benefits (\$)	Super-contribution (\$)	Options (\$)	(\$)
Gary Franklin (Company Secretary)	45,000	-	-	-	-	-	45,000
Steven Lian (CEO)	122,350	43,757	12,000	120,000*	5,400	-	303,507
Scott Jarvis (Head Geologist)	86,591	-	-	-	7,793	500**	99,884
Total	253,941	43,757	12,000	120,000	13,193	500	443,391

*A termination benefit of \$120,000 shown as other short-term benefits above was paid to Steven Lian.

**Scott Jarvis was issued 1,000,000 options during the year. The options have an exercise price of \$0.08 with expiry of 6 December 2016.

DIRECTOR'S REPORT

Key Service Agreements

Trent Franklin, *Non-Executive Chairman*

Mr Trent Franklin has entered into an agreement with the Group whereby he receives a consulting fee of \$3,500 per month. The agreement between the Group and Mr Franklin is for a period of two years. The agreement can be terminated by the Group by providing ninety days' written notice. In the event of termination by Gateway, Mr Franklin is to receive the fees that would have been payable for the remainder of the agreement had it remained in place.

Andrew Bray, *Managing Director*

A related party of Mr Andrew Bray, Andrew Bray Holdings Pty Ltd ('ABH'), has entered into a service agreement with the Group. Under the agreement, ABH receives a monthly fee of \$12,000. The agreement between the Group and ABH is for a period of two years. The agreement can be terminated by the Group by providing ninety days' written notice. In the event of termination by Gateway, ABH is to receive the fees that would have been payable to ABH for the remainder of the agreement had it remained in place. Furthermore Mr Bray receives a salary of \$60,000 per year.

Ian McDonald, *Non-Executive Director*

Mr Ian MacDonald has entered into a service agreement with the Group. Under the agreement, Mr McDonald receives a monthly fee of \$1,000. The agreement can be terminated by the Group by providing thirty days' written notice.

Gary Franklin, *Company Secretary*

The Service Agreement with Enilsson Asia Pacific Pty Ltd provides secretarial services to the Group, whereby it receives a secretarial fee of \$5,000 per month. The agreement between the Group and Enilsson Asia Pacific Pty Ltd is for a period of two years. The agreement can be terminated by the Group by providing ninety days' written notice. In the event of termination by Gateway, Enilsson Asia Pacific Pty Ltd is to receive the fees that would have been payable for the remainder of the agreement had it remained in place. Mr Franklin provides services to the Group on behalf of Enilsson Asia Pacific Pty Ltd.

Scott Jarvis, *Head Geologist*

Mr Scott Jarvis is employed by the Group on a permanent full time basis. Under the terms of the employment agreement he is paid a salary at the rate of \$12,500 per month plus superannuation. Mr Jarvis can be terminated by the Group by providing 6 weeks' notice.

Voting and comments made at the Groups' 2013 Annual General Meeting (AGM)

At the 2013 AGM, 98% of the votes received supported the adoption of the remuneration report for the year ended 30 June 2013. The Company did not receive any specific feedback at the AGM regarding its remuneration practices.

DIRECTOR'S REPORT

PERFORMANCE INDICATORS

The earning of the consolidated entity for the five years to 30 June 2014 are summarised below:

	2014	2013	2012	2011	2010
	\$,000	\$,000	\$,000	\$,000	\$,000
Sales Revenue	N/A	N/A	N/A	N/A	N/A
EBITDA	(516)	(854)	(556)	(399)	(316)
EBIT	(516)	(1,650)	(1,694)	(401)	(319)
Profit / (Loss)after Income Tax	(426)	(1,573)	(1,693)	(397)	(319)

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

	2014	2013	2012	2011	2010
Share price at financial year end (\$)	0.04	0.035	0.035	0.057	0.052
Total dividends declared (cents per share)	-	-	-	-	-
Basic earnings per share (cents per share)	(0.1863)	(0.6590)	(0.0113)	(0.0032)	(0.0041)

This concludes the Remuneration Report which has been audited

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 COMPANY

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 2014 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 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 company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the company or any related entity against a liability incurred by the auditor.

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

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DIRECTORS' REPORT

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

A handwritten signature in black ink, appearing to read 'Trent Franklin', is positioned above the printed name and title.

TRENT FRANKLIN
Non-executive Chairman
Dated this 30th day of September 2014
Sydney



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The Board of Directors
Gateway Mining Limited
Level 8, 210 George Street
SYDNEY NSW 2000

Dear Board Members

Gateway Mining Ltd

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 2014, 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 Horwath Sydney

CROWE HORWATH SYDNEY

L Russell

LEAH RUSSELL

Partner

Dated this 30th day of September 2014.

GATEWAY MINING LIMITED
ABN: 31 008 402 391

STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2014

	NOTE	2014 \$	2013 \$
Interest Received	4	90,390	76,667
Depreciation expense	5a	-	(3,623)
Employee benefits expense		(22,862)	(185,391)
Professional services rendered		(401,198)	(391,150)
Office expenses		(11,510)	(80,043)
Compliance fees		(2,963)	(33,085)
Share registry fees		(41,401)	(22,662)
Travelling and entertainment		(30,056)	(70,898)
Write off Exploration Expenditure	5b	-	(802,079)
Profit on sale of financial assets		66,398	-
Investments written off		(35,401)	(30,827)
Other expenses		(37,744)	(30,391)
Loss before income tax		<u>(426,347)</u>	<u>(1,573,482)</u>
Income tax expense	13	<u>-</u>	<u>-</u>
Loss for the period attributable to members		(426,347)	(1,573,482)
Other comprehensive income:			
Fair Value Gain/(Loss) on available for sale financial assets		<u>22,156</u>	<u>(28,731)</u>
Other comprehensive income for year, net of tax		<u>22,156</u>	<u>(28,731)</u>
Total comprehensive income (loss) for the period attributable to members of the company		<u>(404,191)</u>	<u>(1,602,213)</u>
Earnings per share			
Basic earnings per share (cents)	12	<u>(0.1863)</u>	<u>(0.6590)</u>
Diluted earnings per share (cents)	12	<u>(0.1863)</u>	<u>(0.6590)</u>

The accompanying notes form part of these financial statements.

GATEWAY MINING LIMITED
ABN: 31 008 402 391

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2014

	NOTE	2014 \$	2013 \$
ASSETS			
CURRENT ASSETS			
Cash and Cash equivalents	6	1,130,026	2,242,586
Trade and other receivables	7	235,107	372,720
Financial Assets	8	95,723	700,000
TOTAL CURRENT ASSETS		<u>1,460,856</u>	<u>3,315,306</u>
NON-CURRENT ASSETS			
Trade and other receivables	7	29,702	75,531
Financial assets	8	218,634	299,482
Deferred exploration and evaluation expenditure	9	10,020,606	8,445,035
TOTAL NON-CURRENT ASSETS		<u>10,268,942</u>	<u>8,820,048</u>
TOTAL ASSETS		<u>11,729,798</u>	<u>12,135,354</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	10	336,188	416,990
Provisions	11	6,875	3,438
TOTAL CURRENT LIABILITIES		<u>343,063</u>	<u>420,428</u>
TOTAL LIABILITIES		<u>343,063</u>	<u>420,428</u>
NET ASSETS		<u>11,386,735</u>	<u>11,714,926</u>
EQUITY			
Issued capital	15	27,879,980	27,803,980
Reserves		326,657	304,501
Accumulated losses		(16,819,902)	(16,393,555)
TOTAL EQUITY		<u>11,386,735</u>	<u>11,714,926</u>

The accompanying notes form part of these financial statements.

GATEWAY MINING LIMITED
ABN: 31 008 402 391

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2014

	Contributed equity	Accumulated losses	Available for sale financial assets reserve	Share based payments reserve	Total
	\$	\$	\$	\$	
Balance at 1 July 2012	22,823,980	(14,820,073)	100,232	133,000	8,237,138
Loss for the period	-	(1,573,482)	-	-	(1,573,482)
Other comprehensive income / (loss)	-	-	(28,731)	-	(28,731)
Total comprehensive income / (loss) for the period	-	(1,573,482)	(28,731)	-	(1,602,213)
Transactions with owners in their capacity as owners:					
Contributions of equity net of transaction costs	4,980,000	-	-	-	4,980,000
Share based scheme	-	-	-	100,000	100,000
Balance at 30 June 2013	27,803,980	(16,393,555)	71,501	233,000	11,714,926
Loss for the period	-	(426,347)	-	-	(426,347)
Other comprehensive income / (loss)	-	-	22,156	-	22,156
Total comprehensive income / (loss) for the period	-	(426,347)	22,156	-	(404,191)
Transactions with owners in their capacity as owners:					
Contributions of equity net of transaction costs	76,000	-	-	-	76,000
Share based scheme	-	-	-	-	-
Balance at 30 June 2014	27,879,980	(16,819,902)	93,657	233,000	11,386,735

The accompanying notes form part of these financial statements

GATEWAY MINING LIMITED
ABN: 31 008 402 391

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2014

	NOTE	2014 \$	2013 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments to suppliers and employees		(598,147)	(751,188)
Interest received		58,051	76,667
		<hr/>	<hr/>
NET CASH USED IN OPERATING ACTIVITIES	21	(540,096)	(674,521)
CASH FLOWS FROM INVESTING ACTIVITIES			
Deposits received back		45,830	-
Proceeds from sale of investments		804,277	13,000
Purchase of listed securities		(66,000)	(952,528)
Loans proceeds received		302,000	150,000
Loans provided		(159,000)	(462,000)
Payment for exploration and evaluation		(1,575,571)	(1,037,006)
		<hr/>	<hr/>
NET CASH USED IN INVESTING ACTIVITIES		(648,464)	(2,288,534)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares		-	5,230,000
Proceeds from exercise of options		76,000	-
Placement fees		-	(150,000)
		<hr/>	<hr/>
NET CASH FROM FINANCING ACTIVITIES		76,000	5,080,000
NET INCREASE / (DECREASE) IN CASH HELD		(1,112,560)	2,116,945
Cash and cash equivalents at beginning of financial year		2,242,586	125,641
		<hr/>	<hr/>
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR	6	1,130,026	2,242,586

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New, revised or amending Accounting Standards and Interpretations adopted

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

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

Any significant impact on the accounting policies of the consolidated entity from the adoption of these Accounting Standards and Interpretations are disclosed below. 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:

AASB 10 Consolidated Financial Statements

The consolidated entity has applied AASB 10 from 1 July 2013, which has a new definition of 'control'. Control exists when the reporting entity is exposed, or has the rights, to variable returns from its involvement with another entity and has the ability to affect those returns through its 'power' over that other entity. A reporting entity has power when it has rights that give it the current ability to direct the activities that significantly affect the investee's returns. The consolidated entity not only has to consider its holdings and rights but also the holdings and rights of other shareholders in order to determine whether it has the necessary power for consolidation purposes. There was no impact to the Group.

AASB 11 Joint Arrangements

The consolidated entity has applied AASB 11 from 1 July 2013. The standard defines which entities qualify as joint arrangements and removes the option to account for joint ventures using proportional consolidation. Joint ventures, where the parties to the agreement have the rights to the net assets are accounted for using the equity method. Joint operations, where the parties to the agreements have the rights to the assets and obligations for the liabilities, will account for its share of the assets, liabilities, revenues and expenses separately under the appropriate classifications. There was no impact to the Group.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

AASB 12 Disclosure of Interests in Other Entities

The consolidated entity has applied AASB 12 from 1 July 2013. The standard contains the entire disclosure requirement associated with other entities, being subsidiaries, associates, joint arrangements (joint operations and joint ventures) and unconsolidated structured entities. The disclosure requirements have been significantly enhanced when compared to the disclosures previously located in AASB 127 'Consolidated and Separate Financial Statements', AASB 128 'Investments in Associates', AASB 131 'Interests in Joint Ventures' and Interpretation 112 'Consolidation - Special Purpose Entities'. There was no impact to the Group.

AASB 13 Fair Value Measurement and AASB 2011-8 Amendments to Australian Accounting Standards arising from AASB 13

The consolidated entity has applied AASB 13 and its consequential amendments from 1 July 2013. The standard provides a single robust measurement framework, with clear measurement objectives, for measuring fair value using the 'exit price' and provides guidance on measuring fair value when a market becomes less active. The 'highest and best use' approach is used to measure non-financial assets whereas liabilities are based on transfer value. The standard requires increased disclosures where fair value is used. There was no impact to the Group other than additional disclosures.

AASB 119 Employee Benefits (September 2011) and AASB 2011-10 Amendments to Australian Accounting Standards arising from AASB 119 (September 2011)

The consolidated entity has applied AASB 119 and its consequential amendments from 1 July 2013. The standard eliminates the corridor approach for the deferral of gains and losses; streamlines the presentation of changes in assets and liabilities arising from defined benefit plans, including requiring re-measurements to be presented in other comprehensive income; and enhances the disclosure requirements for defined benefit plans. The standard also changed the definition of short-term employee benefits, from 'due to' to 'expected to' be settled within 12 months. Annual leave that is not expected to be wholly settled within 12 months is now discounted allowing for expected salary levels in the future period when the leave is expected to be taken. There was no impact to the Group.

AASB 2012-2 Amendments to Australian Accounting Standards - Disclosures - Offsetting Financial Assets and Financial Liabilities

The consolidated entity has applied AASB 2012-2 from 1 July 2013. The amendments enhance AASB 7 'Financial Instruments: Disclosures' and requires disclosure of information about rights of set-off and related arrangements, such as collateral agreements. The amendments apply to recognised financial instruments that are subject to an enforceable master netting arrangement or similar agreement. There was no impact to the Group.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

AASB 2012-5 Amendments to Australian Accounting Standards arising from Annual Improvements 2009-2011 Cycle

The consolidated entity has applied AASB 2012-5 from 1 July 2013. The amendments affect five Australian Accounting Standards as follows: Confirmation that repeat application of AASB 1 'First-time Adoption of Australian Accounting Standards' is permitted; Clarification of borrowing cost exemption in AASB 1; Clarification of the comparative information requirements when an entity provides an optional third column or is required to present a third statement of financial position in accordance with AASB 101 'Presentation of Financial Statements'; Clarification that servicing of equipment is covered by AASB 116 'Property, Plant and Equipment', if such equipment is used for more than one period; clarification that the tax effect of distributions to holders of equity instruments and equity transaction costs in AASB 132 'Financial Instruments: Presentation' should be accounted for in accordance with AASB 112 'Income Taxes'; and clarification of the financial reporting requirements in AASB 134 'Interim Financial Reporting' and the disclosure requirements of segment assets and liabilities. There was no impact to the Group.

AASB 2011-4 Amendments to Australian Accounting Standards to Remove Individual Key Management Personnel Disclosure Requirement

The consolidated entity has applied 2011-4 from 1 July 2013, which amends AASB 124 'Related Party Disclosures' by removing the disclosure requirements for individual key management personnel ('KMP'). Corporations and Related Legislation Amendment Regulations 2013 and Corporations and Australian Securities and Investments Commission Amendment Regulation 2013 (No.1) now specify the KMP disclosure requirements to be included within the directors' report.

Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of available-for-sale financial assets, financial assets and liabilities at fair value through profit or loss, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the consolidated entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

Parent entity information

In accordance with the Corporations Act 2001, these financial statements present the results of the consolidated entity only.

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 on going revenue streams, as the Directors believe that the Group has sufficient cash and liquid assets or can access cash to continue operations. The assess to cash is through;

- a) Exercise of options expected in the next twelve months, on the basis that 2,000,000 was exercised in 2014.
- b) Raise additional share capital, for which the company has a history of raising funds.

In addition the directors may reduce the exploration program to maintain cashflow.

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, reduction in interest income, 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 (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

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 2014 and the results of its subsidiary for the year then ended. Gateway Mining Limited and its subsidiary together are referred to in these financial statements as the 'consolidated entity'. The details of the Group's subsidiary is provided in Note 18.

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. Subsidiaries are fully consolidated from the date on which control is transferred to the consolidated entity. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the consolidated entity are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the consolidated entity.

Non-controlling interest in the results and equity of subsidiaries are shown separately in the statement of profit or loss and other comprehensive income, statement of financial position and statement of changes in equity of the consolidated entity. Losses incurred by the consolidated entity are attributed to the non-controlling interest in full, even if that results in a deficit balance.

Where the consolidated entity loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The consolidated entity recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

Operating segments

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

Reporting currency

The financial statements are presented in Australian dollars, which is gateway Mining Limited's functional and presentation currency. Gateway Mining does not have any exposure to foreign currency transactions and does not have any overseas operations.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

Revenue recognition

Revenue is recognised when it is probable that the economic benefit will flow to the consolidated entity and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

Plant and Equipment

Plant and equipment are measured on the cost basis and therefore carried at cost less accumulated depreciation and any accumulated impairment. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount of these assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the asset's employment and subsequent disposal. The expected net cash flows are discounted to their present values in determining recoverable amounts.

Depreciation

The depreciable amount of all plant and equipment is depreciated on a reducing balance basis over the asset's useful life to the company commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable assets are:

<i>Class of Fixed Asset:</i>	<i>Depreciation Rate:</i>
Plant and Equipment	8 to 40%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the statement of comprehensive income.

When revalued assets are sold, amounts included in the revaluation reserves relating to that asset are transferred to retained earnings.

Income tax

The income tax expense or benefit for the period is the tax payable on that period'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 periods, 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, except for:

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

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.

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.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entity's which intend to settle simultaneously.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

Discontinued operations

A discontinued operation is a component of the consolidated entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately on the face of the statement of profit or loss and other comprehensive income.

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is current when: it is expected to be realised or intended to be sold or consumed in normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within twelve months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current.

A liability is current when: it is expected to be settled in normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within twelve months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions and Quikfund (Australia) Pty Ltd, other short-term, highly liquid investments with original maturities of six months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the statement of cash flows presentation purposes, cash and cash equivalents also includes bank overdrafts, which are shown within borrowings in current liabilities on the statement of financial position.

Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectable are written off by reducing the carrying amount directly. A provision for impairment of trade receivables is raised when there is objective evidence that the consolidated entity will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation and default or delinquency in payments (more than 60 days overdue) are considered indicators that the trade receivable may be impaired.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

The amount of the impairment allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

Other receivables are recognised at amortised cost, less any provision for impairment.

Derivative financial instruments

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

Derivatives are classified as current or non-current depending on the expected period of realisation.

Joint operations

A joint operation is a joint arrangement whereby the parent entity has control of the planning and physical operations of the exploration program. The consolidated entity has recognised its share of jointly held assets, liabilities, revenues and expenses of joint operations. These have been incorporated in the financial statements under the appropriate classifications.

Investments and other financial assets

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. They are subsequently measured at fair value with any re-measurements other than impairment losses recognised in other comprehensive income. When the financial asset is derecognised, the cumulative gain or loss pertaining to that asset previously recognised in other comprehensive income is reclassified into profit or loss.

Available-for-sale financial assets are classified as non-current assets when they are expected to be held for more than 12 months from the end of the reporting period.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the consolidated entity has transferred substantially all the risks and rewards of ownership.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are either: i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit; or ii) designated as such upon initial recognition, where they are managed on a fair value basis or to eliminate or significantly reduce an accounting mismatch. Except for effective hedging instruments, derivatives are also categorised as fair value through profit or loss. Fair value movements are recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets, principally equity securities that are either designated as available-for-sale or not classified as any other category. After initial recognition, fair value movements are recognised in other comprehensive income through the available-for-sale reserve in equity. Cumulative gain or loss previously reported in the available-for-sale reserve is recognised in profit or loss when the asset is derecognised or impaired.

Impairment of financial assets

The consolidated entity assesses at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets is impaired. Objective evidence includes significant financial difficulty of the issuer or obligor; a breach of contract such as default or delinquency in payments; the lender granting to a borrower concessions due to economic or legal reasons that the lender would not otherwise do; it becomes probable that the borrower will enter bankruptcy or other financial reorganisation; the disappearance of an active market for the financial asset; or observable data indicating that there is a measurable decrease in estimated future cash flows.

The amount of the impairment allowance for financial assets carried at cost is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the current market rate of return for similar financial assets.

Available-for-sale financial assets are considered impaired when there has been a significant or prolonged decline in value below initial cost. Subsequent increments in value are recognised in other comprehensive income through the available- for-sale reserve.

Exploration and evaluation assets

Exploration and evaluation expenditure in relation to separate areas of interest for which rights of tenure are current is carried forward as an asset in the statement of financial position where it is expected that the expenditure will be recovered through the successful development and exploitation of an area of interest, 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 or otherwise of economically recoverable reserves. Where a project or an area of interest has been abandoned, the expenditure incurred thereon is written off in the year in which the decision is made.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

Impairment of non-financial assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Trade and other payables

These amounts represent liabilities for goods and services provided to the consolidated entity prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted.

Provisions

Provisions are recognised when the consolidated entity has a present (legal or constructive) obligation as a result of a past event, it is probable the consolidated entity will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

Employee benefits

Short-term employee benefits

Provision is made for the Group's liability for employee benefits, including equity settled compensation, arising from services rendered by employees to the end of the reporting period. Employee benefits expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows, including on-costs, to be made for those benefits.

Defined contribution superannuation expense

Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

Share-based payments

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

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:

- 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.

All changes in the liability are recognised in profit or loss. The ultimate cost of cash-settled transactions is the cash paid to settle the liability.

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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

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.

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principle market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interest. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities measured at fair value are classified, into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed each reporting date and transfers between levels are determined based on a reassessment of the lowest level input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

Issued capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Dividends

Dividends are recognised when declared during the financial year. No dividends were declared or paid during the financial year.

Earnings per share

Basic earnings per share

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

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.

Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

New Accounting Standards and Interpretations not yet mandatory or early adopted
Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the annual reporting period ended 30 June 2014. The consolidated entity's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the consolidated entity, are set out below.

AASB 9 Financial Instruments and its consequential amendments

This standard and its consequential amendments are applicable to annual reporting periods beginning on or after 1 January 2017 and completes phases I and III of the IASB's project to replace IAS 39 (AASB 139) 'Financial Instruments: Recognition and Measurement'. This standard introduces new classification and measurement models for financial assets, using a single approach to determine whether a financial asset is measured at amortised cost or fair value. The accounting for financial liabilities continues to be classified and measured in accordance with AASB 139, with one exception, being that the portion of a change of fair value relating to the entity's own credit risk is to be presented in other comprehensive income unless it would create an accounting mismatch. Chapter 6 'Hedge Accounting' supersedes the general hedge accounting requirements in AASB 139 and provides a new simpler approach to hedge accounting that is intended to more closely align with risk management activities undertaken by entities when hedging financial and non-financial risks. The consolidated entity will adopt this standard and the amendments from 1 July 2017 but the impact of its adoption is yet to be assessed by the consolidated entity.

AASB 2012-3 Amendments to Australian Accounting Standards - Offsetting Financial Assets and Financial Liabilities

The amendments are applicable to annual reporting periods beginning on or after 1 January 2014. The amendments add application guidance to address inconsistencies in the application of the offsetting criteria in AASB 132 'Financial Instruments: Presentation', by clarifying the meaning of 'currently has a legally enforceable right of set-off'; and clarifies that some gross settlement systems may be considered to be equivalent to net settlement. The adoption of the amendments from 1 July 2014 will not have a material impact on the consolidated entity.

AASB 2013-3 Amendments to AASB 136 - Recoverable Amount Disclosures for Non-Financial Assets

These amendments are applicable to annual reporting periods beginning on or after 1 January 2014. The disclosure requirements of AASB 136 'Impairment of Assets' have been enhanced to require additional information about the fair value measurement when the recoverable amount of impaired assets is based on fair value less costs of disposals. Additionally, if measured using a present value technique, the discount rate is required to be disclosed. The adoption of these amendments from 1 July 2014 may increase the disclosures by the consolidated entity.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

Annual Improvements to IFRSs 2010-2012 Cycle

These amendments are applicable to annual reporting periods beginning on or after 1 July 2014 and affects several Accounting Standards as follows: Amends the definition of 'vesting conditions' and 'market condition' and adds definitions for 'performance condition' and 'service condition' in AASB 2 'Share-based Payment'; Amends AASB 3 'Business Combinations' to clarify that contingent consideration that is classified as an asset or liability shall be measured at fair value at each reporting date; Amends AASB 8 'Operating Segments' to require entities to disclose the judgements made by management in applying the aggregation criteria; Clarifies that AASB 8 only requires a reconciliation of the total reportable segments assets to the entity's assets, if the segment assets are reported regularly; Clarifies that the issuance of AASB 13 'Fair Value Measurement' and the amending of AASB 139 'Financial Instruments: Recognition and Measurement' and AASB 9 'Financial Instruments' did not remove the ability to measure short-term receivables and payables with no stated interest rate at their invoice amount, if the effect of discounting is immaterial; Clarifies that in AASB 116 'Property, Plant and Equipment' and AASB 138 'Intangible Assets', when an asset is revalued the gross carrying amount is adjusted in a manner that is consistent with the revaluation of the carrying amount (i.e. proportional restatement of accumulated amortisation); and Amends AASB 124 'Related Party Disclosures' to clarify that an entity providing key management personnel services to the reporting entity or to the parent of the reporting entity is a 'related party' of the reporting entity. The adoption of these amendments from 1 July 2014 will not have a material impact on the consolidated entity.

Annual Improvements to IFRSs 2011-2013 Cycle

These amendments are applicable to annual reporting periods beginning on or after 1 July 2014 and affects four Accounting Standards as follows: Clarifies the 'meaning of effective IFRSs' in AASB 1 'First-time Adoption of Australian Accounting Standards'; Clarifies that AASB 3 'Business Combination' excludes from its scope the accounting for the formation of a joint arrangement in the financial statements of the joint arrangement itself; Clarifies that the scope of the portfolio exemption in AASB 13 'Fair Value Measurement' includes all contracts accounted for within the scope of AASB 139 'Financial Instruments: Recognition and Measurement' or AASB 9 'Financial Instruments', regardless of whether they meet the definitions of financial assets or financial liabilities as defined in AASB 132 'Financial Instruments: Presentation'; and Clarifies that determining whether a specific transaction meets the definition of both a business combination as defined in AASB 3 'Business Combinations' and investment property as defined in AASB 140 'Investment Property' requires the separate application of both standards independently of each other. The adoption of these amendments from 1 July 2014 will not have a material impact on the consolidated entity.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2014

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 (refer to the respective notes) within the next financial year are discussed below.

Share-based payment transactions

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.

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

Fair value measurement hierarchy

The consolidated entity is required to classify all assets and liabilities, measured 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; and Level 3: Unobservable inputs for the asset or liability. Considerable judgement is required to determine what is significant to fair value and therefore which category the asset or liability is placed in can be subjective.

The fair value of assets and liabilities classified as level 3 is determined by the use of valuation models. These include discounted cash flow analysis or the use of observable inputs that require significant adjustments based on unobservable inputs.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 2: CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

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.

It is reasonably possible that the underlying metal price assumption may change which may then impact the estimated life of mine determinant and may then require a material adjustment to the carrying value of mining plant and equipment, mining infrastructure and mining development assets. Furthermore, the expected future cash flows used to determine the value-in-use of these assets are inherently uncertain and could materially change over time. They are significantly affected by a number of factors including reserves and production estimates, together with economic factors such as metal spot prices, discount rates, estimates of costs to produce reserves and future capital expenditure.

Income tax

The consolidated entity is subject to income taxes in the jurisdictions in which it operates. Significant judgement is required in determining the provision for income tax. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The consolidated entity recognises liabilities for anticipated tax audit issues based on the consolidated entity's current understanding of the tax law. Where the final tax outcome of these matters is different from the carrying amounts, such differences will impact the current and deferred tax provisions in the period in which such determination is made.

Recovery of deferred tax assets

Deferred tax assets are recognised for deductible temporary differences only if the consolidated entity considers it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Employee benefits provision

As discussed in note 1, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 2: CRITICAL ACCOUNTING JUDGEMENTS, 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.

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 Chairman, Managing Director, and Company Secretary (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 predominately in Australia.

GATEWAY MINING LIMITED
ABN: 31 008 402 391

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 4: REVENUE & OTHER INCOME

	2014	2013
	\$	\$
Interest – Non Related Parties	90,390	71,667
Interest – Related Parties	-	5,000
	<hr/>	<hr/>
	90,390	76,667
	<hr/>	<hr/>

NOTE 5: LOSS FOR THE PERIOD

	2014	2013
	\$	\$
a. Expenses		
Depreciation of non-current assets:		
- Plant and equipment	-	3,623
b. Significant Expenses		
The following expense items are relevant in explaining the financial performance:		
Write off of capitalised exploration expenditure	-	802,079
Superannuation	19,425	13,913
Rental Office	-	47,335

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 6: CASH AND CASH EQUIVALENTS	2014	2013
	\$	\$
Cash at bank and on hand	168,741	1,130,833
Short term deposit	961,285	1,111,753
	<u>1,130,026</u>	<u>2,242,586</u>

Reconciliation of cash

Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:

1,130,026	2,242,586
<u>1,130,026</u>	<u>2,242,586</u>

NOTE 7: TRADE AND OTHER RECEIVABLES

CURRENT	2014	2013
	\$	\$
Loans to Key Management Personnel (a)	-	252,000
Other Receivables (b)	235,107	106,664
Prepayments	-	14,056
Sub-total	235,107	372,720
Less Prepayments	-	(14,056)
Total Current Financial Assets	<u>235,107</u>	<u>358,664</u>
NON-CURRENT		
Security deposits	29,702	75,531
	<u>29,702</u>	<u>75,531</u>

(a) As at 30 June 2013, a loan of \$252,000 to an entity associated with Mr Steven Lian, JVR Resources Pty Ltd was outstanding. \$252,000 was repaid in June 2014, with interest of \$22,829 outstanding at 30 June 2014. This is included in other receivables.

(b) Other Receivables as shown are within agreed terms. This includes a Loan due for repayment by June 2014, that has been extended for nine months. The total is for \$178,510 with interest charged at 5.5%p.a. Since year end \$120,000 has been repaid. The Directors consider that they do not require impairment.

GATEWAY MINING LIMITED
ABN: 31 008 402 391

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 8: FINANCIAL ASSETS	2014	2013
	\$	\$
CURRENT		
Shares in listed corporations-subject to contract of sale – fair value	<u>95,723</u>	<u>700,000</u>
	<u>95,723</u>	<u>700,000</u>
NON-CURRENT		
<i>Available for sale financial assets:</i>		
Shares in listed and unlisted corporations-at fair value		
Opening Fair Value	299,482	81,040
Additions	126,000	316,000
Disposals	(193,603)	(18,827)
Amount recognised in profit and loss	(35,401)	30,827
Amount recognised in comprehensive income	<u>22,156</u>	<u>(109,558)</u>
Total Non-Current Financial Assets	<u>218,634</u>	<u>299,482</u>
Total Financial Assets	<u>218,634</u>	<u>999,482</u>

Available for sale financial assets comprise investments in the share capital of various entities. There are no fixed returns or fixed maturity dates attached to these investments.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2014

	2014	2013
	\$	\$
NOTE 9 - NON-CURRENT DEFERRED EXPLORATION AND EVALUATION EXPENDITURE		
9(A): WHOLLY OWNED		
Exploration expenditure capitalised:		
- Exploration and evaluation phases	9,571,543	8,445,035
Capitalised expenditure in respect of areas of interest at beginning of the year	8,445,035	8,210,108
Additions	1,126,508	1,037,006
Write off of capitalised exploration expenditure	-	(802,079)
Capitalised Exploration Expenditure at end of period	<u>9,571,543</u>	<u>8,445,035</u>

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

Exploration expenditure commitments

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.

9(B): FARM IN AGREEMENT

On 2 August 2013, the Group signed a Farm-in and Joint Venture Agreement with Panoramic Gold Pty Ltd to explore on the adjoining tenement to the Group's Gidgee tenement. As at 30 June 2014 all the costs are to Gateway's account as the threshold of \$1,200,000 has not been reached. Hence the equity method in accordance with AASB 128 Investments in Associates and Joint Ventures was not applicable.

	2014	2013
	\$	\$
Gateway's Contribution – Panoramic Farm in agreement	449,063	-
Total deferred Exploration Expenditure	<u>10,020,606</u>	<u>8,445,035</u>

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

GATEWAY MINING LIMITED
ABN: 31 008 402 391

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 10: TRADE AND OTHER PAYABLES	2014	2013
	\$	\$
CURRENT		
Financial Liabilities amortised as Trade and Other Payables	<u>336,188</u>	<u>416,990</u>
NOTE 11: PROVISIONS	2014	2013
	\$	\$
CURRENT		
Provisions- Annual Leave	<u>6,875</u>	<u>3,438</u>
NOTE 12: EARNINGS PER SHARE		
a. Reconciliation of earnings to profit or loss	2014	2013
	\$	\$
Loss	(426,347)	(1,573,482)
Loss attributable to non-controlling equity interest	<u>-</u>	<u>-</u>
Earnings used in the calculation of basic and dilutive earnings per share	<u>(426,347)</u>	<u>(1,573,482)</u>
		No of shares
b. Weighted average number of ordinary shares outstanding during the year used in the calculation of basic earnings per share	264,039,400	243,139,885
Basic Earnings Per Share (cents)	(0.1863)	(0.6590)
Diluted Earnings Per Share (cents) (i)	(0.1863)	(0.6590)

(i) Diluted Earnings Per Share is capped at Basic Earnings Per Share. Weighted average number of shares Adjusted Options used is 492,839,400 for the 2014 year.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 13: INCOME TAX EXPENSE

	2014	2013
	\$	\$
Loss for current year from ordinary activities:	426,347	1,573,482
Less non-allowable provisions	(6,875)	(33,438)
Exploration written off	-	(802,079)
Change in Audit Fees	(4,000)	-
Impairment loss	(35,401)	(30,827)
Add:		
Exploration Costs	1,575,571	1,036,806
Allowable provisions	3,437	46,006
Taxable Loss for year	<u>1,959,079</u>	<u>1,789,950</u>
Tax Losses brought forward from earlier years	<u>20,594,588</u>	<u>18,804,638</u>
Tax Losses carried forward to later years	22,553,667	20,594,588
Future Income Tax Benefit 30% of Tax Losses	<u>6,766,100</u>	<u>6,178,376</u>

The tax rate used in the above table is the corporate tax rate of 30% payable by Australian corporate entities on taxable profits under Australian Tax Law. There has been no change in the corporate tax rate when compared to the previous reporting period.

The deductible temporary differences and tax losses do not expire under current legislation. Potential deferred tax assets attributable to tax losses carried forward have not been brought to account because the Directors do not believe it appropriate in regards to realizing the benefit at this time.

At the end of the reporting period, the Group has carry-forward tax losses of \$22,553,667 (2013 \$20,594,588).

The potential net future tax benefits have not been brought into account within the Statement of Profit and Loss and Other Comprehensive Income. Within this Note 13, the Differed Tax Liability (\$3,006,182) (2013 (\$2,533,511)) is offset against Tax Losses with the additional tax losses not recognised of \$3,759,918.

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

- (a) 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 and
- (b) The conditions for deductibility imposed by tax legislation continue to be complied with; and
- (c) No change in tax legislation adversely affects the Group in realising the benefits.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2014

NOTE14: AUDITORS' REMUNERATION	2014	2013
	\$	\$
Remuneration of the auditors of the Group for:		
- Auditing or reviewing the financial report	55,332	43,000

NOTE 15: ISSUED CAPITAL	2014	2013
	\$	\$
a. Ordinary shares fully paid		
Balance at beginning of year	27,803,980	22,823,980
Issued shares	76,000	5,230,000
Transactions costs	-	(250,000)
	27,879,980	27,803,980
Balance at end of year		

b. Movements in ordinary shares on issue	2014	2013
	Number	Number
At the beginning of the financial year	263,622,962	157,872,962
Shares issued – 17 September 2012 (exercise of options)	-	5,750,000
Shares issued – 17 September 2012	-	3,100,000
Shares issued – 25 October 2012	-	96,900,000
Shares issued – 15 April 2014	2,000,000	-
	265,622,962	263,622,962

At the end of the financial year
There are no current on-market share buybacks.

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

At 30 June 2014, the details of options issued are as follows:

<u>Date issued</u>	<u>Number of Options</u>	<u>Exercise price per option</u>	<u>Expiring on or before</u>
16 December 2011	28,800,000	2 cents	15 November 2014
6 December 2012 (l)	200,000,000	8 cents	6 December 2016
(l) The options were issued at an issue price of \$0.0005 as per payment of underwriting fees			

During the year 2,000,000 options were exercised at 3.8 cents on 15 April 2014.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2014

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

	Number	Weighted Average Exercise Price
		\$
Options outstanding as at 30 June 2012	43,300,000	0.0390
Granted	200,000,000	0.0800
Exercised	(5,750,000)	0.0400
Expired	<u>(1,750,000)</u>	0.0400
Options outstanding as at 30 June 2013	<u>235,800,000</u>	0.0724

	Number	Weighted Average Exercise Price
Options outstanding as at 30 June 2013	235,800,000	0.0724
Granted	-	-
Exercised	(2,000,000)	0.0380
Expired	<u>(5,000,000)</u>	0.0380
Options outstanding as at 30 June 2014	<u>228,800,000</u>	0.0723

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, supported by financial assets.

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. These responses include share issues.

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

f. Available For Sale Financial Assets Reserve

This reserve is used to recognise the increments and decrements on the fair value of available for sale of financial assets.

g. Share Based Payments Reserve

Used to recognise the fair value of options granted during the year.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 16: CONTINGENT LIABILITIES, CAPITAL EXPENDITURE AND MINING TENEMENT COMMITMENTS

The Board of Directors believe that there are no contingent liabilities or capital equipment commitments up to or subsequent to the 30th June 2014 (2013: Nil). The mining tenement commitments as at the 30th June 2014 are \$606,000.

NOTE 17: EVENTS SUBSEQUENT TO REPORTING DATE

There are no other significant events subsequent to reporting date. The subsidiary was established in the year ended 30 June 2013. The subsidiary is incorporated in Australia.

NOTE 18: CONTROL GAINED / LOST OVER CONTROLLED ENTITIES

During the twelve month period to 30th June 2014, Gateway Mining Limited continued to control Boomgate Nominees Pty Ltd as a 100% owned subsidiary. The

NOTE 19: RELATED PARTY TRANSACTIONS

a. Directors

The names and positions held of Group key personnel are:

Key Management Person	Position
Trent Franklin	Non-Executive Chairman
Andrew Bray	Managing Director
Ian McDonald	Non-Executive Director
Gary Franklin	Company Secretary / CFO
Scott Jarvis	Head Geologist

b. Directors loans

No director has received any loans from the Group nor has the Group made any loans to directors. The details of Directors' and Key Management Personnel remuneration and service agreements are referred to earlier in this report.

c. Other

Trent Franklin: Enrizen Pty Ltd, a company of which Mr Franklin is a director, acted as insurance broker for the Group in placing a Directors & Officers insurance policy. Enrizen Pty Ltd received a commission of \$1,166 from the insurer.

NOTE 20: FINANCIAL RISK MANAGEMENT

The Group's financial instruments consist mainly of deposits at banks, other financial institutions, receivables and payables, and available for sale financial assets.

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 139 as detailed in the accounting policies to these financial statements are as follows:

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2014

	Notes	2014	2013
		\$	\$
Financial assets			
Cash and cash equivalents	6	1,130,026	2,242,586
Security deposits	7	29,702	75,531
Available-for-sale financial assets -at fair value:			
- Listed investments	8	314,357	999,482
Trade & Other Receivables	7	235,107	358,664
Total Financial Assets		1,709,192	3,676,263
Financial liabilities			
- Trade and other payables	10	336,188	416,990
Total Financial Liabilities		336,188	416,990

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 interest rate risk, liquidity risk and credit risk.

Interest Rate Risk

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at reporting date whereby a future change interest rates will affect future cash flows or the fair value of fixed rate financial instruments.

The Group has a mix of fixed rate and variable financial instruments. The loans in other receivables are fixed rate, all others are variable.

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 financial abilities and exploration expenditure. The Group manages liquidity risk by monitoring forecast cash flows and ensuring that adequate funds are maintained. During the 2014 year, the Group raised funds through shareholders exercising options.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2014

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. Actual timing may therefore differ from that disclosed. The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates.

	Maturing with 1 Year		Maturing 1 to 5 Years		Total	
	2014 \$	2013 \$	2014 \$	2013 \$	2014 \$	2013 \$
<i>Financial Assets</i>						
Cash	1,130,026	2,242,586	-	-	1,130,026	2,242,586
Receivables & others	235,107	358,664	-	-	234,107	358,664
Security deposits	-	62,923	29,702	12,608	29,702	75,531
Available for sale financial assets	314,357	999,482	-	-	314,357	999,482
<i>Total anticipated inflows</i>	1,679,490	3,663,655	29,702	12,608	1,709,192	3,676,263
<i>Financial Liabilities</i>						
Sundry payables and accruals	336,188	416,990	-	-	336,188	416,990
Loan payable	-	-	-	-	-	-
<i>Total expected outflows</i>	336,188	416,990	29,702	-	336,188	416,990
<i>Net inflow on financial instruments</i>	1,343,302	3,246,665	29,702	12,608	1,343,302	3,259,273

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2014

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.

The Group has a credit risk exposure of \$235,107 at 30 June 2014 with various parties. The Group has since received \$120,000 from these parties. The directors consider that all of the above amount is collectable and no impairment is required

Fair Value

The fair values of listed investments, have been valued at its 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 financial assets.

All financial assets held by the Group are assessed as Level 1 financial assets. See note 2 for an explanation of level 1 financial assets.

	Level 1	Level 2	Level 3	Total
	\$'000	\$'000	\$'000	\$'000
Consolidated - 2014				
<i>Assets</i>				
Ordinary shares available-for-sale	218,634	95,723	-	314,357
Total assets	218,634	95,723	-	314,357

Level 2 relates to shares that have a sales agreement in place at year end.

There were no transfers between levels during the financial year.

The carrying amounts of trade and other receivables and trade and other payables are assumed to approximate their fair values due to their short-term nature. Exploration assets are measured at cost.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2014

Sensitivity Analysis

The effect on the Group's results and equity at 30 June 2014 from exposure to interest rates risk at the end of the reporting period would not be material. The Group has exposure to changes in the share market. The share market falling by greater than 10% may result in the ordinary shares available for sale decreasing in value by approximately \$21,800. Conversely an increase in 10% could result in the ordinary shares available for sale increasing in value by approximately \$21,800. The Group does not have exposure to Currency risk.

	2014	2013
	\$	\$
NOTE 21: RECONCILIATION OF LOSS TO NET CASH		
OUTFLOWS FROM OPERATING ACTIVITIES		
Loss for the period	(426,347)	(1,573,482)
Non-Cash flows in profit from Ordinary Activities		
Depreciation	-	3,623
Write off of capitalised exploration costs	-	802,079
Interest related to investments	32,339	
Loss on disposal	66,398	
Investments impaired	35,401	-
Changes in Assets and Liabilities:		
(Increase)/decrease in trade and other debtors	17,232	(43,226)
Increase/(decrease) in trade creditors	(71,082)	182,012
Increase/(decrease) in provision	3,437	(45,527)
Net cash flow from operating activities	<u>(540,096)</u>	<u>(674,521)</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 22: PARENT ENTITY INFORMATION

Set out below is the supplementary information about the parent entity

Statement of profit or loss and other comprehensive income	Parent	
	2014 \$	2013 \$
Profit (loss) after income tax	(426,347)	(1,573,482)
Total comprehensive income	<u>(404,191)</u>	<u>(1,602,213)</u>

Statement of financial position	Parent	
	2014 \$	2013 \$
Total current assets	1,460,856	3,315,306
Total assets	<u>11,729,798</u>	<u>12,135,254</u>
Total current liabilities	343,063	420,428
Total liabilities	<u>343,063</u>	<u>420,428</u>
Equity		
Issued capital	27,879,880	27,803,880
Available-for-sale reserve	362,758	304,501
Retained profits	(16,856,003)	(16,393,555)
Total equity	<u>11,386,735</u>	<u>11,714,826</u>

Contingent liabilities

The parent entity had no contingent liabilities as at 30 June 2014 and 30 June 2013.

Capital commitments – Property, plant and equipment

The parent entity had no capital commitments for property, plant and equipment as at 30 June 2014 and 30 June 2013.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2014

Significant accounting policies

The accounting policies of the parent entity are consistent with those of the consolidated entity, as disclosed in Note 1, except for the following:

- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.
- Investments in joint ventures are account for at cost, less any impairment, in the parent entity.

NOTE 23: INTERESTS IN SUBSIDIARIES

The consolidated financial statements incorporate the assets, liabilities and results of the following wholly-owned subsidiary in accordance with the accounting policy described in note 1:

Name	Principal place of business/ Country of incorporation	Ownership interest	
		2014 %	2013 %
Boomgate Nominees Pty Ltd	Australia	100.00%	100.00%

NOTE 24: INTERESTS IN JOINT VENTURES

The Group has not yet reached the expenditure level to activate the full joint venture agreement with Panoramic Resources Limited.

NOTE 25: COMPANY DETAILS

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


Gateway Mining Limited
Level 8, 210 George Street
Sydney NSW 2000
Australia

DIRECTORS DECLARATION

The directors of the Group declare that:

1. The financial statements and notes of the Group as set out on pages 19-56 are in accordance with the Corporations Act 2001 and:
 - a. Comply with Accounting Standards, which, as stated in accounting policy Note 1 to the financial statements, constitutes explicit and unreserved compliance with International Financial Reporting Standards (IFRS); and
 - b. Give a true and fair view of the financial position as at 30 June 2014 and of the performance for the year ended on that date of the Group;
2. The directors have been given the declarations required by s295A of the Corporations Act 2001 from the Chief Financial Officer for the financial year ended 30 June 2014, and
3. In the directors' opinion there are reasonable grounds to believe that the Group 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.

A handwritten signature in black ink, appearing to read 'Trent Franklin', with a stylized, cursive script.

TRENT FRANKLIN

Non-executive Chairman

Dated this 30th day of September 2014
Sydney

Gateway Mining Ltd

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

Report on the Financial Report

We have audited the accompanying financial report of Gateway Mining Limited, which comprises the statement of financial position as at 30 June 2014, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the company.

Directors' Responsibility 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 Note 1, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements* that the financial statement comply with *International Financial Reporting Standards*.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation of the financial report that gives a true and fair view 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 company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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



Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Gateway Mining Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

Auditor's Opinion

In our opinion:

- a. the financial report of Gateway Mining Limited is in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the company's financial position as at 30 June 2014 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and
- b. the financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

Emphasis of Matter

Without modifying our opinion, we draw attention to Note 1 in the financial report which indicates that the entity incurred a net loss of \$426,347 during the year ended 30 June 2014 and has limited income streams for future years. These conditions, along with other matters as set forth in Note 1, indicate the existence of a material uncertainty that may cast significant doubt about the entity's ability to continue as a going concern and therefore the entity may be unable to realise its assets and discharge its liabilities in the normal course of business.

Report on the Remuneration Report

We have audited the Remuneration Report included in pages 10-15 of the directors' report for the year ended 30 June 2014. The directors of the group 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.

Opinion

In our opinion, the Remuneration Report of Gateway Mining Limited for the year ended 30 June 2014 complies with section 300A of the *Corporations Act 2001*.

Crowe Horwath Sydney

CROWE HORWATH SYDNEY

L Russell

LEAH RUSSELL

Partner

Dated this 30th day of September 2014

SHARE HOLDER INFORMATION

a. Voting Rights

The total number of shareholders was 1,224 and each share carried one vote in person, by proxy or poll

b. Distribution of Shareholders by Number

Category (size of Holding)	Ordinary
1-1,000	233
1,001-5,000	283
5,001-10,000	145
10,001-100,000	344
100,001- and over	219
Total	1,224

c. Number of shareholdings held in less than marketable parcels is 521

d. There are no substantial shareholders

e. 20 largest Shareholders as at 30 September 2014

	HOLDER NAME	NUMBER HELD	PERCENTAGE
1	HSBC CUSTODY NOMINEES	23,828,431	8.97%
2	BBY NOMINEES LIMITED	12,302,730	4.63%
3	MR LIM KIM QUEE	10,669,605	4.02%
4	MR LIM CHOR NAM	10,600,000	3.99%
5	UBS WEALTH MANAGEMENT	9,000,000	3.39%
6	MR WONG CHI WAI	8,680,000	3.27%
7	SACHA INVESTMENTS PTY LTD	8,450,000	3.18%
8	MR KOK LEONG TAN	8,309,716	3.13%
9	CITICORP NOMINEES PTY LIMITED	7,952,826	2.99%
10	MR IVAN CHI HUNG WONG	6,400,000	2.41%
11	MR EDWIN ZIHONG CHEN	6,000,000	2.26%
12	STRATEGIC WEALTH JOURNIES	4,148,285	1.56%
13	BOND STREET CUSTODIANS LIMITED	3,969,988	1.49%
14	MR ANDREW GORDON BRAY	3,700,000	1.39%
15	DRS DIWAN PTY LTD	3,625,000	1.36%
16	GREAT PACIFIC INVESTMENT PTY	3,500,000	1.32%
17	DR GOH PING WONG	3,500,000	1.32%
18	MR PAUL GABRIEL SHARBANEE	3,357,159	1.26%
19	MR CLANAN RICHARD MARR	3,100,000	1.17%
20	MS RACHEL WONG	3,042,750	1.15%
	TOTAL	143,956,490	54.20%

CORPORATE GOVERNANCE STATEMENT

The Board of Directors of Gateway Mining Limited is responsible for the corporate governance of the Group.

In accordance with the Australian Stock Exchange (ASX) Corporate Governance and Best practice Recommendations, the following statement outlines the principal corporate governance practices that apply to the Group.

Board and Management Functions

Generally, the Board is responsible for establishing the policies of the Group, overseeing its financial position, approving major capital expenditures, exploration programs and expenditures. The small management team is responsible for the Group's day to day operations including exploration activities, budgets, reporting activities and general administration. Due to the relatively small size of the Board and management team and the need for roles and functions to be flexible to meet specific requirements the Group does not have a formal Board character.

Board Structure

The composition of the Board is determined in accordance with the following principles and guidelines:

- The Board should comprise at least three directors and should maintain a majority of independent non-executive directors
- The chairperson must be a non-executive director
- The Board should comprise Directors with an appropriate range of qualifications and expertise
- The Board shall meet at least quarterly and follow meeting guidelines set down to ensure all Directors are made aware of, and have available, all necessary information to participate in an informed discussion of all agenda items.

The Directors in office at the date of this statement are: Trent Franklin (Non-Executive Chairman), Ian McDonald (Non-executive Director), and Andrew Bray (Executive & Managing Director)

Under current ASX guidelines, two of the current Board (Trent Franklin and Ian McDonald) are considered to be independent directors. Each Director of the Group has the right to seek independent professional advice at the expense of the Group. Prior approval of the Chairman is required but this will not be unreasonably withheld.

Due to the small size of the Board, the Group does not have a board nomination committee. Such decisions are presently the responsibility of the Board as a whole. When appropriate, and at least annually, the Board meets to consider certain aspects of its operations. This includes ensuring that the Board continues to operate within the established guidelines including, when necessary, selecting candidates for the position of Director.

GATEWAY MINING LIMITED
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Diversity Policy

Diversity includes, but is not limited to, gender, age, ethnicity and cultural background. The Group holds its people in the highest esteem and considers them to be its greatest asset. The Group is committed to diversity and recognises the benefits arising from employee and board diversity and the importance of benefiting from all available talent. In decisions on engaging future talent in the Group, diversity, skill and aptitude for the role are the key considerations in our engagements.

Codes of Conduct

The Group does not at present have a formal code of conduct for the guidance of Directors and senior executives. However, the Board's stated policy is for Directors and management to conduct themselves with the highest ethical standards. All Directors and employees are expected to act with integrity and objectivity, striving at all times to enhance the reputation and performance of the Group.

Similarly, the Group does not have a code of conduct to guide compliance with legal and other obligations. This reflects the Group's size and the close international of the small number of individuals employed by the organisation. However, the Board continues to review the risk and compliance situation to determine the most appropriate and effective operational procedures.

In relation to share trading, Directors, employees and key consultants are not permitted at any time whilst in the possession of price sensitive information not already available to the market to deal in any of the company's securities. In addition, the law prohibits insider trading, and the Corporations Act and the ASX Listing Rules require disclosure of any trading undertaken by Directors or their related entities in the Group's securities.

Audit Committee

The Group does not have a formally constituted audit committee of the Board of Directors. The Board presently fulfils the functions of an audit committee. The Board is of the view that to date such a committee has not been necessary given the size and nature of its operations. This situation is subject to ongoing review.

Disclosure Requirements

The Group's Directors and management are aware of the ASX's continuous disclosure requirements and operate in an environment where strong emphasis is placed on full and appropriate disclosure to the market. While the Group does not have formal written policies regarding disclosure, it uses strong informal systems underpinned by experienced individuals.

Communications Strategy

While the Group does not have a formal communications strategy to promote effective communication with its shareholders, as it believes this is excessive and too costly for small companies, the Group does communicate regularly with its shareholders.

Besides the Annual Report which is sent to all shareholders, all significant information disclosed to the ASX is posted on the Group's website as soon as it is disclosed to the ASX.

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ABN: 31 008 402 391

When analysts are briefed on aspects of the Group's operations, the material used in the presentation is released to the ASX and posted on the Group's website. There is also an email address available to shareholders who have enquiries or are seeking further information. In addition, a notice of meeting and related communications are provided to the Group's auditor who, in accordance with the Corporations Act, is required to attend the Group's annual general meeting at which shareholders must be given a reasonable opportunity to ask questions of the auditor or their representative.

Risk Management

The Group is a small exploration company and does not believe that there is significant need for formal policies on risk oversight and management of risk. Risk management arrangements are the responsibility of the board of Directors and senior management collectively. The situation may need to be reviewed should the Group move to mining production.

Board Performance

There has been no formal performance evaluation of the Board during the past financial year although its composition is reviewed at a Board meeting at least annually. However, the Remuneration Committee, which meets as and when required, reviews matters relating to board performance and remuneration as part of its deliberations.

Remuneration Committee

The Group has established a Remuneration Committee comprising the Chairman and Company Secretary.