



ASX Announcement

ASX: GML

1 August 2024

Gateway Sells Gold Rights for Eastern Montague Gold Project in WA to Brightstar Resources for \$14M

Transaction provides exposure to regional consolidation upside through Brightstar shares, allowing Gateway to focus on ongoing aggressive exploration for Cu-Ni-PGE

HIGHLIGHTS

- Binding Agreement signed for the sale of Gateway's gold rights within the eastern tenement block of the Montague Project to Brightstar Resources Limited (ASX: BTR).
- The total consideration payable to Gateway is \$14 million, comprising \$5 million in cash, \$7 million in Brightstar Shares and \$2 million in deferred Brightstar Shares (subject to milestones).
- Gateway to retain ownership of all other mineral rights (including base metals) within the Montague East Tenement Group, allowing it to continue its base metal exploration on these tenements in line with its recent exploration focus.
- Gateway to retain ownership of all mineral rights including gold within the Western Tenement Group at Montague. Montague West retains excellent prospectivity with extensive near-surface gold mineralisation, as well as the recent discovery of a previously un-explored ultramafic igneous complex which offers significant base metal potential.
- The transaction allows Gateway to aggressively explore its exciting new Cu-Ni-PGE prospects at Montague East, including the exciting Flametree target:
 - GRC1014: 1m @ 0.72% Cu, 0.41% Ni, 1.0g/t Pt+Pd from 195m
1m @ 1.00% Cu, 0.39% Ni, 1.2g/t Pt+Pd from 209m (EOH)¹
 - GRC283: 4m @ 1.03% Cu, 0.44% Ni, 0.9g/t Pt+Pd from 137m²
- Gateway remains exposed to consolidation and development activities within the region through a significant shareholding in Brightstar, as well as through any new discoveries made within its retained tenure.
- The Company will emerge with a greatly enhanced cash and liquidity position, putting it in an enviable position in the junior resource sector to take advantage of new growth and business development opportunities.

¹ See ASX Release dated 5 February 2024.

² See ASX Release 27 November 2013.

Gateway's Managing Director, Mr Mark Cossom, said: "We are delighted to have finalised this agreement with Brightstar Resources, in the process crystallising significant value from our resource-level gold assets within the Eastern Montague Project. The deal is structured in a way that delivers immediate cash into our balance sheet while at the same time giving Gateway a seat at the table of an exciting potential emerging consolidation play in the Sandstone region through a significant shareholding in Brightstar.

"Alex Rovira and his team at Brightstar are working hard to build a significant new gold production company with an exciting growth future, and we are pleased to have been able to participate in what we believe amounts to sensible rationalisation in the belt.

“By divesting our more advanced assets, Gateway has been able to create a significant liquidity event while retaining all other mineral rights in the Eastern Tenement Group and gold and other mineral rights in the Western Tenement Group. This means that our shareholders retain exposure to the exciting, value-creating exploration opportunities that present across the broader tenement group – including the emerging magmatic nickel-copper sulphide discovery opportunity we have reported recently.

“At the same time, we are able to strengthen our balance sheet in a non-dilutive way, putting us in an unparalleled position in the current challenging equity market for the junior resource sector.

“This will enable us both to progress our own exploration opportunities and to evaluate and take advantage of new and exciting growth and business development possibilities that are consistent with our skills-sets and strategy. We also look forward to supporting Brightstar in their growth journey.”

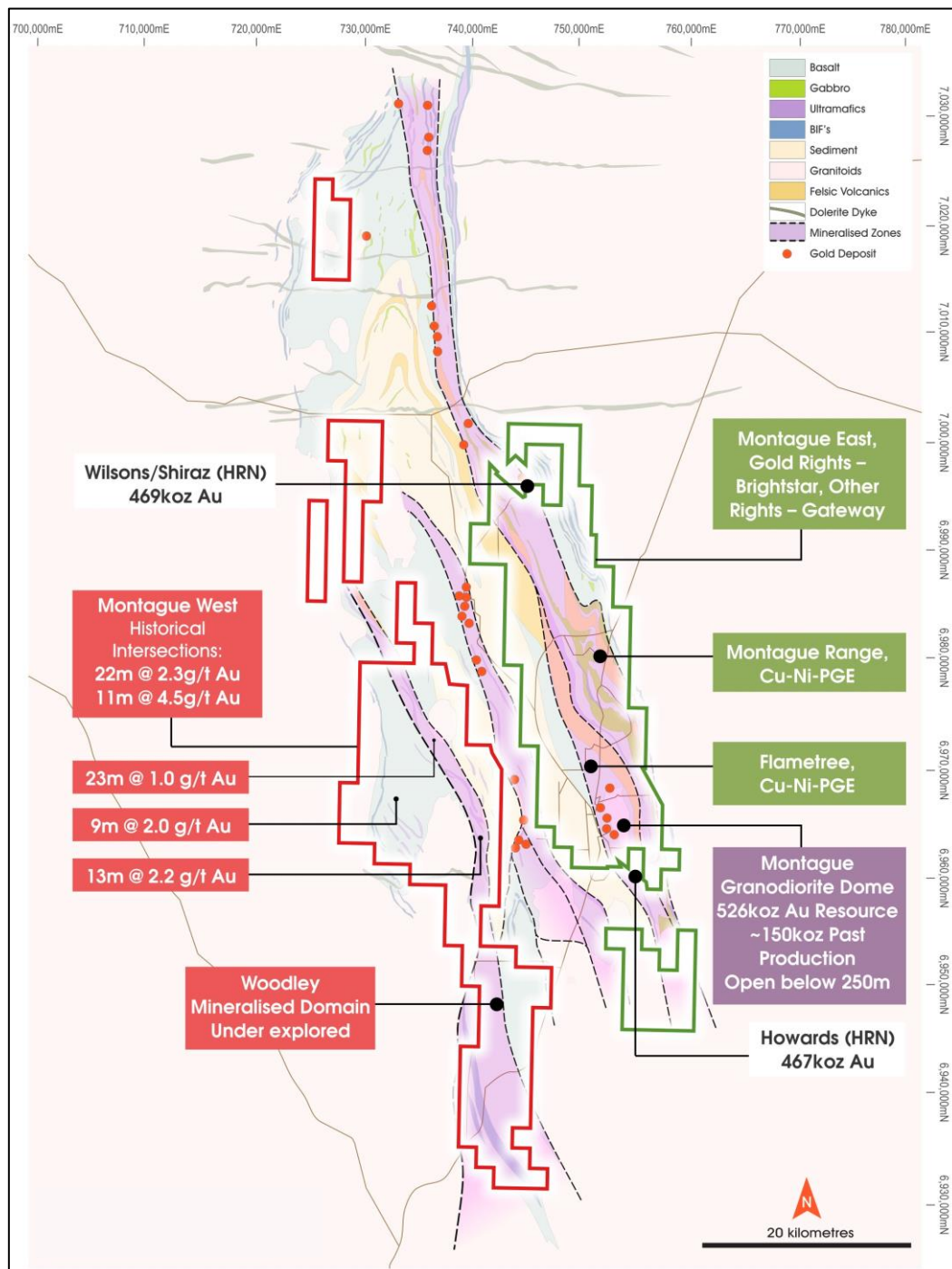


Figure (1): Montague Project highlighting gold rights sale tenements and tenements to be retained by GML

Gateway Mining Limited (ASX: GML) (**Gateway** or **Company**) is pleased to announce that it has entered into a binding tenement sale agreement (**Agreement**) with Brightstar Resources Limited (ASX: BTR) (**Brightstar**) to sell its tenements, including gold mineral rights (**Gold Rights**) comprising Montague East (**Transaction**) to Brightstar for total consideration comprising \$14 million in cash and shares.

The tenements which make up Montague East are listed in Annexure A (**Sale Tenements**).

The Company will retain 100% of all other mineral rights (excluding the Gold Rights) (**Other Mineral Rights**) in the Sale Tenements.

The Company will also retain legal and beneficial ownership of the tenements which make up Montague West (including all mineral rights), which are not part of the Transaction.

Terms of the Transaction

The Company will receive the following consideration (**Consideration**) for the sale of the Gold Rights within the Sale Tenements:

- \$5 million cash payable on completion of the Transaction;
- \$7 million fully paid ordinary shares in Brightstar (**Consideration Shares**). The issue price of the Consideration Shares will be the lower of:
 - (a) The VWAP of Brightstar's fully paid ordinary shares over the 15 trading days immediately prior to the date of execution of the Agreement; or
 - (b) The issue price under any associated capital raising undertaken by Brightstar; and
- \$2 million in fully paid ordinary shares in Brightstar (**Deferred Consideration**), and the payment of the Deferred Consideration is subject to the earlier of either of the following milestones being achieved:
 - (a) Brightstar announcing the commencement of the commercial production of gold at Montague East (**Mining Commencement Milestone**); and
 - (b) The delineation of a 1,000,000oz JORC compliant gold Mineral Resource at Montague above a lower cut-off grade of 0.6g/t Au for open pit mining or 2.00g/t Au for underground mining (**Resource Milestone**),

(Collectively, **Deferred Consideration Milestones**).

The shares in Brightstar to be issued for the Deferred Consideration are subject to Brightstar Shareholder approval (within 90 days of the vesting date) and if shareholder approval is not obtained, then the Deferred Consideration will be cash settled.

Completion of the Transaction is subject to:

- (a) the assumption and assignment of the Company's obligations under a number of existing joint venture, earn-in agreements and private royalties associated with the Sale Tenements, and subject to any consents being obtained and the waiver of any pre-emptive rights under these agreements; and
 - (b) Brightstar obtaining shareholder approval for the issue of the Consideration Shares,
- (**Conditions**).

The Conditions must be satisfied or waived within 90 days of execution of the Agreement (or such later date as is agreed).

Following Completion, Brightstar and Gateway will enter into formal mineral rights sharing agreements governing the co-ordination of the gold rights and the other mineral rights and, if required, co-ordination agreements with the third parties that (subject to an earn-in) hold lithium mineral rights on various Sale Tenements.

As a result of the Transaction, Brightstar will acquire the Company's Gold Rights within the Sale Tenements, including the Mineral Resource comprising 9,596,000t @ 1.6g/t Au for 507,000oz Indicated and Inferred (Gateway attributable out of a Total Mineral Resource of 526,000oz. See ASX release dated 27 September 2022 for full details of the Mineral Resource).

Gateway was advised in this transaction by Wallabi Group.

Proceeds from the Transaction

Following completion of the Transaction, the Company will retain legal and beneficial ownership of all Other Mineral Rights³ within the Sale Tenements (Montague East) and will retain legal and beneficial interest in the tenements (and all mineral rights) which make up Montague West.

The Company's immediate focus will be to continue systematic copper-nickel-PGE exploration at its Flametree and Montague Range targets, including air-core drilling, reverse circulation (RC) drilling and diamond drilling programs. In addition, Gateway will continue to progress early-stage exploration at several exciting new gold targets on the Montague West group of tenements.

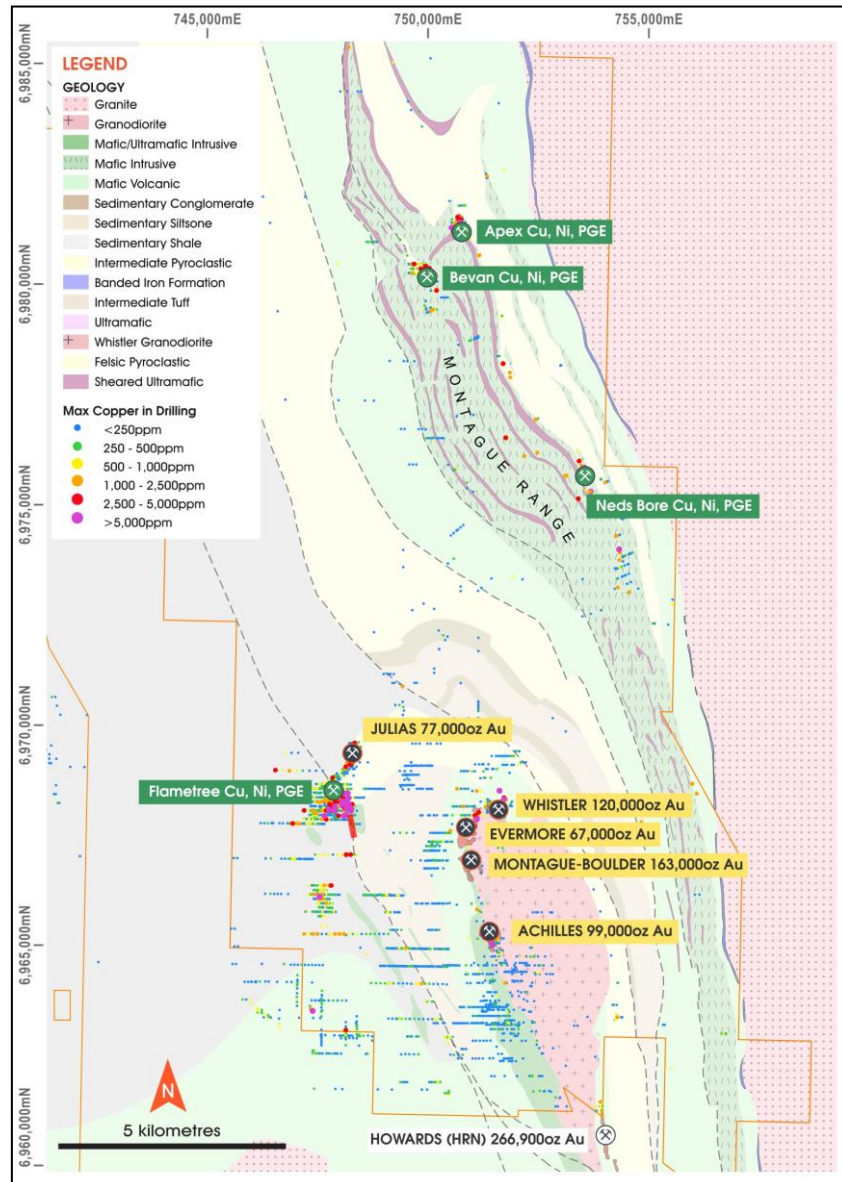


Figure (2): Location of the Flametree Cu-Ni-PGE target and the Montague Range mafic-ultramafic intrusive complex, relative to the Montague East gold Mineral Resources, which will be sold to Brightstar.

Flametree – An Emerging Cu-Ni-PGE Opportunity

- Flametree is an emerging mafic-ultramafic intrusive-hosted copper-nickel-PGE target identified through a review of exploration undertaken in the area by Gateway in 2013/2014.

³ Exclude lithium rights within the Sale Tenements that subject to the farm-in joint venture agreement (**PLC Farm-In**) with Premier 1 Lithium Limited (ASX:PLC) (**PLC**), whereby PLC has the right to acquire an 80% interest in the lithium rights (and related by-products). See announcement dated 23 January 2023 for further details relating to the PLC Farm-In.

- Previous interpretation of the extensive oxide-zone copper occurrences at Flametree centred on a VHMS-style mineralised system. However, one hole drilled into the unoxidized target area (GRC283) intersected an ultramafic unit and associated copper-nickel-PGE mineralisation within massive sulphides, with assays returning a significant intersection of **4m @ 1.03% Cu, 0.44% Ni, 0.9g/t Pt+ Pd, 426ppm Co from 137m⁴**.
- A subsequent series of ground EM surveys, including a fixed-loop time domain survey (FLTEM) highlighted a significant EM anomaly at depth in the vicinity of this intersection.
- A recent reinterpretation of the regional geology based on a two-dimensional seismic survey suggested that the regional dip of the stratigraphy is to the east, and that historic follow-up drilling of GRC283 and targeting the FLTEM anomaly had subsequently been drilled in the wrong location.
- In December 2023, Gateway drilled an RC hole GRC1014 to confirm the easterly dip of the stratigraphy and mineralisation, and returned sulphide mineralisation within an intrusive mafic-ultramafic package, with significant Cu-Ni-PGE intersections of **1m @ 0.72% Cu, 0.41% Ni, 1.0g/t Pt+Pd, 840ppm Co from 195m and 1m @ 1.00% Cu, 0.39% Ni, 1.2g/t Pt+Pd, 756ppm Co from 209m (EOH)⁵**.

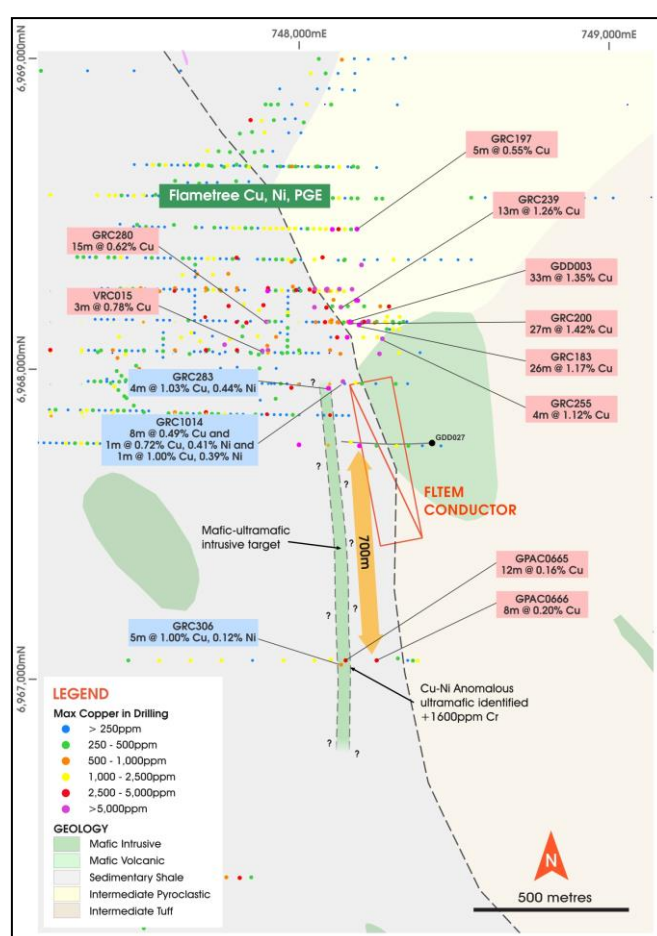


Figure (3): Flametree target area with historic oxide-copper intersections, mafic/ultramafic hosted Cu-Ni-PGE intersections and the location of the interpreted mafic-ultramafic intrusive target.

Recent Diamond Drilling by Gateway

- Following the success of RC hole GRC1014, Gateway planned a single diamond drill-hole (GDD027) to test the reinterpreted anomaly generated by the historic FLTEM survey (Figure 2), based on the revised understanding of the regional geology. This hole was located approximately 450m south-east of the previous RC drilling.

⁴ See ASX Release 27 November 2013.

⁵ See ASX Release 5 February 2024.

- Hole GDD027 was completed to a depth of 548.8m and intersected a thick basalt unit overlaying a volcano-sedimentary rock sequence of conglomerates, shales and volcanoclastics containing variable amounts of sulphides (pyrite+pyrrhotite).
- The targeted host mafic-ultramafic intrusion was also not intersected and, as such, the source of observed sulphide mineralisation hosted in the two RC holes (GRC283 and GRC1014) located 200m to the north is still open.
- The southern strike extent of the unit and mineralisation intersected in these two RC holes is still untested for over 700m, with a mafic-ultramafic unit and Cu-Ni mineralisation indicated in historic hole GRC306 (see Figure 3).

DHEM Survey Results

- Following the completion of drilling, a down-hole EM (DHEM) survey crew was mobilised and successfully surveyed the hole. The data generated by this survey was compiled and modelled by the Company's consultant geophysicists.
- This modelling process highlighted the fact that, although significant zones of sulphide were intersected by GDD027, the conductance of these zones, being composed primarily of pyrite+pyrrhotite, was not sufficient to explain the strength of the anomaly generated by the historic FLTEM survey.
- In addition, the DHEM data indicated that there was a significant off-hole anomaly building at the end of the hole within the sedimentary rock package (Figure 4).
- This off-hole EM anomalism is not consistent with the logged geology, and indicates a potential conductor located further to the west of the current drill-hole. However, this potential off-hole conductor was not able to be modelled effectively based on the current DHEM data.

New Target Horizon

- Interpretation of the geology based on the historic drilling as well as GDD027, in conjunction with the processing of the DHEM data, suggests that the targeted mafic/ultramafic intrusive unit is located further to the west of hole GDD027.
- This position remains as a primary target for the source of copper-nickel-PGE sulphides intersected by RC drilling.
- The indications of an off-hole conductor in this position, further to the west of GDD027, is extremely encouraging.
- Combined with indications of mafic/ultramafic in historic RC and air-core drilling to the south (Figure 2), this presents as a potential +700m target zone, with confirmed presence of copper-nickel-PGE sulphide-hosted mineralisation.
- In order to progress this target, a comprehensive air-core program has recently been completed to map the mafic-ultramafic intrusive unit between existing intersections in RC drilling and allow for the planning of future diamond drilling to test the potential source of copper-nickel-PGE sulphides.

As outlined previously (see ASX release 5 February 2024), this target at Flametree forms part of a significant corridor of potential mafic/ultramafic intrusive activity west of the Montague Granodiorite dome, as indicated by interpretation of regional ground gravity survey data and Gateway's recent two-dimensional seismic survey (see Figure 5).

The positive identification of significant magmatic hosted copper-nickel-PGE mineralisation would highlight the exciting prospectivity of the Montague Project for this style of deposit.

Montague Range Geochemical Sampling

First pass fine-fraction soil geochemical sampling has recently been completed at the Montague Range mafic-ultramafic intrusive unit, located approximately 8km north of the Montague Granodiorite Dome (see Figure 3)⁶.

⁶ See ASX Release 5 July 2024.

Sampling was carried out on 400m x 50m sample spacing, with all samples analysed for an extensive multi-element assay suite. The sampling program was highly successful, with the data received highlighting the potential of this emerging Cu-Ni-PGE target area:

- Assays have mapped out prospective mafic-ultramafic units particularly through Ni and PGE responses (see Figure 6).
- Coupled with this, discrete areas of copper anomalism have been identified, which present as highly encouraging target areas, as the increase in copper response relative to the Ni-PGE lithological response suggests a potential mineralisation source.
- As illustrated in Figure 7, several historic shallow drill holes have intersected Ni-Cu-PGE mineralisation within the oxide zone, further elevating the exploration potential of this complex.
- This has elevated the prospectivity of this mafic-intrusive complex as a potential host for Cu-Ni-PGE mineralisation.
- Limited effective electrical geophysical surveys have been carried out on the area, and largely focused on the volcanic interface in local stratigraphy (based on targeting VHMS-type mineralisation).

Following these highly encouraging results, the Company has recently mobilised a consultant geologist to site who specialises in these mafic-ultramafic hosted deposits to undertake detailed mapping of the intrusive system.

This mapping has identified the geometry of the intrusive system and identify prospective zones to be followed up with electrical geophysical surveys as well as possible stratigraphic drilling.

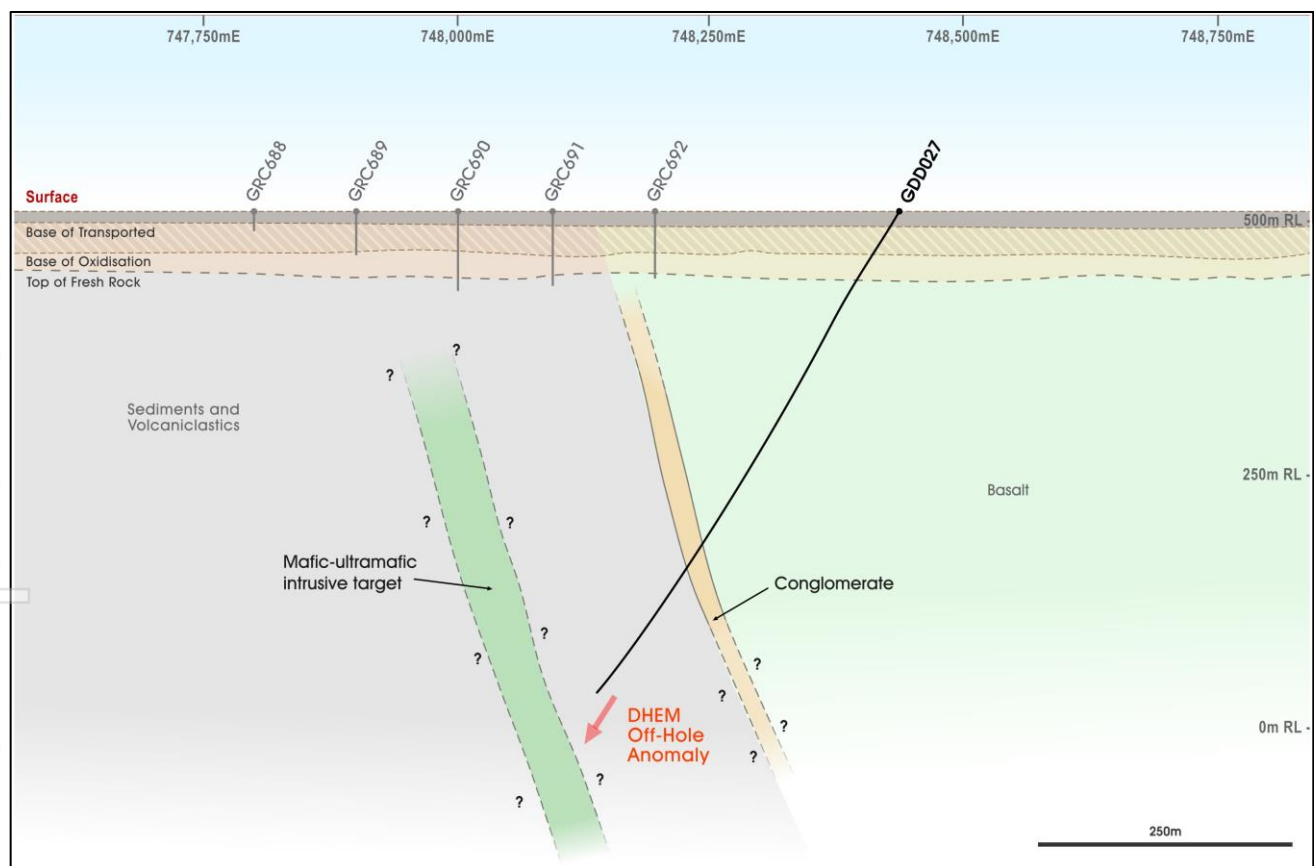


Figure (4): Cross-section of diamond hole GDD027, with logged geology and interpreted position of the targeted mafic/ultramafic intrusive unit.

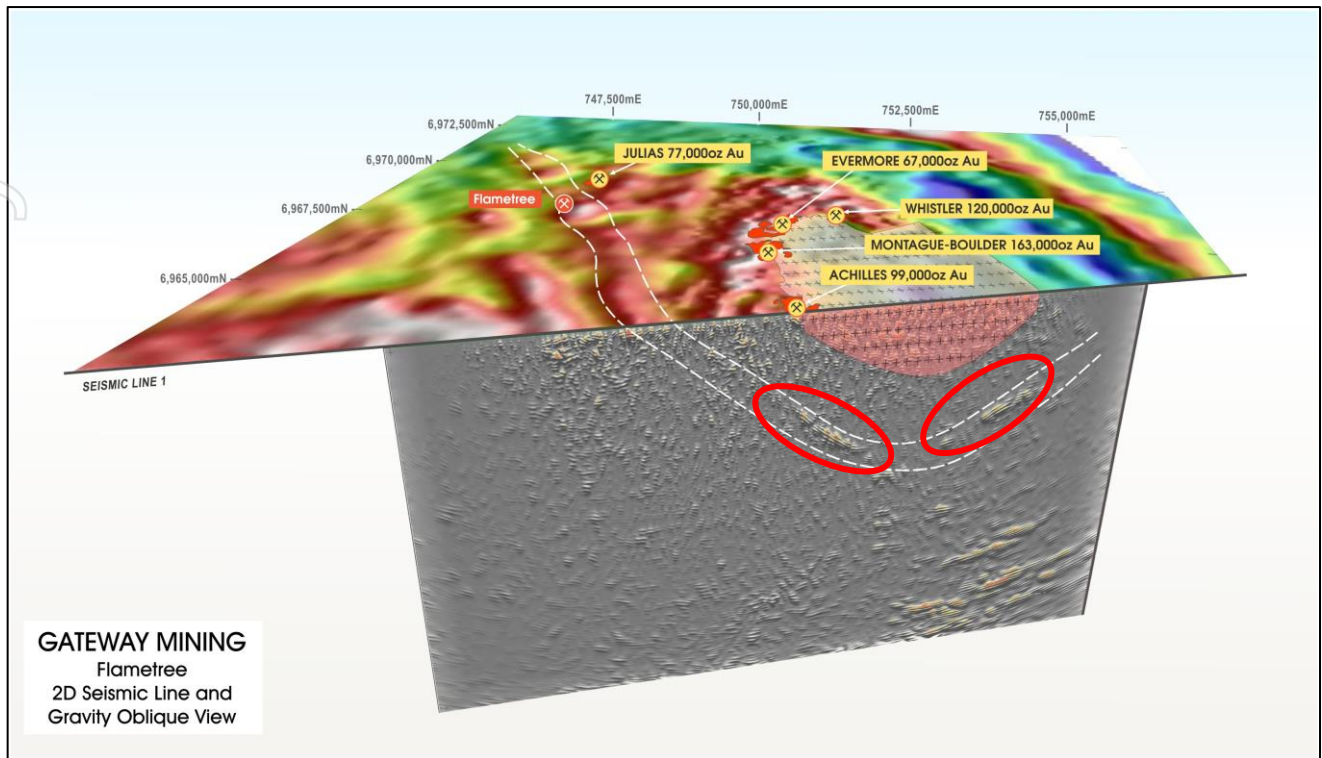


Figure (5): Integrated Montague Granodiorite Dome 2-dimensional seismic survey with revised geological interpretation from the Flametree target. Note the extensive prospective corridor and the presence of unexplained high-reflectance units at depth below the dome.

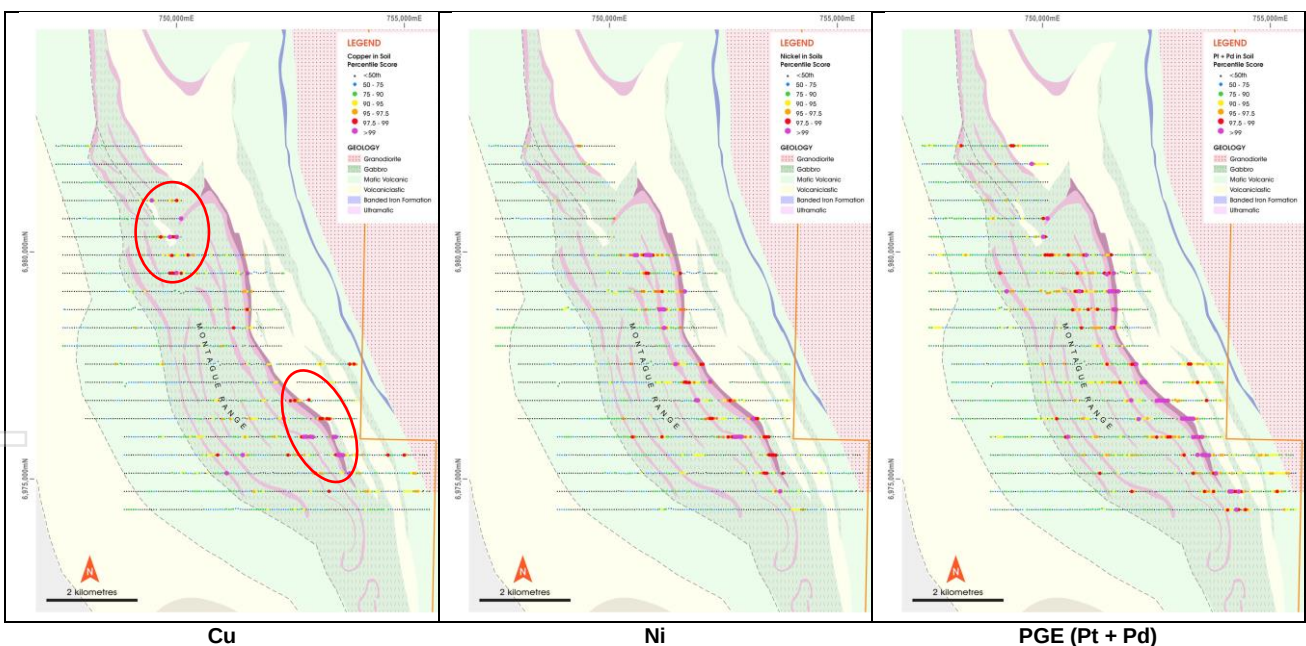


Figure (6): Selected multi-element results from the Montague Range fine fraction geochemical sampling program, coloured by percentile scores. Note the mapping of the mafic-ultramafic units by the Ni and PGE (Pt+Pd) results, and the relative localised enrichment of Cu highlighted.

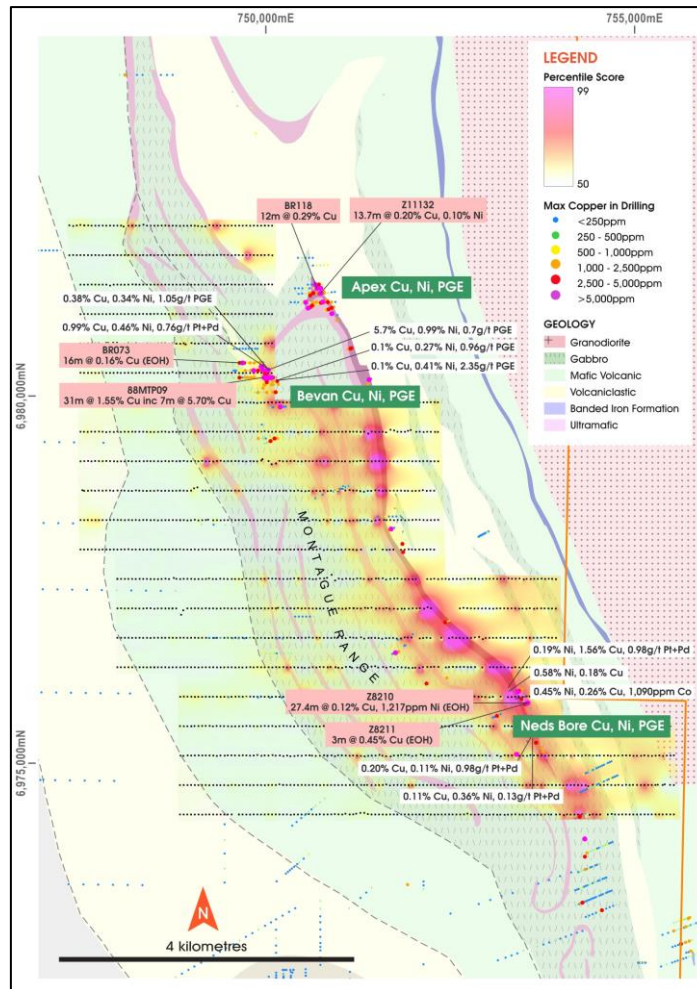


Figure (7): Montague Range fine fraction soil sampling sample locations, with PGE (Pt + Pd) pseudo contours and historic drilling with significant Cu-Ni-PGE intersections.

This released has been authorised by:

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Competent Person Statement

The information in this report that relates to Exploration Results and Mineral Resources has been extracted from various Gateway ASX announcements and are available to view on the Company's website at www.gatewaymining.com.au or through the ASX website at www.asx.com.au (using ticker code "GML"). The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement. The company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

Forward Looking Statement

This announcement may contain certain forward-looking statements, guidance, forecasts, estimates, prospects, projections or statements in relation to future matters that may involve risks or uncertainties and may involve significant items of subjective judgement and assumptions of future events that may or may not eventuate (**Forward-Looking Statements**). Forward-Looking Statements can generally be identified by the use of forward-looking words such as "anticipate", "estimates", "will", "should", "could", "may", "expects", "plans", "forecast", "target" or similar expressions and may include, without limitation, statements regarding plans, strategies and objectives of management, anticipated production and expected costs. Indications of, and guidance on future earnings, cash flows, costs, financial position and performance are also Forward Looking Statements.

Persons reading this announcement are cautioned that such statements are only predictions, and that actual future results or performance may be materially different. Forward-Looking Statements, opinions and estimates included in this announcement are based on assumptions and contingencies which are subject to change, without notice, as are statements about market and industry trends, which are based on interpretation of current market conditions. Forward-Looking Statements are provided as a general guide only and should not be relied on as a guarantee of future performance.

No representation or warranty, express or implied, is made by Gateway that any Forward-Looking Statement will be achieved or proved to be correct. Further, Gateway disclaims any intent or obligation to update or revise any Forward-Looking Statement whether as a result of new information, estimates or options, future events or results or otherwise, unless required to do so by law.

ANNEXURE A: SALE TENEMENS (SALE OF GOLD RIGHTS ONLY)

Tenement	Registered Holder	Shares	Application Date	Grant Date	Expiry Date
E 53/2108	Gateway Mining Limited	100/100	04/10/2019	21/11/2022	20/11/2027
E 53/2340	Gateway Mining Limited	100/100	29/04/2024	Pending	Pending
E 57/1004	Gateway Mining Limited	100/100	26/11/2014	10/09/2015	09/09/2025
E 57/1005	Gateway Mining Limited	100/100	27/11/2014	04/10/2017	03/10/2027
E 57/1060	Gateway Mining Limited Element 25 Limited	80/100 20/100	23/11/2016	15/06/2018	14/06/2028
E 57/1095	Gateway Mining Limited	100/100	18/04/2018	18/02/2020	17/02/2025
E 57/1113	Gateway Mining Limited	100/100	07/01/2019	22/08/2019	21/08/2024
E 57/1145	Gateway Mining Limited	100/100	04/10/2019	22/11/2022	21/11/2027
E 57/1147	Gateway Mining Limited	100/100	08/11/2019	04/08/2020	03/08/2025
E 57/1215	Gateway Mining Limited	100/100	07/02/2022	10/10/2022	09/10/2027
E 57/1423	Gateway Mining Limited	100/100	04/12/2023	Pending	Pending
E 57/1424	Gateway Mining Limited	100/100	04/12/2023	Pending	Pending
E 57/1441	Gateway Mining Limited	100/100	29/04/2024	Pending	Pending
E 57/405	Gateway Mining Limited	100/100	22/10/1997	20/02/2012	19/02/2025
E 57/417	Gateway Mining Limited	100/100	07/05/1998	27/04/2006	26/04/2024

Tenement	Registered Holder	Shares	Application Date	Grant Date	Expiry Date
E 57/687	Gateway Mining Limited	100/100	08/01/2007	26/03/2008	25/03/2024
E 57/793	Gateway Mining Limited Estuary Resources Pty Ltd	75/100 25/100	28/04/2009	04/02/2010	03/02/2026
E 57/807	Gateway Mining Limited	100/100	08/10/2009	22/06/2010	21/06/2024
E 57/823	Gateway Mining Limited	100/100	25/02/2010	03/03/2011	02/03/2025
E 57/824	Gateway Mining Limited	100/100	25/02/2010	03/03/2011	02/03/2025
E 57/874	Gateway Mining Limited	100/100	24/12/2010	06/03/2012	05/03/2024
E 57/875	Gateway Mining Limited	100/100	24/12/2010	06/03/2012	05/03/2024
E 57/888	Gateway Mining Limited	100/100	31/05/2011	06/03/2012	05/03/2026
E 57/945	Gateway Mining Limited	100/100	03/05/2013	02/01/2014	01/01/2026
M 57/217	Gateway Mining Limited	100/100	11/02/1992	24/09/1992	23/09/2034
M 57/429	Gateway Mining Limited Estuary Resources Pty Ltd	75/100 25/100	13/11/1998	06/07/2005	05/07/2026
M 57/48	Gateway Mining Limited	100/100	07/03/1986	15/05/1986	14/05/2028
M 57/485	Gateway Mining Limited Estuary Resources Pty Ltd	75/100 25/100	28/06/2001	03/02/2005	02/02/2026
M 57/98	Gateway Mining Limited	100/100	28/01/1988	19/05/1988	18/05/2030
M 57/99	Gateway Mining Limited	100/100	28/01/1988	19/05/1988	18/05/2030
P 57/1409	Gateway Projects WA Pty Ltd	100/100	07/06/2017	10/01/2018	09/01/2026

Tenement	Registered Holder	Shares	Application Date	Grant Date	Expiry Date
P 57/1410	Gateway Projects WA Pty Ltd	100/100	07/06/2017	10/01/2018	09/01/2026
P 57/1411	Gateway Projects WA Pty Ltd	100/100	07/06/2017	10/01/2018	09/01/2026
P 57/1413	Gateway Projects WA Pty Ltd	100/100	07/06/2017	10/01/2018	09/01/2026
P 57/1455	Gateway Mining Limited	100/100	19/10/2018	16/05/2019	15/05/2027
P 57/1456	Gateway Mining Limited	100/100	19/10/2018	16/05/2019	15/05/2027
P 57/1494	Gateway Mining Limited	100/100	15/06/2020	Pending	Pending
P 57/1495	Gateway Mining Limited	100/100	15/06/2020	Pending	Pending
P 57/1496	Gateway Mining Limited	100/100	15/06/2020	Pending	Pending

Notes:

1. E57/1060 are subject to a joint venture agreement, whereby the Company holds an 80% interest and Element 25 Limited holds the remaining 20% interest.
2. M57/429, M57/485 and E57/793 are subject to a joint venture agreement, whereby the Company holds a 75% interest and Estuary Resources holds the remaining 25% interest. It is proposed that Brightstar will assume Gateway's obligations under this agreement.
3. E57/405, E57/687, E57/793, E57/793, E57/823, E57/824, E57/875, E57/888, M57/217, M57/48, M57/485, M57/98, M57/99, P57/1409, P57/1410, P57/1411 and P57/1413 are subject to a farm-in joint venture agreement with Premier 1 Lithium Limited (ASX:PLC), whereby PLC has the right to acquire an 80% interest in the lithium rights (and related by-products). The Company will retain the precious metals and base metals rights.