

PLACER DOME COMMENCES DRILLING AT GIDGEE

Gateway Mining NL (ASX: GML) is pleased to announce it has received notification from Placer Dome Australia that it has commenced drilling at the Gidgee Gold Project located in the Gum Creek Greenstone Belt about 400 kilometres north west of Kalgoorlie, Western Australia.

Placer Dome, which is now a subsidiary of Barrick Gold, have advised that an aircore drilling program is currently underway targeting the Julia's Fault trend. A proposed program of approximately 2,800 metres comprising of 70 holes is targeting the interpreted Julia's Fault structure and associated gossanous zone.

Gateway's Chairman Brian Gomez said he was pleased that Barrick had moved quickly since completing due diligence and that the first phase of drilling was underway.

Placer farmed into the area after Gateway had completed 3D modelling of ground gravity and airborne magnetic data, along with multi-element analysis to delineate an exploration model that confirmed the potential of the area to host a large gold deposit.

Gateway signed two joint venture agreements with Placer on the 20th January 2006 subject to a three month period of due diligence which was completed in April.

Key Terms of the Agreements with Placer include:

- Placer to spend over \$4 million to earn 70% of selective tenements totalling 80 square kilometres within the Montague Project.
- Placer must spend \$400,000 within the first year and before it can exit.
- Placer and Gateway agree to include any further acquisitions adjoining the area on a Placer 70% - Gateway 30% basis.

The drilling campaign will aid in further definition of the Julia's Fault trend before a second program of deep diamond drilling targeting Victory Creek is completed later in the year.

Gateway has discovered virgin mineralisation at Victory Creek under 20-30 metres of transported cover as well as at Julia's Fault, Two Dogs and Hypotenuse.

Gateway will continue to explore the remainder of its 400 square kilometre landholding that includes the central Airport gold trend, Barrelmaker and Belford Bore projects.

For more information:

Visit the company website www.gatewaymining.com.au

Or contact Brian Gomez, Chairman

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This review accurately reflects information compiled by Mr SJR Taylor who is a consultant to the company. Insofar as it relates to ore reserves and mineral resources, it is based on information compiled by Mr SJR Taylor who is a corporate member of the Australian Institute of Geologists and who has more than five (5) years' experience in the field being reported.