GATEWAY MINING LIMITED
ABN: 31 008 402 391

Gateway Mining Limited

INTERIM FINANCIAL REPORT
FOR SIX MONTHS ENDED
31 DECEMBER 2012

GATEWAY MINING LIMITED
ABN: 31 008 402 391

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DIRECTORY

Registered Office	Level 8 210 George Street Sydney NSW 2000	Telephone: 02 9191 4543 Facsimile: 02 8247 7999 Email: gml8@bigpond.com
Directors	Mr. Trent Franklin (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	Enrizen Lawyers Level 8 210 George Street 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	

GATEWAY MINING LIMITED
ABN: 31 008 402 391

INTERIM FINANCIAL REPORT FOR THE HALF-YEAR ENDED 31 DECMEBER 2012

DIRECTORS' REPORT

Your directors submit the financial report of the Group for the half-year ended 31 December 2012.

DIRECTORS

The names of directors who held office during or since the end of the half-year:

Mr. Trent Franklin (Chairman) appointed 28/2/2013

Mr. Andrew Bray (Managing Director) appointed 29/10/2012

Mr. Ian McDonald (Non-executive Director) appointed 13/11/2012

Mr. Brian Gomez (Chairman) resigned 28/2/2013

Dr. Robert Creelman (Director) resigned 13/11/2012

Mr. Mark Lynch (Director) resigned 17/1/2013

REVIEW OF OPERATIONS

The last nine months have been a period of significant change for Gateway Mining Limited ('Gateway' or 'the Group'). During the half year Gateway installed a new team and completed a major capital raising, the proceeds of which will be used to drive the Group's Gidgee project forward.

The Gidgee tenements hold immense potential for hosting Volcanogenic Massive Sulphide (VMS) deposits. VMS deposits tend to occur in clusters. The already known VMS mineralisation at The Cup prospect, highly anomalous aircore and rock chip geochemistry, and coincident electro-magnetic (EM) conductors leads the Group to believe that the Gidgee project has all the hallmarks of a significant new VMS province.

Up until now, the VMS potential of the tenement package has been largely untested. In excess of 30km of potential strike along EM conductors remains to be drilled.

With a newly recapitalised structure and energised team, 2013 promises to be a major turning point for the Group. Over the next 12 months, the Group will undertake systematic but aggressive exploration of the tenement package, with the aim of producing a major VMS discovery.

During the half year Gateway also rationalised its tenement holdings, dropping both the Cowra and Surprise projects. Gateway was of the opinion that further expenditure was not warranted, so dropping the tenements was a prudent decision from a cost efficiency perspective. Previous expenditure was written off in this half year period.

The Group has also recently moved offices into space where rental and administration overheads are minimal. This keeps in line with management's philosophy of maintaining low administrative expenses in order to ensure maximum exploration expenditure.

The Group is looking forward to an exciting future as we progress the exploration and development of the Gidgee projects.

AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration under Section 307C of the Corporations Act 2001 is set out on page 6 for the half-year ended 31 December 2012.

This report is signed in accordance with a resolution of the Board of Directors.

TRENT FRANKLIN
Non Executive Chairman
Dated this 15th day of March 2013

Crowe Horwath.

Crowe Horwath Sydney
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Member Crowe Horwath International

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A WHK Group Firm

15 March 2013

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

Dear Board Members

GATEWAY MINING LIMITED

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 and its controlled entity.

As lead audit partner for the review of the half-year financial statements of Gateway Mining Limited and its controlled entity for the half-year ended 31 December 2012, 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 review; and

(ii) any applicable code of professional conduct in relation to the review.

Crowe Horwath Sydney

CROWE HORWATH SYDNEY

Russell

LEAH RUSSELL
Partner

GATEWAY MINING LIMITED
ABN: 31 008 402 391

STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2012

	NOTE	31 December 2012 $	31 December 2011 $
Interest income	2	16,629	45
Other income	2	-	7,053
		16,629	7,098
Depreciation expense		(3,623)	(802)
Employee benefits expense		(125,569)	(83,671)
Professional services rendered		(110,150)	(32,856)
Office expenses		(27,479)	(27,430)
Compliance fees		(31,999)	(12,791)
Share registry fees		(10,000)	(4,545)
Travelling and entertainment		(39,512)	(14,394)
Write off Exploration Expenditure		(802,079)	-
Impairment of available for sale financial assets		(170,000)	-
Other expenses		(32,720)	(17,915)
Loss before income tax	3	(1,336,502)	(187,306)
Loss for the period		(1,336,502)	(187,306)
Other comprehensive income:			
Net gain on revaluation of financial assets		869	5,329
Other comprehensive income for the year, net of tax		869	5,329
Total comprehensive income (loss) for the period attributable to members of the company		(1,335,633)	(181,977)
Earnings per share			
Basic earnings per share (cents)		(0.60)	(0.14)
Diluted earnings per share (cents)		(0.60)	(0.14)

The accompanying notes form part of these financial statements.

GATEWAY MINING LIMITED
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STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2012

	NOTE	31 Dec 2012	30 June 2012
		$	$
ASSETS			
CURRENT ASSETS			
Cash and Cash equivalents		**3,751,791**	125,641
Trade and other receivables		**112,980**	88,061
TOTAL CURRENT ASSETS		**3,864,771**	213,702
NON-CURRENT ASSETS			
Trade and other receivables		**12,608**	12,608
Financial assets	4	**565,909**	81,040
Plant and equipment		-	3,623
Deferred exploration and evaluation expenditure	5	**7,724,086**	8,210,108
TOTAL NON-CURRENT ASSETS		**8,302,603**	8,307,379
TOTAL ASSETS		**12,167,374**	8,521,081
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables		**185,869**	283,943
TOTAL CURRENT LIABILITIES		**185,869**	283,943
TOTAL LIABILITIES		**185,869**	283,943
NET ASSETS		**11,981,505**	8,237,138
EQUITY			
Issued capital		**27,903,980**	22,823,980
Reserves		**234,101**	233,232
Accumulated losses		**(16,156,576)**	(14,820,074)
TOTAL EQUITY		**11,981,505**	8,237,138

The accompanying notes form part of these financial statements.

GATEWAY MINING LIMITED
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STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECMBER 2012

	Issued Capital	Accumulated losses	Investments revaluation reserve	Share Based payments reserve	Total
	$	$	$	$	
Balance at 1.7.2011	22,478,060	(13,127,402)	173,939	133,000	9,657,597
Shares issued during the period	368,000	-	-	-	368,000
Transaction costs	(22,080)	-	-	-	(22,080)
Total other comprehensive income	-	-	5,329	-	5,329
Loss for the period	-	(187,306)	-	-	(187,306)
Balance at 31.12.2011	22,823,980	(13,314,708)	179,268	133,000	9,821,540
Balance at 1.7.2012	**22,823,980**	**(14,820,074)**	**100,232**	**133,000**	**8,237,138**
Shares issued during the period	**5,230,000**	-	-	-	**5,230,000**
Transaction costs	**(150,000)**	-	-	-	**(150,000)**
Total other comprehensive income	-	-	**869**	-	**869**
Loss for the period	-	**(1,336,502)**	-	-	**(1,336,502)**
Balance at 31.12.2012	**27,903,980**	**(16,156,576)**	**101,101**	**133,000**	**11,981,505**

The accompanying notes form part of these financial statements.

GATEWAY MINING LIMITED
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STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2012

	31 December 2012 $	31 December 2011 $
CASH FLOWS FROM OPERTAING ACTIVITIES		
Payments to suppliers and employees	**(565,547)**	(240,694)
Interest and other income received	**16,629**	7,098
NET CASH USED IN OPERATING ACTICVITIES	**(548,918)**	(233,596)
CASH FLOWS FROM INVESTING ACTIVITIES		
Payment for Investments	**(650,000)**	(3,750)
Payment for exploration and evaluation	**(316,057)**	(167,633)
NET CASH (USED IN) INVESTING ACTIVITIES	**(966,057)**	(171,383)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of shares	**5,230,000**	368,000
Placement fees	**(88,875)**	-
NET CASH FROM FINANCING ACTIVITIES	**5,141,125**	368,000
NET INCREASE (DECREASE) IN CASH HELD	**3,626,150**	(36,979)
Cash at 1 July 2012	**125,641**	199,197
CASH AT 31 DECEMBER 2012	**3,751,791**	162,218

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2012

NOTE 1: BASIS OF PREPARATION

These general purpose interim financial statements for half-year reporting period ended 31 December 2012 have been prepared in accordance with requirements of the Corporations Act 2001 and Australian Accounting Standard AASB 134: Interim Financial Reporting. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

This interim financial report is intended to provide users with an update on the latest financial statements of Gateway Mining Limited. As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the Group. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the company for the year ended 30 June 2012, together with any public announcements made during the half-year.

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements.

The financial report has been prepared on a going concern basis, which contemplates continuity of normal business activities and realisation of assets and settlement of liabilities in the ordinary course of business. The ability of the Group to continue to pay its debts as and when they fall due is dependent upon the successful raising of funds.

NOTE 2: REVENUE AND OTHER INCOME

	31 December 2012 $	31 December 2011 $
:		
Interest received from other persons	**16,629**	45
Other income-Administration fee	-	7,053

NOTE 3: LOSS FOR THE PERIOD

The Groups loss for the 6 months to 31st December 2012 includes the write-off $802,079 expenditure on exploration of the Cowra and Surprise tenements. Also during the period an impairment of financial assets totalling $170,000 was taken into account.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2012 (CONTINUTED)

NOTE 4: FINANCIAL ASSETS

	31 December 2012 $	30 June 2012 $
Available for sale financial assets:		
Shares in listed corporations at fair value	**535,082**	50,213
Shares in unlisted corporations at cost	**30,827**	30,827
	565,909	81,040

NOTE 5; EXPLORATION EXPENDITURE

Deferred exploration and evaluation expenditure as at **30th June 2012**	$8,210,108
Exploration and evaluation expenditure for 6 months to 31st December 2012	$316,057
Write-off of Cowra and Surprise Projects during 6 months to 31st December 2012	($802,079)
Deferred exploration and evaluation expenditure as at **31st December 2012**	**$7,724,086**

NOTE 6: SEGMENT INFORMATION

The Group operates in Australia predominantly in the mineral exploration industry and mainly in gold and base metals. The Board of Directors have determined that the Group operates only in one segment.

NOTE 7: CONTINGENT LIABILITIES

The Board of Directors believe that there are no contingent liabilities up to or subsequent to the 31st December 2012.

NOTE 8: EVENTS SUBSEQUENT TO REPORTING DATE

There are no significant events subsequent to reporting date.

NOTE 9: CONTROL GAINED / LOST OVER CONTROLLED ENTITIES

During the six month period to 31 December 2012, Gateway Mining Limited established Boomgate Nominees Pty Ltd as a 100% owned subsidiary. The Group has not gained and/or lost control over this entity since the 31st December 2012 up to the present date.

GATEWAY MINING LIMITED
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DIRECTORS' DECLARATION

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 7-12 are in accordance with the Corporations Act 2001, including:

    a. complying with Accounting Standard AASB 134: Interim Financial Reporting; and

    b. giving a true and fair view of the company's financial position as at 31 December 2012 and of its performance for the half-year ended on that date.

2. In the directors' opinion there are reasonable grounds to believe that the company 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.

TRENT FRANKLIN
Non Executive Chairman
Dated this 15th day of March 2013

Crowe Horwath™

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A WHK Group Firm

INDEPENDENT AUDITOR'S REVIEW REPORT
To the members of Gateway Mining Limited and its Controlled Entity

Report on the Half-year Financial Report

We have reviewed the accompanying half-year financial report of Gateway Mining Limited (the company) and its Controlled Entity (the consolidated entity), which comprises the consolidated statement of financial position as at 31 December 2012, the consolidated statement of comprehensive income, consolidated statement of changes in equity, consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration.

Directors' Responsibility for the Half-year Financial Report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and the Corporations Act 2001 and for such control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410: Review of an Interim Financial Report Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the Corporations Act 2001 including giving a true and fair view of the consolidated entity's financial position as at 31 December 2012 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations 2001. As the auditor of Gateway Mining Limited and its Controlled Entity, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Matters Relating to Electronic Publication of the Audited Financial Report

This review report relates to the financial report of the consolidated entity. We have reviewed the accompanying half-year financial report of Gateway Mining Limited (the company) and its Controlled Entity for the half-year ended 31 December 2012 included on the website of Gateway Mining Limited. The directors of the company are responsible for the integrity of the website and we have not been engaged to report on its integrity. This review report refers only to the subject matter described above.

Crowe Horwath™

Matters Relating to Electronic Publication of the Audited Financial Report (continued)

It does not provide an opinion on any other information which may have been hyperlinked to or from the financial report. If users of the financial report are concerned with the inherent risk arising from publication on a website, they are advised to refer to the hard copy of the reviewed financial report to confirm the information contained in this website version of the financial report.

Independence

In conducting our review, we have complied with the independence requirements of the Corporations Act 2001. We confirm that the independence declaration required by the Corporations Act 2001.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Gateway Mining Limited and its Controlled Entity is not in accordance with the Corporations Act 2001 including:

(i) giving a true and fair view of the consolidated entity's financial position as at 31 December 2012 and of its performance for the half-year ended on that date; and

(ii) complying with AASB 134: Interim Financial Reporting and the Corporations Regulations 2001.

Crowe Horwath Sydney

CROWE HORWATH SYDNEY

LRussell

LEAH RUSSELL
Partner

Dated this 15th day of March 2013