



ASX Announcement

ASX: GML

3 May 2022

Agreement executed with Rio Tinto and DCX for the sale of Iron Ore rights at Sylvania

Gateway Mining Limited (ASX: GML) (**Gateway** or **Company**) is pleased to advise that it has executed a binding agreement (**Agreement**) with Rio Tinto Exploration Pty Ltd (**RTX**) (a wholly owned subsidiary of Rio Tinto Limited (ASX:RIO)), and DiscovEx Resources Limited (ASX:DCX) (**DCX**). The agreement gives RTX the option to acquire 100% of the iron ore rights of tenements E52/3365 and E52/3366 (**Tenements**) which make up part of DCX's Sylvania Project.

Gateway holds a royalty over the Tenements which it obtained as part of the divestment of the Tenements in 2020. Gateway has agreed to vary the royalty as it relates to iron ore in the event that the option is exercised by RTX.

Gateway will receive the following consideration for entering into the Agreement:

- (a) An Option Payment of \$10,000 for a 2 year initial option period;
- (b) Option extension fees of \$10,000 per year for an additional 4-year option period;
- (c) An Option exercise fee of \$100,000 payable on exercise of the option during the option period; and
- (d) Upon exercise of the option, a Free on Board (FOB) Royalty of 0.6% to be paid for the first 12 years of iron ore production from the Tenements.

Should the option be exercised by RTX, Gateway will retain a 1.5% gross revenue royalty in respect of all other minerals and products extracted from the Tenements (excluding iron ore for so long as RTX holds contractual iron ore rights in respect of the Tenements).

This released has been authorised by:

Mark Cossom
Managing Director

For and on behalf of
GATEWAY MINING LIMITED

Investors

Mark Cossom
Managing Director
T: 02 8316 3998
or
Kar Chua
Company Secretary
T: 02 8316 3998

Media

Nicholas Read
Read Corporate
T: 08 9388 1474

Gateway Mining Ltd

B1/431 Roberts Road
Subiaco WA 6008

LinkedIn: @gateway-mining
Twitter: @gateway_mining
www.gatewaymining.com.au