



Quarterly Activities Report for the period ended 30th September 2019



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Directors

Mr Stephen Bizzell (Chairman)
Mr Rick Anthon
Mr Mark Baker
Mr. Peter Wright

Company Secretary

Mr Paul Marshall

Highlights

Agate Creek Gold Project

- + Mining and processing is now complete from the first campaign of mining at Laneway's Agate Creek Gold Project.
- + Total processed production for the campaign was ≈70,000 tonnes of ore which was processed through Maroon's Black Jack CIL plant at an average grade of 7.3 g/t with gold recoveries averaging over 97%.
- + Total gold sold in the campaign from the project commencement in April is 15,816 ounces. Laneway's calculation of its share of the gold sales is 5,242 ounces and the value for Laneway's net share of refined gold sold is approximately \$10.594 million.
- + Further near term mining potential being evaluated including undertaking a small cut back on the recently mined open cut area to allow for deeper mining of the current pit floor along with extensions into the walls on both sides of the pit. Drilling is being undertaken to investigate how far these zones extend to demonstrate the potential economics and strip ratios required for a possible cut back being undertaken of the recently mined area.
- + A 2,244m drilling program of 46 holes has commenced targeting both potential additional high grade material near the existing open cut as outlined above, as well as short drilling programs at several regional exploration targets. Assay results are still outstanding as at the date of this report.
- + A new JORC compliant resource estimation will be undertaken on the project as a whole, once all new drill data has been compiled and properly assessed including extracted pit void surveys.
- + Laneway intends to also enhance its geological model of the project utilising the significant historical pulp library stored on site by undertaking detailed litho-geo-chemical & alteration geo-chemical multi element analysis along with alteration zonation deposit modelling. This information will then be incorporated into the existing geological models to generate a more comprehensive 3D fluid pathway model with the aim of significantly expanding the current gold inventory of the project. Geological understanding gained from the current mining campaign will also assist in this interpretation.
- + Further drilling programs at Agate Creek will utilise this significant geochemical analysis to refine exploration planning and to identify drill targets aimed at significantly expanding the current resource base by targeting both potential high grade zones - including potential extensions of the zones mined as well as testing identified mineralisation outside of current resource areas.
- + This geochemical data will also assist exploration drilling targeting other identified mineralised zones that have previously only been evaluated for potential large tonnage low grade processing. Larger data sets for targeting drilling should allow for faster upgrading of the existing Global Resource.
- + The exploration program within Laneway's large Exploration Tenement area at Agate Creek will be advanced with the objectives of confirming the potential for additional small tonnage high grade zoned deposits capable of being toll treated along with the targeting of additional large tonnage targets to supplement the possible long term mining and processing of the lower grade Agate Creek Resources onsite.

New Zealand Gold Project

- + A short geophysical program will be completed in early November primarily targeting mining voids from historical mining. The Ground Penetrating Radar technique being utilised also has the possibility of identifying the quartz veining associated with mineralisation, further assisting drill planning.
- + A drilling program is being investigated for 2020 focusing within and below the historically mined area of Jubilee, targeting both the main Jubilee Vein System and also the newly identified vein zone.

Ashford Coking Coal Project

- + With the continued strength of metallurgical coal prices and the relative scarcity of open pittable deposits, Laneway sees considerable potential value creation from obtaining a Mining Lease over the 14.8 million tonnes of Coking Coal Resource within the Project and continues work to progress towards the Mining Lease application.

Corporate

- + Cash generated from mining operations of over \$3.5m in the quarter and cash at bank the end of the quarter of \$6.04 m.

Company Overview

Laneway Resources is an emerging resource development company with two projects primarily targeting gold in Queensland and New Zealand plus a coking coal resource project in Northern New South Wales

Recent mining activities at the Agate Creek high grade gold project has achieved material positive cash flow for the Company aided by recent high prices for AUD denominated gold.

This cash flow will establish a sound financial platform for the company to progress its project portfolio including additional exploration appraisal of the broader Agate Creek Project area.

Agate Creek Gold Project

North Queensland

- 100% interest
- Epithermal Gold

Ashford Coking Coal Project

Northern NSW

- 100% interest
- Coking Coal

New Zealand Gold Project

North Island, New Zealand

- 100% interest
- Epithermal Gold

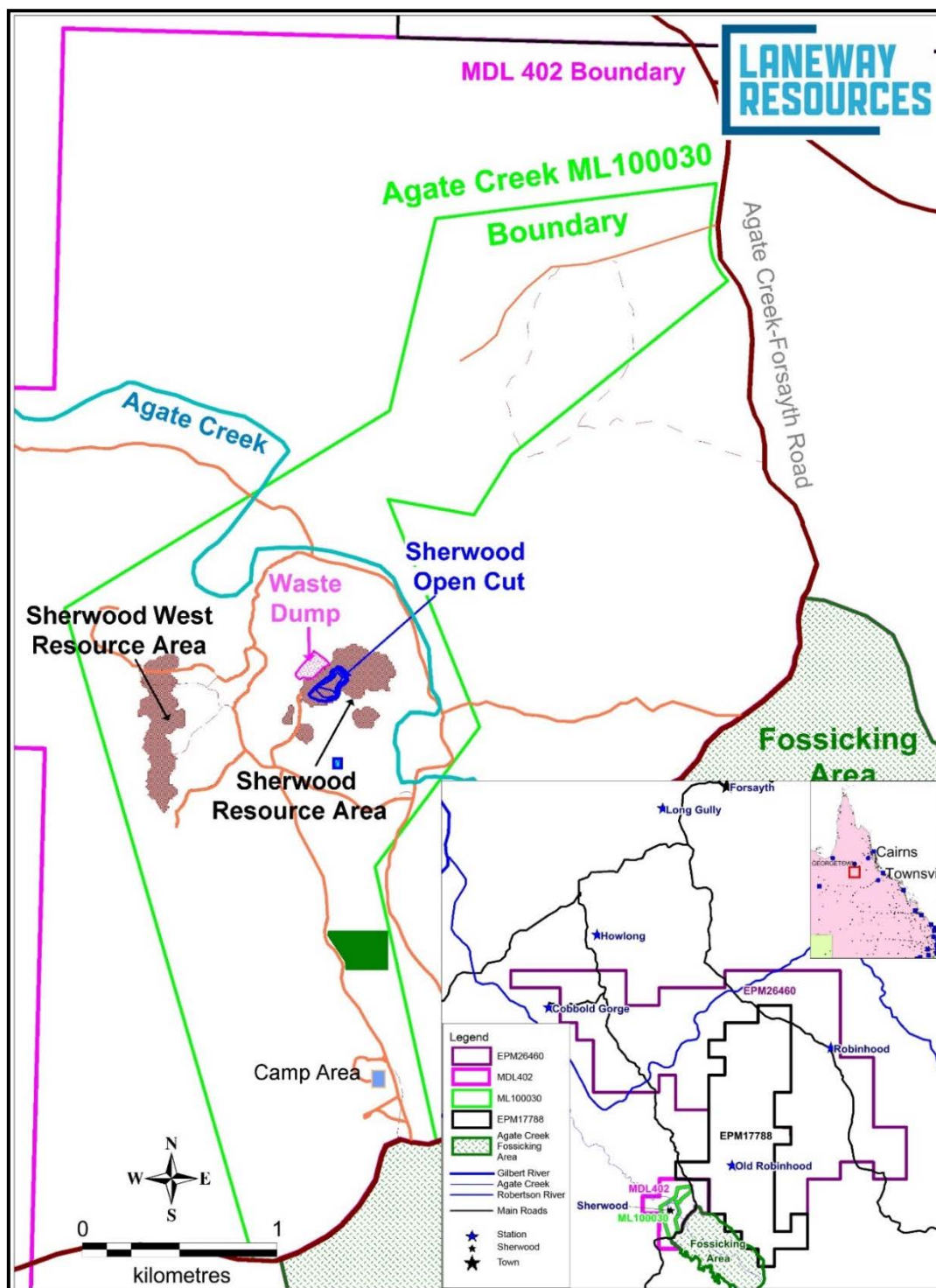


Location of Laneway Resources' Projects

Agate Creek Gold Project

The Agate Creek Gold Project is located approximately 40km south of Forsyth and 60km west of Kidston in North Queensland. The Project covers a total of 647.5 km² and comprises the following tenures EPM 17788, EPM 26460, MDL 402 & ML 100030.

The Mining Lease (ML 100030) - which covers the near surface high grade Sherwood and Sherwood West gold prospects as well as areas for all necessary infrastructure to support mining operations - was granted by the Queensland Department of Natural Resources, Mines and Energy with an effective date of 1st March 2019.



Gold Production Pursuant to Mining and Processing Agreement with Maroon

Mining operations continued and effectively finalised during the Quarter - in line with previously indicated timelines. The parties to the Tribute Agreement also decided to transport and process the low grade stock pile ($\approx 15,000$ tonnes) due to the significant increase in AUD gold price that had occurred since the commencement of mining. Whilst processing of ore is now complete, due to delays with assays and refining, final reconciliations are still being finalised and final payments due are yet to be made.

The Mining and Processing Agreement entered into with Maroon Gold Pty Ltd (Maroon) utilising an existing processing plant significantly reduced the capital expenditure and time to first gold production and cashflow for Laneway.

The direct costs incurred with respect to production from the project including, but not limited to, mining; transportation, crushing and processing of ore; and rehabilitation of the disturbed area, has been incurred and paid for by Maroon. Gold produced was paid 60% to Laneway and 40% to Maroon above 3.5 g/t gold head grade with the initial 3.5 g/t produced to be retained by Maroon towards the above costs. Processing from 1st August was completed at a revised base rate of 3g/t for costs to Maroon prior to 60:40 split.

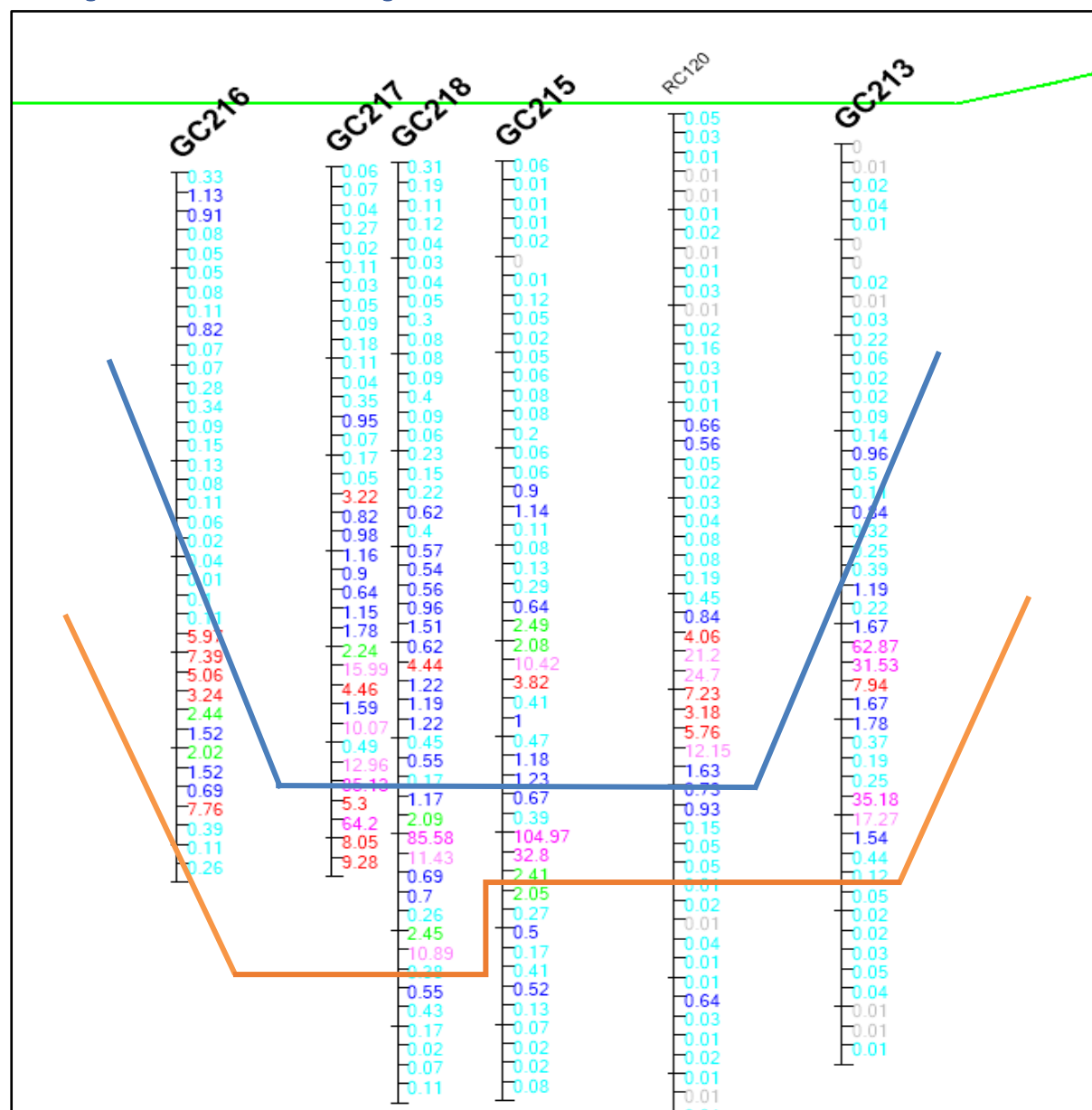
Final production of 69,759 dry tonnes of ore was mined, trucked and processed, with exceedingly high overall plant recovery of $>97\%$ at an overall estimated head grade of 7.3 g/t gold totalling almost 16,000 oz or just under 500kg of refined gold sold during the campaign. Laneway's calculation of its share of the gold sales is 5,242 ounces and the value for Laneway's net share of refined gold sold since mining commenced in April is approximately \$10.594 million.

Quarterly production for September was 8,850 oz with Laneway's share of the proceeds to exceed \$6 million.

Gold was been recovered from gravity, ILR (Intensive Leach Reactor) and CIL (Cyanide in Leach) extraction at Maroon's Black Jack Processing Plant (pictured below), processing rates averaged ≈ 21 tonnes per hour.



Investigation of Additional Mining 2020



Section 1: 7,897,835N +/-10m window. Blue Final Mined Pit Outline, Orange Possible New Pit Outline

Further near term mining potential being evaluated with several areas being reviewed within the mining lease area in particular to investigate the possibility of a small cut back on the current open cut area to allow the mining of the current pit floor. As can be seen from the 7,897,835N section above the potential for additional high grade tonnes immediately below the current pit floor and also extensions into the walls on both sides of the pit appear to show potential for additional tonnes to be mined. The current drilling program will investigate how far these zones potentially extend and the updated resource modelling should demonstrate the potential economics and strip ratios required for a possible cut back of the current mined area.

Processing options will be reviewed once estimated tonnages have been calculated and the economics of potential additional mining evaluated.

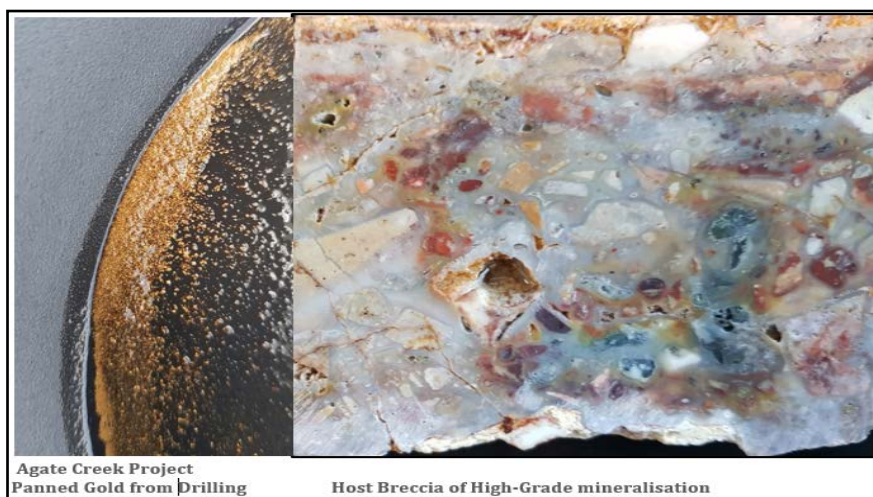
An updated JORC Resource is scheduled to be completed following the drilling program to take into account depletions from the recent mining along with additional information from the RC Grade control programs undertaken during the past 12 months and additional geological understanding gleaned from mining.

A 2,244m drilling program of 46 holes has been commenced targeting both potential additional high grade material near the existing open cut as outlined above, as well as short drilling programs at several regional targets. The drill program can be broadly split as follows: 1,000m at Sherwood, 600m at Sherwood West and 600m on regional targets. Although assay results are still outstanding the drilling has indicated good potential for extension of the mineralised zone at Sherwood. Drilling at Sherwood West indicates the structure extends almost 1km south. A detailed report on the drilling program will be issued once assay results are received.

Forward Work Program Sherwood Region

Laneway intends to investigate the significant historical pulp library stored on site by undertaking detailed litho-geo-chemical & alteration geo-chemical multi element analysis along with alteration zonation deposit modelling. This information will then be incorporated into the existing geological models to generate more comprehensive 3D fluid pathway modelling with the aim of assisting in significantly expanding the current gold inventory of the project. This information should allow for more accurate targeting of main mineralized zones at depth within the Sherwood, Sherwood West and potentially also the Nottingham Prospects & regional targets. Results from this will assist with developing a significant drilling program following full analysis and interpretation of the results of this program. This work program is currently underway and is expected to take several months to complete, the plan is to have analysis ready to inform drilling early in the 2020 “dry” field season.

Having achieved a material positive cash flow from the initial mining activities at the Agate Creek and given the recent record high prices of gold, Laneway will also be evaluating several other high grade zones for their potential to be mined economically in the near term to create further cash flow for the Company. This will include assessment of recent advances in ore sorting technology in order to review the viability of sorting lower grade portions of the orebody prior to transport. This is to be reviewed for its potential to be applied by the Company with initial test work to be undertaken. The potential benefit of ore sorting will also be assessed for other low grade mineralised zones within the ML area along with nearby areas such as the Nottingham prospect.



Further Exploration Programs

Further drilling programs being undertaken and planned at Agate Creek targeting further potential high grade zones - including potential extensions of the zones recently mined. Additional exploration will also target other identified mineralised zones that have previously only been evaluated for potential large tonnage low grade processing. Geological understanding gained from the current mining campaign will allow for greater targeted drilling of the ore zones with the potential to add to the existing Global Resource.

The exploration within Laneway’s large tenement area at Agate Creek will be advanced with the objectives of confirming the potential for additional small tonnage high grade zoned deposits capable of being mined in the

near term and toll treated along with the targeting of additional large tonnage targets to supplement the possible long term mining and processing of the lower grade Agate Creek Resources onsite.

Mineral Resource

A global recoverable Mineral Resource has been defined for the Agate Creek Project in Table 1 - at a 0.5 g/t Au cut-off suitable for a large open pit operation. A continuous high-grade Mineral Resource can be interpreted at cut-off of 2 g/t Au for Sherwood and 1 g/t Au for Sherwood West shown in Table 2. NB: These mineral estimates were completed prior to the recent drilling programs & before recent mining activities. New Resource estimates are to be undertaken in early 2020.

0.5 g/t cut-off	Sherwood			Sherwood South			Sherwood West			Total		
Resource Classification	Mt	Gold (g/t)	Gold (oz)	Mt	Gold (g/t)	Gold (oz)	Mt	Gold (g/t)	Gold (oz)	Mt	Gold (g/t)	Gold (oz)
Indicated	2.80	1.60	140,000				2.20	1.60	112,000	5.00	1.60	252,000
Inferred	1.40	1.30	57,000	0.30	1.20	12,000	1.50	1.20	59,000	3.20	1.24	128,000
Total	4.20	1.50	197,000	0.30	1.20	12,000	3.70	1.44	171,000	8.20	1.46	381,000
Grade and tonnage rounded to two decimal places. Ounces calculated after rounding and reported to nearest 1,000 ounces.												
High Grade Sub Set	Cut-Off Grade		Indicated			Inferred			Total			
	Au (g/t)		kt	Gold (g/t)	Gold (oz)	kt	Gold (g/t)	Gold (oz)	kt	Gold (g/t)	Gold (oz)	
Sherwood	2		89	6.01	17,300				89	6.01	17,300	
Sherwood West	1		1080	1.82	59,600	146	1.72	8,100	1164	1.81	67,700	
Total			1169	2.16	76,900	146	1.72	8,100	1253	2.16	85,000	

Table 1 - Mineral Resource Figures and Table 2 - High Grade sub set for Mineral Resource

Geological information gleaned from the mining and grade control will be incorporated into exploration modelling and targeting for the project to assist with identifying additional resources in the Project area.

During the 2019 year mining has occurred at the Sherwood Deposit within the Agate Creek resource Area's which will have depleted the Sherwood high grade sub-set shown in Table 2. Mining of this resource was only recently been completed. Several drilling programs have also been completed since the resource estimation in 2016. This drilling has primarily been focussed within the open pit area being mined. Final mine surveys are now complete. A further drilling program is currently being undertaken with the results from this drilling program still pending. Mining of the resource has allowed for significantly greater geological understanding of the mineralisation and may have an impact on future resource estimates.

A new resource estimation will be undertaken on the project as a whole, once all new data has been compiled and properly assessed.

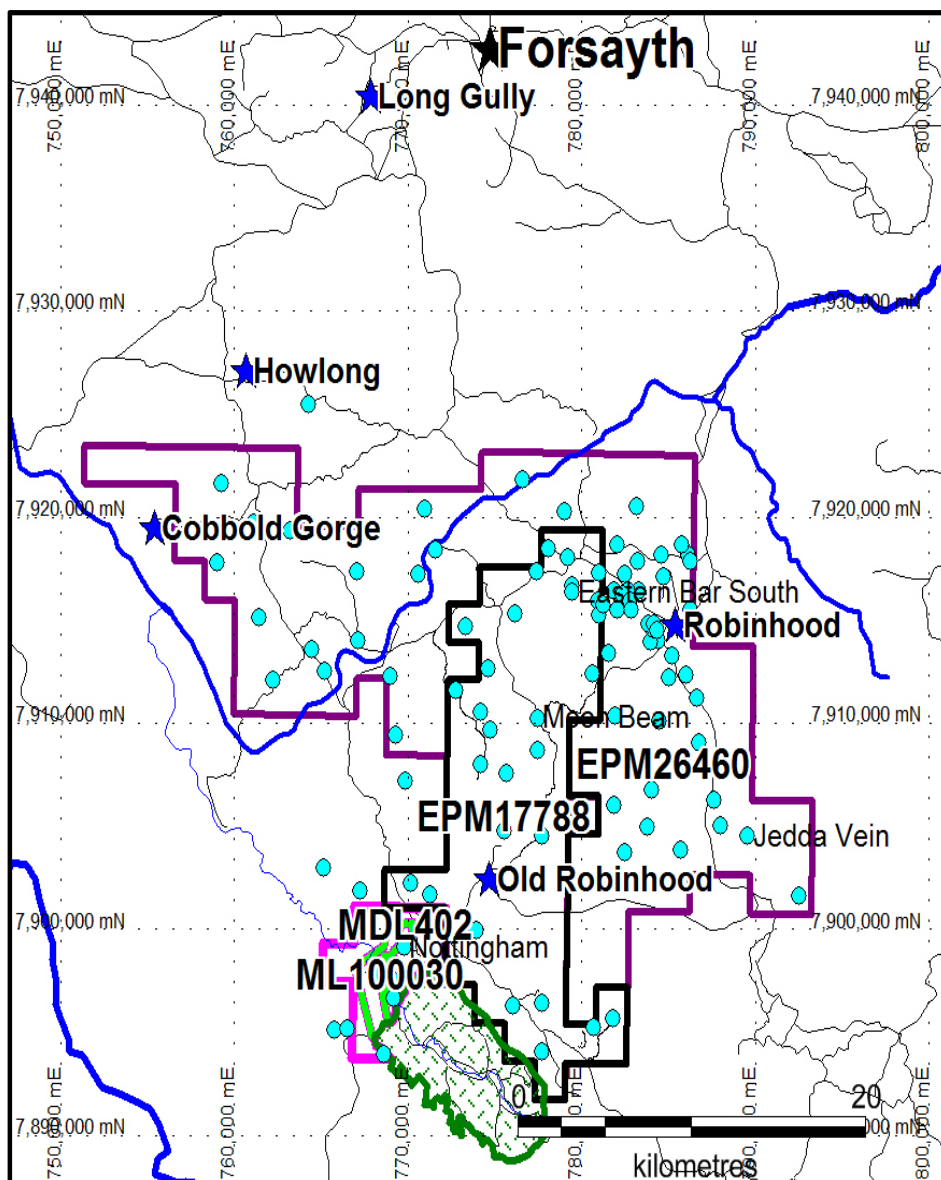
Agate Creek Project Regional Prospects

The majority of work completed on the Agate Creek Project over recent years has been undertaken within the ML area with over 500 drill-holes completed. However, within the regional tenement package there has also been over 40 shallow drill-holes, 6,000 rockchips, 3,000 stream sediments, 1,600 soil samples and over 100 line km of geological mapping completed.

The regional mapping and sampling has delineated over 60 high priority regional targets, with less than 25% of the tenement holding so far covered. At this stage only 8 prospects have had first pass drilling. Four of these prospects returned positive results and currently have follow up drilling programs planned. An additional 3 prospects have drill programs planned and have Native Title clearances making them ready to drill. Cash flow from mining will enable Laneway to accelerate these regional programs.

Drilling been the current program includes a total of 20 holes for 633m at Delaney, Eastern Bar, Eastern Bar South, Moonbeam and Jedda. Assay results for all drilling are still outstanding. At Eastern Bar the 4 holes for 132m showed good continuity of the mineralised zone both down dip and along strike. At Eastern Bar South the 1 hole for 60m showed several altered zones with minor quartz veining within metamorphic rocks. At Delaney the 10 holes for 258m showed good continuity of the structure both along strike and down dip. At Moonbeam the 2 holes for 90m indicated the mineralisation thins at depth. At Jedda the 3 holes for 93m showed the mineralised zone is about 2m wide at depth and may thin out after 10-15m.

The exploration within Laneway's large Exploration Tenement area at Agate Creek will be advanced with the objectives of confirming the potential for additional small tonnage high grade zoned deposits capable of being mined in the near term and toll treated, along with the targeting of additional large tonnage targets to supplement the possible long term mining and processing of the lower grade Agate Creek Resources onsite.

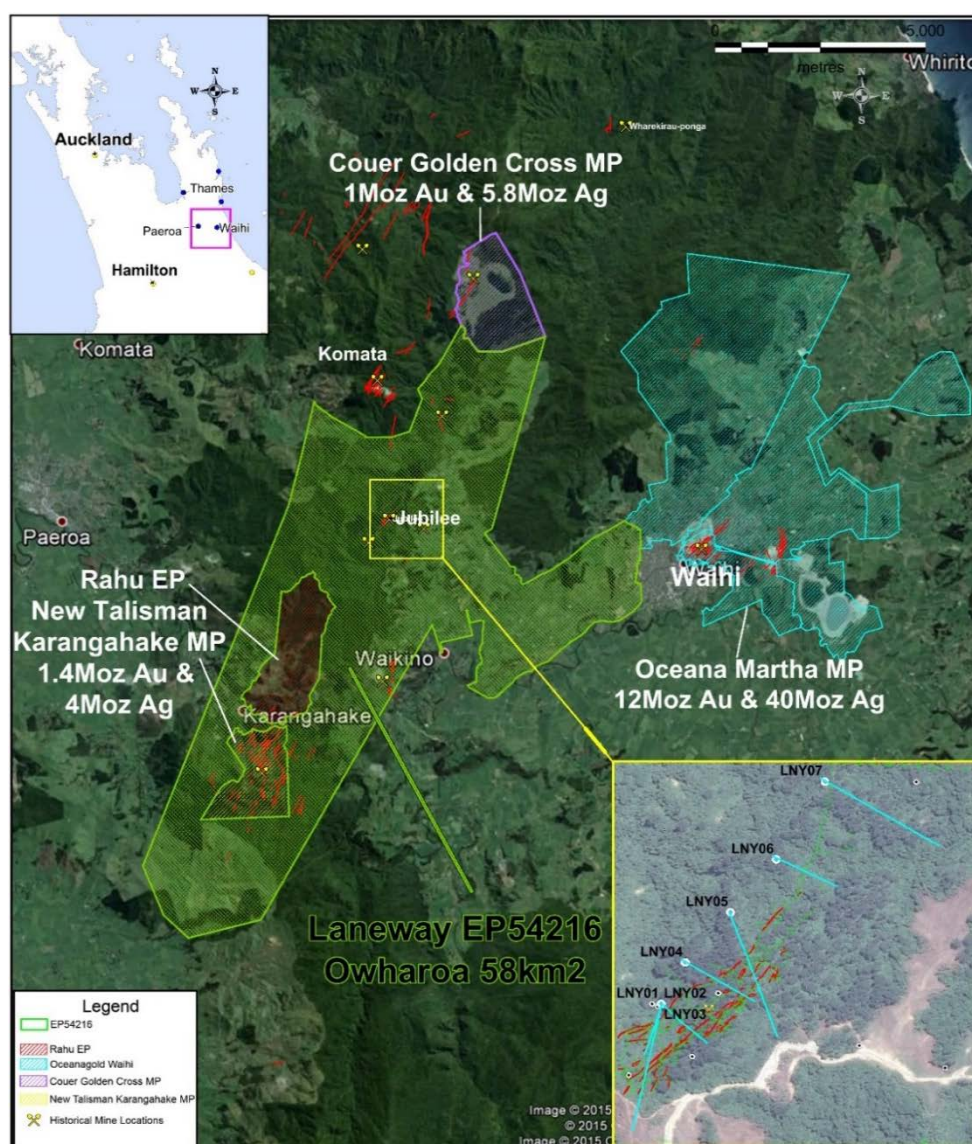


New Zealand Gold Project

The project area is located on the North Island of New Zealand in the Hauraki goldfield, within the mineralised corridor that is host to the historic Karangahake and Golden Cross gold-silver mines, and adjacent to Oceana Gold's operating Waihi Mine.

The area hosts approximately 50 low-sulphidation epithermal prospects and deposits and has yielded in excess of 45 million ounces of bullion. Workings generally only reached 140m below surface. The Karangahake orebody on the southern end is shown to have up to 700m vertical continuity (unusual in epithermal deposits) and Jubilee is likely the strike extent of the Karangahake system but was only historically mined to 200m and never tested at depth. There remains significant scope for down dip and strike extensions of this mineralisation particularly along a >10 km long prospective corridor.

Mineralisation occurs as discrete low sulphidation high grade epithermal veins, primarily of banded quartz/chalcedony within rhyolites and andesites. Laneway has identified a 2m wide zone which originally assayed at 7.8g/t Au but was never followed up in ML018 (drilled in 1987). Within this 2m metre zone Laneway located and re-assayed a 30cm wide vein which returned an assay result of 521g/t Au.

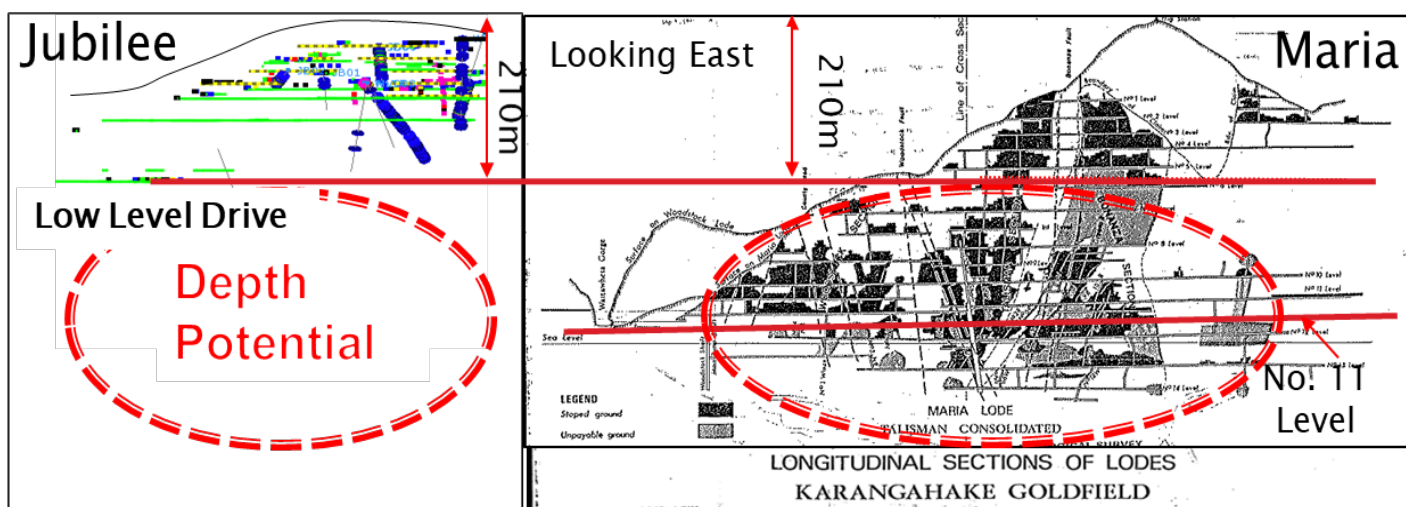
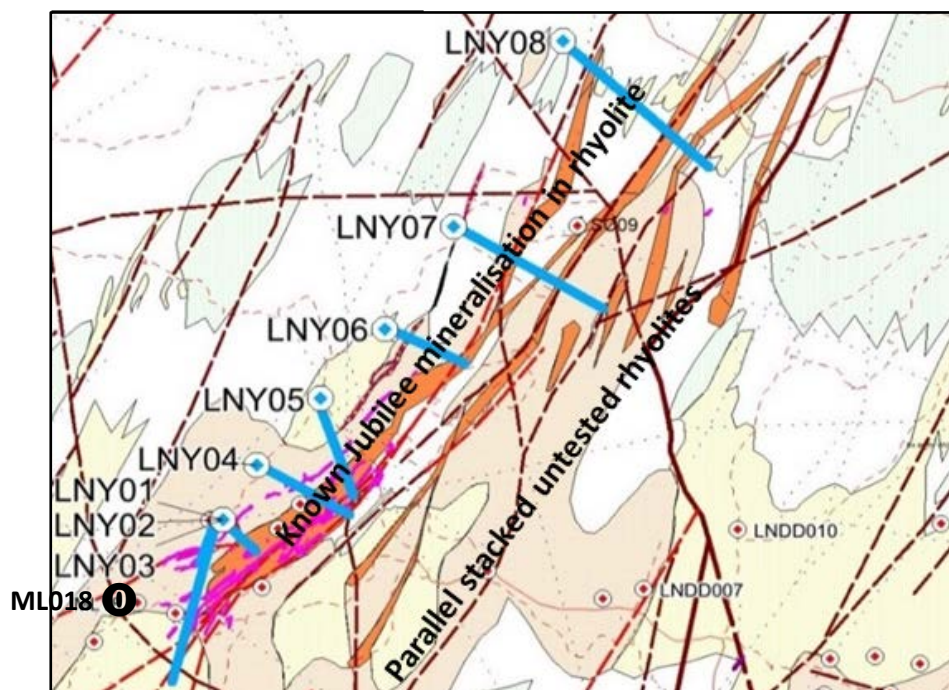


Forward Exploration and Drilling

A short geophysical program will be completed in November primarily targeting mining voids from historically mining so they do not impact drilling. The Ground Penetrating Radar technique being utilised also has the possibility of identifying the quartz veining associated with mineralisation, further assisting drill planning.

There are still several drill ready target areas within the project area. The most exciting of these areas is the 500m long Jubilee trend, which was historically mined around the turn of last century. Historical reports also state quartz veining was up to 32 feet wide mined in the lower levels 200m below surface.

The Jubilee area has had less than 10 holes drilled into the area shown below with only 2 of these holes deeper than 200m and as such retains significant potential, particularly when compared to the Maria vein within the Karangahake Mine System which sits 7km directly along trend from Jubilee. There are 8 drill ready targets (LNY01-08) at the Jubilee Prospect targeting both along strike and down dip extensions of known mineralisation and new targets. All agreements, permitting and drill pads are now in place to allow drilling of this target.



Section showing potential comparison between Jubilee and Karangahake Systems

Ashford Coking Coal Project

The Ashford Coking Coal Project is located approximately 60km north of Inverell (northern NSW) and 4 km from the township of Ashford. The Project is comprised of EL 6234 & EL 6428 which covers approximately 14 km². The tenures hold part of the Ashford Coal Measures covering the only commercial operation to mine the Ashford Seam the “Ashford Colliery”. The Ashford Colliery was operated from 1959 to 1990, firstly by Davis Contractors until 1976 and then by White Industries Limited, supplying coal to the Ashford Power Station. In 1976 a study was undertaken to ascertain the quality of the Ashford Seam. The study revealed that the Power Station was in actual fact burning premium quality coking coal.

With the continued strength of metallurgical coal prices, the relative scarcity of open pittable Metallurgical Coal deposits and recent corporate activity in the sector, Laneway sees considerable potential shareholder value creation from the Ashford Coking Coal project and is progressing the project towards the planned conversion of the existing Exploration Licenses 6234 & 6428 to a Mining Lease, over the Global Resource of 14.8 million tonnes of Coking Coal.

Ashford Resource Estimate

The Ashford Coking Coal Project incorporates the historic Ashford Mine Area (EL 6234 and EL 6428).

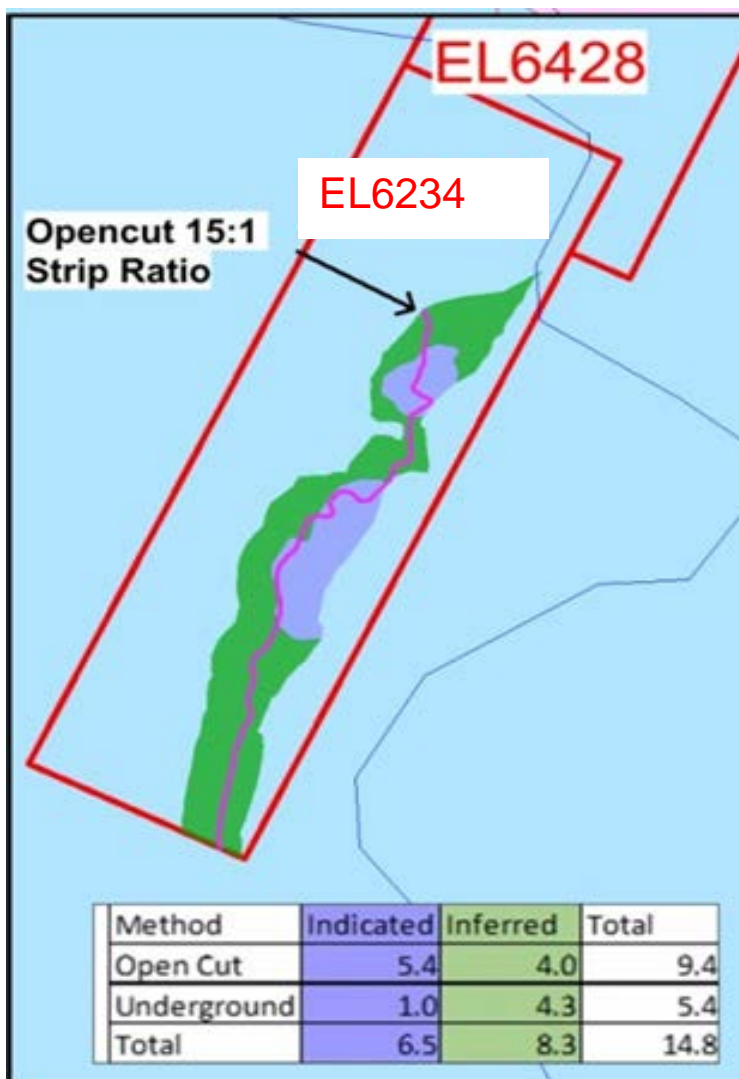
Total resources within EL6234 have been now estimated at 14.8 million tonnes of in-situ coking coal with 6.5 million tonnes classified as Indicated and 8.3 million tonnes as Inferred. Of the total resource, 9.4 million tonnes are likely to be accessible by conventional open cut methods to a 15:1 vertical waste to in-situ coal tonnes stripping ratio cut off. A further 5.4 million tonnes are expected to be mined via high wall mining methods.

The Ashford seam ranges from 0.2m to 24.4m in thickness and makes up the principal resource within EL6234.

Mining Lease Application

The proposed Mining Lease Application (MLA) will cover the resources and also sufficient additional area to allow for mining, stockpiles and washing if required. The MLA and associated approvals and studies are being progressed currently.

As part of the infrastructure requirements associated with mining, there are several transport options that have been assessed as viable at current coking coal prices and these options will be further developed.



Corporate

Cash generated from mining operations of over \$3.5m in the quarter and cash at bank the end of the quarter of \$6.04 m.

With the focus still being on mining operations, exploration was limited during the quarter. A total of \$385,000 was spent on exploration projects in the quarter with \$220,000 on the Agate Creek project, \$99,000 on the New Zealand exploration project and \$64,000 on the Ashford Coal project.

For further information contact:

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Competent Persons Statements

The information in this report that relates to Exploration Results is based on information compiled by Mr Scott Hall who is a member of the Australian Institute of Mining and Metallurgy. Mr Hall is a full-time employee of Laneway Resources Limited and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.' Mr Hall consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information relating to the Mineral Resources at the Agate Creek Project is extracted from the ASX Announcement as follows:

ASX Announcement titled:

'Resource Update for Agate Creek Gold Project' dated 1 February 2016.

The report is available to view on the Laneway Resources website www.lanewayresources.com.au. The report was issued in accordance with the 2012 Edition of the JORC Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. 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 and, in the case of estimates of Mineral Resources or Ore Reserves that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. 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.

The information relating to the Mineral Resources at the Ashford Coking Coal Project is extracted from the ASX Announcement as follows:

ASX Announcement titled:

'Ashford Coking Coal Project - Increased Resource' dated 20 November 2017.

The report is available to view on the Laneway Resources website www.lanewayresources.com.au. The report was issued in accordance with the 2012 Edition of the JORC Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, and also "Australian Guidelines for the Estimation and Classification of Coal Resources, (2014)". 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 and, in the case of estimates of Mineral Resources or Ore Reserves that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. 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.

Schedule of Interests in Mining Tenements

Laneway Resources Limited held the following interests in mining and exploration tenements as at 30 September 2019. There were no changes during the quarter.

Queensland Tenements

<i>Type & Title No.</i>	<i>Location</i>	<i>Interest</i>
MDL402	Agate Creek	100%
EPM17788	Agate Creek	100%
EPM26460	Agate Creek	100%
ML 100030	Agate Creek	100%

NSW JV Tenements

<i>Type & Title No.</i>	<i>Location</i>	<i>Interest</i>
EL6234	Ashford	100%
EL6428	Ashford No III	100%

New Zealand Tenements

<i>Type & Title No.</i>	<i>Location</i>	<i>Interest</i>
EP54216	Owharoa	100%