

## ASX ANNOUNCEMENT

4 April 2019

### Progress continues towards commencement of gold mining at Agate Creek

#### Highlights

- + Progress continues towards the commencement of mining operations at Laneway Resources' 100% owned Agate Creek Gold Project with activities on track for commencement of mining next week.
- + The mining camp has been mobilised to site and is now fully established and ready for the first roster of mining personnel to arrive during the next week.
- + The mobilisation of the mining fleet is underway with all necessary equipment to commence mining operations expected onsite within the next few days.
- + A bull dozer and a grader are on site and have commenced pre stripping of the open cut and waste dump areas. Top soils and seed banks will be stockpiled for rehabilitation of disturbed areas following completion of the mining campaign.
- + Initial mining crew undertook site inductions yesterday.
- + Haul roads are also being upgraded for the start of mining and additional signs and traffic management systems being installed.
- + Laneway currently expects the first ore blast and mining activities to commence next week in line with previously advised timing. Ore transportation and processing through Maroon Gold's Plant at Charters Towers will commence shortly thereafter.
- + Necessary repairs to the roads for the ore transportation route from Agate Creek to the processing plant which were affected by the recent severe weather and flooding in North Queensland are complete with some minor upgrading of the initial dirt sections of the haul route undergoing final approvals.
- + Initial Pit designs are now complete with the mining, transportation and processing activities ready to be carried out pursuant to the Mining and Processing Agreement Laneway with Maroon Gold Pty Ltd which will allow toll treatment of high-grade ore through Maroon's Gold Processing Black Jack Plant at Charters Towers, which is now fully re-commissioned following last years upgrades.
- + Laneway anticipates material positive cash flow from the mining activities at the Agate Creek high grade project aided by recent high prices for AUD denominated gold.

The Board of Laneway Resources Limited (“Laneway” or “the Company”) (ASX:LNY) is pleased to advise of the continued significant progress towards the commencement of mining operations following the recent grant by the Queensland Government Department of Natural Resources, Mines and Energy of a Mining Lease (ML100030) over the Sherwood deposit within the 100% owned Agate Creek Gold Project in North Queensland.

It is now expected that mining operations will commence next week in line with previously indicated timelines. Pursuant to the Mining and Processing Agreement entered into with Maroon Gold Pty Ltd (Maroon), the ore will be transported to and then processed through Maroon’s wholly owned CIL processing plant. Maroon has recently completed the recommissioning of the Black Jack Plant Site (which has the capacity to process up to 340,000tpa) and the plant is currently fully operational. Utilising an existing processing plant significantly reduces the capital expenditure and time to first gold production for Laneway. Maroon Gold have now been appointed Operator of the site.

The mining camp has been mobilised to site (pictured below) and is now fully established and ready for the first roster of mining personnel to arrive during the next week. A number of the initial mining crew undertook site inductions yesterday.





The mobilisation of the mining fleet is underway with all necessary equipment to commence mining operations expected onsite within the next few days.

A bull dozer and a grader are now on site and have commenced pre stripping of the open cut and waste dump areas (picture below). Top soils and seed banks will be stockpiled for rehabilitation of disturbed areas following completion of the mining campaign.



The Commencement Date of the Mining Lease was 1 March 2019 and the Company has made the statutory rental payments and lodged a Financial Assurance under the project's Environmental Authority which were required prior to being able to commence mining activities. The total area of the Mining Lease is 689.3 Hectares which covers the Sherwood and Sherwood West near surface high-grade prospects along with prospective extensions to the known mineralisation areas. The Environmental Authority is also in place (EPSL03068015) for the start of proposed mining operations.

The results of the recent drilling program that returned spectacular high grade gold assay results (refer ASX Announcement of 14 January 2019) are being incorporated into the existing resource model with final ore block definition to establish key mining areas near completion. Numerous and consistent high-grade intersections were encountered in the recent drilling program with several intersections exceeding 100 g/t gold and grades of up to 564 g/t gold.

The proposed mining operations will be undertaken in the area covered by the Mining Lease (ML100030) over part of the Agate Creek Gold Project.



Laneway anticipates material positive cash flow this year from the mining activities at the Agate Creek high grade project aided by recent high prices for AUD denominated gold. The expected cash flow will establish a sound financial platform for the Company to progress its project portfolio including the Ashford Coking Coal project, its NZ Gold assets and additional exploration appraisal of the broader Agate Creek Project area.

For and on behalf of the Board

**JPK Marshall**  
**Company Secretary**

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