



Kingsgate

Consolidated Limited

ABN 42 000 837 472

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FOR PUBLIC RELEASE

The Manager, Announcements
Company Announcements Office
Australian Securities Exchange

Dear Sir/Madam,

Further near surface gold adjacent to Southern Q Pits at Chatree North

Further near surface gold mineralisation was intersected at Chatree North, with **19 metres at 2.8 grams/tonne gold**, immediately east of the planned southern Q Pit.

The newly intersected mineralisation has the potential to be included in a larger pit than currently planned at the southern Q Pit given its proximity to the surface. The results were returned from 38 metres depth in drillhole 7167RC on cross-section 1804511N, approximately 50 metres east of the planned southern Q Pit.

Limited drilling has occurred in this part of the deposit and a number of in-fill drillholes are planned nearby to determine the extent of the gold mineralisation with the aim of fully defining the limits of the Q Pits.

Within the planned Q Pits, more closely spaced resource development drilling continues to produce solid results, with **31 metres (m) at 3.41 grams/tonne (g/t)** gold from near surface (including **8m at 9.05g/t**) in drill hole 6399RC on section 1804511N, and **11m at 7.41g/t** gold from surface (including **2m at 29.6g/t**) in drill hole 7171 on section 1804486N.

Recent drilling has discovered a significant fault zone trending EastNorthEast that may be the cause of an apparent discontinuity of the gold mineralisation between the northern A Pit and the Q Pits mineralisation. This structure has the effect of bringing the mineralisation identified at the Q Pits to a shallower level. Drilling is being planned to test for shallower mineralisation within favourable stratigraphic and structural positions including the possibility of east-dipping mineralisation, which could add substantial resources.

Yours sincerely,

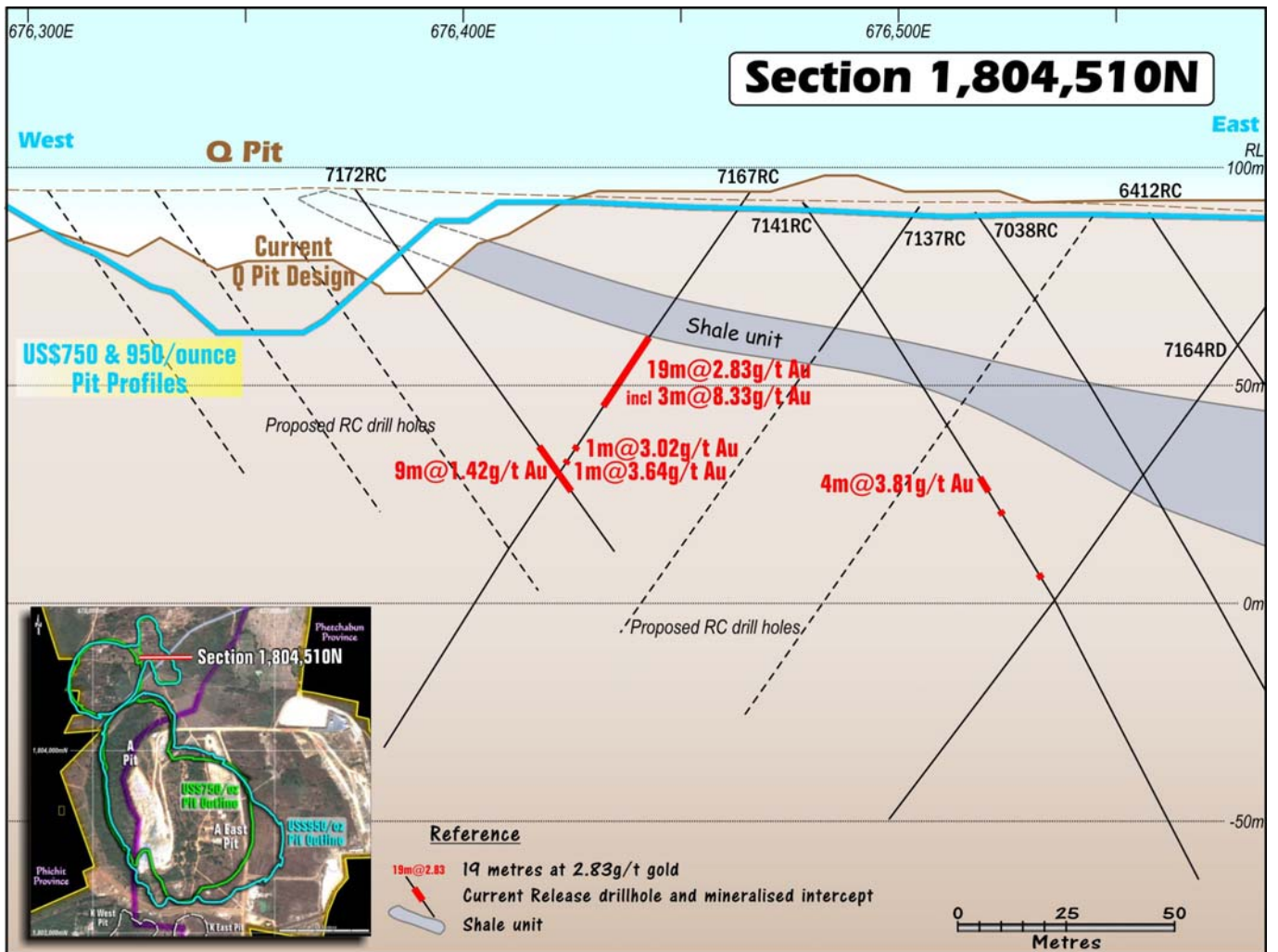
Gavin Thomas
Managing Director & CEO

Information in this report that relates to exploration results, geology, drilling and mineralization is based on information compiled by Ron James who is an employee of the Kingsgate Group and a member of The Australasian Institute of Mining and Metallurgy. This person qualifies as a Competent Person as defined in the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code, 2004 edition) and possesses relevant experience in relation to the mineralization being reported on. This Competent Person has consented to the Public Reporting of these statements concerning exploration results, geology, drilling and mineralization and the inclusion of the material in the form and context in which it appears.

DRILL HOLE SUMMARY RESULTS - Q PIT SECTION 1,804,510N, CHATREE NORTH
 SEPTEMBER-OCTOBER 2009 (INTERCEPTS WITH AU ASSAYS GENERALLY >5GRAM.METRES)

Hole No.	Easting Local Grid	Northing Local Grid	Azimuth Local Grid	Dip (°)	Hole Depth (m)	From (m)	To (m)	Interval (m)*	Au (g/t)	
7167RC	676465	1804511	270	-55	150.00	38.00	57.00	19.00	2.83	
						Incl.	42.00	45.00	3.00	8.33
							68.00	69.00	1.00	3.64
							72.00	73.00	1.00	3.02
7171RC	676089	1804510	90	-55	80.00	0.00	11.00	11.00	7.41	
						Incl.	5.00	7.00	2.00	29.6
7172RC	676379	1804510	90	-55	98.00	72.00	81.00	9.00	1.42	
						incl.	72.00	76.00	4.00	2.11
6399RC	676356	1804485	0	-90	72.00	2.00	33.00	31.00	3.41	
						Incl.	9.00	17.00	8.00	9.05
7141RC	676478	1804507	90	-55	180.00	75.00	79.00	4.00	3.81	

* Intersections may not be true width. RC = Reverse Circulation drillhole. RD = RC drillhole with diamond drillhole tail.



Chatree North Q Pit Section 1804510N at southern Q Pit with recent gold mineralized drill intercepts east of planned pit