



Kingsgate

Consolidated Limited

42 000 837 472

29 June 2010

**Via ASX online
(1 page only)**

The Manager
Company Announcements Office
Australian Securities Exchange

Dear Sir/Madam,

EXERCISE OF OPTIONS OF MANAGING DIRECTOR/CEO

The Company wishes to announce that Mr. Gavin Thomas, Managing Director and Chief Executive Officer of the Company, will exercise 2.5 million options on 30 June 2010 and 1 July 2010 to the value of AU\$14.5 million.

Mr. Thomas has arranged financing for 1.8 million options under a cap and collar arrangement that applies to less than 50% of the value of Mr. Thomas' total shares in the Company.

Yours faithfully,
KINGSGATE CONSOLIDATED LIMITED

PETER WARREN
Company Secretary