



Kingsgate

Consolidated Limited

17 March 2011

Via ASX Online
(10 pages including cover)

Manager
Company Announcements Office
Australian Securities Exchange

Dear Sir/Madam,

APPENDIX 3B – New Issue Announcement

Please find attached Appendix 3B in relation to ordinary shares issued in consideration of the Company acquiring ordinary shares in Dominion Mining Limited (“Dominion”) pursuant to the Scheme of Arrangement contained in the Dominion Scheme Booklet and Option Scheme Booklet both dated 16 December 2010.

Yours faithfully,
KINGSGATE CONSOLIDATED LIMITED

PETER WARREN
Company Secretary

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003.

Name of entity

KINGSGATE CONSOLIDATED LIMITED

ABN

42 000 837 472

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|--|---|
| 1 | +Class of +securities issued or to be issued | Ordinary shares |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 156 [being 32,416,572 - final ordinary shares issued post court approval and rounding pursuant to the scheme of arrangement as contained in the Scheme Booklet Less 32,416,416 – ordinary shares issued on 3 February 2011 per Appendix 3B which were subject to court approval and rounding] |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | The same terms as existing ordinary shares on issue. |

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

- 4 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?

If the additional securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

Yes

- 5 Issue price or consideration

Share scheme of arrangement

In respect of Dominion Mining Ltd (**Dominion**) ordinary shares, 0.31 fully paid ordinary shares in Kingsgate for each fully paid ordinary shares in Dominion held on 14 February 2011, rounded in accordance with clause 5.2 of the share scheme of arrangement as contained in the Dominion Scheme Booklet dated 16 December 2010 (**Scheme Booklet**).

Option scheme of arrangement

In respect of options to acquire Dominion ordinary shares (**Options**), as calculated in accordance with the formula set out in schedule 1 of the option scheme of arrangement, rounded in accordance with clause 5.2 of the option scheme of arrangement as contained in the Scheme Booklet.

+ See chapter 19 for defined terms.

| 6 | Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets) | <p>Share scheme of arrangement</p> <p>As consideration for the transfer to Kingsgate of all of the ordinary shares in Dominion pursuant to the share scheme of arrangement as contained in the Scheme Booklet.</p> <p>Option scheme of arrangement</p> <p>As consideration for the cancellation of the Dominion options pursuant to the option scheme of arrangement as contained in the Scheme Booklet.</p> | | | | |
|-------------|---|--|--------|--------------------|-------------|-----------------|
| 7 | Dates of entering ⁺ securities into uncertificated holdings or despatch of certificates | 21 February 2011 | | | | |
| 8 | Number and ⁺ class of all ⁺ securities quoted on ASX (<i>including</i> the securities in clause 2 if applicable) | <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left; padding: 2px;">Number</th> <th style="text-align: left; padding: 2px;">⁺Class</th> </tr> </thead> <tbody> <tr> <td style="padding: 2px;">135,221,250</td> <td style="padding: 2px;">Ordinary shares</td> </tr> </tbody> </table> | Number | ⁺ Class | 135,221,250 | Ordinary shares |
| Number | ⁺ Class | | | | | |
| 135,221,250 | Ordinary shares | | | | | |

⁺ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

| | Number | | +Class | |
|----|--|---|---|--------|
| | 9 | Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable) | | 50,000 |
| | | 405,116 | \$4.68 and \$6.00 expiring 3 April 2013 | |
| | | 295,000 | \$6.00 expiring 3 April 2013 | |
| | | 900,000 | \$6.00 and \$7.00 expiring 3 April 2013 | |
| | | 1,650,116 | Total | |
| 10 | Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests) | Same as existing ordinary shares | | |

Part 2 - Bonus issue or pro rata issue

| | | |
|----|---|----------------|
| 11 | Is security holder approval required? | Not applicable |
| 12 | Is the issue renounceable or non-renounceable? | Not applicable |
| 13 | Ratio in which the +securities will be offered | Not applicable |
| 14 | +Class of +securities to which the offer relates | Not applicable |
| 15 | +Record date to determine entitlements | Not applicable |
| 16 | Will holdings on different registers (or subregisters) be aggregated for calculating entitlements? | Not applicable |
| 17 | Policy for deciding entitlements in relation to fractions | Not applicable |
| 18 | Names of countries in which the entity has +security holders who will not be sent new issue documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7. | Not applicable |

+ See chapter 19 for defined terms.

| | | |
|----|---|----------------|
| 19 | Closing date for receipt of acceptances or renunciations | Not applicable |
| 20 | Names of any underwriters | Not applicable |
| 21 | Amount of any underwriting fee or commission | Not applicable |
| 22 | Names of any brokers to the issue | Not applicable |
| 23 | Fee or commission payable to the broker to the issue | Not applicable |
| 24 | Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders | Not applicable |
| 25 | If the issue is contingent on +security holders' approval, the date of the meeting | Not applicable |
| 26 | Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled | Not applicable |
| 27 | If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders | Not applicable |
| 28 | Date rights trading will begin (if applicable) | Not applicable |
| 29 | Date rights trading will end (if applicable) | Not applicable |
| 30 | How do +security holders sell their entitlements <i>in full</i> through a broker? | Not applicable |
| 31 | How do +security holders sell <i>part</i> of their entitlements through a broker and accept for the balance? | Not applicable |
| 32 | How do +security holders dispose of | Not applicable |

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

their entitlements (except by sale
through a broker)?

33 +Despatch date

Not applicable

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of securities
(tick one)

(a) Securities described in Part 1

(b) All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

- 35 If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders
- 36 If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over
- 37 A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

- 38 Number of securities for which +quotation is sought
- 39 Class of +securities for which quotation is sought
- 40 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?
- If the additional securities do not rank equally, please state:
- the date from which they do
 - the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
 - the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment
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Appendix 3B
New issue announcement

41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another security, clearly identify that other security)

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|--|
| |
|--|

42 Number and ⁺class of all ⁺securities quoted on ASX (including the securities in clause 38)

| Number | ⁺ Class |
|--------|--------------------|
| | |

Quotation agreement

1 ⁺Quotation of our additional ⁺securities is in ASX’s absolute discretion. ASX may quote the ⁺securities on any conditions it decides.

2 We warrant the following to ASX.


- The issue of the ⁺securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those ⁺securities should not be granted ⁺quotation.
- An offer of the ⁺securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any ⁺securities to be quoted and that no-one has any right to return any ⁺securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the ⁺securities be quoted.
- We warrant that if confirmation is required under section 1017F of the Corporations Act in relation to the ⁺securities to be quoted, it has been provided at the time that we request that the ⁺securities be quoted.
- If we are a trust, we warrant that no person has the right to return the ⁺securities to be quoted under section 1019B of the Corporations Act at the time that we request that the ⁺securities be quoted.

⁺ See chapter 19 for defined terms.

- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:  Date: 17 March 2011
(~~Director~~/Company secretary)

Print name: PETER WARREN

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