



Kingsgate

Consolidated Limited

5 August 2011

Via ASX Online
(1 page)

Manager
Company Announcements Office
Australian Securities Exchange

Dear Sir/Madam,

Bowdens Silver Project – Update to August 1 2011 Announcement

Kingsgate Consolidated Limited (ASX:KCN) notes that in its August 1 2011 ASX announcement concerning the acquisition of the Bowdens Silver Project, reference was made to a previously quoted Canadian National Instrument (NI 43-101) resource statement for Bowdens that was previously prepared and released in Canada by the vendor, Silver Standard Resources Inc.

Whilst Kingsgate believes this statement is accurate and reliable, it does not meet JORC guidelines which is the standard adopted by the ASX for reporting mineral resources under ASX Listing Rule 5.6. The Company accordingly retracts all statements in the August 1 2011 announcement referring to this NI 43-101 statement. Investors should therefore not rely on any information contained in the announcement related to this statement.

As mentioned in the August 1 2011 announcement, Kingsgate is undertaking a review of all drilling and other technical data and is in the process of calculating a Mineral Resource for Bowdens in line with JORC guidelines. The Company currently expects this work to be completed within the next 2 months.

Yours sincerely,



Gavin Thomas
Managing Director & CEO
Kingsgate Consolidated Limited