



Kingsgate

Consolidated Limited

ABN 42 000 837 472

29 March 2012

Via ASX Online

Manager
Company Announcements Office
Australian Securities Exchange

Dear Sir/Madam,

Kingsgate Welcomes Favourable Thai Administrative Court Decision

Kingsgate welcomes the decision of the administrative court of Phitsanulok in Central Thailand yesterday to dismiss all complaints made against the Thai Department of Industry and five Thai Government departments.

Akara was not a listed defendant but an interpleader in the case as it related to the issuing of mining licences to Akara on environmental and health grounds. Court appointed experts conducted an extensive investigation and found no evidence of the mine causing environmental or health problems and dismissed all the claims.

The court did determine that Government regulations announced in 2010, following the adoption of a new Thai constitution in 2007, requiring the submission of an Environment and Health Impact Assessment (EHIA) for certain industries, should apply retrospectively to Akara mining permits that were granted in 2008. The application for these permits was submitted in 2006 along with an Environmental Impact Assessment (EIA). Akara has and will meet any court obligations in Thailand including the submission of additional Health Impact Assessment (HIA) sections to the original EIA and has been given 12 months to complete them.

While Akara was not a defendant in the case and it believes it has grounds to appeal this latter determination, the time frame to complete the additional EHIA submissions would only apply from the finalisation of any appeal process.

Kingsgate Chairman Mr Ross Smyth-Kirk said, "The court's decision to dismiss all complaints is testament to Akara's strong commitment to the highest standards in environment and public health protection at its Chatree Gold Mine in central Thailand."

"The company has been operating for over ten and half years and has never had an environmental incident. Our mining operations are conducted to world best standards and our track record of mine safety, environmental compliance and social and community relations is exemplary."

"Furthermore this decision in no way impacts Kingsgate's operations or production and the Company remains on track to achieve its previously announced production guidance with a very strong second half."

Yours faithfully,
KINGSGATE CONSOLIDATED LIMITED

Ross Coyle

Company Secretary

For further information please contact:

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