



Kingsgate

Consolidated Limited

ABN 42 000 837 472

8 April 2014

**Via ASX Online
(11 pages including cover)**

The Manager
Company Announcements Office
Australian Securities Exchange

Dear Sir/Madam,

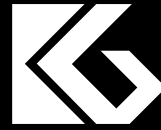
Notice of General Meeting

Please find attached Kingsgate's Notice of General Meeting and Proxy Form which are in the process of being distributed to shareholders.

The General Meeting will be held at the Museum of Sydney, corner of Phillip and Bridge Streets, Sydney, NSW on Friday, 9 May 2014 at 2.00pm Sydney time.

Yours sincerely,
KINGSGATE CONSOLIDATED LIMITED

ROSS COYLE
Company Secretary



Kingsgate
Consolidated Limited

ABN 42 000 837 472

Notice of General Meeting

and Explanatory Memorandum to Shareholders

Meeting to be held at the Museum of Sydney,
corner of Phillip and Bridge Streets, Sydney NSW
on Friday, 9 May 2014 at 2.00pm Sydney time.

A Proxy Form is enclosed

Please read the Notice and Explanatory Memorandum carefully.

If you are unable to attend the meeting please complete and return
the enclosed Proxy Form in accordance with the specified instructions.

Notice of General Meeting

Notice is given that a General Meeting of Shareholders of Kingsgate Consolidated Limited will be held at the Museum of Sydney, corner of Phillip and Bridge Streets, Sydney NSW on 9 May 2014, at 2:00pm Sydney time.

Business

Resolution 1 – Ratification of prior issue of shares

To consider and, if thought fit, pass the following resolution as an **ordinary resolution**:

“That for the purposes of ASX Listing Rule 7.4 and for all other purposes, shareholders ratify and approve the previous issue of 11,774,572 fully paid ordinary shares as detailed in the Explanatory Memorandum annexed to and forming part of this Notice of Meeting.”

Voting Exclusion Statement

In accordance with ASX Listing Rule 14.11 the Company will disregard any votes cast on Resolution 1 by a person who participated in the previous issue and any associates of those persons.

However the Company need not disregard a vote if:

- › it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the direction on a proxy form; or
- › it is cast by the person chairing the meeting as a proxy for a person who is entitled to vote, in accordance with the direction on the proxy form to vote as the proxy decides.

Resolution 2 – Ratification of prior issue of shares

To consider and, if thought fit, pass the following resolution as an **ordinary resolution**:

“That for the purposes of ASX Listing Rule 7.4 and for all other purposes, shareholders ratify and approve the previous issue of 14,661,220 fully paid ordinary shares as detailed in the Explanatory Memorandum annexed to and forming part of this Notice of Meeting.”

Voting Exclusion Statement

In accordance with ASX Listing Rule 14.11 the Company will disregard any votes cast on Resolution 2 by a person who participated in the previous issue and any associates of those persons.

However the Company need not disregard a vote if:

- › it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the direction on a proxy form; or
- › it is cast by the person chairing the meeting as a proxy for a person who is entitled to vote, in accordance with the direction on the proxy form to vote as the proxy decides.

Resolution 3 – Approval to issue Ordinary Shares

This resolution will only be put to the meeting if Resource Capital Funds is not issued all of its 11,100,000 fully paid ordinary shares pursuant to its sub-underwriting commitment under the entitlement offer (as described in the Explanatory Memorandum).

To consider and, if thought fit, pass the following resolution as an **ordinary resolution**:

“That for the purposes of ASX Listing Rule 7.1 and for all other purposes, shareholders approve the issue of up to 11,100,000 fully paid ordinary shares at an issue price of \$1.00 per share to RCA VI GP Ltd (an entity which forms part of the Resource Capital Funds group) as detailed in the Explanatory Memorandum annexed to and forming part of this Notice of Meeting.”

Voting Exclusion Statement

In accordance with ASX Listing Rule 14.11 the Company will disregard any votes cast on Resolution 3 by RCA VI GP Ltd and any of its associates.

However the Company need not disregard a vote if:

- › it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the direction on a proxy form; or
- › it is cast by the person chairing the meeting as a proxy for a person who is entitled to vote, in accordance with the direction on the proxy form to vote as the proxy decides.

Explanatory Memorandum

Shareholders are referred to the Explanatory Memorandum accompanying and forming part of this Notice of Meeting.

Capitalised terms in this Notice of Meeting and the Explanatory Memorandum are defined in Annexure A to the Explanatory Memorandum.

Entitlement to vote

It has been determined that in accordance with regulation 7.11.37 of the *Corporations Regulations 2001* (Cth), for the purposes of the General Meeting, Shares will be taken to be held by the persons who are the registered holders at 5.00 pm Sydney time on 8 May 2014. Accordingly, Share transfers registered after that time will be disregarded in determining entitlements to attend and vote at the meeting.

Proxies

A Shareholder entitled to attend and vote has a right to appoint a proxy to attend and vote instead of the Shareholder. A proxy need not be a Shareholder and can be either an individual or a body corporate. If a Shareholder appoints a body corporate as a proxy, that body corporate will need to ensure that it:

- › appoints an individual as its corporate representative to exercise its powers at the meeting, in accordance with section 250D of the Corporations Act; and
- › provides satisfactory evidence of the appointment of its corporate representative to the Company.

If such evidence is not received, then the body corporate (through its representative) will not be permitted to act as a proxy.

A Shareholder that is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If no proportion or number is specified, each proxy may exercise half of the Shareholder's votes.

A Proxy Form accompanies this Notice of Meeting and to be effective must be received at the address stated below.

The Proxy Form (and any power of attorney under which it is signed) must be received no later than 2:00pm on 7 May 2014, being 48 hours before the time for holding the meeting.

Any Proxy Form received after that time will not be valid for the scheduled meeting. Please lodge the Proxy Form with the Company's Share Registry. You are encouraged to submit your proxy by mail, scan Proxy Form and forward by email, or fax Proxy Form to 08 9315 2233.

The address of the Company's Share Registry, Security Transfer Registrars Pty Ltd is as follows:

PO Box 535, Applecross WA 6953; or 770 Canning Highway, Applecross WA 6153.

Email: registrar@securitytransfer.com.au

Fax: +61 8 9315 2233

By Order of the Board

Dated: 8 April 2014



Ross Coyle

Company Secretary

Kingsgate Consolidated Limited

Explanatory Memorandum to Shareholders

1 Introduction

This Explanatory Memorandum has been prepared to assist Shareholders to understand the business to be put to Shareholders at the meeting.

This Explanatory Memorandum should be read in conjunction with the accompanying Notice of Meeting. Annexure A of this Explanatory Memorandum contains definitions of capitalised terms used in the Notice of Meeting and this Explanatory Memorandum.

The Directors recommend that Shareholders read this Explanatory Memorandum in full before making any decision in relation to the resolutions set out in the Notice of Meeting.

If any Shareholder is in doubt as to how they should vote, they should seek advice from their professional adviser prior to voting.

This Explanatory Memorandum is not an offer or an invitation to acquire Shares or any other financial products in any place in which, or to any person to whom, it would be unlawful to make such an offer or invitation. This Explanatory Memorandum is not a prospectus, product disclosure statement or other disclosure document under Australian law. This Explanatory Memorandum does not constitute an offer to sell, or the solicitation of an offer to buy, any Shares in the United States. The Shares have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (Securities Act), or the securities laws of any state or other jurisdiction of the United States, and may not be offered or sold, directly or indirectly, in the United States unless they have been registered under the Securities Act, or are offered and sold in a transaction exempt from, or not subject to, the registration requirements of the U.S. Securities Act and any other applicable U.S. state securities laws.

2 Resolution 1 – Ratification of prior issue of shares

Approval of Issue of 11,774,572 Shares

The purpose of Resolution 1 is for Shareholders to approve and ratify under ASX Listing Rule 7.4, issues of securities which have occurred during the 12 months before the date of this meeting and which count toward the Company's 15% limit under ASX Listing Rule 7.1.

2.1 ASX Listing Rule 7.1 and 7.4

ASX Listing Rule 7.1 provides, subject to certain exceptions, that prior approval of shareholders is required for issues of securities if the securities will, when aggregated with the securities issued by the entity during the previous 12 months, exceed 15% of the number of ordinary securities at the commencement of that 12 month period.

The issues of Shares detailed in Resolution 1 did not exceed the 15% threshold. However, ASX Listing Rule 7.4 provides that where an entity ratifies an issue of securities, the issue will be treated as having been made with prior approval for the purpose of Listing Rule 7.1, thereby replenishing that entity's 15% capacity and enabling it to issue further securities up to that extent.

Resolution 1 proposes the ratification and approval of the issue of Shares in accordance with Listing Rule 7.5, for the purpose of satisfying the requirements of Listing Rule 7.4.

Each of the Directors recommend that you vote to approve Resolution 1.

2.2 Information required under the Listing Rules

In compliance with Listing Rule 7.5 the following information is provided with respect to the issue of Shares referred to in Resolution 1:

On 19 December 2013, 11,774,572 fully paid ordinary Shares were issued to Investec Bank (Australia) Limited at a price of \$1.27 per Share. The Shares have the same terms and rights as, and rank equally with, the Company's existing listed Shares. The Shares were issued to repay amounts owing to Investec Bank (Australia) Limited under the Convertible Revolving Credit Facility.

3 Resolution 2 – Ratification of prior issue of shares

Approval of Issue of 14,661,220 Shares

The purpose of Resolution 2 is for Shareholders to approve and ratify under ASX Listing Rule 7.4, issues of securities which have occurred during the 12 months before the date of this meeting and which count toward the Company's 15% limit under ASX Listing Rule 7.1.

3.1 ASX Listing Rule 7.1 and 7.4

ASX Listing Rule 7.1 provides, subject to certain exceptions, that prior approval of shareholders is required for issues of securities if the securities will, when aggregated with the securities issued by the entity during the previous 12 months, exceed 15% of the number of ordinary securities at the commencement of that 12 month period.

The issues of Shares detailed in Resolution 2 did not exceed the 15% threshold. However, ASX Listing Rule 7.4 provides that where an entity ratifies an issue of securities, the issue will be treated as having been made with prior approval for the purpose of Listing Rule 7.1, thereby replenishing that entity's 15% capacity and enabling it to issue further securities up to that extent.

Resolution 2 proposes the ratification and approval of the issue of Shares in accordance with Listing Rule 7.5, for the purpose of satisfying the requirements of Listing Rule 7.4.

Each of the Directors recommend that you vote to approve Resolution 2.

3.2 Information required under the Listing Rules

In compliance with Listing Rule 7.5 the following information is provided with respect to the issue of Shares referred to in Resolution 2:

On 28 March 2014, 14,661,220 fully paid ordinary Shares were issued to domestic and international institutional investors as part of a fully underwritten, unconditional placement at a price of \$1.00 per Share. The Shares have the same terms and rights as, and rank equally with the Company's existing listed Shares. The Shares were issued as part of the Company's broader capital raising announced on 18 March 2014 (and described in further detail in section 4 below). Proceeds of the capital raising are to be used for the purpose of:

- › repayment of existing corporate debt;
- › pre-development expenditure at Nueva Esperanza;
- › completion of the Bowdens' Definitive Feasibility Study and Environmental Impact Statement; and
- › working capital and general corporate purposes.

4 Resolution 3 – Approval to issue Ordinary Shares

Approval of Issue of 11,100,000 Shares to RCF

On 18 March 2014, the Company announced an underwritten institutional share placement, and an accelerated non-renounceable entitlement offer comprising a fully underwritten Institutional Entitlement Offer and a partially underwritten Retail Entitlement Offer (**Entitlement Offer**) (together, the **Offer**) to raise gross proceeds of up to \$58.4 million.

As part of the transaction, Resource Capital Funds (**RCF**) committed to subscribe for 11,100,000 Shares at \$1.00 per Share to raise \$11.1 million. This commitment was to be fulfilled via RCF partially sub-underwriting the Retail Entitlement Offer or, to the extent that RCF's commitment was not fulfilled under the sub-underwriting, Kingsgate agreed to issue the balance to RCF via a separate placement, subject to Shareholder approval (**Conditional Placement**).

RCF is a private equity group which invests exclusively in the resources industry. It currently manages US\$2.8 billion of assets.

For the purpose of the Conditional Placement, the Company has entered into a Placement Agreement with RCA VI GP Ltd (which is the general partner of Resource Capital Associates VI L.P., which in turn is the general partner of Resource Capital Fund VI L.P).

4.1 ASX Listing Rule 7.1

ASX Listing Rule 7.1 provides, subject to certain exceptions, that prior approval of shareholders is required for an issue of securities if the securities will, when aggregated with the securities issued by the entity during the previous 12 months, exceed 15% of the number of ordinary securities at the commencement of that 12 month period.

The purpose of Resolution 3 is for Shareholders to approve the issue of up to 11,100,000 Shares to RCA VI GP Ltd (an entity which forms part of the RCF group) under the Conditional Placement. The effect of such approval is that any such Shares will not be counted towards the 15% threshold under ASX Listing Rule 7.1 when calculating how many equity securities can be issued without Shareholder approval.

Resolution 3 will only be put to the meeting if RCF is not issued all of its 11,100,000 Shares pursuant to its sub-underwriting commitment under the Entitlement Offer.

4.2 Information required under the Listing Rules

In compliance with Listing Rule 7.3 the following information is provided with respect to the issue of Shares referred to in Resolution 3:

- › The maximum number of securities to be issued will be 11,100,000 Shares;
- › The Shares are expected to be issued approximately three business days after the meeting. All the Shares will be issued on the same date;
- › The issue price of the Shares will be \$1.00 each;
- › The Shares will be issued to RCA VI GP Ltd (an entity which forms part of the RCF group) pursuant to a Placement Agreement;
- › The Shares to be issued are fully paid ordinary shares in the Company. The Shares will have the same terms and rights as, and will rank equally with, the Company's existing listed Shares. The Company will apply to ASX for admission of the Shares to quotation on ASX;
- › Funds raised by the issue of the Shares will be used for development capital expenditure, in particular Nueva Esperanza; and
- › A voting exclusion statement is contained in the Notice of General Meeting accompanying this Explanatory Statement.

Each of the Directors recommend that you vote to approve Resolution 3.

5 Chairman of Meeting and Chairman's Voting Intention for Undirected Proxies

It is proposed that the Chairman of the Meeting be the Chairman of the Board of Directors, Mr Ross Smyth-Kirk. It is the Chairman's intention to vote undirected proxies which he holds as proxy in favour of the Resolutions.

Annexure A

Definitions

The meanings of capitalised terms used in the Notice of Meeting and Explanatory Memorandum are set out below:

ASX	means the ASX Limited or the exchange operated by it, as the context requires.
------------	--

Company	means Kingsgate Consolidated Limited ABN 42 000 837 472.
----------------	--

Listing Rules	means the ASX Listing Rules published by the ASX from time to time.
----------------------	---

Share	means a fully paid, ordinary share issued in the share capital of the Company.
--------------	--

Share Registry	means Security Transfer Registrars Pty Ltd, 770 Canning Highway, Applecross, Western Australia, 6153.
-----------------------	---

Shareholder	means the registered holder of a Share.
--------------------	---



Kingsgate
Consolidated Limited

ABN 42 000 837 472

