



Kingsgate
Consolidated
Limited

QUARTERLY REPORT

for the three months ended

31 March 2011

PRODUCTION HIGHLIGHTS

Gold Produced

| | |
|-------------|-----------|
| 31 Mar 2011 | 32,973 oz |
| 31 Dec 2010 | 21,451 oz |
| 31 Mar 2010 | 32,646 oz |

Total Cash Costs (incl. Royalty)

| | |
|-------------|------------|
| 31 Mar 2011 | US\$616/oz |
| 31 Dec 2010 | US\$458/oz |
| 31 Mar 2010 | US\$332/oz |

Average Gold Price Received

| | |
|-------------|--------------|
| 31 Mar 2011 | US\$1,349/oz |
| 31 Dec 2010 | US\$1,368/oz |
| 31 Mar 2010 | US\$1,112/oz |

SECURITIES

As at 31 March 2011

| | |
|------------------|-------------|
| Ordinary shares | 135,221,250 |
| Unlisted options | 1,650,116 |

KEY POINTS

- ◆ Group gold production of 32,973 ounces (including Chatree 16,784 ounces and Challenger 16,189 ounces).
- ◆ Total cash costs of US\$425 per ounce at Chatree and US\$814 per ounce at Challenger (including royalties).
- ◆ Chatree North Plant expansion on budget and schedule.
- ◆ Dividend of 10 cps declared on 22 February and paid on 16 March 2011.
- ◆ Kingsgate Group FY2011 gold production forecast 125,000 to 130,000 ounces.

OPERATING SUMMARY

| Operation | December Quarter 2010 | | March Quarter 2011 | |
|---------------------------|-----------------------|-------------------------------|---------------------|-------------------------------|
| | Production (ounces) | Total Cash Costs (US\$/ounce) | Production (ounces) | Total Cash Costs (US\$/ounce) |
| Chatree | 21,451 | 458 | 16,784 | 425 |
| Challenger (attributable) | N/A | N/A | 16,189 | 814 |
| Total | 21,451 | 458 | 32,973 | 616 |



Chatree CIP Tanks nearing completion

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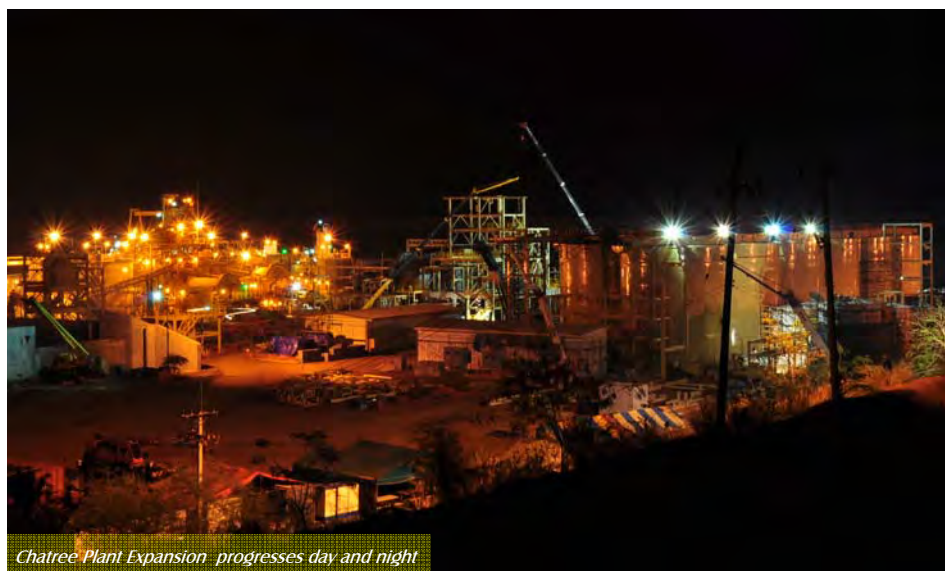
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Gavin Thomas
Gavin Thomas, MD & CEO

29 April 2011



Chatree Plant Expansion progresses day and night

OVERVIEW

Kingsgate achieved total production of 32,973 ounces in the March quarter, including the Challenger operation following the successful Dominion Scheme of Arrangement. Production was impacted by a delay in approval to mine higher grade ore at Chatree in Thailand and by adverse unseasonal weather effects at Challenger in South Australia.

Group total cash costs at US\$616/ounce were a good performance given the lower production at Chatree and cost pressures at Challenger caused by weather issues. A steady operating performance in the June quarter will see total production of 125,000 to 130,000 ounces for the fiscal year.

THAILAND - Chatree Gold Mine

Chatree gold production of 16,784 ounces gold in the March quarter was down 22% compared to the December quarter. Gold grade was lower at 1.0g/t as mining was restricted to lower grade areas of A Hill, while awaiting approvals to allow access to C North. In addition, mill throughput was supplemented by marginal ore from stockpiles.

Final approval is expected in this current quarter with high grade ore available in the second half of this calendar year.

A good performance was recorded on costs with cash costs down 7% on the December quarter at US\$425/ounce (US\$308/ounce before Thai royalties), aided by the strong silver price. Total production cost after depreciation and amortisation was US\$534/ounce. Underlying costs reflect the grade of ore processed and are expected to improve as higher grade is processed later in the year.

Chatree continues to demonstrate world's best practice for safety with over 16.6 million hours worked or (+8 years) without a Lost Time Injury (LTI), as at the end March 2011.

Plant Expansion

Thailand experienced early wet season rainfall. While restricting some activities on site, construction activities for the Chatree North plant expansion are 75% complete and currently remain on schedule and budget. Practical completion and first gold are still expected in the September quarter 2011, subject to final regulatory approvals.

Resource Development

Drilling at A Hill/Central was designed to test mineralised depth extensions and delivered good results. The better intersections include 32m @ 2.43g/t gold from 48 metres (including 3m @ 14.97g/t gold from 48 metres), 34m @ 1.84 g/t gold from 249 metres (including 2m @ 8.16g/t at 267 metres and 2m @ 10.85g/t at 273 metres) and 51m @ 2.28g/t from 99 metres (including 3m @8.07 from 102 metres, 8m @ 4.3g/t from 138 metres, 5m @ 6.26g/t from 167 metres).

AUSTRALIA - Challenger Gold Mine, South Australia

Gold production at Challenger of 24,851 ounces was only 1.4% lower than the December quarter despite unseasonal adverse weather conditions affecting the Challenger mine site and access roads. An average head grade to the mill of 4.84g/t reflected the effect of low grade stockpile material that supplemented reduced mine ore feed caused by weather issues. Production attributable to Kingsgate totalled 16,189 ounces for the months of February and March following the successful finalisation of the Dominion Scheme of Arrangement.

Total cash operating costs attributable to Kingsgate for the quarter of US\$814/ounce (including royalties of US\$47/ounce) reflect the difficult operating environment caused by the unseasonal wet weather conditions.

Exploration development focused on driving towards a new footwall shoot on the 800 Level. This drive will also be used to drill into the higher grade Challenger West shoot.

Diamond drilling from 320 Level continued to delineate structures below the "79 Fault" and mining of access development on 280 Level reached the fault zone by the end of the quarter. Drilling and target resource conversion at the base of the mine will commence when this drive is completed.

Exploration Western Australia

Exploration during the quarter focused on the Calingiri (100%), Kukerin (100%) and Bryah JV (earning 70%) projects.

At Calingiri, further IP surveying defined new targets as well as providing better target definition at earlier defined prospects. Results from RC drilling of the IP targets has confirmed continuity of extensive copper sulphide mineralisation.

Aircore drilling at Kukerin has extended the mineralisation to the north-west and south-east from the Bottleneck Prospect with detailed RC drilling to follow-up in the June quarter.

Surface geochemistry (lags and soils) at the Bryah JV confirm and upgrade a previously outlined copper-gold anomaly.

CHILE

Laguna Resources NL (KCN 70%) re-established the Arqueros exploration camp and commenced underground diamond drilling in December 2010, and surface reverse circulation drilling in February 2011.

The objective of the drilling is to lift the remaining Inferred Resource into Indicated category as well as expanding the resource base of the project. The scoping for the Feasibility Study is well advanced and, during the quarter, the first part of the four-seasonal base line study of an Environmental Impact Assessment for an open pit mine and processing facility was completed by an independent environmental group.

CORPORATE

At the end of March, Kingsgate had total cash-in-bank and bullion-on-hand of A\$21.7 million. During the quarter, a further A\$20 million was drawn on the A\$60 million standby debt facility with Investec to fund the Chatree North expansion. Kingsgate is currently finalising medium term debt facilities with final approvals and documentation expected to be completed in early May.

Gold sales for the quarter totalled 32,629 ounces attributable to Kingsgate at a realised cash price of US\$1,349 per ounce maintaining a healthy gross cash margin.

Kingsgate declared a 10 cent per share dividend on 22 February and the dividend was paid on 16 March 2011.

On 2 February 2011, Dominion Mining Ltd shareholders voted overwhelmingly to support the Scheme of Arrangement for Kingsgate to acquire all of the shares in Dominion. Integration of the two companies is effectively completed. The off-market takeover for Laguna Resources NL closed in February with Kingsgate holding around 70%.

OUTLOOK

Full year total gold production to 30 June 2011 is expected to be in the range of 125,000 to 130,000 ounces. This includes 85,000 to 90,000 ounces from Chatree following delayed access to C North and around 40,000 ounces from Challenger for the five months from February 2011.

OPERATIONAL PERFORMANCE

| Chatree Mine | Units | Year to Date FY2011 | March 2011 Quarter | December 2010 Quarter | September 2010 Quarter |
|---|--------|---------------------|--------------------|-----------------------|------------------------|
| Waste Mined | bcm | 4,866,655 | 1,410,531 | 1,698,390 | 1,757,734 |
| Ore Mined | bcm | 1,776,574 | 457,619 | 606,063 | 712,892 |
| Waste to Ore Ratio | | 2.7 : 1 | 3.1 : 1 | 2.8 : 1 | 2.5 : 1 |
| Ore Mined | tonnes | 3,912,446 | 1,111,193 | 1,329,766 | 1,471,487 |
| Ore Treated | tonnes | 1,941,303 | 646,587 | 648,771 | 645,945 |
| Head Grade | Au g/t | 1.1 | 1.0 | 1.2 | 1.2 |
| | Ag g/t | 15.8 | 16.0 | 18.2 | 13.2 |
| Gold Recovery | % | 87.8 | 86.3 | 88.1 | 89.0 |
| Gold Poured | ounces | 60,068 | 16,784 | 21,451 | 21,833 |
| Silver Poured | ounces | 429,884 | 145,307 | 151,167 | 133,410 |
| Challenger Mine | Units | Year to Date FY2011 | March 2011 Quarter | December 2010 Quarter | September 2010 Quarter |
| Ore Mined | tonnes | 391,879 | 111,075 | 138,597 | 136,207 |
| Ore Treated | tonnes | 505,311 | 152,832 | 174,180 | 161,425 |
| Head Grade | Au g/t | 5.01 | 4.84 | 4.92 | 5.29 |
| Gold Recovery | % | 92.3 | 92.4 | 92.4 | 92.1 |
| Gold Poured | ounces | 75,948 | 24,851 | 25,159 | 25,902 |
| Silver Poured | ounces | 4,482 | 1,399 | 1,523 | 1,560 |
| Challenger Mine (attributable to Kingsgate) | | | | | |
| Gold Poured | ounces | 16,189 | 16,189 | N/A | N/A |
| Silver Poured | ounces | 839 | 839 | N/A | N/A |
| Kingsgate Group Production | | | | | |
| Gold Poured | ounces | 76,257 | 32,973 | 21,451 | 21,833 |
| Silver Poured | ounces | 430,723 | 146,146 | 151,167 | 133,410 |



Construction of the Chatree Expansion Plant continues day and night and is therefore on schedule and budget



CHATREE GOLD MINE

OPERATIONAL PERFORMANCE

During the quarter mining was restricted to lower grade areas of A Hill while waiting for approval to mine the higher grade areas in C North. Ore mined was 1,410,531 tonnes at a strip ratio of 3.1:1 (previous quarter 2.8:1). Mine production was lower in the quarter due to some early wet season rain and the effects of a night curfew to reduce noise effects on the local community with resultant lack of flexibility to access alternative less intrusive areas. Mining of A Stage 2 continued to advance while access to higher grade areas was not available.

Conditional approval for the amended mine plan for Chatree, which includes access to higher grade areas in C North, was obtained during the quarter. The mining approval, however, requires additional certification from the local and regional Main Roads authorities which has further delayed access to this area. Mining in C North is still expected to commence during this current June quarter with access to the higher grade ore not expected to impact production until the second half of the calendar year.

The process plant treated 646,587 tonnes of ore at an average plant head grade of 1.0g/t gold to produce 16,784 ounces of gold. Ore into the process plant was supplemented from stockpiled marginal ore when mined ore was not available. Silver production was 145,307 ounces. Gold recovery of 86.3% was lower than the prior quarter of 88.1% due to some recovery issues with ore type currently available and lack of mining flexibility. Recoveries are expected to improve over the next three to six months.

Stockpiled ore at close of quarter was 7,659,590 tonnes at 0.71g/t gold and 11.87g/t silver containing 174,690 ounces gold and 2.9 million ounces silver.

SAFETY, ENVIRONMENT AND LOCAL COMMUNITY

Chatree continues to be the world's safest gold mine, based on publicly available data, having achieved 16.6 million hours worked (+8 years) since the last and only Lost Time Injury (LTI). This Lost Time Injury Frequency Record (LTIFR) of zero compares favourably to the Australian industry average LTIFR of 2.9 (Minerals Council of Australia Jun 2009) and to Canada's Ontario province industry average of 5 (Jun 2008 data).

There have been no reportable environmental incidents during the life of the mine to date and it remains in compliance with all environmental regulations.

CHATREE NORTH PLANT EXPANSION

Construction of the new Chatree North processing plant was approximately 75% complete at the end of March and remains on schedule and budget. As at 31 March \$75 million had been expended on the expansion.

The new plant is being constructed as a separate 2.7 million tonnes per annum (Mtpa) ore processing plant located beside the current 2.3Mtpa Chatree processing plant. This will result in a combined total ore processing capacity over 5Mtpa with a potential gold production rate of over 200,000 ounces per year.

Design work is essentially complete for all areas and the civil works contractor is now in the process of completing

punch list items and demobilising from site. The SMP contractor continued with the erection of steelwork, platework and commenced installation of mechanical equipment and piping. The electrical and instrumentation contractor has commenced work.

Practical completion and the first gold pour are expected in the September quarter 2011, subject to final regulatory approvals.

RESOURCE DRILLING

Resource drilling was restricted during the quarter following the change in drilling contractor. The initial drilling focus has been on grade control with some limited resource drilling beneath A Hill / Central as part of the programme to test the depth extent of the deeper high grade feeder structures.

Significant intercepts include:

32m x 2.43 g/t Au from 48m including,
3m x 14.97 g/t Au from 48m;
1m x 6.6 g/t Au from 61m and,
1m x 7.8 g/t Au from 67m in 7526RC.

34m x 1.84 g/t Au from 249m including,
2m x 8.16 g/t Au from 267m and,
2m x 10.85 g/t Au from 273m in 7525RD.

2m x 10.65 g/t Au from 119m in 7521RD.

51m x 2.28 g/t Au from 99m including,
3m x 8.07 g/t Au from 102m;
3m x 4.45 g/t Au from 111m;
8m x 4.3 g/t Au from 138m;
6m x 3.93 g/t Au from 155m;
5m x 6.26 g/t Au from 167m and,
9m x 1.89 g/t Au from 186m in 7522RD.

Work will continue to evaluate the deeper structures for underground mining potential.

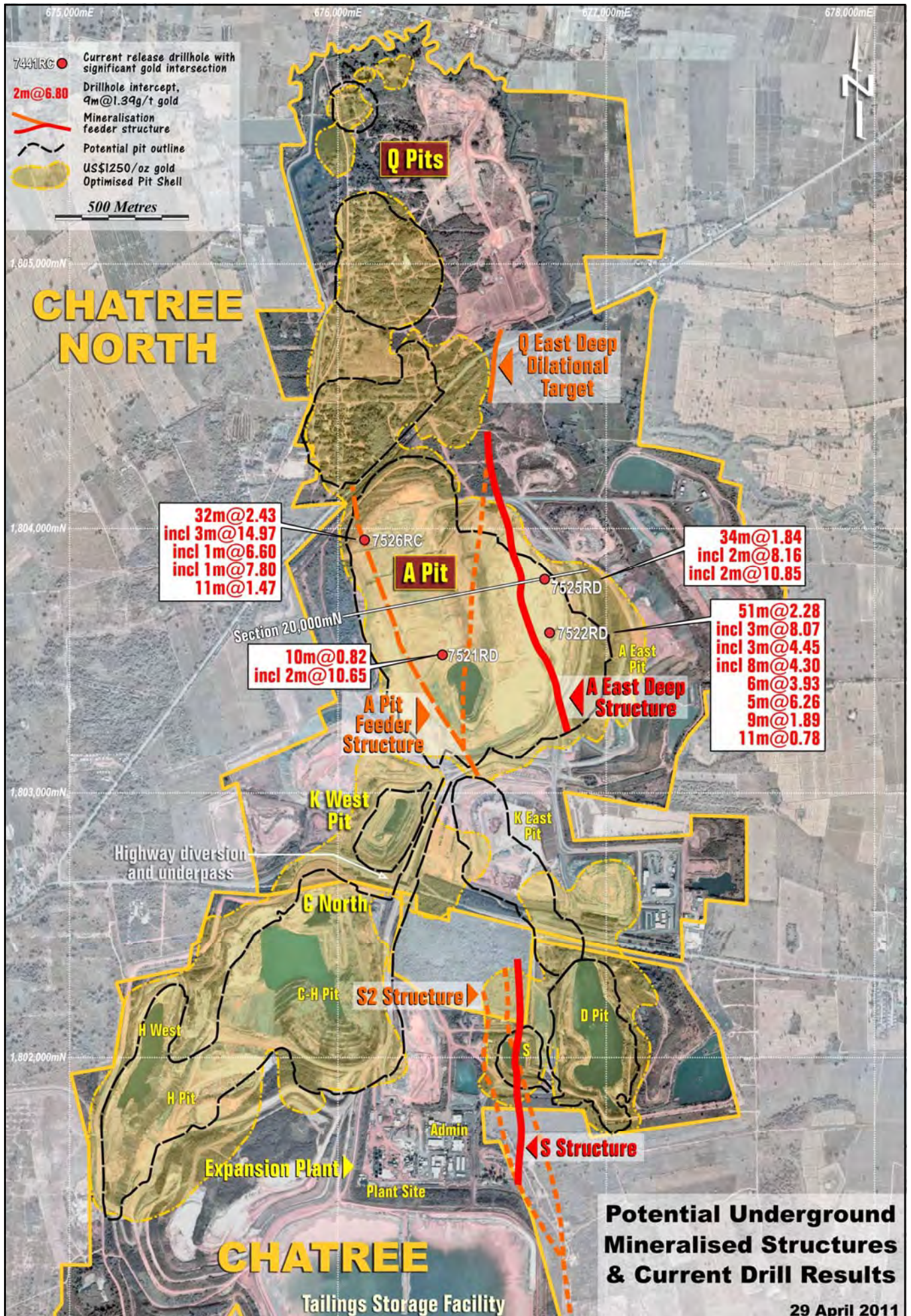
EXPLORATION - NEAR MINE

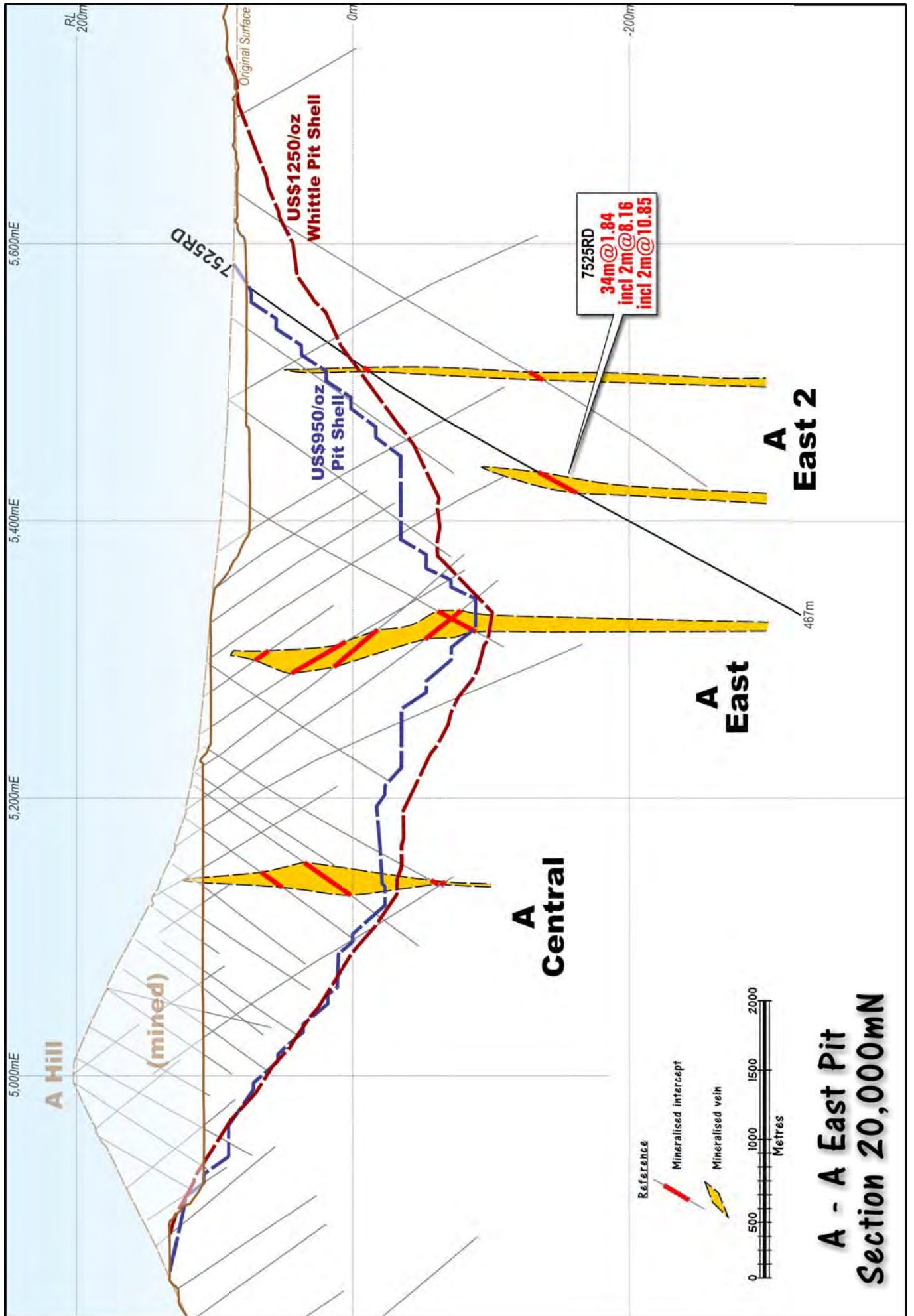
Near mine exploration continues in order to identify potential satellite open pit deposits, which could provide future supplementary ore feed to the Chatree operation.

During the current quarter reviews of the Suwan and Chokdee Districts were completed and a plan is now in place to fully assess the potential of these areas.



Diamond drilling, underground, at Challenger gold mine, S.A.





CHALLENGER GOLD MINE

Mining and processing at Challenger were affected by the unseasonal rain. Lower than expected ore mined of 117,075 tonnes and process plant throughput of 152,832 tonnes reflected heavy rainfall from the beginning of February through to the end of the quarter which had not previously been experienced around the Challenger site. This prevented continuous road access with supplies of fuel, consumables and maintenance parts only intermittently delivered to the site. This rain disruption resulted in the treatment of low grade stock piled ore when scheduled higher grade underground ore could not be mined due to equipment unavailability, a result of the delay in the delivery of spare parts.

Grade was lower at 4.84g/t as a result of processing the low grade ore. Recovery was consistent with recent quarters at 92.4%.

Development and stoping within M1, M2 and M3 shoots continued in the lower levels between the 360 down to the 300 Level. Development and stoping on the 740 and 720 Levels within the M2 and M3 shoots also progressed.

Exploration development focused on driving towards a new footwall shoot on the 800 Level which will also be used as a platform to diamond drill into the high grade Challenger West shoot which has been delineated but has yet to be developed.

Diamond drilling from the 320 Level continued to delineate the ore body structures below the fault. Mining of the access development on the 280 Level had reached the fault zone by the end of the quarter. Diamond drilling from this level, which is targeting the conversion of resources into reserves at the base of the mine in areas below existing reserves will commence as soon as the drive has been completed.

Since the start of Challenger mine operations, the treatment plant had been operated and maintained by a contractor. That contract was terminated during the quarter and Kingsgate assumed responsibility for these functions. The transition was effected successfully with the transfer of experienced personnel from the contractor. In addition, associated plant and equipment were purchased from the contractor.

SAFETY, ENVIRONMENT AND COMMUNITY

There was a total of three Lost Time Injuries, sustained by personnel employed by the mining contractor, during the quarter. Injury prevention and safe work practices continue to be a major focus on site.



EXPLORATION - AUSTRALIA / ASIA

WESTERN AUSTRALIA

Calingiri Project (100%)

Detailed aeromagnetic and radiometric survey data has outlined a 25km trend extending from the Ninan copper-gold system in the north to the Chapman Prospect in the south, and includes the Bartel, Dasher and Scarlet Prospects, all of which have been defined as strong copper anomalies by regional soil geochemical exploration.

During the current quarter further IP surveying has followed up initial drill data and defined new targets at the Dasher and Scarlet Prospects as well as giving further target definition at Bartel and Chapman.

Reverse Circulation (RC) drilling was undertaken to test the IP targets at Bartel (ten holes) and Dasher (two holes) and initial results and have confirmed continuity of extensive copper sulphide mineralisation. At Bartel, these new intersections (including 84m @ 0.33% copper from 45 metres) are located 700 metres north of the previously reported copper intersections at Bartel South.

The two holes at the previously undrilled Dasher target have also intersected extensive copper sulphide mineralisation with intersections including 12m @ 0.47% copper from 12m and 74m @ 0.39% copper from 52 metres (this is a continuous 86 metre zone intruded by a dolerite dyke).

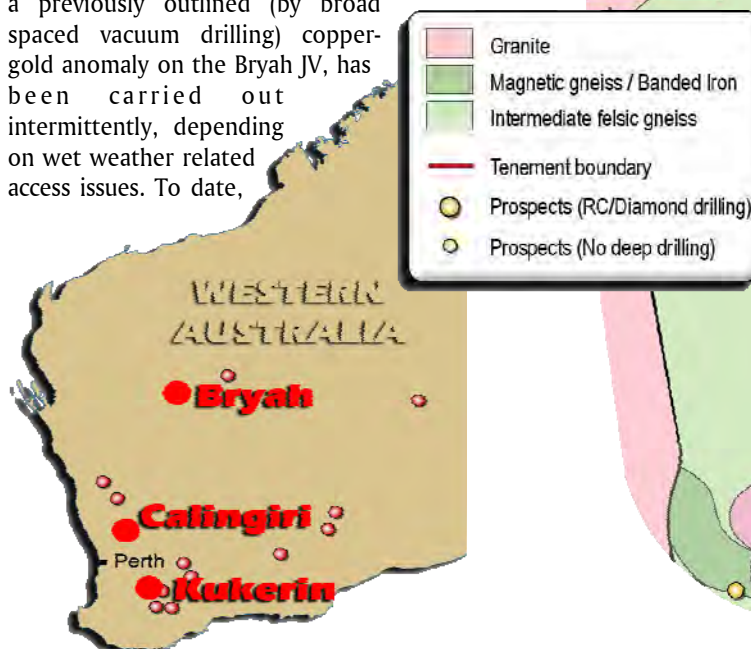
Zones of higher grade copper mineralisation (including 1m @ 2.46% and 2m @ 2.0%) are developed and the mineralised systems have associated molybdenum (up to 3m @ 0.44%) and gold (up to 0.27 g/t).

Kukerin Project

At the Bottleneck Prospect aircore drilling during the quarter has targeted the immediate extensions to the north-west and south-east. Preliminary assay results include have returned low grade gold intercepts and following detailed evaluation, RC drilling is planned in the June quarter to follow-up at Bottleneck and other targets identified from the aircore drilling.

Bryah JV (earning 70%)

Detail surface geochemistry (lags and soils), to test a previously outlined (by broad spaced vacuum drilling) copper-gold anomaly on the Bryah JV, has been carried out intermittently, depending on wet weather related access issues. To date,



results have been received for about 25% of the planned 5777 sample programme appear to upgrade parts of the earlier identified anomalous zone and confirm a significant copper/gold association.

QUEENSLAND

No exploration activities were undertaken on the Company's tenements during the quarter.



Drilling, Calingiri Project, WA.

Wongan Hills & Calingiri Projects

LAGUNA RESOURCES (KINGSGATE 70%)

ARQUEROS

Laguna re-established the Arqueros exploration camp and commenced underground diamond drilling in December 2010, and surface reverse circulation drilling in February 2011.

The objective of the drilling is to lift the remaining Inferred Resource into Indicated category as well as expanding the resource base of the project, in preparation for the commencement of a Feasibility Study.

The underground drilling programme comprises a 2,000 metre diamond drilling programme which is testing the gold-rich structures of the Arqueros mineralisation to increase the resource base as well as improve quality control on historical drilling (100,000 metres) through parallel drilling of some well-constrained historical holes. At the end of the quarter, 1200 metres had been completed in 15 holes.

A surface programme of 3,000 metres of reverse circulation drilling began mid-February, with the same objectives, and was completed by mid-March: 3,019 metres was drilled in 33 holes.

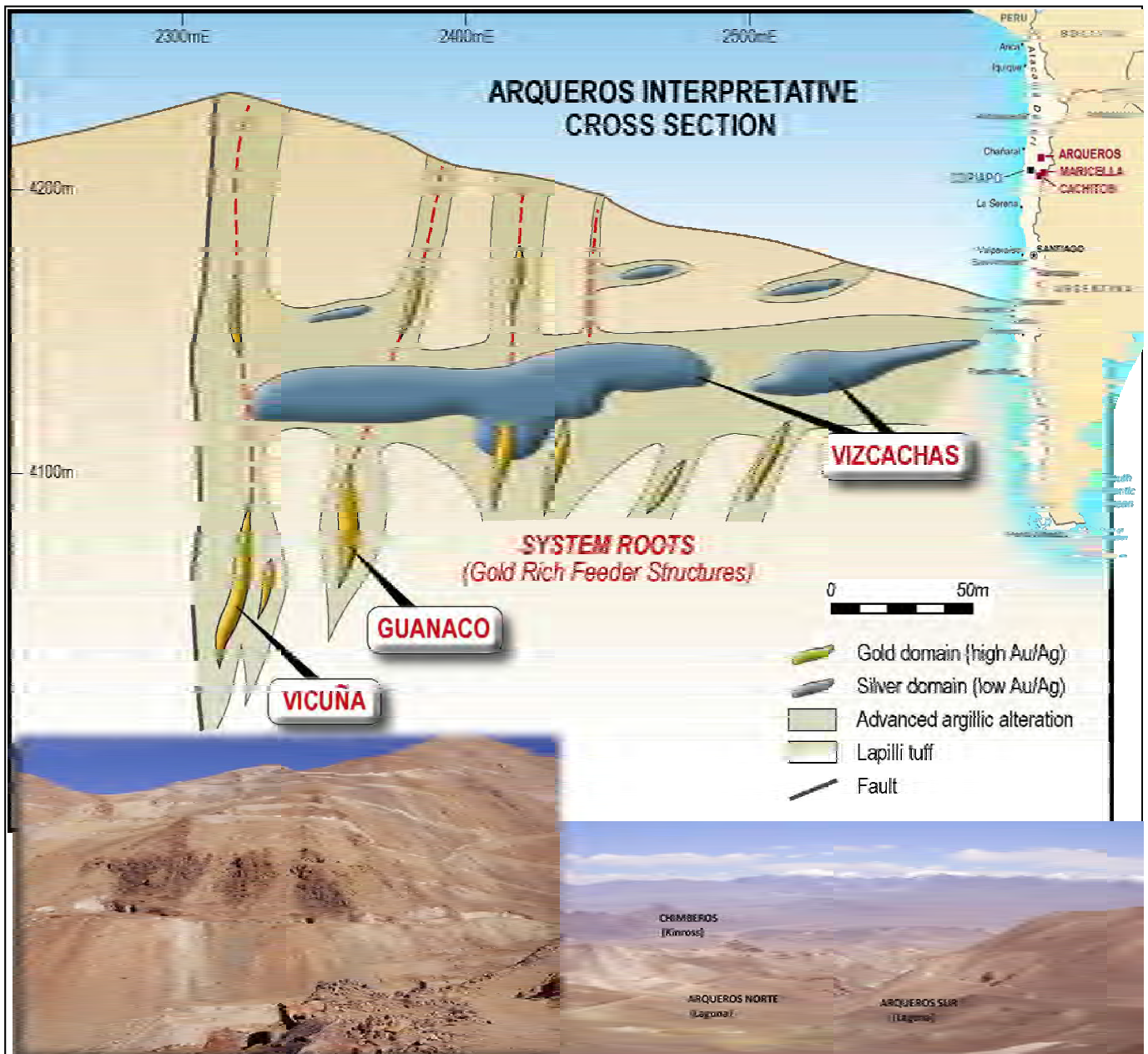
Assay results from the two programmes will be compiled as they are received from the laboratory, and are expected in the June quarter.

Surface diamond drilling for a geotechnical study of the open pit is in progress with 700 metres drilled in three holes.

Also in the quarter, the first part of the four-seasonal base line study of an Environmental Impact Assessment for an open pit mine and processing facility was completed by an independent environmental group with broad experience of mining projects in the Maricunga district.

Other activities in progress included bulk density studies, metallurgical testwork, site infrastructure and water studies and refinement of the resource model for open pit development.

Scoping work for a feasibility study is well advanced.



FINANCE

FINANCE

Gold underlying costs at Chatree reflect the restricted mining operation and low production for the quarter but were more than offset by the high silver price during the quarter. The stronger Thai Baht vs. the US dollar has added some pressure to underlying costs.

At Challenger, costs reflect the difficult operating conditions through the quarter due to the effects of the severe un-seasonal rain events that cut supply lines and reduced operating efficiency through running very low on fuel and difficulties maintaining spares for operating equipment and consumables. This led to reduced capital development at the base of the mine. Additional operating costs were also incurred as mobile mining equipment was diverted for emergency repairs to the access road. Flooding of the airstrip also affected manning levels at times.

Gold price received for the Group was a strong US\$1,349 per ounce maintaining a healthy margin of the underlying cash operating costs.

| CHATREE | | | | | |
|--|----------------|---------------------|--------------------|-----------------------|------------------------|
| Cost Category | Units | Year to Date FY2011 | March 2011 Quarter | December 2010 Quarter | September 2010 Quarter |
| Direct Mining Expense | US\$/oz | 505 | 563 | 505 | 462 |
| Refining and Transport | US\$/oz | 4 | 4 | 4 | 4 |
| By Product Credit | US\$/oz | (168) | (259) | (168) | (99) |
| Cash Operating Cost | US\$/oz | 341 | 308 | 341 | 367 |
| Royalty | US\$/oz | 110 | 117 | 117 | 98 |
| Total Cash Cost | US\$/oz | 451 | 425 | 458 | 465 |
| Depreciation/Amortisation | US\$/oz | 98 | 109 | 103 | 84 |
| Total Production Cost | US\$/oz | 549 | 534 | 561 | 549 |
| CHALLENGER (attributable to Kingsgate) | | | | | |
| Cost Category * | Units | Year to Date FY2011 | March 2011 Quarter | December 2010 Quarter | September 2010 Quarter |
| Direct Mining Expense | US\$/oz | 766 | 766 | | |
| Refining and Transport | US\$/oz | 3 | 3 | | |
| By Product Credit | US\$/oz | (2) | (2) | | |
| Cash Operating Cost | US\$/oz | 767 | 767 | | |
| Royalty | US\$/oz | 47 | 47 | | |
| Total Cash Cost | US\$/oz | 814 | 814 | | |
| KINGSGATE GROUP | | | | | |
| Cost Category * | Units | Year to Date FY2011 | March 2011 Quarter | December 2010 Quarter | September 2010 Quarter |
| Cash Operating Cost | US\$/oz | 432 | 533 | 341 | 367 |
| Royalty | US\$/oz | 96 | 83 | 117 | 98 |
| Total Cash Cost | US\$/oz | 528 | 616 | 458 | 465 |
| Revenue | Units | | | | |
| Av cash gold price received | US\$/oz | 1,320 | 1,349 | 1,368 | 1,225 |
| Gold sold | Ounces | 76,245 | 32,629 | 22,713 | 20,902 |
| Silver sold | Ounces | 427,059 | 152,515 | 148,682 | 125,861 |
| Revenue from Metal Production | US\$M | 111.9 | 48.8 | 35.1 | 28.0 |

* Challenger depreciation/amortisation will be finalised following purchase price allocation.

APPENDIX A: SIGNIFICANT INTERSECTIONS

CHATREE, THAILAND, A PROSPECT DRILL RESULTS (INTERCEPTS WITH AU ASSAYS GENERALLY >10GRAM.METRES)

| Hole No. | Easting Local Grid | Northing Local Grid | Azimuth Local Grid | Dip (°) | Hole Depth (m) | From (m) | To (m) | Interval (m)* | Au (g/t) | |
|----------|--------------------|---------------------|--------------------|---------|----------------|--------------|---------------|---------------|-------------|--------------|
| 7526RC | 4930 | 20275 | 90 | -60 | 261.00 | 48.00 | 80.00 | 32.00 | 2.43 | |
| | | | | | | incl. | 48.00 | 51.00 | 3.00 | 14.97 |
| | | | | | | incl. | 61.00 | 62.00 | 1.00 | 6.60 |
| | | | | | | incl. | 67.00 | 68.00 | 1.00 | 7.80 |
| | | | | | | incl. | 94.00 | 105.00 | 11.00 | 1.47 |
| 7525RD | 5570 | 20000 | 270 | -55 | 467.20 | 249.00 | 283.00 | 34.00 | 1.84 | |
| | | | | | | incl. | 267.00 | 269.00 | 2.00 | 8.16 |
| | | | | | | incl. | 273.00 | 275.00 | 2.00 | 10.85 |
| 7521RD | 5140 | 19800 | 270 | -55 | 404.85 | 39.00 | 49.00 | 10.00 | 0.82 | |
| | | | | | | incl. | 119.00 | 121.00 | 2.00 | 10.65 |
| 7522RD | 5550 | 19800 | 270 | -55 | 410.60 | 99.00 | 150.00 | 51.00 | 2.28 | |
| | | | | | | incl. | 102.00 | 105.00 | 3.00 | 8.07 |
| | | | | | | incl. | 111.00 | 114.00 | 3.00 | 4.45 |
| | | | | | | incl. | 138.00 | 146.00 | 8.00 | 4.30 |
| | | | | | | incl. | 155.00 | 161.00 | 6.00 | 3.93 |
| | | | | | | incl. | 167.00 | 172.00 | 5.00 | 6.26 |
| | | | | | | incl. | 186.00 | 195.00 | 9.00 | 1.89 |
| incl. | 236.00 | 247.00 | 11.00 | 0.78 | | | | | | |

*Intersections may not be true width. RD = Reverse Circulation drillhole with diamond tail. Italics indicate previously released data.

CALINGIRI W.A. RC DRILL RESULTS (APPLYING 0.2% CU LOWER CUT-OFF GRADE & 3M INTERNAL DILUTION)

| Prospect | Hole No. | Easting | Northing | Azimuth Local Grid | Dip (°) | From (m) | To (m) | Interval (m)* | Cu (%) | |
|----------------|-----------|---------|----------|--------------------|---------|----------|--------|---------------|--------|-------|
| Bartel Central | 11CARC001 | 463995 | 6573200 | 90 | -60 | 10.00 | 42.00 | 32.00 | 0.34 | |
| Bartel Central | 11CARC002 | 463945 | 6573200 | 90 | -60 | 28.00 | 30.00 | 2.00 | 0.74 | |
| | | | | | | incl. | 29.00 | 30.00 | 1.00 | 1.10 |
| | | | | | | incl. | 87.00 | 99.00 | 12.00 | 0.37 |
| | | | | | | incl. | 88.00 | 89.00 | 1.00 | 1.22 |
| Bartel Central | 11CARC003 | 463895 | 6573200 | 90 | -60 | 45 | 129 | 84 | 0.33 | |
| | | | | | | incl. | 45 | 81 | 36 | 0.41 |
| | | | | | | incl. | 57 | 58 | 1 | 1.84 |
| | | | | | | incl. | 63 | 68 | 5 | 0.75 |
| | | | | | | incl. | 120 | 129 | 9 | 0.60 |
| | | | | | | incl. | 122 | 123 | 1 | 2.46 |
| Bartel Central | 11CARC004 | 463955 | 6573270 | 90 | -60 | 9 | 48 | 39 | 0.31 | |
| | | | | | | incl. | 63 | 64 | 1 | 0.73 |
| Bartel South | 11CARC005 | 463815 | 6572500 | 90 | -60 | 42 | 45 | 3 | 0.22 | |
| | | | | | | incl. | 58 | 63 | 5 | 0.41 |
| | | | | | | incl. | 108 | 124 | 16 | 0.28 |
| | | | | | | incl. | 116 | 118 | 2 | 0.59 |
| Bartel South | 11CARC006 | 463940 | 6572500 | 270 | -60 | 45 | 51 | 6 | 0.50 | |
| | | | | | | incl. | 47 | 49 | 2 | 0.74 |
| | | | | | | incl. | 55 | 56 | 1 | 0.47 |
| | | | | | | incl. | 123 | 128 | 5 | 0.43 |
| | | | | | | incl. | 126 | 127 | 1 | 1.07 |
| | | | | | | incl. | 138 | 141 | 3 | 0.21 |
| | | | | | | incl. | 124 | 125 | 1 | 0.26 |
| Bartel South | 11CARC007 | 464015 | 6572600 | 90 | -60 | 41 | 42 | 1 | 0.31 | |
| | | | | | | incl. | 60 | 69 | 9 | 0.22 |
| | | | | | | incl. | 74 | 81 | 7 | 0.62 |
| | | | | | | incl. | 74 | 75 | 1 | 2.07 |
| | | | | | | incl. | 88 | 89 | 1 | 0.51 |
| | | | | | | incl. | 92 | 93 | 1 | 0.25 |
| | | | | | | incl. | 124 | 125 | 1 | 0.26 |
| | | | | | | incl. | 114 | 123 | 9 | 0.27 |
| Bartel South | 11CARC009 | 463915 | 6572600 | 90 | -60 | 104 | 114 | 10 | 0.27 | |
| Dasher | 11CARC011 | 463700 | 6567000 | 90 | -50 | 9 | 21 | 12 | 0.47 | |
| | | | | | | incl. | 52 | 126 | 74 | 0.39* |
| | | | | | | incl. | 58 | 70 | 12 | 0.74 |
| | | | | | | incl. | 67 | 69 | 2 | 2.00 |
| incl. | 115 | 117 | 2 | 1.15 | | | | | | |
| Dasher | 11CARC012 | 463925 | 6566900 | 90 | -50 | 139 | 183 | 44 | 0.32 | |
| | | | | | | incl. | 178 | 181 | 3 | 1.01 |

*Intercept takes into account a broader internal dilution of 6m, whereas all other intercepts use a 3m internal dilution when reported.

KINGSGATE CONSOLIDATED LIMITED

BOARD OF DIRECTORS

Ross Smyth-Kirk
Chairman

Gavin Thomas
Managing Director and Chief Executive Officer

Peter Alexander
Non-Executive Director

Craig Carracher
Non-Executive Director

Peter McAleer
Non-Executive Director

COMPANY SECRETARY

Peter Warren

SENIOR MANAGEMENT TEAM

Peter Warren
Chief Financial Officer

Joel Forwood
General Manager, Investor Relations

Duane Woodbury
General Manager, Strategic Development

Ross Coyle
General Manager, Finance and Administration

Phil MacIntyre
Chief Operating Officer & General Manager,
Akara Mining Limited

Ron James
General Manager, Exploration & Resources Development

Pakorn Sukhum
Chief Executive Officer, Akara Mining Limited

REGISTERED OFFICE

Kingsgate Consolidated Limited
Suite 801, Level 8, 14 Martin Place
Sydney NSW 2000, Australia
Phone: (61 2) 8256 4800
Facsimile: (61 2) 8256 4810
Email: info@kingsgate.com.au
Website: www.kingsgate.com.au

ISSUED SHARE CAPITAL

Kingsgate had 135,221,250 ordinary shares on issue and 1,650,116 unlisted options.



RC drilling at Arqueros, Chile

QUARTERLY SHARE PRICE ACTIVITY

| QUARTER | HIGH | LOW | LAST |
|----------------|---------|---------|---------|
| December 2005 | \$4.67 | \$3.55 | \$4.60 |
| March 2006 | \$6.45 | \$4.55 | \$6.44 |
| June 2006 | \$6.80 | \$3.74 | \$5.14 |
| September 2006 | \$5.39 | \$4.15 | \$4.59 |
| December 2006 | \$4.65 | \$3.65 | \$4.20 |
| March 2007 | \$4.94 | \$3.47 | \$4.75 |
| June 2007 | \$6.06 | \$4.57 | \$5.55 |
| September 2007 | \$5.70 | \$4.06 | \$5.37 |
| December 2007 | \$5.74 | \$3.87 | \$4.65 |
| March 2008 | \$5.41 | \$3.34 | \$4.40 |
| June 2008 | \$5.69 | \$3.69 | \$5.23 |
| September 2008 | \$6.30 | \$3.78 | \$4.64 |
| December 2008 | \$4.85 | \$2.20 | \$3.54 |
| March 2009 | \$5.38 | \$3.20 | \$5.22 |
| June 2009 | \$7.11 | \$4.93 | \$6.70 |
| September 2009 | \$8.39 | \$6.26 | \$8.14 |
| December 2009 | \$10.30 | \$7.30 | \$9.21 |
| March 2010 | \$10.00 | \$8.30 | \$8.51 |
| June 2010 | \$10.86 | \$8.14 | \$9.47 |
| September 2010 | \$12.22 | \$9.18 | \$11.60 |
| December 2010 | \$12.15 | \$10.00 | \$10.88 |
| March 2011 | \$10.81 | \$7.45 | \$8.69 |

SHARE REGISTRY

Security Transfer Registrars Pty Ltd

770 Canning Highway, Applecross, WA 6153 Australia.
PO Box 535, Applecross, WA 6953 Australia.
Phone: (61 8) 9315 2333 Facsimile: (61 8) 9315 2233
Email: registrar@securitytransfer.com.au
Please direct all shareholding enquiries to the share registry.

EXCHANGE LISTING

ASX:KCN; OTC:KSKGY (ADR)

COMPETENT PERSONS STATEMENTS

In this report, the information concerning Australian operations that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Peter Bamford, Tony Poustie and Paul Androvic who are full-time employees of the Kingsgate Group and members of The Australasian Institute of Mining and Metallurgy. They have sufficient experience which is relevant to the mineralisation and type of deposit under consideration and to the activity which they are undertaking, to qualify as Competent Persons as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Peter Bamford, Tony Poustie and Paul Androvic consent to the inclusion in the report of the matters based on their information in the form and context in which it appears.

In this report, information concerning all other operations relates to Exploration Results, Mineral Resource and Ore Reserve estimates based on information compiled by the following Competent Persons: Ron James, Genesio Circo, Mike Garman, Guy Davies, Fiona Davidson and Suphanit Suphananthi who are employees of the Kingsgate Group and members of The Australasian Institute of Mining and Metallurgy, and Rob Spiers who is an employee of Hellman & Schofield Pty Ltd and a member of the Australian Institute of Geoscientists. These people qualify as Competent Persons as defined in the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (the JORC Code, 2004 Edition) and possess relevant experience in relation to the mineralisation being reported herein as Exploration Results, Mineral Resources and Ore Reserves. Each Competent Person has consented to the Public Reporting of these statements and the inclusion of the material in the form and context in which it appears.