



Kingsgate

Consolidated Limited

ABN 42 000 837 472

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FOR PUBLIC RELEASE

The Manager, Announcements
Company Announcements Office
Australian Securities Exchange

Dear Sir/Madam,

New Gold Zones Show Potential to Re-open D Pit at Chatree

New gold veins and extensions to gold zones have been identified in recent drilling beneath and around the previously closed D Pit at Chatree, within the original mining leases. Near surface gold results show the potential to re-open and expand the D Pit.

Results from recent drilling over 250 metres of lateral extent include:

14 metres at 3.8 grams/tonne gold, from 25 metres downhole;
21 metres at 2.9 grams/tonne gold, from 98 metres downhole; and
9 metres at 4.2 grams/tonne gold, from 86 metres downhole.

A new wide quartz-carbonate vein was intersected in three holes below the D Pit and contains high silver values, including:

10.9 metres at 2.6 grams/tonne gold, and 82 g/t silver, from 244.5 metres downhole;
8.7 metres at 2.4 grams/tonne gold, and 80 g/t silver, from 210.9 metres downhole; and
1 metre at 11.9 grams/tonne gold, and 320 g/t silver, from 271.0 metres downhole.

The new and extended gold zones show the potential to re-open and expand the D pit within the original mining leases, especially at current gold prices. Once the current drill program is completed, studies will be undertaken to determine the optimum pit design for D Pit. By way of comparison, the C Pit, Chatree mine's deepest pit so far, was mined to a depth of -50 metres RL (150 metres below surface) and the depth potential of D pit may be similar.

Yours sincerely,



Gavin Thomas
Managing Director & CEO

Information in this report that relates to exploration results, geology, drilling and mineralization is based on information compiled by Ron James and Mike Garman who are employees of the Kingsgate Group and members of The Australasian Institute of Mining and Metallurgy. 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 mineralization being reported on. All of these Competent Persons have consented to the Public Reporting of these statements concerning exploration results, geology, drilling and mineralization and the inclusion of the material in the form and context in which it appears.

D PROSPECT DRILL RESULTS (INTERCEPTS WITH Au ASSAYS GENERALLY >10GRAM.METRES)									
Hole No.	Easting Local Grid	Northing Local Grid	Azimuth Local Grid	Dip (degrees)	Hole Depth (m)	From (m)	To (m)	Interval (m)	Au (g/t)
7058RC	7198	2094	63	-53	249.00	12.00	21.00	9.00	2.49
						59.00	63.00	4.00	8.52
						69.00	75.00	6.00	2.68
						86.00	95.00	9.00	4.17
7059RC	7178	2100	65	-53	140.00 incl.	25.00	39.00	14.00	3.79
						34.00	37.00	3.00	12.00
						98.00	119.00	21.00	2.90
7063RC	7149	2084	55	-53	183.00	143.00	151.00	8.00	1.36
7066RC	7178	2100	48	-53	200.00	30.00	36.00	6.00	1.53
						96.00	101.00	5.00	3.17
7203RC	7220	2090	90	-55	123.00	12.00	22.00	10.00	1.79
						41.00	76.00	35.00	0.96
7204RD	7127	2090	90	-55	390.80	271.00	272.00	1.00	11.90
7206RD	7196	2090	90	-55	50.00	12.00	30.00	18.00	1.09
						210.90	219.60	8.70	2.38
1574RDext	7161	2065	90	-50	269.20	244.55	255.45	10.90	2.58
7207RD	7165	2015	90	-55	120.00	209.60	221.60	12.00	1.29
7197RD	7216	2015	90	-55	150.10	18.00	27.00	9.00	1.78
						93.00	94.00	1.00	24.70
						102.90	113.30	10.40	1.93
7200DD	7199	1965	90	-55	182.00	97.40	136.50	39.10	1.07
						144.00	154.00	10.00	1.48
						175.20	178.00	2.80	2.61
7048RC	7407	1465	270	-55	105.00	28.00	45.00	17.00	0.84
						53.00	71.00	18.00	0.98
						81.00	95.00	14.00	0.71
7047RC	7440	1440	270	-60	120.00	62.00	73.00	11.00	0.90
7064RC	7338	1445	90	-54	160.00	105.00	110.00	5.00	2.25

* Intersections may not be true width

RD=Reverse Circulation drillhole (RC) with Diamond core tail



