



# Kingsgate

Consolidated Limited

ABN 42 000 837 472

29 August 2013

Manager  
Company Announcements Office  
Australian Securities Exchange

## Financial Results for the Year Ended 30 June 2013

Kingsgate has recorded the following financial performance for the year to 30 June 2013

- **Revenue of \$329.3 million.**
- **EBITDA\* (before significant items) of \$115.8 million.**
- **Profit before tax and significant items of \$17.2 million.**
- **Loss after tax and significant items of \$323.7 million. This includes a net tax benefit of \$20.6 million, relating to the Challenger Gold Operations impairment.**
- **Non-cash asset impairments and other significant items of \$356.8 million pre-tax, with \$311.9 million principally relating to Challenger (\$291.3 million post-tax).**
- **No final dividend has been declared. An interim dividend of 5 cents per share was declared for the half year to 31 December 2012.**

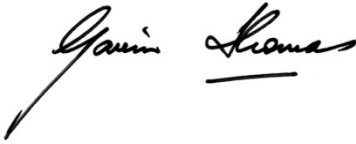
The lower realised gold price of US\$1,588 per ounce (2012: US\$1,663 per ounce), lower gold sales of 195,948 ounces (2012: 204,145 ounces) and industry wide cost pressures had a negative impact on the underlying earnings of the Group. The lower gold price and changes to mine operating plans also resulted in a major impairment to the carrying value of a number of Group assets, particularly the Challenger Mine. The impairments were the major contributor to the after tax loss of \$323.7 million for the year.

The two development projects continued to advance during the year. At Nueva Esperanza, feasibility work shifted to focus on identifying a lower cost and lower power consumption development alternative. This included assessing a heap leach process option and on-site power generation. Further work will be on-going into the December quarter 2013.

At Bowdens, the feasibility work has confirmed the optimum process route. Completion of the technical feasibility study, including mine planning, infrastructure and metallurgy, and lodging of the environmental impact statement are scheduled for 2014.

## Outlook

The outlook for the Group in fiscal year 2014 is for gold production to be in the range of 190,000 to 210,000 ounces. At the Chatree Mine in Thailand, the expanded plant will result in gold production of between 120,000 to 130,000 ounces. At the Challenger Mine in South Australia, production for the year is expected to be in the range of 70,000 ounces to 80,000 ounces of gold, a result of implementing the new mine plan,



### **Gavin Thomas**

Managing Director and CEO  
Kingsgate Consolidated Limited

## **IMPORTANT NOTICES**

### *Caution regarding forward-looking statements*

*This announcement contains forward-looking statements, which can usually be identified by the use of words such as "may", "will", "expect", "intend", "plan", "estimate", "anticipate", "believe", "continue", "objectives", "outlook", "guidance" or words of similar effect. These forward-looking statements are not guarantees or predictions of future performance, and involve known and unknown risks, uncertainties and other factors, many of which are beyond our control, and which may cause actual outcomes to differ materially from those expressed in the statements contained in this release. You should not place undue reliance on these forward-looking statements. These forward-looking statements are based on information available to us as of the date of this release. Except as required by law or regulation (including the ASX Listing Rules) we undertake no obligation to update these forward-looking statements.*

### *Past performance not indicative of future performance*

*Past performance information given in this announcement is given for illustrative purposes only and should not be relied upon as (and is not) an indication of future performance.*

### *\*EBITDA*

*EBITDA before significant items is a financial measure which is not prescribed by International Financial Reporting Standards (IFRS) and represents the profit under IFRS adjusted for specific significant items. The EBITDA before significant items has not been subject to any specific review procedures by our auditor but has been extracted from the accompanying half financial report*