



**Kingsgate**  
Consolidated Limited

# Transition to Growth

## Successful Return to Full Capacity

**March Qtr Update**  
**20 April 2009**





# Disclaimer

## Forward Looking Statements:

*These materials include forward looking statements. Forward looking statements inherently involve subjective judgment & analysis & are subject to significant uncertainties, risks & contingencies, many of which are outside of the control of, & may be unknown to, the company.*

*Actual results and developments may vary materially from that expressed in these materials. The types of uncertainties which are relevant to the company may include, but are not limited to, commodity prices, political uncertainty, changes to the regulatory framework which applies to the business of the company & general economic conditions. Given these uncertainties, readers are cautioned not to place undue reliance on such forward looking statements.*

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## Competent Persons Statement:

*Information in this presentation that relates to Exploration Results, Mineral Resource and Ore Reserve estimates, geology, drilling and mineralisation, is based on information compiled by Ron James, who is an employee of the Kingsgate Group and is a member of The Australasian Institute of Mining and Metallurgy. Ron James is a Competent Person under the meaning of the JORC Code with respect to Exploration Results, Mineral Resource and Ore Reserve estimates, geology, drilling and mineralisation being presented. He has given his consent to the Public Reporting of these statements concerning Exploration Results, Mineral Resource and Ore Reserve estimates, geology, drilling and mineralisation, and is in agreement with the contents and format of this presentation.*

## Reporting on Exploration Targets:

*Any statement or information relating to the potential quantity and grade of an exploration target, specifically the Chokdee Prospect, is based on recent public announcements and is conceptual in nature. There has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource.*





# Kingsgate's Value Drivers

- ❖ **Gold Production Increasing**
  - ❖ Full capacity reached - Mar Qtr
  - ❖ 125-150,000 oz/yr rate
  - ❖ Cash costs <US\$350/oz in CY09
- ❖ **Large expanding asset**
  - ❖ Growing reserves / resources
- ❖ **Expanding to double throughput**
- ❖ **Solid balance sheet & cashflow**
- ❖ **Major new discovery in Gold Belt**





# Growing Thai Gold

## Chatree North Mining Leases

- ❖ Thai focus - listed in ASX 200
- ❖ Key asset - Chatree Gold Mine
- ❖ Gold producer for 7 years
- ❖ Mine life a further 7-10+ years
- ❖ Rural area; good infrastructure
- ❖ US\$30 million debt facility
  - ❖ Drawn, but net cash positive
- ❖ ASX:KCN Mkt Cap: ~A\$500M
- ❖ Shares: 96 million + 6M options
- ❖ Held: 15% USA, 25% Europe, 5% Asia, 49% Aust, 6% Directors





# Production Ramp-up Success

**Successful Ramp-up  
150,000ozs Jan-Dec'09  
Increased grade ~2g/t**

**Dec Qtr'08 Production: 12,771 ozs  
Mar Qtr'09 Production: 32,992 ozs  
Mar Qtr'09 Cash Costs: US\$364/oz  
Grade increased: 1.1 to 1.7 to ~2g/t  
Plant at full capacity: 2.6 Mtpa rate  
CY'09 F'cast: 150,000oz @US\$350/oz**

**C North**



**K East**



**A Pit**

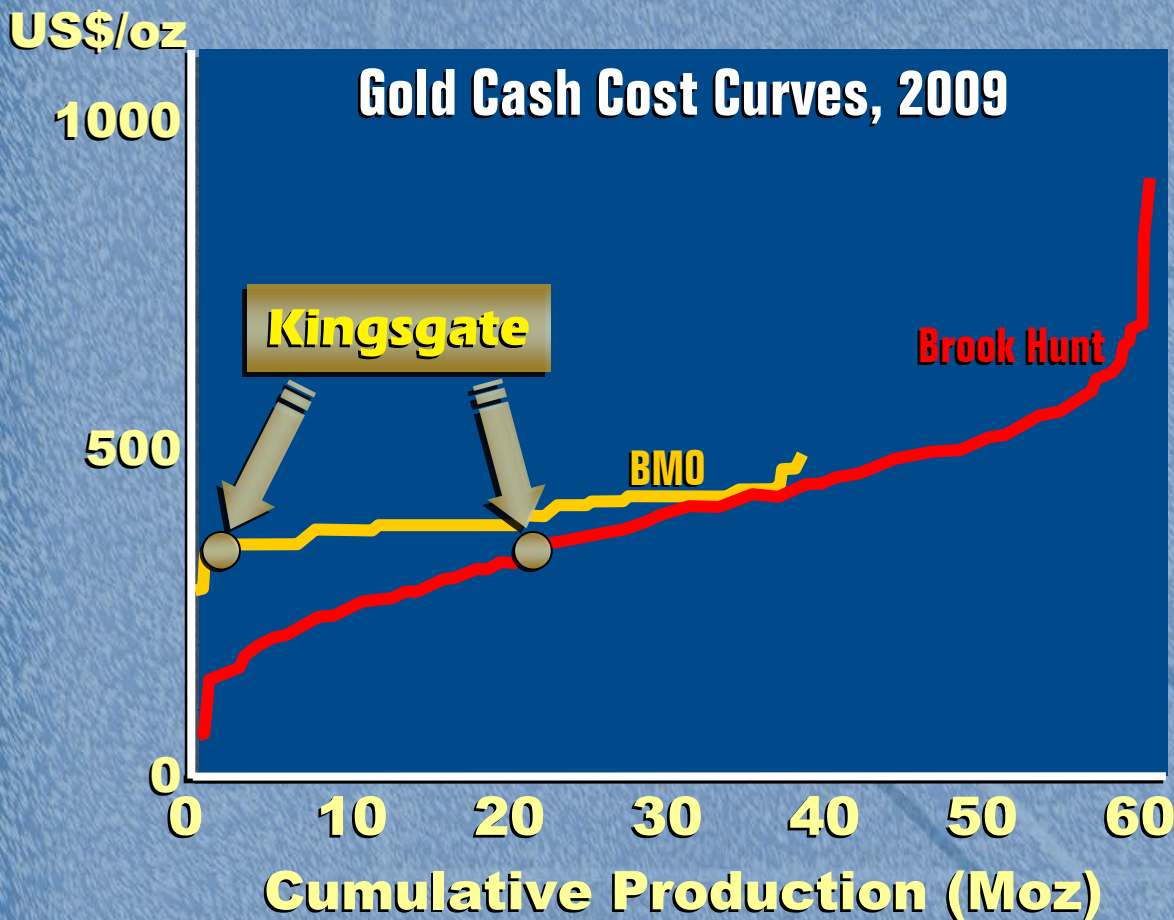
***New mining areas opening up***





# Operating Cash Costs

**Kingsgate <US\$350/oz during CY2009**



- ❖ **Kingsgate in lowest quartile**
- ❖ **Low unit cost per tonne treated: US\$16-18/tonne**





# Access to Higher Grades

## Mining A Pit & C North

Higher grades in June Qtr

Increased production

Lower costs

Higher grades at A Hill  
lift head grade

Resource Devel drilling  
on West side of hill

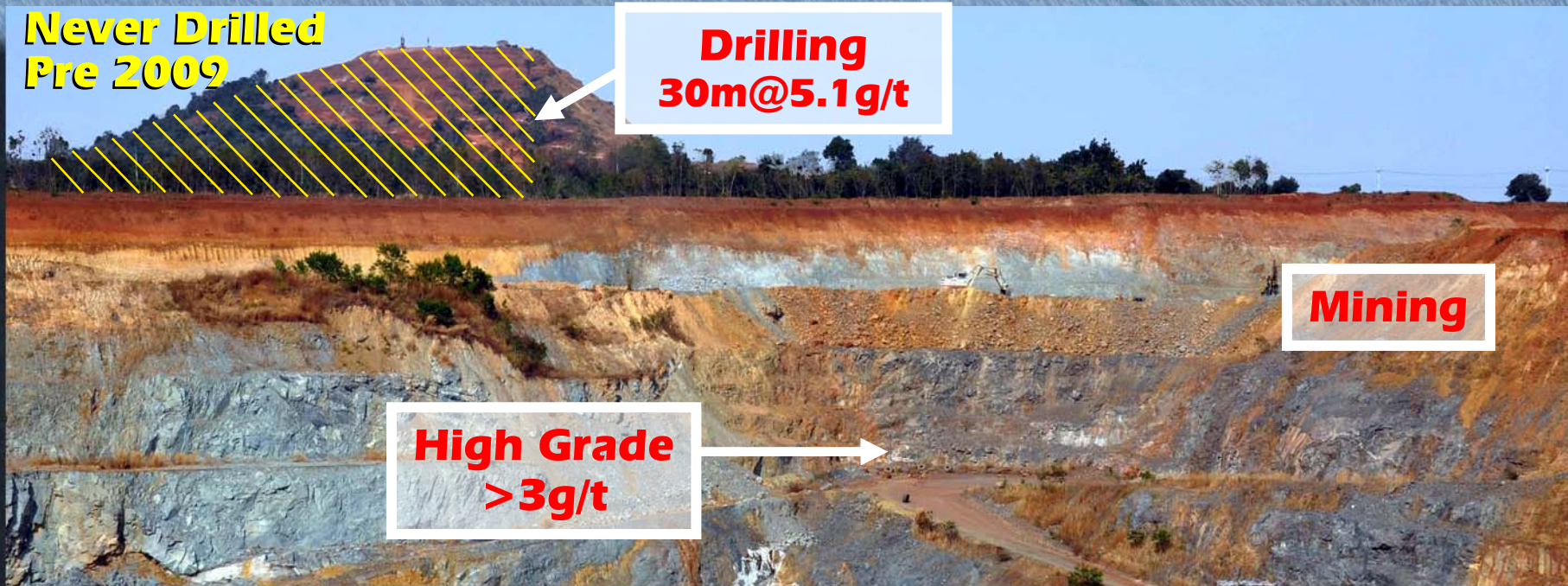
C North high grades (>3g/t)  
commence late in April '09

Never Drilled  
Pre 2009

Drilling  
30m@5.1g/t

Mining

High Grade  
>3g/t





# Quality Asset – Chatree Nth

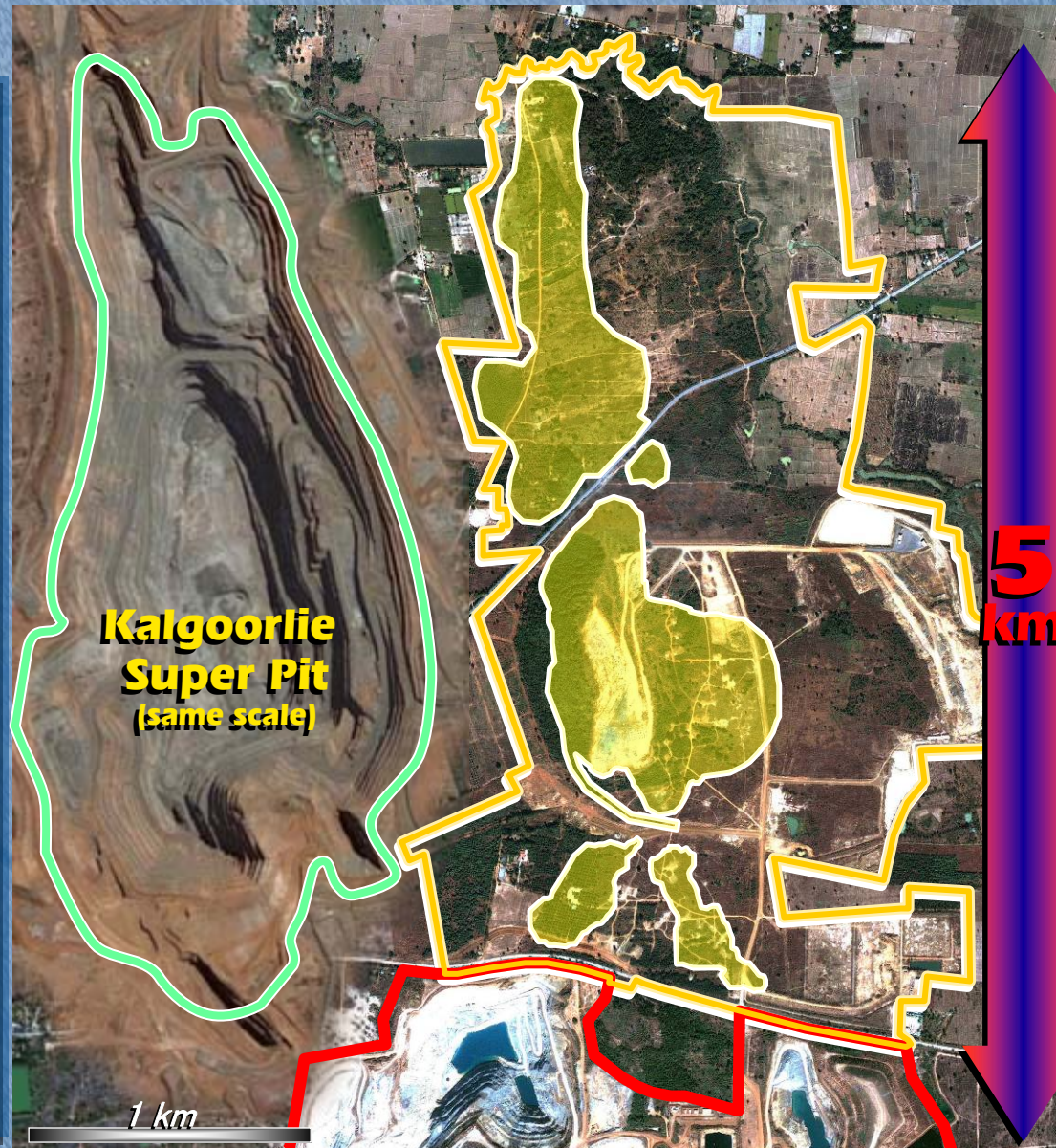
- ❖ Average LARGE gold deposits are ~4 Moz
- ❖ Chatree system ~5 Moz (incl. mined to date)
- ❖ Drilling will increase Resources/Reserves
- ❖ Pits could become a Thai Super Pit

## Current status:

- ❖ 1.4Moz Reserve
- ❖ 3.2Moz Resource

Ore Reserve (JORC) Jun'08  
33.9Mt @ 1.2g/t Au, 12g/t Ag

Mineral Resource – Jun'08  
81.0Mt @ 1.2g/t Au, 10g/t Ag





# Resource Growth - in Leases

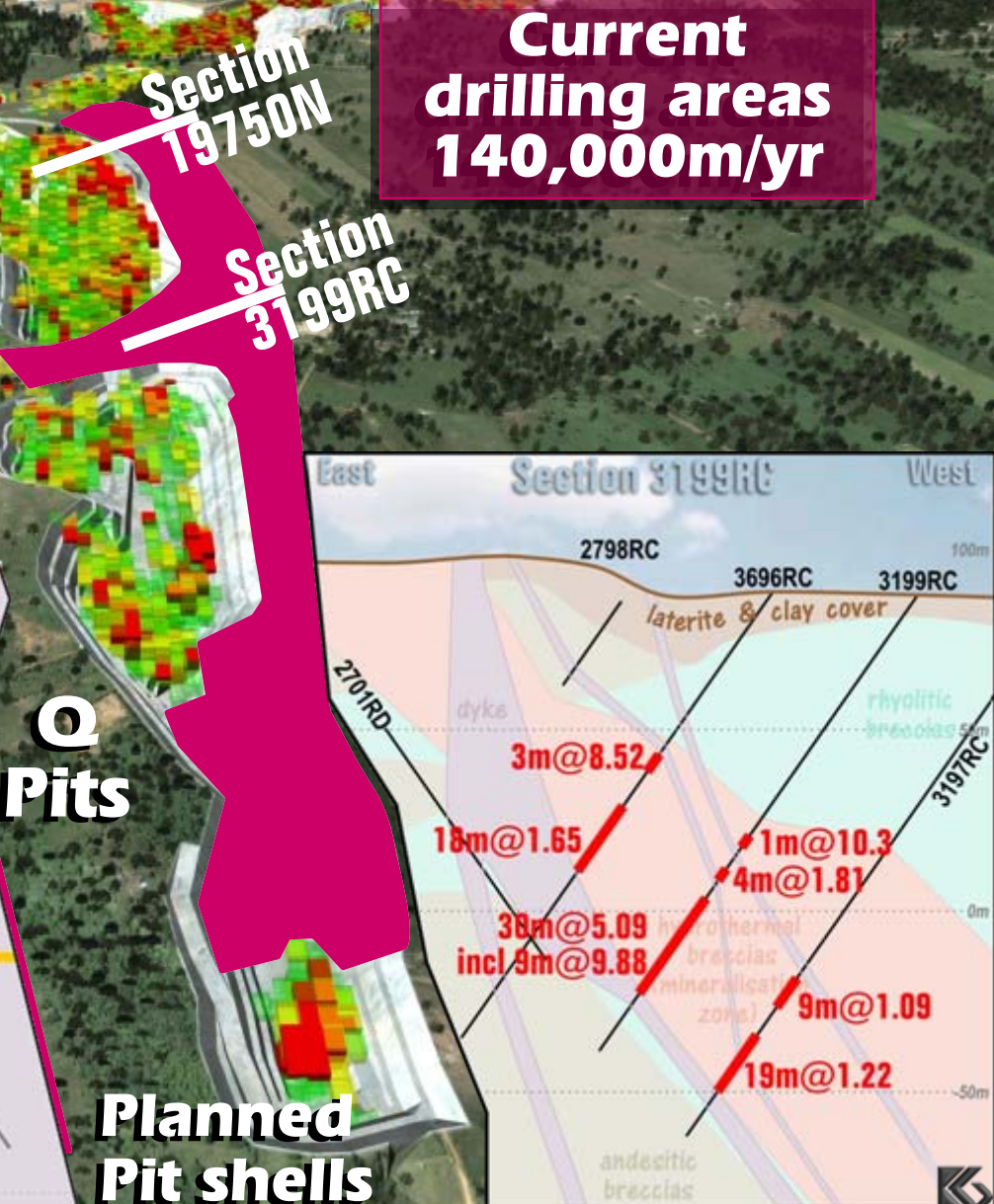
**Chatree North  
(Looking south)**

**Current  
drilling areas  
140,000m<sup>2</sup>/yr**

**A Pit**

**Q  
Pits**

**Planned  
Pit shells**





# 3D Section, "A" Pit

A Hill

Mining

Current  
drilling

Potential  
additional ore

Resource 'A' Pit

1.8 Moz Gold

Reserve 'A' Pit

1.1 Moz Gold

30m @ 16g/t gold

12m @ 30g/t gold + 300g/t silver

Higher  
grade  
underground  
potential





# Expansion: De-risking Process

- ❖ Review underway - revised capex scheduled for June
- ❖ Proposal finalised in Sept Qtr
- ❖ Already purchased grinding mills – delivery pre-June

**Plant Expansion  
+ 2.6 mtpa**



**Current Plant  
2.4 mtpa**

**Expanded Total  
5 mtpa**



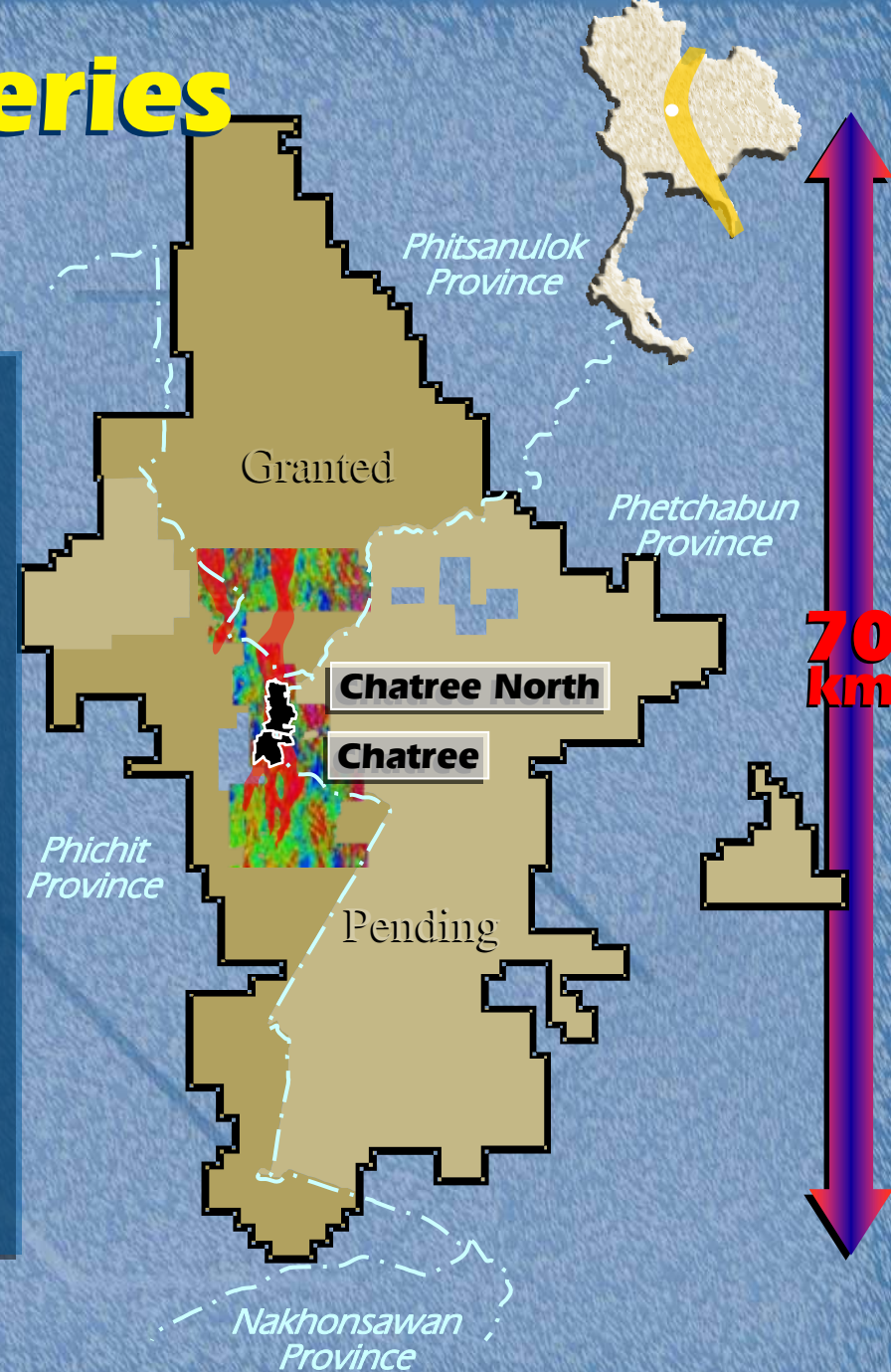
**Expansion Plant Area**





# New Discoveries

- ❖ **Regional drilling started**
  - ❖ **US\$6m/year budget**
- ❖ **Chokdee - New discovery with Chatree size potential**
  - ❖ **Discovery made in initial drilling of key target**
  - ❖ **Large gold-in-soil anomaly: potential open cut mine**
- ❖ **Several drill ready targets**
- ❖ **Potential for further discoveries in gold belt**





# Chokdee Prospect - Chatree Size?

**Chatree  
Resource Growth**

1.2Moz 2000

2.0Moz 2003

3.6Moz 2005

4.6Moz 2006

**Chatree**

**Chokdee  
Prospect**

*Potential 5-10Moz*

**Current  
drilling**

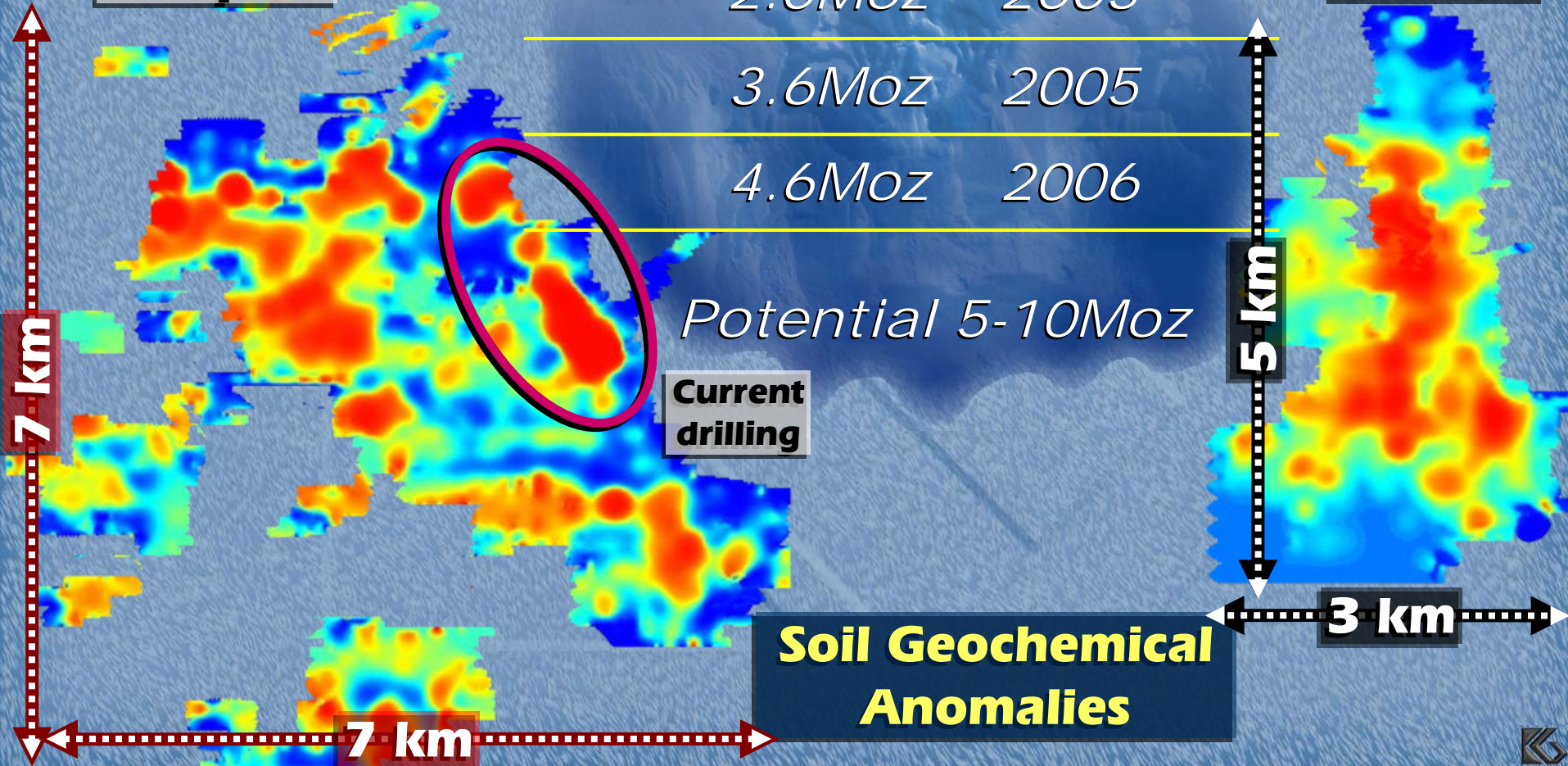
5 km

3 km

**Soil Geochemical  
Anomalies**

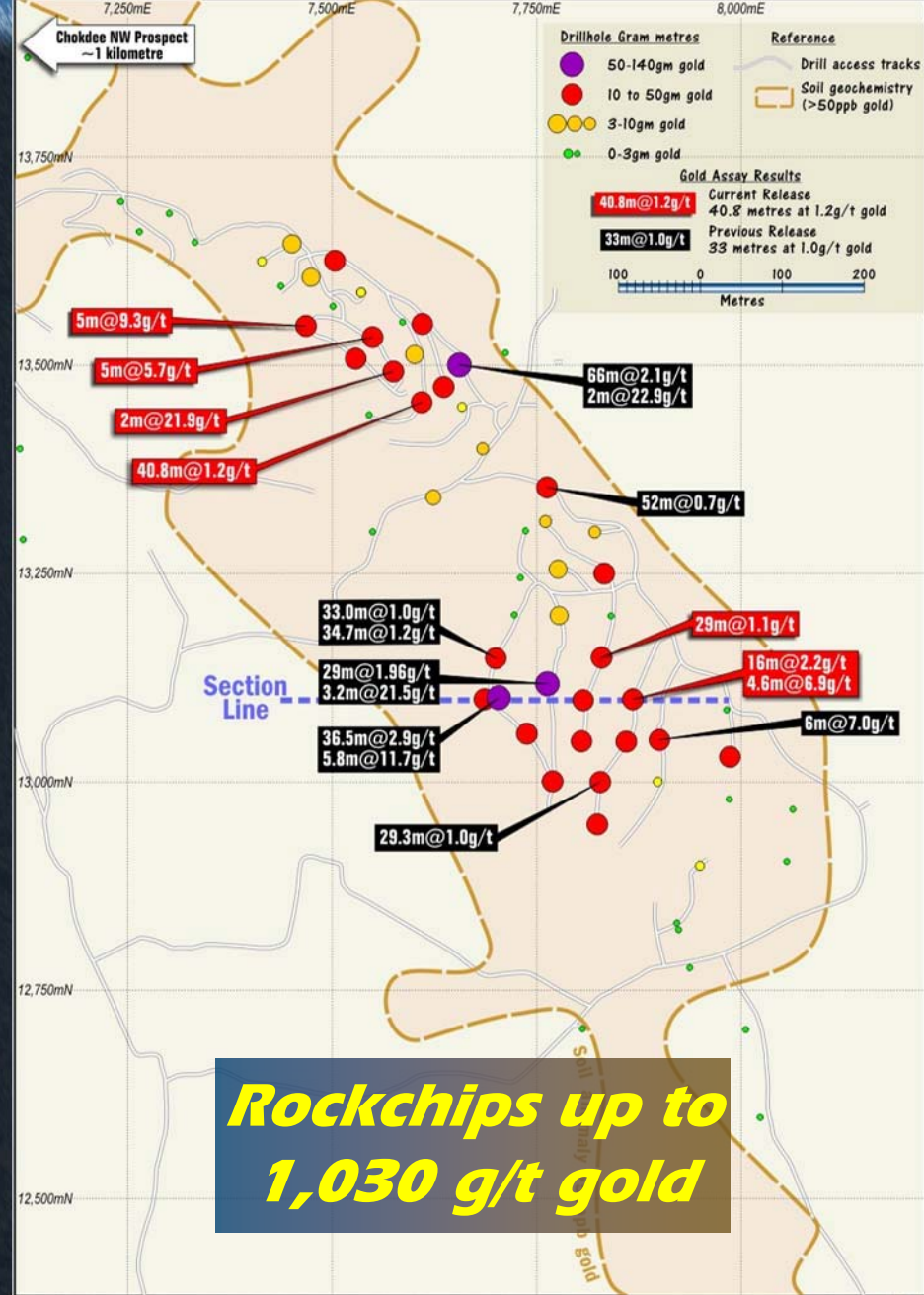
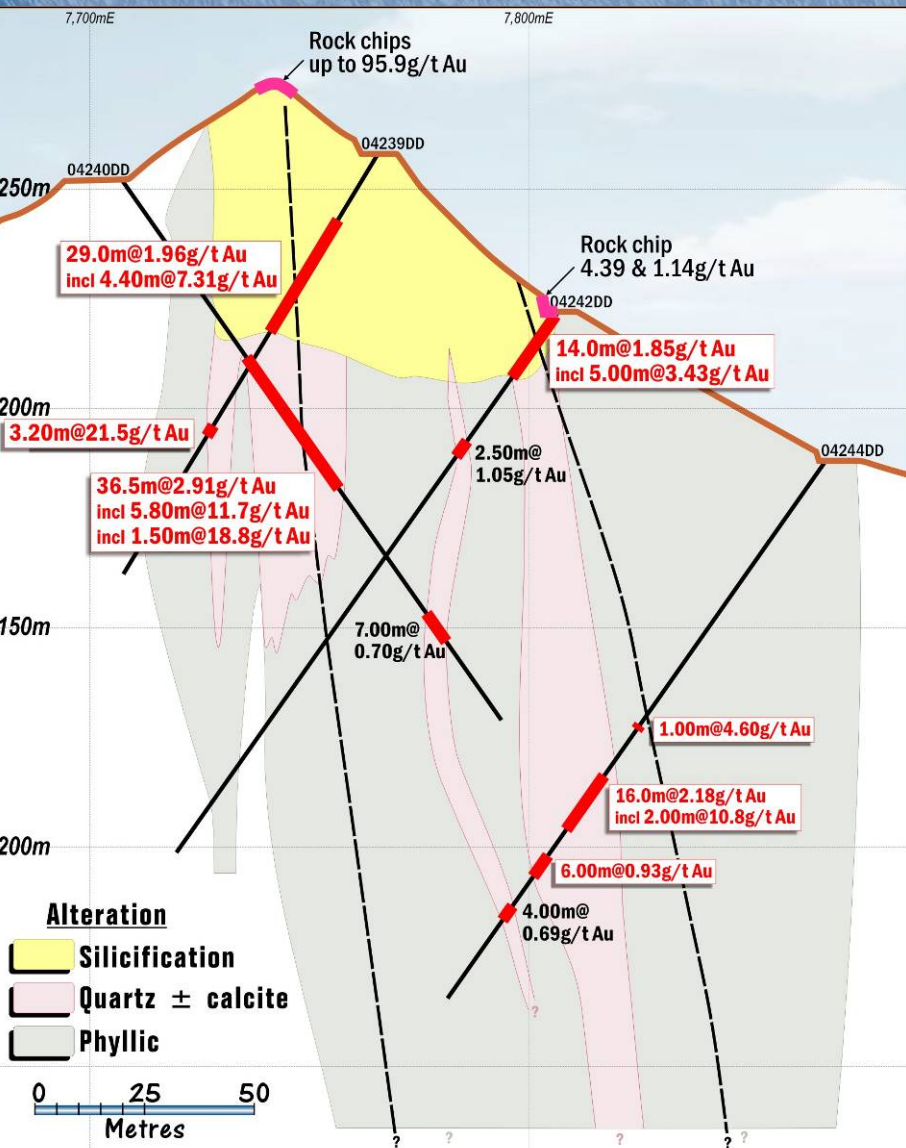
7 km

7 km





# Chokdee Discovery



**Rockchips up to 1,030 g/t gold**



# Competitive Advantages

- ❖ **Robust Deposit – Organic growth**
  - ❖ **Simple metallurgy**
  - ❖ **Low cost discovery ounces**
- ❖ **Lowest Quartile of Cost Curve**
  - ❖ **Lower input costs**
    - ❖ **Grid Power - US7.5c/Kwh**
    - ❖ **Skilled manufacturing- “Buy Thai”**
    - ❖ **Labour – Skilled & available**
- ❖ **Good infrastructure; Not remote**
  - ❖ **Good support industries locally**
- ❖ **Social License to Operate**
  - ❖ **Opens doors in SE Asia**





# Excellent Track Record

- ❖ **World's Safest Gold Mine**
  - ❖ **AusIMM award**
- ❖ **World's best ISO standards**
- ❖ **Only mining company granted Social Accountability SA8000**
- ❖ **Zero Environmental Incidents**
- ❖ **Community projects**
- ❖ **Training focus - 99% Thai**
  - ❖ **23% women in management**
- ❖ **High quality, stable workforce**



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SUSTAINABILITY  
AWARDS

2007 Special Award for Labour Relations

**Kingsgate Consolidated**

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# Future's Improving

**Production Growth  
Higher Grades**

**Successful Ramp-up  
Higher Production during June Qtr  
Costs to reduce to <US\$350/oz**

**Resource Growth  
Extend mining areas**

**Drilling extensions to orebodies  
Areas have never been drilled  
Resource growth within leases**

**New Discoveries  
Chokdee Prospect  
1<sup>st</sup> of Several**

**New discovery:  
Potential to be larger than Chatree  
Several other drill ready targets**

