



Kingsgate Consolidated Limited

**Low Cost Gold Producer
Growing in a Gold Province**

**Update
Half Year
Financials**

24 February 2010





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.

Forward looking statements in these materials speak only at the date of issue. Subject to any continuing obligations under applicable law or any relevant stock exchange listing rules, the company undertakes any obligation to publicly update or revise any of the forward looking statements, changes in events, conditions or circumstances on which any such statement is based.

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.



P & L : Costs Contained

Profit: A\$33M

Revenue: A\$88M

Strong profit

- Chatree in full production
- Impacted by foreign exchange
- \$A7M unrealised FX Loss Thai Baht/AUD

**'Underlying Profit'
A\$40 million**

**Adding back unrealised FX Loss (A\$7M)
Approach used by most Resource
Equity Analysts
Dividend announced: 15c/share**

**Costs Contained
Strong Cashflow**

**Operating Costs steady (per tonne)
Low Cash Cost operation**

- US\$332/oz (HY10)
- includes US\$72/oz Thai Royalty

Stockpile build: higher inventory value





Income Statement (A\$M)

A\$ Million : Dec 09 HY

Revenue + Other Income	88.5
Direct Costs	(42.9)
Employee Benefits	(5.7)
D & A	(7.6)
Finance Costs	(1.0)
Exploration Expenses	(0.1)
Forex	(8.0)
Inventory	14.2
Other	(4.9)
Tax	0.7
Profit	33.2

Comparison with December 2008 Half Year not valid as mine only returned to full production in January 2009





Low Cost Production

**Low Cost Gold
Half Year 2009**

**69,526 oz Half Yr Gold Production
US\$332/oz Half Yr Cash Costs
including US\$72/oz Thai Royalty**

**Production Up -
Upper End Forecast**

**Forecast: 120-140,000 oz June FY10
Will produce @ Upper End of Range**

**Lowest 20% of
Industry Costs**

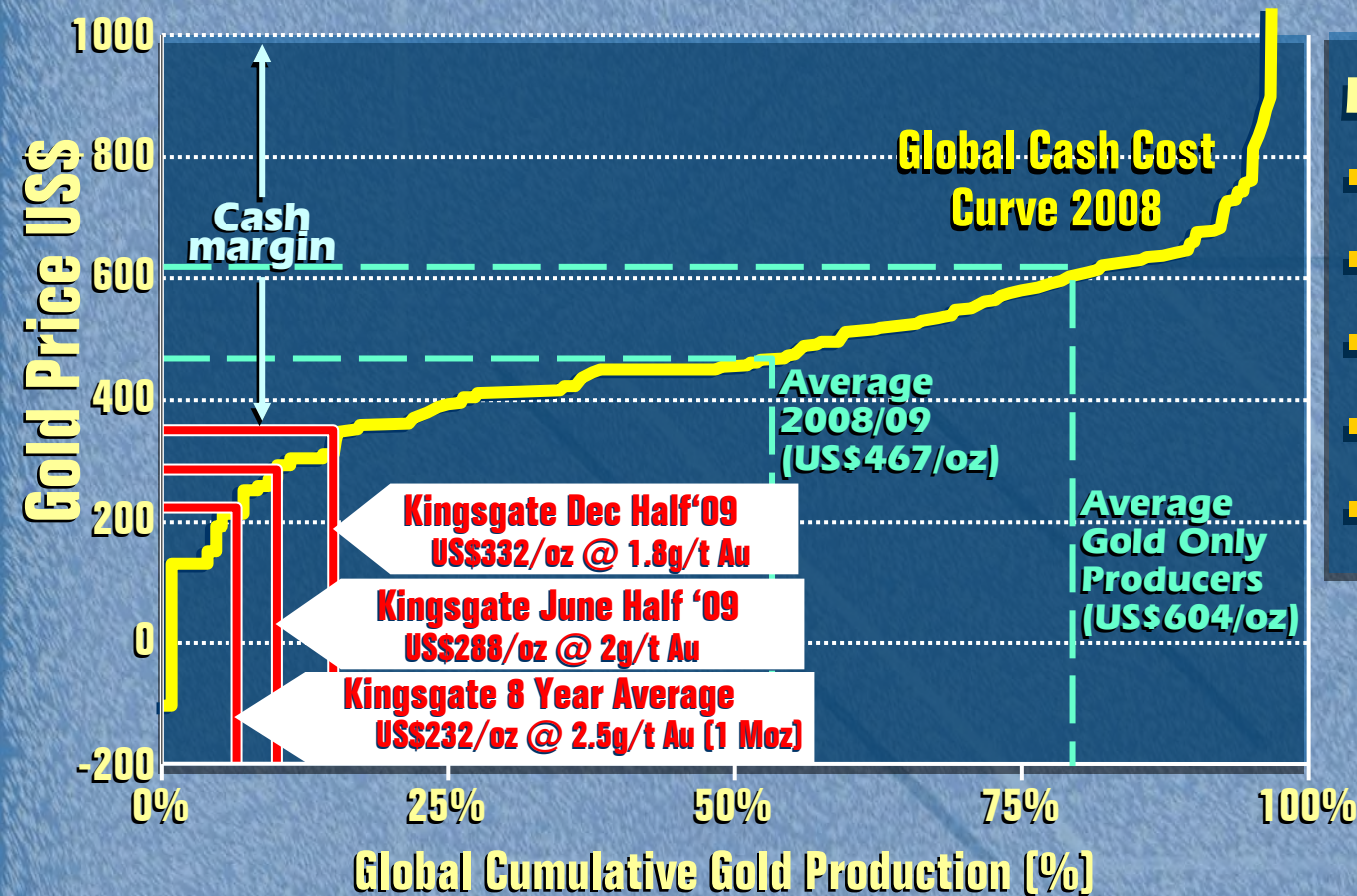
**Due to 'Asian Advantage'
Unit Costs stable
Cash Costs/oz vary with gold grade**





Low Cost Gold Producer

Lowest 20% of World Production



Low Cost Drivers:

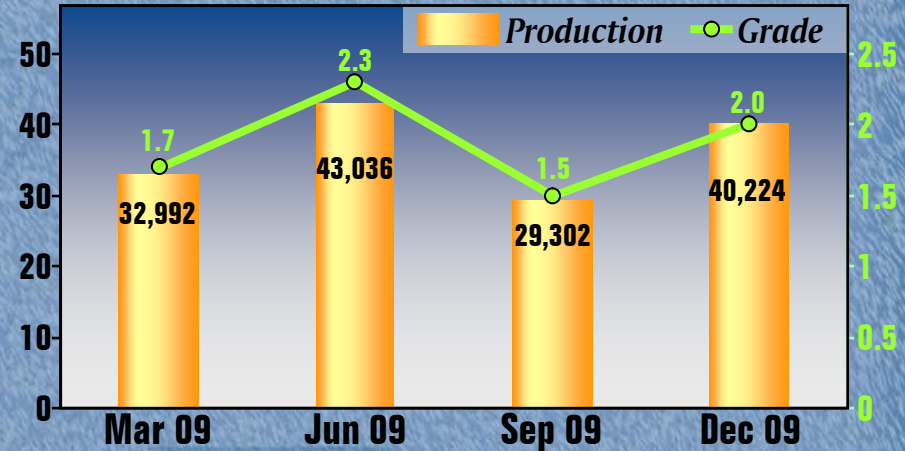
- Grid Power
- Local workforce
- Local suppliers
- Efficient safe mine
- Robust deposit



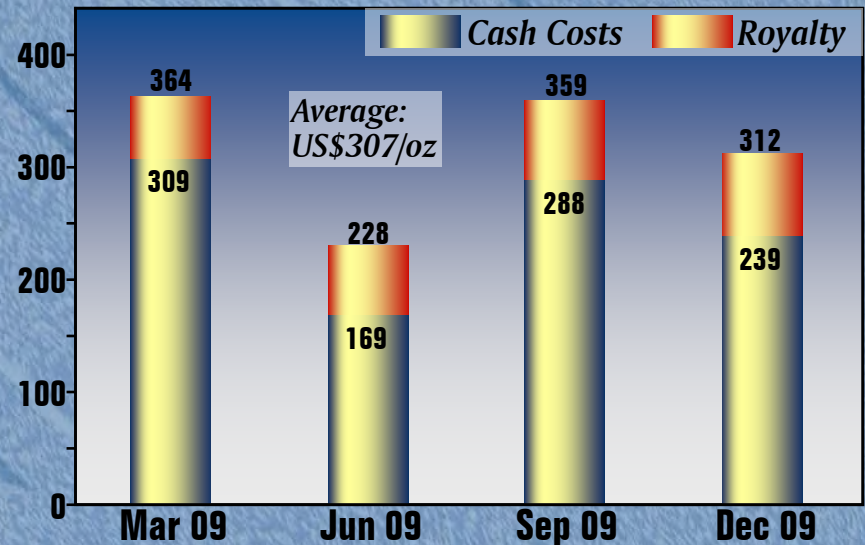


Costs Maintained

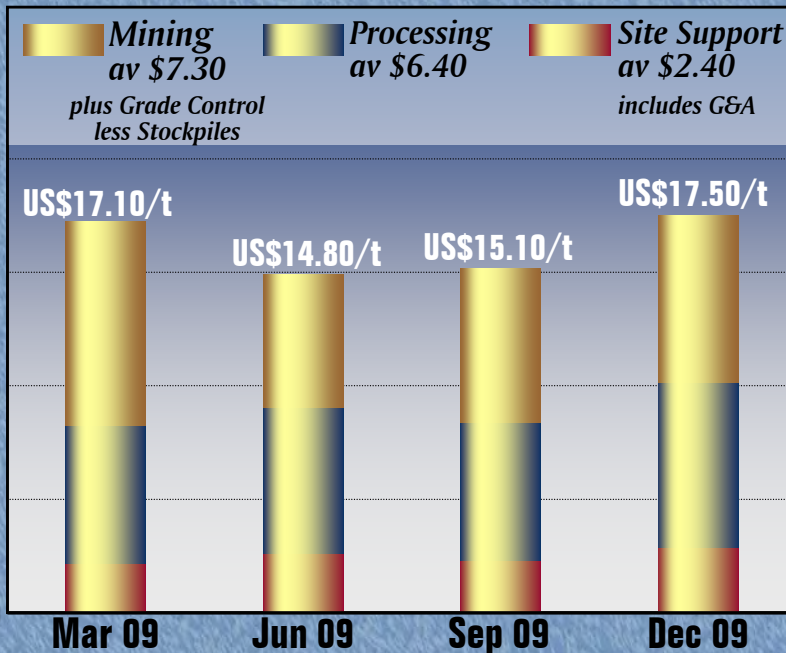
- **Unit Costs stable**
- **Costs/oz vary with grade**



Quarterly Gold Production & Grade



Quarterly Cash Costs & Royalty



Quarterly Cash Costs per tonne





1st Millionth oz poured Feb 2010

8+ years operating

**Av Cash Costs:
US\$232/oz**

Chatree Mine History

1993-95 **Discovery**
2000-01 **Construct 1Mtpa Plant**
2001 **First gold pour (Nov '01)**
2006 **Expansion 2Mtpa Plant**
2008 **New Mining Leases**
2010 **1st millionth ounce**





Solid Investment Drivers

- **Low Cost Asian Gold Producer**
- **Production Growth - Expansion**
- **Deposit & Reserve growth potential**
- **Satellite pit potential**
 - **New discoveries**
 - **Control of a Gold Province**
- **3rd Largest ASX Gold Producer**
- **Strong Financials, No debt**

