



Kingsgate Consolidated Limited

11901

Mid-Tier Major in the Making

Low Cost Gold – 4 Aug 2010





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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 – Asian Gold

- **Key asset - Chatree Mine, Thailand**
- **Producing: ~9 years, >1Moz poured**
- **Mine life: 12+ years with expansion**
- **Mkt Cap: ~A\$1 Bn**
- **Shares: 100.7 million, 1.8M options**
- **3rd best performing ASX200 stock over last decade**
- **Stock widely held by offshore institutions**





Making a Mid-Tier Miner



Large Deposit & Growing



Low Cost High Margin Gold



Expanding Production



Proven Ability in Asia



Proven Value Creator



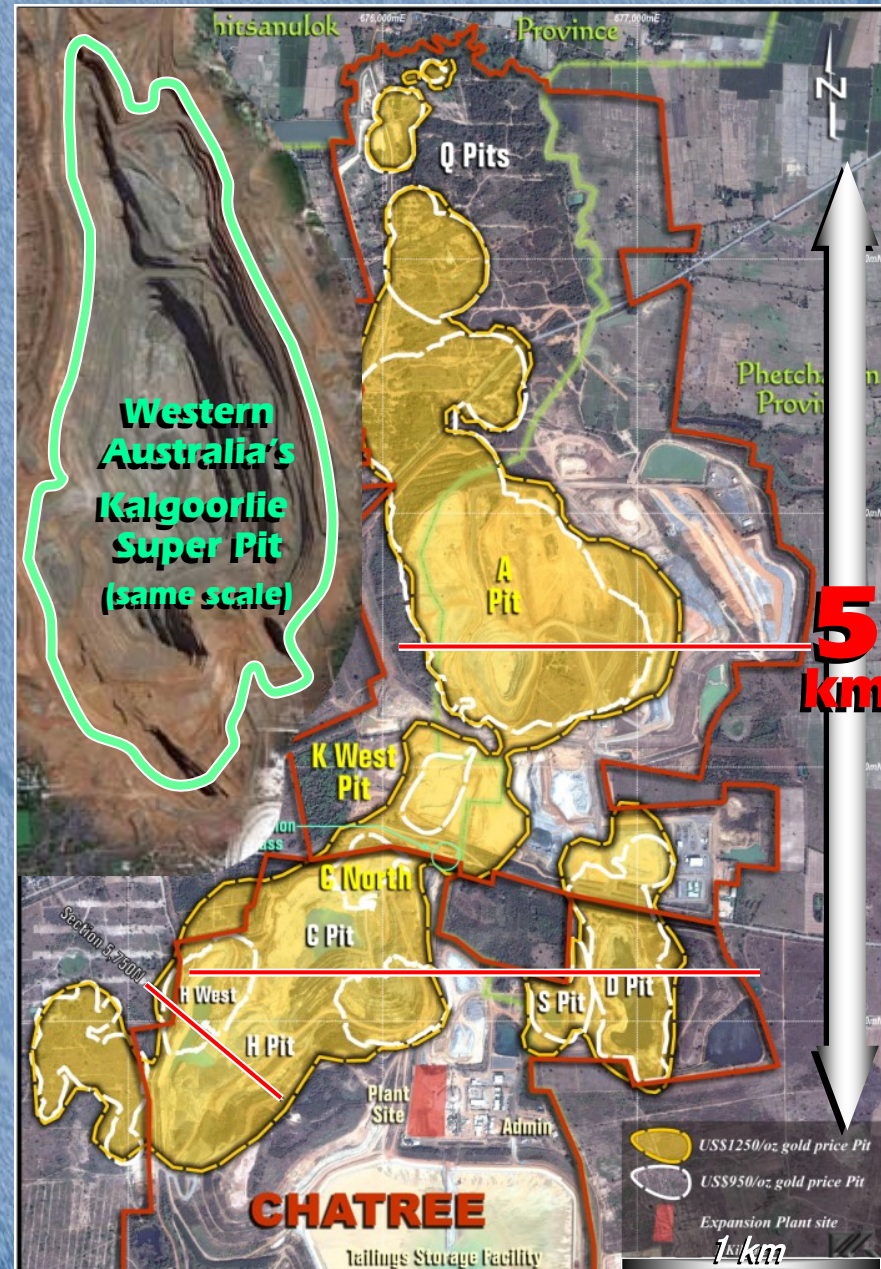


World Class Deposit

**World Class Deposits
are >5Moz**

**Chatree ~6Moz
to date & growing
including mined to date**

**1.9Moz Reserve
4.3Moz Resource**

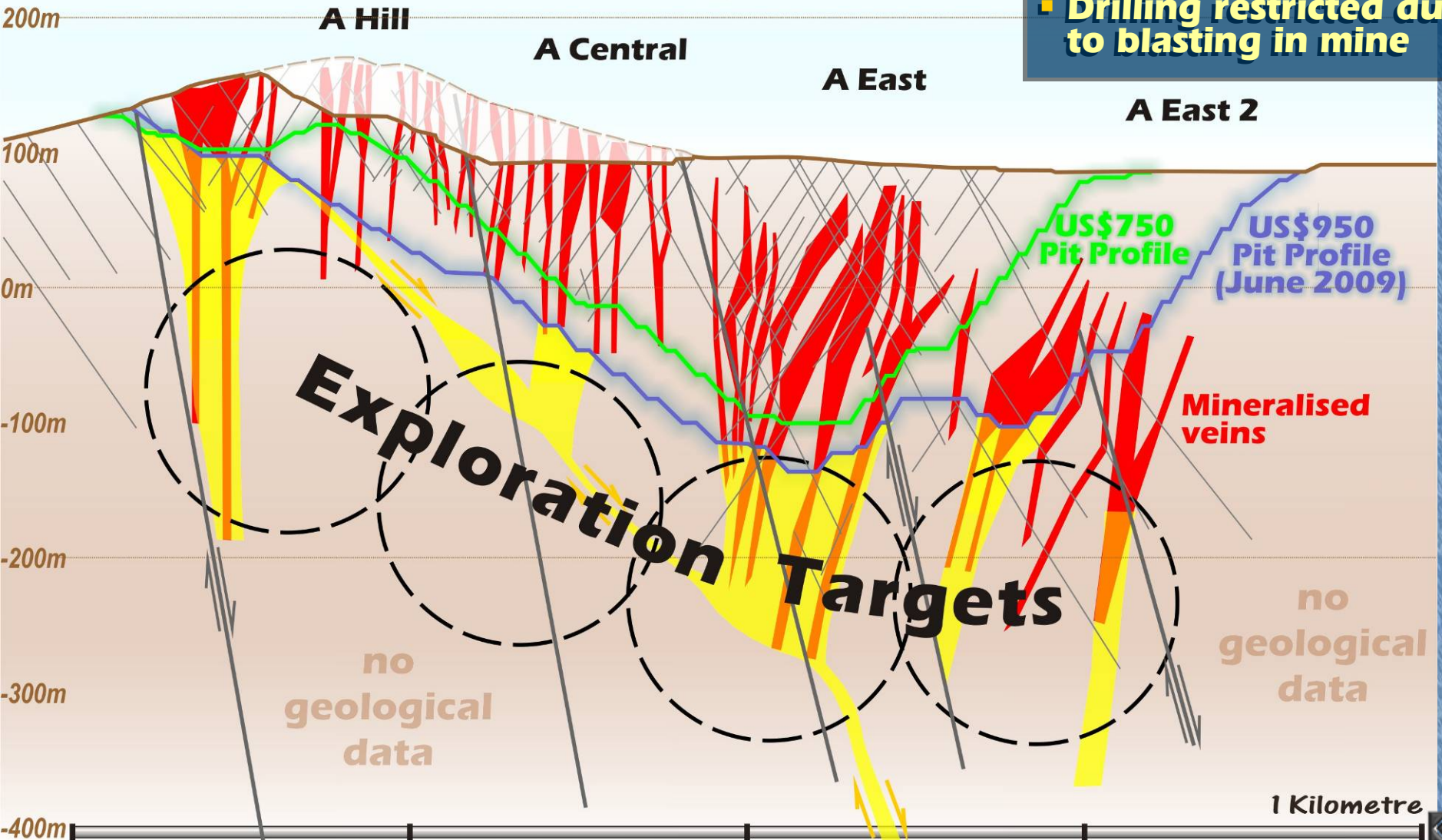




Expanding Current Pits

looking north

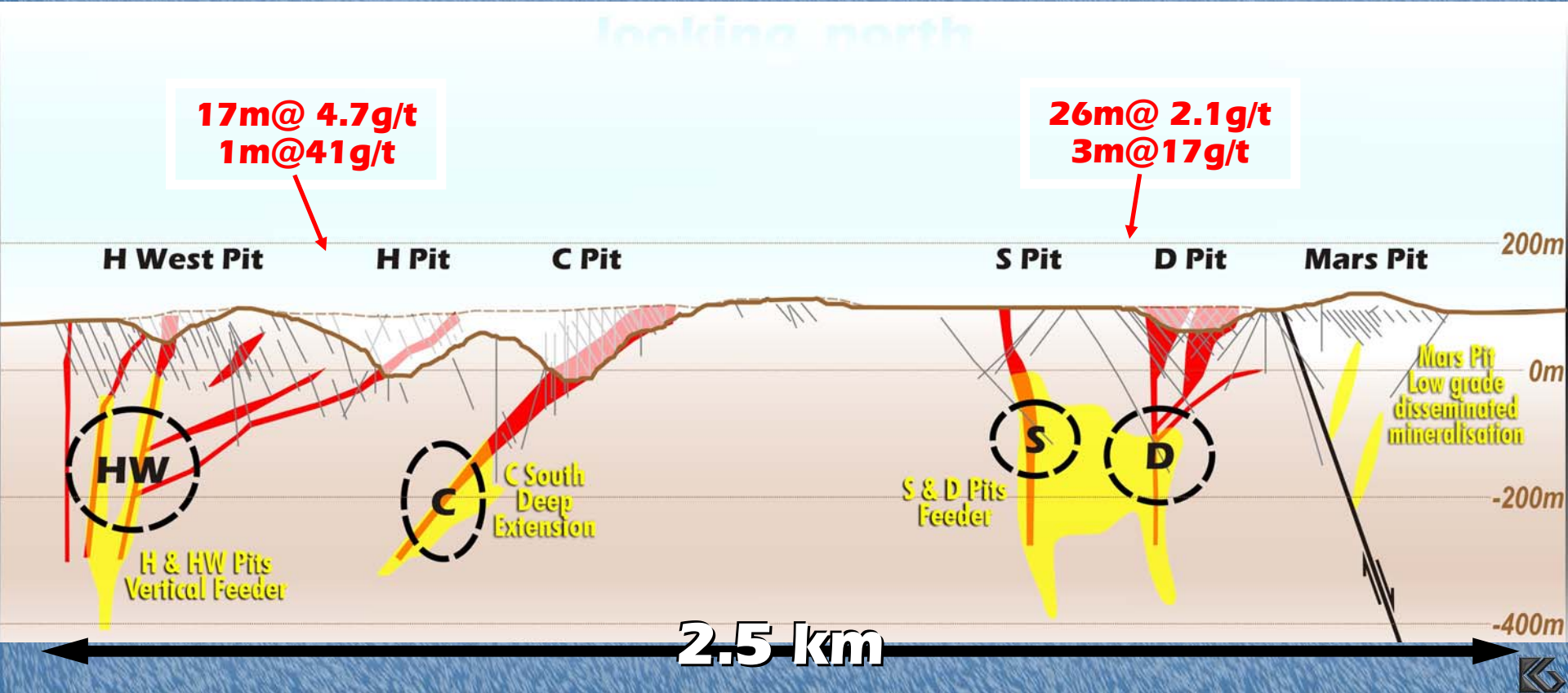
- Current 'A' Pit design is at limit of drill data
- Drilling restricted due to blasting in mine





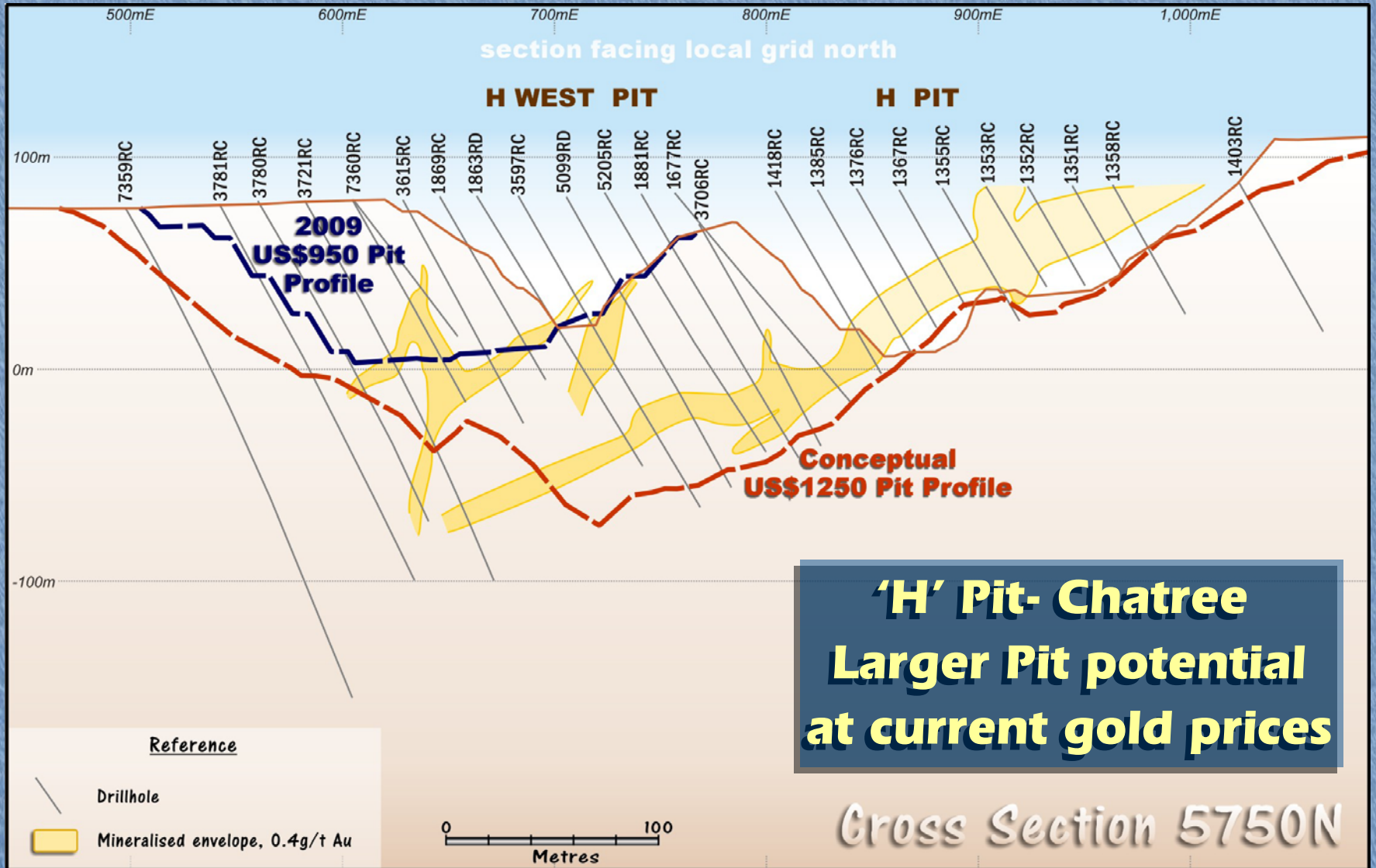
Potential below Old Pits

- Prior pits to re-open at current gold price
- Drilling to locate high-grade targets





Original Chatree Pits Larger





Larger Pit Potential

**Chatree Total
Reserves: 1.9Moz
Resources: 4.3Moz**

**'A' Pit - Chatree North
Larger Pit potential
at current gold prices**

**Q Pit
(sth)**

A Pit

Chatree Grade/Tonnage Variance Versus Gold Price*

Gold Price (US\$)	Gold Grade (g/t)	Tonnes (Millions)	Contained Gold (Moz)
1050	0.98	71	2.2
1150	0.96	78	2.4
1250	0.85	100	2.7

* Whittle Four-X modelling only
at different pit optimisation scenarios





Current Operations



A Hill

A East Pit

A Pit looking West



K West

K West Pit looking South





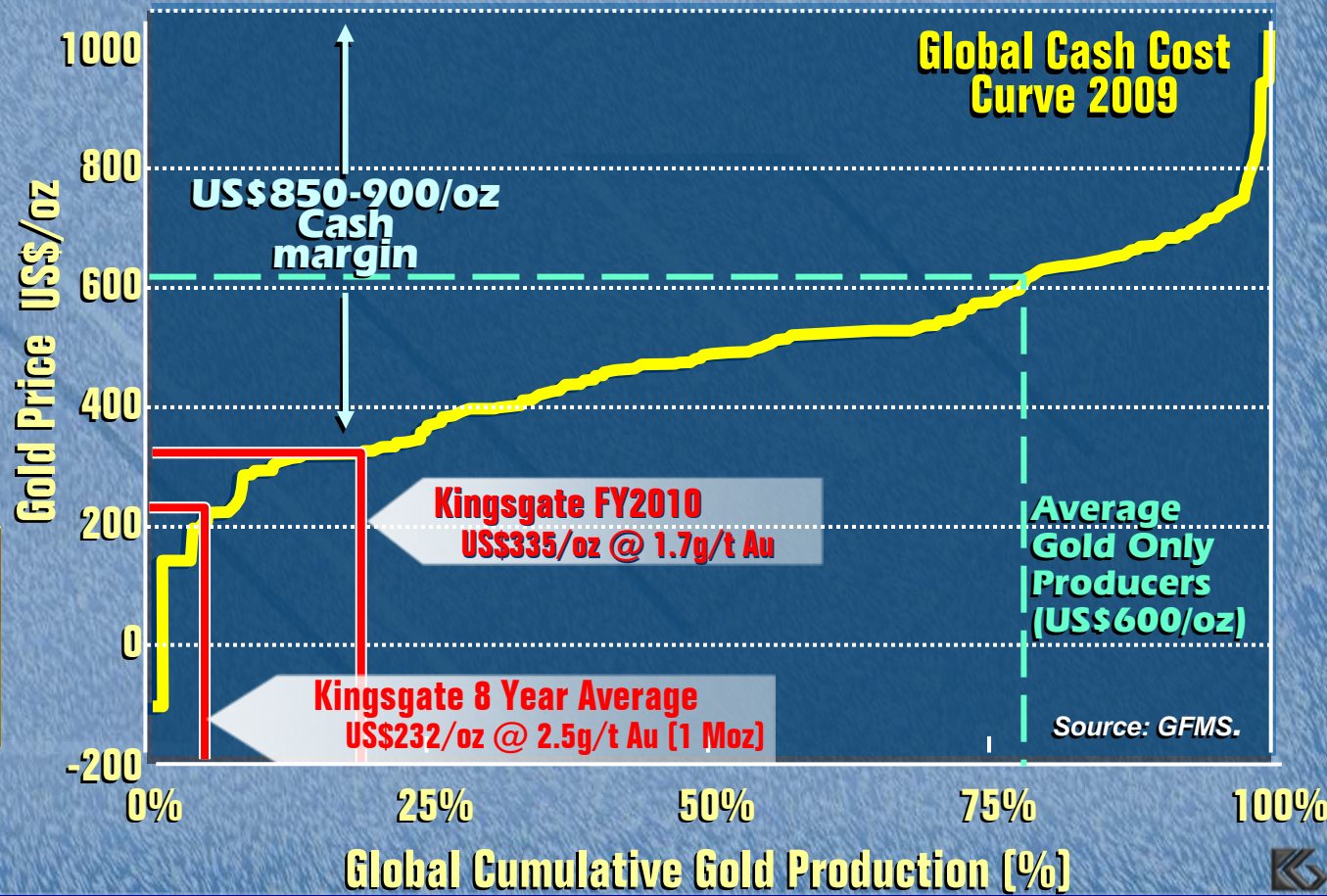
Low Cost Gold Producer

**Low Cash Costs
US\$335/oz costs**

**Good Position
on Cost Curve**

**Lowest 20% of
Industry Costs**

**US\$850-900/oz
Cash Margin**





Low Cost Production

**Low Cost Gold
US\$335/oz costs**

**132,628oz Gold Production FY10
US\$335/oz Cash Costs FY10
US\$257/oz + US\$78/oz Thai Royalty**

**Production Up
with Expansion**

**Forecast FY2011: Similar to FY2010
200,000+ oz/year production rate
from mid 2010**

Maintain Low Costs

**Costs: US\$15.50/t, Up15% in 9 years
Higher grade top-up keeps \$/oz low
Grid power & labour keep costs low**





Expansion: Double Capacity

**Plant processing capacity increase from 2.3 to 5 Mtpa
Mid-2011 Commissioning; Initial contracts signed
Increase production to over 200,000 oz/year**

**Plant Expansion
+ 2.7 mtpa**



**Current Plant
2.3 mtpa
Expanded Total
+5 mtpa**



**Expansion Plant Area
Preparing to pour concrete**





Expansion: incl. Production

**Double Processing
Capacity**

**From 2.3Mtpa to 5+Mtpa
2nd train built beside current plant
Potential to run at higher rates**

**Investment
Incentives Provided**

**Thai BOI – Generous Incentives
Tax free until all capex recouped in
tax savings + extra depreciation**

Finance Underway

**~US\$100m remaining capex;
~US\$25m spent previously on
long lead items (now on site)
~US\$100m debt facility underway**





Expansion: Underway



Footings for new Plant

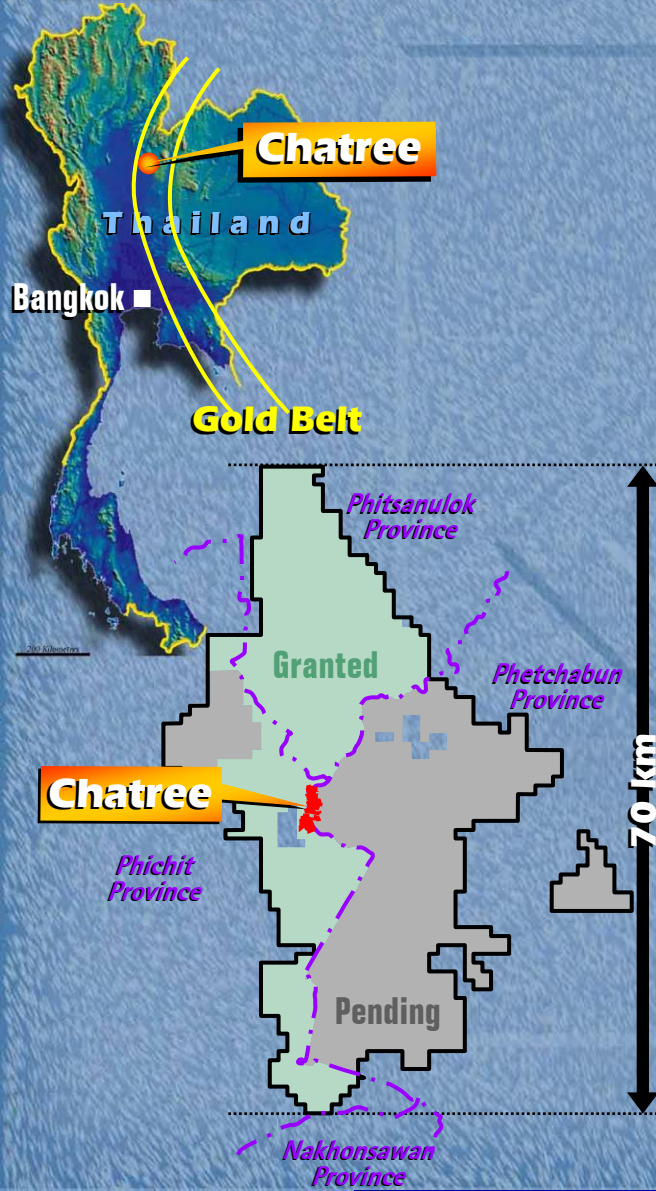


Leach & Absorption Tanks





Gold Province

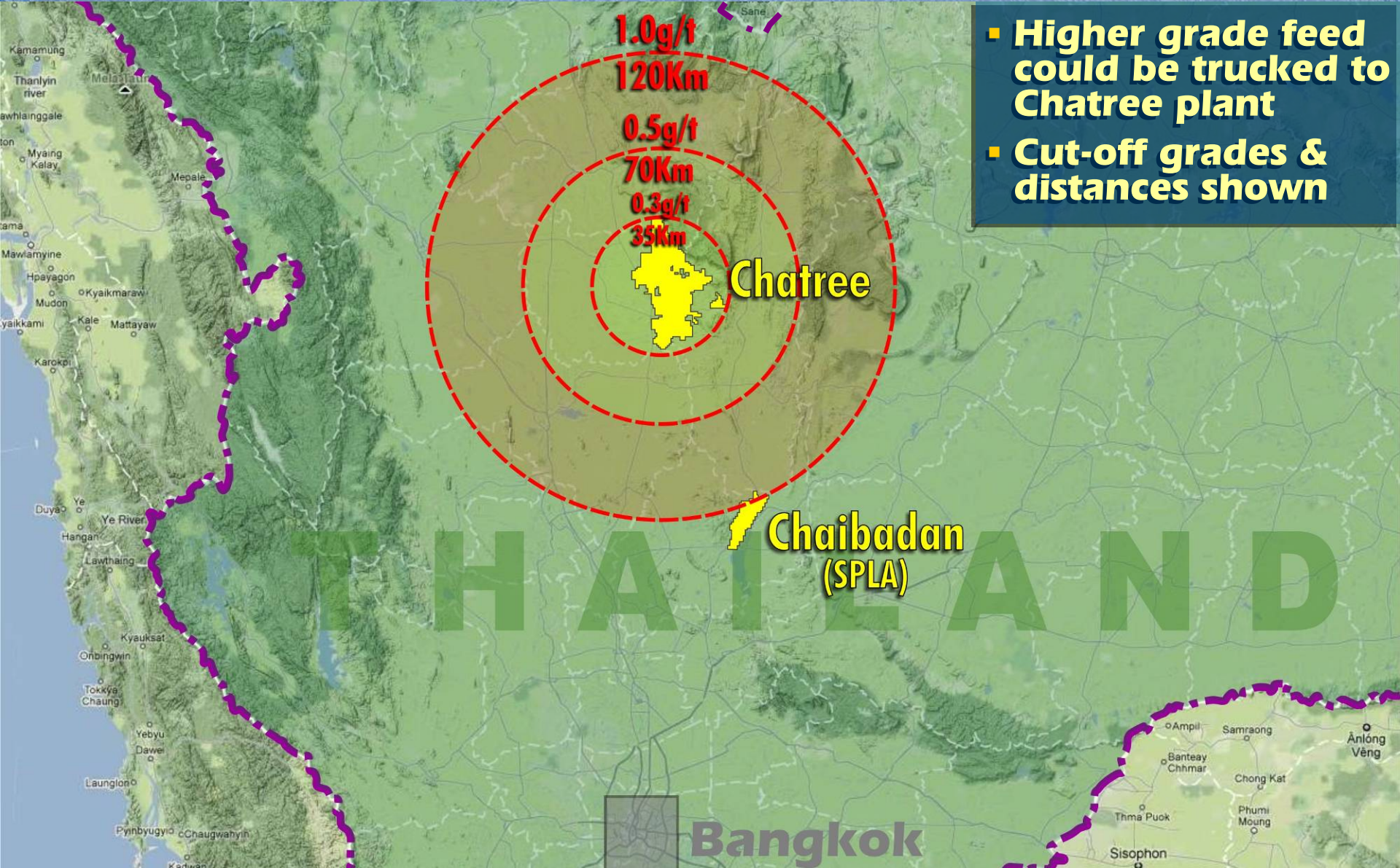


- **Not a single mine - a Gold Province**
 - **Satellite Pit Potential**
 - **Suwan Area – trucking distance to Chatree plant**
 - **Potential for more mines**
 - **Chokdee discovery**
 - **1300km² tenement**
- **First Mover advantage**
- **Patient, persistent Growth**





Ore Trucking Potential



- Higher grade feed could be trucked to Chatree plant
- Cut-off grades & distances shown



Proven Asian Ability

- **Opportunity to leverage position**
 - **Largest ASX gold producer by Mkt Cap after NCM/LGL merger**
- **'Critical Mass' in S.E. Asia**
- **Favourable view of track record of local development & environmental record**
- **Track record of investing in major value creating assets/companies (>3x returns)**





Sustainability Focus

- **World's Safest Gold Mine***
- **Zero Environmental Incidents**
- **ISO standards on all activities**
- **Only mining company granted Social Accountability SA8000**
 - **Amnesty's CSR 'Benchmark'**
- **Training focus - 99% Thai**
 - **80% workforce – local villagers**
 - **31% women in management**
 - **21 Masters grads - supported**
- **Created new local industries**



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Kingsgate Consolidated

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Proven Value Creator

**Adjusted HY Profit:
A\$40M**

**Solid profit from strong production
A\$88M Revenue for Dec Half**

**Solid Cash Position
No Debt**

**A\$51M cash/bullion at 30 June 2010
Undrawn US\$30M debt facility
Full exposure to US\$ gold price**

**Dividend Payer
+3% Yield**

**Paid A\$1.09/share in 8 years
A\$0.15/share dividend – last 2 half yrs**





Growing a Mid Tier Miner

Low Cost Production

- **Forecast production**
 - **~130,000 oz at low costs**
- **Expansion: over 200,000oz/yr mid 2011**

Mine Growth

- **Extensions to current open pits**
- **Untested underground potential**

Discovery Growth

- **Not a single mine but a Gold Province**
- **Near-mine discoveries made**
- **High grade structures to augment ore feed**

