



Kingsgate

Consolidated Limited

ABN 42 000 837 472

21 September 2010

**Via ASX online
(26 pages including cover)**

FOR PUBLIC RELEASE

The Manager
Company Announcements Office
Australian Securities Exchange

Dear Sir/Madam,

2010 Post Financials Presentation

Please find attached Kingsgate presentation update which was provided to investors at the Excellence in Mining Conference held in Sydney, as well as the Denver Gold Conference held in Denver today.

Yours faithfully,
KINGSGATE CONSOLIDATED LIMITED

PETER WARREN
Company Secretary



Kingsgate Consolidated Limited

11901

High Margin Gold Production
ASX 2nd largest gold company

1st Millionth Ounce Bar

September 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.





ASX: Rising Mid-Tier Miner



Low Cost Gold Production



Expanding Production



Increasing Reserves/Share



Increasing Earnings/Share



Proven Value Creator





Kingsgate – Asian Gold

- **2nd Largest ASX Gold Stock (by Mkt Cap)**
- **Key asset - Chatree Mine, Thailand**
- **Producing: ~9 years, >1Moz poured**
- **Mine life: 12+ years with expansion**
- **Mkt Cap: ~A\$1 Billion**
- **Shares: 100.7 Million, 1.8M options**
- **3rd best performing ASX200 stock over last decade**
- **Highest dividend paying gold stock**
- **Stock widely held by:**
 - Insto's: 20% Aust, 20% USA,**
15% Europe/UK, 5% Asia
 - Retail: 25%**
 - Directors: 8%**





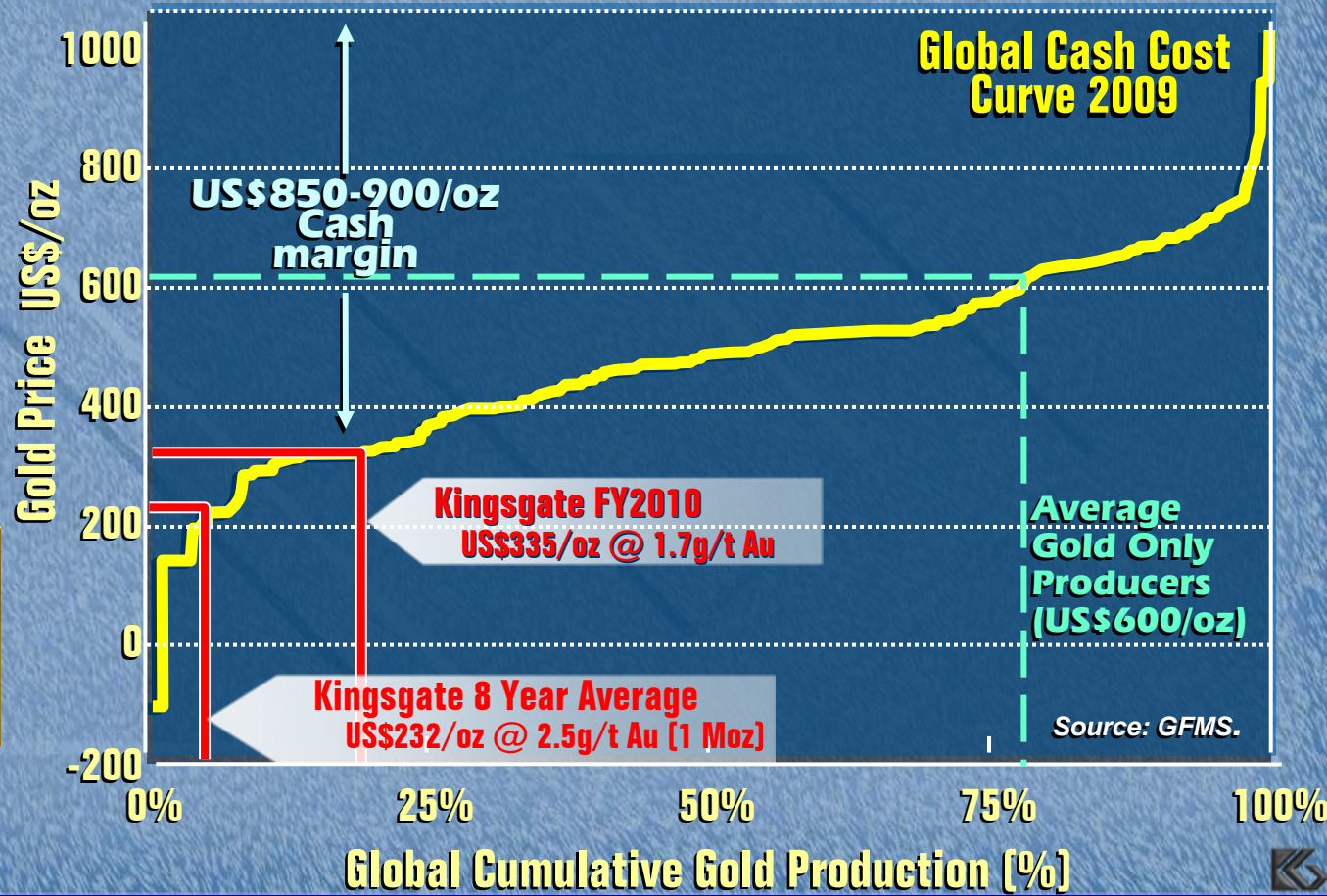
Low Cost Gold Producer

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

**Good Position
on Cost Curve**

**Lowest 20% of
Industry Costs**

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





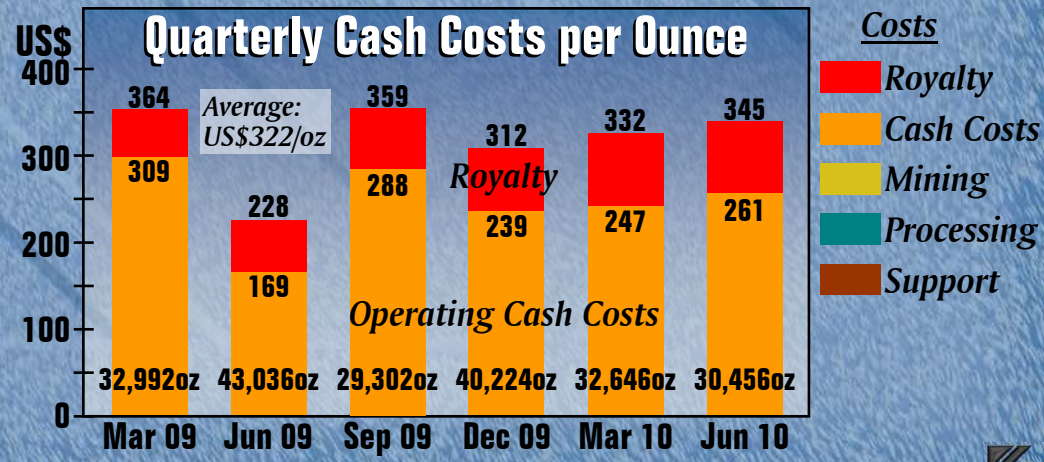
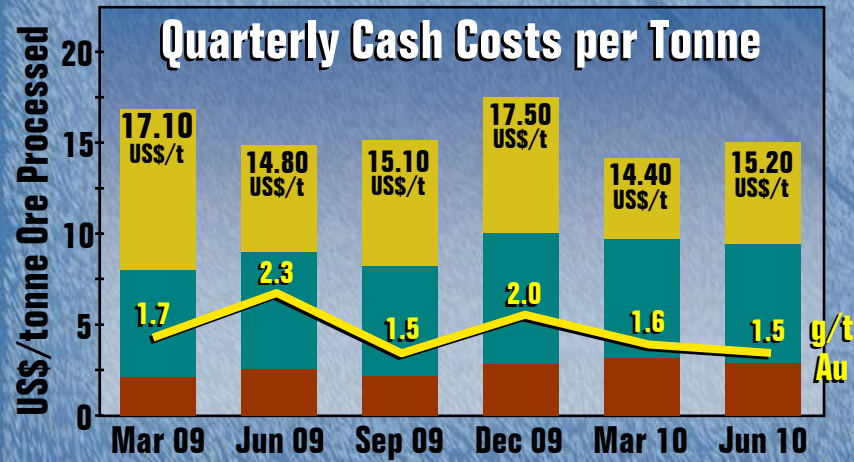
Low Cost Production

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

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

**Asian Competitive
Advantage**

**Costs: US\$15.50/t, Up 15% in 9 years
Grid power & labour keep costs low**





Expansion: Double Capacity

**Plant processing capacity increase from 2.3 to >5 Mtpa
Mid-2011 Commissioning; Ausenco EPCM
Increase production up to 200,000 ounces per year**

**Plant Expansion
+ 2.7 Mtpa**



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



**Expansion Plant Area
beside current plant**





Construction Underway

CIL Tanks & Grinding Circuit under construction
Capex Remaining ~US\$100m; Spent Further US\$25m
Mandated Investec & Thai banks : Seek US\$100m debt
Tax incentives granted for production from new plant



Tailings Thickener

CIL Tanks

*Grinding Circuit
SAG & Ball Mill Area*





Construction Underway

Key items in place – concrete footings/slab and steelwork



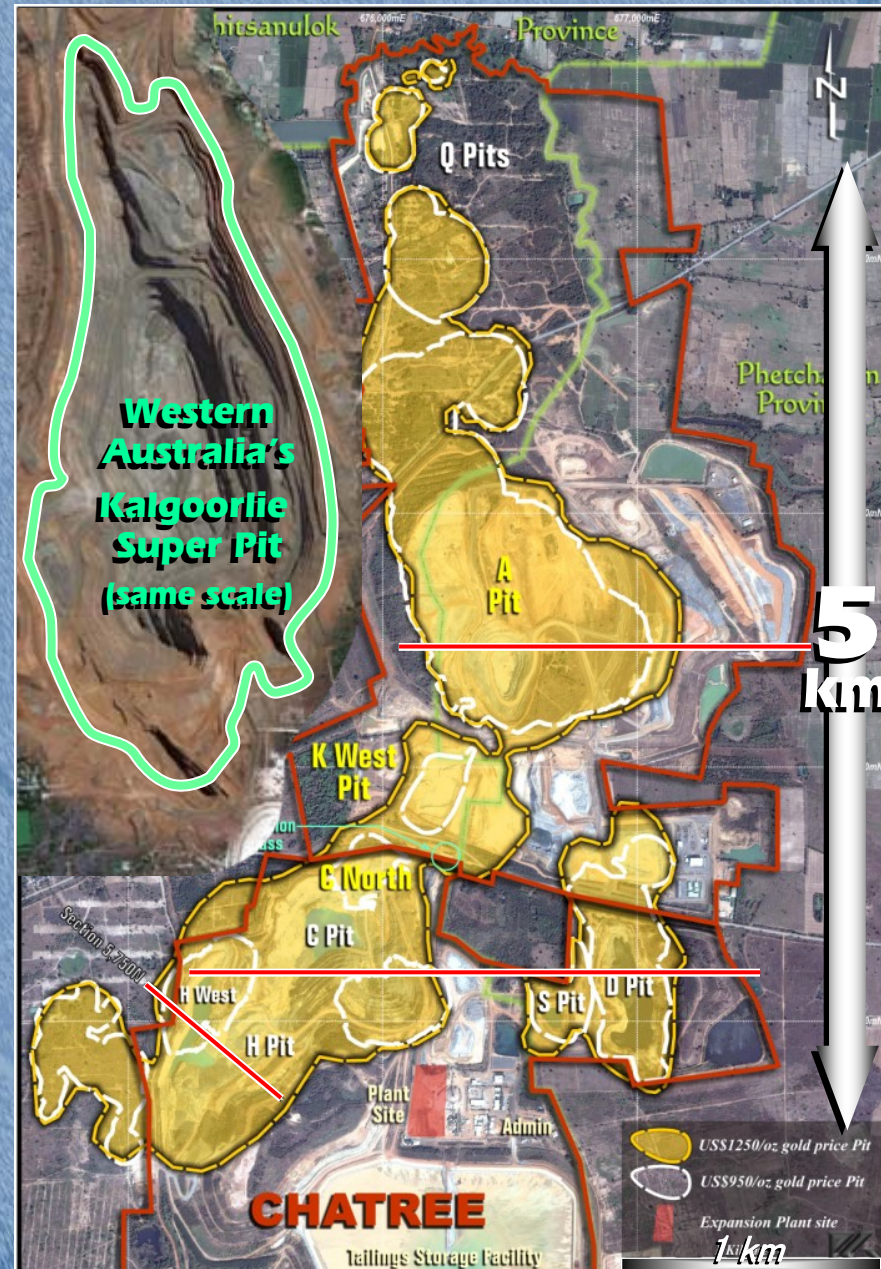


World Class Deposit

**World Class Deposits
are >5 Moz**

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

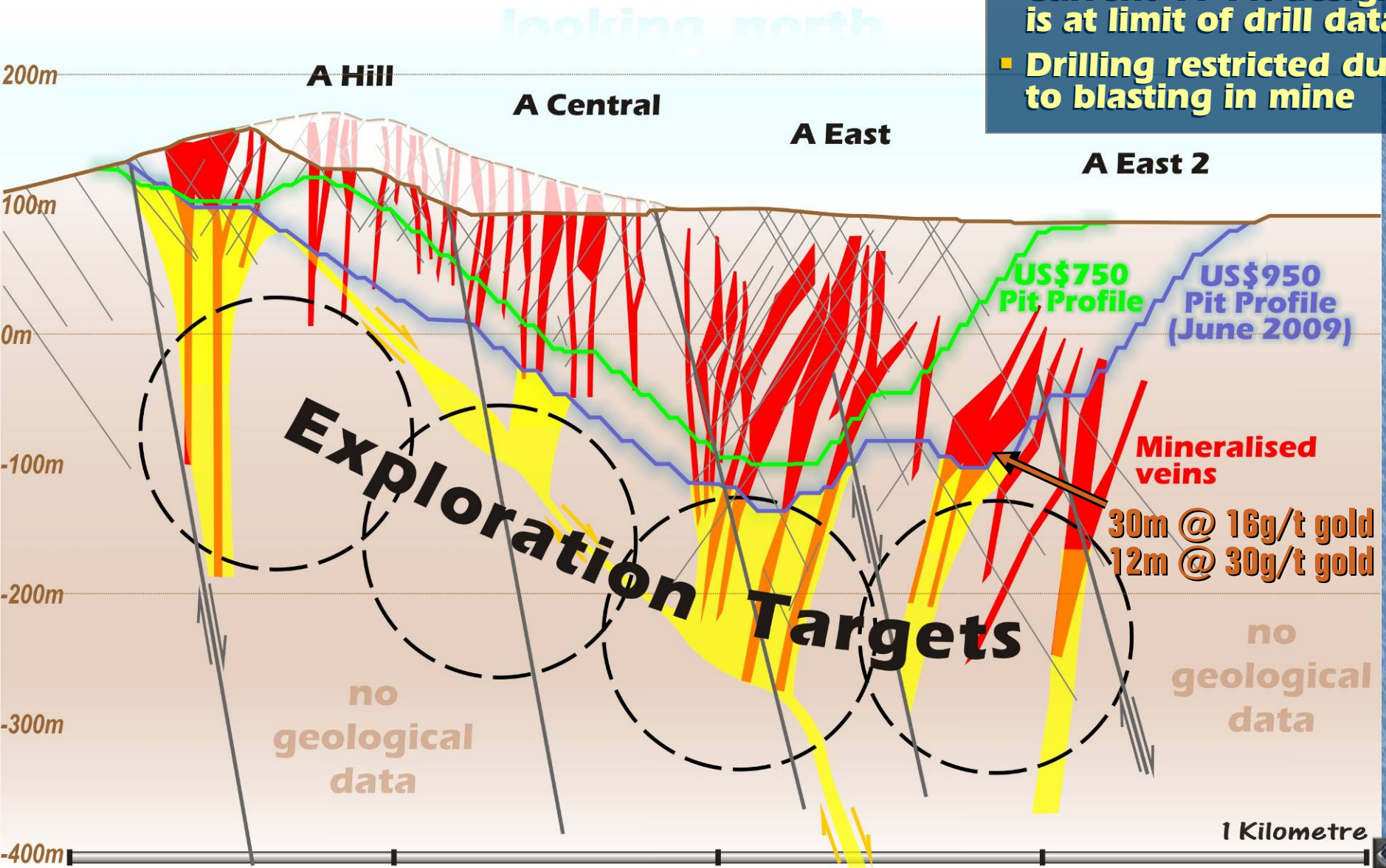
**1.9 Moz Reserve
4.3 Moz Resource**





Expanding Current Pits

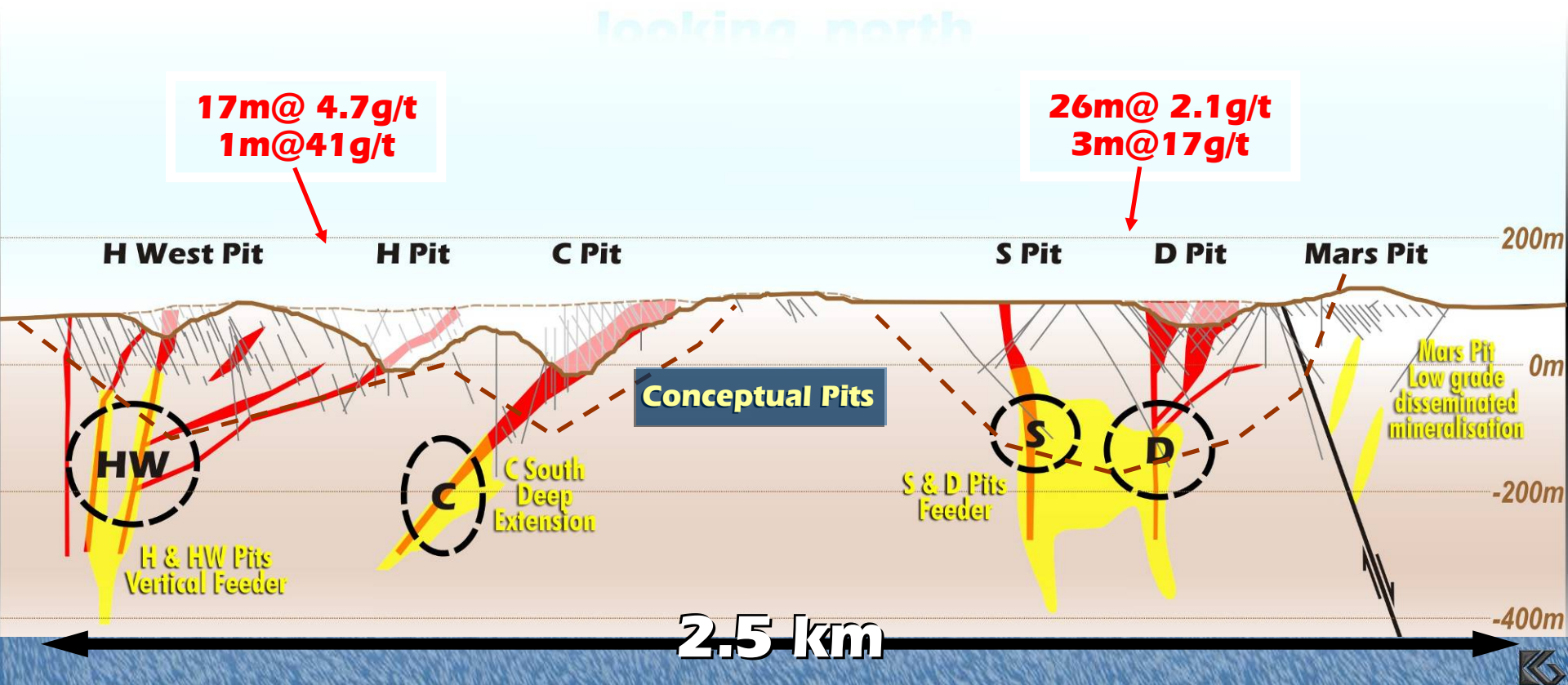
- Current 'A' Pit design is at limit of drill data
- Drilling restricted due to blasting in mine





Upside in Prior Pits

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





Large Low Grade Potential

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

**'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





Best Ever Profit; Up 125%

**FY10 Profit: A\$73.1M
Up 125%**

**EPS: 75.2 cents/share
Solid profit from full production
Maintain low cash costs: US\$335/oz**

**'Underlying Profit'
A\$75.6M**

**Add back unrealised FX loss (A\$3m)
1st year of Thai Tax (7mths at 15%)
Pre-Tax Profit A\$82.3M - up 150%**

**Revenue: A\$175M
EBITDA: A\$96M**

**Revenue up 54% from prior year
Increased production:
132,628 ozs gold; 2.7Mt processed**





Highest Gold Dividend Yield

FY10 Dividend: 35c/sh
Yield: 3.5%

Differentiate KCN from ETF's
Total: A\$1.29/sh since 2002
Highest yield of any gold miner

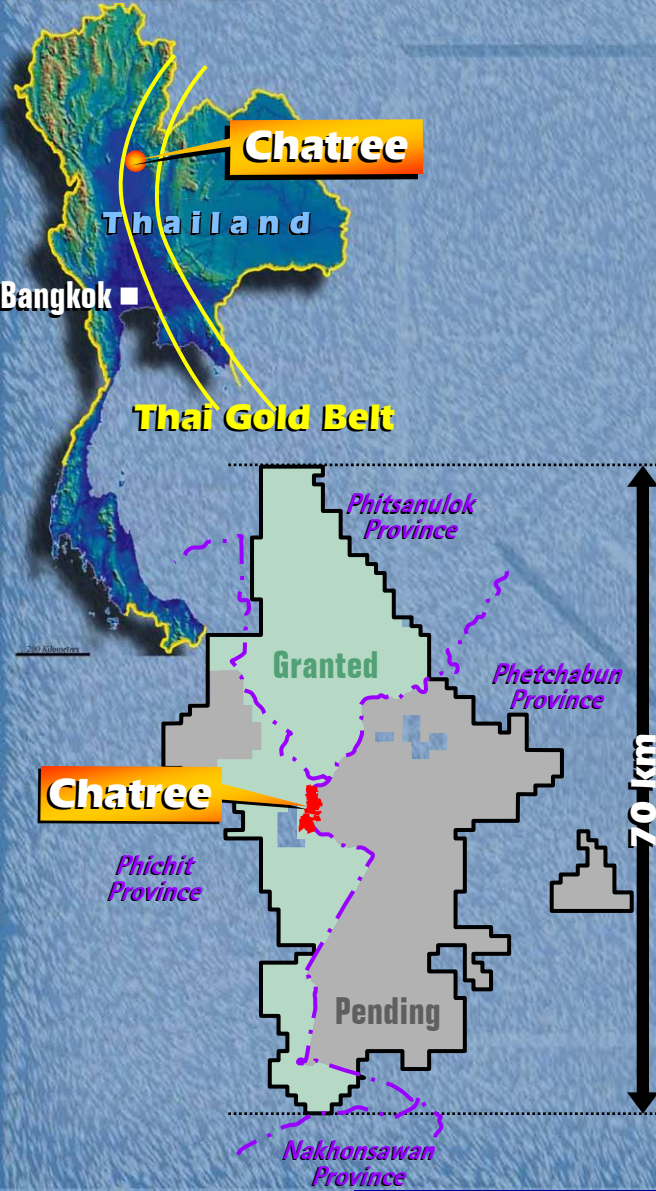
Strong Cash Position
Strong Cashflow

Cash: A\$49M at end June
No debt; Unused US\$30m facility
Strong cashflow to support
exploration, development.
US\$100m debt being arranged
for expansion – Investec, Thai





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**





Target: Fill The Void

**Lihir & Andean
gone from ASX**

**No major ASX gold companies
except Newcrest
Mid tier Producers:
100-300,000 oz/year**

**Opportunity exists to
Fill the Void**

**KCN – 2nd largest gold producer on
ASX by market capitalisation**

**Market Demand:
Mid Tier Producer**

**Market seeking liquid mid-tier gold
producer with >300,000 ozs/year**





Growing a Mid Tier Miner

Increasing Production/share

- **Forecast production**
 - ~130,000 ounces at low costs
- **Expansion: to 200,000 ounces per year**

Increasing Reserves/share

- **Open pit upside; Underground potential**
- **New discoveries**
- **High grade structures to augment ore feed**

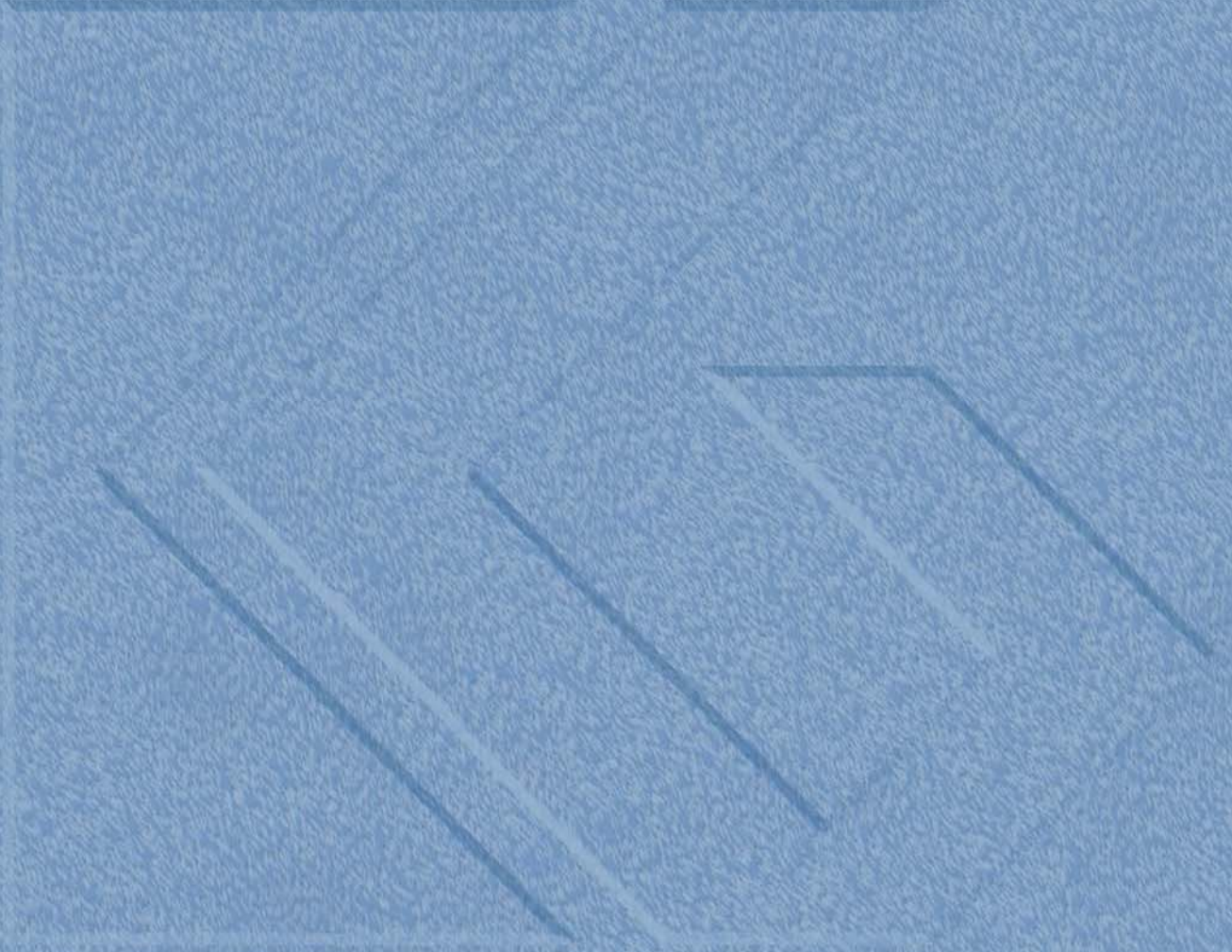
Increasing Earnings/share

- **Solid cashflow: exploration & development**
- **Strong profits; prudent fiscal management**
- **Solid dividend yield**





Appendix





Income Statement - Solid Base

A\$ Million : 2009-10

2008-09

Revenue Gold/Silver	175	113	55%
Interest / Other	1	4	
Mining Costs	(82)	(70)	} 8%
Inventory (Stockpiles)	28	20	
Employee Costs	(12)	(11)	-
Admin, Biz Devel, Consult	(9)	(9)	-
D & A	(14)	(12)	17%
Finance Costs	(2)	(2)	-
Exploration / Development	-	-	-
Unrealised FX Loss	(3)	-	-
Pre Tax Profit	82	33	148%
Tax (7mths Thai tax)	(9)	-	-
Profit	A\$73	A\$33	121%





Low Cost Drivers

▪ Asian Competitive Advantage

▪ Established Infrastructure

- Grid Power
- Sealed roads

▪ Lower cost support

- Skilled manufacturing
- “Buy Thai” sourced supplies
- Labour – Skilled & available

▪ Robust Deposit

- Simple mining & metallurgy

▪ Safe Mine = Efficient Mine

- Safest gold mine globally

▪ Cost Comparisons – Thailand vs Australia

Open Pit Mining (US\$):

Waste: \$1.70/t vs \$2.50/t

Ore: \$3.40/t vs \$4.00/t

Power: 8c/Kwh vs 20c/Kwh

Assays: \$3/sample vs \$20/smp





Current Operations



A Hill

A East Pit

A Pit looking West



K West

K West Pit looking South





1st Millionth oz - Feb 2010

9 years operating

**Av Cash Costs:
US\$245/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





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**



2007 Special Award for Labour Relations

Kingsgate Consolidated

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BUREAU VERITAS
Certification



ISO 14001
BUREAU VERITAS
Certification



ISO 9001
BUREAU VERITAS
Certification



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SA 8000
BUREAU VERITAS
Certification





Proven Ability

- **Opportunity exists to stand-out amongst ASX mid-cap gold producers**
- **Focus on growth in Asia/Australia**
- **'Critical Mass' in S.E. Asia**
- **Favourable track record: social/local development & environmental record**
- **Track record of investing in major value creating assets/companies (>3x returns)**

