



# Kingsgate

Consolidated Limited

ABN 42 000 837 472

## **MEDIA RELEASE**

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### **KINGSGATE – STRONG SECOND HALF PROFIT & RETURN TO DIVIDENDS**

Gold producer Kingsgate Consolidated Ltd (ASX: KCN) has reported a net profit after tax of \$33 million or 35 cents earnings per share. Kingsgate declared a 15 cent per share fully franked dividend to the year end 30 June 2009.

The profit for 2009 compares favourably with the 2008 profit of \$36 million which was inflated by a one-off asset sale of \$44 million.

Kingsgate has seen a year in two halves with the second half profit of \$45 million recouping the first half loss of \$12 million.

This year's net profit represents a very strong second half year performance as the Chatree mine in Thailand returned to full production after the granting of the Chatree North mining leases.

Total revenue for the year was \$114 million as the company treated higher grade gold ores in the June half year averaging 2.0 g/t for the 76,028 ounces of gold produced.

As Kingsgate is unhedged it benefited from the rise in the spot gold price and from its high margin low cost operation – the lowest cost gold producer of the ASX 200 listed companies – at US\$286 ounce for the June half including Thai royalties of US\$55 ounce.

Managing Director Gavin Thomas said the company was well positioned for growth and had the potential for new exploration discoveries.

“Kingsgate has no debt and \$30million cash in the bank”, he said. “The mine has operated for more than 11million man-hours hours worked without one lost time injury”.

“I am pleased that Kingsgate is able to resume its dividend policy and the 15 cent per share fully franked dividend is in recognition of the long term support of our shareholders during the difficult period leading up to the grant of the Chatree North mine leases,” he said

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