



Kingsgate

Consolidated Limited

ABN 42 000 837 472

30 August 2012

Via ASX Online

The Manager
Company Announcements Office
Australian Securities Exchange

Kingsgate Delivers Record Net Profit

Kingsgate has announced a record financial performance for the year to 30 June 2012

- **Net profit after tax increased by 259% to \$75.0 million (2011, \$20.9 million).**
- **Net profit before tax increased by 413% to \$91.3 million.**
- ***EBITDA (before significant items) increased 129% to \$167.9 million.**
- **Revenue up 107% to \$357 million on gold sales of 204,145 ounces.**
- **A final dividend of 10 cents per share, unfranked, was declared resulting in a total dividend of 20 cents per share for the year.**

The strong performance was driven by record gold sales of 204,145 ounces up 78% from the prior year and a higher average realised gold price of US\$1,663 per ounce (2011, US\$1,386 per ounce). The higher gold production resulted from an increase at Chatree following the expansion of the processing facilities and a full twelve months of the Challenger mine in South Australia that was acquired in February 2011.

Kingsgate Managing Director and CEO, Mr Gavin Thomas said, “the full impact of these excellent results highlights the strength of the underlying profitability of the two mines and supports the diversification and growth strategy across Kingsgate’s existing mines and its development projects.”

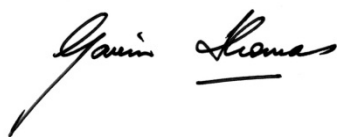
The international growth strategy continued to advance during the year with the successful completion of an off-market takeover offer for the balance of around 30% of Laguna Resources NL (“Laguna”) that was not owned by the Company and the acquisition of a major tenement package, including identified silver and gold resources, surrounding the Laguna leases, in Central Chile. The consolidated project has been renamed Nueva Esperanza with a technical feasibility study well progressed during the year. The Company also completed the purchase of the Bowdens advanced silver development project in NSW. This project moved forward with additional drilling and through the advancement of a technical feasibility study and baseline environmental data collection.

Outlook

The outlook for the Group in fiscal year 2013 is for gold production to be in the range of 200,000 to 220,000 ounces from its existing mines.

At the Nueva Esperanza in Chile, the draft technical feasibility study is expected to be completed in September 2012 and development decision is scheduled for the December quarter 2012.

A technical feasibility study of the Bowdens project in New South Wales is also expected to be completed during the year with Kingsgate in a position to submit a draft environmental impact statement on the project to the New South Wales Government thereafter.



Gavin Thomas
Managing Director and CEO
Kingsgate Consolidated Limited

IMPORTANT NOTICES

Caution regarding forward-looking statements

This announcement contains forward-looking statements, which can usually be identified by the use of words such as "may", "will", "expect", "intend", "plan", "estimate", "anticipate", "believe", "continue", "objectives", "outlook", "guidance" or words of similar effect. These forward-looking statements are not guarantees or predictions of future performance, and involve known and unknown risks, uncertainties and other factors, many of which are beyond our control, and which may cause actual outcomes to differ materially from those expressed in the statements contained in this release. You should not place undue reliance on these forward-looking statements. These forward-looking statements are based on information available to us as of the date of this release. Except as required by law or regulation (including the ASX Listing Rules) we undertake no obligation to update these forward-looking statements.

Past performance not indicative of future performance

Past performance information given in this announcement is given for illustrative purposes only and should not be relied upon as (and is not) an indication of future performance.

**EBITDA (before significant items)*

EBITDA before significant items is a financial measure which is not prescribed by Australian Accounting Standards (AAS) and represents the profit under AAS adjusted for specific significant items. The EBITDA before significant items has not been subject to any specific review procedures by our auditor but has been extracted from the accompanying full year financial report.