Kingsgate

Consolidated Limited

Proposed Takeover

Andean Resources Limited

Investor Presentation

22 February 2005

Important Notice

This presentation has been prepared by Kingsgate Consolidated Limited ("Kingsgate") in relation to its intention to make a takeover offer ("Offer") for all the ordinary shares in Andean Resources Limited ("Andean").

This presentation does not replace or supplement the Bidder's Statement, which will be lodged by Kingsgate with ASIC, ASX and Andean shortly.

This presentation is not and should not be considered as an offer or invitation to subscribe for or purchase any securities in Kingsgate or as an inducement to make an offer or invitation with respect to those securities. No agreement to subscribe for securities in Kingsgate will be entered into on the basis of this presentation.

Kingsgate's Offer will be made under the Bidder's Statement that is expected to be sent to Andean Shareholders in March and will not be able to be accepted prior to that time. Andean Shareholders should read the Bidder's Statement in full once they receive it and prior to making any decision to accept Kingsgate's Offer.

You should not rely on this presentation material. This overview of Kingsgate, Andean and the Offer does not purport to be all inclusive or to contain all information which its recipients may require in order to make an informed assessment of Kingsgate or Andean's prospects. This presentation and the Bidder's Statement contains certain forward looking statements which have not been based solely on historical facts but rather, are based on Kingsgate's current expectations about future events. These forward looking statements are, however, subject to risks, uncertainties and assumptions which could cause actual events or results to differ materially from the expectations described in such forward looking statements. Actual results, actions and developments may differ materially from those expressed or implied by these forward looking statements depending on a variety of factors.

Neither the Bidder's Statement nor this presentation takes into account the individual investment objectives, financial situation or particular needs of each Andean Shareholder or any other person.

On receipt of the Bidder's Statement, Andean Shareholders should seek independent financial and taxation advice before making a decision as to whether or not to accept the Offer under the Bidder's Statement.

Accordingly, to the maximum extent permitted by applicable laws, Kingsgate makes no representation and can give no assurance, guarantee or warranty, express or implied, as to, and take no responsibility and assume no liability for, the authenticity, validity, accuracy, suitability or completeness of, or any errors in or omission, from any information, statement or opinion contained in this presentation.

Contents

Executive Summary

- Off-market, 100% scrip takeover offer for Andean
- Offer of 1 Kingsgate share for every 15 Andean shares held
  - If offer is successful, Andean shareholders will be entitled to a Kingsgate [KCN] dividend of 5 cents per KCN share if holding KCN shares by record date
- Values Andean shares at $0.391, a 22% premium to Andean closing price on 21 Feb 2006
- Rationale
  - Cerro Negro mineralisation similar to Chatree
  - Ability to accelerate exploration & potential development of the Cerro Negro project
  - Diversification of single mine exposure
  - Prospective region in South America where Kingsgate has significant expertise
  - Ability to apply skill base & proven track record in developing offshore epithermal gold deposits

Executive Summary

- **Benefits of a merged Kingsgate and Andean**
  - **Proforma market capitalisation of over $600m[1]**
  - **Increased market presence (S&P/ASX200)**
  - **Balanced asset portfolio – operations, development and exploration**
  - **Strong platform for growth**
  - **Strong balance sheet, no debt**
  - **Greater access to development finance**
  - **Ability to pay dividends**

[1] Based on the closing price of Kingsgate shares on 21 Feb 06 of $5.87 and assuming Kingsgate acquires 100% of Andean shares.

Executive Summary

- **Company Strategy**
  - **Profitability, production and growth**
  - **Organic growth via greenfields exploration & brownfield expansions**
  - **Objective to become a preferred mid-tier gold producer**
- **Acquisition Strategy**
  - **Quality, early stage gold assets with upside potential**
  - **Leverage exploration & development expertise**
  - **Apply Chatree experience to develop similar epithermal gold deposits**

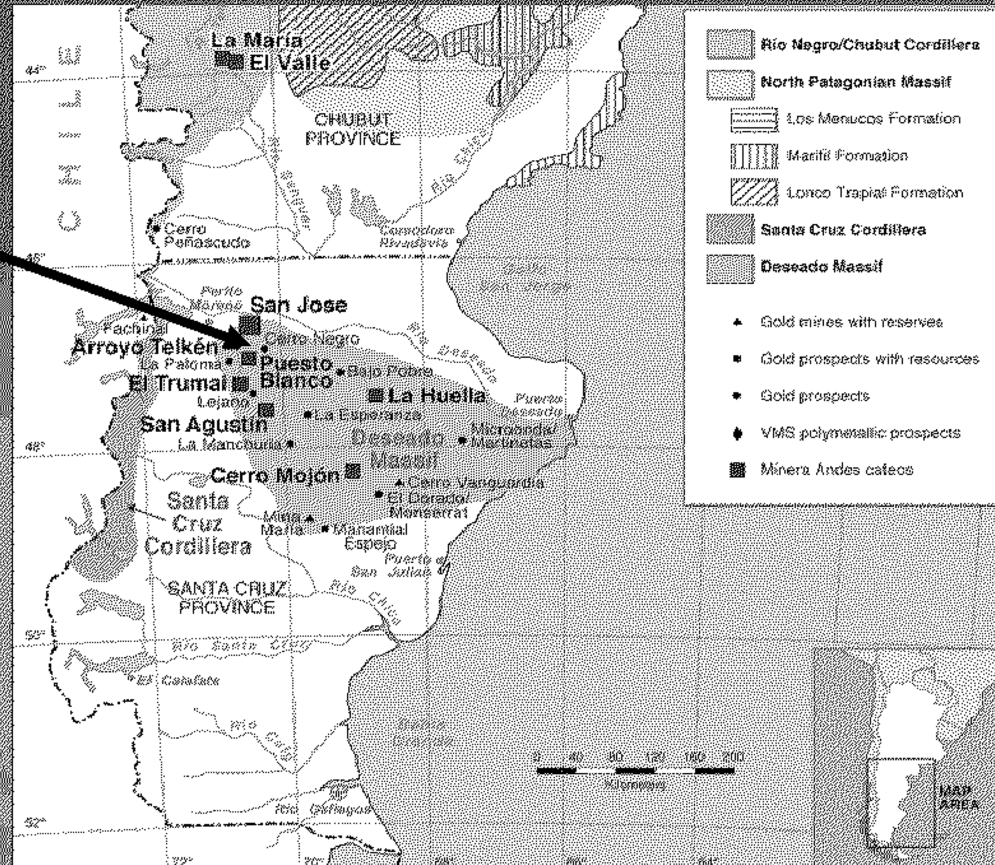
Overview of Andean

- Focused on the exploration & development of 100% owned Cerro Negro project in Patagonia, Argentina

- Cerro Negro project:
  - Low sulphidation epithermal gold deposit
  - ~4,300m drilled over past two years
  - Significant mineralisation intersected in 2005
  - Tenements cover ~25,000 hectares
- Andean also holds option agreements over 3 prospects outside the project area

Overview of Andean

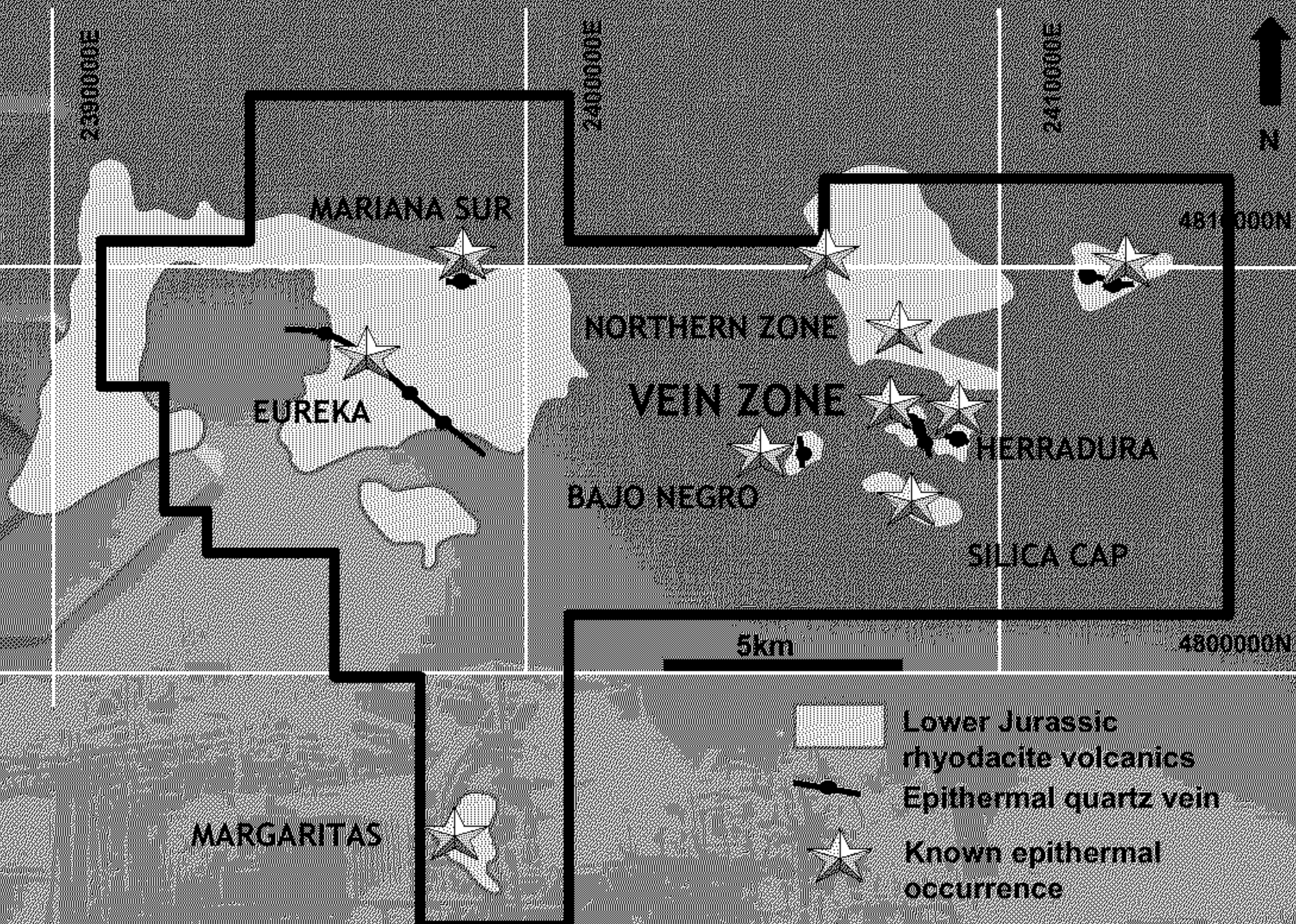
- **Cerro Negro project – well located in recognised gold district**
  - **But still in early stage development**
- **Nearby Projects (Non Andean):**
  - **Cerro Vanguardia (~200,000oz/yr gold)**
  - **Huevos Verdes / San Jose (finance stage)**
  - **Manantial Espejo (advanced project)**



Significant drill programs required to develop projects

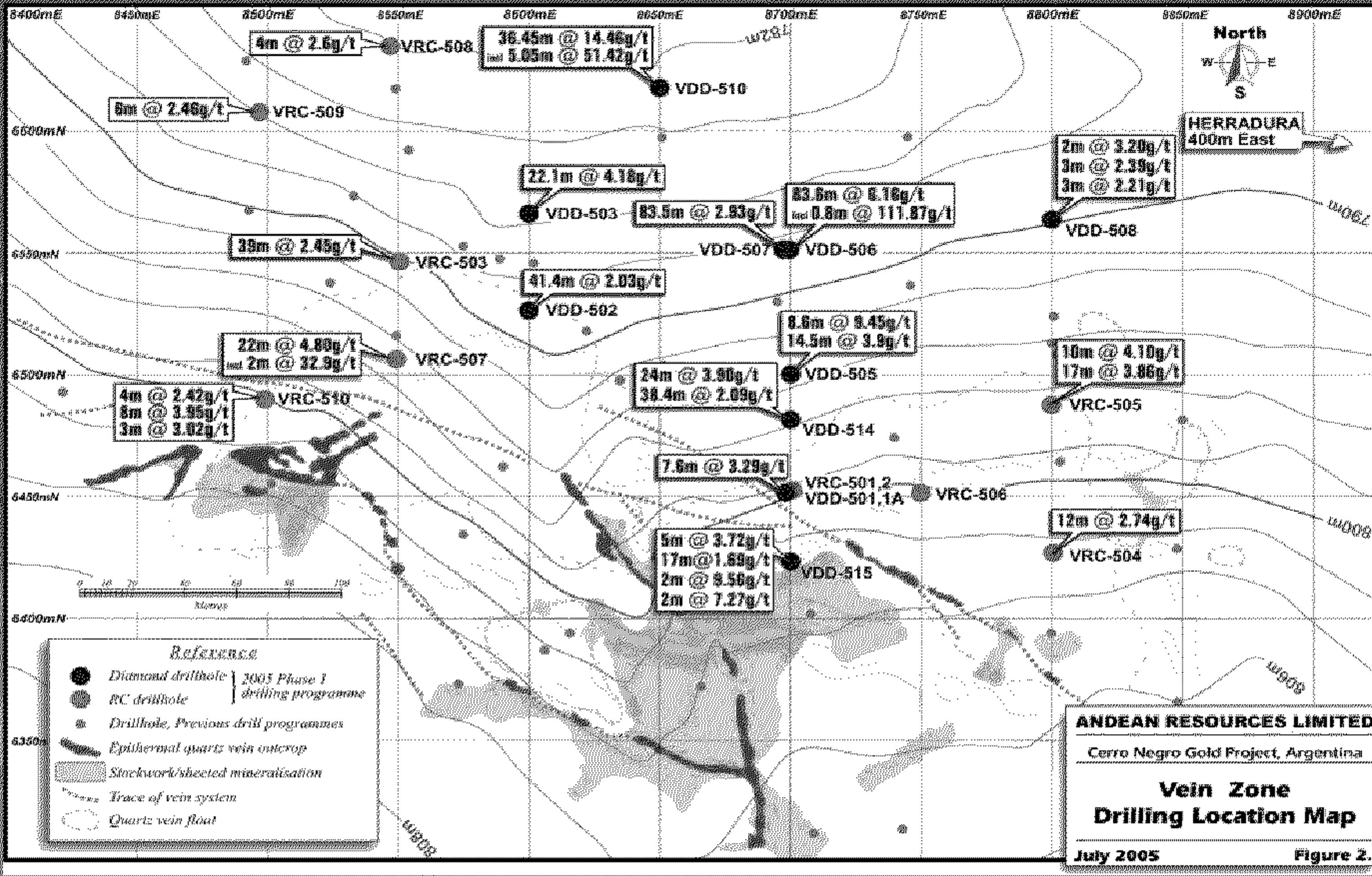
Overview of Andean

- **Numerous zones of epithermal mineralisation**
- **Focus on establishing a JORC resource at Vein Zone**
- **Potential in other targets**



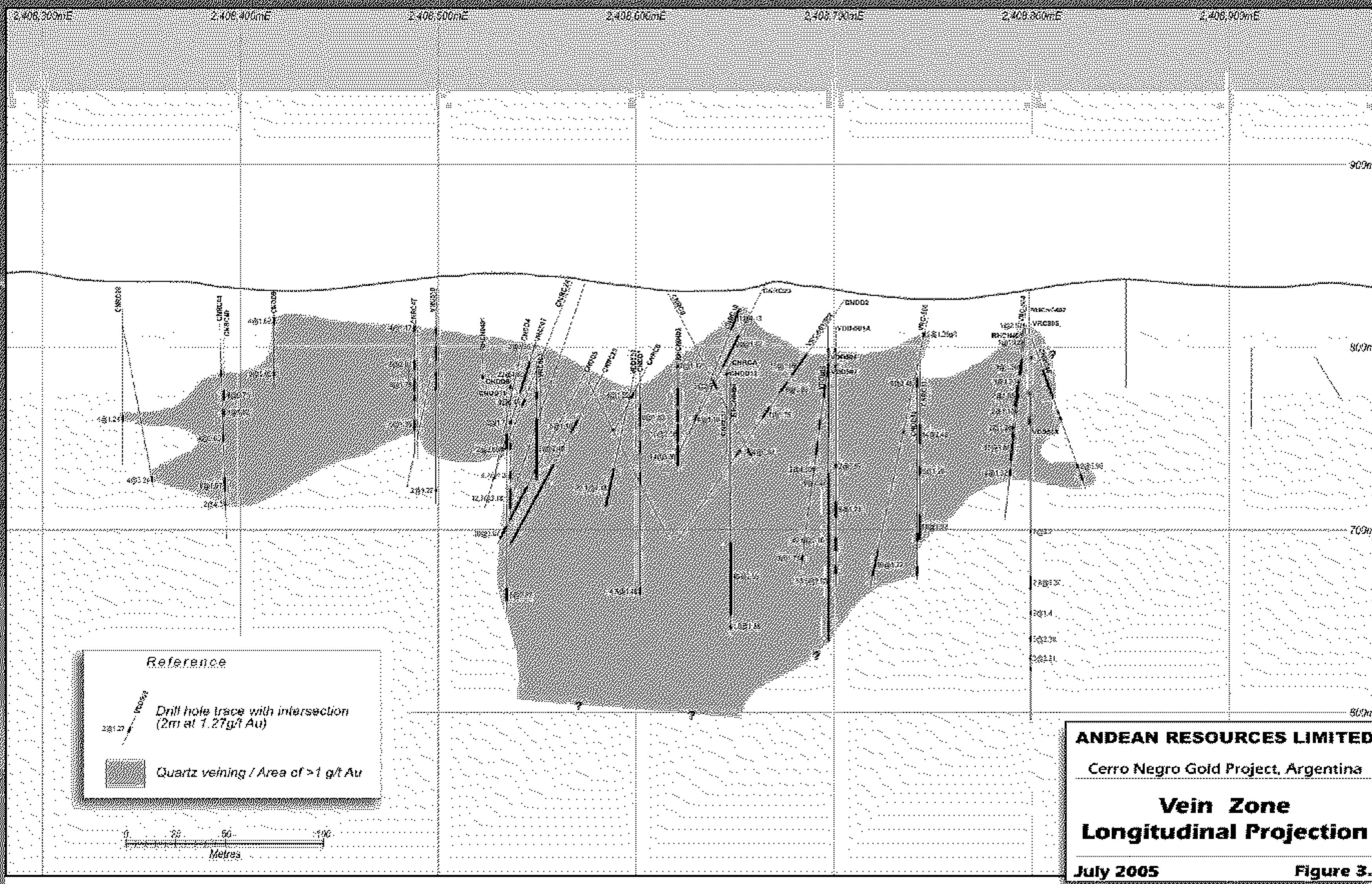
Overview of Andean

Cerro Negro Project – Vein Zone



Overview of Andean

Cerro Negro Project – Vein Zone



Overview of Andean

Kingsgate's Intentions

- Accelerate exploration – increase drill rigs on site
- Scoping study ASAP
- JORC Resource by late 2006
- Pre-feasibility study by late 2006/early 2007
- Objective to deliver a project initially producing a minimum of 100,000 oz/yr gold

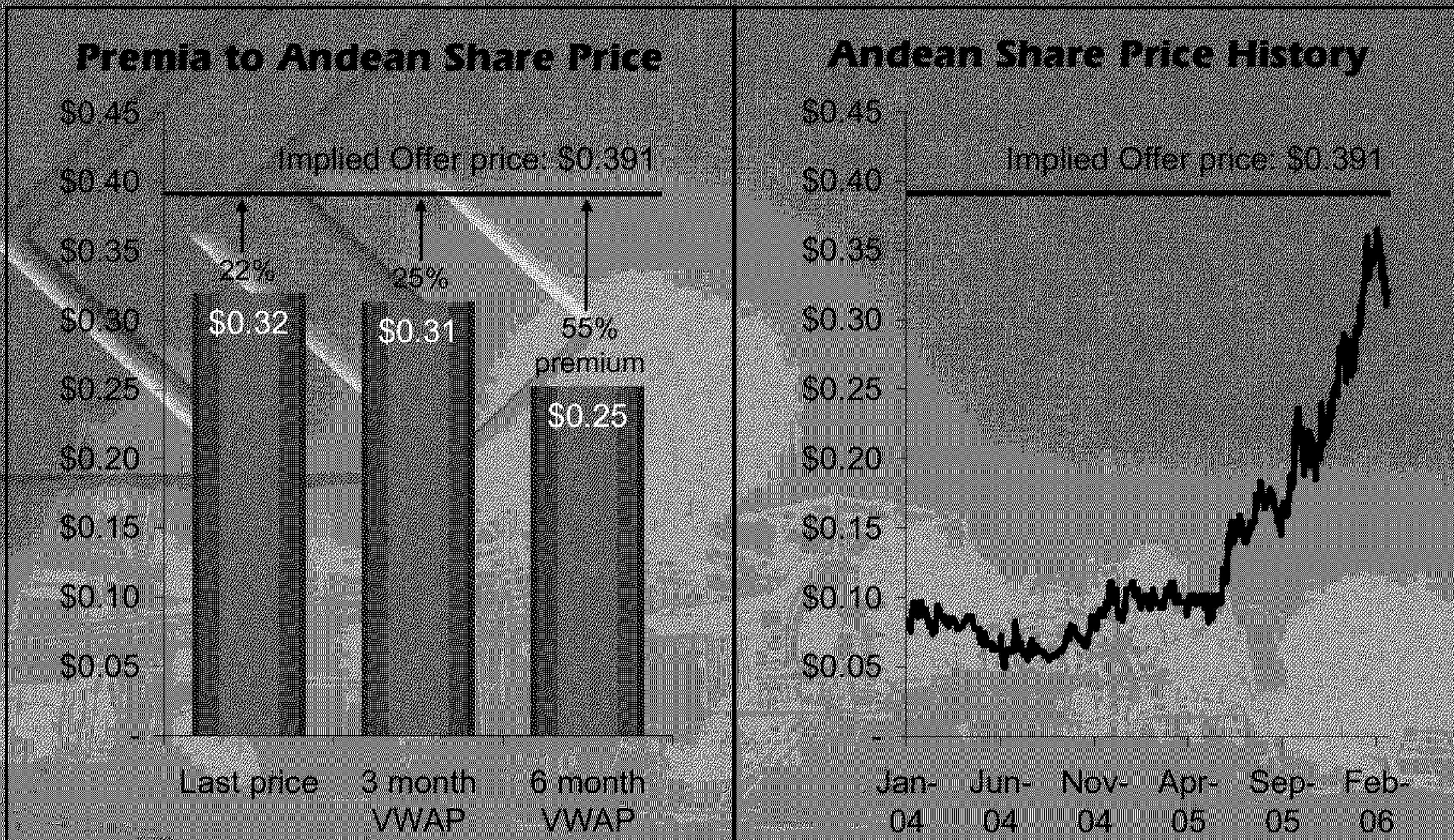
Key Offer Terms

- **Andean shareholders will receive 1 Kingsgate share for every 15 Andean shares**
  - If offer is successful, Andean shareholders will be entitled to a Kingsgate [KCN] dividend of 5 cents per KCN share if holding KCN shares by record date
- **Key conditions**
  - 50% minimum acceptance condition
  - Standard "prescribed conditions" and "no material events"
  - Regulatory approvals (including FIRB)
  - Other conditions relatively standard
- **Andean shareholders will own 19%[1] of Merged Entity assuming 100% acceptance**
- **Timetable**
  - Bidder's Statement lodgement: Late February
  - Offer opens: March
  - Offer closes (unless extended): April

[1] Assuming 38,000,000 options in Andean are exercised and those shares accepted into the Kingsgate Offer.

Benefits for Andean Shareholders

✓ Attractive Premium



Benefits for Andean Shareholders

Kingsgate's Experience, Expertise and Access to Finance

- **Chatree and Cerro Negro project – Epithermal gold deposits**
- **Offshore development and South American expertise**
- **Financial strength**

Kingsgate's Proven Track Record in Exploration, Mine Development and Operations

- **Chatree discovery and exploration**
- **Developments delivered on time and under budget**
- **Approximately 600,000 oz gold produced at Chatree at an average cash cost of US$134/oz**

Benefits for Andean Shareholders

Opportunity to Share in the Benefits of a Merged Kingsgate and Andean

- **Combined market capitalisation of over $600 million[1]**
- **Enhanced market presence**
- **Strong cash flow underpinned by Chatree gold mine**
- **Strong platform for further growth**
- **Reserves of 1.84 Moz and Resources of 3.2 Moz**
- **Strong balance sheet; no debt & cash of $16 million**

[1] Based on the closing price of Kingsgate shares on 21 Feb 06 of $5.87 and assuming Kingsgate acquires 100% of Andean shares.

Benefits for Andean Shareholders

✓ Access to Kingsgate's Dividend Flow

- Dividend paid every six months since commissioning of Chatree in 2001
- $58 million in dividends to shareholders over past 3½ years

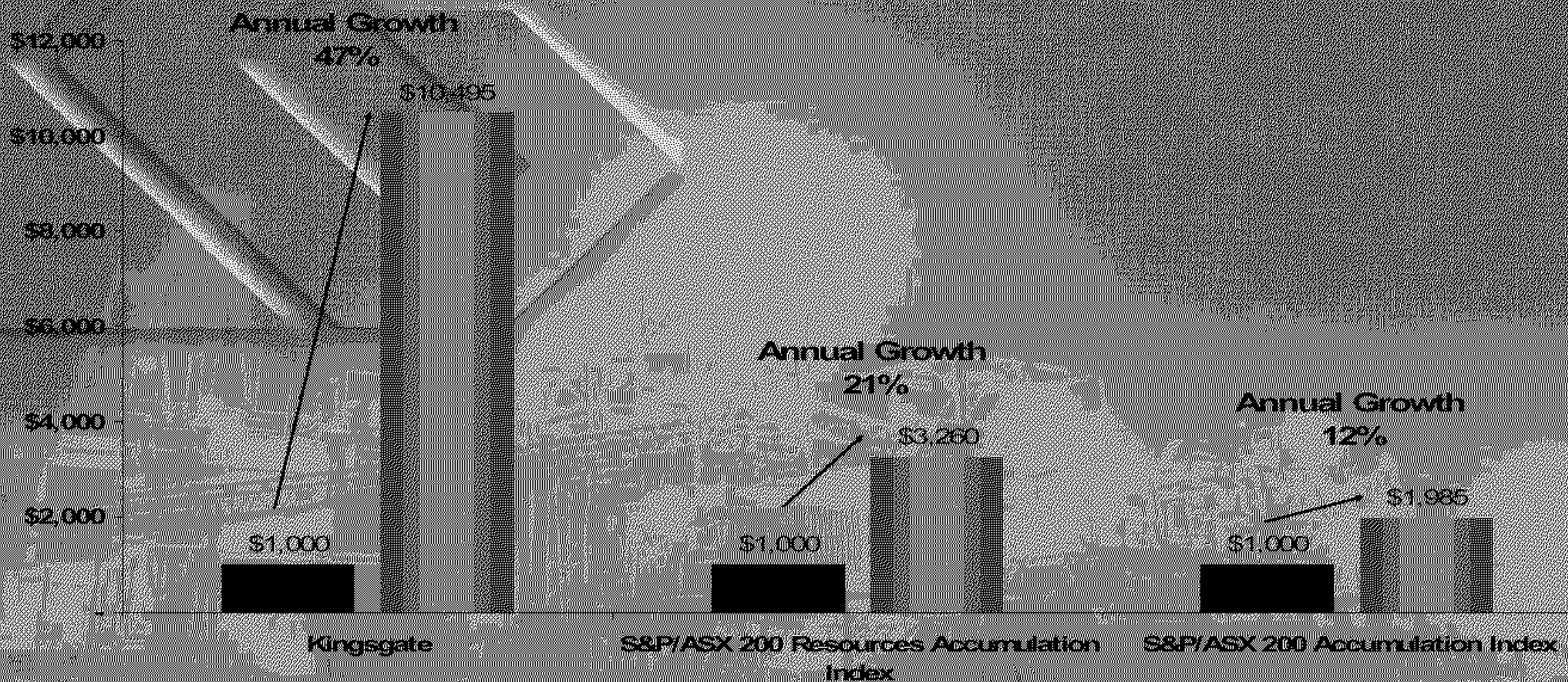
✓ Improved Risk Profile of Investment

- Balanced asset portfolio – operations, development & exploration
- Strong cashflow from the low cost Chatree gold mine
- Highly prospective Chatree North project
- Potential of Cerro Negro project
- 19.72% Goldstar Resources NL (Walhalla Gold Project)
- Exploration projects – Thailand, Peru and Chile

Benefits for Andean Shareholders

Strong Historic Share Market Returns

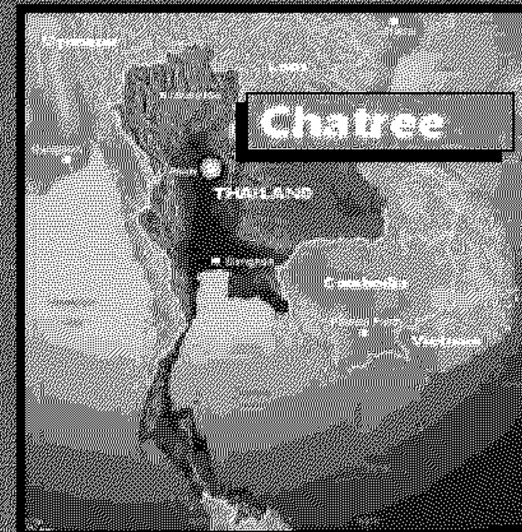
- **Since January 2000, Kingsgate's share price has increased 756% and Kingsgate shares have provided investors with total annual shareholder returns of 47%[1]**



[1] Total annual shareholder return is calculated based on share price appreciation assuming reinvestment of dividends on the day of payment

Kingsgate Snapshot

- **Key asset – Chatree gold mine in Thailand**
- **Low cost gold miner**
  145-150,000 oz/yr @ <US$220/oz
- **Rapid resource growth**
  >1 million oz/yr at globally low cost
- **Expansion potential**
- **World class gold province**
- **No debt, financial strength**
- **Dividend payer**



Chatree Update

Dec Half'05:

- 74,100 oz gold @US$175/oz
- Profit of A$6.5m
- Dividend of 5c/share

February '06:

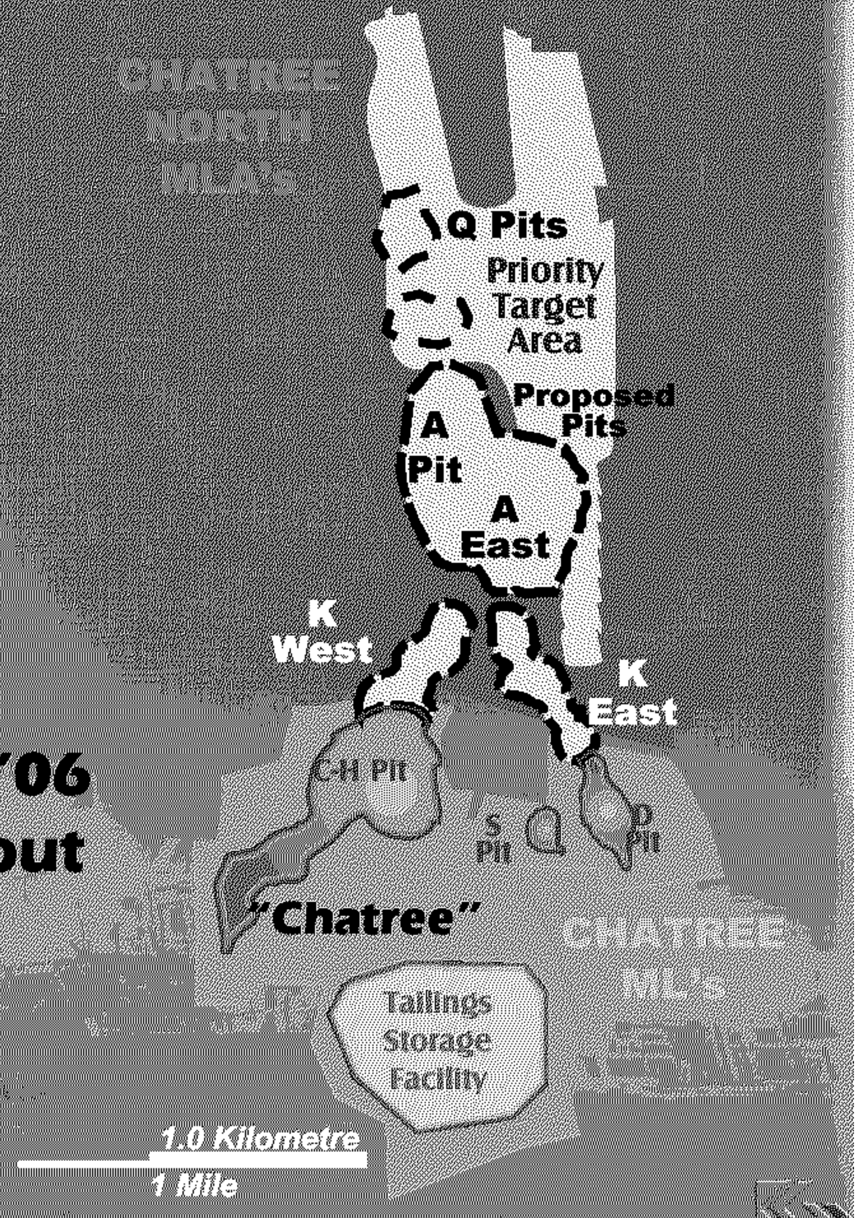
- Start mining A pit Chatree Nth
- Increase Mill throughput

Growth:

- Feasibility study – end March Qtr'06
- Expansion planned – double output

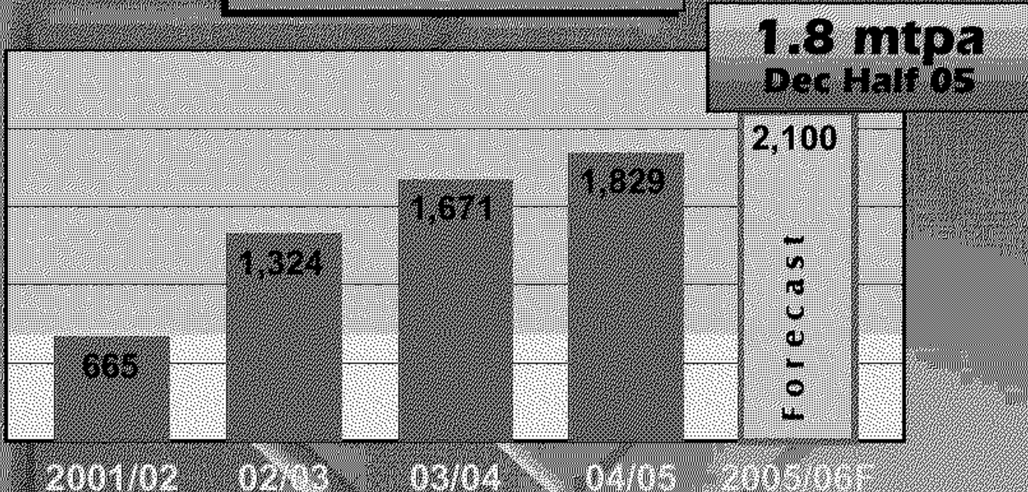
Mining leases – Chatree Nth:

- All mining & environmental documents submitted

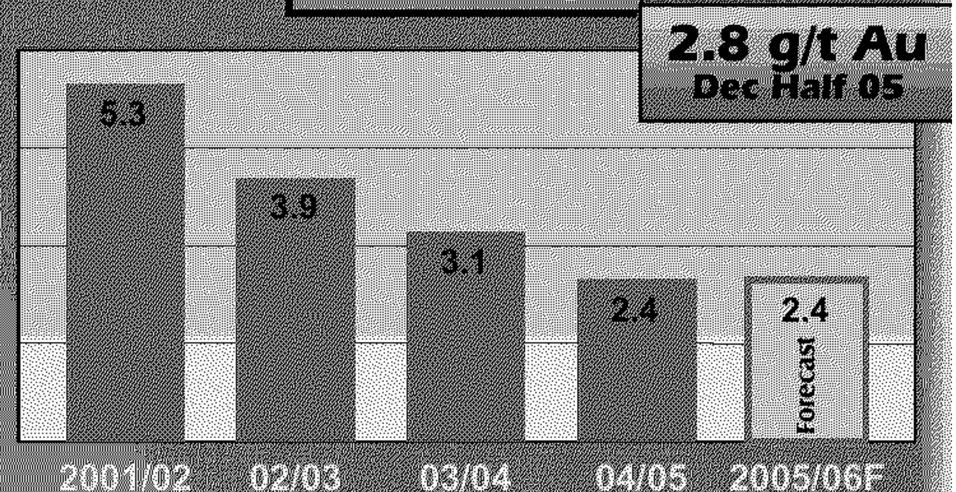


Chatree Update

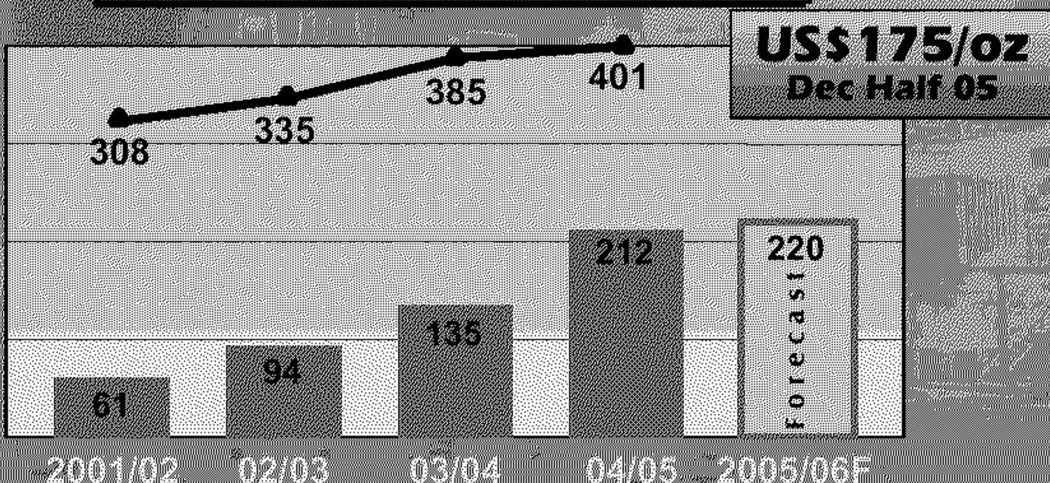
Mill Throughput (Ktpa)



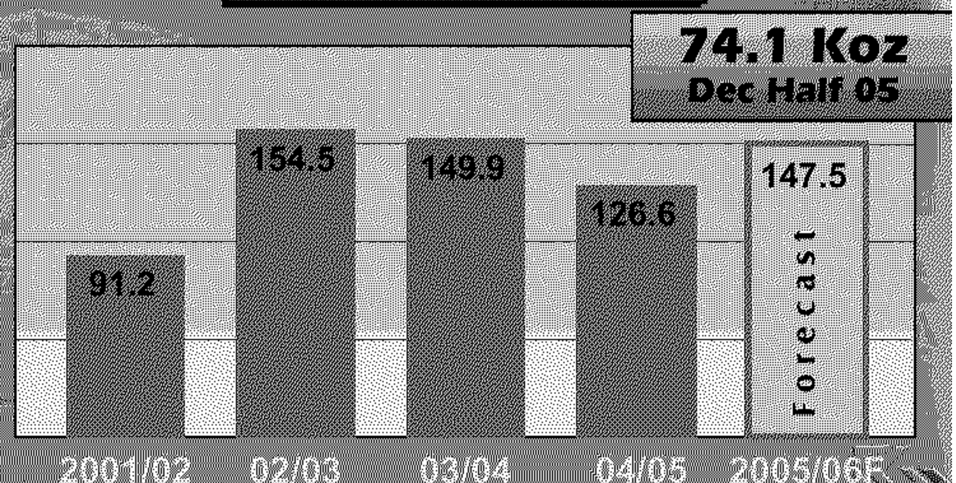
Head Grade (g/t)



Cash Cost & Realised Price (US$/oz)



Gold Production (K'ozs)



Effect of the Offer

Balanced Portfolio of Assets

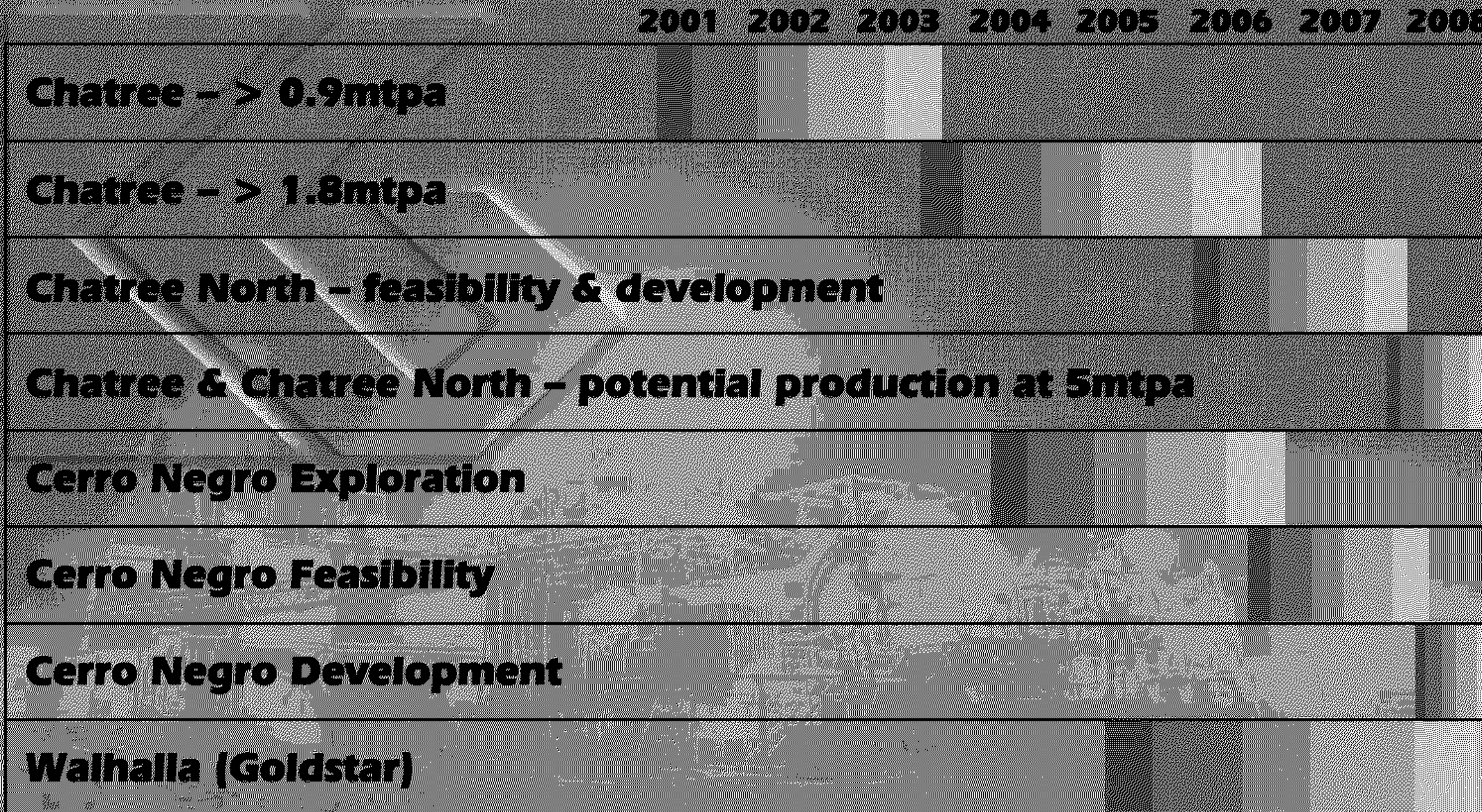
Exploration

Greenfield Exploration	Thailand Chile, Peru, Argentina
Advanced Exploration	Thailand near Chatree Cerro Negro Project Goldstar Resources NL
Feasibility / Development	Chatree North MLAs at advanced stage
Operating	Chatree 2005/06F 145-150,000 oz

Production

Effect of the Offer

Pipeline of Potential Growth*



* Indicative only

Reasons to Accept the Offer

✓ 1. Attractive Premium

✓ 2. Opportunity to Share in the Benefits of a Merged Kingsgate and Andean

✓ 3. Kingsgate's Experience, Expertise and Access to Finance to accelerate the development of the Cerro Negro project

✓ 4. Kingsgate's Proven Track Record in Exploration, Mine Development and Operations

✓ 5. Access to Kingsgate's Dividend Flow

✓ 6. Improved Risk Profile for Andean shareholders

✓ 7. Kingsgate's History of Strong Share Market Returns