Kingsgate
Consolidated Limited

9 March 2006

Via ASX Online **FOR PUBLIC RELEASE**
(1 page)

The Manager
Announcements
Company Announcements Office
Australian Stock Exchange

Dear Sir or Madam,

KINGSGATE MAINTAINS HOLDING IN GOLDSTAR RESOURCES

Goldstar Resources NL (ASX.GDR) today announced a placement of 20 million shares at 40 cents each (A$8 million) in two tranches to new and existing shareholders. Kingsgate Consolidated Limited has agreed to maintain its share holding in Goldstar Resources NL, currently at 19.72%, by subscribing to 3.9431 million shares in the second tranche of 7.25 million at 40 cents per share, at a cost of A$1,577,240. The issue of shares in the second tranche is subject to shareholder approval.

This investment by Kingsgate will be in addition to our current investment of A$2.1 million in 16.759m shares in Goldstar, made in mid 2005. Goldstar plans to hold a general meeting of shareholders on 3 April 2006 in Perth to approve the placement.

Goldstar would then have 105.4 million ordinary shares on issue and over A$11 million in cash reserves.

Yours Faithfully,

John Falconer

John Falconer
Company Secretary
KINGSGATE CONSOLIDATED LIMITED

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