



Kingsgate

Consolidated Limited

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FOR PUBLIC RELEASE

The Manager
Announcements
Company Announcements Office
Australian Stock Exchange

Dear Sir or Madam,

Exploration Licences Granted in Thailand - Drill Ready Targets Available

Kingsgate's Thailand subsidiaries have been granted 51 of the 101 Special Prospecting Licence's ("SPL's") currently under application surrounding the Chatree Gold Mine. The remaining 50 SPL Application's ("SPLA's") are anticipated to be granted soon.

Kingsgate believes that Thailand's central gold province has potential for numerous large gold mines. Several prospects have 'drill ready' targets that will be tested over the next year. Kingsgate considers that some of these prospects will develop into similar projects as the Chatree mine which has geological resources in excess of four million ounces and potential for five to ten million ounces.

The 51 SPL's that were granted are located in Phitsanulok and Pichit Provinces and cover about 700 km² out of a total of approximately 1,500km² applied for. The remainder are located in Phetchabun Province.

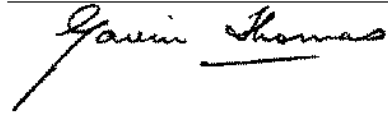
The granting of these SPL's enables full exploration to be conducted in the areas, including drilling, and will commence immediately.

Since applying for these SPLA's almost three years ago, Kingsgate's Thailand subsidiaries have been conducting permissible reconnaissance exploration including airborne geophysics (magnetic, radiometric and resistivity surveys), regional stream sediment sampling, rock chip sampling and geological mapping.

This work has led to the discovery of over thirty significant gold prospects, several of which are ready for drilling.

The Chatree Gold Mine has at its disposal nine drill rigs of which seven are dedicated to exploration. The company also has 18 exploration geologists with excellent knowledge of the area and is recruiting additional personnel to explore the SPL's. Initial exploration drilling will focus in areas where there is maximum potential to increase gold resources. These areas include known prospects adjacent to the Chatree Gold Mine as well as advanced regional targets with similar characteristics to the gold mineralisation at Chatree.

Yours Faithfully,

A handwritten signature in black ink, reading "Gavin Thomas", is enclosed within a rectangular box. The signature is written in a cursive style.

Gavin Thomas

Chief Executive Officer

KINGSGATE CONSOLIDATED LIMITED

