Kingsgate
Consolidated Limited
ABN 42 000 837 472

30 April 2007

Via ASX Online **FOR PUBLIC RELEASE**
(9 pages including cover letter)

The Manager, Company Announcements
Australian Stock Exchange Limited
Level 4
20 Bridge Street
SYDNEY NSW 2000

Dear Sir/Madam,

Quarterly Report Ended 31 March 2007

We enclose the Quarterly Report on activities for three (3) month period ended 31 March 2007.

Yours sincerely,

Peter Warren
Company Secretary
KINGSGATE CONSOLIDATED LIMITED

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14 Martin Place
Sydney NSW 2000
Australia

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Kingsgate Consolidated Limited

QUARTERLY REPORT

For the three months ended

31 MARCH 2007

Production Highlights

Gold Produced	
31 March 2007	**21,805 oz**
31 December 2006	25,206 oz
31 March 2006	30,435 oz
Cash Operating Cost	
31 March 2007	**US$436 /oz**
31 December 2006	US$413 /oz
31 March 2006	US$260 /oz
Average Gold Price Received	
31 March 2007	**US$317 /oz**
31 December 2006	US$560 /oz
31 March 2006	US$395 /oz
Average Spot Gold Price	
31 March 2007	**US$643 /oz**
31 December 2006	US$612 /oz
31 March 2006	US$557 /oz

Securities

As at 31 March 2007	
Ordinary shares	90,430,392
Unlisted partly paid shares	2,250,000
Unlisted options	5,850,000

Mine Geologist, Owin Phongphannga, at Chatree North A pit

Gavin Thomas, CEO

30 April 2007

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Key Points

- **Environmental Approval (EIA) granted - a key milestone for Chatree North mining leases**
- **Quarterly Gold Production 21,805 ounces**
- **Cash Costs US$436/oz due to low grade feed**
- **New discoveries at H West within Chatree leases**
- **$10.53 million placement to Thai investors**
- **Kingsgate unhedged by June 2007.**

Overview

Chatree Gold Mine

- Cash costs were US$436 per gold ounce for the Quarter, similar to the last half year, due to low grade ore feed to the plant. Underlying costs per tonne treated remain low at similar levels to the previous year.
- Low grades are expected to persist until new mining leases are granted at Chatree North.
- Quarterly gold production was 21,805 ounces.
- High processing plant throughput rates equal to 2.4Mtpa have continued for 10 months.
- H West was defined as a new extension to the operating H pit and will be integrated into the operation in the coming months. Drilling continues with results up to 9m @ 7.9 g/t Au. Nearby extensions to this mineralisation at J Prospect show encouraging intersections up to 5m @ 23.0 g/t Au.

Development

- The planned expansion to 5 million tonnes per annum or approximately 300,000 ounces gold per year is still scheduled for completion in the December Quarter 2008. Although final costs are still being determined with Ausenco, the detailed design for preliminary works has commenced.

Mining Leases

- The Environmental Impact Assessment ("EIA") for the Chatree North mining leases received official approval on 11 April 2007. The EIA granting is a key milestone reached.
- The Company is now well positioned to finalise the grant of the mining leases at Chatree North over the coming months.

Exploration

- The robustness of the A Pit mineralisation was reinforced with infill drilling results up to 13m @ 6.5 g/t Au. The new K Central prospect, immediately south of the A Pit, continues to show promise for a further open cut with results including 20m @ 3.2 g/t and 6m @ 8.0g/t Au.
- Access to key regional exploration targets for drill testing is nearing completion.

Corporate

- Gold sales will be unhedged by June 2007 with only 15,000 ounces remaining.
- Total cash on hand was A$12.9 million (US$10.5 million) with debt facilities of US$16 million drawn to US$13 million.
- A strategic placement of 2.25 million shares with an attached option at $4.68 per share to Thai interests was announced on 14 March 2007. All funds will be available in June 2007.
- A subordinated debt facility for US$10 million was completed in April.

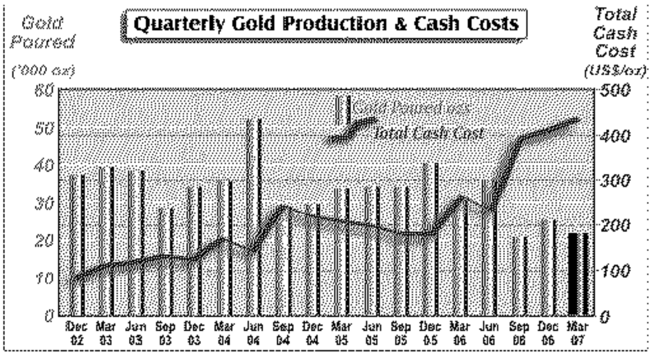
Chatree Gold Mine

PRODUCTION COSTS

Cash costs for the Quarter are US$436 per ounce gold with total production costs of US$514 per ounce.

Cash costs remain high, similar to the previous half year, a direct result of low mill feed gold grades of 1.2 g/tonne. Underlying mining costs per tonne treated remain low by global standards, due mainly to grid electrical power for the plant, a small expatriate workforce and the sourcing of most warehouse items in Thailand.

Low gold grades are due to the mine operating out of only two pits which has reduced the flexibility to blend ore of different grade. This is likely to persist until new pits are opened within the new mining leases at Chatree North which will provide more flexible mine scheduling increasing the gold grade to in excess of 2g/t.



PRODUCTION PERFORMANCE

Production at Chatree for the Quarter was 21,805 ounces due to a head grade of 1.2 g/t.

The March Quarter mill throughput was 592,800 tonnes. This is equal to an annual throughput rate of 2.4 million tonnes per annum, which has been maintained since June 2006, above nameplate capacity. Gold recoveries remained solid at 91%, slightly higher than the previous half.

At Chatree North, mining continued during the Quarter on the hill of A Pit.

SAFETY AND ENVIRONMENT

Chatree continues to be the safest gold mine in the world, based on Kingsgate's assessment, although reliable data is limited. The world-class safety and environmental record continued with nearly 7 million hours worked without a Lost Time Incident (LTI). Over 9 million hours has been worked at Chatree with only one LTI which includes the mine construction period and over 5 years of mining operations. In addition, there have been no reportable environmental incidents during the life of the mine and it remains in compliance.

This safety and environmental record demonstrates the commitment to continual improvement in productivity and sustainability to deliver industry best practice.

Chatree Mine	Units	Mar 07 Quarter	Dec 06 Quarter	Mar 06 Quarter
Waste Mined	bcm	**1,181,080**	881,581	1,256,428
Ore Mined	bcm	**151,595**	180,294	192,483
Waste to Ore Ratio		**7.8**	4.9	6.5
Ore Mined	tonnes	**387,959**	462,378	513,522
Ore Treated	tonnes	**592,821**	599,443	505,445
Head Grade	Au g/t	**1.2**	1.5	2.0
	Ag g/t	**9.6**	11.7	12.6
Gold Recovery	%	**91.0**	90.2	90.7
Gold Poured	**ounces**	**21,805**	**25,206**	**30,435**
Silver Poured	ounces	**75,521**	88,292	115,622

Cost Category *	Mar 07 Qtr US$/oz Gold	Dec 06 Qtr US$/oz Gold	Mar 06 Qtr US$/oz Gold
Direct Mining Expense	**463**	434	280
Refining and Transport	**2**	2	3
By-product Credit	**(46)**	(36)	(38)
Cash Operating Cost	**419**	400	245
Royalty	**17**	13	15
Total Cash Cost	**436**	413	260
Depreciation/Amortisation	**78**	83	40
Total Production Cost	**514**	496	300

** Gold Institute Revised Standard for Reporting Production Costs.*

Kingsgate reports unit costs in accordance with the Gold Institute Standard. Silver is accounted for as a by-product at Chatree whereby revenues from silver are deducted from operating costs in the calculation of cash costs per ounce. The Total Cash of future production at Chatree will fluctuate due to changing grade, throughput, strip ratio and recovery outcomes.

FORECAST

Production for the financial year to end June 2007 is anticipated to be at the lower end of the previously announced range of 90,000 to 100,000 ounces gold.

Guidance for the following financial year 2007/08 is in the range of 130,000 to 150,000 ounces gold, depending on the final timing of the grant of the new mining leases at Chatree North.

Chatree North Development Project

CHATREE NORTH MINING LEASES

The Environmental Impact Assessment ("EIA") for the Chatree North mining leases received official approval on 11 April 2007. With the EIA approval in the place, the Company has reached a key milestone and is now well positioned to finalise the grant of the mining leases at Chatree North over the coming months.

The final step involves regulatory approvals by the Department of Primary Industry and Mines and the Forestry Commission, prior to mining lease grant by the Thai Minister of Industry.

The grant of the new leases will allow the mine to resume full production, re-invigorate exploration activity and expand the mine to double output to fully realise the potential of the Chatree North area.

CHATREE NORTH EXPANSION PROJECT

Kingsgate will enter into an EPC contract soon with Ausenco, subject to the final grant of the new mining leases at Chatree North. The planned mill expansion to 5 million tonnes per annum is still scheduled for completion in the December Quarter 2008, when the gold production rate will increase to approximately 300,000 ounces gold per year. Although final costs are still being determined with Ausenco, the detailed design for preliminary works has commenced.

Chatree Mine Area

H Pit and H West Prospect:

Resource development drilling in H West was undertaken during the Quarter and continues to return very encouraging results (see Appendix A for detailed results). Significant intersections in H West are detailed in the adjacent table.

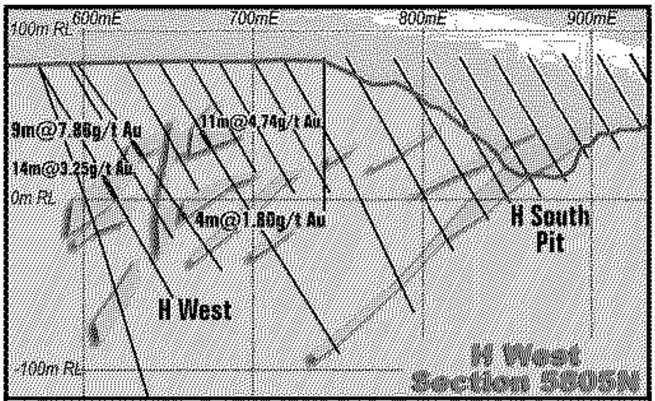
H PIT & H WEST PROSPECT HIGHLIGHT DRILL RESULTS				
Hole No	From (m)	To (m)	Interval (m) *	Au (g/t)
3619RC	82.00	91.00	9.00	4.25
3593RC**	88.00	97.00	9.00	2.85
3599RC**	66.00	74.00	8.00	3.30
3576RC**	30.00	39.00	9.00	2.93
3493RC	58.00	67.00	**9.00**	**7.86**
3720RC**	123.00	130.00	7.00	4.09

** Intersections may not be true width. ** Previously reported.*

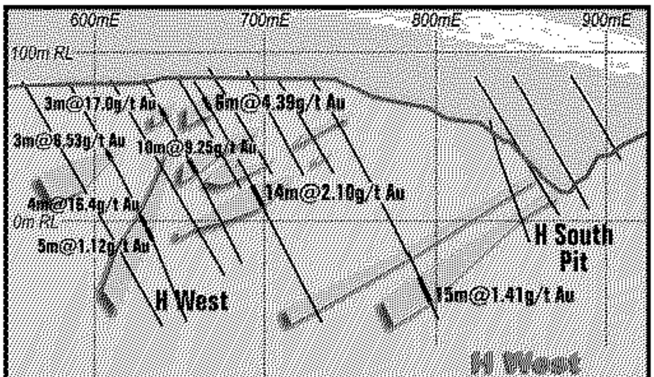
An interim resource estimate for H West and H South was recently conducted internally. Results indicate recoverable mineral resources well in excess of 100,000 ounces of gold remaining beneath the March 2007 open pit surface.

COMBINED INTERIM MINERAL RESOURCES FOR H WEST & H SOUTH ONLY using a 0.7g/t Au Cut-off Grade						
Category	Volume	Tonnes	Gold (g/t)	Silver (g/t)	Gold (Oz)	Silver (Oz)
Measured	840,992	2,179,997	1.52	8.91	106,864	624,827
Indicated	394,056	1,021,298	1.44	7.81	47,135	256,385
Inferred	215,991	559,845	1.43	7.88	25,792	141,909
TOTAL	**1,451,039**	**3,761,140**	**1.49**	**8.46**	**179,790**	**1,023,121**

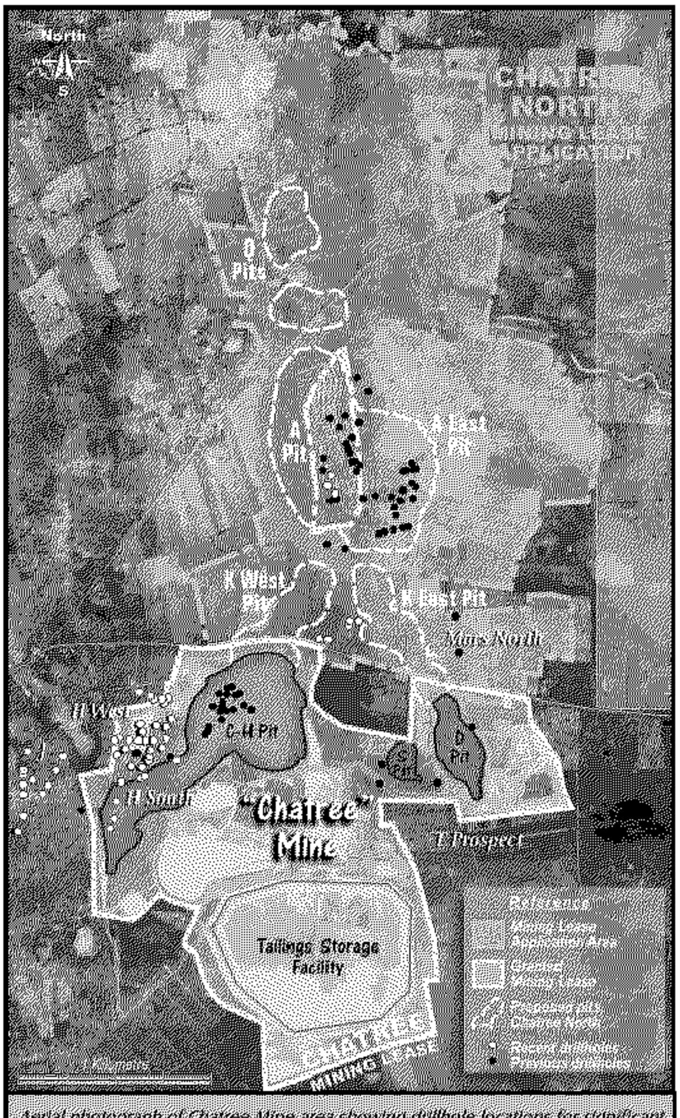
Drilling in H West is ongoing and high priority because of the early availability of ore to combine with current operations. Pit optimization is nearing completion with a view to commence mining in the area in the near future. H West and H South have been combined as they would be mined together.



H West section 5,805N showing new drill holes



H West section 5,830N showing new drill holes



Aerial photograph of Chatree Mine area showing drillhole locations for significant intersections tabulated in Exploration section.

Exploration - Chatree North

A Pit:

A limited infill drilling program was conducted in A Pit from the current pit floor. The objective was to assess the impact on the block model by drilling holes inclined towards the east in this area of the A pit which was predominantly west drilled. In this instance, the drilling upgraded the mineralization and confirmed that it dips steeply westward. Significant intersections from A Pit infill drilling are included in the table at right and further details and intersections are tabled in Appendix A.

K Central Prospect

Coincident resistivity and Air Core bedrock gold geochemical anomalies were tested in the area between the proposed open pits at K West and K East, immediately south of A Pit. Infill drilling in this sparsely drilled area continued to return encouraging intersections including 20m at 3.21g/t Au from 58m in drill hole 3607RC. Further drilling is required in order to determine the extent of the mineralisation. Significant intersections in K Central are included in the table at right and further details and intersections are tabled in Appendix A.

J Prospect:

Drilling was undertaken in J Prospect about 250m west of H West. Results received were encouraging with good grade mineralisation being intersected from near surface. Significant intersections in J Prospect are included in the table at right and further details and intersections are tabled in Appendix A.

A PROSPECT HIGHLIGHT DRILL RESULTS

Hole No	From (m)	To (m)	Interval (m) *	Au (g/t)
5701RC	11.00	24.00	**13.00**	**6.46**
5703RC	0.00	14.00	14.00	2.29

** Intersections may not be true width*

K CENTRAL PROSPECT HIGHLIGHT DRILL RESULTS

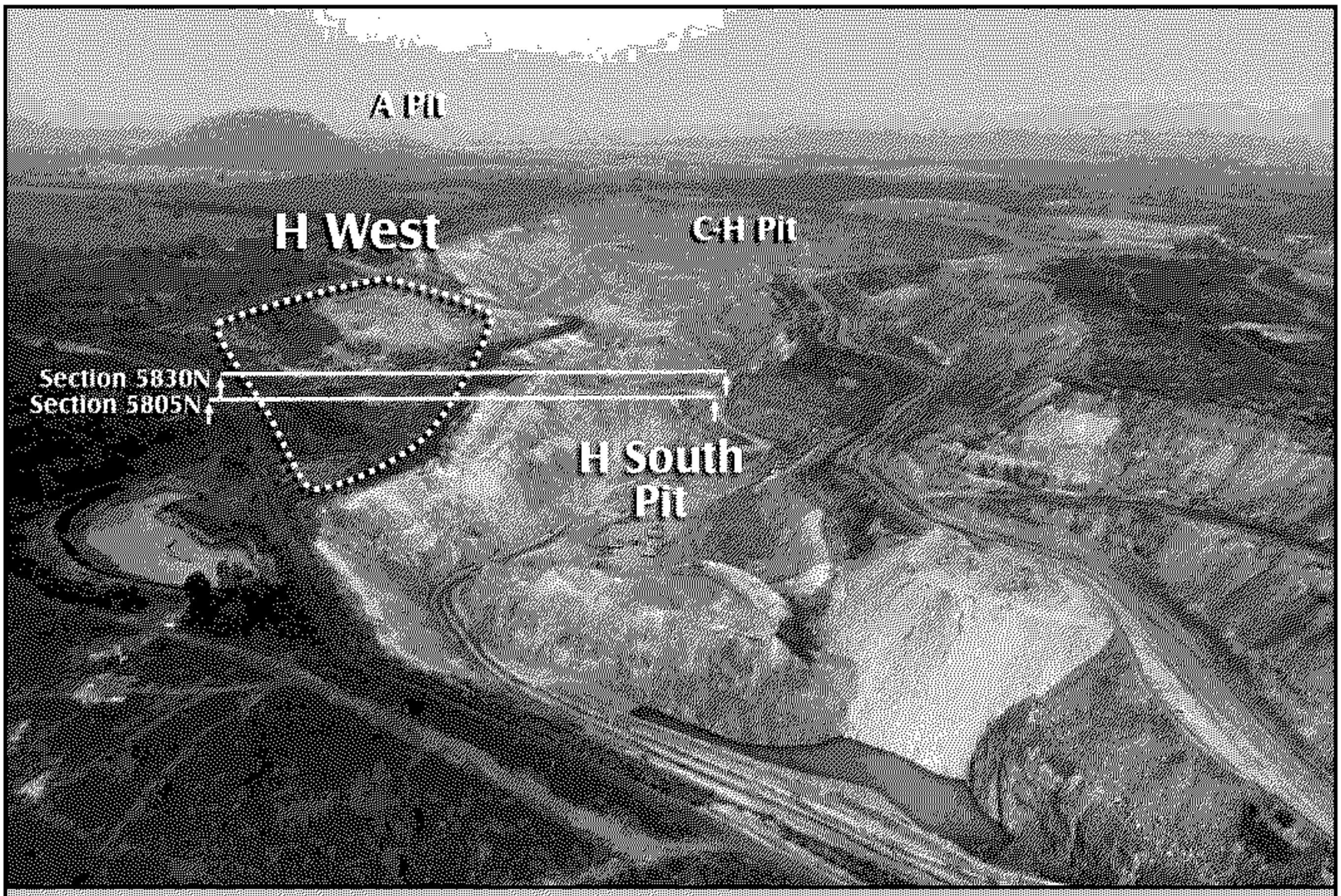
Hole No	From (m)	To (m)	Interval (m) *	Au (g/t)
3579RC	9.00	21.00	12.00	2.77
3607RC	38.00	41.00	3.00	3.53
	58.00	78.00	**20.00**	**3.21**
3604RC	51.00	57.00	6.00	2.45
	108.00	114.00	6.00	8.02
	120.00	131.00	11.00	1.58

** Intersections may not be true width*

J PROSPECT HIGHLIGHT DRILL RESULTS

Hole No	From (m)	To (m)	Interval (m) *	Au (g/t)
5742RC	10.00	14.00	4.00	6.78
5720RC	14.00	17.00	3.00	8.77
5768RC	17.00	22.00	**5.00**	**23.20**

** Intersections may not be true width*

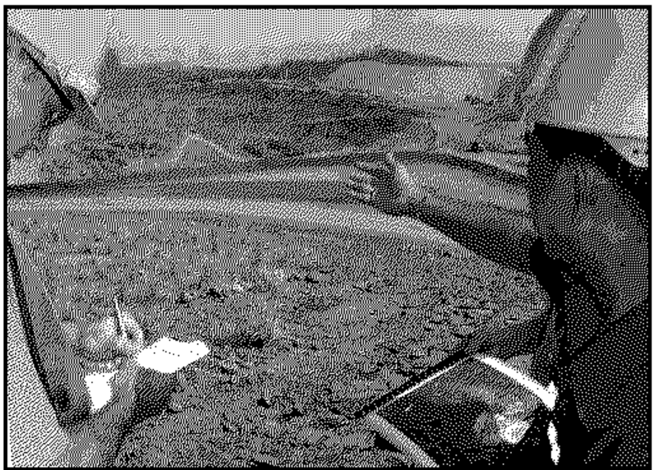


H West: Location of Sections in recently identified resource addition to main pit operations

Exploration

REGIONAL EXPLORATION – THAILAND

Regional reconnaissance exploration continued with new targets identified with very similar characteristics to Chatree mineralisation. These target areas are under granted exploration leases (Special Prospecting Licenses) and the Company is well advanced in negotiations to gain access for detailed exploration and drilling. The remaining exploration lease applications (Special Prospecting License Applications or SPLA's) for Phetchabun Province should be granted soon.



Jim Copland, Macquarie Equities analyst, with Chief Mine Geologist, Suphanit Suphananathi, overlooking Chatree Main C Pit and Chatree North A Pit

SCHEDULED GOLD HEDGE DELIVERIES REMAINING	
Spot deferred	2,000 oz @ US$318 per oz
June Quarter 2007	13,000 oz @ US$318 per oz

Category	Units	Mar 07 Quarter	Dec 06 Quarter	Mar 06 Quarter
Average Prevailing Spot Gold Price	US$/oz	**643**	612	557
Av. Cash Price received (on Gold Production)	US$/oz	**317**	560	395
Gold sold	**Ounces**	**23,664**	**23,371**	**36,187**
Silver sold	Ounces	**87,924**	79,5146	131,976
Revenue from Metal Production	US$M	**8.7**	14.1	15.6

Local resident and technician in Chatree's successful on-site analytical laboratory

Corporate

FINANCE

At 31 March 2007, the group had net cash on hand of A$12.9 million (US$10.5 million) with debt facilities of US$16 million drawn to US$13 million.

A subordinated corporate re-financing facility for US$10 million was completed in April with Investec Bank (Australia) Limited that provided the Company with greater flexibility beyond its previous borrowing arrangements.

The financing package was a combination of debt and equity with US$4 million of the package convertible to equity by way of call options. The Company issued Investec with 1,126,000 two year call options convertible into ordinary shares at a strike price of A$4.55. The call option component of the financing package was negotiated earlier this year in January 2007 when the financing was agreed subject to documentation and existing lender approvals.

No shares were bought back by the Company during the Quarter.

GOLD HEDGE POSITION

Kingsgate's gold sales will be unhedged in June 2007. The company continued its aggressive deliveries into the gold hedge positions during the March Quarter with hedge commitments outstanding at 31 March 2007 of only 15,000 ounces. The average cash price received by Kingsgate for gold sales in the March Quarter was equal to the hedge positions at US$317/oz. Gold production will be delivered solely into the prevailing spot gold price from June 2007.

The remaining hedge delivery schedule and a summary of the gold and silver sales are tabulated at left.

The decision taken by the Company almost two years ago to aggressively deliver into the outstanding gold hedge positions has been vindicated by the rising gold spot price. Further, this has also been supported by other gold companies raising large sums of equity to close their out-of-the-money hedge books. While Kingsgate's decision has impacted cash flow, it has not been at a significant dilution to shareholders.

The Kingsgate Group had no foreign exchange currency hedging in place at the date of this report and is not exposed to any margin calls from hedge counterparties.

There was a negative mark to market valuation of US$5.2 million for the hedge book at 31 March 2007. All remaining positions are deemed to be either "effective or ineffective hedges" and are reflected dominantly in the company's balance sheet.

PLACEMENT TO THAI INTERESTS

A strategic placement to Thai interests of 2.25 million shares at $4.68/share, with an attached 12 month option exercisable at the same price, was announced on 14 March 2007. This placement will raise A$10.53 million, with all funds available in June 2007, for the purpose of general working capital and exploration.

Under the terms of the agreement, the shares are issued as partly paid shares as follows: A$2.5 million upon execution of the agreement; A$3 million 45 days after agreement execution; and A$5.03 million 90 days after agreement execution. The options will vest upon the shares being fully paid.

Kingsgate Consolidated Limited

Board of Directors

Ross Smyth-Kirk - Chairman
John Falconer - Non-Executive Director
Peter McAleer - Non-Executive Director

Company Secretary

Peter Warren

Senior Management Team

Gavin Thomas
Chief Executive Officer
Phil MacIntyre
Chief Operating Officer & General Manager, Akara Mining Limited
Stephen Promnitz
Corporate Development Manager
Peter Warren
Chief Financial Officer
Ron James
General Manager, Exploration & Resources Development

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Competent Persons Statement

Information in this report that relates to geology, drilling, mineralisation and Mineral Resource estimates is based on information compiled by Ron James and Mike Garman, employees of the Kingsgate Group, who are Competent Persons under the meaning of the JORC Code with respect to the mineralisation being reported on. All have given their consent to the Public Reporting of these statements concerning geology, drilling and mineralisation.

Issued Share Capital

Kingsgate has 90,430,392 ordinary shares on issue with 2,250,000 unlisted partly paid shares and 5,850,000 unlisted options as at 31 March 2007.

Quarterly Share Price Activity

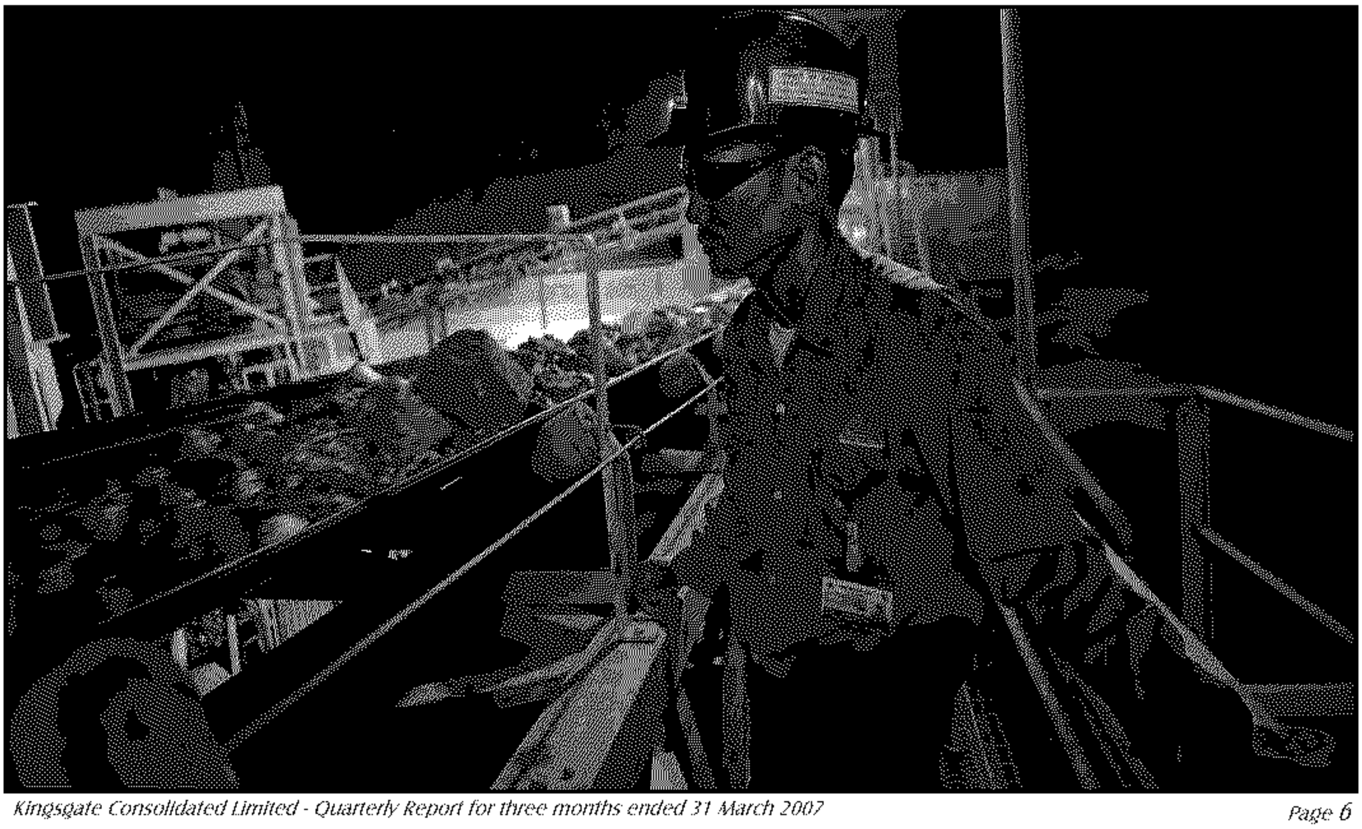
Kingsgate Consolidated (ASX: KCN) is part of the S&P/ASX 200 Index.

Quarter	High	Low	Last
December 2003	$4.25	$3.38	$3.84
March 2004	$3.98	$3.25	$3.76
June 2004	$3.90	$3.25	$3.76
September 2004	$3.59	$2.92	$3.00
December 2004	$3.40	$2.35	$2.45
March 2005	$2.75	$2.05	$2.26
June 2005	$2.98	$2.02	$2.84
September 2005	$3.75	$3.08	$3.72
December 2005	$4.67	$3.55	$4.60
March 2006	$6.45	$4.55	$6.44
June 2006	$6.80	$3.74	$5.14
September 2006	$5.39	$4.15	$4.59
December 2006	$4.65	$3.65	$4.20
March 2007	$4.94	$3.47	$4.75

Share Registry

Security Transfer Registrars Pty Ltd
770 Canning Highway,
Applecross WA 6953.
PO Box 535,
Applecross WA 6953.
Phone: (61 8) 9315 2333.
Facsimile: (61 8) 9315 2233.
Email: registrar@securitytransfer.com.au

All direct shareholding enquiries to the share registry, please.



Appendix A

H WEST PROSPECT DRILLING RESULTS - (Intercepts with Au assays > 10gram.meters)									
Hole No.	Easting Local_H	Northing Local_H	Azimuth Local_H	Dip (degrees)	Hole Depth (m)	From (m)	To (m)	Interval (m)*	Au (g/t)
3717RD	596	6154	90	-60	190	153	157	4	4.44
3718RC	578	6129	90	-60	237	209	210	1	14.2
3700RC	598	6124	90	-60	180	42	45	3	3.55
3619RC	543	6104	90	-60	168	82	91	9	4.25
3620RC	522	6104	90	-60	183	175	179	4	4.29
5112RDext	463	6083	90	-60	200.7	146	150.8	4.8	2.33
3567RC	682	6080	90	-60	153	94	96	2	10.7
3589RC	686	6029	90	-60	126	36	38	2	5.51
3593RC	641	6003	90	-60	130	88	97	9	2.85
3613RDext	725	5979	90	-60	179.83	161.2	167.5	6.3	1.73
3599RC	575	5954	90	-60	131	66	74	8	3.3
3576RC	605	5929	90	-60	87	30	39	9	2.93
3590RC	738	5929	90	-60	160	143	148	5	4.14
3595RC	676	5928	90	-60	180	166	172	6	3.68
3704RC	838	5925	90	-60	120	76	82	6	1.88
3598RC	643	5901	90	-60	120	91	93	2	5.78
3571RC	699	5878	90	-60	63	45	47	2	6.81
1897DDext	616	5880	90	-60	153.05	130.5	138	7.5	2.98
3498RC	716	5852	90	-60	84	59	60	1	10.9
3713RC	583	5854	90	-60	133	80	85	5	4.12
3612RC	728	5829	90	-60	160	134	149	15	1.41
3719RC	535	5829	90	-60	200	53	62	9	2.25
						142	159	17	1.06
3493RC	596	5805	90	-55	150	58	67	9	7.86
3720RC	523	5802	90	-60	201	123	130	7	4.09
3488RC	722	5779	90	-55	96	84	88	4	2.77
3597RC	683	5752	90	-60	170	69	84	15	1.6
3706RC	766	5752	90	-59	120	63	66	3	4.23
						96	102	6	2.84
3721RC	582	5753	90	-60	200	124	128	4	3.67
3707RC	758	5727	90	-68	133	84	89	5	2.73
3618RC	693	5654	90	-65	140	115	116	1	21.2
3626RC	737	5554	90	-60	120	105	106	1	13.9
3726RC	786	5472	90	-50	108	82	83	1	11.9
3729RC	800	5425	90	-77	109	83	89	6	4.01

** Intersections may not be true width*

Appendix A continued

K CENTRAL PROSPECT DRILL RESULTS - (intercepts with Au assays > 10gram.meters)									
Hole No.	Easting Local_C	Northing Local_C	Azimuth Local_C	Dip (degrees)	Hole Depth (m)	From (m)	To (m)	Interval (m)*	Au (g/t)
3579RC	6771	2460	90	-60	102	9	21	12	2.77
3607RC	6720	2457	90	-60	126	38	41	3	3.53
						58	78	20	3.21
5678RC	6721	2433	90	-55	130	64	68	4	3.64
3604RC	6609	2360	90	-55	132	51	57	6	2.45
						108	114	6	8.02
						120	131	11	1.58

** Intersections may not be true width*

A PROSPECT DRILLING RESULTS - (Intercepts with Au assays > 10gram.meters)									
Hole No.	Easting Local_C	Northing Local_C	Azimuth Local_C	Dip (degrees)	Hole Depth (m)	From (m)	To (m)	Interval (m)*	Au (g/t)
5661RC	5049	19824	90	-55	120	2	11	9	1.22
5701RC	5023	19774	90	-55	85	11	24	13	6.46
5703RC	5048	19724	90	-55	60	0	14	14	2.29

** Intersections may not be true width*

J PROSPECT DRILLING RESULTS - (Intercepts with Au assays > 10gram.meters)									
Hole No.	Easting Local_C	Northing Local_C	Azimuth Local_C	Dip (degrees)	Hole Depth (m)	From (m)	To (m)	Interval (m)*	Au (g/t)
5772RC	5054	1761	90	-55	102	69	77	8	1.27
5742RC	5239	1736	90	-55	60	10	14	4	6.78
5720RC	5208	1660	90	-55	60	14	17	3	8.77
5743RC	5032	1658	90	-55	111	34	36	2	5.11
5768RC	5034	1635	90	-55	90	17	22	5	23.2
5670RC	5080	1609	90	-55	90	30	34	4	5.59
5726RC	5033	1582	90	-55	108	35	40	5	2.69
5724RC	5157	1577	90	-55	60	8	12	4	3.13
5668RC	5133	1536	90	-55	115	33	35	2	9.45
5730RC	5033	1531	90	-55	50	8	15	7	1.78
5706RC	5028	1412	90	-55	78	0	6	6	2.53
5672RC	5005	1337	90	-55	70	15	17	2	6.32

** Intersections may not be true width*