



**KENTOR GOLD LTD**

# Kentor Gold

Investor Presentation

July 2012



# Agenda

## 1. Company Overview

2. Board and Management

3. Murchison Gold Project – Australia

4. Jervois Copper Gold Project – Australia

5. Andash Gold Copper Project – Kyrgyz Republic

# Company Overview

Kentor Gold Limited (“Kentor”) is an Australian-based gold explorer and developer with projects located in Australia (Murchison and Jervois) and the Kyrgyz Republic (Andash). Kentor expects to commence gold production in CY2012 through its Burnakura project in Western Australia. The Company is also progressing a pipeline of advanced projects in Australia and the Kyrgyz Republic.

## Capital structure

<b>Listing</b>	ASX: KGL
<b>Shares on issue</b>	106.2m
<b>Share price (as at 28/6/12)</b>	\$0.655
<b>Market capitalisation</b>	\$69.6m
<b>Options on issue</b>	5.8m (unlisted)
<b>Cash (as at 30 Mar 2012)</b>	\$27.4m
<b>Listed</b>	17 May 2005

## Substantial shareholders

<b>Major shareholders</b>	KMP Investments Pte Ltd – 14.7%
	Bank Julius Baer – 4.5%
	Macquarie Bank – 3.2%

## Projects

### Murchison Gold Project

- Located in Western Australia
- Burnakura to commence production in mid-2012
- Initial production of 25,000 oz p.a.
- Potential to expand production via Gabanintha

### Jervois Copper & Base Metals Project

- Located in the Northern Territory
- High grade copper & base metals resource
- Currently in feasibility
- Targeting 2014 for commencement of production

### Andash Gold-Copper Project

- Located in the Kyrgyz Republic
- Very low cost project .
- Development ready, awaiting local approval
- Targeting 2013 production of 70,000 oz Au and 7,400 tonnes copper p.a.

# Corporate Structure

**KENTOR GOLD**

80%



**Andash Mining Company (Kyrgyz Republic)**



100%

**Andash  
Gold Copper**



100%

**Jinka Minerals (Australia)**



100%

**Jervois  
Copper Silver  
Gold Lead  
Zinc**



100%

**Murchison  
Gold**



# Kentor - Resources

	Tonnes (mt)	Grade Au g/t	Grade Cu%	Grade Ag g/t	Gold (oz)	Copper (t)	Silver (Oz)
Andash Inferred	0.38	0.93	0.25		11,350	950	
Jervois Inferred	11.9		1.3	25.2		150,500	9,700,000
Burnakura Inferred	10.6	1.5			516,000		
Gabanintha Inferred	4.5	1.4			203,000		
Andash Indicated	15.12	1.0	0.38		532,643	57,770	
Andash Measured	4.08	1.04	0.48		149,046	19,538	
<b>Total Resources</b>	<b>46.58</b>				<b>1,412,039</b>	<b>228,758</b>	<b>9,700,000</b>

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# Experienced Board



**John Barr** AM, MAICD

Chairman, Non-Executive (Former director Oxiana, Transurban, Acacia and Iluka)



**Simon Milroy** B.Eng (Mining)

Managing Director (Formerly GM Project Development for Pan Aust, former Mining Manager Kingsgate)



**Hugh McKinnon** B.Eng. (Mining)

Executive Director, Country Manager (Has worked on mining and exploration projects across Central Asia since 1996. Resides in the Kyrgyz capital of Bishkek and speaks Russian)



**Andrew Daley** BSc (Hons) (Mining)

Director, Non-executive (Andrew has a background in corporate finance and has served as a director in a number of resource companies.)



**John Taylor** B. Eng (Chemical); MBA

Director, Non Executive (previously the MD of Outotec Australasia and is a director of Heemskirk.)

# Senior Management



**Gerard Kelly**  
Chief Financial Officer



**Patrick Baldock**  
General Manager – Murchison Gold Project



**Kelvin Russell**  
General Manager  
Corporate Finance



**Rudy Lennartz**  
Project Manager – Jervois Project



**Kylie Anderson**  
Company Secretary



**Keith Mayes**  
Chief Operating Officer - Australia

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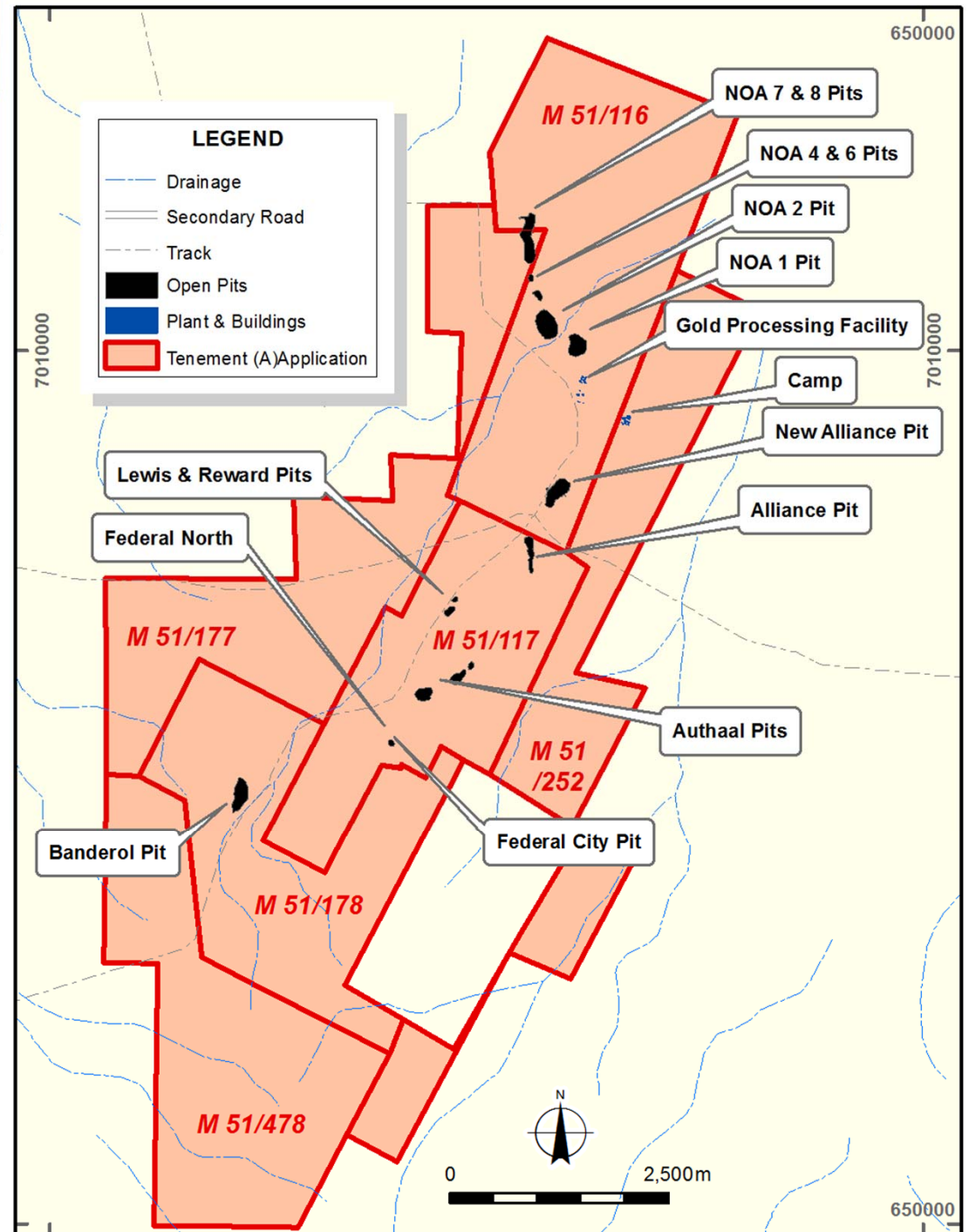
# Murchison Project: Overview

- Acquired Jinka Minerals in 2011
- Near term cash flow from commencement of production at Burnakura
- Four stage production expansion process
- Existing plant and mining infrastructure
- Significant exploration upside

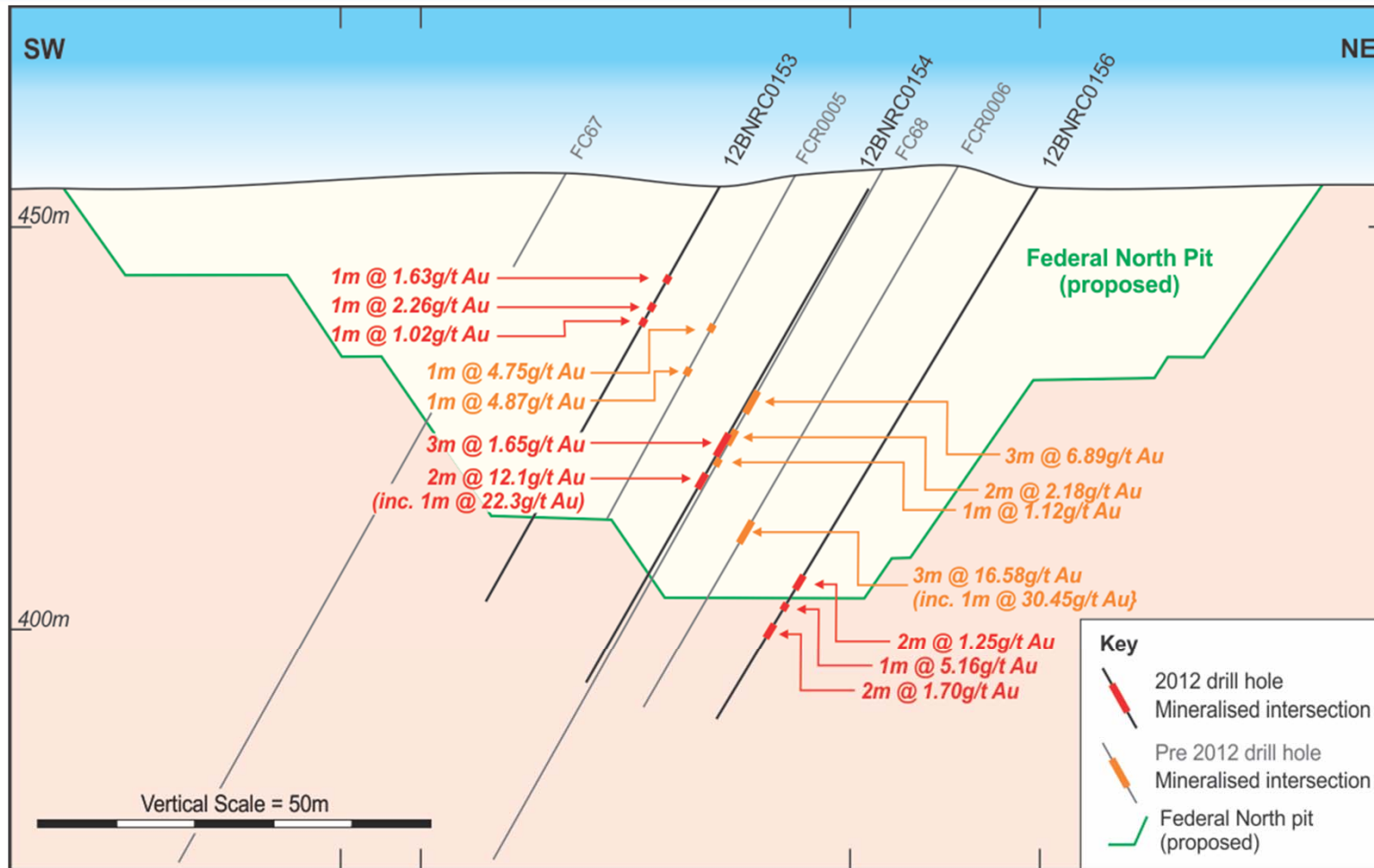


# Murchison Gold Project

- Burnakura 16,000m RC completed
- Gabanintha 2,000m RC completed
- 20 open pits and one underground mine

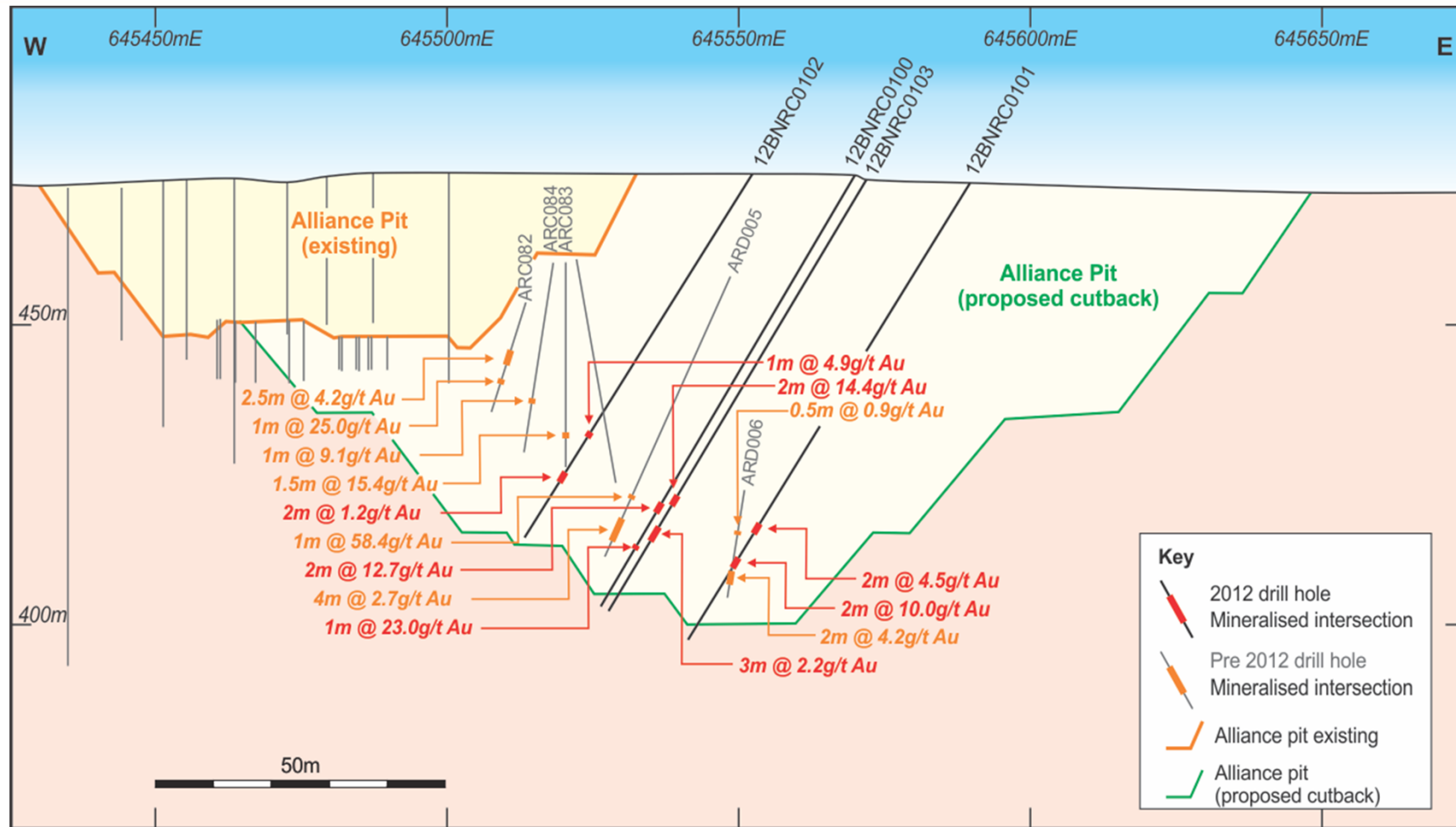


# Federal North Pit



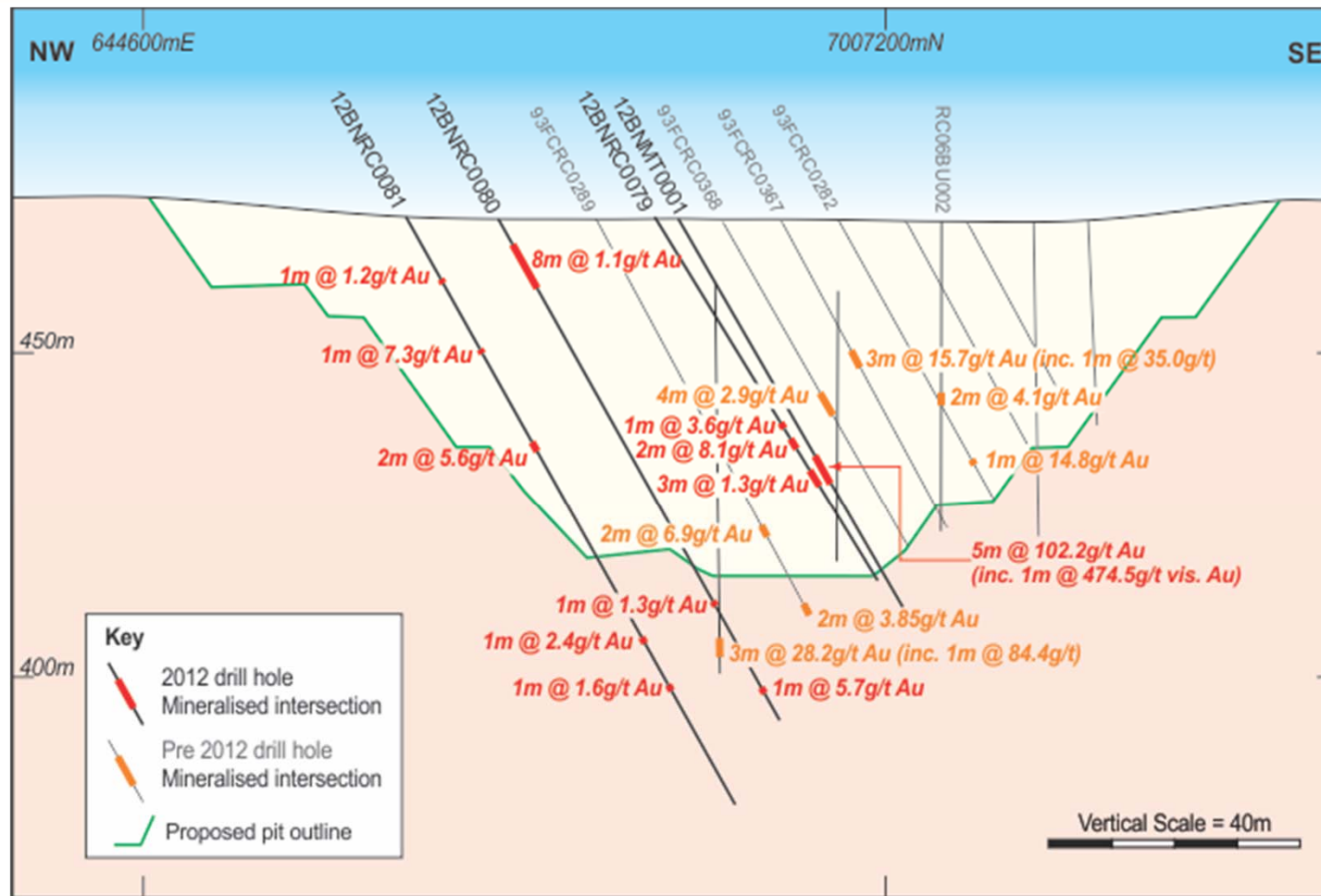
Cross section looking north-west through the proposed Federal North pit, 20m wide section, showing results from recent RC drilling and significant results from historic RC drilling.

# Alliance Pit



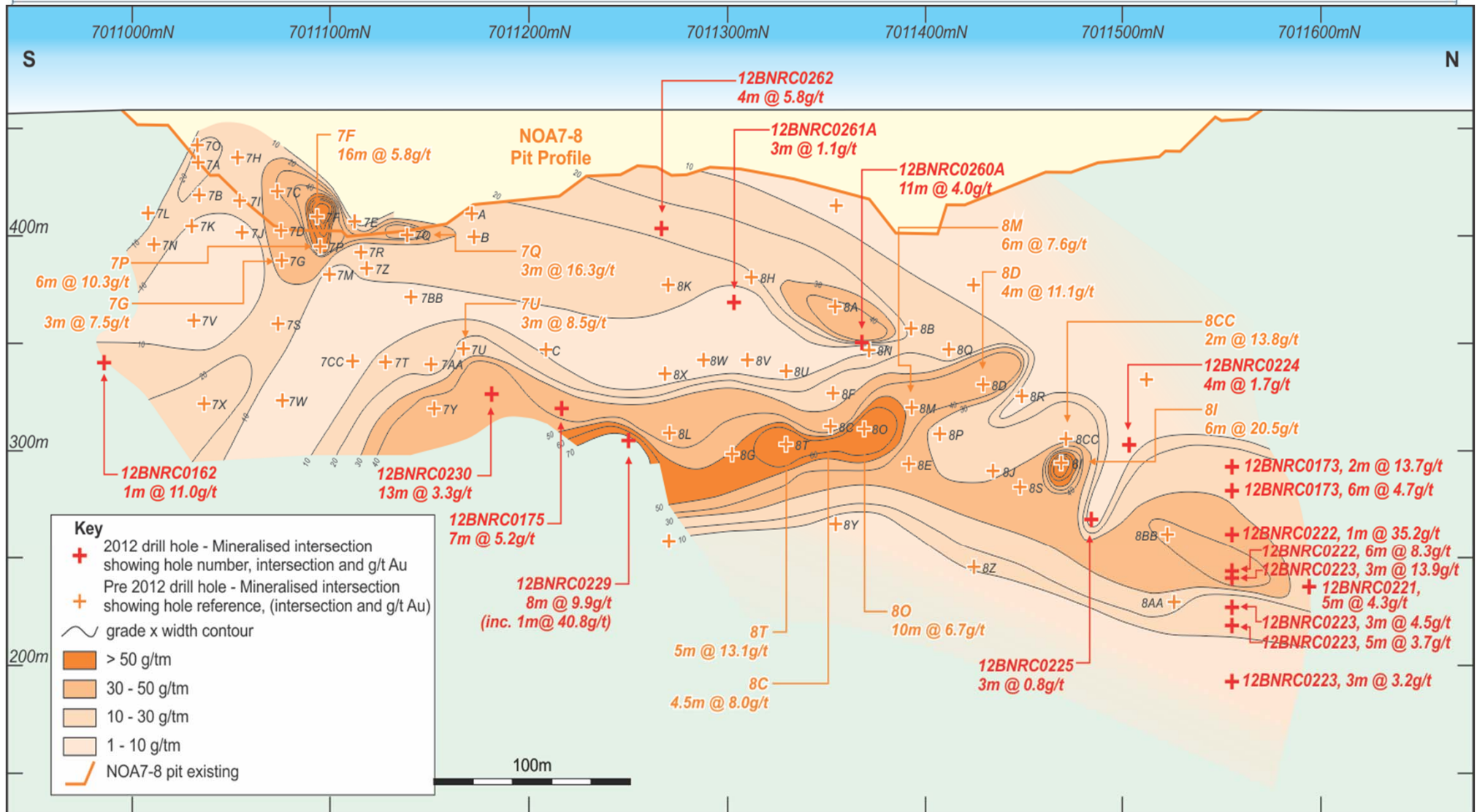
Cross section looking north through the Alliance Pit at 7007830mN, 20m wide section, showing results from recent RC drilling and significant results from historic RC drilling.

# Lewis Pit



Cross section looking north east through proposed Lewis Pit, 30m wide section, showing results from recent RC and metallurgical PQ diamond drilling (12BNMT0001) and significant results from historic RC drilling.

# NOA 7 and 8 Long Section Showing g/t \* m Interval



# Four Stage Growth Strategy

**Stage 1**

Refurbish and restart existing CIL Plant

**Stage 2**

Add a heap leach circuit to treat low grade ore

**Stage 3**

Expand plant to 500,000 tpa

**Stage 4**

Flotation of copper gold ore

# Mining in Reward Pit



# Stage 1 - Restart CIL Plant

- Expand to 260,000 tpa
- Commence production in June 2012
- Initial Production Rate 24,000 oz gold p.a.
- Capital cost \$14.8m
- Stage 1 cash cost \$1,224 / oz
- High grade production – 3 g/t gold





# Crushing and Heap Leaching Equipment



Note: Photographs of equipment on site at the Indee mine site

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# Jervois Project: Overview

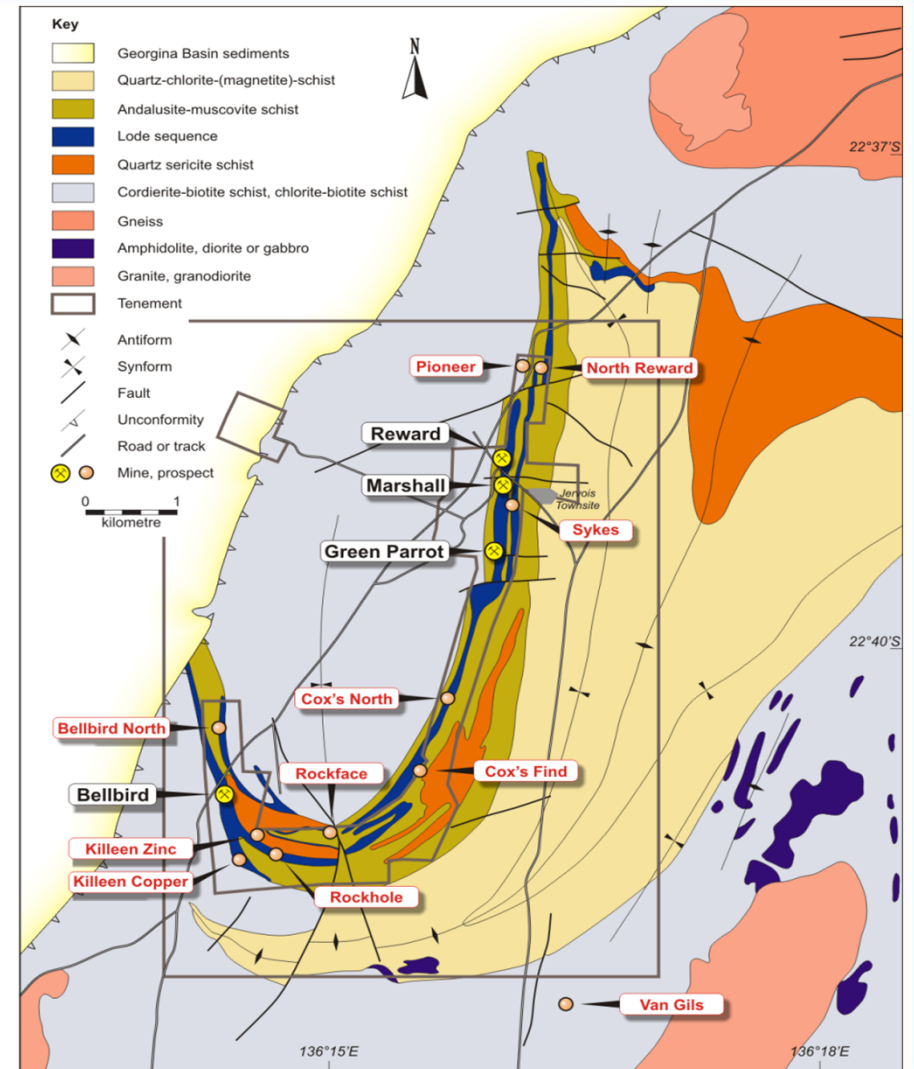
- Copper and base metal project located in Northern Territory
- Significant resource with major exploration upside
- Aggressive drilling program delivering positive results
- Initial metallurgical test work positive
- Fast tracked to development
- Potential to become Kentor's largest project
- Definitive Feasibility Study Underway (\$9m)

**Chalcopyrite in drill core from Hole RJ 205 508m – 509m down hole**



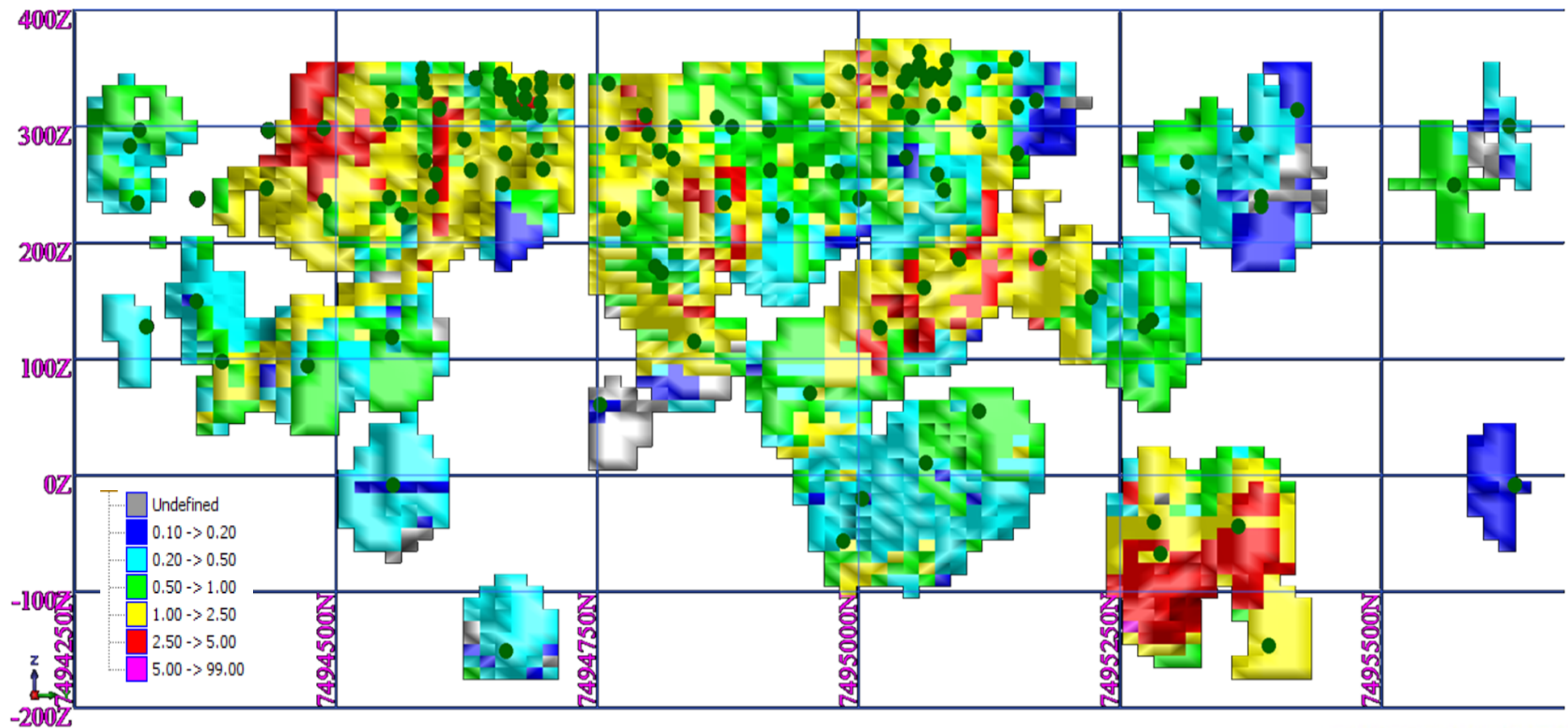
# Jervois Copper Project

- 100% Interest
- Granted Mining License
- Land Holding 38 km<sup>2</sup>
- 12km of prospective strike



# Reward Ore Body Long Section

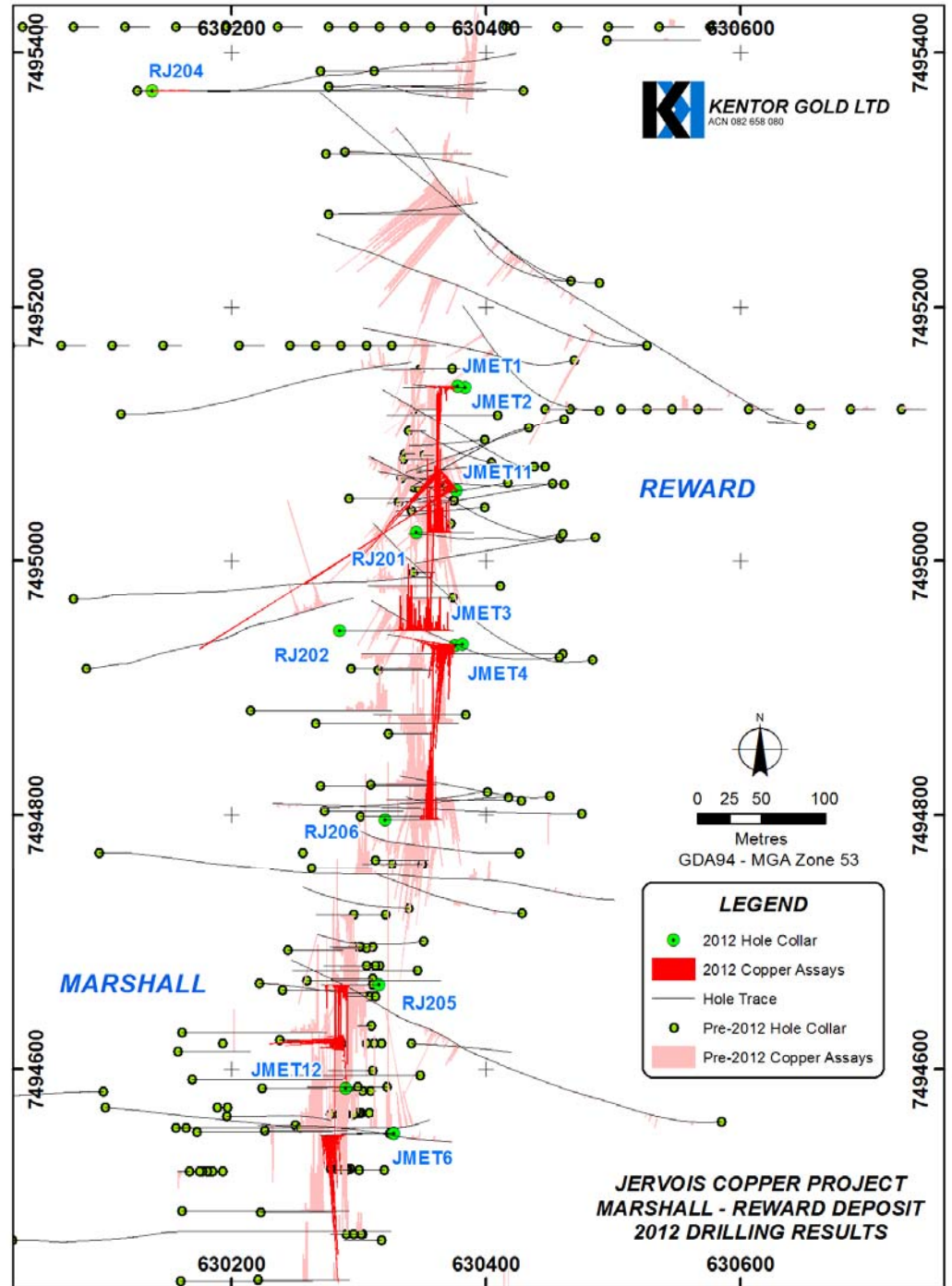
- Inferred Copper Resource of 11.9 Mt @ 1.3% Cu and 25.2 g/t Ag
- 150,500t of contained copper and 9.7 m oz contained silver



# Exploration Results

## 2012 Exploration Results

- 60m @ 1.3 % Cu, 113.3 g/t Ag JMET 11
- 33.8m @ 1.79% Cu, 28.5 g/t Ag RJ201
- 53.5m @ 1.08% Cu, 24.9 g/t Ag RJ202
- 16.3m @ 1.87% Cu, 55.3 g/t Ag JMET3
- 10.3m @ 2.1% Cu, 13.3 g/t Ag JMET4
- 12m @ 3.72% Cu, 40.7 g/t Ag RJ206
- 4.2m @ 6.6% Cu, 30 g/t Ag JMET2
- 21.4m @ 3% Cu, 40.1 g/t Ag JMET6
- 7m @ 2.3% Cu, 23.4 g/t Ag JMET8
- 25m @ 1.5% Cu, 28.2 g/t Ag JMET12



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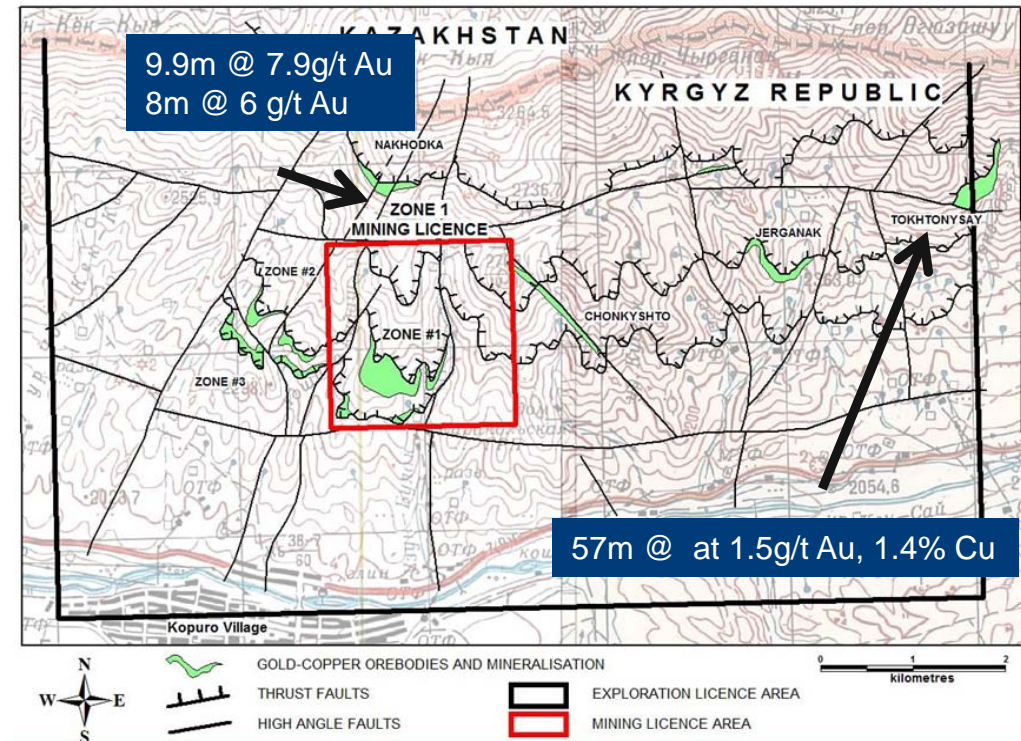
# Andash: Project Overview

- Advanced gold-copper project
- Development ready status awaiting final approval
- Significant resource & reserve base
- Potential for further regional consolidation
- Developing one of the world's lowest cost gold mines



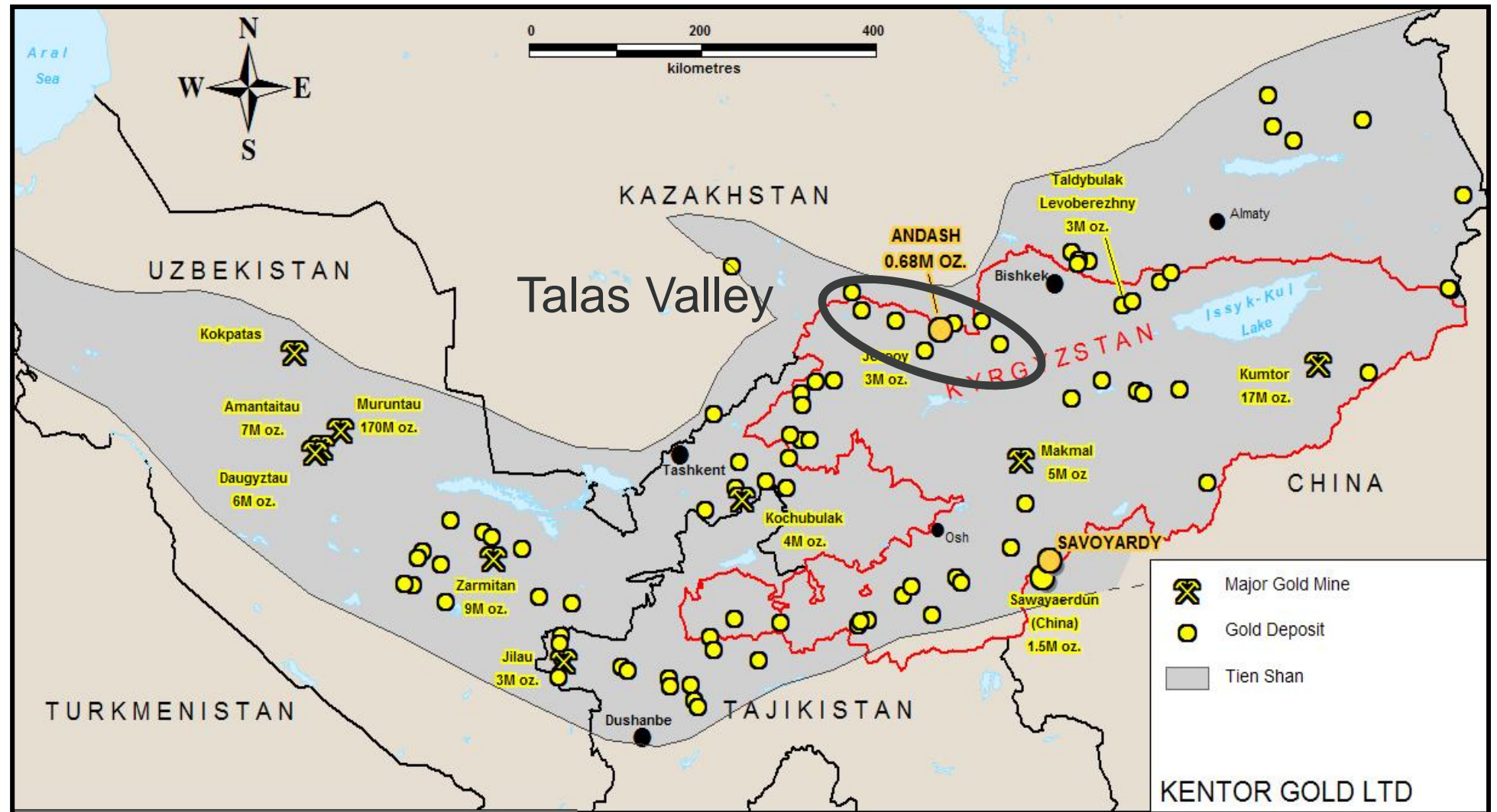
# Andash Project

- Feasibility study complete (Mar 2010)<sup>1</sup>
- Independent Environmental Review to go ahead
  - Project to proceed once review completed and agreement reached with local community
- One of the world's lowest cost gold mines
  - Low Strip Open pit
  - Standard Flotation
  - High grade concentrate
- Excellent Exploration Potential
  - Further upside from Zones 2 & 3
  - Potential 10+years mine life



<sup>1</sup>Debt facility of US\$50m approved by Macquarie Bank in October 2010 for construction of the Andash Copper-Gold Project. This debt facility expired due to delays to development. Kentor expects a new agreement to provide debt financing for this project can be reached once government approvals are granted.

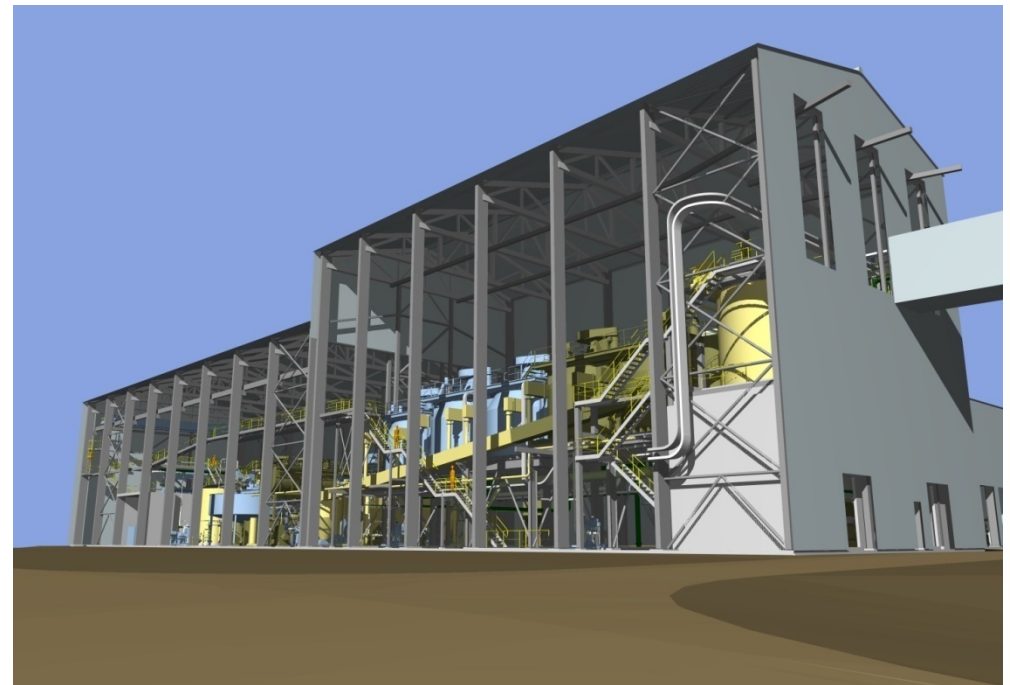
# Tien Shan Gold Belt



KENTOR GOLD LTD

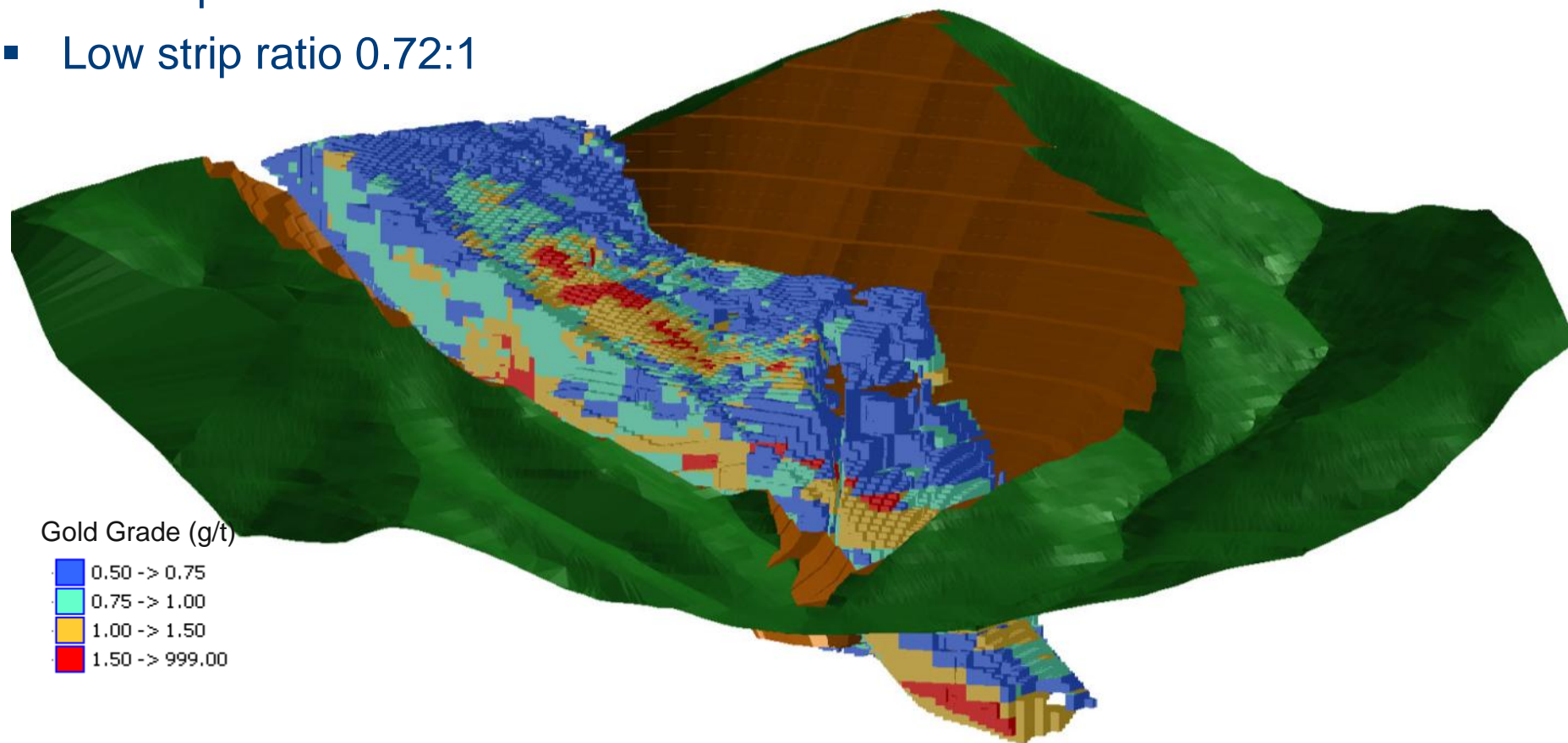
# Andash Project

- 1.6mtpa to 3.2mtpa throughput
- Simple and conventional open pit and flotation plant
- 3 stage crush, grind, float process
- Average annual production:
  - 70,000 oz Au and 7,400t Cu
  - High grade concentrate  
24.5% Cu and 72 g/t Au
- No deleterious elements
- Initial mine life 6 years
- Resource/reserve expansion likely to significantly increase mine life



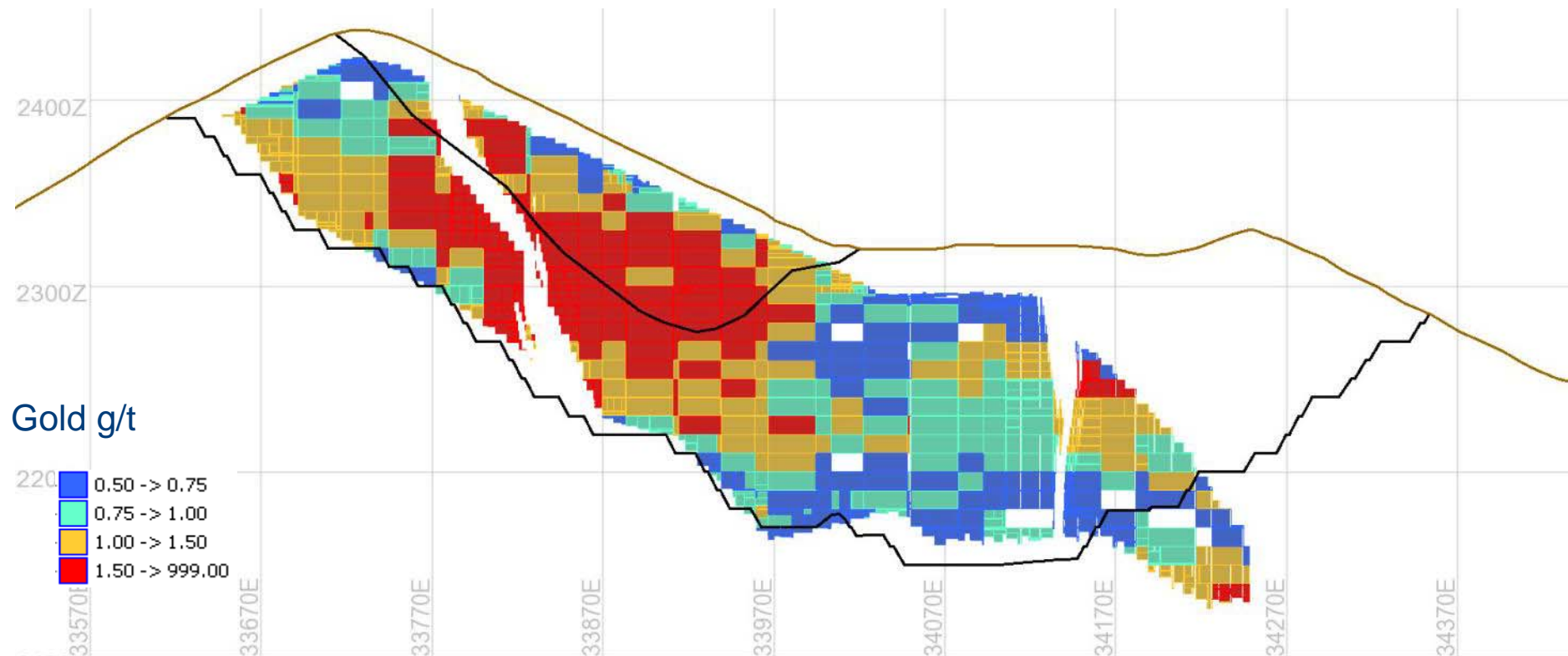
# Open Pit and Ore Body

- Wide ore body, bulk mining
- Outcrops
- Low strip ratio 0.72:1



# Andash Long Section through Block Model

- Low strip ratio
- Base of pit follows footwall
- High grade starter pit



# Project Economics (KGL 80%)

- Cash cost US\$29/oz Au (after Cu credits and royalty)
- Capital Cost US\$96m <sup>(1)</sup>
- Base Case NPV US\$130m
  - US\$1,000/oz Au & US\$2.75/lb Cu
- Corporate Income Tax 10%
- Sales Tax 1.5%
- Royalties – Gold 5%, Copper 3%

Cost component (US\$/t)	Phase 1 (1.5mtpa)	Phase 2 (3mtpa)
Mining	3.46	3.46
Processing	8.62	7.09
G&A	3.38	1.69
<b>Total</b>	<b>15.46</b>	<b>12.24</b>

## Project NPV (US\$)

Gold Price (US\$/oz)	Copper Price (US\$/lb)				
	2.25	2.75	3.25	3.75	4.25
800	56	83	110	138	165
1,000	103	130	157	185	212
1,200	150	177	204	231	258
1,400	197	223	251	278	305
1,600	243	271	298	325	352

(1) To be revised upon gaining development approval

# Investment Highlights

- ✓ Advanced projects with first gold production expected mid-2012
- ✓ De-risked portfolio with addition of Australian assets
- ✓ Strong exploration upside on all assets
- ✓ Andash project provides further upside:
  - High grade concentrate highly sought after
  - Near-term development (Definitive Feasibility Study complete)
  - Very low cash costs (net cash cost of US\$29/oz after copper credits)
  - 12 years operational experience in Kyrgyz Republic
- ✓ Management has a strong track record in gold-copper projects

# Disclaimer

## Competent Persons Statements

- The information in this report that relates to mineral resource estimation for Gabanintha and Burnakura is based on work completed by Mr Jonathon Abbott is a member of the Australasian Institute of Mining and Metallurgy. Mr Abbott has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Abbott consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.
- The data in this report that relates to Mineral Resource Estimates for Jervois is based on information evaluated by Mr Simon Tear who is a Member of The Australasian Institute of Mining and Metallurgy (MAusIMM) and who has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the "JORC Code"). Mr Tear is a full-time employee of Hellman & Schofield Pty Ltd and he consents to the inclusion in the report of the Mineral Resource in the form and context in which they appear.
- The Resource estimates for Andash in this report are based on information compiled by Dr. Phil Newall, who is a Chartered Engineer and Fellow of the Institute of Materials Minerals and Mining and a full time employee of Wardell Armstrong International. Dr. Newall has sufficient experience which is relevant to the style of the mineralisation and the type of deposit under consideration and to the activity to which he is undertaking, to qualify as a Competent Person as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Dr. Newall has consented to the inclusion of this information in the form and context in which it appears in this report.
- The exploration data in this report relating to the Jervois project is based on information compiled by Rudy Lennartz, who is a member of the Australian Institute of Mining and Metallurgy and a full time employee of Jinka Minerals Ltd. Mr. Lennartz has sufficient experience which is relevant to the style of the mineralisation and the type of deposit under consideration and to the activity to which he is undertaking, to qualify as a Competent Person as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr. Lennartz has consented to the inclusion of this information in the form and context in which it appears in this report.
- The information in this report that relates to exploration results for Murchison is based on work completed by Mr Keith Mayes who is a full-time employee of Kentor Gold Limited and a Fellow of the Geological Society of London. Mr Mayes has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Mayes has consented to the inclusion of this information in the form and context in which it appears in this report.

# For more information contact

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**Forward-Looking Statements:**

This presentation includes certain “Forward-Looking Statements”. All statements, other than statements of historical fact, included herein, including without limitation, statements regarding forecast cash flows and potential mineralisation, resources and reserves, exploration results and future expansion plans and development objectives of Kentor Gold Limited are forward-looking statements that involve various risks and uncertainties. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements.