



Kingsgate Consolidated Limited

11901

High Margin Gold Production
Full Year Financials – End June 2010

30 Aug 2010





Disclaimer

Forward Looking Statements:

These materials include forward looking statements. Forward looking statements inherently involve subjective judgment & analysis & are subject to significant uncertainties, risks & contingencies, many of which are outside of the control of, & may be unknown to, the company.

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Competent Persons Statement:

Information in this presentation that relates to Exploration Results, Mineral Resource and Ore Reserve estimates, geology, drilling and mineralisation, is based on information compiled by Ron James, who is an employee of the Kingsgate Group and is a member of The Australasian Institute of Mining and Metallurgy. Ron James is a Competent Person under the meaning of the JORC Code with respect to Exploration Results, Mineral Resource and Ore Reserve estimates, geology, drilling and mineralisation being presented. He has given his consent to the Public Reporting of these statements concerning Exploration Results, Mineral Resource and Ore Reserve estimates, geology, drilling and mineralisation, and is in agreement with the contents and format of this presentation.

Reporting on Exploration Targets:

Any statement or information relating to the potential quantity and grade of an exploration target, specifically the Chokdee Prospect, is based on recent public announcements and is conceptual in nature. There has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource.





The Rising Mid-Tier Miner



Low Cost Gold Production



Increasing Ounces/Share



Increasing Reserves/Share



Increasing Earnings/Share



Proven Value Creator





Best Ever Profit; Up 125%

Profit: \$73.1M
Up 125%

EPS: 75.2 c/sh - just above consensus
Solid profit from full production
Maintain low cash costs: US\$335/oz

'Underlying Profit'
\$75.6M
Pre-Tax Profit \$82.3M

Add back unrealised FX loss (A\$3m)
1st year of Thai Tax (7mths at 15%)
Pre-Tax Profit up 150%

Revenue: \$175M
EBITDA: \$96M

Revenue up 54% from prior year
Higher spot gold prices
Increased production:
132,628 ozs gold; 2.7Mt processed



Solid Dividend Yield

**Final Dividend:
20c/share
Yield: 3.5%**

**Dividends: 35c/sh over 12 mths
Total: \$1.29/sh since 2002
Highest yield of any gold miner**

**Strong Cash Position
Strong Cashflow**

**Cash: A\$49M at end June
No debt; Unused US\$30m facility
Strong cashflow to support
exploration, development &
new debt funding for expansion**



Income Statement - Solid Base

| | \$ Million : | 2009-10 | 2008-09 | |
|----------------------------------|--------------|-------------|-------------|-------------|
| Revenue Gold/Silver | | 175 | 113 | 54% |
| Interest | | 1 | 1 | |
| Mining Costs | | (82) | (70) | } 8% |
| Inventory (Stockpiles) | | 28 | 20 | |
| Employee Costs | | (12) | (12) | - |
| Admin, Biz Devel, Consult | | (9) | (9) | - |
| D & A | | (14) | (12) | 16% |
| Finance Costs | | (2) | (2) | - |
| Exploration / Development | | - | - | - |
| Unrealised FX Loss | | (3) | - | - |
| Pre Tax Profit | | 82 | 33 | 149% |
| Tax (7mths Thai tax) | | (9) | - | - |
| Profit | | 73 | 33 | 125% |



Kingsgate – Asian Gold

- **Largest ASX Gold Producer after NCM/Lihir merger**
- **Key asset - Chatree Mine, Thailand**
- **Producing: ~9 years, >1Moz poured**
- **Mine life: 12+ years with expansion**
- **Mkt Cap: ~A\$1 Bn**
- **Shares: 100.7 million, 1.8M options**
- **3rd best performing ASX200 stock over last decade**
- **Stock widely held:**
 - Instos: 20% Aust, 20%USA, 15%Europe/UK, 5% Asia**
 - Retail: 25%; Directors: 8%**





Current Operations



A Hill

A East Pit

A Pit looking West



K West

K West Pit looking South





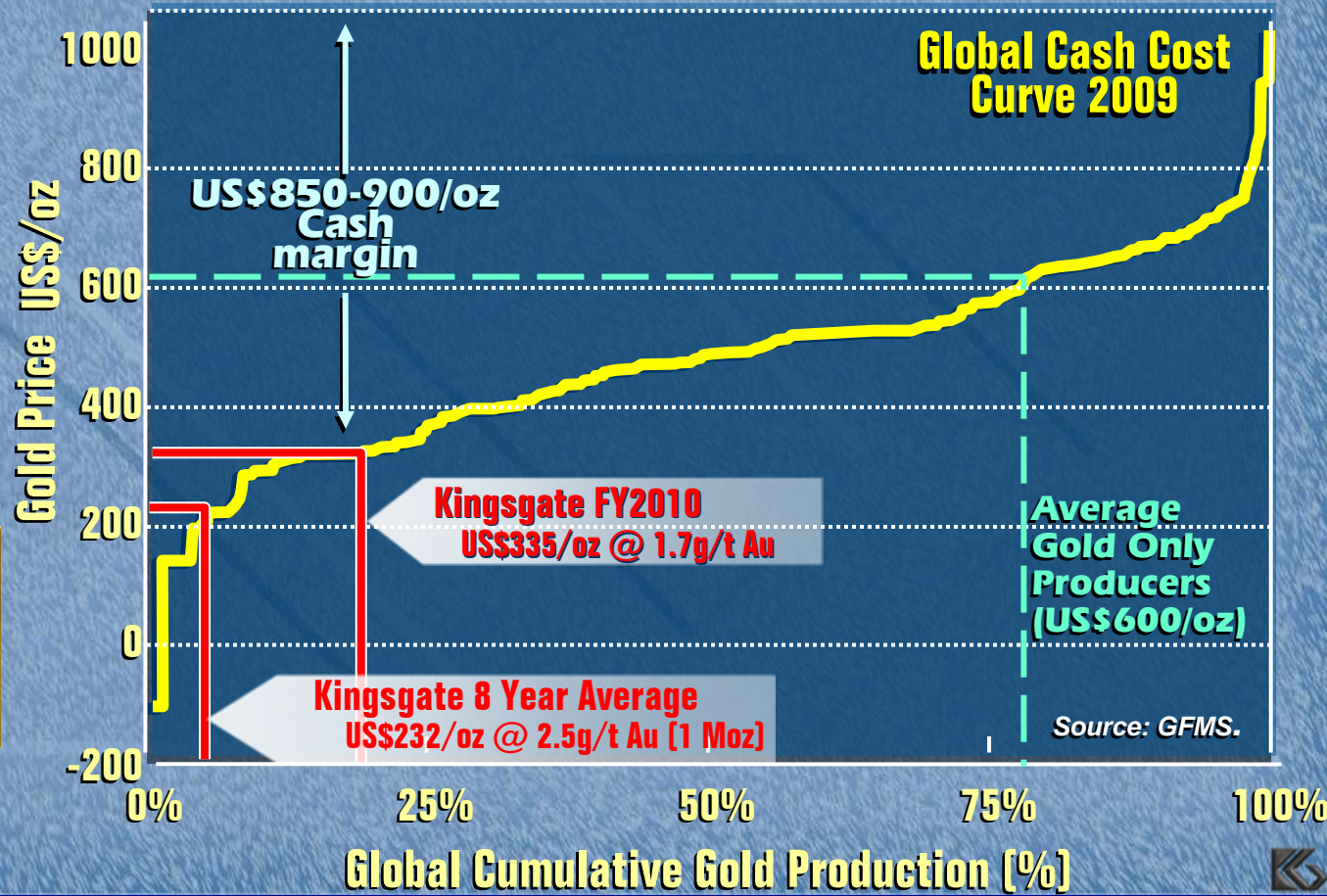
Low Cost Gold Producer

**Low Cash Costs
US\$335/oz costs**

**Good Position
on Cost Curve**

**Lowest 20% of
Industry Costs**

**US\$850-900/oz
Cash Margin**





Low Cost Production

**Low Cost Gold
US\$335/oz costs**

**132,628oz Gold Production FY10
US\$335/oz Cash Costs FY10
US\$257/oz + US\$78/oz Thai Royalty**

**Production Up
with Expansion**

**Forecast FY2011: Similar to FY2010
200,000+ oz/year production rate
when expansion at full capacity**

Maintain Low Costs

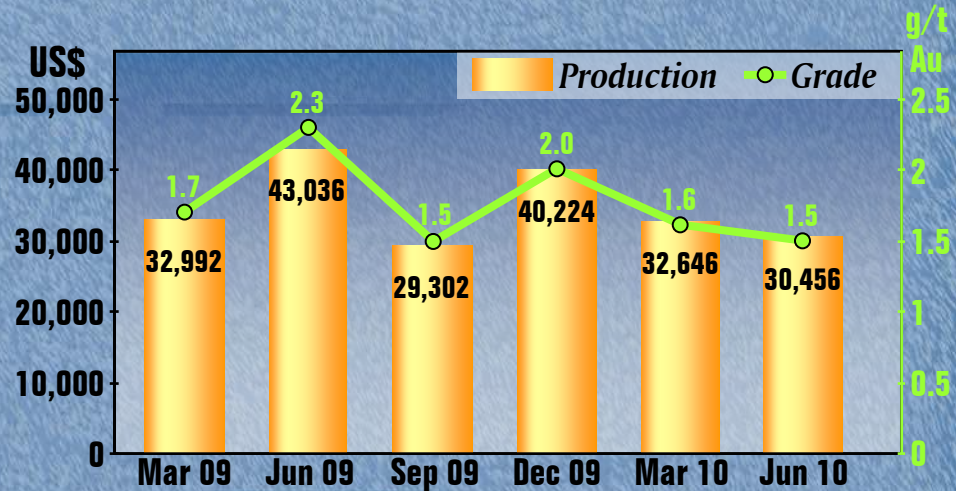
**Costs: US\$15.50/t, Up15% in 9 years
Higher grade top-up keeps \$/oz low
Grid power & labour keep costs low**



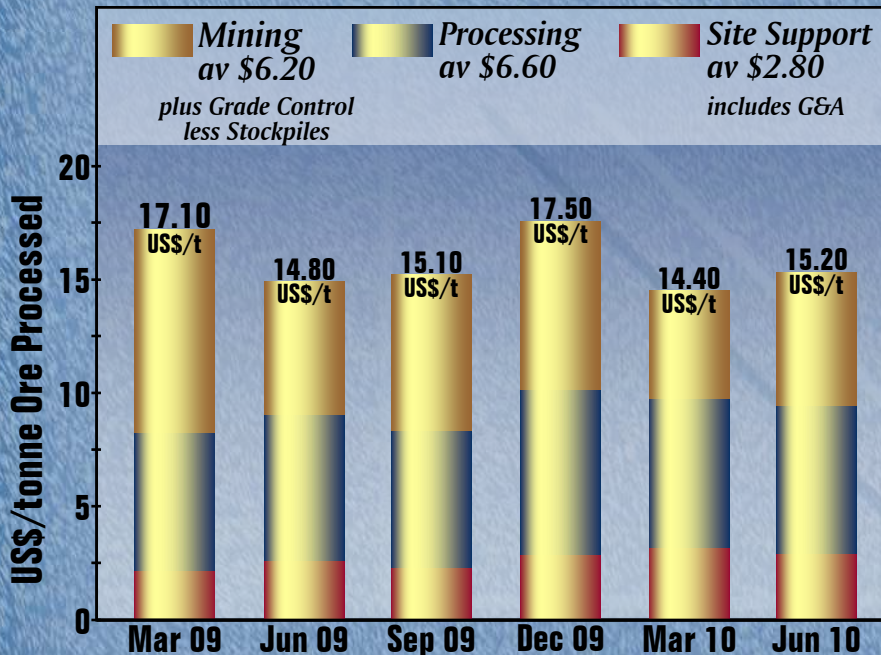


Costs Maintained

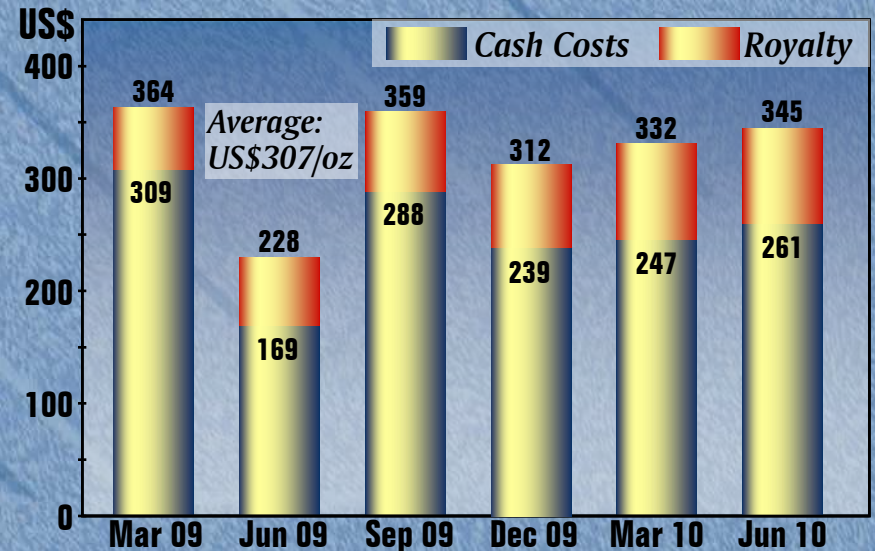
- **Unit Costs stable**
- **Costs/oz vary with grade**



Quarterly Gold Production & Grade



Quarterly Cash Costs per tonne



Quarterly Cash Costs & Royalty





Larger Pit Potential

**Chatree Total
Reserves: 1.9Moz
Resources: 4.3Moz**

**'A' Pit - Chatree North
Larger Pit potential
at current gold prices**

**Q Pit
(sth)**

A Pit

Chatree Grade/Tonnage Variance Versus Gold Price*

| Gold Price (US\$) | Gold Grade (g/t) | Tonnes (Millions) | Contained Gold (Moz) |
|-------------------|------------------|-------------------|----------------------|
| 1050 | 0.98 | 71 | 2.2 |
| 1150 | 0.96 | 78 | 2.4 |
| 1250 | 0.85 | 100 | 2.7 |

* Whittle Four-X modelling only at different pit optimisation scenarios





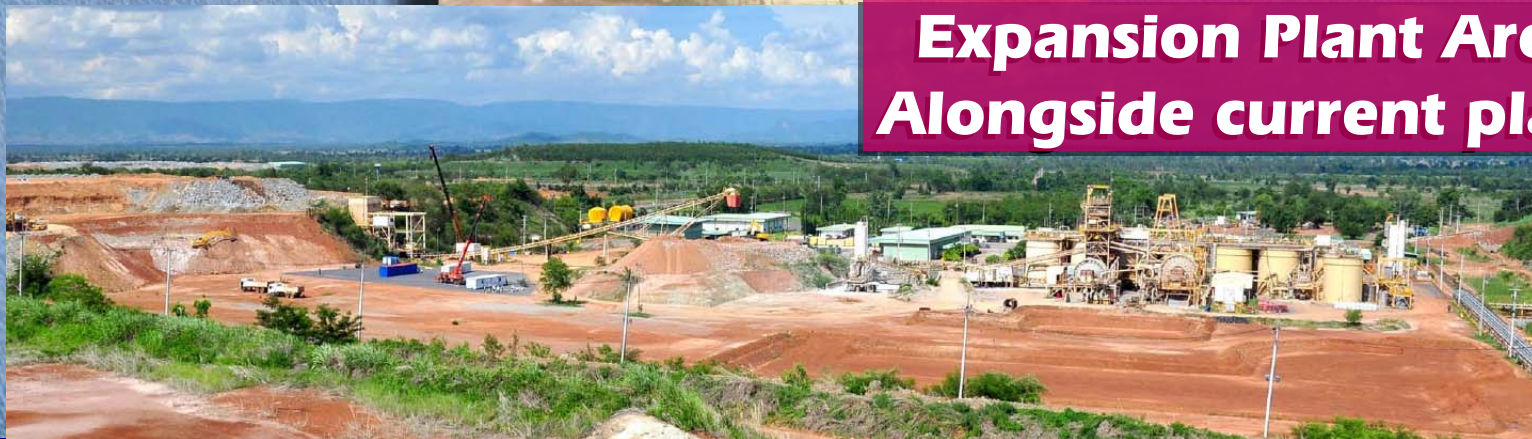
Expansion: Double Capacity

**Plant processing capacity increase from 2.3 to 5 Mtpa
Mid-2011 Commissioning; Ausenco EPCM
Increase production to over 200,000 oz/year**

**Plant Expansion
+ 2.7 mtpa**



**Current Plant
2.3 mtpa
Expanded Total
+5 mtpa**



**Expansion Plant Area
Alongside current plant**





Construction Underway

**CIL Leach & Absorption Tanks under construction
Concrete Poured for Grinding Circuit (SAG & Ball Mill)**





Proven Ability

- **Opportunity exists to stand-out amongst ASX mid-cap gold producers**
- **Focus on growth in Asia/Australia**
- **'Critical Mass' in S.E. Asia**
- **Favourable track record: social/local development & environmental record**
- **Track record of investing in major value creating assets/companies (>3x returns)**





Growing a Mid Tier Miner

Increasing Production/Share

- **Forecast production**
 - **~130,000 oz at low costs**
- **Expansion: over 200,000oz/yr mid 2011**

Increasing Reserves/Share

- **Open pit upside; Underground potential**
- **New discoveries**
- **High grade structures to augment ore feed**

Increasing Earnings/Share

- **Solid cashflow: exploration & development**
- **Strong profits; prudent fiscal management**
- **Solid dividend yield**

