



# Kingsgate

Consolidated Limited

ABN 42 000 837 472

26 September 2018

**Via ASX Online**

**FOR PUBLIC RELEASE**

Manager  
Company Announcements Office  
Australian Securities Exchange

## **Notification under ASX Listing Rule 4.3D**

In its Preliminary Final Report (Appendix 4E) released on 30 August 2018 Kingsgate stated the Board, as required by accounting standards, would undertake an impairment review of the Company's Nueva Esperanza Gold/Silver Project, such review to be assessed in light of the sale process of the project.

Due to the ongoing nature of the sale process which is underway, the recoverable amount of the project has been determined based on fair value less costs of disposal approach. This takes into account an assessment of the project value based on a discounted cash flow model (which reflects the current low commodity prices at balance sheet date) and information to date in relation to the sale process.

Accordingly, the audited financial statements will include an impairment charge against the Nueva Esperanza Gold/Silver Project of \$42.7 million resulting in a loss for the financial year of \$76.1 million compared to the loss previously reported of \$33.5 million and a carrying value of this asset of \$57.9 million.

The carrying value of Nueva Esperanza, after the impairment, is at the lower end of the range of indicative offers received from potential purchasers. Kingsgate will continue to work with the bidders for the Project and its advisers with a view to achieving sale proceeds in excess of the current book value which has been determined under applicable accounting standards.



**Ross Coyle**  
Company Secretary

KINGSGATE CONSOLIDATED LIMITED