Kingsgate
Consolidated Limited

ABN 42 000 837 472

9th January 2006

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The Manager
Announcements
Company Announcements Office
Australian Stock Exchange

Dear Sir or Madam

BEST QUARTER OF GOLD PRODUCTION FOR 18 MONTHS

Kingsgate's Chatree Mine in Central Thailand poured metal production was 40,094 ounces of gold and 131,517 ounces of silver for the December Quarter 2005. This was the best quarter's gold production for 18 months due to the company's persistent focus on optimising mine performance.

Production for the December Half year 2005 was 74,106 ounces of gold and 250,208 ounces of silver. Processing plant throughput rates are anticipated to increase significantly in the forthcoming half year to June 2006 compared to the December half. This result demonstrates that Kingsgate should meet and may exceed its forecast 145,000-150,000 ounces gold for the 2005/06 financial year.

Cash costs will be provided once finalised, which is anticipated to be in two weeks. Cash costs are expected to continue to be at the lower end of previous forecasts.

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