



Kingsgate

Consolidated Ltd

ABN 42 000 837 472

Monday, 14 July 2003

By ASX Online (Page 1 of 4)

The Manager
Announcements
Company Announcements Office
Australian Stock Exchange Limited

Orebody Extension Discovered and Hedge Book Restructured

Orebody Extension

Exploration drilling at Kingsgate's Chatree Gold Mine in Thailand has discovered an extension to the "H" orebody.

As part of a strategic review, Kingsgate's exploration program surrounding the Chatree gold mine has been significantly enhanced and refocused to provide a near-term contribution to the profitability of the Chatree operation. The review has yielded early success with positive results returned from a previously untested area.

An extension to the "H" orebody has been discovered that extends the known mineralisation along strike in a south-westerly direction. This new mineralisation is located on the existing mining lease but is not included in the current ore reserves or mineral resources. (See attached diagram)

A list of the significant mineralised intersections that have been encountered in this new drilling program is attached.

The discovery remains open along strike and down dip and drilling continues to delineate the extent of mineralisation. Geological and mine planning activities are currently underway with a view to bringing forward the production of this near-surface, readily accessible material into the first half of 2003/04 year. Managing Director Steve Reid said "This discovery has the potential to significantly add to our bottom line in the immediate future. It contains high grade, it is soft because it is near the surface and it has a low strip ratio, so we will be trying to process it as soon as possible."

The company is continuing near-mine site exploration drilling at Prospects A, K and B and a revised regional exploration program is also underway. Kingsgate is continuing to review its exploration budget in light of the prospectivity evidenced by recent exploration success.

Hedge Book Restructure

Kingsgate has also recently completed a restructure of the Group's gold hedge book, availing itself of the favourable Australian dollar gold prices and interest rates.

Hedge commitments have been reduced by 14%, from 414,000 ounces to 356,400 ounces with the strike prices on committed ounces reduced by approximately US\$3 per ounce on average.

Kingsgate's policy on hedging is that it aims to manage revenue risk in order to minimise the downside price exposure associated with volatile markets, while endeavouring as far as possible to preserve the opportunity to participate in upward price movements.

The Group's hedge book was established as part of the original project financing requirements for development of the Chatree gold mine. The hedge book is under constant review given that Chatree has one of the lowest operating costs in the industry. A program of actively restructuring the hedge book to reduce commitments has commenced and will continue.

For further information contact the undersigned by telephone to the Kingsgate office or by email to info@kingsgate.com.au.

Steve Reid
Managing Director
Kingsgate Consolidated Limited

Information in this report which relates to geology, drilling and mineralisation is based on information compiled by Ron James, an employee of the Kingsgate Group, who is a Competent Person under the meaning of the JORC Code with respect to the mineralisation being reported on. He has given his consent to the Public Reporting of these statements concerning geology, drilling and mineralisation.

**Kingsgate Consolidated Ltd.
Chatree Gold Mine, Thailand**

Prospect H Extension – Drill Intersections greater than 10 gram metres

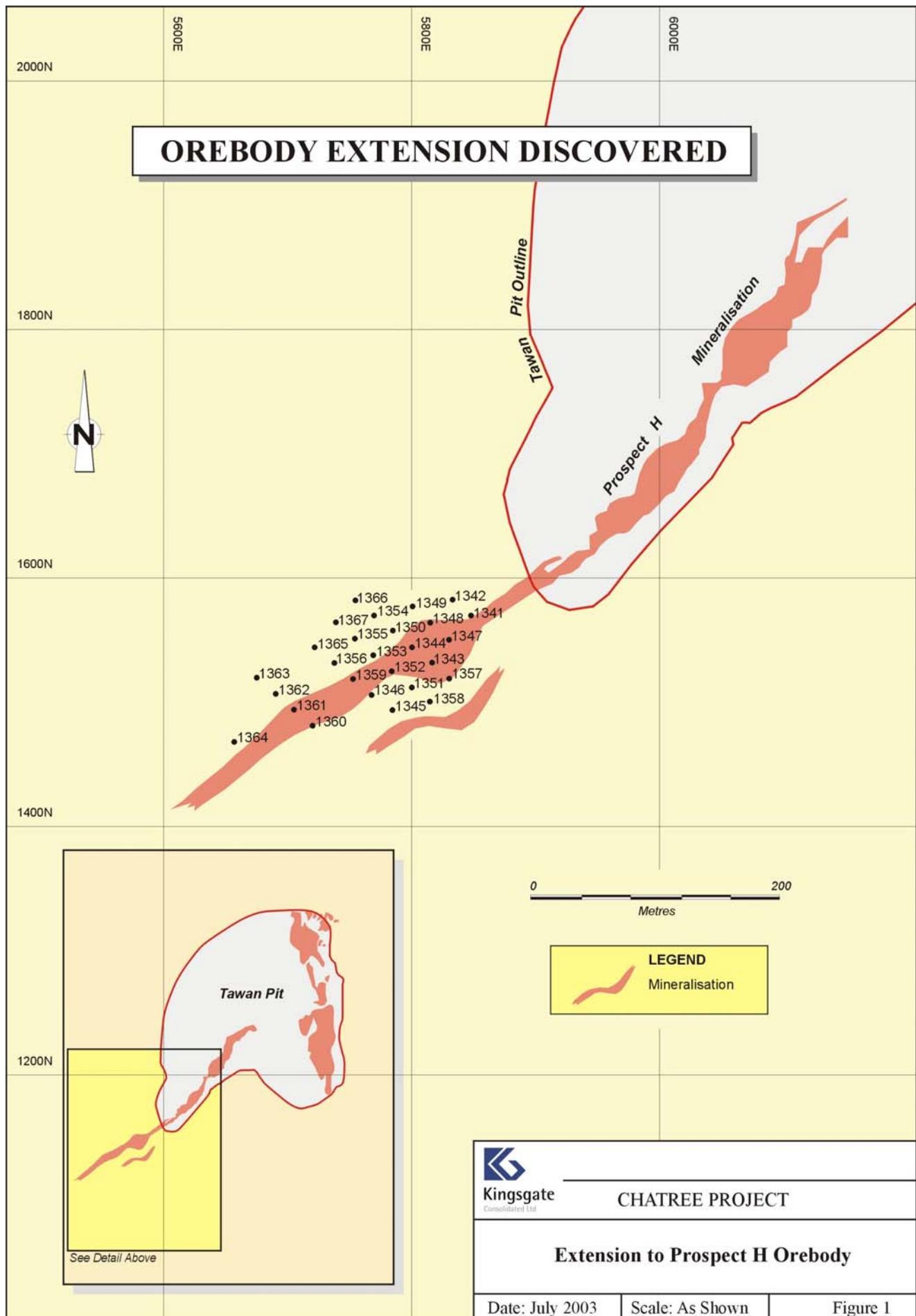
Hole No.	Northing (mN)	Easting (mE)	RL	Grid Azim	Dip (degrees)	Hole depth (m)	Intersection (m)			Au (g/t)
							From	To	Interval	
1347	1550	5830	88	130	-60	44	7	12	5	2.23
1349	1577	5801	88	130	-60	60	23	36	13	2.72
1343	1532	5816	88	130	-60	48	5	23	18	2.36
1344	1544.5	5800.5	88	130	-60	54	1	30	29	4.50
1350	1557	5801	88	130	-60	79	22	43	21	3.52
"	"	"	"	"	"	"	52	58	6	1.70
1354	1570	5770	88	130	-60	95	34	48	14	8.52
1366	1583	5754.5	88	130	-60	78	45	48	3	17.33
1351	1512	5800	88	130	-60	48	21	28	7	3.00
1352	1525	5784	88	130	-60	54	20	36	16	1.50
1353	1538	5769	88	130	-60	51	4	10	6	2.88
"	"	"	"	"	"	"	30	37	7	1.76
1355	1555	5754	88	130	-60	72	34	40	6	1.42
1367	1564.5	5738	88	130	-60	64	41	48	7	5.67
1356	1532	5737.5	88	130	-60	42	13	34	21	1.92
1365	1545	5722	88	130	-60	68	35	55	20	5.95
1361	1494	5705	88	130	-60	50	2	13	11	5.20
1363	1520	5675	88	130	-60	77	38	45	7	2.05
1364	1469	5658	88	130	-60	41	2	7	5	4.27

Gram Metres = length of intersection in metres, multiplied by gold grade in grams/tonne.

Grades are uncut.

Intersections may not be true thickness.

Collar co-ordinates are local grid.





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Media Release for Monday, 14 July 2003

KINSGATE DISCOVERS NEW HIGH GRADE ORE BODY

A new ore body with high-grade intersections has been found at Kingsgate's Chatree gold mine in Thailand.

The recent discovery of the ore body confirms the significant potential of the Chatree area and in the short term has the potential to strongly influence current year profits.

Some of the best intersections already encountered in this program include;

- 14 metres at 8.52 grams/tonne of gold
- 20 metres at 5.95 grams/tonne
- 29 metres at 4.50 grams/tonne
- 21 metres at 3.52 grams/tonne

The intersections were found in the extension of the "H" ore body, which is within the existing mining lease, as part of a strategic review by the company.

Kingsgate continues to drill this new discovery in conjunction with other prospects near the mine and has escalated its regional exploration program.

Managing Director Steve Reid said this discovery has the potential to significantly add to our bottom line in the immediate future.

"This orebody contains high grade, it is soft because it is near the surface and it has a low strip ratio, so we will be trying to process it as soon as possible", he said.

Taking advantage of recent gold price and exchange rate conditions, the company also announced that it had reduced its hedging commitments.

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