



# Kingsgate

Consolidated Limited

ABN 42 000 837 472

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**FOR PUBLIC RELEASE**

Manager  
Company Announcements Office  
Australian Securities Exchange

## **Update on October Production and Debt Repayment**

Kingsgate Consolidated's (ASX:KCN) ("Kingsgate" or the "Company") Chatree Gold Mine ("Chatree") delivered strong production in October 2016, through continued access to higher grades, which is consistent with the previously stated projected operating performance in the Company's Target's Statement in response to the unsolicited takeover offer from Northern Gulf Petroleum International Pte. Ltd. ("NGPI"). Kingsgate further advises that the unsolicited opportunistic takeover bid from NGPI was unsuccessful, with approximately 0.2% of shareholders accepting the offer.

A total of 15,461 ounces of gold was produced during October, with 13,956 ounces of gold poured, and 17,504 ounces of gold sold at an average price of US\$1,265 per ounce. This strong production follows on from strong September production, which saw the highest ever gold pour for a single month since Chatree commenced operations more than 15 years ago.

Chatree remains on track to achieve the guidance range of 40,000 - 45,000 ounces of gold production for the December 2016 quarter.

Kingsgate's total current cash position is A\$45.7 million and the Company continues to make commitments to discretionary payments against the Chatree Loan Facility, including a recent payment of US\$5 million on 4 November 2016.

The next scheduled loan repayment of US\$5 million against the Chatree Loan Facility is due on 15 November 2016, and it is intended that a further discretionary payment of US\$5 million will also be made at this time.

Following these repayments the Kingsgate Group total debt position will be A\$35 million<sup>1</sup>, down from A\$72 million at 30 September 2016.

As previously stated, Kingsgate reasonably expects that all Chatree related debt will be fully repaid by 31 December 2016.

A handwritten signature in black ink, appearing to read 'Greg Foulis', with a stylized flourish at the end.

**Greg Foulis**  
**Chief Executive Officer**  
**Kingsgate Consolidated Limited**

Note:

1. Includes an A\$30 million equivalent Chatree Loan Facility and an A\$5 million corporate facility.