



Kingsgate

Consolidated Limited

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Manager
Company Announcements Office
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Kingsgate Mineral Resources and Ore Reserves 2019

Kingsgate Consolidated Limited (ASX:KCN) (“Kingsgate” or the “Company”) wishes to advise on the status of its Mineral Resources and Ore Reserves for the period ending 30 June 2019. Mineral Resources and Ore Reserves are quoted for gold, silver, and on a gold equivalent and silver equivalent basis (AuEq and AgEq respectively).

Explanatory Note:

In May 2016, the Thai Government made a national mining policy change calling a halt to all gold mining in the country by 31 December 2016. Subsequently, it was announced that the Chatree Gold Mine’s (“Chatree”) Metallurgical Licence would be revoked as of 31 December 2016. Based on this information, the Chatree Ore Reserves were re-estimated to 31 December 2016. In order to demonstrate the impact of the mine closure, a second table of potentially economic mineralisation has been provided separately to show the position if a Metallurgical Licence was to be granted in future.

For further information in relation to the premature closure of Chatree and the steps Kingsgate is taking via the Australia Thailand Free Trade Agreement to rectify the situation, please refer to the latest announcements section at www.kingsgate.com.au

Group Mineral Resources

Group Mineral Resources (inclusive of Ore Reserves) remain unchanged as there were no mining activities during the year, and are estimated at 3.91 million ounces of gold and 112.8 million ounces of silver (203Mt at 0.60g/t Au and 17.3g/t Ag).

(See page 3 of this release for the definition of Chatree and Nueva Esperanza equivalence factors).

On a gold equivalent basis, Group Mineral Resources also remain unchanged from 30 June 2017, and were estimated at 5.5 million ounces gold equivalent (203Mt at 0.85g/t AuEq).

Group Ore Reserves

Group Ore Reserves remain unchanged from 30 June 2017, and are estimated at 0.30 million ounces of gold and 47.8 million ounces of silver (17.1Mt at 0.5g/t Au and 87g/t Ag).

On a gold equivalent basis, Group Ore Reserves remain unchanged from 30 June 2017, are estimated at 1.10 million ounces gold equivalent (17.1Mt at 2.0g/t AuEq).

Chatree Gold Mine, Thailand

As the Chatree Gold Mine has been closed since 31 December 2016, the Chatree Mineral Resource estimates have not changed from those reported at 30 June 2017. Information relating to Chatree Mineral Resource estimation is available in an ASX:KCN announcement titled "Kingsgate Mineral Resources and Ore Reserves 2017" dated 5 October 2017.

Chatree Mineral Resources are estimated at 3.4 million ounces of gold (164Mt at 0.65g/t Au and 5.59g/t Ag).

Chatree Ore Reserves are essentially depleted to zero with respect to the 30 June 2016 position of 0.09 million ounces of gold (2.5Mt at 1.1g/t Au and 17.6g/t Ag). The reduction is due to the non-renewal of a Metallurgical Licence that precluded processing ore beyond 31 December 2016.

Nueva Esperanza Project, Chile

Mineral Resource and Ore Reserve estimates have not changed from the previously reported ASX announcements titled "Nueva Esperanza Resource Update" published 14 April 2016, and the "Nueva Esperanza Pre-Feasibility Study" published 14 April 2016. The Mineral Resource and Ore Reserve estimates have been reported according to the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code, 2012). Supporting information including Table 1 for the Nueva Esperanza Resource and Reserves can be found in the ASX:KCN releases mentioned above.

Ore Reserves and Mineral Resources

As at 30 June 2019

Ore Reserves

Source	Category	Tonnes (Million)	Grade				Contained Metal			
			Gold (g/t)	Silver (g/t)	AuEq (g/t)	AgEq (g/t)	Gold (M oz)	Silver (M oz)	AuEq (M oz)	AgEq (M oz)
Chatree	Proved	-	-	-	-	-	-	-	-	-
	Probable	-	-	-	-	-	-	-	-	-
	Total	-	-	-	-	-	-	-	-	-
Nueva Esperanza	Proved	-	-	-	-	-	-	-	-	-
	Probable	17.1	0.5	87	2.0	117	0.30	47.8	1.10	64.3
	Total	17.1	0.5	87	2.0	117	0.30	47.8	1.10	64.3
Total	Proved	-	-	-	-	-	-	-	-	-
	Probable	17.1	0.5	87	2.0	117	0.30	47.8	1.10	64.3
	Total	17.1	0.5	87	2.0	117	0.30	47.8	1.10	64.3

Mineral Resources (Inclusive of Ore Reserves)

Source	Category	Tonnes (Million)	Grade				Contained Metal			
			Gold (g/t)	Silver (g/t)	AuEq (g/t)	AgEq (g/t)	Gold (M oz)	Silver (M oz)	AuEq (M oz)	AgEq (M oz)
Chatree	Measured	73.2	0.69	6.20	0.74	100	1.63	14.6	1.74	237
	Indicated	49.8	0.64	5.58	0.68	93	1.02	8.9	1.09	148
	Inferred	40.6	0.59	4.50	0.62	85	0.77	5.9	0.81	111
	Total	163.6	0.65	5.59	0.69	94	3.42	29.4	3.64	496
Nueva Esperanza	Measured	1.6	0.01	93	1.56	94	0.0005	4.8	0.08	4.8
	Indicated	27.2	0.46	73	1.67	100	0.40	63.8	1.46	87.9
	Inferred	10.6	0.3	43	1.0	60	0.09	14.8	0.33	20.0
	Total	39.4	0.39	66	1.48	89	0.49	83.4	1.88	112.7
Total	Measured	74.8	0.68	8.06	0.76	100	1.63	19.4	1.82	241
	Indicated	77.0	0.58	29.4	1.03	95	1.42	72.7	2.55	236
	Inferred	51.2	0.53	12.5	0.70	80	0.86	20.7	1.14	131
	Total	203.0	0.60	17.3	0.85	93	3.91	112.8	5.51	608

Notes to the Ore Reserves and Mineral Resources Tables:

(1) Rounding of figures causes some numbers to not add correctly.

(2) Nueva Esperanza Equivalent factors:

Silver Equivalent: $\text{AgEq (g/t)} = \text{Ag (g/t)} + \text{Au (g/t)} \times 60$.

Gold Equivalent: $\text{AuEq (g/t)} = \text{Au (g/t)} + \text{Ag (g/t)} / 60$.

Calculated from prices of US\$1200/oz Au and US\$19.00/oz Ag, and metallurgical recoveries of 80% Au and 84% Ag estimated from test work by Kingsgate.

(3) Chatree Equivalent factors:

Gold Equivalent: $\text{AuEq/t} = \text{Au (g/t)} + \text{Ag (g/t)} / 136$.

Silver Equivalent: $\text{AgEq g/t} = \text{Au (g/t)} \times 136 + \text{Ag g/t}$.

Calculated from prices of US\$1200/oz Au and US\$19.00/oz Ag and metallurgical recoveries of 83.3% Au and 38.7% Ag based on metallurgical testwork and plant performance.

(4) Cut-off grades for Resources are:

Chatree 0.30 g/t Au, Nueva Esperanza 0.5g/t AuEq.

(5) Nueva Esperanza Reserves are based on a floating cut-off grade method. In this method each Resource block is subjected to a series of estimates to generate revenue and cost fields that are used to determine a breakeven cut-off grade.

(6) It is in the Company's opinion that all the elements included in the metal equivalent calculations have a reasonable potential to be recovered.

(7) Please refer to ASX:KCN release published 14 April 2016 titled, "Nueva Esperanza Pre-Feasibility Study Confirms Kingsgate Growth Strategy" for details on Mineral Resources, Ore Reserves and JORC 2012 Table 1.

Chatree – With a Metallurgical Licence granted

The table below shows what the Chatree Reserves would be if the Metallurgical Licence was granted in the future.

Source	Category	Tonnes (Million)	Grade				Contained Metal			
			Gold (g/t)	Silver (g/t)	AuEq (g/t)	AgEq (g/t)	Gold (M oz)	Silver (M oz)	Au Eq (M oz)	AgEq (M oz)
Chatree	Proved	26.1	0.77	6.70	0.82	102	0.65	6.2	0.70	95
	Probable	9.3	0.80	7.04	0.85	116	0.24	2.1	0.25	34.6
	Total	35.4	0.78	6.79	0.83	106	0.89	8.3	0.95	130

Notes:

1. For the material in the table above to become a JORC 2012 Ore Reserve, the Thai Department of Primary Industries and Mines need to grant the Chatree Gold Mine a Metallurgical Licence.
2. The information in the table above is not currently an Ore Reserve under JORC reporting requirements.

Competent Person Statement

The information relating to Nueva Esperanza Ore Reserves is extracted from an ASX announcement by Kingsgate titled “Nueva Esperanza Pre-Feasibility Study” published 14 April 2016. The information relating to Nueva Esperanza Mineral Resources is extracted from an ASX announcement by Kingsgate titled “Nueva Esperanza Mineral Resource Update” published 14 April 2016.

Previous announcements referred to in this report are available to view on Kingsgate’s public website (www.kingsgate.com.au). The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement, and in the case of estimates of Mineral Resources or Ore Reserves that all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person’s findings are presented have not been materially altered from the original announcements.

The information in this report that relates to Nueva Esperanza and Chatree Mineral Resources is based on information compiled by Ron James, who is a consultant geologist to the Kingsgate Group. Ron James is a member of The Australasian Institute of Mining and Metallurgy, and qualifies as a Competent Person. Mr James has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration, and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the “Australasian Code for Reporting of Mineral Resources and Ore Reserves.” Mr James has consented to the public reporting of these statements and the inclusion of the material in the form and context in which it appears.