



Kingsgate

Consolidated Limited

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FOR PUBLIC RELEASE

Manager
Company Announcements Office
Australian Securities Exchange

Kingsgate Mineral Resources and Ore Reserves 2022

Kingsgate Consolidated Limited (ASX: KCN) (“Kingsgate” or the “Company”) wishes to advise the status of its Mineral Resources and Ore Reserves for the period ending 30 June 2022. Mineral Resources and Ore Reserves are quoted for gold and silver for the company’s two projects, the Chatree Gold Mine (“Chatree”) in Thailand and the Nueva Esperanza Project in Chile.

On 18 May 2022, following the successful reinstatement of the Metallurgical Processing Licence for Chatree in January this year, which enabled Kingsgate to restate and update the Chatree Ore Reserve, the Company was pleased to announce a **46% increase** in Chatree Ore Reserves from when they were previously reported in 2016. (Please see ASX:KCN release titled “Kingsgate announces 46% increase in Chatree Ore Reserve”, dated 18 May 2022). Chatree Ore Reserves increased from 0.9 million ounces of gold to 1.3 million ounces of gold, and from 8.3 million ounces of silver to 12.2 million ounces of silver. These increases are due to re-optimisation of the Chatree Mineral Resources, and indicate the potential for a mine life of 8 to 10 years at Chatree.

The Mineral Resource and Ore Reserve estimates in this release have been reported according to the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code, 2012).

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 Table 1 of this release.

Group Ore Reserves

Group Ore Reserves increased substantially due to the inclusion of Chatree Ore Reserves during the current reporting period. Combined Chatree and Nueva Esperanza Ore Reserves are estimated at 1.6 million ounces of gold and 58.7 million ounces of silver (69Mt at 0.71g/t Au and 27g/t Ag). See Table 2 of this release.

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 for the 30 June 2017.

Kingsgate, having successfully negotiated the reinstatement of the Metallurgical Processing Licence in January this year as part of a broader negotiated settlement with the Thai Government to restart the Chatree Gold Mine (ASX:KCN titled “Licences now approved for Chatree Gold Mine Re-start”, dated 19 January 2022) contracted AMC Consultants Pty Ltd (AMC) to prepare an updated Ore Reserve estimate for Chatree incorporating updated commodity prices, cost factors and metallurgical recoveries.

Chatree comprises multiple open pits with two carbon-in-leach processing plants able to process 5.5 Mtpa. Grid power at 115 kV is accessed approximately 2 kilometres east of the plant site and a dedicated sub-station and 22 kV line service the mine. Refurbishment of the Chatree processing plants is currently underway.

Chatree Mineral Resources estimates are 3.42 million ounces of gold, and 29.4 million ounces of silver (163.6Mt at 0.65g/t Au and 5.6g/t Ag).

Chatree Proved and Probable Ore Reserves announced in May this year increased by 46% to 1.3 million ounces of gold and 12.2 million ounces of silver (52Mt at 0.78g/t Au and 7.4g/t Ag) with respect to Ore Reserves of 30 June 2016 (35.4Mt at 0.78g/t Au and 6.8g/t Ag).

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.

Through the Company’s wholly owned subsidiary, Laguna Resources Chile, the Nueva Esperanza Environmental Impact Assessment, referred to as RCA-64/20 in Chile, continues in good standing with all environmental, community consultation and government relations obligations fulfilled. This permit effectively allows the pre-development, construction, and operation of the three project areas: Arqueros, Chimberos and Teterita.

In February 2022, the Company successfully negotiated an additional extension of its water supply agreement for the project until December 2039 or 13 years from start-up, whichever occurs first.

Ore Reserves and Mineral Resources

As at 30 June 2022

Table 1: Ore Reserves

| | | | Grade | | Contained Metal | |
|---|-----------------------------|------------------|-------------|--------------|-----------------|--------------|
| Source | Ore Reserves Classification | Tonnes (Million) | Gold (g/t) | Silver (g/t) | Gold (Moz) | Silver (Moz) |
| Chatree | Proved | 31 | 0.85 | 7.6 | 0.85 | 7.5 |
| | Probable | 21 | 0.67 | 7.1 | 0.44 | 4.7 |
| | Total | 52 | 0.78 | 7.4 | 1.30 | 12.2 |
| Nueva Esperanza | Proved | - | - | - | - | - |
| | Probable | 17 | 0.50 | 87 | 0.30 | 47.8 |
| | Total | 17 | 0.50 | 87 | 0.30 | 47.8 |
| Total | Proved | 31 | 0.85 | 7.6 | 0.85 | 3.4 |
| | Probable | 38 | 0.59 | 42.8 | 0.72 | 52.3 |
| Total Proved and Probable Ore Reserves | | 69 | 0.71 | 27 | 1.6 | 58.7 |

Table 2: Mineral Resources (Inclusive of Ore Reserves)

| | | | Grade | | Contained Metal | |
|---|-------------------------|------------------|-------------|--------------|-----------------|--------------|
| Source | Resource Classification | Tonnes (Million) | Gold (g/t) | Silver (g/t) | Gold (Moz) | Silver (Moz) |
| Chatree | Measured | 73.2 | 0.69 | 6.2 | 1.63 | 14.6 |
| | Indicated | 49.8 | 0.64 | 5.6 | 1.02 | 8.9 |
| | Inferred | 40.6 | 0.59 | 4.5 | 0.77 | 5.9 |
| | Total | 163.6 | 0.65 | 5.6 | 3.42 | 29.4 |
| Nueva Esperanza | Measured | 1.6 | 0.01 | 93.0 | 0.0005 | 4.8 |
| | Indicated | 27.2 | 0.46 | 73.0 | 0.4 | 63.8 |
| | Inferred | 10.6 | 0.30 | 43.0 | 0.09 | 14.8 |
| | Total | 39.4 | 0.39 | 66.0 | 0.49 | 83.4 |
| Total | Measured | 74.8 | 0.68 | 8.1 | 1.63 | 19.4 |
| | Indicated | 77 | 0.58 | 29.4 | 1.42 | 72.7 |
| | Inferred | 51.2 | 0.53 | 12.5 | 0.86 | 20.7 |
| Total Measured, Indicated and Inferred Mineral Resources | | 203 | 0.6 | 17.3 | 3.91 | 112.8 |

Notes to the Ore Reserves and Mineral Resources:

1. Rounding errors are apparent.
2. Chatree metallurgical recoveries: 83.3% Au and 38.7% Ag based on metallurgical test work and plant performance.
3. Chatree Mineral Resources are reported at cut-off of 0.30 g/t Au.
4. Chatree Ore Reserves were estimated using a projected gold price of US\$1,700/oz and silver price of US\$22/oz and are reported at a cut-off grade of 0.35 g/t Au.
5. Nueva Esperanza metallurgical recoveries: 80% Au and 84% Ag estimated from test work by Kingsgate.
6. Nueva Esperanza Mineral Resource cut off is 0.5g/t gold equivalent, based on long term historical prices of US\$1,200/oz for gold and US\$19.00 for silver and combined life of mine average metallurgical recoveries of 80% Au and 84% Ag estimated from test work by Kingsgate giving the following formula: $AuEq (g/t) = Au (g/t) + Ag (g/t) \div 60$. It is Kingsgate's opinion that all elements included in the metal equivalents calculation have a reasonable potential to be recovered and sold.
7. Nueva Esperanza Ore 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.

Competent Persons Statement

Information relating to Chatree Mineral Resource estimates is extracted from the ASX: KCN announcement *Kingsgate Mineral Resources and Ore Reserves 2017* released 5 October 2017 and is available to view on www.kingsgate.com.au.

Information relating to Chatree Ore Reserve estimates is extracted from the ASX: KCN announcement *Kingsgate announces 46% increase in Chatree Ore Reserve* released 18 May 2022 and is available to view on www.kingsgate.com.au.

Information relating to Nueva Esperanza Mineral Resource estimates is extracted from the ASX: KCN announcement *Nueva Esperanza Mineral Resource Update* released on 14 April 2016 and is available to view on www.kingsgate.com.au.

Information relating to Nueva Esperanza Ore Reserve estimates is extracted from the ASX: KCN announcement *Nueva Esperanza Pre-Feasibility Study Confirms Kingsgate Growth Strategy* released on 14 April 2016 and is available to view on 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 announcements describing Mineral Resources and Ore Reserves referenced above, and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement 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 modified from the original market announcement.

The information in this report that relates to the 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.

The information in this report that relates to the Chatree Ore Reserve estimates is based on information compiled by Glen Williamson who is a member of the Australasian Institute of Mining and Metallurgy. Mr Williamson is a full time employee of AMC Consultants Pty Ltd and has sufficient relevant experience in the style of mineralisation and type of deposit under consideration 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 Williamson has consented to the public reporting of these statements and the inclusion of the material in the form and context in which it appears. Mr Williamson has no potential for conflict of interest in relation to this report to Kingsgate Consolidated Limited.