



# Kingsgate

Consolidated Limited

ABN 42 000 837 472

3 April 2023

Dear Shareholder

## SHARE PURCHASE PLAN – LETTER TO ELIGIBLE SHAREHOLDERS

We write to you as a holder of fully paid ordinary shares (**Shares**) in the issued capital of Kingsgate Consolidated Limited (ASX: KCN) (**Kingsgate** or the **Company**) with a registered address in Australia or New Zealand as at 7:00pm (AEDT) on Friday, 24 March 2023 (**Record Date**).

On 27 and 28 March 2023, Kingsgate announced a A\$46 million institutional placement via the issue of 30,698,067 Shares at an issue price of A\$1.50 per Share to institutional and sophisticated investors (**Placement**), along with a share purchase plan (**SPP**) targeting to raise A\$10 million (together, the **Capital Raising**).

The Shares pursuant to the Placement have all been issued to raise A\$46 million (before costs).

In order to provide Eligible Shareholders with the opportunity to participate in the Capital Raising, the Company is pleased to provide details of its SPP offer (**Offer**). Under the Offer, Kingsgate is giving each Eligible Shareholder (as defined below) the opportunity to purchase up to A\$30,000 worth of Shares (**New Shares**), without incurring brokerage or other transaction costs. The issue price of the New Shares will be A\$1.50 per New Share, being the same price as the Shares issued under the Placement.

The Offer is targeting to raise A\$10 million (before costs of the Offer) on the SPP terms and conditions (**Terms and Conditions**) enclosed with this letter. The Offer is not underwritten.

The issue price represents a:

- 25.4% discount to the closing market price of the Shares of A\$2.01 per Share on 24 March 2023, being the last day on which Shares were traded on the ASX immediately prior to the SPP being announced; and
- 19.7% discount to the volume weighted average market price of A\$1.87 per Share on the last five days on which Shares were traded on the ASX immediately prior to the SPP being announced.

The Offer is offered exclusively to eligible shareholders (including custodians), being registered holders of Shares as at the Record Date:

- with a registered address in Australia or New Zealand and not resident or located in the United States or any other jurisdiction outside of Australia and New Zealand; and
- who meet certain other conditions as expressly prescribed in the Terms & Conditions,

(**Eligible Shareholders**).

The Offer opens on Monday, 3 April 2023 and is currently scheduled to close at **5.00pm (AEST) on Monday, 24 April 2023**. The New Shares are expected to be issued on Monday, 1 May 2023 and commence trading on the ASX on Tuesday, 2 May 2023.

The Offer is made in accordance with ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547 and therefore does not require a prospectus for the purposes of Chapter 6D of the *Corporations Act 2001* (Cth).

### Indicative Timetable

The indicative timetable for the Offer is detailed below:

Details	Date
<b>Record Date</b> The date on which the Company determines Eligible Shareholders	7:00 pm (AEDT) on Friday, 24 March 2023
<b>Announcement of SPP</b>	Monday, 27 March 2023
<b>Opening Date</b> The date on which the Offer opens	Monday, 3 April 2023
<b>Closing Date</b> The date on which the Offer closes Application Monies must be received by 5.00pm (AEST)	Monday, 24 April 2023
<b>Announcement of SPP results</b>	Thursday, 27 April 2023
<b>Issue Date</b> The date New Shares are intended to be issued	Monday, 1 May 2023
<b>Quotation of New Shares on ASX</b>	Tuesday, 2 May 2023
<b>Despatch of Holding Statements</b>	Tuesday, 2 May 2023

*The above dates are indicative only and, subject to compliance with applicable law, may be changed at the Company's discretion. Any changes will be advised to shareholders.*

### Current Activities and Use of Funds

Further information on the Company's current activities is set out in the announcements made by Kingsgate to the ASX and are available directly from the ASX website [www.asx.com.au](http://www.asx.com.au) or the Company's website [www.kingsgate.com.au](http://www.kingsgate.com.au). The Company's investor presentation dated 27 March 2023 and the subsequent ASX announcements of 28 and 31 March 2023 are annexed to the Terms and Conditions, and they together detail the indicative use of funds raised under the Capital Raising.

### Important Information

The Offer is governed by the enclosed Terms and Conditions. The Board urges you to read the Terms and Conditions carefully and, in its entirety, together with announcements made by the Company to the ASX, before deciding whether to participate in the Offer.

If you are uncertain whether Shares are a suitable investment for you, you should consult your financial or other professional adviser. The Board recommends that you obtain your own financial advice in relation to the Offer and consider price movements of Shares in the Company prior to electing to participate in the Offer.

### **Actions required to participate in the SPP**

Eligible Shareholders may participate in the SPP by applying online on the Offer website at <https://events.miracle.com/kcn-offer> and pay directly via BPAY® (for Eligible Shareholders with an eligible Australian bank account). This is the fastest and easiest way to apply.

The following parcels of New Shares are available under the Offer:

	Subscription Amount (A\$)	Number of Shares
<b>Parcel A</b>	A\$30,000	20,000
<b>Parcel B</b>	A\$25,000	16,666
<b>Parcel C</b>	A\$20,000	13,333
<b>Parcel D</b>	A\$15,000	10,000
<b>Parcel E</b>	A\$10,000	6,666
<b>Parcel F</b>	A\$5,000	3,333
<b>Parcel G</b>	A\$2,000	1,333

If you are unable to pay via BPAY® or access the website to complete the online application, please contact Link Market Services Limited via the Shareholder Information Line on 1300 859 277 (within Australia) or +61 1300 859 277 (outside of Australia) between 8.30am and 5.00pm (AEST), Monday to Friday, to obtain a personalised Application Form.

A New Zealand shareholder that is unable to pay by BPAY® may contact the Shareholder Information Line to obtain a personalised Application Form containing EFT details.

**You should be aware that your own financial institution may implement earlier cut-off times for electronic payments, and you should therefore take this into consideration when making a payment. Kingsgate also reserves the right to close the Offer early or extend the Offer in its discretion. Eligible Shareholders who wish to participate in the SPP are therefore encouraged to apply early.**

If you are a 'custodian', you may be required to submit a custodian certificate to the Company in order to participate on behalf of any beneficiaries. Please refer to the Terms and Conditions for further details.

### **Queries and further information**

If you have any questions in relation to how to participate in the SPP, please contact Kingsgate's Share Registry, Link Market Services Limited, from 8.30am to 5.00pm (AEST) Monday to Friday using the Shareholder Information Line contact details above. Details can also be found on the Company's website at [www.kingsgate.com.au](http://www.kingsgate.com.au).

Thank you for your continuing support as a valued shareholder.

Yours faithfully



Ross Smyth-Kirk OAM  
**Executive Chairman**  
**Kingsgate Consolidated Limited**

## SHARE PURCHASE PLAN

### IMPORTANT NOTICES

#### General

This document is dated 3 April 2023.

This document is not a prospectus and has not been lodged with ASIC. Accordingly, this document does not contain all the information that an investor would find in a prospectus or which may be required in order to make an informed investment decision regarding whether or not to invest in the New Shares offered by this document.

This document is important and requires your immediate attention. It should be read in its entirety, along with the Company's ASX announcements (without limitation). If you do not understand or are in doubt about the contents of this document, or the action you should take, you should consult your financial or other professional adviser without delay.

The market price of Shares may rise or fall between the date of this document and the date the Company issues New Shares. Accordingly, the value of New Shares applied for is likely to rise or fall. In addition, fluctuations in the market price of Shares means that up to or after the date on which the Company issues New Shares to you, you may be able to buy Shares on the market at a lower price than the Issue Price. The Company and its Directors do not offer any recommendation or advice regarding participation in the Offer.

Holding securities in the Company is a speculative form of investment and the future price of Shares may rise or fall depending on, amongst other things, the prospects of the Company's interests in mineral projects, the Company's financial performance and financial position, economic factors and fluctuations on the stock market generally.

The information contained in this document is not financial product advice and does not take into account the investment objectives, financial situation or particular needs (including financial and tax issues) of any Eligible Shareholder. This document should not be construed as financial, taxation, legal or other advice. The Company is not licensed to provide financial product advice in respect of its securities or any other financial products.

This document does not, and is not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this document. No action has been taken to permit the Offer in any jurisdiction other than Australia or New Zealand.

The distribution of this document in jurisdictions outside of Australia and New Zealand may be restricted by law and therefore persons into whose possession this document comes should observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any other jurisdiction.

Application will be made for the New Shares to be quoted on ASX. The New Shares have not been and will not be registered under any other applicable securities laws and they may not be offered or sold directly or indirectly within any jurisdiction outside Australia or New Zealand.

#### New Zealand

The New Shares are not being offered or sold to the public within New Zealand other than to existing Shareholders of the Company with registered addresses in New Zealand to whom the offer of the New Shares is being made in reliance on the Financial Markets Conduct (Incidental Offers) Exemption Notice 2021.

This document has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013. This document is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

## **United States**

This document may not be released to US wire services or distributed in the United States. The New Shares have not been, and will not be, registered under the US Securities Act 1933 (the **Securities Act**) or the securities laws of any state or other jurisdiction of the United States. The New Shares may not be offered, sold or otherwise transferred in the United States except in a transaction exempt from, or not subject to, the registration of the Securities Act and the applicable laws of any state or other jurisdiction in the United States. The New Shares will not be offered or sold, directly or indirectly, to any person in the United States.

## **No Recommendation and Other Matters**

The information in this document is not a recommendation to accept the Offer and does not constitute financial advice. Eligible Shareholders should therefore conduct their own investigations, assessment and analysis of the Company and its operations and prospects and must base their investment decision solely on those investigations and that assessment and analysis.

If, after reading this document, Eligible Shareholders have any questions regarding the Offer, they should contact their financial or other professional adviser before deciding whether or not to accept the Offer.

Capitalised terms in this document are defined in the Glossary.

**KINGSGATE CONSOLIDATED LIMITED (ACN 000 837 472)**  
**SHARE PURCHASE PLAN – TERMS & CONDITIONS OF OFFER**

The following are the terms and conditions of the Company's share purchase plan (**Offer**). By accepting the Offer, you agree to be bound by these Terms & Conditions and the Company's constitution (as amended from time to time).

**1. ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547**

The Offer is offered in compliance with *ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547 (ASIC Instrument 2019/547)*. ASIC Instrument 2019/547 provides relief from the requirement for the Company to provide a prospectus when offering Shares to existing Shareholders of the Company pursuant to a share purchase plan.

**2. Opening Date and Closing Date of the Offer**

The Offer opens on Monday, 3 April 2023 (**Opening Date**).

The Offer closes at 5.00pm (AEST) on Monday, 24 April 2023 (**Closing Date**).

Late applications will not be accepted. However, the Directors reserve their right, subject to the Corporations Act and the ASX Listing Rules, to vary the Closing Date without prior notice including closing the Offer early. Accordingly, the Directors encourage any Eligible Shareholders (including Custodians) wishing to participate in the Offer to lodge their Application Forms and/or remit their Application Monies as soon as possible. If the Closing Date is varied, subsequent dates may also be varied accordingly.

**3. Who is eligible to participate in the Offer?**

You are eligible to apply for New Shares under the Offer if you were registered as a holder of Shares as at 7:00pm (AEDT) on 24 March 2023 (**Record Date**) and provided your registered address, as recorded in the Register, is in Australia or New Zealand and you are not resident or located in the United States nor acting for the account or benefit of a person in the United States, and you are not resident or located in any other jurisdiction outside of Australia and New Zealand (**Eligible Shareholders**).

The Offer to each Eligible Shareholder is made on the same terms and conditions.

Your rights under the Offer are personal to you and the Offer is non-renounceable (i.e. you may not transfer your right to subscribe for New Shares to anyone else).

**4. Shareholder approval**

The Company will issue the New Shares under ASX Listing Rules 7.2 (Exception 5) and 10.12 (Exception 4). Accordingly, Shareholder approval is not required for the issue of the New Shares pursuant to the Offer.

The Company reserves the right to scale back applications in such manner as the Directors see fit. Consequently, you may not receive the New Shares which you apply for pursuant to the Offer. The Company also reserves the right to accept oversubscriptions above A\$10 million.

**5. Voluntary participation**

The Offer is entirely voluntary and is subject to the Terms & Conditions. You are not obliged to participate in the Offer.

## 6. Issue Price

The issue price for each New Share is A\$1.50 (**Issue Price**) being a discount of 25.4% to the closing price of Shares on ASX immediately prior to Monday, 27 March 2023 (being the date on which the Company announced the Offer and Placement). The Issue Price is equal to the closing price of Shares on ASX on Friday, 31 March 2023 (being the last practical date prior to the date of this document). The method used to calculate the Issue Price was to match it to the issue price per Share offered pursuant to the Placement.

## 7. Important information on price risk to consider

Before deciding whether to accept the Offer, you should refer to the current market price of the Shares, which can be obtained from your stockbroker, your financial adviser or via the ASX website.

Subscription for New Shares is a speculative investment and the market price may change between the date you apply for New Shares and the issue of New Shares to you. Accordingly, the value of New Shares applied for is likely to rise or fall. Importantly, there is a risk that during the period between the time of the Offer and when the New Shares are issued to you, the price at which Shares are traded on ASX may be less than the Issue Price. You must rely on your own knowledge of the Company and previous disclosures made by the Company to ASX (including, without limitation, the disclosures regarding risks of making an investment in the Company as detailed in the Investor Presentation). ***In determining whether you wish to participate in the Offer and the extent to which you participate, you should seek your own personal financial and/or taxation advice referable to your personal circumstances.***

## 8. How much can you invest in the Offer?

Subject to paragraph 13, if you are an Eligible Shareholder, you may subscribe for a maximum of A\$30,000 worth of New Shares.

There is a minimum amount for which you may subscribe under the Offer which is A\$2,000 worth of New Shares.

The following parcels of New Shares are available under the Offer:

	Subscription Amount (A\$)	Number of Shares
<b>Parcel A</b>	A\$30,000	20,000
<b>Parcel B</b>	A\$25,000	16,666
<b>Parcel C</b>	A\$20,000	13,333
<b>Parcel D</b>	A\$15,000	10,000
<b>Parcel E</b>	A\$10,000	6,666
<b>Parcel F</b>	A\$5,000	3,333
<b>Parcel G</b>	A\$2,000	1,333

The maximum limit of A\$30,000 worth of New Shares applies to you even if you receive more than one Offer (however please refer to paragraph 13 for information relating to Custodians). No fraction of New Shares will be issued.

All Application Monies must be paid in Australian dollars.

No brokerage, stamp duty or other costs are payable by applicants in respect of an application for New Shares.

## 9. Joint Holders

If two or more persons are registered on the Company's Register as jointly holding Shares, then they are taken to be a single registered holder of Shares and a certification given by any

of them is taken to be a certification given by all of them. If a joint holder receives more than one Offer due to multiple holdings, then the joint holder may only apply in aggregate for up to the maximum amount of A\$30,000 in total (however, please refer to paragraph 13 for information on Custodians).

#### **10. Scale back, oversubscriptions or refusal of application**

The Company is targeting to raise up to A\$10 million by the issue of New Shares. However, if total demand for the Offer exceeds A\$10 million, the Directors may in their absolute discretion, undertake a scale back to the extent and in the manner they see fit. Alternatively, the Company may elect to change the A\$10 million cap at its absolute discretion by announcement to ASX and accept oversubscriptions (subject to the maximum permitted under the ASX Listing Rules).

Factors which the Directors may take into account in determining any scale back include, but are not limited to:

- (a) the extent to which Eligible Shareholders have sold or bought additional Shares after the Record Date and the date the application was made;
- (b) the total Application Monies received;
- (c) the amount applied for by each Eligible Shareholder;
- (d) whether the Eligible Shareholder may have multiple registered holdings;
- (e) the number of Shares held by each Eligible Shareholder at the Record Date;
- (f) whether an Eligible Shareholder remains on the register on the Closing Date;
- (g) the date the Company received the payment of Application Monies; and
- (h) any other such criteria as determined by the Directors in their absolute discretion.

If there is a scale back, you may not receive all the New Shares for which you have applied. If a scale back produces a fractional number when applied to the number of New Shares for which you have applied, the number of New Shares issued to you will be rounded down to the nearest whole number of New Shares.

If there is a scale back, the difference between the Application Monies received from you, and the number of New Shares issued to you multiplied by the Issue Price, will be refunded to you in full (in A\$ and without interest and at your sole risk).

The Directors reserve their right (in their absolute discretion) to refuse an application (in whole or in part) if they consider that:

- (a) it is reasonable and prudent to do so;
- (b) the applicant is not an Eligible Shareholder;
- (c) the issue of those New Shares may contravene any applicable law, rule or regulation in any jurisdiction (including without limitation the Corporations Act or the ASX Listing Rules) or the requirements of any regulatory or governmental body or may require further action to be taken by the Company including, without limitation, registration of Shares or the preparation of a prospectus in any jurisdiction; or
- (d) the applicant has not otherwise complied with the Terms & Conditions.



If an application is refused in whole or in part, the relevant Application Monies will be returned to the applicant (in A\$ and without interest and at the applicant's sole risk).

All Directors' decisions in connection with a scale back or refusal of an application are final.

#### **11. No underwriting**

The Offer is not underwritten.

#### **12. Risk Factors**

Before deciding whether to accept the Offer, you should refer to the current market price of the Company's Shares, which can be obtained from daily newspapers, your stockbroker or financial adviser or the ASX.

Owning Shares in the Company is considered a speculative form of investment and the future price of Shares can rise or fall.

Shareholders should be aware that there is a risk that the market price of the Shares may change between the date of this Offer (or the date the Offer is accepted), and the date when the New Shares are issued. Accordingly, the value of New Shares applied for is likely to fluctuate.

Shareholders should note that the Offer is not made under a prospectus or other disclosure document and does not require the type of disclosure required under the Corporations Act for a disclosure document. Shareholders must rely on their own knowledge of the Company and previous disclosures made by the Company on the ASX. The contents of this document have not been reviewed by ASIC, ASX or any other any regulatory authority in any jurisdiction.

There are a number of general and specific risks which may affect the future operating and financial performance and financial position of the Company along with the trading price of the Shares. These risks are identified on pages 33 to 41 of the Investor Presentation that was released on ASX on 27 March 2023, a copy of which has been annexed to this document.

These risks are associated with an investment in Shares but are not an exhaustive list. As a Shareholder, you will continue to be exposed to such risks. There may also be additional risks and uncertainties not currently known which may have an adverse effect on the Company's business and the value of the Shares. Certain risks relate to matters that are outside the control of the Company, and there can be no assurance that any steps that the Company takes will successfully protect it from any particular risk.

The risks identified in the Investor Presentation do not take into account the investment objectives, financial situation, tax position or other circumstances of any particular Shareholder. Shareholders should have regard to their own investment objectives and financial circumstances and seek professional advice from their legal, financial or other independent adviser before determining whether or not to accept the Offer and participate in the SPP.

#### **13. Custodian Certification**

If on the Record Date you are a Custodian and hold Shares on behalf of one or more persons each of whom is an Eligible Shareholder (each, a **Participating Beneficiary**), the Offer is made to you and you have the discretion whether to extend the Offer to the Participating Beneficiaries. You may apply up to a maximum of A\$30,000 worth of New Shares for each Participating Beneficiary.

In any consecutive 12-month period, the Company can only issue to a Custodian Shares up to the value of A\$30,000, unless the Custodian certifies in writing (**Custodian Certificate**):

(a) either or both of the following:

- (i) that the Custodian holds Shares on behalf of one or more Participating Beneficiaries that are not Custodians; and
- (ii) that another Custodian (**Downstream Custodian**) holds beneficial interests in Shares on behalf of one or more Participating Beneficiaries, and the Custodian holds the Shares to which those beneficial interests relate on behalf of the Downstream Custodian or another Custodian,

on the Record Date and that each Participating Beneficiary has subsequently instructed the following persons:

- (iii) where paragraph 13(a)(i) applies – the Custodian; and
  - (iv) where paragraph 13(a)(ii) applies – the Downstream Custodian,
- to apply for New Shares on their behalf under the Offer;
- (b) the number of Participating Beneficiaries;
  - (c) the name and address of each Participating Beneficiary;
  - (d) in respect of each Participating Beneficiary:
    - (i) where paragraph 13(a)(i) applies, the number of Shares that the Custodian holds on their behalf; and
    - (ii) where paragraph 13(a)(ii) applies, the number of Shares to which the beneficial interests relate;
  - (e) in respect of each Participating Beneficiary:
    - (i) where paragraph 13(a)(i) applies, the number or the dollar amount of New Shares they instructed the Custodian to apply for on their behalf; and
    - (ii) where paragraph 13(a)(ii) applies, the number or the dollar amount of New Shares they instructed the Downstream Custodian to apply for on their behalf;
  - (f) there are no Participating Beneficiaries in respect of which the total of the application price for the following exceeds A\$30,000:
    - (i) the New Shares applied for by the Custodian on their behalf under the Offer in accordance with the instructions in paragraph 13(e); and
    - (ii) any other Shares issued to the Custodian in the 12 months before the application under the Offer as a result of an instruction given by them to the Custodian or Downstream Custodian to apply for Shares on their behalf under an arrangement similar to the Offer;
  - (g) that a copy of this document was given to each Participating Beneficiary; and
  - (h) where paragraph 13(a)(ii) applies, the name and address of each Custodian who holds beneficial interests in the Shares held by the Custodian in relation to each Participating Beneficiary.

In providing a Custodian Certificate under this paragraph 13, the Custodian may rely on information provided to it by the Participating Beneficiary and any Custodian who holds beneficial interests in the Shares held by the Custodian.

If the Company is not satisfied with the Custodian Certificate (for whatever reason), the Company will not issue any New Shares to the Custodian on behalf of the relevant Participating Beneficiaries.

If you require a Custodian Certificate or require further information about the Custodian application process, you should contact the Share Registry. Custodian Certificates must be returned by email to [capitalmarkets@linkmarketservices.com.au](mailto:capitalmarkets@linkmarketservices.com.au).

If you hold Shares as a trustee or nominee for another person, but are not a Custodian as defined in the Glossary below, you cannot participate for beneficiaries in the manner described above. In this case, the rules for multiple single holdings set out in paragraph 8 apply.

#### **14. Effect of making an application and Shareholder certification**

If you apply for New Shares (including (without limitation) by submitting payment by BPAY®, or electronic funds transfer (**EFT**) for Eligible Shareholders outside of Australia), you:

- (a) will be deemed to have warranted and represented that you are an Eligible Shareholder and are eligible to participate in the Offer;
- (b) irrevocably and unconditionally agree to the Terms & Conditions and the terms of the Application Form;
- (c) acknowledge that your application will be irrevocable and unconditional;
- (d) certify and represent to the Company that you have not applied for more than A\$30,000 worth of New Shares (subject, if applicable, to any valid Custodian Certificate (which is acceptable to the Company) which you have provided to the Company pursuant to paragraph 13 above in your capacity as a Custodian);
- (e) certify that the total of the application price for the following does not exceed A\$30,000 (irrespective of whether you may have received more than one Offer or received Offers in more than one capacity):
  - (i) the New Shares the subject of your application under the Offer;
  - (ii) any other New Shares issued to you under the Offer or any other Shares issued to you under any similar arrangement in the 12 months before the application under the Offer (excluding Shares applied for but not issued);
  - (iii) any other New Shares which you have instructed a Custodian to acquire on your behalf under the Offer; and
  - (iv) any other Shares issued to a Custodian under an arrangement similar to the Offer in the 12 months before the application under the Offer as a result of an instruction you have given to a Custodian,  
  
(subject, if applicable, to any valid Custodian Certificate (which is acceptable to the Company) which you have provided to the Company pursuant to paragraph 13 above in your capacity as a Custodian);
- (f) agree to be bound by the Company's constitution (as amended from time to time); and
- (g) will be deemed to have made the following declarations and representations:
  - (i) you acknowledge that the New Shares have not been, and will not be, registered under the Securities Act or the securities laws of any state or

other jurisdiction of the United States, and accordingly the New Shares may not be offered or sold in the United States except in a transaction exempt from, or not subject to, the registration requirements of the Securities Act and the applicable securities laws of any state or other jurisdiction in the United States;

- (ii) you represent and warrant that you are not in the United States and are not acting for the account or benefit of a person in the United States;
- (iii) you agree not to send this document, the Application Form or any other material relating to the Offer to any person in the United States or elsewhere outside Australia or New Zealand;
- (iv) if you are acting as a nominee or custodian, each beneficial holder on whose behalf you are making an application is resident in Australia or New Zealand (except, with the written consent of the Company, in another country in compliance with the applicable laws), and is not in the United States;
- (v) you are in compliance with all relevant laws and regulations (including, without limitation, section 1043A of the Corporations Act (insider trading) and sections 241 to 243 of the Financial Markets Conduct Act 2013 (insider trading) and laws and regulations designed to restrict terrorism financing and/or money laundering);
- (vi) you are not a "designated person" or "designated entity" (or other like term) for the purpose of any domestic or international law or regulation implementing United Nations sanctions; and
- (vii) you acknowledge that the market price of Shares may rise or fall between the date this Offer commences and the date when New Shares are allotted and issued to you under the Offer and that the price you pay per New Share pursuant to this Offer may exceed the price of Shares at the time the New Shares are allotted and issued to you under the Offer.

## **15. Offer costs**

The only cost associated with the Offer is the Issue Price for the number of New Shares for which you wish to subscribe. You do not have to pay for brokerage, commission or other transaction costs which would normally apply when you acquire Shares on market.

## **16. Issue of New Shares and variation on number of New Shares issued**

The New Shares will be issued on the Issue Date (unless otherwise determined by the Directors, subject to compliance with the ASX Listing Rules).

The Share Registry will send to you a holding statement in due course following the Issue Date.

If an application is refused in whole or in part, the relevant Application Monies will be returned to the applicant without interest and at the applicant's sole risk. If required, the Company may also scale back applications in such manner as the Directors see fit.

The Company is targeting to raise up to A\$10 million through the Offer but reserves the right to accept oversubscriptions above A\$10 million or increase the size of the Offer (subject to compliance with ASX Listing Rules) in its absolute and sole discretion.

In accordance with ASX Listing Rules 7.2 (Exception 5) and 10.12 (Exception 4), the total number of New Shares issued under the Offer must not exceed 30% of the number of Shares currently on issue.

**17. What rights will the New Shares carry?**

Once the New Shares are issued, they will rank equally with existing Shares and will carry the same voting rights, dividend rights and other entitlements.

**18. Can the Company change, suspend or terminate the Offer?**

The Company may at any time change, suspend or terminate the Offer. If the Company changes, suspends or terminates the Offer it will advise Shareholders through an ASX announcement. The accidental omission to give notice of changes to or suspension or termination of the Offer or the non-receipt of any such notice will not invalidate the change, suspension or termination.

**19. Directors' participation**

Subject to ASX Listing Rule 10.12 (Exception 4) being satisfied at the date of the issue of the New Shares, Directors who are Eligible Shareholders may (without having to obtain prior Shareholder approval), participate in the Offer, on the same terms as all other Eligible Shareholders.

**20. How do you pay for the New Shares?**

All amounts in the Offer are expressed in Australian dollars. You must pay for the New Shares either by:

- (a) applying online on the Offer website at <https://events.miracle.com/kcn-offer> and pay directly via BPAY® (for Eligible Shareholders with an eligible Australian bank account); or
- (b) If you are unable to pay via BPAY® or access the website to complete the online application, please contact the Share Registry via the Shareholder Information Line on 1300 859 277 (within Australia) or +61 1300 859 277 (outside of Australia) between 8.30am and 5.00pm (AEST), Monday to Friday, to obtain a personalised Application Form and to make your payment of Application Monies by EFT. When making payment by EFT an Application Form must be returned (by email to [capitalmarkets@linkmarketservices.com.au](mailto:capitalmarkets@linkmarketservices.com.au)) and your payment must use your SRN or HIN as its reference.

It is your responsibility to ensure funds are submitted correctly so they are received by 5.00pm (AEST) on the Closing Date. You should be aware of your financial institution's cut-off time.

If you do not provide the exact amount of Application Monies, the Company reserves its right to return your monies or round your Application Monies down to the next valid parcel. If the Company returns your monies, no New Shares will be issued to you.

**21. Can I pay with cash, cheque or money order?**

No, cash, cheques and money orders will not be processed and will be returned to applicants.

**22. Please provide payment for the exact amount**

If you do not provide the exact amount, the Company reserves its right to return your monies. If the Company returns your monies, no New Shares will be issued to you.

If you make a BPAY® or EFT payment and do not provide the exact amount, you will, subject to the Terms & Conditions, be deemed to have applied for such New Shares for which you have paid.

## **23. Dispute resolution**

The Company may settle any dispute in connection with the Offer in any manner it thinks fit, whether generally or in relation to any participant, application or Share. The Company's decision will be final and binding.

The Company reserves its right to waive strict compliance with any provision of the Terms & Conditions.

## **24. Quotation and registration of your Shares**

The Company will apply for the New Shares issued to you to be quoted on ASX within the relevant period required by the ASX Listing Rules.

The Company participates in CHESS. Under CHESS, you will not receive a share certificate but will receive a statement of your holding of Shares. The CHESS statement will prescribe the number of New Shares issued pursuant to the Offer, provide details of your holder identification number, the participant identification number of the sponsor and the terms and conditions applicable to the New Shares.

If you are broker sponsored, ASX Settlement will send you a CHESS statement.

If you are registered on the Issuer Sponsored Subregister, the Share Registry will dispatch your statement, which will contain the number of New Shares issued to you under the Offer and your security holder reference number.

## **25. No liability**

The Company, including its officers and agents, are not liable for any consequences of the exercise or non-exercise of its discretions referred to in these Terms & Conditions.

## **26. Privacy**

By receiving applications, the Company and the Share Registry collect personal information about Shareholders. The Company and the Share Registry will use this information for the purposes of processing the application and updating the records of the Company. To the extent restricted by law, the Company and the Share Registry will not disclose personal information about a Shareholder to a third party. To the extent permitted by law, Shareholders are able to access, upon request, personal information held about them by the Company and the Share Registry.

## **27. Governing law and jurisdiction**

These Terms & Conditions are governed by the laws in force in Western Australia. Any dispute arising out of or in connection with these Terms & Conditions, or the offer of New Shares, will be determined by the courts of Western Australia. By accepting this Offer, you agree to submit to the non-exclusive jurisdiction of the courts in Western Australia.

## **HOW DO YOU APPLY FOR NEW SHARES UNDER THE OFFER**

If you wish to participate in the Offer please read the Terms & Conditions carefully. If you wish to participate in the Offer you must subscribe for:

- (a) a minimum parcel of A\$2,000 worth of New Shares;
- (b) a parcel of A\$5,000 worth of New Shares;
- (c) a parcel of A\$10,000 worth of New Shares;

- (d) a parcel of A\$15,000 worth of New Shares;
- (e) a parcel of A\$20,000 worth of New Shares;
- (f) a parcel of A\$25,000 worth of New Shares; or
- (g) a maximum parcel of A\$30,000 worth of New Shares.

Application Forms and payments under the Offer are irrevocable and may not be withdrawn once the Company receives it. Applications may be scaled back at the absolute discretion of the Company.

Eligible Shareholders can apply online on the Offer website at <https://events.miracle.com/kcn-offer> and pay their Application Monies directly via BPAY® (for Eligible Shareholders with an eligible Australian bank account).

If you make a BPAY® payment, you do not need to return the Application Form. However, you **must** quote your reference number provided to you via the offer website which will process your payment to your entitlement.

If you are unable to pay via BPAY® or access the website to complete the online application, please contact the Share Registry via the Shareholder Information Line on 1300 859 277 (within Australia) or +61 1300 859 277 (outside of Australia) between 8.30am and 5.00pm (AEST), Monday to Friday, to obtain a personalised Application Form and to make your payment of Application Monies by EFT. When making payment by EFT an Application Form must be returned (by email to [capitalmarkets@linkmarketservices.com.au](mailto:capitalmarkets@linkmarketservices.com.au)) and your payment must use your SRN or HIN as its reference.

Please ensure you make a payment for the exact amount of the New Share parcel for which you wish to subscribe. You will be deemed to have applied for such parcel of New Shares for which you have paid, subject to the Terms & Conditions. You should also be aware of your financial institution's cut-off time. It is your responsibility to ensure funds are submitted correctly so they are received by 5.00pm (AEST) on the Closing Date.

**By making your payment using BPAY® or EFT, in addition to agreeing with the other Terms & Conditions, you represent to the Company and certify that the total of the application price for the matters set out in paragraph 14(e) does not exceed A\$30,000.**

**Late applications will not be accepted. However, the Directors reserve their right, subject to the Corporations Act and the ASX Listing Rules, to vary the Closing Date without prior notice. If the Closing Date is varied, subsequent dates may also be varied accordingly.**

Application Monies must be paid in Australian dollars.

Ensure that your payment is received by the Share Registry by the Closing Date (**no later than 5.00pm (AEST) on Monday, 24 April 2023**) noting that the Directors reserve the right to withdraw the Offer, close the Offer early or extend the Offer.

## GLOSSARY

**A\$ or \$** means Australian dollar.

**AEDT** means Australian Eastern Daylight Time, being the time in Sydney, New South Wales.

**AEST** means Australian Eastern Standard Time, being the time in Sydney, New South Wales.

**Application Form** means the application form accompanying this document.

**Application Monies** means monies paid by Eligible Shareholders in respect of New Shares the subject of an application pursuant to the Offer.

**ASIC** means the Australian Securities and Investments Commission.

**ASIC Instrument 2019/547** means *ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547* issued by ASIC (as amended from time to time).

**ASX** means ASX Limited (ACN 008 624 691) or the Australian Securities Exchange, as the context requires.

**ASX Listing Rules** means the official listing rules of ASX (as amended from time to time).

**ASX Settlement** means ASX Settlement Pty Limited (ACN 008 504 532).

**Board** means the board of Directors.

**CHESS** means the Clearing House Electronic Subregister System operated by ASX Settlement.

**Closing Date** has the meaning given in paragraph 2 of the Terms & Conditions.

**Company** or **Kingsgate** means Kingsgate Consolidated Limited (ACN 000 837 472).

**Corporations Act** means the *Corporations Act 2001* (Cth).

**Custodian** has the meaning given in the ASIC Instrument 2019/547, being a person that provides a custodial or depository service in relation to shares of a body or interests in a registered scheme and who:

- (a) holds an Australian financial services licence covering the provision of a custodial or depository service;
- (b) is exempt from the requirement to hold an Australian financial services licence covering the provision of a custodial or depository service;
- (c) holds an Australian financial services licence covering the operation of an investor directed portfolio service (**IDPS**) or is a responsible entity of an IDPS-like scheme;
- (d) is a trustee of a self-managed superannuation fund or a superannuation master trust; or
- (e) is a registered holder of shares or interests in the class and is noted on the register of members of the body or scheme as holding the shares or interests on account of another person.

**Custodian Certificate** has the meaning given to that term in paragraph 13 of the Terms & Conditions.

**Directors** means the directors of the Company from time to time.

**Downstream Custodian** has the meaning given to that term in paragraph 13 of the Terms & Conditions.



**EFT** means electronic funds transfer.

**Eligible Shareholder** has the meaning given to that term in paragraph 3 of the Terms & Conditions.

**HIN** means Holder Identification Number.

**Investor Presentation** means the Company's ASX announcement titled 'Kingsgate Equity Raising Presentation' dated 27 March 2023, a copy of which is annexed to this document.

**Issue Date** means the date on which New Shares will be issued, which as at the date of this document is expected to be on or around 1 May 2023.

**Issue Price** has the meaning given to that term in paragraph 6 of the Terms & Conditions.

**Issuer Sponsored Subregister** means the part of the register for a class of the Company's securities for which CHESS approval has been given in accordance with the operating rules of ASX Settlement that is administered by the Company (and not by ASX Settlement) and that records uncertificated holdings of securities.

**New Shares** means the Shares to be issued to Eligible Shareholders who accept the Offer.

**Offer** has the meaning given to that term at the head of the Terms & Conditions.

**Opening Date** has the meaning given in paragraph 2 of the Terms & Conditions.

**Participating Beneficiary** has the meaning given to that term in paragraph 13 of the Terms & Conditions.

**Placement** means the placement of 30,698,067 Shares at an issue price of A\$1.50 per Share to sophisticated and professional investors as announced by the Company on 27 and 28 March 2023.

**Record Date** has the meaning given to that term in paragraph 3 of the Terms & Conditions.

**Register** means the share register maintained by or on behalf of the Company in Australia.

**Securities Act** has the meaning given in the 'Important Notices' section of this document.

**Share** means a fully paid ordinary share in the capital of the Company.

**Share Registry** means Link Market Services Limited.

**Shareholder** means a registered holder of one or more Shares.

**SPP** means the share purchase plan comprising the Offer.

**SRN** means Securityholder Reference Number.

**Terms & Conditions** means the terms and conditions of the Offer as expressly prescribed in this document.



**Kingsgate**  
Consolidated Limited



Equity Raising Presentation – March 2023

# Disclaimer

## **Important: You must read the following before continuing.**

The following notices and disclaimers apply to this presentation (**Presentation**) and you are therefore advised to read this carefully before reading or making any other use of this Presentation or any information contained in this Presentation. By reading this Presentation you represent and warrant that you are entitled to receive this Presentation in accordance with the restrictions, and agree to be bound by the limitations, contained within it.

This Presentation is dated 27 March 2023 and has been prepared by the Board and management of Kingsgate Consolidated Limited (ACN 000 837 472) (**KCN, Kingsgate** or the **Company**) in relation to its proposed placement of new fully paid ordinary shares in KCN (**New Shares**) to certain sophisticated and professional investors in accordance with section 708 of the *Corporations Act 2001* (Cth) (**Corporations Act**) to raise up to approximately A\$49 million (before costs) (**Placement**) and its share purchase plan targeting to raise A\$10 million (before costs) (**SPP**) (the Placement and the SPP together comprise, the **Offer**). The SPP will be conducted in accordance with ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547. The Offer is not underwritten and there is no guarantee that the Company will raise the targeted amount. The Company may, in its absolute discretion, raise a higher or lower amount under the SPP. The Company may in its absolute discretion undertake a scale back of applications for shares under the SPP to the extent, and in the manner, it sees fit (but without limiting the Company's discretion) by taking into account, among other factors, the number of eligible shareholders participating, the size of their shareholding at the SPP record date or the number of New Shares applied for under the SPP).

## **Not an offer**

This Presentation is not a prospectus, product disclosure statement or other offering document under Australian law or any other law and will not be lodged with the Australian Securities and Investments Commission. This Presentation is for information purposes only and is not an invitation, offer or recommendation with respect to the subscription, purchase or sale of any security in Kingsgate (including New Shares), or any other financial products or securities, in any place or jurisdiction.

This Presentation (including an electronic copy) may not be released to US wire services or distributed in the United States and it does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States or any other jurisdiction in which such an offer would be unlawful. The New Shares have not been, and will not be, registered under the U.S. Securities Act of 1933 (**U.S. Securities Act**) or the securities laws of any state or other jurisdictions of the United States. The New Shares may not be offered or sold in the United States unless they have been registered under the U.S. Securities Act or are offered and sold in a transaction exempt from, or not subject to, the registration requirements of the U.S. Securities Act and any applicable U.S. state securities laws.

The distribution of this Presentation (including an electronic copy) in the United States and elsewhere outside Australia may be restricted by law. If you come into possession of this Presentation, you should observe such restrictions. Any non-compliance with these restrictions may contravene applicable securities laws. Please refer to Appendix C of this Presentation titled "International Offer Restrictions" for more information. By accessing this Presentation you represent and warrant that you are entitled to receive such presentation in accordance with these restrictions and agree to be bound by the limitations contemplated by them.

## **Summary information only**

The information in this Presentation is summary information only and is current as at 27 March 2023 (unless otherwise indicated), and the information in this Presentation remains subject to change without notice. The information in this Presentation is general in nature and does not purport to be accurate nor complete, nor does it contain all of the information that an investor may require in evaluating a possible investment in Kingsgate, nor does it contain all the information which would be required in a disclosure document or prospectus prepared in accordance with the requirements of the Corporations Act. It has been prepared by Kingsgate with due care but no representation or warranty, express or implied, is provided in relation to the accuracy, reliability, fairness or completeness of the information, opinions or conclusions in this Presentation by Kingsgate or any other party involved in its preparation, except as required by law.

Reliance should not be placed on information or opinions contained in this Presentation and, Kingsgate does not have any obligation to finalise, correct or update the contents of this Presentation, except as required by law.

This Presentation should be read in conjunction with Kingsgate's other periodic and continuous disclosure announcements lodged with the ASX, which are available at [www.asx.com.au](http://www.asx.com.au) or at <https://www.kingsgate.com.au/announcements/>.

## **Not financial product advice**

This Presentation, and the information provided in it, does not constitute, and is not intended to constitute, financial product or investment advice, financial, legal, tax, accounting or other advice, or a recommendation to acquire New Shares (or any other securities of Kingsgate) and does not and will not form any part of any contract for the acquisition of New Shares. It has been prepared without taking into account the objectives, financial or tax situation or particular needs of any individual.

Before making an investment decision, prospective investors should consider the appropriateness of the information having regard to their own objectives, financial and tax situation and needs and seek professional advice from their legal, financial, taxation or other independent adviser (having regard to the requirements of all relevant jurisdictions). Kingsgate is not licensed to provide financial product advice in respect of an investment in shares. Cooling off rights do not apply to the acquisition of New Shares.

## **Past performance**

Past performance metrics and figures as well as pro forma financial information, included in this Presentation are given for illustrative purposes only and should not be relied upon as (and is not) an indication of Kingsgate's views, or that of any other party involved in its preparation, on Kingsgate's future financial performance or condition or prospects. Investors should note that past performance of Kingsgate, such as in relation to the historical trading price of Kingsgate shares, production, Mineral Resources and Ore Reserves, costs and other historical financial information cannot be relied upon as an indicator of (and provides no guidance, assurance or guarantee as to) future Kingsgate performance, such as the future trading price of New Shares.

# Disclaimer (cont.)

## Forward looking statements and forecasts

Some statements in this Presentation regarding estimates or future events are forward-looking statements. They include indications of, and guidance on, future matters. Forward-looking statements include, but are not limited to, statements preceded by words such as "planned", "expected", "projected", "estimated", "may", "scheduled", "intends", "anticipates", "believes", "potential", "could", "likely", "nominal", "conceptual", "propose", "will", "forecast", "estimate", and other similar expressions within the meaning of securities laws of applicable jurisdictions and include, but are not limited to, the outcome and effects of the Offer, the use of proceeds, anticipated future activities at the Company's projects, production targets and financial forecasts. Indications of, and guidance or outlook on, future earnings or financial position or performance are also forward-looking statements. Forward-looking statements, opinions and estimates included in this Presentation are based on assumptions and contingencies which are subject to change without notice, as are statements about market industry trends, which are based on interpretations of current market conditions. You are cautioned not to place undue reliance on forward-looking statements.

Forward-looking statements are provided as a general guide only and should not be relied on as a guarantee of future performance. Forward-looking statements may be affected by a range of variables, risks and uncertainties that could cause actual results to differ from estimated results and may cause Kingsgate's actual performance and financial results and other events in future periods to materially differ from any projections of future performance, results or events expressed or implied by such forward-looking statements. Refer to Appendix B of this Presentation for a non-exhaustive list of key risks which may (among other things) cause forward-looking statements to be inaccurate or unfulfilled. Refer also to pages 18, 19, 20 and 21 of this Presentation for a list of the key assumptions underpinning the production targets and financial forecasts included in this Presentation in relation to the Chatree Project. There are risks that those assumptions may be incorrect, which would also cause the production targets and/or financial forecasts to consequently be inaccurate. Some of the assumed factors to which those production targets and financial forecasts are particularly sensitive include (without limitation) the future gold and silver price, and whether the Company will be able to raise further funding detailed in this Presentation to progress Chatree to steady-state production.

These and other factors should be considered carefully and you should not place undue reliance on such forward-looking information. There can be no assurance that forward looking statements will prove to be correct.

Except as required by law or regulation Kingsgate undertakes no obligation to finalise, check, supplement, revise or update forward-looking statements or to publish prospective financial information (or other prospective information) in the future, regardless of whether new information, future events or results or other factors affect the information contained in this Presentation.

## JORC Code

Investors should note that it is a requirement for an Australian company with securities listed on ASX to report Exploration Results, Mineral Resources and Ore Reserves in compliance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code). Investors outside Australia should note that Kingsgate's reporting of such matters pursuant to the JORC Code may not comply with the relevant guidelines in other countries.

This Presentation contains estimates of Kingsgate's Mineral Resources and Ore Reserves. This information in this Presentation that relates to Kingsgate's Mineral Resources and Ore Reserves has been extracted from Kingsgate's previous ASX announcements including:

- ASX Announcement "Kingsgate announces 46% increase in Chatree Ore Reserve" dated 18 May 2022;
- ASX Announcement "Nueva Esperanza Mineral Resource Update" dated 14 April 2016; and
- ASX Announcement "Nueva Esperanza Pre-Feasibility Study Confirms Kingsgate Growth Strategy" dated 14 April 2016.

A copy of these announcements is available at [www.asx.com.au](http://www.asx.com.au) or at <https://www.kingsgate.com.au/announcements/>. Kingsgate confirms that it is not aware of any new information or data that materially affects the information included in these announcements and, in relation to the estimates of Mineral Resources and Ore Reserves, confirms that all material assumptions and technical parameters underpinning the estimates in those announcements continue to apply and have not materially changed. The Competent Persons for the announcements were Ron James, Glen Williamson, Maria Muñoz, Jennifer McNee and Timothy Benfield. Kingsgate confirms that the form and context in which the Competent Persons' findings are presented have not materially modified from the announcements.

The information in this Presentation that relates to the Company's exploration results has been extracted from the Company's previous ASX announcements, including the announcement entitled "Significant Gold Exploration Intercepts in Thailand" announced to the ASX on 1 February 2023. A copy of this announcement is available at [www.asx.com.au](http://www.asx.com.au) or at <https://www.kingsgate.com.au/announcements/>. The Competent Person for the announcement was Ron James. Kingsgate confirms that it is not aware of any new information or data that materially affects the information included in the announcement and that the form and context in which the Competent Person's findings are presented have not materially modified from the announcement.

## Production Targets and Financial Forecasts derived from the Production Targets

This Presentation contains production targets at the Chatree Project, which are 100% underpinned by the Ore Reserves estimated at the Chatree Project pursuant to the JORC Code. Specifically, approximately 35% of the total production target is underpinned by the Probable category Ore Reserve estimate and the remaining 65% of the total production target is underpinned by the Proved category Ore Reserve estimate. The estimated Ore Reserves underpinning the production targets have been prepared by a competent person in accordance with the JORC Code.

# Disclaimer (cont.)

## **Production Targets and Financial Forecasts derived from the Production Targets (cont.)**

The Inferred category Mineral Resource estimates at the Chatree Project have not been included in the Ore Reserves or production targets and have not been included when determining the forecast financial information detailed in this Presentation. There is a low level of geological confidence associated with Inferred Mineral Resources and there is no certainty that further exploration work will result in the determination of Indicated Mineral Resources (or Ore Reserves) in relation to that mineralisation.

The production targets for the Chatree Project and the financial forecasts disclosed in this Presentation (including as derived from those Production Targets) are based on the material assumptions outlined in this Presentation (including on pages 18, 19, 20 and 21) and are subject to various risk factors, such as those (non-exhaustively) outlined, or referred to, in this Presentation (including in Appendix B). These include assumptions and risk factors about the availability of funding. While Kingsgate considers all the material assumptions to be based on reasonable grounds, there is no certainty that they will prove to be correct or that the Mineral Resource and Ore Reserve estimates are accurate or that the production targets or financial forecasts as indicated in this Presentation will be achieved.

## **No liability**

The information contained in this Presentation has been prepared in good faith by Kingsgate. However, no guarantee, representation or warranty expressed or implied is or will be made by any person (such as Kingsgate and Barrenjoey Markets Pty Limited (the **Lead Manager**) and their respective affiliates, directors, officers, employees, associates, advisers and agents) as to the accuracy, reliability, correctness, completeness or adequacy of any statements, estimates, options, conclusions or other information contained in this Presentation, except as required by law.

To the maximum extent permitted by law, Kingsgate, the Lead Manager and their respective affiliates, directors, officers, employees, associates, advisers and agents each expressly disclaims any and all liability, including, without limitation, any liability arising out of fault or negligence, for any loss arising from the use of or reliance on information contained in this Presentation including representations or warranties or in relation to the accuracy or completeness of the information, statements, opinions, forecasts, reports or other matters, express or implied, contained in, arising out of or derived from, or for omissions from, this Presentation including, without limitation, any financial information, production targets, financial forecasts, estimates or projections and any other information derived therefrom. Statements in this Presentation are made only as of the date of this Presentation unless otherwise stated and the information in this Presentation remains subject to change without notice. No responsibility or liability is assumed by Kingsgate, the Lead Manager or any of their respective affiliates, directors, officers, employees, associates, advisers or agents for updating information in this Presentation or to inform any recipient of any new or more accurate information or any errors or omissions of which Kingsgate, the Lead Manager or any of their respective affiliates, directors, officers, employees, associates, advisers or agents may become aware, except as required by law.

Statements made in this Presentation are made only as at the date of this Presentation. The information in this Presentation remains subject to change without notice. Kingsgate reserves the rights to withdraw the Offer or vary the Offer or the timetable for the Offer at any time before the issue of the relevant securities without notice.

## **Release authorised by:**

Kingsgate Board of Directors

# Investment Overview

 <b>Restart successfully de-risked and timed with a strong gold price</b>	<ul style="list-style-type: none"><li>▪ Thai government remains supportive and has granted all key licenses and approvals to re-commence processing operations at Chatree<sup>1</sup></li><li>▪ Plant 2 refurbishment complete, with first gold pour from processing stockpiles having recently occurred</li><li>▪ Gold price has rallied strongly over the past six months and is currently in excess of US\$1,950/oz</li></ul>
 <b>Low-cost, long-life project with a proven operating history</b>	<ul style="list-style-type: none"><li>▪ Chatree successfully operated from 2001 to 2016, producing in excess of 1.8Moz of gold and 9Moz silver</li><li>▪ Existing Life of Mine (“<b>LOM</b>”) supports steady-state gold production target of ~110kozpa at an attractive AISC of ~US\$1,255/oz over a ~9 year mine life (based on Reserves only)</li></ul>
 <b>Significant exploration potential and opportunity for near-term value upside</b>	<ul style="list-style-type: none"><li>▪ Existing Chatree Resource of 3.4Moz gold<sup>2</sup>, providing an opportunity to potentially grow the mine life through conversion into Reserves</li><li>▪ Active exploration program over newly granted Special Prospecting Licenses (“SPLs”), with encouraging initial targets<ul style="list-style-type: none"><li>— Recent exploration drilling ~20km from Chatree intersected 26m @ 3.02 g/t Au from 81m (with no other drilling nearby)</li></ul></li></ul>
 <b>Better capitalised, with alternative funding options progressing</b>	<ul style="list-style-type: none"><li>▪ Equity raise strengthens balance sheet and provides sufficient headroom for Kingsgate to explore alternative funding options</li><li>▪ Discussions with Thai banks progressing with non-binding term sheets received for a US\$15m Working Capital Facility<sup>3</sup></li><li>▪ Advisor appointed for the sale of Nueva Esperanza<sup>3</sup></li><li>▪ Formalised a waiver and extension of the US\$15m Taurus Bridge Facility with the option to extend for a further 3 to 6 months beyond May 2023</li></ul>
 <b>Stable and experienced leadership team</b>	<ul style="list-style-type: none"><li>▪ Longstanding Board and key management team with a proven track record in mining</li><li>▪ In-country experience and fostering strong Thai government relationships developed over several years negotiating the restart of Chatree</li></ul>

1. The current approved four-year mine plan has been updated with a submission of a revised plan covering the full 9 years of planned operation. Mining operations (as distinct from processing) is scheduled to commence in September 2023.

2. Mineral Resources are inclusive of Ore Reserves, which are currently 1.3Moz gold.

3. There can be no certainty given that Kingsgate will reach an agreement to secure debt funding from Thai banks or successfully sell Nueva Esperanza.

# Recent Company Updates

## Kingsgate has received approval to re-start Chatree

### Operational

- ✓ Approval from the Department of Industry and Mines (“**DPIM**”) received and all relevant operating licenses in-place
- ✓ All reagents, including cyanide necessary for processing have been received on site
- ✓ Refurbishment of Plant 2 completed, with first gold pour having recently occurred

### Financial

- ✓ ~US\$7.5m (THB:300m) in loans provided by Akara Resources Public Company Ltd’s (“**Akara**”) preference shareholder
  - ✓ Kingsgate has now formalised a waiver and extension with Taurus Mining Finance Fund No.2 L.P. (“**Taurus**”) of the US\$15m Taurus Bridge Facility with the option to extend for a further 3 to 6 months beyond the current maturity in May 2023<sup>1</sup>
  - ✓ Non-binding term sheets received from Thai banks for a US\$15m Working Capital Facility<sup>2</sup>
  - ✓ Also in discussions with Thai banks for a US\$15-20m Project Facility<sup>2</sup>
  - ✓ Advisor appointed and divestment process of Nueva Esperanza is underway<sup>2</sup>
- If received, proceeds from either of these two sources will be sufficient to repay the preference shareholder loans due in December 2023 which, coupled with the US\$15m Working Capital Facility expected in May 2023, will provide sufficient funding to see Chatree through to steady-state production***

1. Kingsgate and Taurus have agreed to provide a waiver in relation to the financial indebtedness arising from the preference shareholder advances received on the condition that certain conditions are satisfied including that (i) Akara must accede to the Bridge Facility Agreement as an additional guarantor (already satisfied); (ii) Kingsgate to provide and implement a detailed funding plan that is satisfactory to Taurus by 31 March 2023 and (iii) Kingsgate to use its reasonable endeavours to progress the disposal of Nueva Esperanza (or an alternative sales transaction) and provide regular updates (no less than monthly) to Taurus. Kingsgate and Taurus have also agreed that subject to the satisfaction of the same conditions, the maturity date of the facility can be extended to 10 August 2023 upon payment by Kingsgate of an extension fee of US\$150k (excluding GST) by 31 March 2023 and the issue of a maximum of 2m options or such lower number as is proportionate to the amount outstanding under the Loan Agreement on 31 March 2023 to Taurus by 30 April 2023, with the options carrying a 5-year exercise period and exercise price equal to: (a) if Kingsgate completes an equity raise (for an amount of not less than US\$20m, or its A\$ equivalent), 120% of the price per ordinary share for the lowest price ordinary share issued in connection with the equity raise; or (b) otherwise, A\$1.50 per ordinary share, provided that an additional US\$300k (excluding GST) must be paid if the maturity date of the facility is extended beyond 10 August 2023.

2. There can be no certainty given that Kingsgate will reach an agreement to secure debt funding from Thai banks or successfully sell Nueva Esperanza.



# Equity raising details

## Kingsgate is undertaking a Placement to raise up to approximately A\$49 million and a Share Purchase Plan which is targeting to raise A\$10 million

Placement offer structure and size	<ul style="list-style-type: none"><li>▪ Kingsgate is conducting an institutional placement to raise up to approximately A\$49 million (“<b>Placement</b>”)</li><li>▪ Approximately 30.7 million fully paid ordinary shares (“<b>New Shares</b>”) are to be issued under the Placement, representing ~13.9% of existing ordinary shares on issue</li><li>▪ New Shares issued under the Placement will be issued within the Company’s existing placement capacity in accordance with ASX Listing Rule 7.1</li><li>▪ The Placement is non-underwritten</li></ul>
Offer Price	<ul style="list-style-type: none"><li>▪ Issue price to be determined via a variable price bookbuild of A\$1.50 – A\$1.60 per New Share</li><li>▪ The bookbuild price range of A\$1.50 – A\$1.60 per share, represents a:<ul style="list-style-type: none"><li>– 25.4% – 20.4% discount to the last closing price of A\$2.01 per share on 24 March 2023</li><li>– 19.7% - 14.4% discount to the 5-day VWAP of A\$1.87 per share up to and including 24 March 2023</li></ul></li></ul>
Share Purchase Plan	<ul style="list-style-type: none"><li>▪ Following completion of the Placement, Kingsgate will conduct a non-underwritten Share Purchase Plan which is targeting to raise A\$10 million<sup>1</sup> (“<b>SPP</b>”). (Together, the Placement and SPP are the “<b>Offer</b>”)</li><li>▪ Eligible shareholders with a registered address in Australia and New Zealand will be invited to apply for up to A\$30,000 of shares free of any brokerage, commission and transaction costs</li><li>▪ The SPP will be conducted at the same price as the final Placement issue price</li><li>▪ Further details of the SPP will be contained in the SPP offer booklet, which will be sent to eligible Kingsgate shareholders on or around 3 April 2023</li></ul>
Ranking	<ul style="list-style-type: none"><li>▪ New Shares issued under the Offer will rank equally with existing shares on issue</li></ul>
Lead Manager	<ul style="list-style-type: none"><li>▪ Barrenjoey Markets Pty Limited is acting as Sole Lead Manager to the Placement</li></ul>

1. Kingsgate may decide to accept applications (in whole or in part) that result in the SPP raising more or less than A\$10 million in its absolute discretion. Kingsgate reserves the right (in its absolute discretion) to scale back applications under the SPP if demand exceeds A\$10 million, raise a higher amount or close the SPP at an earlier date



# Timetable and Pro-Forma Capital Structure

## Indicative Timetable<sup>1</sup>

Event	Date
SPP record date	7:00PM AEDT on 24 March 2023
Trading halt and announcement of the Placement	Monday, 27 March 2023
Placement bookbuild	Monday, 27 March 2023
Announcement of the outcome of the Placement	Tuesday, 28 March 2023
Trading halt lifted - trading resumes on the ASX	Tuesday, 28 March 2023
Settlement of New Shares issued under the Placement	Thursday, 30 March 2023
Allotment and normal trading of New Shares issued under the Placement	Friday, 31 March 2023
SPP offer opens	Monday, 3 April 2023
SPP offer closes	Monday, 24 April 2023
SPP issue and allotment date	Monday, 1 May 2023
Normal trading of shares issued under the SPP	Tuesday, 2 May 2023

## Pro-Forma Capital Structure<sup>2</sup>

	Shares (m)	Cash (A\$m)
24 March 2023 (unaudited)	221	3 <sup>3</sup>
Placement	31	46 – 49
<b>Pro forma</b>	<b>252</b>	<b>49 - 52</b>

1. These dates are indicative only and, subject to compliance with applicable law, may be changed at the Company's discretion.

2. Excludes incremental proceeds of up to A\$10 million raised under the SPP.

3. As of 17 March 2023.

# Sources and Uses of Funds

Offer proceeds will be used to successfully re-start operations at Chatree and strengthen Kingsgate's balance sheet as alternative funding sources are secured



## Plant 2 Commissioning and Outstanding Creditors

- Repayment of outstanding creditors on refurbishment
- Commissioning costs (net of potential revenue)
- Other costs for restart



## Taurus Bridge Facility and / or Plant 1 Refurbishment

- Kingsgate has the option to repay all, part or none of the Taurus Bridge Facility out of the proceeds from the Placement, providing optionality to progress the Plant 1 refurbishment on schedule and time to finalise the US\$15m Working Capital Facility<sup>3</sup>



## Working Capital and Offer Costs

- Working capital requirements
- Exploration costs
- Offer costs, including Lead Manager and legal fees

Sources <sup>1</sup>	A\$m	% of Total
Gross Proceeds from Placement	46 – 49	94%
Existing Cash <sup>2</sup>	3	6%
<b>Total Sources</b>	<b>49 - 52</b>	<b>100%</b>

Uses <sup>1,4</sup>	A\$m	% of Total
Plant 2 Commissioning and Outstanding Creditors	12	24% - 23%
Taurus Bridge Facility and / or Plant 1 Refurbishment	22	45% - 42%
Working Capital, Exploration and Offer Costs	15 – 18	31% - 35%
<b>Total Uses</b>	<b>49 - 52</b>	<b>100%</b>

***Kingsgate has now formalised a waiver and extension of the Taurus Bridge Facility with the option to extend for a further 3 to 6 months beyond the current maturity in May 2023, providing optionality around the use of proceeds***

1. Excludes incremental proceeds of up to A\$10 million raised under the SPP.

2. As of 17 March 2023.

3. There can be no certainty given that Kingsgate will reach an agreement to secure debt funding from Thai banks.

4. The proposed goals and proposed uses of funds are indicative only and will be subject to modification on an ongoing basis depending on the results obtained from the Company's activities and other factors relevant to the Board's discretion as to usage of funding.

# Corporate Overview



# Corporate Summary



Kingsgate  
Consolidated Limited

Market Cap<sup>1</sup>  
**A\$444.9m**

Share Price<sup>1</sup>  
**A\$2.01**

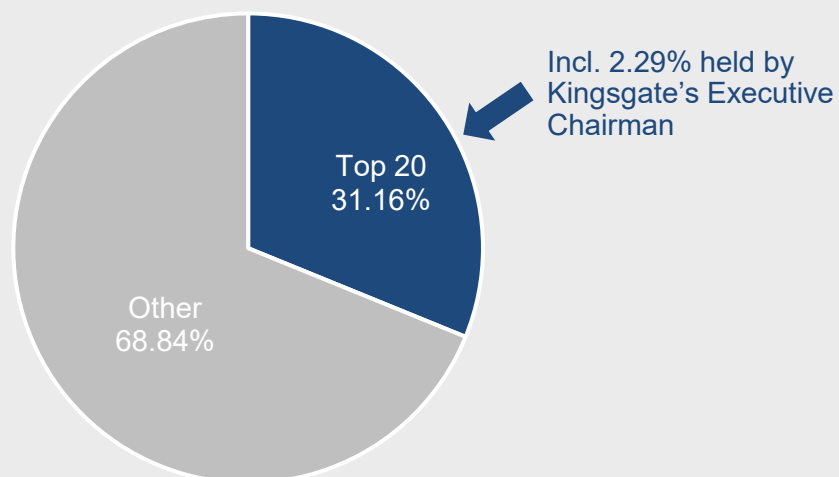
Shares on Issue  
**221.3m**

Cash<sup>2</sup>  
**A\$3.0m**

Debt<sup>2</sup>  
**A\$33.6m**

Options on Issue<sup>3</sup>  
**2.5m**

## Shareholder Register<sup>4</sup>



## Key Assets

### CHATREE GOLD PROJECT (Thailand)

- Metallurgical Processing licence (“MPL”) granted in 2022
- Study completed and key technical staff appointments made
- Resources of 3.4 Moz Gold including Reserves of 1.3Moz Gold
- Extensive Exploration program underway with exploration expenditure of ~US\$2.5m planned for calendar year 2023
- ***Refurbishment of Plant 2 completed and final approvals to commence commissioning received***

### NUEVA ESPERANZA PROJECT (CHILE)

- Feasibility Stage development project
- Environmental Impact assessment granted
- Resources of 0.49Moz Gold and 83Moz Silver<sup>5</sup>
- ***Adviser appointed and active sale process underway***

1. As of 24 March 2023.

2. Cash and debt as of 17 March 2023. Debt of US\$22.5m (comprising US\$15m Bridge Loan Facility and ~US\$7.5m (THB300m) preference shareholder loans) and converted to A\$ based on A\$:US\$0.67.

3. As of 24 March 2023. Options have an exercise price A\$2.00 and expiry of 12 May 2027.

4. Based on shareholdings as of 28 February 2023.

5. Notes for the Reserve and Resource Statements can be found in Appendix A.

# Board and Management Team

## Experienced Stable Board



### ROSS SMYTH-KIRK (OAM) – EXECUTIVE CHAIRMAN

- Founding Director of former leading investment firm Clayton Robard Management
- Former Chairman of Australian Jockey Club Limited banking and accounting background
- Extensive experience in minerals and mining sector and director of several companies over past 42 years



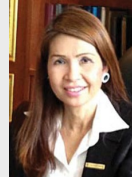
### PETER WARREN – NON-EXECUTIVE DIRECTOR

- CFO and Company Secretary of Kingsgate for 6 years until his retirement in 2011
- Former Company Secretary and CFO of Equatorial Mining and Australian subsidiaries of the Swiss based Alusuisse Group
- Various financial and accounting positions for Peabody and Hamersley Iron



### JAMIE GIBSON – MANAGING DIRECTOR & ACTING CEO

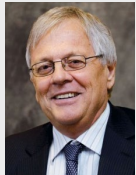
- Highly experienced corporate professional working with Kingsgate since 2013 across corporate strategy and investor relations
- Board Member and VP of the Australian Thailand Business Council until June 2022



### NUCHAREE SAILASUTA – NON-EXECUTIVE DIRECTOR

- Currently Managing Director of LotusHall Mining Heavy Engineering Construction Co., Managing Director of Lotus Green Energy Co., Thailand, and the owner of Pangluang Garden Resort & Restaurant, Thailand
- Strong mining experience, having worked in gold, copper, quarry, coal, kaolin and limestone mining operations, both in Thailand and neighbouring countries

## Management with Strong Corporate Knowledge and Mining experience



### ROSS COYLE – CFO

- Joined in 2011 following acquisition of Dominion and was with Dominion Mining Limited for over 25 years
- Over 35 years experience in accounting and financing and was Finance Director (Dominion) from 1996
- Qualified Accountant



### PAUL MASON – COMPANY SECRETARY

- Approximately 20 years working in mining companies and experienced in all areas of company legal and secretarial matters



### WAYNE SCHILLER – GM CHATREE GOLD MINE

- Mining professional with over 30 years experience across Australia and international mining operations
- Direct experience with gold, copper manganese, bauxite, coal and iron ore

# Corporate Strategy 2023 & Beyond

## On the final stretch to restarting Chatree

- DPIM approval granted in March 2023 for the restart of operations at Chatree
- Thai Government is supportive
- Kingsgate has been granted all metallurgical and mining licences required to operate the mine<sup>1</sup>
- CR3 (a Thai based international engineering firm) completed the Plant 2 refurbishment on time and under budget

## Gold Production from early 2023 and ramping up

- Commissioning of Plant 2 progressing, with first gold pour having recently occurred
- Full ramp up of Plant 2 expected in Q2 2023
- Refurbishment of Plant 1 starting May, with first production targeted for Q3 2023
- Ramp-up production from both plants to steady state target of ~5.5Mtpa in 2024<sup>1</sup>

## Focussing on Gold Production at Chatree

## Strategy Going Forward

- Maximise Chatree value through recommencing operations and gold production
- Implement an aggressive exploration program at Chatree and surrounding areas to increase Reserves and Mine Life
- Significant upside potential from – 32 SPLs granted with further ~70 SPLs pending
- Financial adviser appointed and sale process underway for non-core asset (Nueva Esperanza)

1. This is contingent on Kingsgate securing further funding (see status of financing workstreams on page 6), however there can be no certainty that this will be agreed.

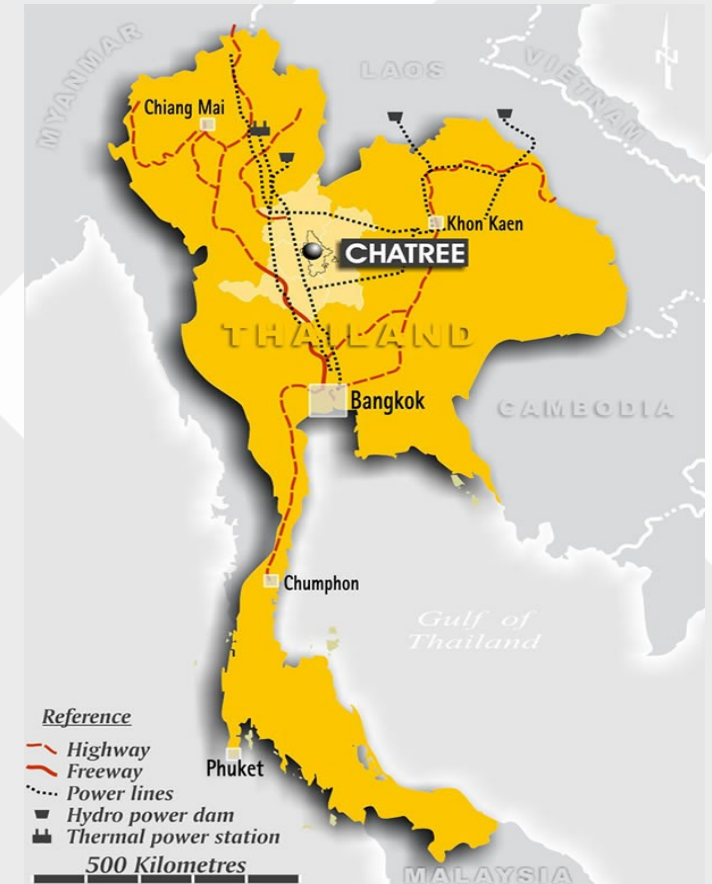
# Chatree Mine Operations



# Overview of Chatree

## An established gold operation with existing infrastructure preparing to restart

- Akara, Kingsgate's wholly owned Thai subsidiary, owns the Chatree gold mine located 280 kilometres north of Bangkok and straddles the Phichit, Petchabun and Phitsanulok provinces
- Chatree is an open cut mine operation with multiple open pits and 1.3Moz of Reserves and 3.4Moz of Resources. Since 2001, it has produced in excess of 1.8Moz of gold and 9Moz of silver
- At nameplate capacity, the mine processed +5Mtpa across two processing plants (Plant 1: 2.3Mtpa, Plant 2: 2.7Mtpa) for gold production of ~120-150kozpa
- The mine closed in late 2016, in accordance with the closure order of the Thai Government, and was placed on care and maintenance on 1 January 2017
- Kingsgate challenged the closure of operations, and has taken legal action in accordance with its rights under the Thailand-Australia Free Trade Agreement (“**TAFTA**”)
- In 2022, positive negotiations with the Thai Government has led to key developments and approvals to permit Akara to prepare for a restart of its Chatree operations
- The refurbishment of Plant 2 is complete and commissioning has commenced following final approvals from Thailand's Department of Industries and Mining



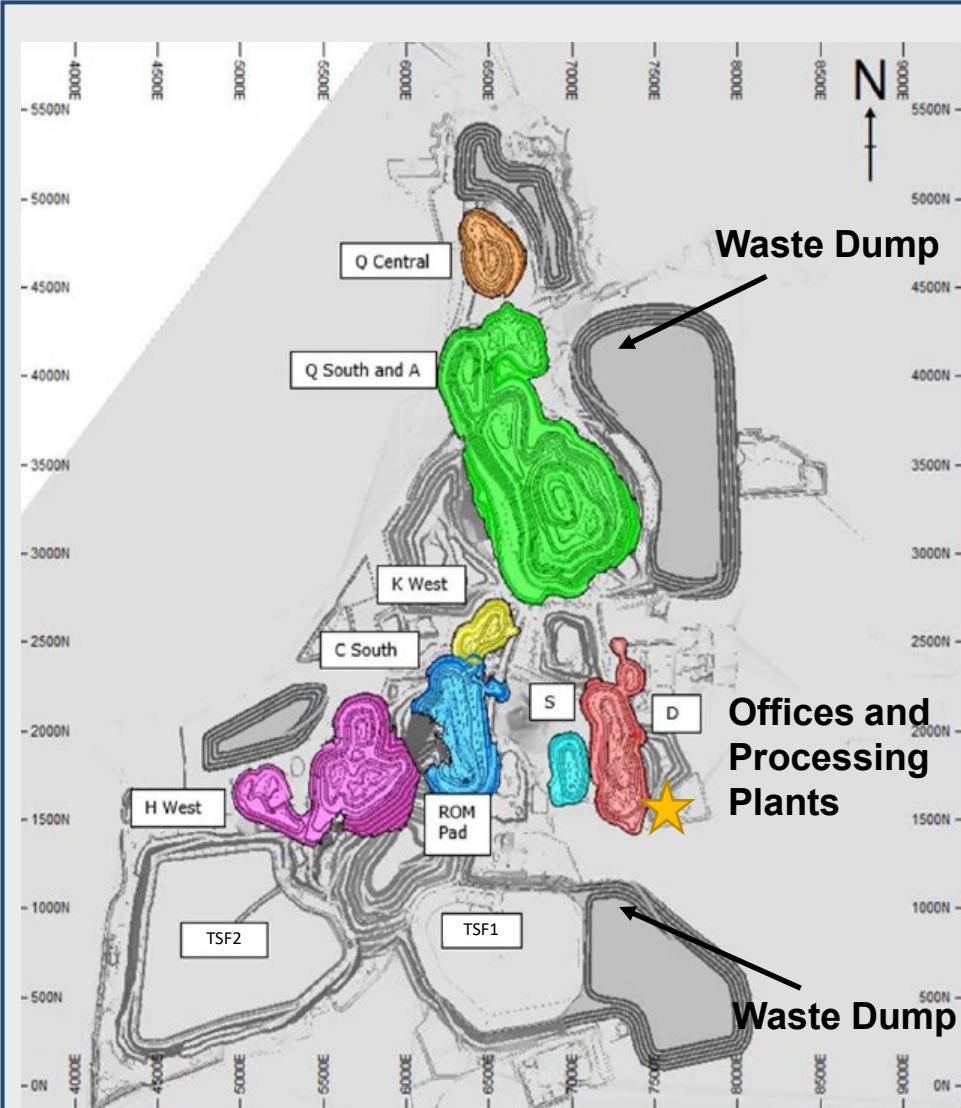


# Chatree Infrastructure

Established infrastructure in close proximity to Mining Leases (“MLs”)



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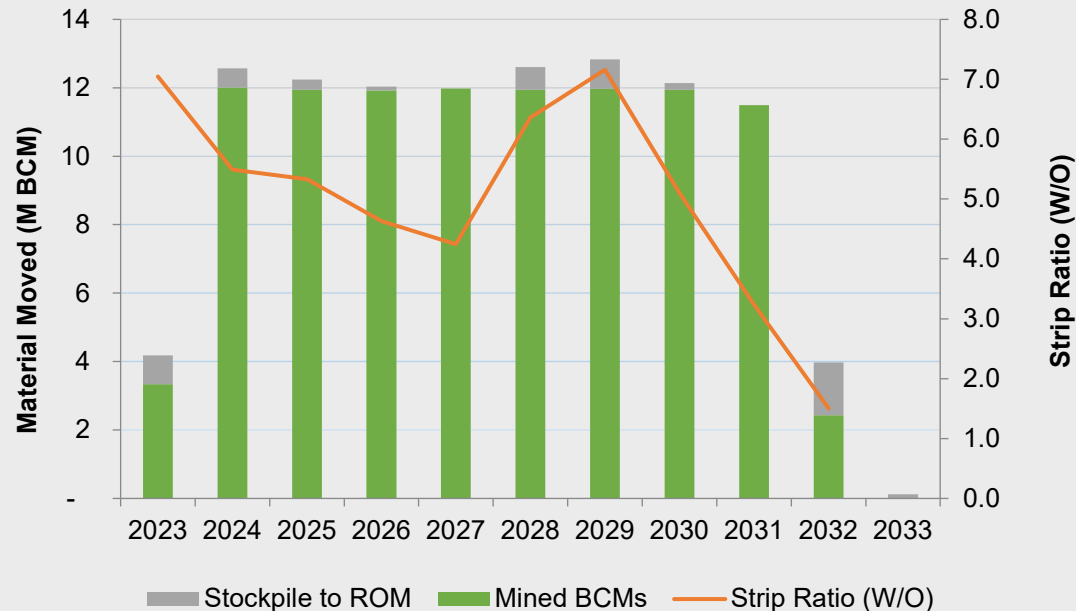


# Operational Outlook

## Initial processing of stockpiles followed by mining and ramp up of throughput

- Ore will be initially sourced from low grade stockpiles before mining operations recommence in September 2023
- Mining operations (as distinct from processing) is subject to approval of a revised mine plan which has been submitted with the relevant Thai regulatory authorities. Kingsgate expects approval to be received ahead of mining activities currently scheduled to commence in September 2023
- Mill capacity set at 2.5Mtpa initially (comprising Plant 2) with Plant 1 targeted to come online in late 2023, and increasing processing capacity (comprising Plant 1 and Plant 2 in aggregate) to a targeted amount of +5.5Mtpa in 2024

### Total Moved BCM's and Stripping Ratio

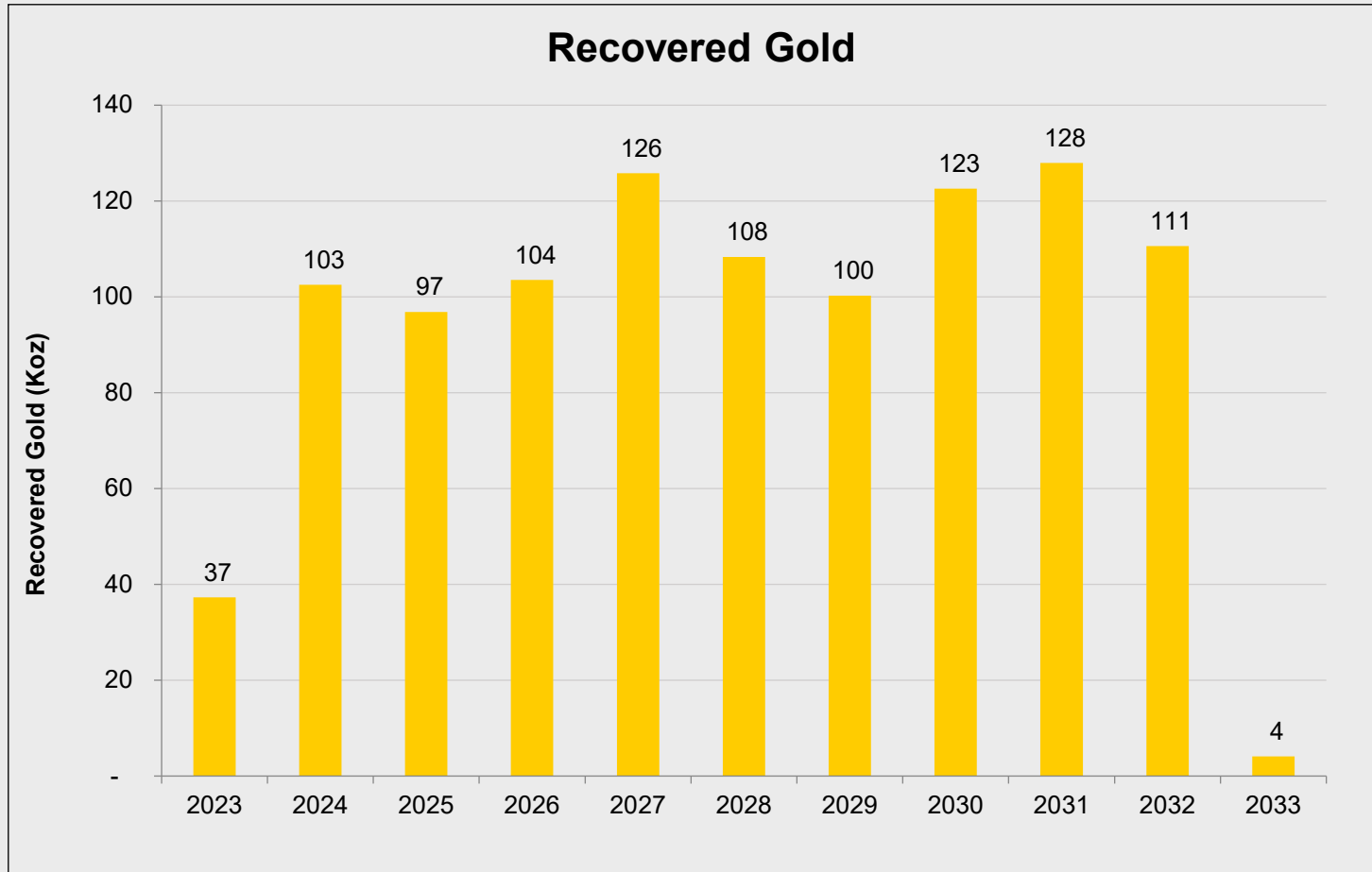


### Total Tonnes Processed and Gold Grade



# Operational Outlook (cont.)

Current LOM supports forecast production target of c.1.0Moz of Gold and 4.3Moz of silver



- Initial studies suggest a LOM with a target AISC of **~US\$1,255/oz**
- Stockpiles will be processed until September 2023 when mining is targeted to commence. Forecast 2023 gold production target of ~37koz increasing to ~103koz in 2024
- Following the commissioning and refurbishment of Plant 1, forecast production is targeted to increase to a steady state of ~110koz of gold p.a.

Kingsgate is focussed on the re-establishment of the Chatree gold operation and exploration upside through the conversion of resources to reserves contributing to an increase in its LOM Plan



# Chatree LOM Forecast Physicals

9-year mine life (based on reserves only) with average gold production target of ~110koz p.a.

Key Operational	Current LOM Estimates <sup>1</sup>
Period	~9 years
Ore tonnes mined	44.9Mt
<b>Average ore mining rate</b>	<b>5.4Mtpa</b>
Average Strip Ratio	4.7x
Max ore processing rate	5.5Mtpa
<b>Average grade processed</b>	<b>0.77 g/t</b>
Gold recovery rate	80%
Silver recovery rate	38%
<b>Average gold production target per annum</b>	<b>110koz</b>
Average silver production target per annum	420koz
Total Gold production target	~1.0Moz
Total Silver production target	~4.7Moz

1. All operating parameters have been independently sourced. Data relevant to actual historical operating numbers.

# Project Cost Metrics and Cash Flows

Low restart capex and average AISC of ~US\$1,255/oz targeted over LOM

## Key Economic Assumptions

Gold price (US\$/oz)	1,840
Silver price (US\$/oz)	21
Exchange rate (THB:US\$)	35
Diesel price (THB/ltr)	35.24
Electricity costs (THB/kWH)	3.23

## Key Cost Assumptions

US\$/oz Gold  
Produced<sup>1,2</sup>

Mining & Processing	795
General & Administration	85
Royalties and refining	278
Silver Credits	(95)
Total Operating Costs	1,158
Sustaining CAPEX	97
<b>All-in Sustaining Cost</b>	<b>1,255</b>

Indicative total LOM Free Cash Flows of ~US\$670m at an assumed gold price of US\$1,840/oz

## Other considerations:

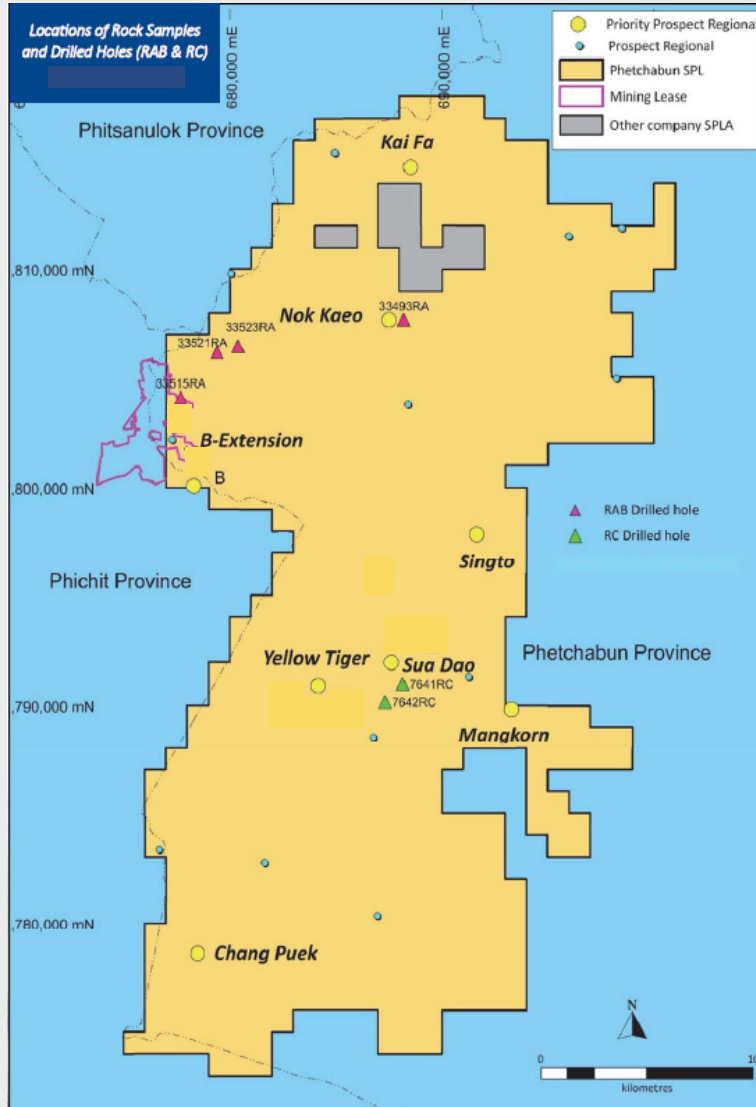
- **Economic Benefits:** Kingsgate is entitled to 100% of the economic benefits from the Chatree mine
- **Thai Board of Investment (BOI):** Investment promotion application approved, providing several tax incentives, including exemptions from:
  - 20 per cent corporate income tax rate, up to a cap of 3.25 billion Thai Baht (~A\$142m<sup>3</sup>);
  - the 10 per cent withholding tax on dividends remitted overseas; and
  - import duties on machinery, raw materials used in research and development, and raw materials used in production for exports.
- **Contractor:** Mining operations by contractor Lotus Hall, which has a long-standing relationship with Akara and established track record as contractor
- **Power:** Operations readily have access to power through the regional grid. Some diesel usage for contractor and other operational vehicles

*Key physical operating assumptions are on pages 17, 18 and 19*

1. All operating parameters have been independently sourced. Data relevant to actual historical operating numbers.
2. Non-IFRS Financial Measures: The Company uses certain financial measures to assess how the Chatree Gold Project is projected to perform and for planning and assessment purposes. These financial measures (collectively referred to as Non-IFRS Financial Measures) are not recognised under International Financial Reporting Standards (IFRS). The financial forecasts in this presentation include Non-IFRS Financial Measures. The Non-IFRS Financial Measures should not be considered in isolation or as a substitute for measures of performance or cash flow prepared in accordance with IFRS. Since the financial forecasts and economic discussion in this presentation are not based on IFRS, they do not have standardised definitions and the way these measures have been derived may not be comparable to similarly titled measures used by other companies. In addition, the Non-IFRS Financial Measures and other forward-looking information in this presentation may never eventuate, or actual results may differ from them. Investors should therefore not place undue reliance on these Non-IFRS Financial Measures.
3. Calculated on a THB to AUD exchange rate of 22.9 THB equals 1 AUD, as at 21 March 2023.

# Exploration Targets

Kingsgate is pursuing a very aggressive exploration program across the SPLs



- Circa US\$2.5m exploration expenditure planned for calendar year 2023
- Kingsgate has been granted 44 SPLs (12 subsequently dropped) and is in the process of applying for a further ~70 SPLs
- Current exploration is concentrated on geological mapping, rock and soil sampling, RAB and RC drilling
- Numerous prospective rock samples identified in Yellow Tiger, Sua Dao and B-Extension areas

# Fostering strong Thai Government Relationships

The Thai Government is supportive of the restart as shown by concessions, granting of licences etc.

## Resetting Government and Community Relationships

- Kingsgate has worked hard to reset government relationships
- In parallel to the TAFTA legal proceedings, Kingsgate and the Thai Government have been in discussions on the restart of operations rather than seeking a final legal determination judgement on the forced closure of operations and possible compensation
- Throughout 2022, the Thai Government has demonstrated its commitment to supporting a restart with:
  - ✓ Renewing Akara's metallurgical licences;
  - ✓ Granting new MLs and SPLs;
  - ✓ Permitting gold dore refining locally; and
  - ✓ Providing opportunities for Akara to apply for Thai Board of Investments tax concessions
- In October 2022, Kingsgate held further positive meetings with a Thai Government delegation in Sydney to discuss the final steps to restart, accessing further concessions, funding, and deferring the final determination of TAFTA proceedings
- In March 2023, DPIM approval was granted for the re-start of operations at Chatree

## Growing Social Media presence

- Social media is major source of information for local communities and Thailand more generally
- Akara has established an 'Akara Friends of the Community' Facebook page with strong reach into the community
- It allows the public to engage directly with Akara via Facebook messenger with possible expansion into other apps such as Line
- There is continued monitoring of social media platforms to promote and actively respond to Akara initiatives which significantly improves Akara's awareness and image

## Supporting local community and employment

- Akara is key source of employment to surrounding communities
- More than 90% of employees will be sourced locally
- A recent Akara job advert attracted more than 140,000 social media interactions in 4 days
- Akara is actively engaging across the entire spectrum of the Chatree community, including local government officials, community leaders, public institutions, and small business owners
- Its reach is extending beyond the 29 local villages surround the mine

# Community Relations

## Establishment of a Community Relations and Development (“CRD”) Program

### Four Pillar Development Strategy

- Kingsgate’s CRD program is built on the “Four Pillar Development Strategy”
- Designed with local community groups to provide meaningful and consistent approach to community activities
- Comprises of 4 pillars: Sustainable Community, Educational Opportunities, Good Health & Wellbeing and Water for Life



### 1 Sustainable Community

#### Supporting the local community and the environment surrounding the mine

- Helped plant seedlings in surrounding districts for public amenity, and as a source of food
- Support supplementary income ventures for women in the community
- E.g. small-scale food production and sewing of uniforms etc
- Donating equipment and providing training and marketing support

### 2 Educational Opportunities

#### Development of students, teachers, administrators and educational institutions

- Funded an English program in several schools and participated in English camps
- Akara’s role as Earth Science Educator is embraced
- Professors, teachers, and students invited to Chatree to view rock samples and learn about mining processes and protecting the environment

### 3 Good Health & Wellbeing

#### Community health initiatives

- Supply of medical provisions, development of village health volunteers, and community health services
- Donated hospital beds, bedding, masks and PPE to local hospitals and Covid 19 screening stations

### 4 Water for Life

#### Ensuring the community’s water supply

- Clean water for the community, village water supplies, with collaborative management of agricultural water supplies
- Akara technicians undertake monthly checks of water supplies
- Akara is funding the upgrade of local water supply systems, including solar power installation



**Nueva Esperanza**



# Background

## A highly prospective feasibility stage development project

### Project History

- Historic silver and gold production pre-Kingsgate
- Consolidation of district and resources by Kingsgate in 2011
- Kingsgate project breakthroughs in 2015, including:
  - Gold discovery at Chimberos
  - Structural cost reduction in power
- The Chimberos deposit operated as an open pit mine from 1998-1999
- The Arqueros deposit operated as an underground mine from 1999 to 2004



# Nueva Esperanza Overview

**Project on care and maintenance and a financial adviser has been appointed to assist with a sale process**

- In July 2020, Laguna Resources Chile granted an Environmental Impact Assessment (RCA – 64/20) approval for the Nueva Esperanza Gold/Silver Project
- In 2021 water rights extended for a further 5 years
- In October 2021, Kingsgate announced binding agreement for the sale of Nueva Esperanza to TDG Gold Corp (“**TDG**”)
- Kingsgate was subsequently advised that TDG was unable to proceed, and TDG forfeited their non-refundable deposit of C\$1.5M
- Overall expenditure has been reduced
- Kingsgate has formally appointed a financial advisor and the sale process has re-commenced

# **Appendix A: Mineral Resources and Ore Reserves**



# Mineral Resources and Ore Reserve Statement

As at 30 June 2022

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

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

Information relating to Nueva Esperanza Ore Reserve estimates is extracted from the ASX: Kingsgate announcement *Nueva Esperanza Pre-Feasibility Study Confirms Kingsgate Growth Strategy* released 14 April 2016 and is available to view on [www.kingsgate.com.au](http://www.kingsgate.com.au).

# Mineral Resources and Ore Reserve Statement (cont.)

As at 30 June 2022

Mineral Resources (inclusive of Ore Reserves)			Grade		Contained Metal	
Source	Resource Classification	Tonnes (Million)	Gold (g/t)	Silver (g/t)	Gold (M oz)	Silver (M oz)
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
	<b>Total</b>	<b>163.6</b>	<b>0.65</b>	<b>5.6</b>	<b>3.42</b>	<b>29.4</b>
Nueva Esperanza	Measured	1.6	0.01	93.0	0.0005	4.8
	Indicated	27.2	0.46	73.0	0.40	63.8
	Inferred	10.6	0.30	43.0	0.09	14.8
	<b>Total</b>	<b>39.4</b>	<b>0.39</b>	<b>66.0</b>	<b>0.49</b>	<b>83.4</b>
<b>Total</b>	Measured	74.8	0.68	8.1	1.63	19.4
	Indicated	77.0	0.58	29.4	1.42	72.7
	Inferred	51.2	0.53	12.5	0.86	20.7
<b>Total Measured, Indicated and Inferred Resources</b>		<b>203.0</b>	<b>0.60</b>	<b>17.3</b>	<b>3.91</b>	<b>112.8</b>

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

Information relating to Nueva Esperanza Mineral Resource estimates is extracted from the ASX: Kingsgate announcement *Nueva Esperanza Mineral Resource Update* released 14 April 2016 and is available to view on [www.kingsgate.com.au](http://www.kingsgate.com.au).

# 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 LOM 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

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The information in this presentation that relates to both the Chatree Mineral Resources, Nueva Esperanza Mineral Resources and Nueva Esperanza Ore Reserves 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 presentation 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.



# Appendix B: Key Risks



# Key Risks

## INTRODUCTION

This section discusses some of the risks associated with an investment in Kingsgate. Kingsgate's business is subject to a number of risk factors both specific to its business and of a general nature which may impact on its future performance. Before subscribing for New Shares, prospective investors should carefully consider and evaluate Kingsgate and its business and whether the New Shares are suitable to acquire having regard to their investment objectives and financial circumstances and taking into consideration material risk factors. The below list of risk factors ought not to be taken as exhaustive of the risks faced by Kingsgate or by investors in Kingsgate. The below factors, and others not specifically referred to below, may in the future materially affect the financial performance of Kingsgate and the value of Shares. Please refer also to Kingsgate's previous ASX announcements. References to risk factors applying to the Company also generally apply to the Company's subsidiaries.

Shares carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Shares (including the New Shares). Potential investors should consider the investment carefully and should consult their professional advisers before deciding whether to apply for New Shares, or to otherwise trade in Shares.

## RISKS SPECIFIC TO THE COMPANY

### Restarting operations at the Chatree Gold Project

The Company is seeking to restart gold and silver mining and processing operations at the Chatree Gold Project as detailed in this presentation. No assurances can be given that such restart will occur, nor of whether the Company will achieve commercial viability through the restart of that Project. There are a number of risks and uncertainties associated with the Project, many of which are beyond the Company's control. These include (without limitation) the inherent risk that actual results may vary adversely from estimates and other forecasts, and (among other risks) the inability to obtain sufficient funding, solvency risk, costs increases, government and legal issues, changes in commodity prices, difficulties in obtaining and maintaining all necessary consents, permits, tenements and approvals, variations from predicted ore grades, operational problems (such as engineering and other technical issues), counterparty risks such as non-performance and default, industrial relations risks, personnel risks, metallurgical problems, plant and supporting infrastructure breakdown, commodity price fluctuation risks and other economic and marketing issues, environmental risks and various other risks (such as those detailed below).

Among other adverse outcomes, these risks and uncertainties could result in the Company not achieving its plans or in such plans generating less revenue than expected, costing more than expected or taking longer to realise than expected. Any of these outcomes could have an adverse effect on the Company's financial and operational performance and could result in insolvency of the Company and its group.

Further, the Company may require further funding in the short term, which may or may not be available. The Placement and SPP (even if the maximum amounts are raised) will not be sufficient to service the Company's liabilities and to fund Chatree through to steady-state production.

### Repayment of liabilities

There are risks that the Company will be unable to fulfil its liabilities as and when they become due and payable.

Among other liabilities, the Company is party to a secured bridge facility of US\$15,000,000 (\$21,766,000) with Taurus Mining Finance Fund No.2 L.P. (**Taurus**), (**Facility**). The first tranche of US\$7,500,000 (\$10,883,000) was drawn on 11 May 2022, and the second tranche of US\$7,500,000 (\$10,883,000) was drawn on 22 July 2022. As at the date of this presentation, the total amount outstanding on the Facility is US\$15,000,000. The Facility is currently due to be repaid in May 2023, however the Company has signed a waiver and extension providing optionality to extend the facility for a further three to six months.

The Company currently does not have sufficient cash available to repay the Facility or fund Chatree through to steady-state production and provide general working capital for the Kingsgate group. As detailed in the Company's December 2022 Half Yearly Report, the restart of the Chatree is dependent on being successful in a combination of:

- implementing a working capital facility with a consortium of Thai Banks of US\$15,000,000 followed by a project facility of circa US\$15,000,000-20,000,000;
- obtaining further preference shareholder advances;
- managing the balances owed to creditors;
- reopening the Chatree Gold Mine and generating sufficient positive cash flows;
- the completion of the sale of the Nueva Esperanza Project located in Chile; and/or
- completing an equity raising.

# Key Risks (cont.)

## **Repayment of liabilities (Cont.)**

No forecast is made of whether those matters will eventuate.

The Company's subsidiary Akara Resources Public Company Limited also has received a THB300,000,000 (~US\$7,500,000) advance from, its preference shareholder. The preference shareholder has a put option to put their preference shares back to the Company which comes into effect in January 2024 and requires a six month notice period. The liability with respect to the put option for those preference shares is approximately \$11,279,000.

In the event the Company is unable to raise up to approximately \$49,000,000 under the Placement, \$10,000,000 under the SPP Offer and secure other alternative funding, there is a risk that the Company will not have the required funding to repay the Facility the Preference Shareholder Loans, and other existing liabilities when they fall due and payable.

As a result of these matters, there is a material uncertainty that may cast significant doubt on the Company's and its group's ability to continue as a going concern and, therefore, they may be unable to realise their assets and discharge their liabilities in the normal course of business.

## **Obtaining sufficient funding**

The Company's continued ability to operate its business and effectively implement its business plan over time will depend in part on its ability to raise additional funds for future operations and to repay or refinance debts as they fall due.

Additional funding will be required to meet the Company's liabilities (such as those detailed in this presentation and future liabilities to be incurred). There can be no assurance that the Company will have sufficient operating revenues to fund future costs. There are risks that additional equity or debt funding may not be available to the Company on favourable terms or at all.

Any debt financing, if available, may involve restrictions on the Company's financing and operating activities (and may involve encumbrances over some or all of the Company's assets and undertakings), or its business strategy and additional equity financing may dilute Shareholders.

If adequate funds are not available in the future on acceptable terms, the Company and its group may become insolvent or, if not, cause the proposed operations of the Company to be curtailed.

## **Risks associated with operating internationally**

The Company's principal assets are located in Thailand and Chile and the Company is subject to various political, regulatory, economic and other risks and uncertainties with operating in Thailand and Chile. The Company's operations in Thailand and Chile are exposed to exploration and mining operations in a developing country which are not necessarily present in a developed country. These risks and uncertainties vary from country to country and include, but are not limited to, economic, social or political instability or change, hyperinflation, currency non-convertibility or instability and changes of law affecting government participation, taxation, working conditions, rates of exchange, exchange control, exploration licensing, export duties, environmental protection, mine safety, labour relations as well as government control over mineral properties or government regulations that require the employment of local staff or contractors or require other benefits to be provided to local residents.

The Company may also be hindered or prevented from enforcing its rights with respect to a governmental instrumentality because of the doctrine of sovereign immunity.

Any future material adverse changes in government policies or legislation in Thailand or Chile that affect foreign ownership, mineral exploration, development or mining activities, may affect the viability and profitability of the Company. Operations may be affected in varying degrees by government regulations with respect to, but not limited to, restrictions on exploration, development, mining production, price controls, export controls, secondary processing requirements in country, currency remittance, income taxes, foreign investment, maintenance of claims, environmental legislation, land use, land claims of local people, water use, local economic empowerment or similar policies, employment, contractor selection and mine safety. Failure to comply strictly with applicable laws, regulations and local practices relating to mineral right applications and tenure, could result in loss, reduction or expropriation of entitlements. The occurrence of these various factors adds uncertainties that cannot be accurately predicted and could have an adverse effect on the Company's operations or profitability.

The legal systems operating in Thailand and Chile may be less developed than in more established countries, which may result in risk such as political difficulties in obtaining effective legal redress in the courts whether in respect of a breach of law or regulation, or in an ownership dispute, a higher degree of discretion on the part of governmental agencies, the lack of political or administrative guidance on implementing applicable rules and regulations including, in particular, as regards local taxation and property rights, inconsistencies or conflicts between and within various laws, regulations, decrees, orders and resolutions, or relative inexperience of the judiciary and courts in such matters.

The commitment by local business people, government officials and agencies and the judicial system to abide by legal requirements and negotiated agreements may be more uncertain, creating particular concerns with respect to licences and agreements for business. These may be susceptible to revision or cancellation and legal redress may be uncertain or delayed. There can be no assurance that projects, licences, licence applications or other legal arrangements will not be adversely affected by the actions of the government authorities or others and the effectiveness and enforcement of such arrangements cannot be assured. Any of these factors could materially and adversely affect the Company's business, results of operations and financial condition.

# Key Risks (cont.)

## Production targets and financial forecasts

This presentation contains mineral production targets and financial forecasts relating to the Chatree Gold Project, any of which may be inaccurate (or may never eventuate). The feasibility of the Chatree Gold Project and ability of the Company to achieve production targets or achieve financial forecasts cannot be assured. The assets of the Company are subject to uncertainty with regards to (among other things) ore tonnes, grade, metallurgical recovery, ground conditions, operational environment, government and legal issue, funding for development, regulatory changes, permitting risks, accidents, operational and technical difficulties such as mechanical failure of plant and equipment, difficulties in commissioning, operating and maintaining plant and equipment, unanticipated metallurgical and processing problems which may affect extraction costs, adverse weather conditions, industrial and environmental accidents, industrial disputes and unexpected shortages or increases in the costs of consumables and other commodities, spare parts, and plant and equipment and various other matters. Failure to achieve production targets and/or financial forecasts, could have an adverse impact on the Company's future cash flows, profitability and financial condition.

Further, the Company anticipates that it will require funding, in addition to the Placement and SPP Offer, to achieve the production target and financial forecasts for the Chatree Gold Project detailed in this presentation. No assurances can be made that appropriate funding will be available on terms favourable to the Company or at all.

Further, the Company makes no forecast and gives no guarantee of whether it will become profitable, including following the Placement and SPP Offer. At present, the Company is not generating any revenues from its projects. There can be no assurance that significant additional losses will not occur in the future.

## Permitting

The Company requires permits from regulatory authorities to authorise operations, including with respect to exploration, development, mining and processing of minerals. The Company also requires permits from regulatory authorities to authorise potential project operations.

Obtaining necessary permits can be a time-consuming process and there is a risk that the Company will not obtain necessary permits on acceptable terms, or in a timely manner, or at all.

The costs and delays associated with obtaining necessary permits and complying with these permits and applicable laws and regulations could materially delay or restrict the Company from proceeding with its proposed operations.

Furthermore, any material adverse changes in relevant government policies or legislation may adversely affect the viability and profitability of the Company, and consequent returns to investors.

The Company's proposed future mining, processing, development and exploration activities will be subject to various laws and statutory regulations and plans relating to numerous matters, including permitting and maintenance of title, environmental consents and the protection of the environment, governing prospecting, development, production, taxation, royalties, employee relations, labour standards and occupational health and safety, and other matters. No assurance can be given that new laws, rules and regulations will not be enacted or that existing laws, rules and regulations will not be applied in a manner which could have an adverse effect on the success of development projects. Any such amendments to current laws, regulations and permits governing operations and activities of mining, exploration and development projects, or more stringent implementation thereof, could have a material adverse impact on the Company's results of operations, financial condition and prospects.

Failure to comply with any applicable laws, regulations or permitting requirements may result in enforcement actions against the Company, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Any failure to comply with applicable laws and regulations or permits, even if inadvertent, could result in material fines, penalties or other liabilities. In extreme cases, failure could result in suspension of the Company's activities or forfeiture of one or more of its tenements.

## Tenure

Interests in mining tenements in Thailand and Chile are governed by legislation and are evidenced by the granting of licences or leases. The Company's tenements/holdings are subject to periodic renewal and risks of adverse modifications and lapse or other termination. The tenements only permit specific activities, and there is no guarantee that future exploration, development, processing or mining will be permitted. Each tenement is periodically renewed based on the Company meeting certain conditions and minimum expenditures. The imposition of new conditions or the inability to meet those conditions may prevent renewal or may otherwise cause the lapse or termination of tenements and adversely affect the operations, financial position and/or performance of the Company. Additionally, interests held by the Company are subject to the need for new licences and permits. There is no assurance that such licences and permits would be granted as a matter of course and there is no assurance that new conditions will not be imposed by the relevant granting authority.

Any failure to obtain the grant or renewal of tenure in any jurisdiction in which the Company operates may have a material adverse effect on the Company and its business. There is also a risk that some or all of the granted licences, leases or other exploration permits are revoked in the future.

Pursuant to the tenements comprising the Company's projects, the Company is subject to payment and expenditure obligations. In particular, tenement holders are required to expend the funds necessary to meet the minimum work commitments attaching to the tenements. Failure to meet these work commitments may render the tenements subject to forfeiture or result in the tenement holders being liable for penalties or fees. Further, if any contractual obligations are not complied with when due, in addition to any other remedies that may be available to other parties, this could result in dilution or forfeiture of the Company's interest in the projects.

# Key Risks (cont.)

## **Laws, government relations and policy**

The Company and its mining operations are subject to a wide range of laws and government regulations and policies applying in relevant jurisdictions, with respect to matters such as land use, employee health and safety, rehabilitation of mining properties, environmental damage and pollution and payments to government officials.

The Company has project interests in Thailand and Chile, which are subject to political, economic and other risks and uncertainties. The formulation and implementation of government policies in those countries may be unpredictable. As evidenced by the decision by the Thai Government that the Chatree Gold Project must cease operation by 31 December 2016, there can be no certainty as to what changes, if any, will be made to relevant laws in the jurisdictions where the Company has current interests, or other jurisdictions where the Company may have interests in the future, or the impact that relevant changes may have on the Company's ability to own and operate its mining and related interests and to otherwise conduct its business in those jurisdictions.

There have been, and may in the future be, enquiries or investigations in relation to possible breaches of relevant legal and/or government regulatory/policy requirements in connection with the Company's activities.

Some of the applicable laws, regulations and policies are often evolving, unclear, subject to differing interpretations by regulators and inconsistent across jurisdictions, making compliance challenging. Any failure by the Company, its Directors, agents or contractors to comply with the relevant legal and regulatory/policy requirements as they apply now or in the future could result in civil and/or criminal action against the Company and/or its Directors which could result in fines, sanctions, penalties, other pecuniary loss or the loss of, or failure to obtain, licences or permits necessary to conduct or expand the Company's operations or other adverse consequences including damage to reputation (which could also occur if any offending conduct is alleged even if not proved), and this could have a material adverse effect on the Company's operational or financial performance or position.

## **Nueva Esperanza Project sale risk**

The Company is in the process of seeking to sell the Nueva Esperanza Project in Chile, as detailed in this presentation. The Company has not entered into any current agreement to sell the Nueva Esperanza Project and there is a risk it will be unable to sell that project. Further, even if the Company is able to sell the Nueva Esperanza Project, no forecast is made of the price or timing or other terms and conditions of such sale.

If the Company does not sell the Nueva Esperanza Project, the Company will continue to be exposed to the liabilities, obligations and risks associated with it, including as detailed in this presentation (e.g. the various risk factors in this section apply also to the Nueva Esperanza Project, in addition to the Chatree Gold Project) and in the Company's previous ASX announcements.

## **Credit risk**

Credit risk is the risk that a customer or counterparty fails to meet its contractual obligations under a contract (or other instrument or arrangement) and results in a loss to the Company. The Company is exposed to counterparty credit risk arising from its various business operations. The Company seeks to manage this risk by carefully assessing the risk profile of each counterparty with whom it does business, but there can be no assurance that this risk assessment process will avoid loss associated with a customer or other third party failing to meet its contractual obligations to the Company. There are also risks of the Company or its group breaching their contractual or other obligations to third parties, which may adversely impact on the Company's and its group's financial position and financial performance.

## **Operational risk**

The Company's operations, as with any other mining operations, are subject to a number of uncertainties, such as in relation to ore tonnes, grade, metallurgical recovery, actual realised values and grades of stockpiles (which are also estimated), ground conditions, operational environment, funding for development, regulatory changes, weather (including flooding in the event of heavy rainfall), accidents, difficulties in operating plan and equipment and other unforeseen circumstances such as unplanned mechanical failure of plant or equipment. Costs of production for the Company may be affected by a variety of factors, such as changing waste-to-ore ratios, geotechnical issues, unforeseen difficulties associated with power supply, water supply and infrastructure, ore grade, metallurgy, labour costs, changes to applicable laws and regulations, general inflationary pressures and current exchange rates. Unforeseen production cost increases could result in the Company not realising its operational or development plans or in such plans costing more than expected or taking longer to realise than expected. Any of these outcomes could have an adverse effect on the Company's operational or financial performance.

Failure of the Company to achieve production or cost estimates could have an adverse impact on the Company's future cash flows, profitability, results of operations and financial condition.

## **Gold and silver prices**

Changes in the market price of gold and silver, which in the past have fluctuated widely, will affect the profitability of the Company's projected operations and its financial condition. The viability of the Company's gold and silver projects also depends on the future market price of gold and silver.

The price of gold and silver is set in the world market and is affected by numerous industry factors beyond the Company's control including the demand for precious metals, expectations with respect to the rate of inflation, interest rates, currency exchange rates, demand for jewellery and industrial products containing gold or silver, gold or silver production levels, inventories, cost of substitutes, changes in global or regional investment or consumption patterns, and sales by central banks, other holders and speculators, and global and regional political and economic factors.

# Key Risks (cont.)

## Gold and silver prices (Cont.)

A decline in the market price of gold or silver below the Company's projected production costs for a sustained period may have a material adverse impact on the viability of the Company's operations and projects. Such a decline also could have a material adverse impact on the ability of the Company to fund project and other costs.

A decline in the market price of gold or silver may also require the Company to write-down the carrying value of assets which may have a material adverse effect on the value of the Company's securities.

## Ore Reserve and Mineral Resource Estimates

Like any mining company, the Company depends on ore reserves and mineral resources. The ore reserve and mineral resource estimates of the Company's projects are based on a number of assumptions that have been made by Competent Persons in accordance with the JORC Code. Reserve and resource estimates involve expressions of judgment based on various factors such as knowledge, experience and industry practice, and the accuracy of these estimates may be affected by many factors, including quality of the results of exploration drilling and sampling of the ore body and analysis of the ore samples, as well as the procedures adopted by and experience of the person making the estimates. By their very nature, reserve and resource estimates are imprecise and depend to some extent on interpretations, which may prove to be inaccurate. Estimates which were valid when originally calculated may alter significantly when new information or techniques become available.

Estimates of the reserves and resources at the Company's projects may change significantly when new information becomes available or new factors arise, and interpretations and conclusions on which reserve and resource estimates are based may prove to be inaccurate. In the future, the Company may need to revise the reserve and resource estimates of the Company's projects, if, for instance, the extraction of a portion (or all) of the ore reserves at the Company's projects becomes uneconomical as a result of increases in production costs or decreases in gold and/or silver prices.

The inclusion of reserve and resource estimates should not be regarded as a representation that all these amounts can be economically exploited, and should not be interpreted as assurances of the economic viability of the Company's projects or the profitability of the Company's future operations.

## Replacement of Ore Reserves risk

The Company must continually replace reserves depleted by production to maintain production levels over the long term. Reserves can be replaced by expanding known ore bodies, locating new deposits or making acquisitions. There is a risk that depletion of reserves will not be offset by discoveries, conversion of resource or acquisitions or that divestitures of assets will lead to a lower reserve base. The reserve base of the Company may decline if reserves are mined without adequate replacement and the Company may not be able to sustain production. Exploration is highly speculative in nature and costly. The Company's exploration projects involve many risks and therefore may be unsuccessful. There is no assurance that current or future exploration programs will be successful. Also, if a discovery is made, it may, in some cases, take up to a decade or longer from the initial phases of exploration drilling until mining is permitted and production is possible.

## Environmental risk

The Company's exploration and operational programs are, in general, subject to approval by governmental authorities. Project activities are dependent on the project meeting environmental guidelines and, where required, being approved by governmental authorities. The Company's activities have an impact on the surrounding environment, particularly the exploration for and mining and processing of minerals.

There are risks that the operations of the Company and its group and counterparties may give rise to potentially substantial costs for environmental rehabilitation, damage control and losses that exceed estimates, and possible regulatory intervention and financial and other legal penalties and damages being incurred, potentially adversely impacting the Company and its reputation, operations, financial performance and financial position.

Additionally, environmental laws and regulations are increasingly evolving to require stricter standards and enforcement behaviours, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility (and liability) for companies and their officers, directors and employees.

Changes in environmental laws and regulations deal with air quality, water and noise pollution and other discharges of materials into the environment, plant and wildlife protection, the reclamation and restoration of mining properties, greenhouse gas emissions, the storage, treatment and disposal of wastes, the effects of mining on the water table and groundwater quality.

Changes in environmental legislation could increase the cost of the exploration, development and mining activities of the Company or delay or preclude those activities altogether. The Company is unable to predict the effect of additional environmental laws and regulations which may be adopted in the future, including whether any such laws or regulations would materially increase the Company's cost of doing business or affect their operations in any area.

There can be no assurances that new environmental laws, regulations or stricter enforcement policies, once implemented, will not oblige the Company to incur significant expenses and undertake significant investments which could have material adverse effect on the business, financial condition and performance of the Company.

## Occupational Health and Safety

Workplace incidents may occur for various reasons, including as a result of non-compliance with occupational health and safety laws. The Company and its subsidiaries may be liable for workplace incidents that occur to their employees, contractors or other persons under applicable occupational health and safety laws. If Company and/or its subsidiaries are liable under such laws, in whole or part, they may be liable for significant penalties, which may adversely impact their operations, financial performance and financial position.



# Key Risks (cont.)

## Insurance

Exploration, development and mining operations on mineral properties involve numerous risks, including unexpected or unusual geological operating conditions, rock bursts, cave-ins, ground or slope failures, fires, floods, earthquakes and other environmental occurrences, political and social instability that could result in damage to or destruction of mineral properties, personal injury or death, environmental damage, delays in exploration, development and production activities caused by industrial accidents or labour disputes, changes in regulatory environment, monetary losses and possible legal liability.

The Company currently maintains insurance to protect against certain risks. However, such insurance will not cover all potential risks. The Company may be unable to maintain insurance to cover these risks at economically feasible premiums. Moreover, insurance against risks such as environmental pollution or other hazards as a result of exploration and development is not generally available to the Company or to other companies in the industry on acceptable terms. Should such liabilities arise, they could adversely affect the financial position of the Company and result in increasing costs and a decline in the value of the securities of the Company.

## Reliance on key personnel

The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on its key personnel. The loss of the services of certain personnel could materially adversely affect the Company and its activities. There can be no assurance that there will be no detrimental impact on the Company if one or more of these key personnel cease their involvement with the Company.

## COVID-19 risk

Coronavirus disease (COVID-19) continues to impact global economic markets. The nature and extent of the effect of COVID-19 on the performance of the Company remains uncertain. The share price of the Company may be adversely affected in the short to medium term by the continued economic uncertainty caused by COVID-19. Further, any governmental or industry measures taken in response to COVID-19 may adversely impact the operations of the Company and are likely to be beyond the control of the Company.

## Foreign currency

The Company's operating and capital expenditures are typically incurred in currencies other than Australian dollars (including Thai Baht, Chilean Peso and United States dollars) and any future revenues from the sale of gold or silver are also likely to be in currencies other than Australian dollars. Any fluctuations in the exchange rates between these currencies and the Australian dollar could have a material adverse effect on the Company's business, financial position and operating results.

## Climate change risk

Climate change related risks that may impact the Company include physical as well as regulatory and macro-economic impacts. The effects of changes in rainfall patterns, changing storm patterns and intensities may in the future adversely impact, the cost, production levels and financial performance of the operations of the Company. The business operations of the Company may in the future be, subject from time to time to severe storms and high rainfalls leading to flooding and associated damage, which may result in delays to, or prevention of, operations at their minerals projects (and reduce the prospects of achieving production targets). Carbon related regulatory impacts on the operations of the Company are currently low, but may increase adversely in future. Climate change related impacts on commodity markets are difficult to predict, but might include increased energy cost to the Company.

## Land rehabilitation requirements

Although variable, depending on location and the governing authority, closure and reclamation requirements for mining operations of the Company are generally imposed on mineral exploration and mining companies, in order to minimise long term effects of land disturbance.

Reclamation may include requirements to control dispersion of potentially deleterious effluents and to reasonably re-establish pre-disturbance land forms and vegetation. In order to carry out rehabilitation obligations imposed on the Company in connection with its mineral exploration, development and production, the Company must allocate financial resources that might otherwise be spent on further exploration and/or development programs. Whilst the Company set closure and reclamation plans based on current requirements, these rehabilitation requirements are subject to change. Unforeseen cost increases could result in the Company not realising its closure and reclamation plans or in such plans costing more than expected or taking longer to realise than expected. Any of these outcomes could have an adverse effect on the Company's operational or financial performance. There is a risk that the Company will be required to allocate greater financial resources than planned for in circumstances where rehabilitation prescriptions are required to change through a variety of sources of change including government requirements.

## Information technology and cyber risk

The operations of the Company are supported by information technology systems, consisting of infrastructure, networks, applications and service providers. The Company and its group could be subject to network and systems interference or disruptions from a number of sources, including security breaches, cyber-attacks and system failures. The impact of information technology systems interferences or disruption could include exploration and production downtime, operational delays, destruction or corruption of data, disclosure of sensitive information and data breaches, any of which could have a material impact on the business, operations, financial condition and performance of the Company.

# Key Risks (cont.)

## Geological and geotechnical risk

There is a risk that unforeseen geological and geotechnical difficulties may be encountered when developing and mining mineral deposits, such as unusual or unexpected geological conditions, pit wall slips and failures, rock bursts, seismicity and cave-ins. Unforeseen geological and geotechnical difficulties could impact exploration, development or production and/or require additional operating or capital expenditure to rectify problems and in doing so have an adverse impact on the Company's operations, financial performance and financial position.

## Metallurgical risks

Metal and/or mineral recoveries are dependent upon the metallurgical process that is required to liberate economic minerals and produce a saleable product and by nature contain elements of significant risk such as changes in mineralogy in the ore deposit can result in inconsistent metal recovery, affecting the economic viability of the project.

## Exploration and development risks

The business of mineral exploration, project development and production, by its nature, contains elements of significant risk with no guarantee of success. There is no guarantee of success at the Company's projects.

Ultimate and continuous success of activities is dependent on many factors such as:

- The discovery and/or acquisition of economically recoverable reserves;
- Access to adequate capital for project development;
- Design and construction of efficient development and production infrastructure within capital expenditure budgets;
- Securing and maintaining title to tenements;
- Obtaining regulatory consents and approvals necessary for the conduct of mineral exploration, development and production;
- Securing plant and equipment; and
- Access to competent operational management and prudent financial administration, including the availability and reliability of appropriately skilled and experienced employees, contractors and consultants.

Even a combination of experience, knowledge and careful evaluation may not be able to overcome the inherent risks associated with exploring and developing prospective tenements. There can be no assurance that mineral exploration results in the development of economically viable deposits of gold or other minerals.

## Exploration and development risks

In the event that exploration programs are unsuccessful this could lead to a diminution in the value of the Company and/or its projects, a reduction in the cash reserves of the Company and possible relinquishment of part or all of the Company's projects. The discovery of mineral deposits, including gold and silver deposits, is dependent on a number of factors, including the technical skills of the exploration personnel involved and the success of the adopted exploration plan. In addition, there can be a time lag between the commencement of drilling and, if a viable mineral deposit(s) is discovered, the commencement of commercial operations. Even if an apparently viable resource is identified, there is no guarantee that it can be economically exploited due to various issues such as lack of ongoing funding, adverse government policy, geological conditions, commodity prices or other technical difficulties.

These factors may affect the Company's ability to progress mining operations, continue with its projects and earn income from potential future production and may affect the Company's share price. There is also a risk of the Company being unable to obtain and maintain necessary environmental, development and other authorisations on satisfactory terms or at all.

The future exploration and development activities of the Company may be affected by a range of factors such as geological conditions, limitations on activities due to seasonal weather patterns, unanticipated operational and technical difficulties, industrial and environmental accidents, obtaining government authorisations, changing government regulations and many other factors beyond the control of the Company. The success of the Company will also depend upon (among other things) the Company having access to sufficient funding, being able to maintain title to its projects and obtaining and maintaining all required approvals for its activities.



# Key Risks (cont.)

## GENERAL RISKS

### Economic Risks and Market Conditions

Changes in the general economic climate in which the Company operates may adversely affect the financial performance and financial position of the Company and the value of the Company's shares regardless of the Company's operating performance. Factors that may contribute to that general economic climate include, but are not limited to:

- the level of direct and indirect competition against the Company and demand for gold and silver;
- general economic conditions;
- uncertainty in the Thai, Australian, Chilean and US (and global) economies or increases in the rate of inflation resulting from domestic or international conditions (including movements in domestic interest rates and reduced economic activity);
- increases in expenses (including the cost of goods and services used by the Company and general commodity prices);
- changes in government policies, taxation and other laws (including variations to existing taxes and the introduction of new taxes);
- the strength of, and fluctuations in, the equity and share markets in Australia and throughout the world;
- movement in, or outlook on, exchange rates, interest rates and inflation rates;
- industrial disputes in Thailand, Australia, Chile and any other relevant jurisdictions;
- changes in investor sentiment toward particular market sectors;
- the demand for, and supply of, capital;
- financial failure or default by an entity with which the Company may become involved in a contractual relationship; and
- natural disasters, social upheaval, terrorism or war.

The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities. Neither the Company nor its Directors warrant the future performance of the Company or any return to Shareholders.

### Litigation risk

The Company may be exposed to further litigation risks such as government claims, tenure disputes, disputes in relation to contractual matters, environmental claims, occupational health and safety claims, employee claims (among other potential claims). Further, the Company may be involved in disputes with other parties now or in the future which may result in litigation or other forms of dispute resolution procedure. Any such claim or dispute if proven, may impact adversely on the operations, financial performance and financial position of the Company.

### Taxation and government regulations

Changes in taxation and government legislation in a range of areas (for example, the Corporations Act, accounting standards and taxation law) can have a significant influence on the outlook for companies and the returns to investors.

### Risks associated with an investment in shares

As with all stock market investments, there are risks associated with an investment in the Company. Securities listed on the ASX have experienced extreme price and volume fluctuations that have often been unrelated to the operating performances of such companies. These factors may materially affect the market price of the Company's shares regardless of the Company's performance. There is no assurance that the price of Shares will increase in the future. The price of Shares might trade below or above the offer price per New Share.

# Key Risks (cont.)

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## **Unforeseen Expenses**

While the Company is not aware of any expenses that may need to be incurred that have not been taken into account, if such expenses were subsequently incurred, the expenditure proposals of the Company may be adversely affected.

## **Broader General Risks**

There are also a number of broader general risks which may impact the Company's performance. These include (without limitation):

- abnormal stoppages in normal business operations due to factors such as war, political or civil unrest, terrorism, infrastructure failure or industrial disruption; and
- higher than budgeted costs associated with the provision of product and service offerings.

## **Accounting standards**

Australian accounting standards are set by the Australian Accounting Board and are outside of the Company's control. Changes to accounting standards could materially adversely affect the financial performance and position reported in the Company's financial statements.

# **Appendix C: International Offer Restrictions**



# International Offer Restrictions

This document does not constitute an offer of New Shares of the Company in any jurisdiction in which it would be unlawful. In particular, this document may not be distributed to any person, and the New Shares may not be offered or sold, in any country outside Australia except to the extent permitted below.

## European Union

This document has not been, and will not be, registered with or approved by any securities regulator in the European Union. Accordingly, this document may not be made available, nor may the New Shares be offered for sale, in the European Union except in circumstances that do not require a prospectus under Article 1(4) of Regulation (EU) 2017/1129 of the European Parliament and the Council of the European Union (the "Prospectus Regulation").

In accordance with Article 1(4)(a) of the Prospectus Regulation, an offer of New Shares in the European Union is limited to persons who are "qualified investors" (as defined in Article 2(e) of the Prospectus Regulation).

## Hong Kong

**WARNING:** This document has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the "SFO"). Accordingly, this document may not be distributed, and the New Shares may not be offered or sold, in Hong Kong other than to "professional investors" (as defined in the SFO and any rules made under that ordinance).

No advertisement, invitation or document relating to the New Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to New Shares that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors. No person allotted New Shares may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

## New Zealand

This document has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (the "FMC Act").

The New Shares are not being offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) other than to a person who:

- is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act;
- meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act;
- is large within the meaning of clause 39 of Schedule 1 of the FMC Act;
- is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or
- is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act.

## Norway

This document has not been approved by, or registered with, any Norwegian securities regulator under the Norwegian Securities Trading Act of 29 June 2007 no. 75. Accordingly, this document shall not be deemed to constitute an offer to the public in Norway within the meaning of the Norwegian Securities Trading Act. The New Shares may not be offered or sold, directly or indirectly, in Norway except to "professional clients" (as defined in the Norwegian Securities Trading Act).

# International Offer Restrictions (cont.)

## Singapore

This document and any other materials relating to the New Shares have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this document and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of New Shares, may not be issued, circulated or distributed, nor may the New Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part 13 of the Securities and Futures Act 2001 of Singapore (the "SFA") or another exemption under the SFA.

This document has been given to you on the basis that you are an "institutional investor" or an "accredited investor" (as such terms are defined in the SFA). If you are not such an investor, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

Any offer is not made to you with a view to the New Shares being subsequently offered for sale to any other party in Singapore. On-sale restrictions in Singapore may be applicable to investors who acquire New Shares. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

## United Kingdom

Neither this document nor any other document relating to the offer has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended ("FSMA")) has been published or is intended to be published in respect of the New Shares.

The New Shares may not be offered or sold in the United Kingdom by means of this document or any other document, except in circumstances that do not require the publication of a prospectus under section 86(1) of the FSMA. This document is issued on a confidential basis in the United Kingdom to "qualified investors" within the meaning of Article 2(e) of the UK Prospectus Regulation. This document may not be distributed or reproduced, in whole or in part, nor may its contents be disclosed by recipients, to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received in connection with the issue or sale of the New Shares has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of the FSMA does not apply to the Company.

In the United Kingdom, this document is being distributed only to, and is directed at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 ("FPO"), (ii) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO or (iii) to whom it may otherwise be lawfully communicated (together "relevant persons"). The investment to which this document relates is available only to relevant persons. Any person who is not a relevant person should not act or rely on this document.



# Kingsgate

Consolidated Limited

ABN 42 000 837 472

28 March 2023

**Via ASX Online**

**FOR PUBLIC RELEASE**

Manager  
Company Announcements Office  
Australian Securities Exchange

## **Kingsgate successfully completes \$46 million institutional placement**

*Not for release to US wire services or distribution in the United States*

Kingsgate Consolidated Limited (ASX:KCN) ("**Kingsgate**" or the "**Company**") is pleased to announce that it has successfully completed its \$46 million institutional placement, having received binding commitments under which it will issue approximately 30.7 million new fully paid ordinary shares in Kingsgate ("**Shares**") at an issue price of A\$1.50 per Share ("**Placement**").

Following settlement of the Placement, the net proceeds will be applied primarily towards funding Plant 2 commissioning and working capital costs as processing of stockpiles re-commence, as well as providing optionality around the repayment of the US\$15 million Taurus Bridge Facility and/or acceleration of the Plant 1 refurbishment.<sup>1</sup>

Commenting on the Placement, Kingsgate Executive Chairman, Ross Smyth-Kirk, said:

*"The strong support shown from both new Australian and international investors and existing shareholders in this Placement is a firm endorsement for the Company and its strategy. We are thrilled to be recommencing operations at Chatree and returning to production."*

*"We thank shareholders for their long-standing support and look forward to seeing Chatree once again become a meaningful ASX-listed gold producing project."*

Settlement of the Placement is expected to occur on Thursday, 30 March 2023, followed by the issue and allotment of the Shares pursuant to the Placement on the following day, utilising the Company's Listing Rule 7.1 placement capacity.

Barrenjoey Markets Pty Limited acted as Sole Lead Manager and Bookrunner to the Placement. Thomson Geer is acting as legal adviser to the Company.

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<sup>1</sup> Refer to the Company's investor presentation announced on 27 March 2023 for further details of the indicative uses of funds.

## Share Purchase Plan

In addition to the Placement, Eligible Kingsgate shareholders, being shareholders who had a registered address in Australia or New Zealand on Kingsgate's register at 7:00pm (AEDT) on Friday, 24 March 2023, will be invited to apply for up to A\$30,000 of new Shares under the Share Purchase Plan announced by Kingsgate on 27 March 2023 ("**SPP**"). The issue price of the new Shares under the SPP will be A\$1.50 per new Share, being the same price as the Shares to be issued under the Placement.

The SPP is targeting to raise A\$10m before costs and is not underwritten. Kingsgate retains the right to accept oversubscriptions or to scale back applications at its absolute discretion. New Shares issued under the SPP will rank equally with existing Shares from the date of issue.

The SPP is expected to open on Monday, 3 April 2023 and close at 5.00pm (AEST) on Monday, 24 April 2023.

Further details of the SPP will be set out in the SPP Offer Booklet, which will be released to the ASX and made available to eligible shareholders in Australia and New Zealand on or about Monday, 3 April 2023.

## Timetable

The key dates for the Placement and SPP are set out below:

<b>Key events</b>	<b>Date</b>
Record date for SPP	7.00pm (AEDT), 24 March 2023
Settlement of new Shares issued under the Placement	30 March 2023
Allotment and normal trading of new Shares under the Placement	31 March 2023
SPP offer opens and Offer Document available to Eligible Shareholders	3 April 2023
SPP offer closes	5.00pm (AEST), 24 April 2023
SPP issue and allotment date	1 May 2023
Normal trading of new Shares issued under the SPP	2 May 2023

*All dates and times are indicative only and subject to change. The commencement of trading and quotation of new Shares issued under the Placement and SPP is subject to confirmation from the ASX. The Company reserves the right to withdraw the SPP or amend all or any of these dates and times without notice (including extending the period for the SPP or accepting late applications), subject to the Corporations Act 2001 (Cth), the ASX Listing Rules and other applicable laws.*

All amounts are in Australian dollars unless otherwise specified.

Refer also to the Appendix 3B which accompanies this announcement, for further information.

This announcement has been approved by the Board for release to the ASX.

**– ENDS –**

**For further information, please contact:**

*Paul Mason  
Company Secretary  
Kingsgate Consolidated Limited  
+61 2 8256 4800*

## Important Information

This announcement is not a prospectus or offering document under Australian law or under any other law. It is for information purposes only and does not constitute an offer, invitation or recommendation to subscribe for, retain or purchase any securities in the Company in any jurisdiction. This announcement does not constitute financial product advice and does not and will not form part of any contract for the acquisition of securities in the Company.

This announcement (including an electronic copy) may not be released to US wire services or distributed in the United States and it does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States or any other jurisdiction in which such an offer would be unlawful. The new Shares have not been, and will not be, registered under the U.S. Securities Act of 1933 ("**U.S. Securities Act**") or the securities laws of any state or other jurisdictions of the United States. The new Shares may not be offered or sold in the United States unless they have been registered under the U.S. Securities Act or are offered and sold in a transaction exempt from, or not subject to, the registration requirements of the U.S. Securities Act and any applicable U.S. state securities laws.

The distribution of this announcement (including an electronic copy) in the United States and elsewhere outside Australia may be restricted by law. If you come into possession of this announcement, you should observe such restrictions. Any non-compliance with these restrictions may contravene applicable securities laws. Please refer to Appendix C of the Company's Investor Presentation announced to the ASX on 27 March 2023, for more information. By accessing this announcement you represent and warrant that you are entitled to receive such announcement in accordance with these restrictions and agree to be bound by the limitations contemplated by them.

The content of this announcement is not, and should not be considered as, a securities recommendation or financial product advice. The information in this announcement is general information only, and does not take into account your individual objectives, taxation position, financial situation or needs. Before acting on the information, you should consider the appropriateness of the information, having regard to your objectives, taxation position, financial situation or needs. If you are unsure of your position, please contact your stockbroker, accountant, taxation adviser, financial adviser or other professional adviser.

No representation or warranty is given as to the accuracy or likelihood of achievement of any forward-looking statement in this announcement, or any events or results expressed or implied in any forward-looking statement. These statements can generally be identified by the use of words such as "anticipate", "believe", "expect", "project", "forecast", "estimate", "likely", "intend", "should", "could", "may", "target", "predict", "guidance", "plan" and other similar expressions.

Such forward-looking statements are not guarantees of future performance and are by their nature subject to significant uncertainties, risks and contingencies.

Actual results or events may differ materially from any expressed or implied in any forward-looking statement and deviations are both normal and to be expected. Past performance is not a reliable indicator of future performance. Except as required by law or regulation (including the ASX Listing Rules), the Company undertakes no obligation to provide any additional or updated information whether as a result of new information, future events or results or otherwise.





# Kingsgate

Consolidated Limited

ABN 42 000 837 472

31 March 2023

**Via ASX Online  
(1 Page)**

**FOR PUBLIC RELEASE**

Manager  
Company Announcements Office  
Australian Securities Exchange

## **Repayment of the US\$15 million Bridge Facility**

Kingsgate Consolidated Limited (ASX:KCN) ("Kingsgate or the Company") can advise that the US\$15 million Bridge Facility provided to the Company by the Taurus Mining Finance Fund No.2 L.P., will be repaid in full today (31 March 2023). The terms of the Bridge Facility included a 9% per annum interest rate, and the ability to repay the earlier of 12 months or upon refinancing.

**Ross Smyth-Kirk OAM  
Executive Chairman  
KINGSGATE CONSOLIDATED LIMITED**



# Kingsgate

Consolidated Limited

ABN 42 000 837 472

31 March 2023

**Via ASX Online  
(2 Pages)**

**FOR PUBLIC RELEASE**

Manager  
Company Announcements Office  
Australian Securities Exchange

## **Plant #2 ramping up and second gold pour at the Chatree Gold Mine**

Kingsgate Consolidated Limited (ASX:KCN) ("Kingsgate or the Company") is pleased to advise that the restart of the Chatree Gold Mine ("Charee") is progressing very well, with the second gold pour scheduled for later today (31 March 2023), as Plant #2 capacity continues to ramp up. Key highlights from the first full week of operations include:

- **Maintaining the stockpiles at a full and steady state to feed Plant #2;**
- **A constant 320 tonnes per hour crusher throughput;**
- **A constant 250 tonnes per hour mill throughput;**
- **Processing higher grade ore ranging from 0.51g/t Au up to 0.77g/t Au which is an increase on initial forecasts;**
- **Strong recovery percentages of 78% for gold and 47.5% for silver; and**
- **Good reliability, with the Process Plant running at 97% availability in the first week of operations.**

Kingsgate is also pleased to advise that the refurbishment works are now focusing on the remaining Carbon in Leach tanks to further enhance Plant #2's capacity, and refurbishment of Plant #1 will be accelerated to bring Chatree back to full steady state production as soon as possible.



**Ross Smyth-Kirk OAM**  
**Executive Chairman**  
**KINGSGATE CONSOLIDATED LIMITED**



**Kingsgate**

Consolidated Limited

ABN 42 000 837 472

All Registry communications to:  
Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235 Australia  
Telephone: 1300 859 277  
From outside Australia: +61 1300 859 277  
ASX Code: KCN  
Website: [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au)

**IID:**

**SRN/HIN:**

**Record Date:** 7.00 pm (AEDT) 24 March 2023

**Offer Opens:** 3 April 2023

**Issue Price per Fully Paid**

**Ordinary Share:** A\$1.50

<b>Offer Closes</b> <b>5:00pm (AEST):</b>	<b>24 April 2023</b>
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## SHARE PURCHASE PLAN ("SPP") APPLICATION FORM

### How do I apply for fully paid ordinary shares in Kingsgate Consolidated Limited ("Shares") under the SPP?

- Carefully read the SPP terms and conditions in the Offer Booklet for the SPP.
- Decide on the amount you wish to apply for, being one of the permitted parcels of Shares detailed in the Offer Booklet.
- Pay for the Shares in accordance with the instructions outlined in the Offer Booklet and further important instructions on the reverse of this form using BPAY®.
- Payments must be in Australian dollars.

## PAYMENT OPTIONS

### Paying by BPAY®

When paying by BPAY®, you do **NOT** need to complete or return this Application Form. Payment must be received by the Registry by BPAY® by 5:00pm (AEST) on 24 April 2023. By paying by BPAY®, you will be deemed to have completed an Application Form for the number of Shares the subject of your payment.

If you make a payment by BPAY® and Kingsgate Consolidated Limited receives an amount which is not equal to A\$2,000, A\$5,000, A\$10,000, A\$15,000, A\$20,000, A\$25,000 or A\$30,000, Kingsgate Consolidated Limited may round down the number of Shares that you are applying for to the next lowest parcel at their discretion. Your payment must be for a minimum of A\$2,000.



**Biller Code:** 395368

**Ref:**

### Telephone & Internet Banking – BPAY®

Contact your bank or financial institution to make this payment from your savings, debit or transaction account. More info: [www.bpay.com.au](http://www.bpay.com.au)

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Confidential

## IMPORTANT INFORMATION

1. This is an important document which requires your immediate attention. If you are in any doubt as to how to deal with this Application Form, please consult a professional adviser.
2. If you do not wish to purchase Shares under this SPP, there is no need to take action.
3. Please ensure you have read and understood the SPP Offer Booklet, before you pay Application Monies (as defined in the Offer Booklet) by BPAY® or you submit your Application Form with your Application Monies.
4. This SPP is non-renounceable. Applications can only be accepted in the name printed on the Application Form.
5. If you are a 'Custodian' (as defined in the Offer Booklet), you may be required to submit a Custodian Certificate to Kingsgate Consolidated Limited in order to participate on behalf of any beneficiaries. Please refer to the Offer Booklet for further details. The Custodian Certificate can be obtained by contacting the Kingsgate Consolidated Limited SPP Offer Information Line (via phone, as detailed below).
6. If you apply for new Shares pursuant to the SPP, including (without limitation) by submitting payment by BPAY®, or electronic funds transfer, you will be deemed to have:
  - represented and warranted that you have read and understood the Offer Booklet for the SPP;
  - agreed to the various matters, and given the various certifications, declarations, warranties, representations and acknowledgements, detailed in the Offer Booklet (such as in section 14 of the Offer Booklet);
  - provided authorisation to be registered as the holder of new Shares under the SPP; and
  - agreed to be bound by the Constitution of Kingsgate Consolidated Limited.
7. Kingsgate Consolidated Limited reserves the right to make amendments to this Application Form where appropriate.
8. Applicants are not assured of receiving the Shares for which they have applied, as Kingsgate Consolidated Limited may scale back applications or withdraw the SPP, in its discretion.

### How to pay your Application Monies

Payment for new Shares must be received by the Registry no later than the closing date shown overleaf. When paying by BPAY® you do not need to complete or return this Application Form. You should check the processing cut off-time for BPAY® transactions with your bank, credit union or building society to ensure your payment will be received by the Registry by the close of the SPP offer.

Kingsgate Consolidated Limited reserves the right not to process any Application Form and Application Monies received after the Closing Date.

**If you require information, please contact the Kingsgate Consolidated Limited SPP Offer Information Line on 1300 859 277 if calling within Australia, or +61 1300 859 277 if calling from outside of Australia.**