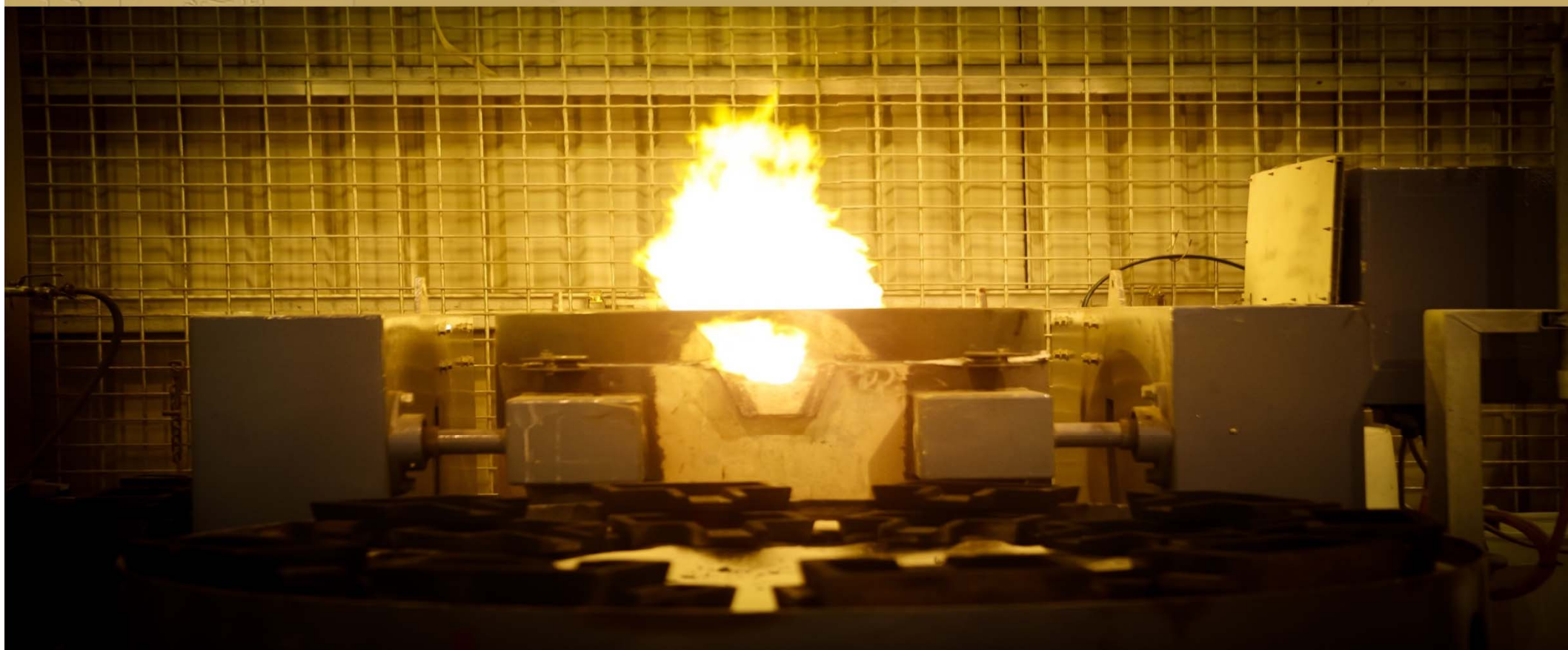




Kingsgate Consolidated Limited

**March 2014
Quarterly Report**



Disclaimer

Forward Looking Statements:

These materials include forward looking statements. Forward looking statements inherently involve subjective judgment & analysis & are subject to significant uncertainties, risks & contingencies, many of which are outside of the control of, & may be unknown to, the company.

Actual results and developments may vary materially from that expressed in these materials. The types of uncertainties which are relevant to the company may include, but are not limited to, commodity prices, political uncertainty, changes to the regulatory framework which applies to the business of the company & general economic conditions. Given these uncertainties, readers are cautioned not to place undue reliance on such forward looking statements.

Forward looking statements in these materials speak only at the date of issue. Subject to any continuing obligations under applicable law or any relevant stock exchange listing rules, the company undertakes any obligation to publicly update or revise any of the forward looking statements, changes in events, conditions or circumstances on which any such statement is based.

Some statements in this presentation regarding estimates or future events are forward looking statements. They involve risk and uncertainties that could cause actual results to differ from estimated results. Forward looking statements include estimates of future production, cash and total costs per ounce of production, reserve and mineralized material estimates, capital costs, and other estimates or prediction of future activities. They include statements preceded by words such as “believe,” “estimate,” “expect,” “intend,” “will,” and similar expressions. Actual results could differ materially depending on such things as political events, labour relations, currency fluctuations and other general economic conditions, market prices for Kingsgate Consolidated Limited products, timing of permits and other government approvals and requirements, changes in operating conditions, lower than expected ore grades, unexpected ground and mining conditions, availability and cost of materials and equipment, and risks generally inherent in the ownership and operation of mining properties and investment in foreign countries.

March Quarter - Highlights

- **Solid Group operating performance with quarterly gold production in line with expectations at 48,725oz**
- **Strong June Quarter expected to deliver full year guidance**
- **Chatree produced 31,609oz of gold at US\$805/oz and Challenger produced 17,116oz at US\$1,293.**
- **Balance sheet strengthened following capital raising. Institutional component of A\$28.5M (gross) completed in quarter. Retail component of A\$30.9M (gross) completed in April.**
- **Nueva Esperanza definitive feasibility study completed and confirms robust project economics.**
- **CEO search well advanced.**

All-in Sustaining Cost

		Chatree	Challenger	Group
Gold Sales	oz	30,813	17,403	48,216
Adjusted Total Cash Costs (incl royalties and bi-product)	US\$/oz	731	1,297*	951
Sustaining Capex	US\$/oz	165	58	127
Exploration Expense	US\$/oz	-	-	-
Corporate and Admin Costs ^	US\$/oz	-	-	48
All-in Sustaining Cost (March Qtr)	US\$/oz	923	1,355	1,126

* Includes underground mine development.

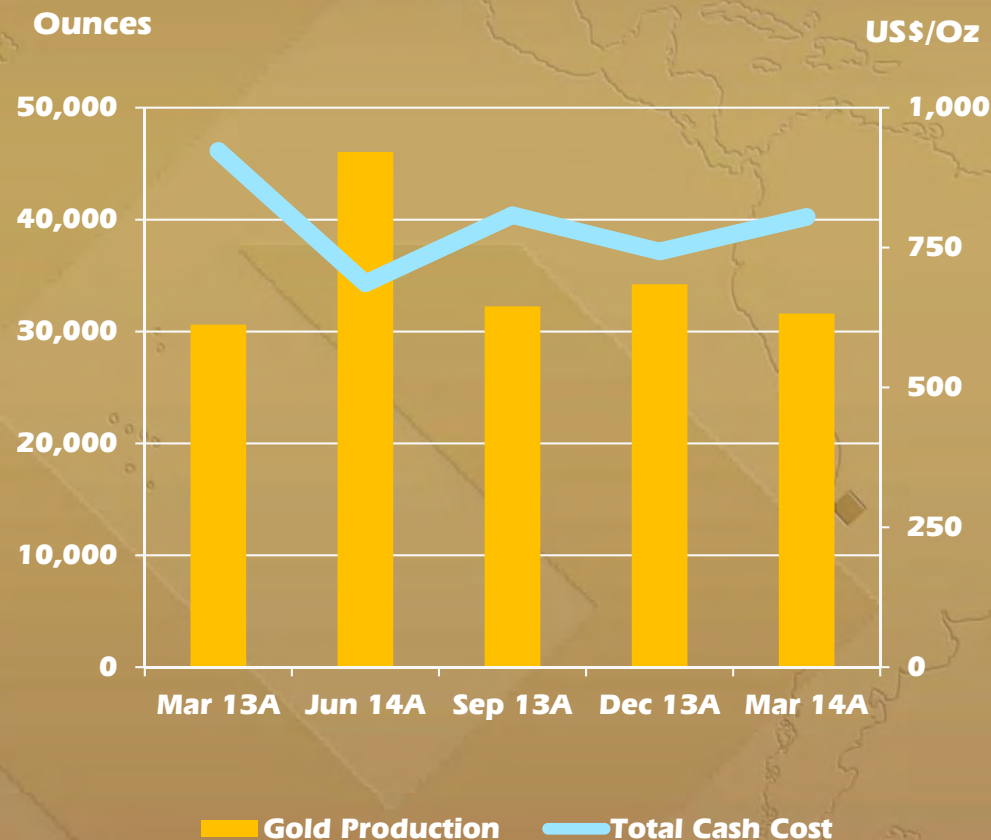
^ Corporate and Admin costs have been allocated 73% : 27 % between operating assets and development projects.



Chatree

- **Gold production 31,609oz**
- **1,556Kt @ 0.81g/t & 77.7%**
(1,487Kt @ 0.93g/t & 80.3%)
- **Total cash costs US\$805**
(incl.US\$ 102/oz royalty)
 - **Grade reflects current mix of A Pit ore and stockpiled ore.**
 - **Recovery reflects lower grade ore and met. characteristics of current ore blend**
 - **Mining of waste impacted by low excavator availability.**
 - **Initiatives to address low excavator availability being undertaken in concert with our mining contractor**
- **Strong June quarter expected**

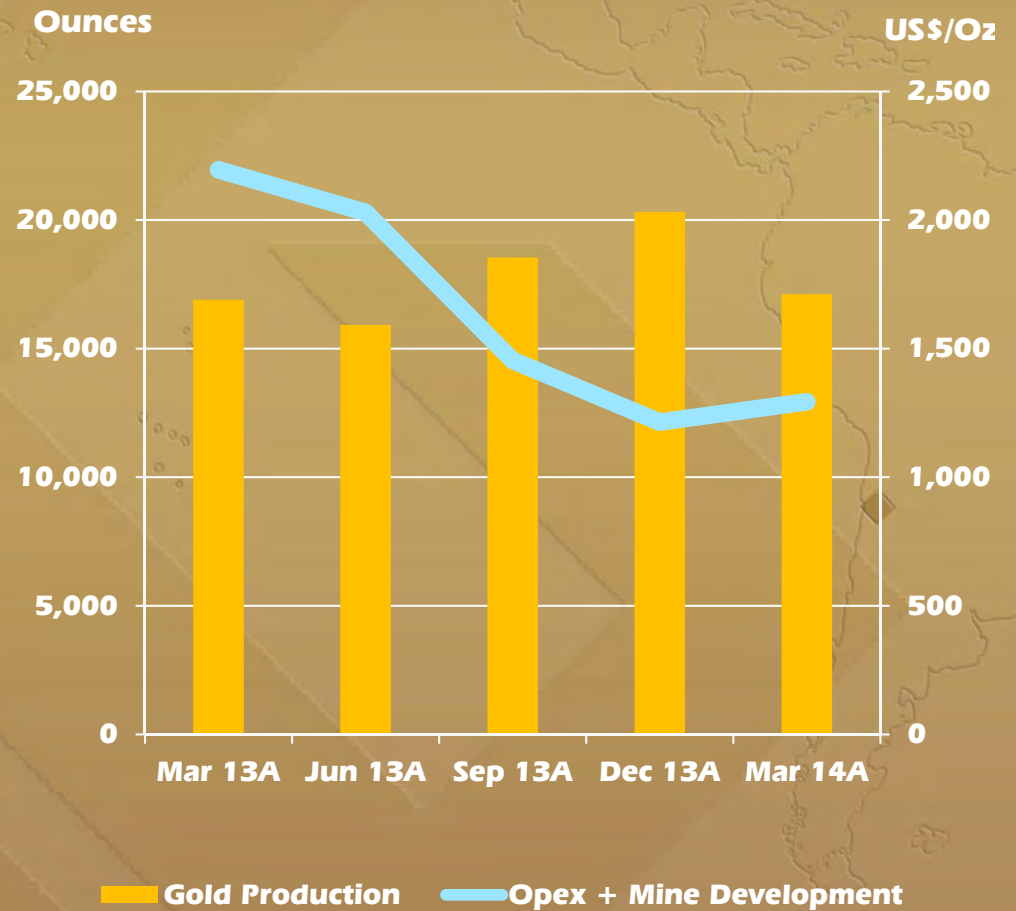
Chatree Quarterly Gold Production and Costs



Challenger

- **Gold production 17,116oz**
- **110Kt @ 5.05g/t & 96.1%
(141Kt @ 4.64g/t & 95.9%)**
 - **Lower available stope and development ore**
 - **Lower dilution delivering higher grade**
 - **Recovery reflects higher grade**
- **Total operating costs US\$ 1,293
(incl.US\$49/oz royalty)**
 - **Unit costs reflect lower production**
 - **Costs include mine development expenditure**
- **Full year guidance maintained
at 70,000oz to 80,000oz.**

**Challenger Quarterly Gold Production
and "All-In" Costs**



Nueva Esperanza – Heap Leach

DFS delivers robust results

Resources	93.3Moz Silver Eq / 1.6Moz Gold Eq
Throughput	3,000,000 tonnes per annum
Initial mine life	+6 years
Annualised production (post ramp up)	
Silver	6,430,000oz
Gold	17,500 oz
Initial capital cost (incl. US\$10M contingency)	US\$140 million
Average metallurgical recovery	
Silver (ave across three ore bodies)	70%
Gold (Arqueros and Chimberos)	75%
Average strip ratio	5.1:1
Ave. operating cost (after royalties gold credits)	US\$11.44/oz AgEq
Ave. operating cost (after royalties silver credits)	US\$687oz AuEq

▪ **Assumptions: Silver US\$20/oz Gold US\$1,300/oz A\$/US\$ 0.90**



Nueva Esperanza

Development schedule

Development Schedule

- DFS completed with positive results
- Addendum (DIA) to approved EIA lodged
- DIA approval expected within 6 months

Current Work Program

- Order long lead items
- Value engineering of capital and operating costs
- Limited twin hole drilling at Arqueros
- Detailed design and EPCM considerations

Financing

- Project funding planned from various sources
 - Project debt or mezzanine finance
 - Operating cashflow
 - Introduction of strategic or minority partners
 - Strategic initiatives (eg Akara IPO)



Bowdens

Project timing to reflect market conditions

Feasibility Study

- Major elements of the DFS largely completed.
- Sterilisation drilling confirms no mineralisation under proposed plant site

Environmental Impact Statement

- Environmental Monitoring Plan in preparation.
- On-going recording of field environmental aspects
- EIS work anticipated to be completed in 2014

Capital Raising

Sources (\$M)

Institutional Placement	14.7
Institutional Entitlement Offer	13.8
Retail Entitlement Offer	30.9
Gross Proceeds	59.4

Uses (\$M)

Repay corporate debt	19.0
Nueva Esperanza Pre-development capex	5.0
Bowdens DFS and EIS capex	4.0
Working capital / general corporate purposes	11.2
Sub Total	39.2
Development Capex, in particular Nueva Esperanza	20.2
Total	59.4

Outlook

- **Group gold production for the fiscal year FY2014 is expected to be 190,000 to 210,000 ounces gold.**
- **Chatree production expected to be 120,000 to 130,000 ounces.**
- **Challenger production expected to be 70,000 to 80,000 ounces.**
- **Nueva Esperanza project work to continue.**
- **Bowdens EIS and DFS work aligned for completion in 2014.**
- **Focus remains on strategies to lower costs and maximise shareholder returns.**

Kingsgate Consolidated Limited



Shares: 217 Million

Market Cap: ~A\$217 Million

ASX: KCN

www.kingsgate.com.au



Appendix

General Disclaimer:

The information contained in this presentation is for informational purposes only and does not constitute an offer to issue, or arrange to issue securities or other financial products. The information contained in this presentation is not investment or financial product advice and has been prepared without taking into account the investment objectives, financial situation or particular needs of any person. To the maximum extent permitted by law, none of Kingsgate Consolidated Limited, its directors, employees or agents, nor any other person accepts any liability including without limitation any liability arising out of fault or negligence for any loss caused from the use of the information contained in this presentation. No representation or warranty, express or implied, is given as to the accuracy, completeness or correctness, likelihood of achievement or reasonableness of any forecasts or other forward looking statements.

Competent Persons Statements:

In this report, information concerning Thailand operations relates to Exploration Results, Mineral Resources and Ore Reserve estimates is based on and fairly represents information compiled by the following Competent Persons: Ron James, Brendan Bradley Kevin Woodward and Suphanit Suphananthi who are employees of the Kingsgate Group. All except Brendan Bradley are members of The Australasian Institute of Mining and Metallurgy; Brendan Bradley is a member of the Australian Institute of Geoscientists. These people qualify as Competent Persons as defined in the Australasian code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code, 2012 edition) and possess relevant experience in relation to the mineralisation of being reported herein as Exploration Results, Mineral resources and Ore reserves. Each Competent Person has consented to the Public reporting of these statements and the inclusion of the material in the form and context in which it appears.

In this report, the information concerning Challenger operations that relates to Exploration Results, Mineral Resources and Ore Reserves estimates is based on and fairly represents information compiled by Stuart Hampton and Luke Phelps who are full-time employees of the Kingsgate Group. Both are members of The Australasian Institute of Mining and Metallurgy. These persons have sufficient experience that is relevant to the mineralisation and type of deposit under consideration and to the activity that they are undertaking to qualify as Competent Persons as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Paul Androvic and Tim Benfield consent to the inclusion in the report of the matters based on their information in the form in which it appears.

The information in this report that relates to Bowdens and Nueva Esperanza Mineral Resource estimation is based on and fairly represents work completed by Jonathon Abbott who is a full-time employee of MPR Geological Consultants and a member of the Australian Institute of Geoscientists and Mr Ron James. Mr Abbott and Mr James have sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Abbott and Mr James consent to the inclusion in the report of the matters based on his information in the form and context in which it appears.



Chatree

Chatree Ore Reserves as at 30 April 2013 (>0.35g/t gold cut-off grade)

Source	Category	Tonnes	Gold Grade	Silver Grade	Gold Contained	Silver Contained	AuEq
		(million)	(g/t)	(g/t)	(Moz)	(Moz)	(Moz)
From Pits	Proven	45.4	0.87	7.8	1.27	11.39	
	Probable	14.8	0.78	6.0	0.37	2.86	
Stockpiles		9.3	0.58	9.3	0.17	2.78	
Chatree Total	Total	69.5	0.81	7.6	1.82	17.04	

Chatree Mineral Resources as at 30 April 2013 (>0.3g/t gold cut-off grade)

Source	Category	Tonnes	Gold Grade	Silver Grade	Gold Contained	Silver Contained	AuEq
		(million)	(g/t)	(g/t)	(Moz)	(Moz)	(Moz)
From Pits	Measured	92.8	0.72	6.60	2.15	19.7	
	Indicated	49.8	0.64	4.69	1.02	7.51	
	Inferred	45.7	0.58	3.81	0.85	5.60	
Chatree Total	Total	188.3	0.66	5.42	4.03	32.8	

Competent Persons Statement. Information in this presentation relates to Exploration Results, Mineral Resource and Ore Reserve estimates based on and fairly represents information compiled by the following Competent Persons: Ron James, Brendan Bradley, Kevin Woodward and Suphanit Suphananthi who are employees of the Kingsgate Group. All except Brendan Bradley are members of The Australasian Institute of Mining and Metallurgy. Brendan Bradley is a member of The Australian Institute of Geoscientists. These people qualify as Competent Persons as defined in the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code, 2012 edition) and possess relevant experience in relation to the mineralisation being reported herein as Exploration Results, Mineral Resources and Ore Reserves. Each Competent Person has consented to the Public Reporting of these statements and the inclusion of the material in the form and context in which it appears.



Challenger

Challenger Ore Reserves as at 30 June 2013

Source	Category	Tonnes	Gold Grade	Gold Contained
		(million)	(g/t)	('000 oz)
From Mine	Proven	0.25	5.52	40
	Probable	0.22	8.30	60
Challenger Total	Total	0.47	6.82	100

Challenger Mineral Resources as at 30 June 2013

Source	Category	Tonnes	Gold Grade	Gold Contained
		(million)	(g/t)	('000 oz)
From Mine	Measured	0.44	8.97	130
	Indicated	1.04	10.6	350
	Inferred	0.68	12.1	260
Challenger Total	Total	2.16	10.7	750

Competent Persons Statement. The information in this presentation that relates to Exploration Results, Mineral Resources or Ore Reserves is based on and fairly represents information compiled by Stuart Hampton and Luke Phelps who are full-time employees of the Company and both are members of The Australasian Institute of Mining and Metallurgy. All those named above have sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking, to qualify as Competent Persons as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' and consent to the inclusion in the report of the matters based on their information in the form and context in which it appears.



Nueva Esperanza

Nueva Esperanza Ore Reserves

(0.5g/t AuEq60 cut-off grade)

Category	Tonnes	Gold Grade	Silver Grade	Gold Equiv Grade	Gold Contained	Silver Contained	AgEq Contained	AuEq Contained
	(millions)	(g/t)	(g/t)	(g/t)	(Koz)	(Moz)	(Moz)	(Moz)
Proved	-	-	-	-	-	-	-	-
Probable	17.1	0.27	97	1.89	148	53.5	62.5	1.04
Total	17.1	0.27	97	1.89	148	53.5	62.5	1.04

Nueva Esperanza Mineral Resources as at 30 June 2013

(0.5g/t AuEq60 cut-off grade)

Category	Tonnes	Gold Grade	Silver Grade	Gold Equiv Grade	Gold Contained	Silver Contained	AgEq Contained	AuEq Contained
	(millions)	(g/t)	(g/t)	(g/t)	(Koz)	(Moz)	(Moz)	(Moz)
Measured	1.5	0.01	101	1.69	1.0	4.9	4.9	0.08
Indicated	21.3	0.28	88	1.74	190	60.2	71.6	1.19
Inferred	6.1	0.3	67	1.4	60	13.0	16.8	0.28
Total	28.9	0.27	84	1.67	251	78.2	93.3	1.56

Notes: Au = gold; Ag = silver; M = million; g/t = grams per tonne; MOz = million ounces.

1. In situ density 2.0 t/bcm, based on 350 measurements at Arqueros. 2. Gold equivalent on basis of gold/silver revenue ratio of 60; calculated as Au + Ag/EQ (gold plus [silver divided by 60]). 3. Silver equivalent on the basis of gold/silver revenue ratio of 60; calculated as Au x EQ + Ag ([gold times 60] plus silver). 4. EQ = (Price Gold x Recovery Gold) / (Price Silver x Recovery Silver). 5. Price basis US\$1,380/oz Au and US\$21.50/oz Ag. 6. Metallurgical recovery basis 70% Au and 75% silver. 7. It is the company's opinion that all the elements included in the metal equivalents calculation have a reasonable potential to be recovered. 8. Rounding of numbers may generate rounding errors.



Bowdens

Bowdens Mineral Resources as at 30 June 2013

(30g/t AgEq cut-off grade)

Category	Tonnes (million)	Grade				Contained Metal		
		Silver g/t	Lead %	Zinc %	AgEq g/t	Silver (Moz)	AgEq (Moz)	AuEq (Moz)
Measured	23.6	56.6	0.31	0.41	74.5	43.0	57	1.25
Indicated	28.4	48.0	0.27	0.36	63.6	43.8	58	1.28
Meas & Ind	52.0	51.9	0.29	0.38	68.6	86.8	115	2.53
Inferred	36	41	0.3	0.4	58	47.5	68	1.47
Total	88.0	47.4	0.29	0.39	64.4	134.1	182	4.00

Notes:

1. Rounding of numbers may generate rounding errors. 2. NSR metallurgical recoveries of 72% Ag, 75% Pb, and 66% Zn estimated from test work by Kingsgate. NSR or net smelter return metallurgical recovery is defined as the payable metal recovered after allowing for smelter deductions, which includes deductions for precious metals. 3. Price basis Ag US\$26.33/oz, Pb US\$2,206/t and Zn US\$2,111/t 4. Bowdens silver equivalent equation (AgEq) g/t = Ag (g/t) + 27.5 x Pb (%) + 22.8 x Zn (%) 5. It is the company's opinion that all the elements included in the metal equivalents calculation have a reasonable potential to be recovered. 6. Cut-off grade for Bowdens is 30g/t AgEq.

Kingsgate Group Metal Equivalent Notes:

#1. Nueva Esperanza silver equivalent: $AgEq (g/t) = Ag (g/t) + Au(g/t) \times EQa$. Gold Equivalent: $AuEq (g/t) = Au (g/t) + Ag (g/t)/EQa$; $EQa = (\text{price gold} * \text{recovery gold}) / (\text{price silver} * \text{recovery silver})$. Calculated from prices of US\$1380/oz Au and US\$21.50/oz Ag, and metallurgical recoveries of 70% Au and 75% Ag estimated from test work by Kingsgate and Laguna. #2. Bowdens silver equivalent: $AgEq (g/t) = Ag (g/t) + 27.5 \times Pb (\%) + 22.8 \times Zn (\%)$. Calculated from prices of US\$26.33/oz Ag, US\$2,206/t Pb, US\$2,111/t Zn and NSR recoveries of 72% Ag, 75% Pb, and 66% Zn estimated following test work by Kingsgate. #3. Bowdens gold equivalent: $AuEq (g/t) = 45 (\text{gold price} / \text{silver price})$. Calculated from prices of US\$1200/oz Au, US\$26.33/oz Ag. #4. Chatree gold equivalent: $AuEq/t = Au (g/t) + Ag (g/t) / EQa$. EQa see note 1 above. Calculated from prices of US\$1480/oz Au and US\$26/oz Ag and metallurgical recoveries of 80.5% Au and 43.6% silver based on metallurgical test work and plant performance. #5. Cut-off grade for Chatree is 0.35g/t Au; Nueva Esperanza is 0.5g/t AuEq; Bowdens is 30g/t AgEq. #6. In the company's opinion, the silver, gold lead and zinc included in the metal equivalent calculations have a reasonable potential to be recovered.

