Kingsgate
Consolidated Limited

ABN 42 000 837 472

21 August 2006

Via ASX Online (3 pages) **FOR PUBLIC RELEASE**

The Manager - Announcements
Company Announcements Office
Australian Stock Exchange Limited

Dear Sir or Madam

Increased Mineral Resource Adds 0.7 Million Ounces Gold To Total 3.8 Million Ounces Gold At Chatree

Resources at Chatree increased by more than 20% (0.7 million ounces gold) in 8 months raising the total Mineral Resources to 3.8 million ounces gold and 32 million ounces silver at a 0.6g/t gold cut-off grade.

In addition to increasing resources, drilling has also improved the confidence of the resource category. Over 25% of the resource has been upgraded to the Measured and Indicated category, which continues the excellent conversion rate at Chatree.

The 0.7 million ounce gold increase takes mine depletion into account but does not include high grade zones recently intersected in A East and the deposit remains open in all directions. Pit optimisation for ore reserves is underway and results are expected soon.

Kingsgate's Chatree Gold Mine in central Thailand remains on track to maintain its forecast rapid growth rate in resources with continued growth expected through ongoing drilling. This resource estimate, combined with ore fed to the mill since project outset, demonstrates that the Chatree project has contained 4.5 million ounces of gold to date. This confirms Chatree as a world class gold deposit.

Gavin Thomas

Gavin Thomas
Chief Executive Officer

Kingsgate Consolidated Limited *(ABN 42 000 837 472)*
Suite 801, Level 8, 14 Martin Place
Sydney NSW 2000 Australia

Telephone: +61 2 8256 4800
Facsimile: +61 2 8256 4810
Email: info@kingsgate.com.au
Website: www.kingsgate.com.au

Mineral Resources as at 31 May 2006

CHATREE GOLD MINE INTERIM MINERAL RESOURCE (As at 31 May 2006 at a 0.6g/t gold cut-off grade)						
			Grade		Contained Ounces	
Source	Category	Tonnes (Kt)	Gold (g/t)	Silver (g/t)	Gold (Oz)	Silver (Oz)
Chatree Mine Total (1)	Measured	6,159	1.8	8	356,000	1,654,000
On Current Lease	Indicated	7,490	1.6	7	380,000	1,700,000
	Inferred	4,216	1.7	8	226,000	1,049,000
	Total	**17,865**	**1.7**	**8**	**962,000**	**4,403,000**
Chatree North Total (2)	Measured	31,730	1.6	17	1,613,000	17,030,000
	Indicated	16,653	1.6	14	832,000	7,586,000
	Inferred	5,989	1.5	13	292,000	2,513,000
	Total	**54,372**	**1.6**	**16**	**2,737,000**	**27,129,000**
Stockpiles	**Subtotal**	**1,161**	**1.0**	**5**	**38,000**	**187,000**
Chatree Total	**Total**	**74,559**	**1.6**	**13**	**3,775,000**	**31,906,000**

(1) Includes C, H, D, HS, HW, S and P pits at Chatree cut to the May 2006 surface.

(2) Includes A, AE, Q, KW and KE at Chatree North

Note: Some figures may not add correctly due to rounding errors

Preliminary pit optimisations at US$450/oz gold indicate a 0.6g/t gold cut-off is appropriate

The US$450/oz gold price is an approximate 3 year average, prepared by Kingsgate from public data. The resource block model has been optimized to compensate for the smaller mining blocks based on the operational history of selective mining at Chatree.

Using the Sept'05 cut-off grade of 0.7g/t, Resources are 3.5Moz gold @1.8g/t & 29Moz silver @15g/t.

Information in this report that relates to geology, drilling, mineralisation and Mineral Resource estimates is based on information compiled by Rob Spiers, Ron James and Mike Garman who are Competent Persons under the meaning of the JORC Code with respect to the mineralisation being reported on. These interim estimates are unaudited by an independent expert. All the joint authors of the Mineral Resource Statement are employees of Kingsgate Consolidated Limited and its wholly owned subsidiaries. All have given their consent to the Public Reporting of these statements concerning geology, drilling and mineralisation in this format.

Kingsgate Consolidated Limited *(ABN 42 000 837 472)*
Suite 801, Level 8, 14 Martin Place
Sydney NSW 2000 Australia

Telephone: +61 2 8256 4800
Facsimile: +61 2 8256 4810
Email: info@kingsgate.com.au
Website: www.kingsgate.com.au