



Kingsgate

Consolidated Limited

23 September 2011

Via ASX Online
(2 pages including cover)

Manager
Company Announcements Office
Australian Securities Exchange

Dear Sir/Madam,

Kingsgate Completes Bowdens Acquisition and updates Resource Estimates

Kingsgate Consolidated Limited - ASX:KCN - ("Kingsgate") is pleased to announce that it has completed the acquisition of the Bowdens silver project in NSW from Silver Standard Resources Inc. (Silver Standard).

As part of the ongoing evaluation Kingsgate has confirmed the excellent potential of Bowdens with the completion of a resource statement in accordance with JORC reporting requirements. The resource estimate is 99 million ounces of silver (131 million ounces on a silver equivalent basis "AgEq") using a 30 g/t AgEq cut-off grade.

Since the acquisition was announced, technical and preparatory work on the project has continued and the key consultants to the bankable feasibility study have been appointed and include the following:

- Ausenco Engineers to undertake a Feasibility Study, which is due for completion during 1H 2012 calendar year.
- RW Corkery and Associates to co-ordinate the environmental impact study (EIS) of Bowdens and the surrounding area.
- Mining Tenement Services to assist Kingsgate with the processes of documentation, legislation and compliance in seeking the required statutory licenses and consents.

As part of the approvals process, Kingsgate will now commence implementation of its community consultation plan within the local area.

Kingsgate's Managing Director and CEO Gavin Thomas said, "With the acquisition of Bowdens now complete, Kingsgate can proceed with it's evaluation of this exciting project. We intend to work closely with the local community and the Local and State Governments through the feasibility approvals to ensure that development is undertaken to the highest possible standards".

Ross Smyth-Kirk, Kingsgate's Chairman said, "Given the large level of investments by global companies in the Australian resources sector, Kingsgate is proud to continue its acquisitive growth strategy by acquiring an Australian asset from an offshore company. Bowdens represents an important further step in establishing Kingsgate as a leading ASX-listed, mid-tier precious metal producer".

Bowdens Resource

Kingsgate has finalised its technical analysis of the Bowdens data to compile an updated resource statement in accordance with JORC reporting requirements. The resource has been estimated using the existing Bowdens database comprising over 400 drill holes and 46,000 metres of drilling. to replace the NI 43-101 resource previously quoted by Silver Standard. Details of the revised estimate are:

Indicated & Inferred Resources (at 30 AgEq g/t cut off)

Resource Class	Tonnes (million)	Grade				Contained Silver	
		Silver (g/t)	Lead (%)	Zinc (%)	AgEq (g/t)	Silver (Moz)	AgEq (Moz)
Indicated	31.2	60.6	0.30	0.40	77.5	60.8	78
Inferred	27.0	44.0	0.30	0.40	61.0	38.7	53
Indicated & Inferred	58.2	52.9	0.30	0.40	69.8	99.4	131

Notes: Moz = million ounces.

Price basis US\$27.50/oz Ag and US\$1.00/lb zinc and US\$1.00/lb lead

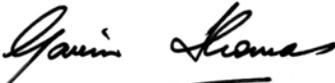
Metallurgical recovery basis 81% Ag, 83% zinc and 73% lead.

(AgEq) g/t = Ag (g/t) + 22.4 x Pb (%) + 25.5 x Zn (%)

Rounding of numbers may generate rounding errors

Kingsgate is planning to undertake a drill program in late 2011 that will comprise geotechnical and metallurgical drilling within the current resource for feasibility studies and extensional drilling below and outside the current resource. This and future drill programs, have the potential to significantly increase the Bowdens resource base.

Yours Sincerely,
KINGSGATE CONSOLIDATED LIMITED


Gavin Thomas
Managing Director & CEO

Competent Person Statement

The information in this report that relates to mineral resource estimation is based on work completed by Mr Jonathon Abbott who is a full-time employee of Hellman & Schofield Pty Ltd and a member of the Australasian Institute of Mining and Metallurgy. Mr Abbott has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Abbott consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to data quality, comments on the resource estimates and economic potential of the estimated resources is based on information compiled by Mr Ron James who is a member of the Australasian Institute of Mining and Metallurgy. Mr James has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Muller consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.