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01 August, 2002

By Facsimile 1300 300 021 (Page 1 of 4)

The Manager
Announcements
Company Announcements Office
Australian Stock Exchange Limited

FOR PUBLIC RELEASE

Dear Sir,

CHATREE GOLD MINE THAILAND.

Prospect A. First Resource Estimate. 706,000 ounces of contained gold,
an increase of 59% in Chatree resources.

Prospect A. First Resource Estimate

The first independent estimate of gold and silver resources in Prospect A, has been completed by Hellman & Schofield Pty Ltd of Sydney.

The resource estimates are considered to closely approximate grades that will be recovered during mining and include dilution expected during mining. Preliminary cyanide bottle roll tests indicate recoveries of approximately 95%. The mineralisation, the subject of this resource estimate, has a strike length of 750 metres and is open at depth and to the north and south.

A summary of the estimates is given in Table 1.

Table 1. Summary of Resource Estimates for Prospect A, Chatree Gold Mine at 31 July, 2002.

Category	Grade Range	Tonnes	Au (g/t)	Ag (g/t)	Ounces Au	Ounces Ag
Indicated	≥ 1 g/t Au	3,192,000	1.9	28	200,000	2,916,000
Inferred	≥ 1 g/t Au	5,667,000	2.0	21	365,000	3,852,000
Total high grade	≥ 1 g/t Au	8,859,000	2.0	24	565,000	6,768,000
Indicated	≥ 0.7 & < 1 g/t Au	1,824,000	0.8	15	49,000	872,000
Inferred	≥ 0.7 & < 1 g/t Au	3,440,000	0.8	12	92,000	1,354,000
Total low grade	≥ 0.7 & < 1 g/t Au	5,264,000	0.8	13	142,000	2,227,000
Total all grade	≥ 0.7 g/t Au	14,120,000	1.6	20	706,000	8,989,000

Rounding of numbers may result in columns not adding correctly.

Explanatory notes are provided as Attachment 1.

Mineralisation at Prospect A, located one kilometre north of Chatree Gold Mine, consists of low sulphidation epithermal quartz carbonate stockworks and fault breccia fill similar to that being mined at Chatree.

A new drilling program is planned to commence at Prospect A in early October 2002, which will infill between the more widely spaced holes and test extensions down dip and to the north and south.

Resource Status, Chatree Gold Mine

Total resources at the Chatree Gold Mine, including Prospect A, at 31 July, 2002 were:

27,900,000 tonnes @ 2.0 g/t Au and 15 g/t Ag for 1,817,000 oz of Au and 13,645,000 oz Ag. These resources include low grade material. Cut-off grade for Chatree Mine resources 0.8 g/t Au. Cut-off grade for Prospect A, 0.7 g/t Au.

This is an increase of 59% in the Chatree Gold Mine resources

Total Reserves at Chatree Gold Mine at 30 June 2002 were:

7,700,000 tonnes @ 3.0 g/t Au and 13 g/t Ag for 743,000 oz of Au and 3,218,000 oz of Ag. Cut-off grade 0.8 g/t Au, USD260 per ounce gold price.

Chatree Gold Mine Drilling Programs

Drilling has commenced in the vicinity of the existing Tawan and future Chantra Pits with 3 drilling rigs for the purpose of converting Inferred Resource blocks within and adjacent to the final pit shells to at least Indicated Resource status and to locate new mineralisation along strike and down dip. Data from the programs will allow resource and reserve estimate updates to aid in final pit design, mine scheduling, processing rates and plant expansions.

The resource and reserve estimates should be available in October.

Forecast of Production. Chatree Gold Mine

Forecast production at the Chatree Gold Mine for the 2002/2003 financial year is approximately 160,000 ounces of gold at a cash cost of approximately USD80 per ounce.

The resource estimations have been performed either by, or under the direction of, Dr P L Hellman PhD FAIG, a principal of Hellman & Schofield Pty Ltd, who is a Competent Person under the meaning of the JORC Code with respect to the mineralisation being reported. He has given his consent to the Public Reporting of these statements concerning Mineral Resource Estimates.

Information in this report which relates to geology, drilling and remaining resources and reserves is based on information compiled by Michael Garman, and Michael Diemar, employees of the Kingsgate Group who are Competent Persons under the meaning of the JORC Code with respect to the mineralisation being reported on. They have given their consent to the Public Reporting of these statements concerning geology, drilling and remaining resources and reserves.

For further information related to Kingsgate or the above release, please contact the undersigned at Tel 61 2 92235273, Fax 61 2 92239775, info@kingsgate.com.au or visit our website at www.kingsgate.com.au.

Yours faithfully
Kingsgate Consolidated NL

A handwritten signature in blue ink, appearing to read "Mike Diemar". The signature is fluid and cursive, with a large loop at the end.

Mike Diemar
Managing Director

Attachment 1

Attachment 1

The following notes relate to issues which may have a bearing on the resource estimate process and results.

Resources have only been reported as either Indicated or Inferred by virtue of insufficient data for several key parameters that are currently being addressed. Notes on these and some key assumptions or other information are given below:

- There are no rock density data. Density values have been assumed from approximately 500 measurements from equivalent lithologies on strike several hundred metres to the south from the Chatree Mine. These values, by oxidation type, are 2.2 (wholly oxidised), 2.3 (transition) and 2.6 (primary). There are no closely spaced RC – DDH samples. Although there was no evidence for sample bias from over 500 sets of RC and DDH samples assessed for the Chatree Mine feasibility study, at Prospect A, there are some (< 5%) RC intervals affected by wet conditions that require further assessment.
- 119 holes were drilled in a drill spacing that varied from 20 x 25 m (east x north) in the western part of the prospect to 100 x 50 m in the eastern part of the prospect. 21 holes were by diamond coring, 36 holes were a combination of DDH tails on RC holes (“RCD” holes) and 62 holes were drilled entirely by RC.
- Numerous barren dykes cut the mineralisation and were similar to those observed in the Chatree Mine. It was assumed, on the basis of current successful mining practices at Chatree, that these thicker dykes will not contribute to dilution in a mining operation. Accordingly, the proportion of dykes in the deposit over approximately 2 metres in-hole length were estimated on a block by block basis and excluded from the resource estimates.
- A negative assay bias that affects approximately 70% of over 1000 mineralised intervals of holes drilled was recently identified. This may have contributed to a variable understatement of higher grades, particularly above 3 g/t Au. An assessment of the impact of this bias suggests that an increase of up to 7% in contained gold may result, at a 1 g/t Au cut-off, if the bias is corrected.
- The geology of the prospect is presently undergoing a detailed assessment. The structural and geological control of the deposit will become clearer with further closer-spaced drilling and synthesis of current geological data (such as collected oriented core data). The current interpretation is that the mineralisation is contained within a bedding controlled envelope dipping at 25 to 50 degrees east. Within this envelope the major blocks of mineralisation appear to be bedding controlled with a proportion of narrower steep westerly dipping (~70 degs) mineralised veins. There is also evidence for the presence of a set of mineralised structures dipping steeply to the north-east. The resource estimates in Table 1 are not sensitive to either interpretation.
- The estimate has been completed using multiple indicator kriging to predict mine-recoverable resources supported by a separate ordinary kriged estimate using different Hellman & Schofield Pty Ltd personnel and software.
- Silver estimates are regarded as Inferred.