



# QUARTERLY REPORT

For the three months ended

## 31 DECEMBER 2006

### Production Highlights

Gold Produced	
31 December 2006	25,206 oz
30 September 2006	21,019 oz
31 December 2005	40,094 oz
Cash Operating Cost	
31 December 2006	US\$413 /oz
30 September 2006	US\$393 /oz
31 December 2005	US\$174 /oz
Average Gold Price Received	
31 December 2006	US\$560 /oz
30 September 2006	US\$413 /oz
31 December 2005	US\$343 /oz
Average Spot Gold Price	
31 December 2006	US\$612 /oz
30 September 2006	US\$621 /oz
31 December 2005	US\$481 /oz

### Securities

As at 31 December 2006	
Ordinary shares	90,430,392
Unlisted options	3,660,000



Chief Mine Geologist, Suphanit Suphananathi,  
overlooking Chatree Main C-H Pit.

*Gavin Thomas*

Gavin Thomas, CEO

25 January 2007

### 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](mailto:info@kingsgate.com.au)

Website: [www.kingsgate.com.au](http://www.kingsgate.com.au)

### Key Points

- ◆ New mining leases expected to be granted during next half year.
- ◆ Quarterly Gold Production 25,206 ounces.
- ◆ Cash Costs of US\$413/oz due to low grade areas in pit.
- ◆ Cash costs per tonne treated remain low as forecast.
- ◆ Thai subsidiary sell-down complete.
- ◆ Goldstar investment sold for \$9 million profit.

### Overview

#### Chatree Gold Mine

- ◆ Quarterly cash costs were US\$413 per gold ounce, similar to the September Quarter, due to short-term lower-than-anticipated head grades. Underlying mining costs per tonne treated remained low at budgeted levels.
- ◆ Quarterly gold production was 25,206 ounces.
- ◆ High plant throughput rates of 2.4Mtpa continued, exceeding design.
- ◆ High grade intersections persist beneath the main H pit, including 7m @ 10.4g/t gold and 6m @ 11.1g/t gold.
- ◆ Drill results at H West indicate near-surface open pit potential extending the main H pit. Results include 14m @ 2.1g/t and 6m @ 4.4g/t gold.
- ◆ Reported political disturbances in Thailand had no impact on mine operations.

#### Development

- ◆ Ausenco's lump sum estimate for the proposed plant expansion will be finalised next month. The expansion, scheduled for completion in the December Quarter 2008, will increase production to 300,000 ounces of gold.
- ◆ The details of a US\$100 million debt package provided by Thai banks are expected to be finalised soon to fully fund the expansion.

#### Mining Leases

- ◆ Final meetings were held on the Environmental Impact Assessment for the Chatree North mining leases with its approval anticipated soon. This will be a key milestone, after which the granting of the mining leases should be dominantly procedural.

#### Exploration

- ◆ Negotiations continued on surface access to key regional exploration targets away from Chatree and are expected to be resolved by the end of next Quarter.

#### Corporate

- ◆ Total cash on hand was \$8.5 million (US\$6.8 million), with borrowing facilities drawn to \$20 million (US\$16 million).
- ◆ Only 38,700 ounces of hedges remain, with the Company unhedged by June.
- ◆ Kingsgate's investment in Goldstar Resources NL (ASX: GDR) was sold in December 2006 for \$13 million, representing a 350% return and over \$9.4 million in profit after tax. Cash was received in January 2007.

## Chatree Gold Mine

### PRODUCTION COSTS

Cash costs for the Quarter are US\$413 per ounce gold with total production costs of US\$496 per ounce.

The increase in cash costs to US\$413 per ounce, similar to the September Quarter, was a direct result of gold grade remaining low at 1.5 g/tonne. Underlying mining costs per tonne treated remain low by global standards, similar to the June Quarter.

The low gold grades were a result of only two pits operating with flexibility reduced to blend different grade ores. This will persist until the new mining leases are granted. The gold grade at the recently developed A Pit will increase in a few months time once higher grade sections are reached.

Once Chatree North mining leases become available, more flexible mine scheduling can overcome short term grade issues as the grade increases to in excess of 2 g/t for at least two years as new pits are opened in oxide ore.

Production costs, on a unit basis, have remained low in comparison with the global gold industry due to the availability of grid power, minimal expatriate workforce and a "Buy Thai" materials sourcing policy, which provides a comparative cost advantage.

### OPERATIONAL PERFORMANCE

Production at Chatree for the Quarter was 25,206 ounces due to a head grade of 1.5 g/t. Lower grades have persisted due to the lack of flexibility to blend from a range of open pits.

The December Quarter mill throughput was 600,000 tonnes, an annual rate of 2.4 million tonnes per annum. This high throughput rate has now been proven to be feasible with a continuous 7 months of production at this rate, well above nameplate, and from predominantly hard ore.

At Chatree North, mining continued during the Quarter on the hill of A Pit.

### SAFETY AND ENVIRONMENT

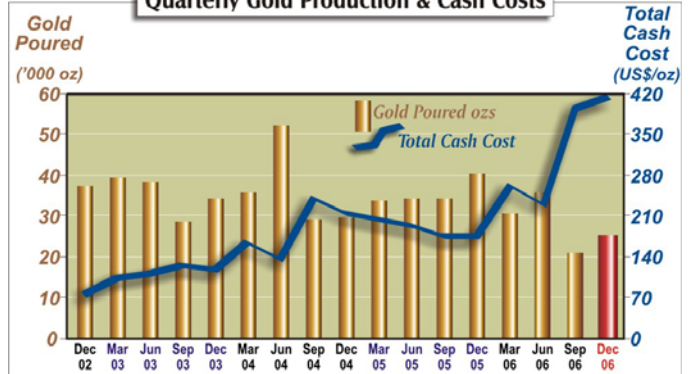
Chatree remains the safest gold mine in the world, based on Kingsgate's assessment of publicly available data. The world-class safety and environmental record continued with over 8.5 million hours worked at Chatree with only one Lost Time Incident (LTI) covering the period of the initial construction of the mine and over 5 years of mining operations. Since the one LTI was recorded, nearly 6.5 million hours have been worked over nearly 4 years. In addition, there have been no reportable environmental incidents during the life of the mine and it remains in compliance.

### FORECAST

Forecast production for the financial year to end June 2007 has been reduced to 90,000 to 100,000 ounces gold. This is based on the Chatree North mine leases being granted during that time.

Higher grade material in excess of 2 g/t gold will be immediately available once the leases are granted, and is expected to continue at that increased grade for a couple of years.

Quarterly Gold Production & Cash Costs



Chatree Mine	Units	Dec 06 Quarter	Sep 06 Quarter	Dec 05 Quarter
Waste Mined	bcm	881,581	1,010,712	1,510,538
Ore Mined	bcm	180,294	168,126	168,600
Waste to Ore Ratio		4.9	6.0	9.0
Ore Mined	tonnes	462,378	424,081	466,287
Ore Treated	tonnes	599,443	609,668	498,480
Head Grade	Au g/t	1.5	1.2	2.8
	Ag g/t	11.7	7.8	17.0
Gold Recovery	%	90.2	88.8	90.9
<b>Gold Poured</b>	<b>ounces</b>	<b>25,206</b>	<b>21,019</b>	<b>40,094</b>
Silver Poured	ounces	88,292	69,412	131,517

Cost Category *	Dec 06 Qtr US\$/oz Gold	Sep 06 Qtr US\$/oz Gold	Dec 05 Qtr US\$/oz Gold
Direct Mining Expense	434	408	183
Refining and Transport	2	2	2
By-product Credit	(36)	(35)	(24)
Cash Operating Cost	400	375	161
Royalty	13	18	13
Total Cash Cost	413	393	174
Depreciation/Amortisation	83	64	27
Total Production Cost	496	457	201

\* Gold Institute Revised Standard for Reporting Production Costs.

Kingsgate reports unit costs in accordance with the Gold Institute Standard. Silver is accounted for as a by-product at Chatree whereby revenues from silver are deducted from operating costs in the calculation of cash costs per ounce. The Total Cash of future production at Chatree will fluctuate due to changing grade, throughput, strip ratio and recovery outcomes.

## Chatree North Development Project

Ausenco's agreed lump sum amount to expand the plant is being finalised over the next month in conjunction with mine site personnel. Based on current information, construction is anticipated to be completed and the plant commissioned in the December Quarter of 2008. Chatree's production rate would increase to approximately 300,000 ounces of gold and 2,000,000 ounces of silver. The Company will enter into an EPC contract with Ausenco, subject to approval of the Chatree North mining leases.

The expansion is planned to be fully financed by a 38 Billion Thai Baht (US\$100 million) debt package provided by Thai banks. The details of this debt facility are being negotiated at present.

The approval of the Environmental Impact Assessment for Chatree North, expected soon, will be a vital stage in the approval of the mining leases. Prior to the final approval of the mining leases by the Thai Minister of Industry, a number of procedural issues need to be resolved including approval by the Forestry Commission to allow mining in a small area of forestry land which falls in the lowest classification of forestry land.

It is anticipated all procedural issues can be resolved soon, within this financial year.

## Exploration



Newly upgraded gold zones at H West next to main C-H pit. Near-surface mineralisation is being drill tested for potential production. (Chatree North 'A' Pit in background)

Exploration drilling during the December Quarter was comprised of infill drilling on a number of prospects, testing areas within the Chatree mine area that were considered prospective, broad spaced drilling to test coincident geochemical and geophysical anomalies and testing various areas of proposed infrastructure including waste dumps. None of the results reported below have been previously reported.

### CHATREE MINE AREA

#### D and S Prospects

Drilling around D and S Prospects produced a number of significant results but did not add substantially to the resources. See Appendix A for results.

#### H West Prospect

Drilling at H West to test a different structural interpretation for the mineralisation was in the early stages at the end of the Quarter with 2 holes returning significant results and appearing to confirm the new interpretation (see diagrammatic sections on following page). This drilling has the potential to convert resources at H West into an economic reserve. This would occur by reducing the waste to ore strip ratio due to mineralised structures having a shallower dip than previously interpreted. Drilling continues to confirm the new interpretation and additional drilling is underway. Significant intersections from H West Prospect drilling include:

#### H WEST PROSPECT HIGHLIGHT DRILL RESULTS

Hole No	From	To	Interval	Au
	(m)	(m)	(m) *	(g/t)
3562RC	12.00	18.00	6.00	4.39
	72.00	86.00	14.00	2.10
3563RC	35.00	37.00	2.00	7.58

\* Intersections may not be true width

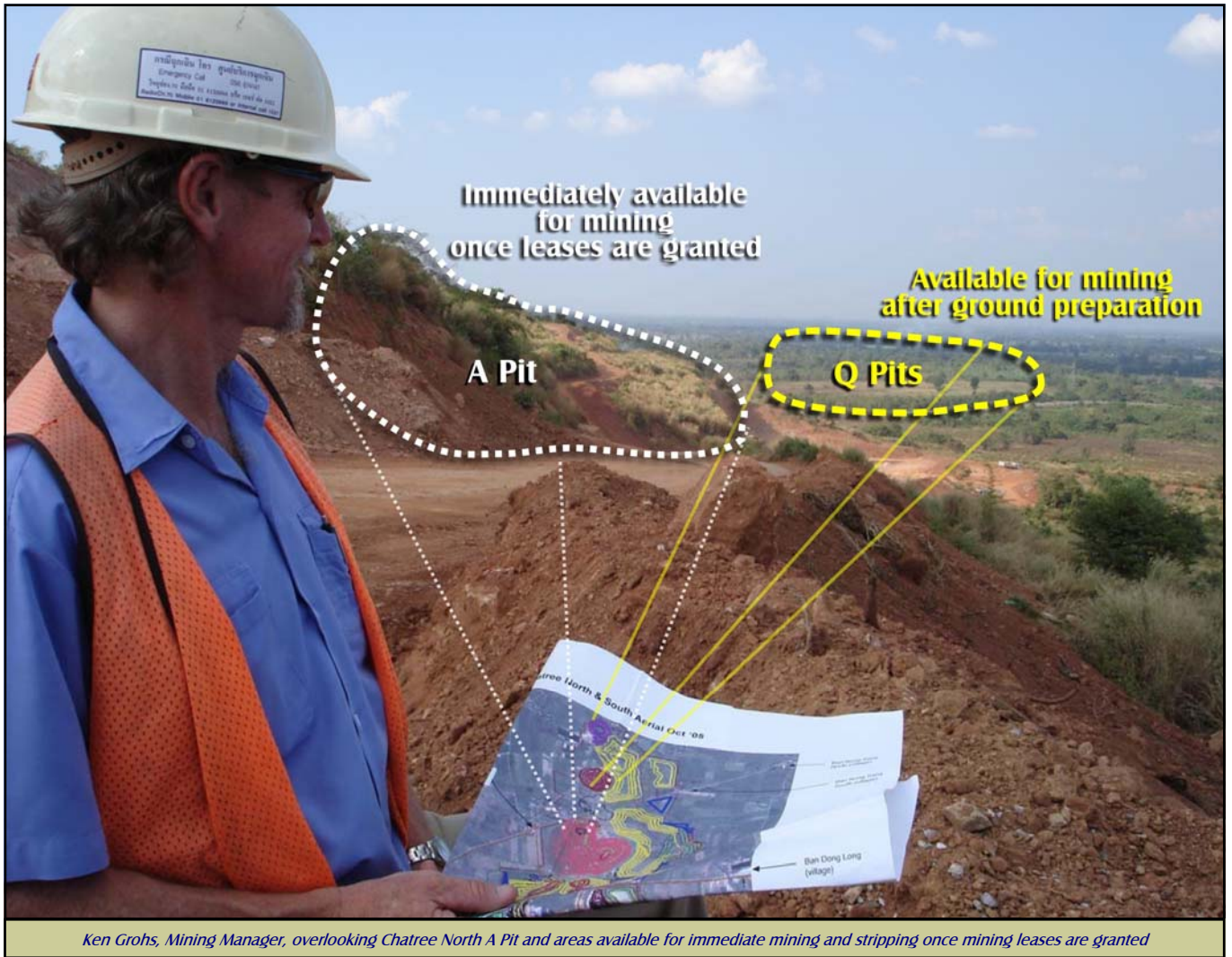
#### H Pit / H Prospect:

Drilling in the deeper parts of H Prospect has been done to infill some areas below the original pit design to check on the economic viability of a cut-back to access additional mineralisation. An assessment of the results is in progress. Significant intersections from H Prospect drilling include:

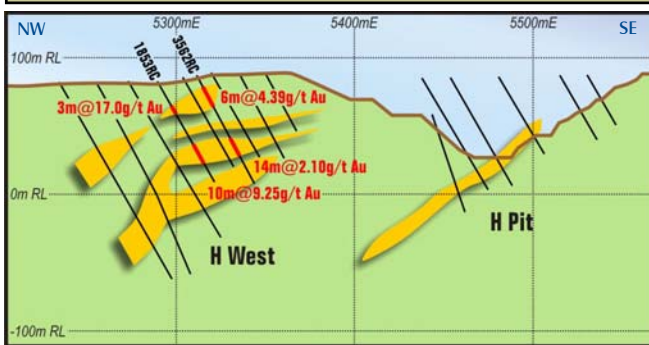
#### H PROSPECT HIGHLIGHT DRILL RESULTS

Hole No	From	To	Interval	Au
	(m)	(m)	(m) *	(g/t)
5630RC	41.00	51.00	10.00	2.02
	55.00	62.00	7.00	2.57
5636RC	1.00	20.00	19.00	2.14
5541RC	75.00	82.00	7.00	10.42
5590RC	1.00	7.00	6.00	11.12
5591RC	5.00	13.00	8.00	2.82
5497RC	20.00	42.00	22.00	1.35
5498RC	0.00	6.00	6.00	5.24
5500RC	18.00	25.00	7.00	1.87
	30.00	40.00	10.00	1.66
5582RC	9.00	12.00	3.00	9.36
5589RC	45.00	61.00	16.00	1.63

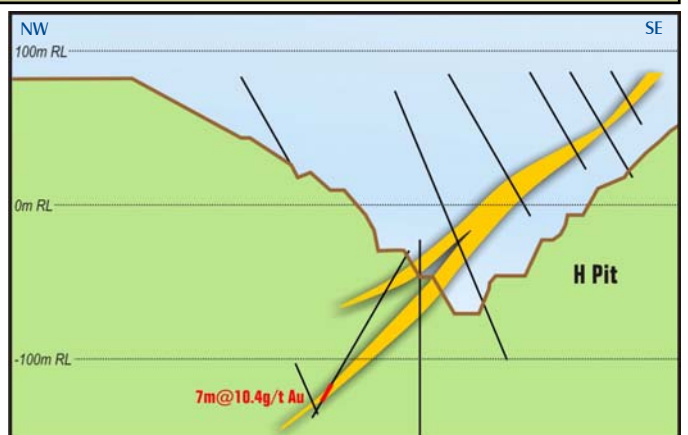
\* Intersections may not be true width. Holes drilled from Pit floor.



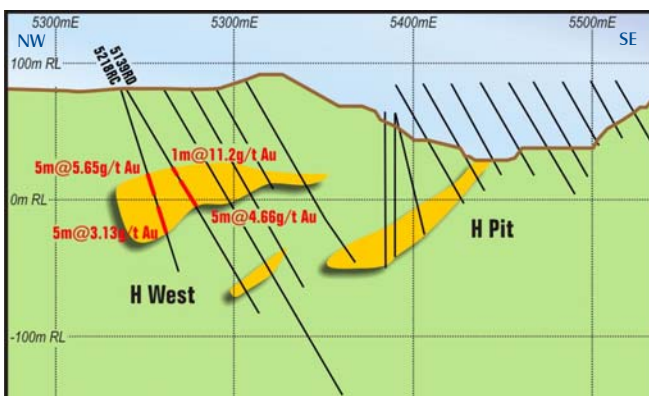
Diagrammatic cross sections through H West Prospect and H Pit at Chatree Mine



Newly upgraded gold zones at H West next to the main H pit. Yellow areas define potential ore zones for near-term production.



High grade zones continue beneath the main H pit. Intercepts include 6m @ 11.1g/t in a parallel section.



## CHATREE NORTH

### A – A East Pit:

Limited additional drilling was undertaken on the A – A East Prospect area during the Quarter to infill and test extensions to known mineralisation. Significant intersections from A – A East Prospect drilling include:

A PROSPECT HIGHLIGHT DRILL RESULTS				
Hole No	From (m)	To (m)	Interval (m) *	Au (g/t)
3314RD	139.00	140.60	1.60	12.50
3503RC	48.00	55.00	7.00	2.19
3399RD	190.00	194.40	4.40	2.48
5644RC	39.00	44.00	5.00	3.40
5645RC	2.00	17.00	15.00	2.23

\* Intersections may not be true width

### Mars North Prospect

Drilling to provide sufficient data for a resource estimate on the Mars North area was completed. Results indicate about 13,000 ounces gold, in the inferred resource category. Significant intersections from Mars North Prospect drilling

MARS NORTH PROSPECT HIGHLIGHT DRILL RESULTS				
Hole No	From (m)	To (m)	Interval (m) *	Au (g/t)
5556RC	12.00	16.00	4.00	3.35
5509RD	61.00	66.00	5.00	2.56

\* Intersections may not be true width

## CHATREE AREA

### J Prospect:

A few additional holes were drilled in J Prospect (west of Chatree Mine) to test geochemically anomalous zones not previously tested. Significant additional drilling is still required in this area. See Appendix A for results.

### T Prospect:

Additional drilling was undertaken on T Prospect (south of D Pit) to test coincident geochemical and geophysical anomalies. Only minor gold intersections were returned. However, the structural setting in one area appears favourable and it is associated with a broad zone of low grade mineralisation which justifies additional drilling.

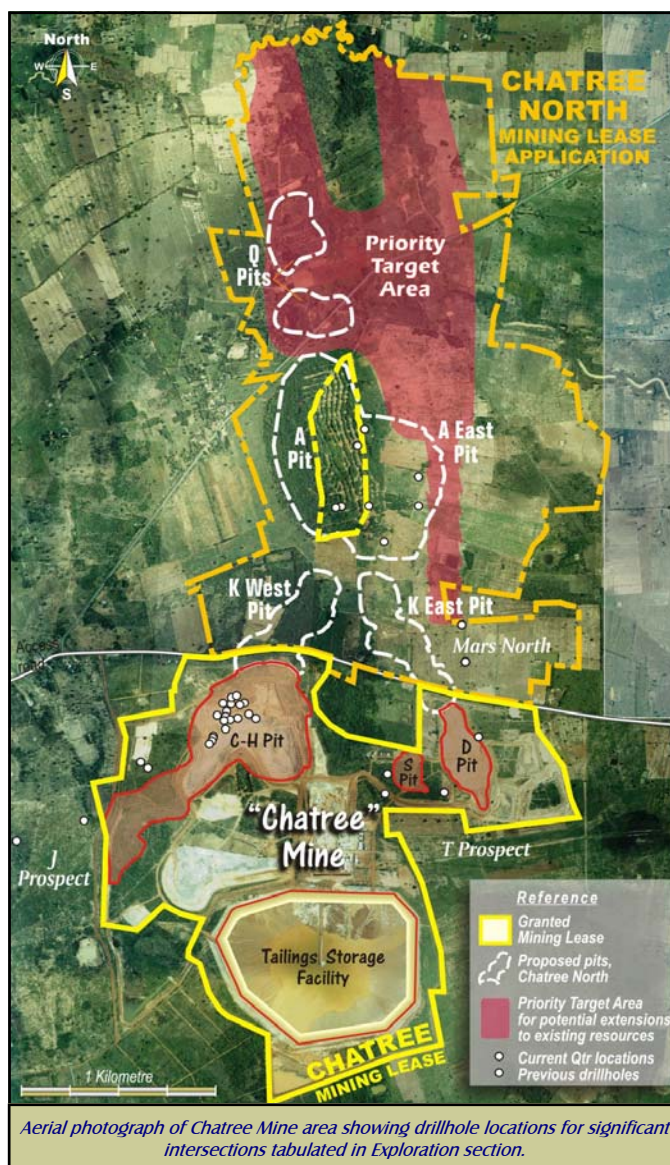
## REGIONAL EXPLORATION – THAILAND

Much of the land in the granted SPL's is controlled by the Department of Forestry. Permits to undertake drilling in these areas are being processed. Once the permits are approved drilling will commence immediately. The remaining 51 Special Prospecting Licence Applications (SPLA's) have been reviewed and passed by the Mineral Act Committee. Only the final stage of signing by the Minister is pending.

Detailed geological mapping is being undertaken on some of the highest priority regional prospects prior to drill testing.

Air Core drilling has commenced on granted SPL's in areas not controlled by the Department of Forestry and has already identified a new area of covered gold mineralisation located approximately 7km from Chatree Gold Mine. This gold mineralisation is associated with silicified rhyolitic and andesitic tuffs. The best intercept is 10m @ 0.86 g/t Au including 3m @ 1.58 g/t Au from 21 metres.

In-house ground IP and resistivity surveys are in progress. A resistivity high is coincident with mapped silicification and gold mineralised zones in one regional prospect about 30km from Chatree.



## Corporate

### FINANCE

At 31 December 2006, the group had net cash on hand of \$8.5 million (US\$6.8 million). The Company also has in place a revolving credit facility drawn to \$20 million (US\$16 million) with four participating banks.

No shares were bought back by the Company during the Quarter.

### GOLD HEDGE POSITION

Kingsgate delivered gold into the spot market and its hedge positions during the December Quarter. The Company's aim is to increase exposure to the future spot gold price.

Hedge commitments outstanding at 31 December 2006 were 38,700 ounces of gold. The entire hedge delivery schedule is outlined as follows:

Scheduled Gold Hedge Deliveries Remaining	
Spot deferred	12,663 oz @ US\$317 per oz
March Quarter 2007	13,000 oz @ US\$318 per oz
June Quarter 2007	13,000 oz @ US\$318 per oz

The average cash price received by Kingsgate for gold sales in the December Quarter was US\$560/oz, compared with an average spot price of US\$612/oz. The lower realized price was impacted by the delivery of gold sales into out-of-the-money hedge positions.

The Kingsgate Group had no foreign exchange currency hedging in place at the date of this report and is not exposed to any margin calls from hedge counterparties.

There was a negative mark to market valuation of A\$15.7 million for the hedge book based on a spot price of US\$634/oz and an exchange rate of US\$0.79 on 31 December 2006.

All remaining positions are deemed to be either "effective or ineffective hedges" and are reflected dominantly in the Company's balance sheet. The Company continues to aggressively deliver into its hedge book via Quarterly deliveries with a view to eliminating commitments by the end of the current financial year in June 2007. A summary of the Company's gold and silver sales is tabulated below:

Category	Units	Dec 06 Quarter	Sep 06 Quarter	Dec 05 Quarter
Average Prevailing Spot Gold Price	US\$/oz	612	621	489
Av. Cash Price received (on Gold Production)	US\$/oz	560	413	343
<b>Gold sold</b>	<b>Ounces</b>	<b>23,371</b>	<b>22,338</b>	<b>40,921</b>
Silver sold	Ounces	79,5146	69,976	136,391
Revenue from Metal Production	US\$M	14.1	10.0	15.1

### SELLOWN / DIVESTMENT

Kingsgate successfully fulfilled its Thai ownership obligations on 23 November 2006 for its Thai subsidiary, Akara Mining Limited, as required by the Thai Board of Investment ("BOI") through the issue of new shares in Akara to Thai interests, namely Empire Asia Co. Ltd ("Thai Interest"). This represents the first part of a two step process to ensure Akara and its shareholders share in the long term benefits of operating Thailand's largest gold mine. The second step in the process is the proposed initial

public offering ("IPO") of Akara on the Stock Exchange of Thailand ("SET"). It is expected that the IPO would be launched within the next 18 months to 3 years. Empire Asia Co., Ltd is a private Company registered in Thailand and wholly owned by Thai national shareholders. The Company was established by a group of prominent Thai business persons as an investment company.

At the same time, Kingsgate announced that it had appointed TMB Macquarie Securities (Thailand) Ltd to arrange a Baht 3.8 billion (~US\$100 million) debt financing to fund the development of the Chatree North mining lease and expansion of the current processing facilities. Credit committee endorsement has been obtained from a major Thai bank. Akara is now finalising the debt facility, including obtaining board approvals, completion of technical due diligence, legal documentation and satisfaction of all Condition Precedents with major Thai banks. The arrangement of the debt facility is expected to be completed in line with Akara's planned development of the Chatree North mining lease. The facility will become available when the new mine leases are granted.

To meet the BOI ownership obligation, Akara issued new non-transferable shares that resulted in the Thai Interest acquiring a ~52% stake in Akara. These additional shares carry with them certain rights, including a predetermined dividend and limited voting privileges that provide a financial return to the Thai Interest. This transaction allows Kingsgate shareholders to maintain their existing economic interest and management control in Akara.

Akara received approvals from the Ministry of Commerce for the transaction and confirmation on the fulfilment of Thai ownership obligations from the BOI.

This structure complies with current laws and new proposed changes, as they are currently understood. Voting rights of the Thai investors may change in about two years time. However, the new foreign ownership laws mentioned in press releases on 9<sup>th</sup> Jan 2007 are still being drafted and require promulgation.

Kingsgate will continue to remain as the operator of the Chatree Gold Mine. However, the Thai Interest has been granted the right to representation on the board of Akara, which will be in addition to the current appointees from Kingsgate. Through this new representation, the Thai Interest will be able to share their valuable business experience in Thailand and will assist Kingsgate in maximizing the returns from developing Chatree.

### GOLDSTAR INVESTMENT

Kingsgate's total investment in Goldstar Resources NL (ASX: GDR) was sold to UK based investors in December 2006 for \$13 million. This represents a 350% return on the investment in under 18 months, with the Company booking over \$9.4 million in profit after tax. Proceeds of the sale were received in early January 2007.

Kingsgate will continue to seek growth opportunities outside of Thailand, focused on gold projects and companies in South East Asia, Australia and South America. However, the focus will remain on Thailand until the new leases are granted.



*Official Opening and traditional Thai Buddhist blessing of new Bangkok Office for Akara Mining.*

### **NEW BANGKOK OFFICE OPENED**

Akara Mining Limited opened a new Bangkok Office in a high rise office building on Sathorn Road in the heart of the CBD. The official opening ceremony occurred on 14<sup>th</sup> December 2006 at sunrise, with five Buddhist monks blessing the office. Mine management, office staff, Kingsgate management and new Thai investors were present.

The new office represents part of a move to strengthen the Company's presence in Bangkok.



# Kingsgate Consolidated Limited

## Board of Directors

**Ross Smyth-Kirk**  
Chairman

**John Falconer**  
Non-Executive Director

**Peter McAleer**  
Non-Executive Director

## Company Secretary

**Peter Warren**

## Senior Management Team

**Gavin Thomas**  
Chief Executive Officer

**Phil MacIntyre,**  
Chief Operating Officer & General Manager, Akara Mining Limited

**Stephen Promnitz,**  
Corporate Development Manager

**Peter Warren**  
Chief Financial Officer

**Ron James**  
General Manager, Exploration & Resources Development

## Registered Office

**Kingsgate Consolidated Limited**  
Suite 801, Level 8,  
14 Martin Place  
Sydney NSW 2000, Australia  
Phone: 61 2) 8256 4800  
Facsimile: (61 2) 8256 4810  
Email: info@kingsgate.com.au  
Website: www.kingsgate.com.au

## Issued Share Capital

Kingsgate has 90,430,392 ordinary shares on issue at the end of December 2006.

There are 3,660,000 unlisted options issued to employees.

## Quarterly Share Price Activity

Kingsgate Consolidated (ASX: KCN) is part of the S&P/ASX 200 Index.

Quarter	High	Low	Last
December 2003	\$4.25	\$3.38	\$3.84
March 2004	\$3.98	\$3.25	\$3.76
Jun 2004	\$3.90	\$3.25	\$3.76
September 2004	\$3.59	\$2.92	\$3.00
December 2004	\$3.40	\$2.35	\$2.45
March 2005	\$2.75	\$2.05	\$2.26
June 2005	\$2.98	\$2.02	\$2.84
September 2005	\$3.75	\$3.08	\$3.72
December 2005	\$4.67	\$3.55	\$4.60
March 2006	\$6.45	\$4.55	\$6.44
June 2006	\$6.80	\$3.74	\$5.14
September 2006	\$5.39	\$4.15	\$4.59
December 2006	\$4.65	\$3.65	\$4.20

## Share Registry

**Security Transfer Registrars Pty Ltd**

770 Canning Highway,  
Applecross WA 6953.

PO Box 535,

Applecross WA 6953.

Phone: (61 8) 9315 2333.

Facsimile: (61 8) 9315 2233.

Email: registrar@securitytransfer.com.au

All direct shareholding enquiries to the share registry, please.



## Appendix A

### A - A EAST PROSPECTS DRILLING RESULTS - (Intercepts with Au assays > 10g.metres)

Hole No.	Easting Local A	Northing Local A	Azimuth Local A	Dip (degrees)	Hole Depth (m)	From (m)	To (m)	Interval (m)*	Au (g/t)
3314RD	5270	20080	90	-60	284.50	139.00	140.60	1.60	12.50
3503RC	5217	20004	270	-55	120.00	48.00	55.00	7.00	2.19
3399RD	5497	19776	90	-58	280.50	190.00	194.40	4.40	2.48
5644RC	5073	19699	152	-55	117.00	39.00	44.00	5.00	3.40
5645RC	5048	19699	152	-55	130.00	2.00	17.00	15.00	2.23
3502RD	5213	19677	90	-62	362.50	14.00	16.00	2.00	5.05
3393RD	5465	19626	90	-58	319.00	187.80	189.00	1.20	8.95
3500RD	5255	19477	90	-60	230.00	136.00	140.00	4.00	2.68

\* Intersections may not be true width

### D PROSPECT DRILLING RESULTS - (Intercepts with Au assays > 10g.metres)

Hole No.	Easting Local C	Northing Local C	Azimuth Local C	Dip (degrees)	Hole Depth (m)	From (m)	To (m)	Interval (m)*	Au (g/t)
3548RC	7385	1889	270	-65	140.00	110.00	114.00	4.00	2.73
3553RC	7206	1592	90	-50	105.00	75.00	81.00	6.00	4.60

\* Intersections may not be true width

### H PROSPECT DRILLING RESULTS - (Intercepts with Au assays > 10g.metres)

Hole No.	Easting Local H	Northing Local H	Azimuth Local H	Dip (degrees)	Hole Depth (m)	From (m)	To (m)	Interval (m)*	Au (g/t)
5630RC	828	6419	90	-80	115.00	41.00	51.00	10.00	2.02
						55.00	62.00	7.00	2.57
5631RC	793	6346	270	-82	125.00	35.00	47.00	12.00	1.31
5634RC	878	6303	90	-63	40.00	19.00	29.00	10.00	1.44
5636RC	891	6252	90	-61	40.00	1.00	20.00	19.00	2.14
5638RC	878	6417	0	-90	85.00	25.00	38.00	13.00	1.10
5641RC	933	6387	0	-90	51.00	43.00	45.00	2.00	6.62
5541RC	863	6179	270	-62	90.00	75.00	82.00	7.00	10.42
5590RC	810	6278	0	-90	96.00	1.00	7.00	6.00	11.12
5591RC	880	6152	270	-77	60.00	5.00	13.00	8.00	2.82
5478RD	844	6303	0	-90	178.70	12.00	20.00	8.00	1.20
5479RD	868	6169	0	-90	215.10	2.00	13.00	11.00	1.56
5480RC	875	6135	0	-90	44.00	16.00	22.00	6.00	2.12
5496RC	823	6346	0	-90	80.00	57.00	63.00	6.00	1.86
5497RC	866	6395	270	-62	72.00	20.00	42.00	22.00	1.35
5498RC	828	6370	270	-76	93.00	0.00	6.00	6.00	5.24
5499RC	834	6321	0	-90	102.00	20.00	30.00	10.00	1.74
5500RC	855	6277	270	-60	60.00	18.00	25.00	7.00	1.87
						30.00	40.00	10.00	1.66
5534RC	903	6331	0	-90	115.00	88.00	90.00	2.00	6.18
5582RC	977	6390	0	-90	45.00	9.00	12.00	3.00	9.36
5589RC	809	6396	0	-90	100.00	45.00	61.00	16.00	1.63
5482RC	629	5402	270	-55	84.00	1.00	7.00	6.00	2.31

\* Intersections may not be true width

All holes except 5482RC have been drilled from within C-H Pit

## Appendix A continued

### H WEST PROSPECT DRILLING RESULTS - (Intercepts with Au assays > 10g.metres)

Hole No.	Easting Local H	Northing Local H	Azimuth Local H	Dip (degrees)	Hole Depth (m)	From (m)	To (m)	Interval (m)*	Au (g/t)
3562RC	659	5830	90	-60	90.00	12.00	18.00	6.00	4.39
						72.00	86.00	14.00	2.10
					<b>incl.</b>	<b>73.00</b>	<b>75.00</b>	<b>2.00</b>	<b>7.73</b>
3563RC	709	5829	90	-60	63.00	35.00	37.00	2.00	7.58

\* Intersections may not be true width

### J PROSPECT DRILLING RESULTS - (Intercepts with Au assays > 10g.metres)

Hole No.	Easting Local C	Northing Local C	Azimuth Local C	Dip (degrees)	Hole Depth (m)	From (m)	To (m)	Interval (m)*	Au (g/t)
5625RC	4981	1335	90	-55	78.00	3.00	13.00	10.00	1.60

\* Intersections may not be true width

### MARS NORTH PROSPECT DRILLING RESULTS - (Intercepts with Au assays > 10g.metres)

Hole No.	Easting Local C	Northing Local C	Azimuth Local C	Dip (degrees)	Hole Depth (m)	From (m)	To (m)	Interval (m)*	Au (g/t)
5556RC	7295	2485	270	-55	60.00	12.00	16.00	4.00	3.35
5509RD	7318	2290	90	-55	77.00	61.00	66.00	5.00	2.56

\* Intersections may not be true width

### S PROSPECT DRILLING RESULTS - (Intercepts with Au assays > 10g.metres)

Hole No.	Easting Local C	Northing Local C	Azimuth Local C	Dip (degrees)	Hole Depth (m)	From (m)	To (m)	Interval (m)*	Au (g/t)
3535RC	6909	1690	90	-55	200.00	169.00	176.00	7.00	2.69
						<b>incl.</b>	<b>172.00</b>	<b>174.00</b>	<b>2.00</b>
									<b>5.20</b>
3539RC	6896	1590	90	-55	130.00	95.00	97.00	2.00	5.16

\* Intersections may not be true width