



Kingsgate Consolidated NL

ACN 000 837 472

27 April, 2001

The Manager
Announcements
Company Announcements Office
Australian Stock Exchange Limited

FOR PUBLIC RELEASE

Dear Sir,

QUARTERLY REPORT for the PERIOD ENDING 31 MARCH, 2001

<p style="text-align: center;">CHATREE GOLD PROJECT THAILAND.</p> <p>CONSTRUCTION ON SCHEDULE CONSTRUCTION ON BUDGET EXPLORATION DRILLING PROGRAM UNDERWAY</p>
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CHATREE GOLD PROJECT THAILAND

1. PROGRESS OF CONSTRUCTION

The project is in month 5 of the scheduled 12 month construction period.

Onsite activity is increasing with the main contracts in progress being, mining, civil earthworks, electrical substation, concrete foundations and buildings.

Contracts completed include, public, haul and access roads, 11 km perimeter fence, mining contractors accommodation, RC grade control program, production water supply bores and mine dewatering bores.

Contracts commencing on site in the next quarter include crusher-reclaim-conveyors, processing plant construction and 22kv electrical reticulation.

The total on-site workforce is currently 280 increasing to a maximum of 500 within 2 months.

The construction program is on schedule and on budget and is programmed to pour gold by the end of November this year.

Chatree Project has been built to a very high level of environmental compliance, with the tailings storage facility being designed and its construction supervised, by Knight Piesold, to Nevada USA standard. Safety implementation and training remains paramount and to date no lost time injuries have occurred.

2. EXPLORATION PROGRAM

A 13 hole RC and diamond drill program has just commenced on A Prospect which is located 1 kilometer north of Tawan Pit. The drilling is targeting the down dip and along strike extensions of gold mineralisation intersected in previous drilling.

3. PROJECT BACKGROUND

Chatree is located in farmland 280 km by bitumen highway north of Bangkok and represents a greenfields discovery of

metallurgically clean, shallow gold mineralisation in a logistically simple terrain with very good infrastructure.

Total Measured, Indicated and Inferred Resources are 14.5 million tonnes at 2.6 g/t Au and 12 g/t Ag. (0.8 g/t Au cutoff) for 1.2 million ounces of Au and 5.4 million ounces of Ag.

Open cut Proven and Probable Reserves are 8.2 million tonnes at 3.1 g/t Au and 14 g/t Ag (0.8 g/t Au cutoff at US\$260/oz) for 807,000 oz Au and 3.8 million oz Ag.

The mine will operate the Tawan and Chantra Pits which contain a simple ore type which will be processed in a standard carbon in leach plant.

Mine life is currently 6.5 years at 1 million tonnes per year for the first 2 years and 1.5 million tonnes per year thereafter.

407,000 ounces of gold, being 56% of production, were hedged in US dollars as flat forwards at a forward price of USD306.5 per ounce (AUD606 per ounce).

Production in the first 3 years will average 143,000 ounces gold equivalent at a cash cost of about US\$100 per ounce, thus ensuring substantial cash flows which, under the Thai Board of Investment sponsorship, will be tax free for the first 8 years.

The project is 100% debt financed by Macquarie Bank of Australia.

Two additional gold prospects within 3 km of the plant site on company owned exploration tenements have been drilled and contain similar widespread gold mineralisation which should, with further exploration, add considerably to mine life.

Information in this report relating to resources, reserves and feasibility studies is based on information compiled by the Competent Persons nominated in previous ASX releases. This report accurately reflects the information compiled by them and is released with their permission.

For further information contact the undersigned or visit our website at www.kingsgate.com.au.

Yours faithfully

Kingsgate Consolidated NL



Mike Diemar
Managing Director.