



Kingsgate Consolidated Limited

**Adapting to changing markets and
re-building for the future**



**ASX Spotlight Conference
New York 28 February 2014**



Disclaimer

Forward Looking Statements:

These materials include forward looking statements. Forward looking statements inherently involve subjective judgment & analysis & are subject to significant uncertainties, risks & contingencies, many of which are outside of the control of, & may be unknown to, the company.

Actual results and developments may vary materially from that expressed in these materials. The types of uncertainties which are relevant to the company may include, but are not limited to, commodity prices, political uncertainty, changes to the regulatory framework which applies to the business of the company & general economic conditions. Given these uncertainties, readers are cautioned not to place undue reliance on such forward looking statements.

Forward looking statements in these materials speak only at the date of issue. Subject to any continuing obligations under applicable law or any relevant stock exchange listing rules, the company undertakes any obligation to publicly update or revise any of the forward looking statements, changes in events, conditions or circumstances on which any such statement is based.

Some statements in this presentation regarding estimates or future events are forward looking statements. They involve risk and uncertainties that could cause actual results to differ from estimated results. Forward looking statements include estimates of future production, cash and total costs per ounce of production, reserve and mineralized material estimates, capital costs, and other estimates or prediction of future activities. They include statements proceeded by words such as “believe,” “estimate,” “expect,” “intend,” “will,” and similar expressions. Actual results could differ materially depending on such things as political events, labour relations, currency fluctuations and other general economic conditions, market prices for Kingsgate Consolidated Limited products, timing of permits and other government approvals and requirements, changes in operating conditions, lower than expected ore grades, unexpected ground and mining conditions, availability and cost of materials and equipment, and risks generally inherent in the ownership and operation of mining properties and investment in foreign countries.

Kingsgate's Vision

To be a preferred precious metals company

Focus on delivering shareholder & stakeholder value through:

- **Maximising existing operational performance of existing mines and developing high quality precious metal projects**
- **Lowering costs, increasing margins and improving cashflows**
- **Strategic engagement and relationship building with all stakeholders**



**Focus on re-building
Profits and dividends**

Gold Industry Under Pressure

Difficult year for gold with paper vs physical

- **Gold price fell 27% during 2013**
- **Despite record physical demand from China and India of nearly 2,000t combined in 2013**
- **But gold ETF's have dropped by 33% (~880t) over the same period**
- **Significant costs pressure from 2009 to 2012 squeezing margins with the weakening gold price in 2013**
- **Few discoveries despite record spending on exploration**
- **Gold remains wedded to the US economic bogey of QE tapering**
- **But fundamentals remain in place giving gold renewed price stability**

Actions speak louder than words

KCN adapting to the volatile market conditions

- **Cutting overheads and operating costs**
- **Improving operating efficiencies**
- **Capital expenditure discipline with programs halted or deferred**
- **Reducing exploration expenditure**
- **Restructuring operations and modifying mine plans**
- **Exploring possible partners for development projects and potential rationalisation of the asset base**

Focus on re-building a sustainable business and setting the platform for the future



Kingsgate Today

Geographic and operational diversity

- **Two operating gold mines**
 - World class Chatree mine in Thailand
 - Challenger underground mine in South Australia
- **Two exceptional, advanced-development silver projects**
 - Nueva Esperanza silver/gold project in Chile
 - Bowdens silver project in NSW



The map shows the Pacific Ocean and surrounding landmasses including Asia, Australia, and South America. Red arrows point to the Chatree Gold Mine in Thailand and the Challenger Gold Mine in South Australia. A blue arrow points to the Bowdens Silver Project in NSW, Australia. A green arrow points to the Nueva Esperanza Silver/gold Project in Chile. A scale bar at the bottom indicates 5000 Kilometres.

Chatree
Gold Mine

Challenger
Gold Mine

Bowdens
Silver Project

Nueva Esperanza
Silver/gold Project

Operating Snapshot 1H FY14

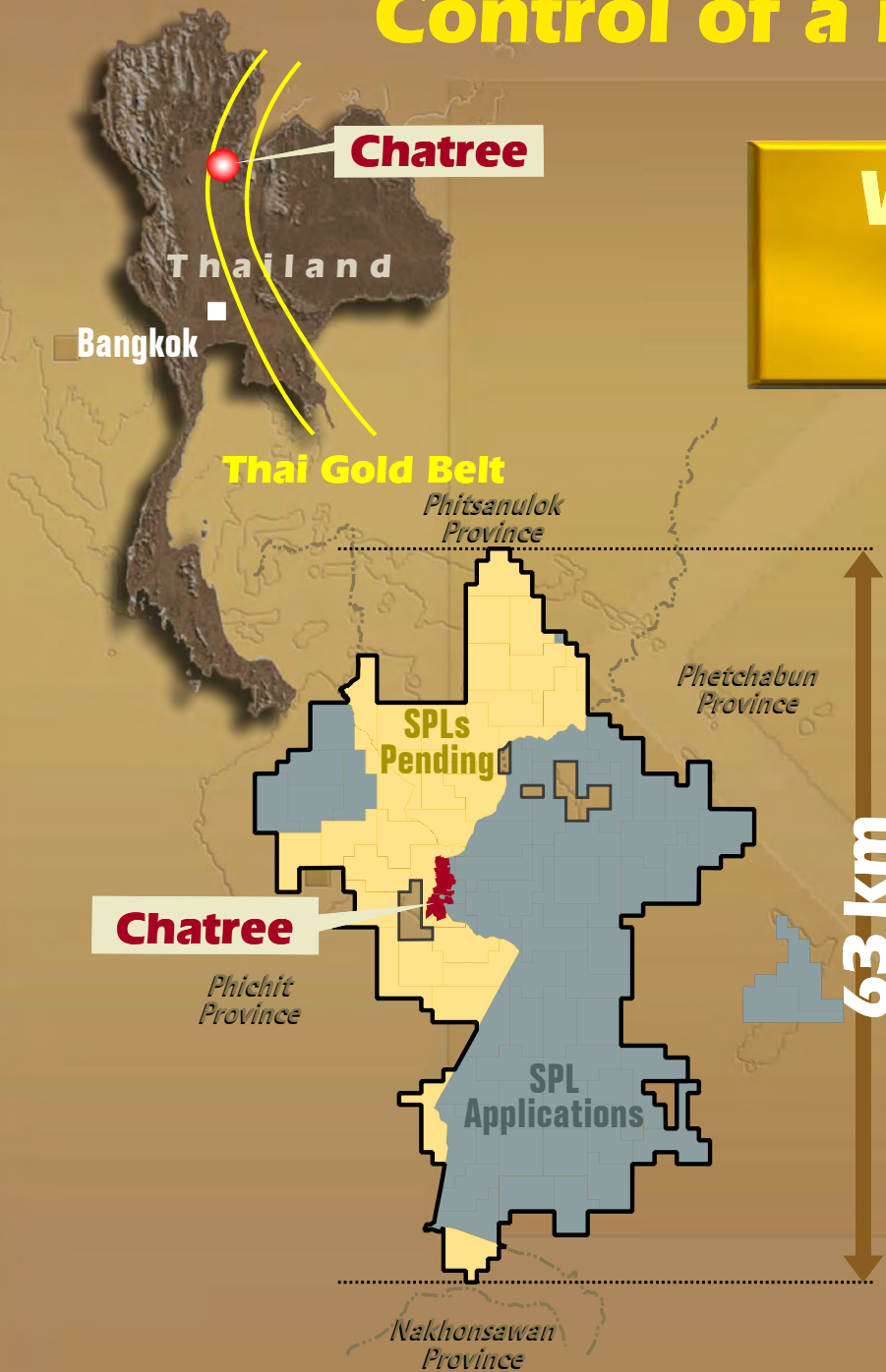
GROUP OPERATING SUMMARY 1H FY14						
	First Half FY14		First Half FY13		% Change	
Operation	Production	Total Cash Costs	Production	Total Cash Costs	Production	Total Cash Costs
	(ounces)	(US\$/ounce)	(ounces)	(US\$/ounce)	%	%
Chatree	66,462	774	57,018	747	17%	4%
Challenger*	38,863	1,327*	33,396	1,992*	16%	-33%
Group	105,325	978	90,414	1,187	16%	-18%

(*Challenger costs include mine development expenditure previously capitalised)

- Challenger mine restructure completed and delivering results
- Continued focus on operating efficiencies and cost reduction initiatives across the Group
- Nueva Esperanza project DFS nearing completion

Strong Commitment to Thailand

Control of a major gold province



**World Class Gold Province
Underexplored**

**First mover advantage
but need patience &
persistence**

**1,200 km² tenements
Multiple targets
Large, long term
commitment**



Chatree – World Class Deposit

Asian showcase gold mine

- 
- **Large open pit, low grade epithermal gold deposit**
 - Long life – Reserves 1.8Moz, Resources 4.0Moz
 - Currently operating at ~6.2Mtpa @ 0.8g/t Au
 - Producing 120,000oz to 130,000oz gold in FY14
 - Produced over 1.4 million oz of gold to date
 - **Asian competitive advantage**
 - Employment focus on committed and educated Thai Workforce (only four expats)
 - Low cost; good infrastructure and low input costs
 - Continuing focus on operating efficiencies
 - Exemplary health, safety and environmental record
 - **Exploration upside**
 - Extensive resource opportunities inside and outside existing mining leases
 - Opportunities throughout the gold province



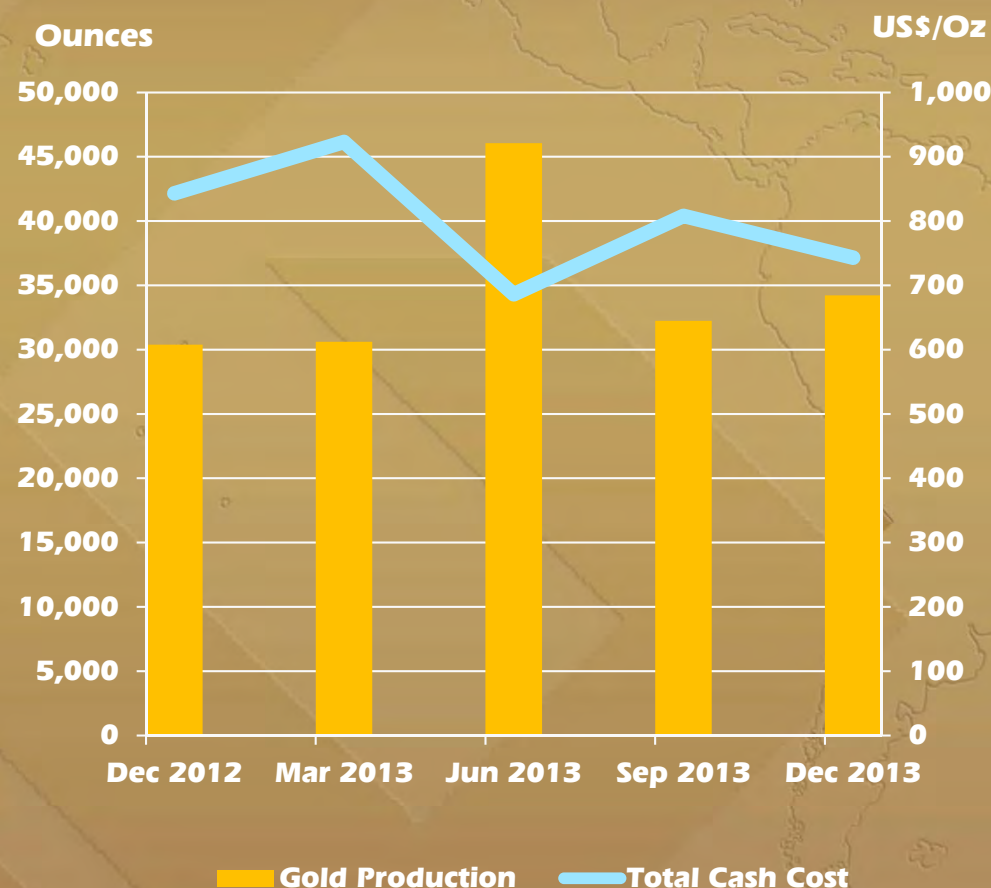
Chatree Gold Mine

Focus remains on production and costs

December Quarter 2013

- **Gold production 32,221oz**
- **1,487Kt @ 0.93g/t & 80.3%**
(1,592Kt @ 0.79g/t & 80.1%)
- **Total cash costs US\$743/oz**
(incl.US\$99/oz royalty)
- **AISC US\$863/oz**
 - **Grade reflects access to higher grade ore pods in at A North East.**
 - **Exploration continues to focus on near-surface oxide targets.**
 - **Lower milling reflects harder ore and an additional mill re-line**
- **Lower costs reflect higher grade and cost saving initiatives**

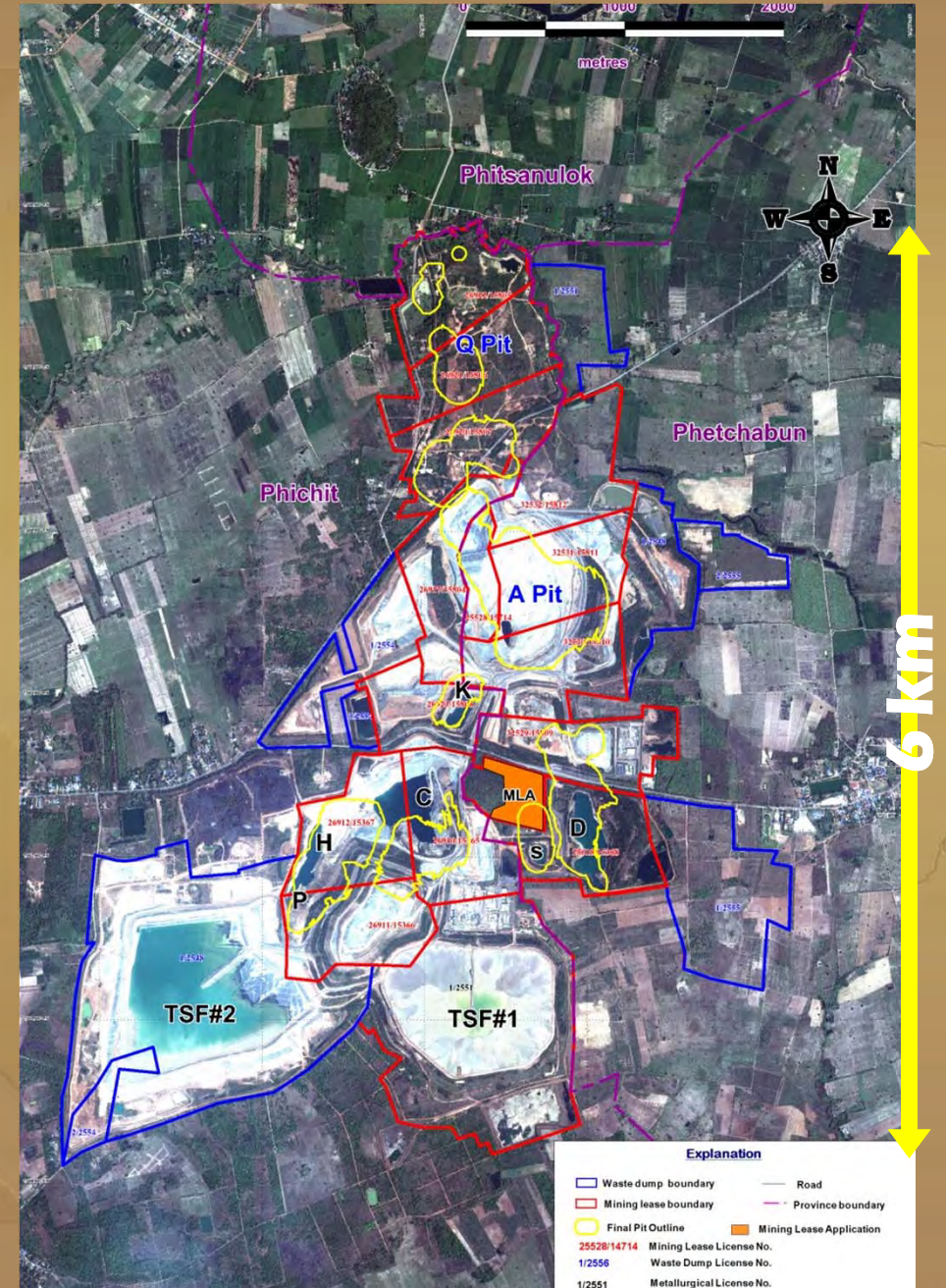
Chatree Quarterly Gold Production and Costs



Chatree - Upside

Upside still remains within current mining leases after 13 year operation

- Incremental expansion potential
- Resource extension outside current pit designs
- Potential u/g targets through deep high grade feeder structures
- Significant near mine resources identified



Challenger by Name

Challenging by nature



Challenger Gold Mine

Adapting to lower metal price conditions

- **Strategic restructure accelerated following gold price volatility**
- **New mine plan implemented**
- **Focused on the higher grade Challenger West orebody**
- **New mining contract and contractor:**
 - **Byrnecut commenced on 1 Aug '13**
 - **Higher head grade 4.67g/t vs 3.47g/t**
 - **Lower costs with monthly costs ~30% below the average monthly costs in FY2013.**
 - **Improved productivity**
- **Expected annual gold production rate of 70,000 to 80,000 ounces**



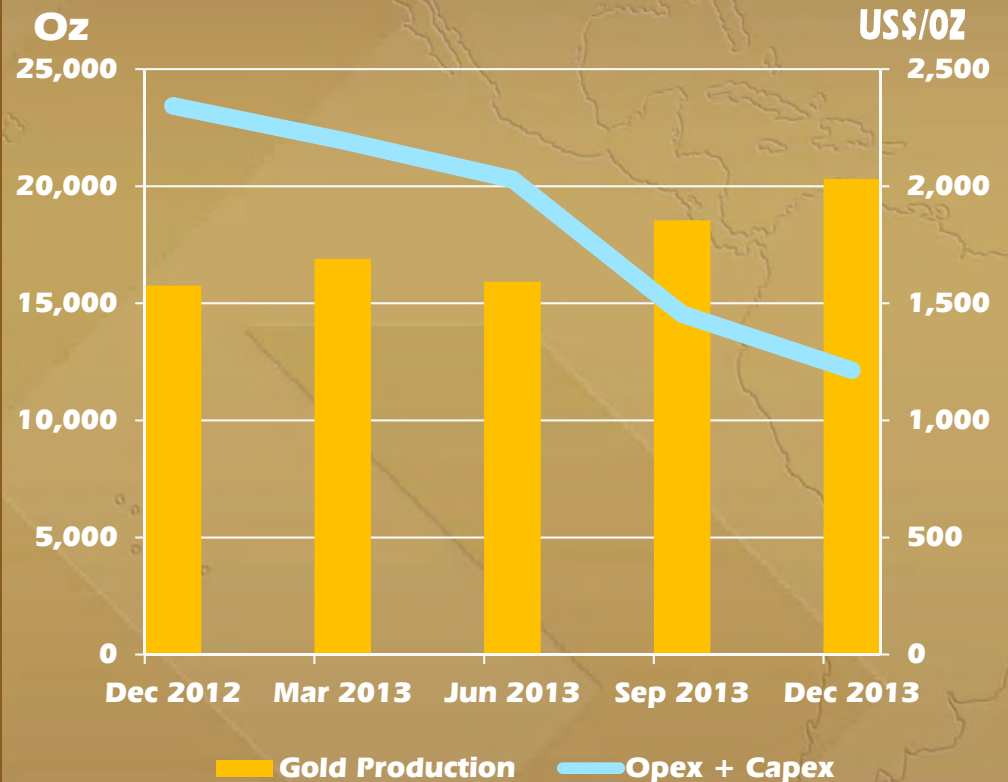
Challenger Gold Mine

Production and costs continue to improve

December Quarter 2013

- **Gold production 20,318oz**
 - Highest production since March Qtr 2012
- **141Kt @ 4.64g/t & 95.9%**
(129Kt @ 4.67g/t & 95.5%)
 - Transition to higher grade Challenger West complete
- **Total site cash costs US\$1,214/oz incl.US\$48/oz royalty (AISC)**
 - Costs down 17% on Sept Qtr
 - Costs include mine development expenditure
- **Restructure is delivering results with lower costs and improved productivity .**

Challenger Quarterly Gold Production



Nueva Esperanza

Advanced silver/gold project in Chile



Chimberos open pit

Nueva Esperanza

Highly prospective growth project



- Consolidation of epithermal silver/gold deposits in Maricunga belt in Chile by Kingsgate
- Feasibility focused on heap leach and on-site power
- The EIA approvals received. Variation (DIA) required for heap leach and on-site power generation.



Nueva Esperanza – Heap Leach

Positive preliminary feasibility results

Resources	93.3Moz Silver Eq / 1.6Moz Gold Eq
Throughput	3,000,000 tonnes per annum
Initial mine life	+6 years
Annualised production (post ramp up)	
Silver	6,000,000 – 8,000,000 oz
Gold	18,000 – 22,000 oz
Est. start-up capital cost (incl. 25% contingency)	US\$130-150 million
Average metallurgical recovery	
Silver	70-75%
Gold	65-70%
Average strip ratio	5.5:1
Average operating cost (after gold credits)	US\$11-13/oz silver

- **Three stage crushing circuit with High Pressure Grinding Rolls (HPGR)**
- **On site power costs in line with spot price, eliminates a 45km power line**
- **Overland conveyor to leach pads (4.7km)**
- **Merrill Crowe circuit to recover silver/gold doré**
- **DFS close to completion and confirming preliminary parameters**



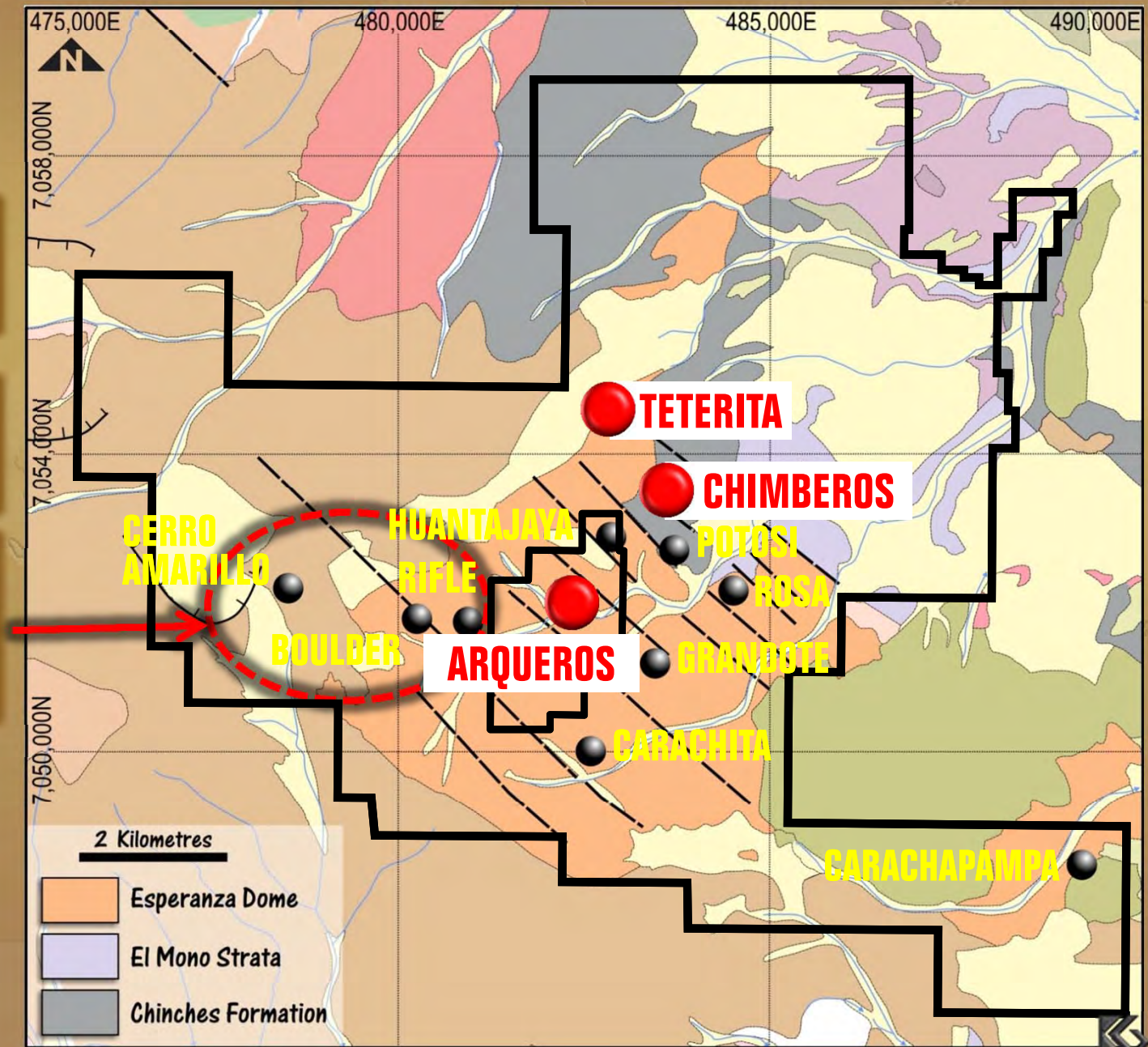
Nueva Esperanza Upside

Highly prospective regional exploration

Three established resources

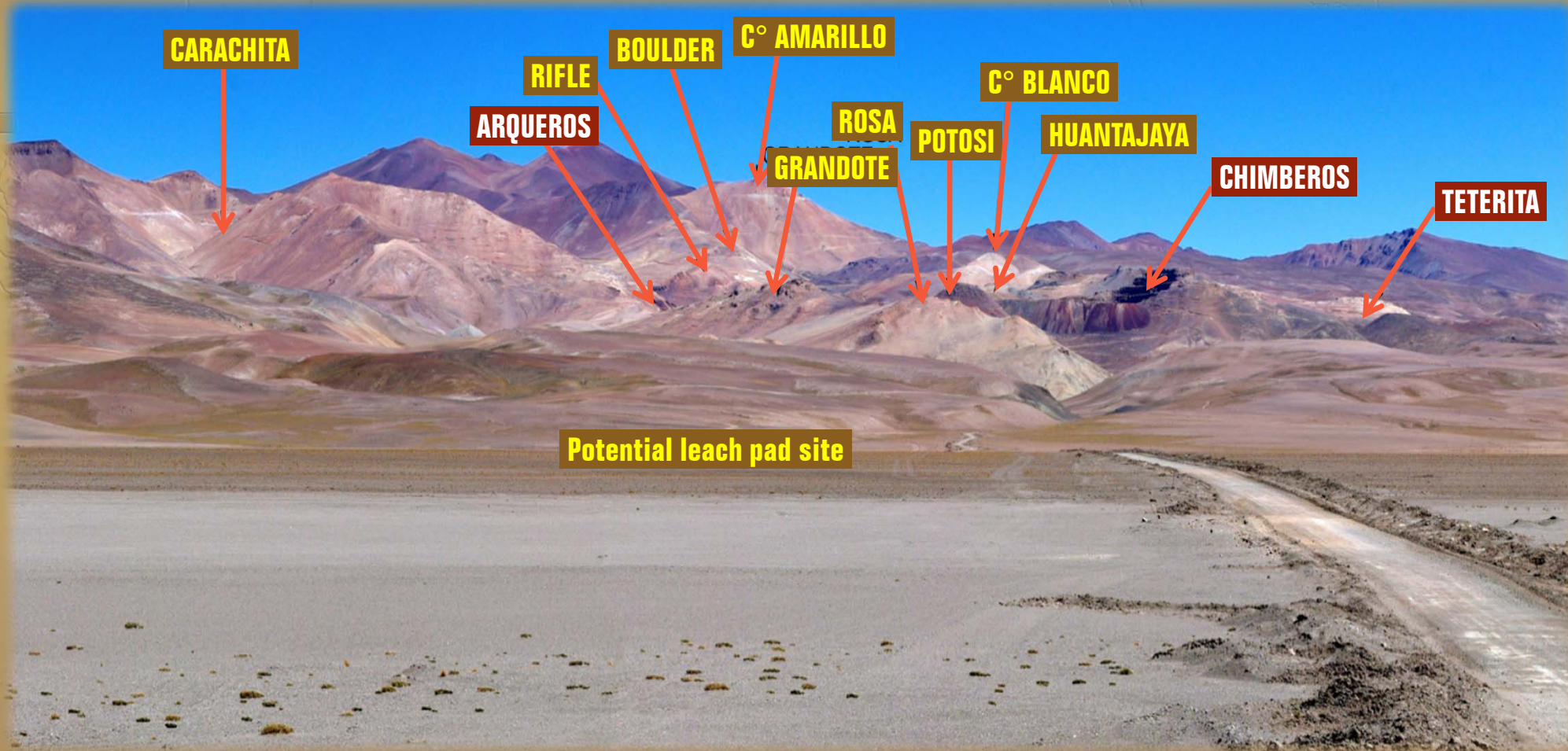
Multiple highly prospective targets

High grade gold intercepts from historic drilling



Nueva Esperanza

Panorama of Prospects



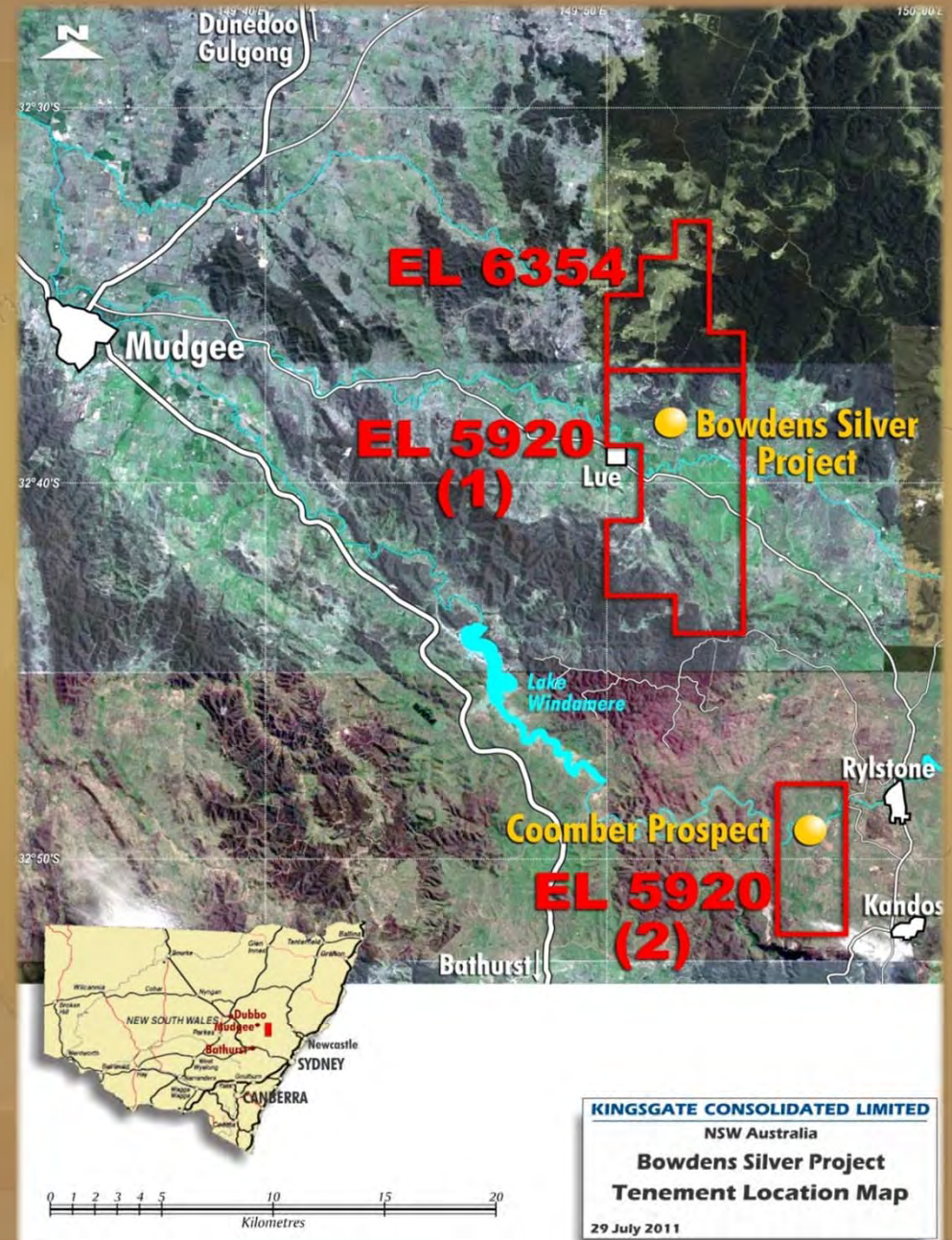
Bowdens Silver Project

Kingsgate growth project in NSW



Bowdens Overview

- Epithermal silver deposit with lead and zinc by-products
- Large, continuous, near surface deposit hosted in volcanics
- Current resource estimate 182 million ounces AgEq (JORC)
- Comparable to ~4Moz gold
- Established infrastructure and mining workforce



Bowdens Silver Project

Project timing to reflect market conditions

Feasibility Study

- **Completion of the technical feasibility study including mine planning and infrastructure aligned to the finalisation of the EIS in 2014.**

Mining

- **Open pit mining with pit optimisation delivering a low strip ratio and a high grade starter pit.**

Processing

- **DFS based on a conventional flotation plant**
- **Process design parameters finalised.**
- **Sterilisation drilling completed**

Environmental Impact Statement

- **EIS work to be completed in 2014.**
- **Ongoing environmental monitoring and community consultation prior & post EIS submission.**

Outlook for FY14

Group gold production of 190,000 to 210,000oz

Mine/Project	Gold Production (oz)	Total cash costs³ (\$/oz)	Capital Expenditure FY2013/14
Chatree	120,000 – 130,000	US\$775 – US\$875	US\$20M – US\$25M
Challenger¹	70,000 – 80,000	US\$1,150 – US\$1,250	US\$2.5M – US\$3.5M¹
Nueva Esperanza	n/a	n/a	US\$3.5M – US\$4.5M
			US\$3.5M²
Bowdens	n/a	n/a	US\$3.5M – US\$4.5M

- **Nueva Esperanza DFS on track for completion in the March quarter with the EIA variation approval expected mid year.**
- **Bowdens EIS and DFS work aligned for completion in 2014.**
- **Focus to remain on strategies to lower costs and improve operating efficiencies.**
- **Possible partners for development projects and potential divestments**



Kingsgate – Renewal

Focussed on re-building profitability



Solid Production Level

Gold production: 200,000 ounce FY13



Strong Resource Base

Grown to over 10 million ounces gold equivalent (AuEq)



Sequential Development Pipeline

Feasibility studies for Nueva Esperanza and Bowdens advancing



Positive Operational Outlook

Gold production of 190,000 to 210,000 ounces in FY14



Setting the Platform for the Future

Implementing a strategy to rebuild profits and dividends

Kingsgate Consolidated Limited



Listed: ASX

Code: KCN

Shares: 164 Million

Market Cap: ~US\$200M

www.kingsgate.com.au



Appendix

General Disclaimer:

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Competent Persons Statements:

In this report, information concerning Thailand operations relates to Exploration Results, Mineral Resources and Ore Reserve estimates is based on and fairly represents information compiled by the following Competent Persons: Ron James, Brendan Bradley Kevin Woodward and Suphanit Suphananthi who are employees of the Kingsgate Group. All except Brendan Bradley are members of The Australasian Institute of Mining and Metallurgy; Brendan Bradley is a member of the Australian Institute of Geoscientists. These people qualify as Competent Persons as defined in the Australasian code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code, 2012 edition) and possess relevant experience in relation to the mineralisation of being reported herein as Exploration Results, Mineral resources and Ore reserves. Each Competent Person has consented to the Public reporting of these statements and the inclusion of the material in the form and context in which it appears.

In this report, the information concerning Challenger operations that relates to Exploration Results, Mineral Resources and Ore Reserves estimates is based on and fairly represents information compiled by Stuart Hampton and Luke Phelps who are full-time employees of the Kingsgate Group. Both are members of The Australasian Institute of Mining and Metallurgy. These persons have sufficient experience that is relevant to the mineralisation and type of deposit under consideration and to the activity that they are undertaking to qualify as Competent Persons as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Paul Androvic and Tim Benfield consent to the inclusion in the report of the matters based on their information in the form in which it appears.

The information in this report that relates to Bowdens and Nueva Esperanza Mineral Resource estimation is based on and fairly represents work completed by Jonathon Abbott who is a full-time employee of MPR Geological Consultants and a member of the Australian Institute of Geoscientists and Mr Ron James. Mr Abbott and Mr James have sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Abbott and Mr James consent to the inclusion in the report of the matters based on his information in the form and context in which it appears.



Balance Sheet

- **Cash of A\$25 million at 31 December 2013**
- **Debt was reduced during the half year with A\$17M repaid.**
- **Existing facilities have repayment periods up to 6 years.**
- **Continued focus on optimising facilities over time, particularly in conjunction with Akara IPO and funding development projects.**

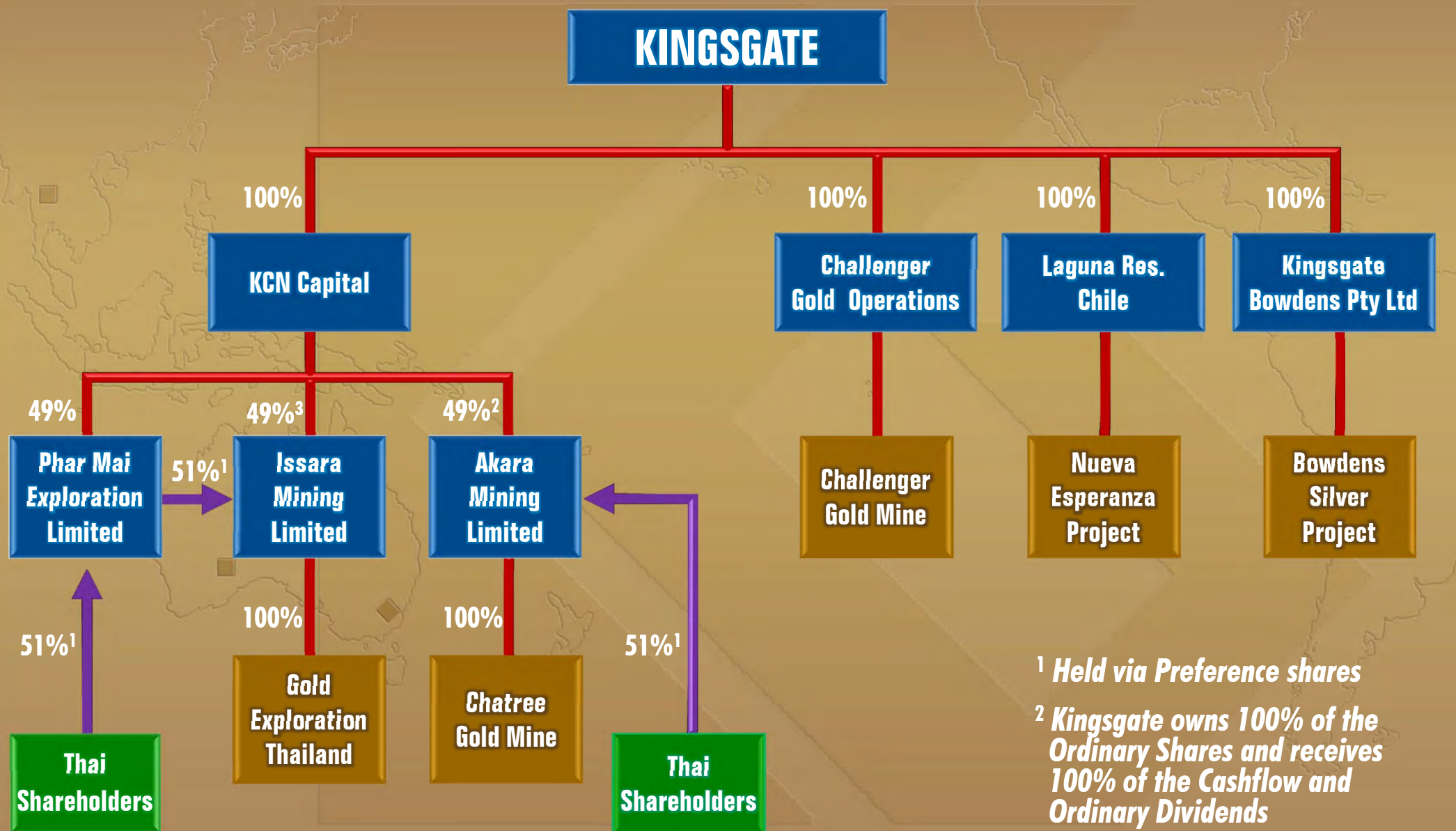
Akara Debt Facilities

- **US\$119M multi currency amortising loan facility, with quarterly payments from Nov. '13 to Nov '19**
- **Undrawn ~A\$17M working cap facility**

Kingsgate Debt Facility

- **A\$40M senior corporate facility pending completion of CP's**

Corporate Structure



¹ Held via Preference shares

² Kingsgate owns 100% of the Ordinary Shares and receives 100% of the Cashflow and Ordinary Dividends

³ Kingsgate effective ownership 60%



Akara Resources Thai IPO

IPO of Akara Resources on Thai stock exchange

- **Approval of draft prospectus and IPO application expected in March quarter.**
- **Prospectus registration will be current for 12 months**
- **Timing will depend on a number of factors including valuation metrics and market conditions**
- **High quality Asian gold listing expected to be very well supported**
- **Operate fully as a Thai company with a broad Thai ownership**
- **Kingsgate to retain 49%**

Capital raised from IPO

- **Funds to be used to finance capital projects, re-investment in Thailand, debt reduction and returns to shareholders**

Corporate Social Responsibility

Asia's Showcase Gold Mine

- Safety focussed gold mine – 10 years no safety incidents
- Zero Environmental Incidents
- ISO Standards on all activities
- Only mining company granted Social Accountability SA8000

High quality, skilled stable workforce

- Training focus
- 99% Thai staff (total ~1,200)
- 39% women in management

Local Community Engagement

- 81% of workforce from local area
- “Buy Thai” 85% sourced supplies
- Created local support industry
- Local support: water, schools, health



2010 Thailand
National Occupational
Safety & Health Award



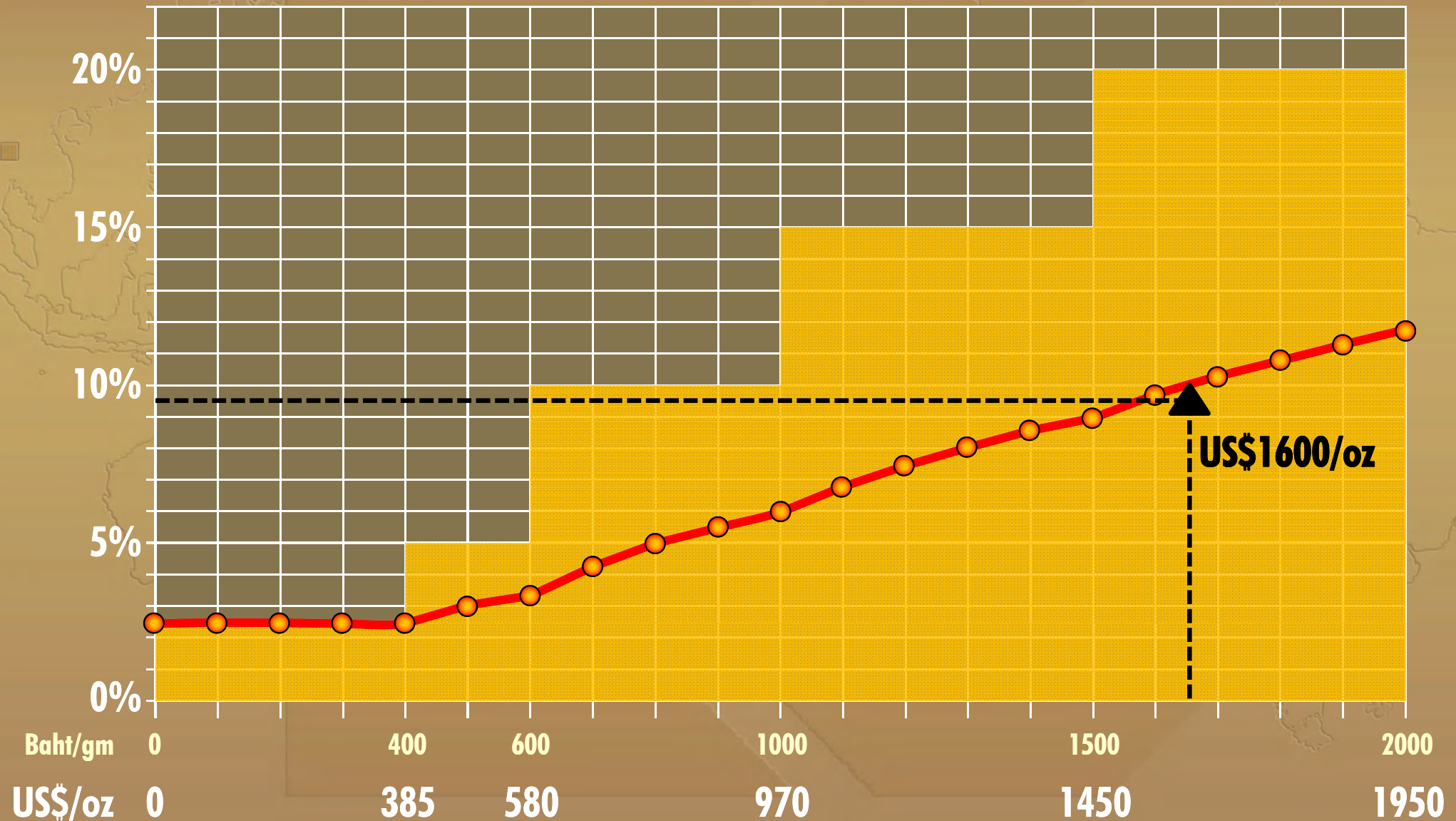
Zero Accident Award
2010



Prime Minister's Award
2010

Thai Progressive Royalty Rate

High royalty regime at current gold prices



US\$1.00 = Baht 30, Jan 2011.



Chatree

Chatree Ore Reserves as at 30 April 2013 (>0.35g/t gold cut-off grade)

Source	Category	Tonnes	Gold Grade	Silver Grade	Gold Contained	Silver Contained	AuEq
		(million)	(g/t)	(g/t)	(Moz)	(Moz)	(Moz)
From Pits	Proven	45.4	0.87	7.8	1.27	11.39	
	Probable	14.8	0.78	6.0	0.37	2.86	
Stockpiles		9.3	0.58	9.3	0.17	2.78	
Chatree Total	Total	69.5	0.81	7.6	1.82	17.04	

Chatree Mineral Resources as at 30 April 2013 (>0.3g/t gold cut-off grade)

Source	Category	Tonnes	Gold Grade	Silver Grade	Gold Contained	Silver Contained	AuEq
		(million)	(g/t)	(g/t)	(Moz)	(Moz)	(Moz)
From Pits	Measured	92.8	0.72	6.60	2.15	19.7	
	Indicated	49.8	0.64	4.69	1.02	7.51	
	Inferred	45.7	0.58	3.81	0.85	5.60	
Chatree Total	Total	188.3	0.66	5.42	4.03	32.8	

Notes: 1. Reserves are based on a gold price of US\$1,480/oz and a silver price of US\$26/oz. 2. All reserves are based on detailed pit designs. 3. Rounding of figures may cause numbers not to add correctly.

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Challenger

Challenger Ore Reserves as at 30 June 2013

Source	Category	Tonnes	Gold Grade	Gold Contained
		(million)	(g/t)	('000 oz)
From Mine	Proven	0.25	5.52	40
	Probable	0.22	8.30	60
Challenger Total	Total	0.47	6.82	100

Challenger Mineral Resources as at 30 June 2013

Source	Category	Tonnes	Gold Grade	Gold Contained
		(million)	(g/t)	('000 oz)
From Mine	Measured	0.44	8.97	130
	Indicated	1.04	10.6	350
	Inferred	0.68	12.1	260
Challenger Total	Total	2.16	10.7	750

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Nueva Esperanza

Nueva Esperanza Mineral Resources as at 30 June 2013 (0.5g/t AuEq60 cut-off grade)

Category	Tonnes	Gold Grade	Silver Grade	Gold Equiv Grade	Gold Contained	Silver Contained	AgEq Contained	AuEq Contained
	(millions)	(g/t)	(g/t)	(g/t)	(Koz)	(Moz)	(Moz)	(Moz)
Measured	1.5	0.01	101	1.69	1.0	4.9	4.9	0.08
Indicated	21.3	0.28	88	1.74	190	60.2	71.6	1.19
Inferred	6.1	0.3	67	1.4	60	13.0	16.8	0.28
Total	28.9	0.27	84	1.67	251	78.2	93.3	1.56

Notes: Au = gold; Ag = silver; M = million; g/t = grams per tonne; MOz = million ounces.

1. In situ density 2.0 t/bcm, based on 350 measurements at Arqueros. This is lower than previously used 2.2 t/bcm. 2. Gold equivalent on basis of gold/silver revenue ratio of 60; calculated as Au + Ag/EQ (gold plus [silver divided by 60]). 3. Silver equivalent on the basis of gold/silver revenue ratio of 60; calculated as Au x EQ + Ag ([gold times 60] plus silver). 4. EQ = (Price Gold x Recovery Gold) / (Price Silver x Recovery Silver). 5. Price basis US\$1,380/oz Au and US\$21.50/oz Ag. 6. Metallurgical recovery basis 70% Au and 75% silver. 7. It is the company's opinion that all the elements included in the metal equivalents calculation have a reasonable potential to be recovered. 8. Rounding of numbers may generate rounding errors.



Bowdens

Bowdens Mineral Resources as at 30 June 2013

(30g/t AgEq cut-off grade)

Category	Tonnes (million)	Grade				Contained Metal		
		Silver g/t	Lead %	Zinc %	AgEq g/t	Silver (Moz)	AgEq (Moz)	AuEq (Moz)
Measured	23.6	56.6	0.31	0.41	74.5	43.0	57	1.25
Indicated	28.4	48.0	0.27	0.36	63.6	43.8	58	1.28
Meas & Ind	52.0	51.9	0.29	0.38	68.6	86.8	115	2.53
Inferred	36	41	0.3	0.4	58	47.5	68	1.47
Total	88.0	47.4	0.29	0.39	64.4	134.1	182	4.00

Notes:

1. Rounding of numbers may generate rounding errors. 2. NSR metallurgical recoveries of 72% Ag, 75% Pb, and 66% Zn estimated from test work by Kingsgate. NSR or net smelter return metallurgical recovery is defined as the payable metal recovered after allowing for smelter deductions, which includes deductions for precious metals. 3. Price basis Ag US\$26.33/oz, Pb US\$2,206/t and Zn US\$2,111/t 4. Bowdens silver equivalent equation (AgEq) g/t = Ag (g/t) + 27.5 x Pb (%) + 22.8 x Zn (%) 5. It is the company's opinion that all the elements included in the metal equivalents calculation have a reasonable potential to be recovered. 6. Cut-off grade for Bowdens is 30g/t AgEq.

Kingsgate Group Metal Equivalent Notes:

#1. Nueva Esperanza silver equivalent: $\text{AgEq (g/t)} = \text{Ag (g/t)} + \text{Au (g/t)} \times \text{EQa}$. Gold Equivalent: $\text{AuEq (g/t)} = \text{Au (g/t)} + \text{Ag (g/t)} / \text{EQa}$; $\text{EQa} = (\text{price gold} \times \text{recovery gold}) / (\text{price silver} \times \text{recovery silver})$. Calculated from prices of US\$1380/oz Au and US\$21.50/oz Ag, and metallurgical recoveries of 70% Au and 75% Ag estimated from test work by Kingsgate and Laguna. #2. Bowdens silver equivalent: $\text{AgEq (g/t)} = \text{Ag (g/t)} + 27.5 \times \text{Pb (\%)} + 22.8 \times \text{Zn (\%)}$. Calculated from prices of US\$26.33/oz Ag, US\$2,206/t Pb, US\$2,111/t Zn and NSR recoveries of 72% Ag, 75% Pb, and 66% Zn estimated following test work by Kingsgate. #3. Bowdens gold equivalent: $\text{AuEq (g/t)} = 45 (\text{gold price} / \text{silver price})$. Calculated from prices of US\$1200/oz Au, US\$26.33/oz Ag. #4. Chatree gold equivalent: $\text{AuEq/t} = \text{Au (g/t)} + \text{Ag (g/t)} / \text{EQa}$. EQa see note 1 above. Calculated from prices of US\$1480/oz Au and US\$26/oz Ag and metallurgical recoveries of 80.5% Au and 43.6% silver based on metallurgical test work and plant performance. #5. Cut-off grade for Chatree is 0.35g/t Au; Nueva Esperanza is 0.5g/t AuEq; Bowdens is 30g/t AgEq. #6. In the company's opinion, the silver, gold lead and zinc included in the metal equivalent calculations have a reasonable potential to be recovered.

