



Kingsgate Consolidated Limited

Adapting to change in the precious metals markets



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**Sydney Mining Club
5 December 2013**



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 preceded 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 operations and developing high quality precious metal projects**
- **Increasing output, lowering costs and improving cashflows**
- **Strategic engagement and relationship building with all stakeholders**



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



Gold Price

**Landscape has changed over the course of 2013
but some respite with falling A\$**



Gold Industry Under Pressure

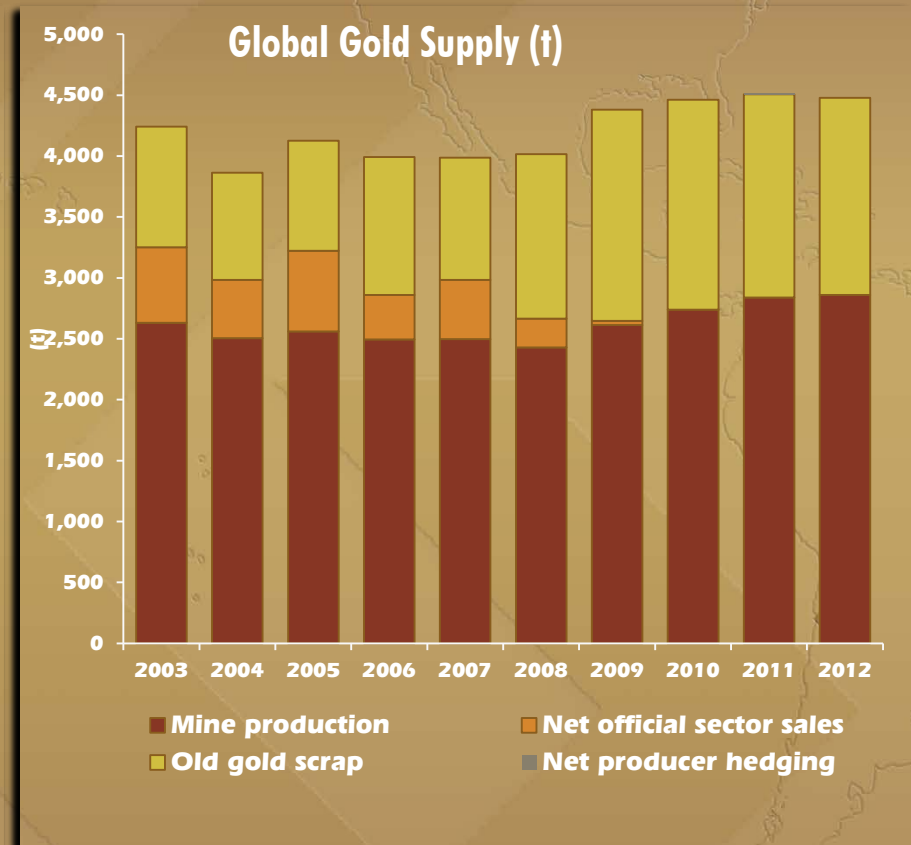
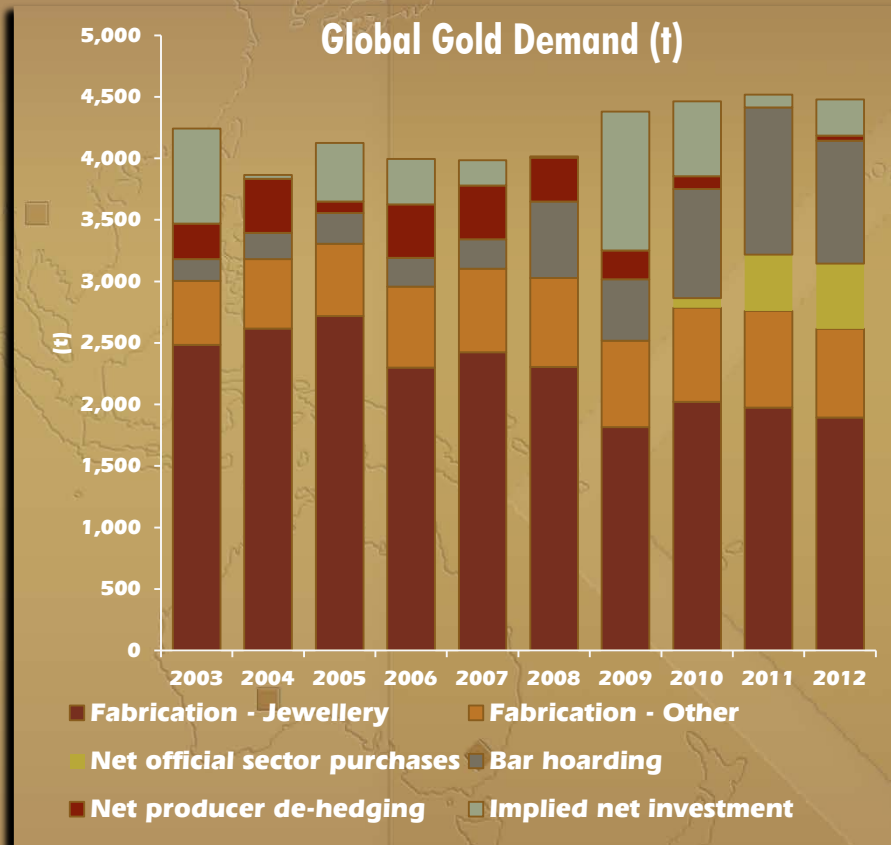
Difficult year for gold with paper vs physical

- **Gold price has fallen 28% during 2013**
- **Despite record physical demand from China and India of nearly 700t combined in the 1H13**
- **But gold ETF's have dropped by 26% (~600t) over the same period**
- **Costs were out almost out of control during [2009 to 2012] effectively squeezing margins when the gold price fell**
- **Few discoveries despite record spending on exploration**
- **Gold currently remains wedded to the US economy bogey of QE tapering but it's fundamental driving forces remain and the counterbalance between physical and professional demand should give gold some renewed price stability going forward.**



Global Gold Demand & Supply

Fundamentals remain in balance

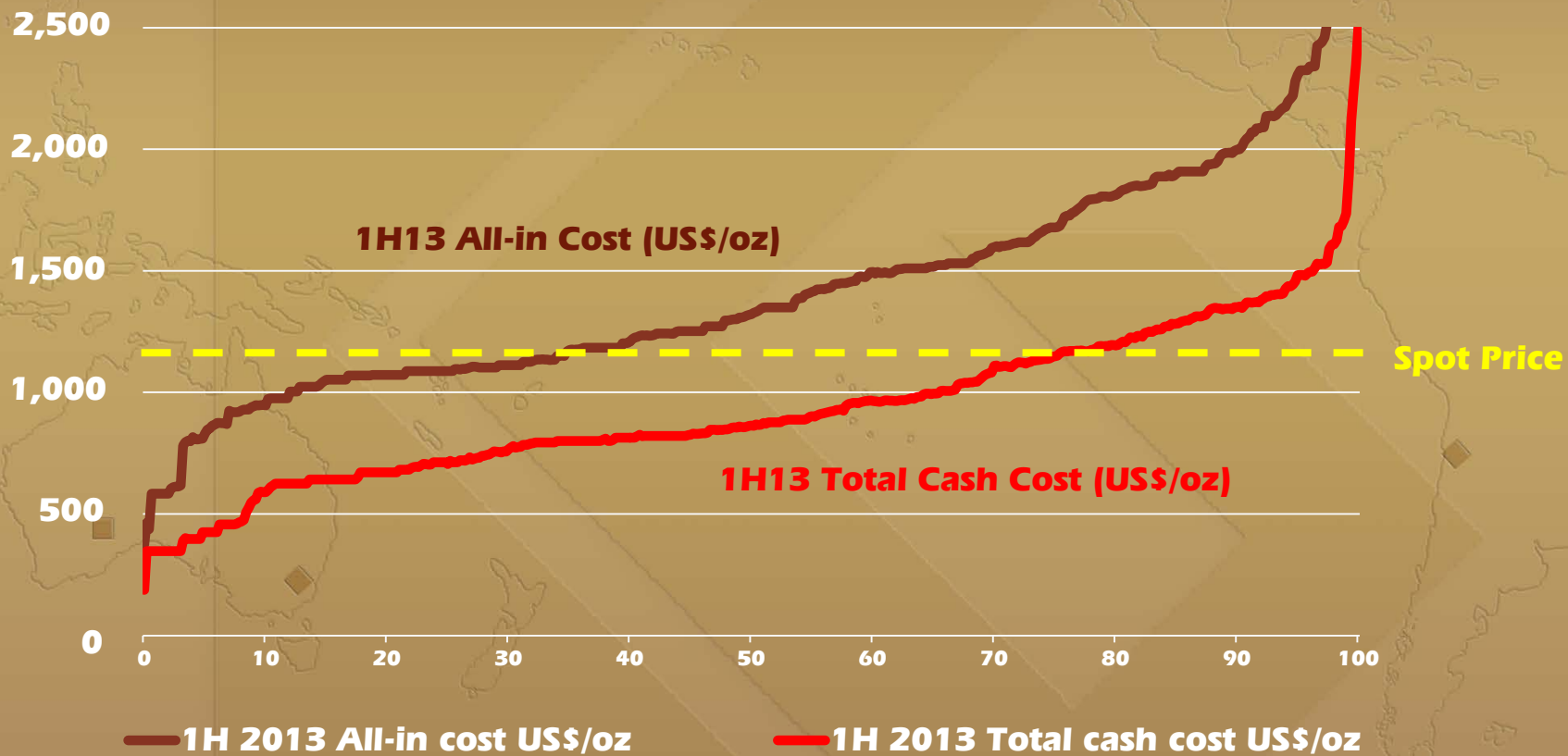


■ Investment demand shifts from paper (ETF's) to physical gold.

■ New mine supply remains constrained.

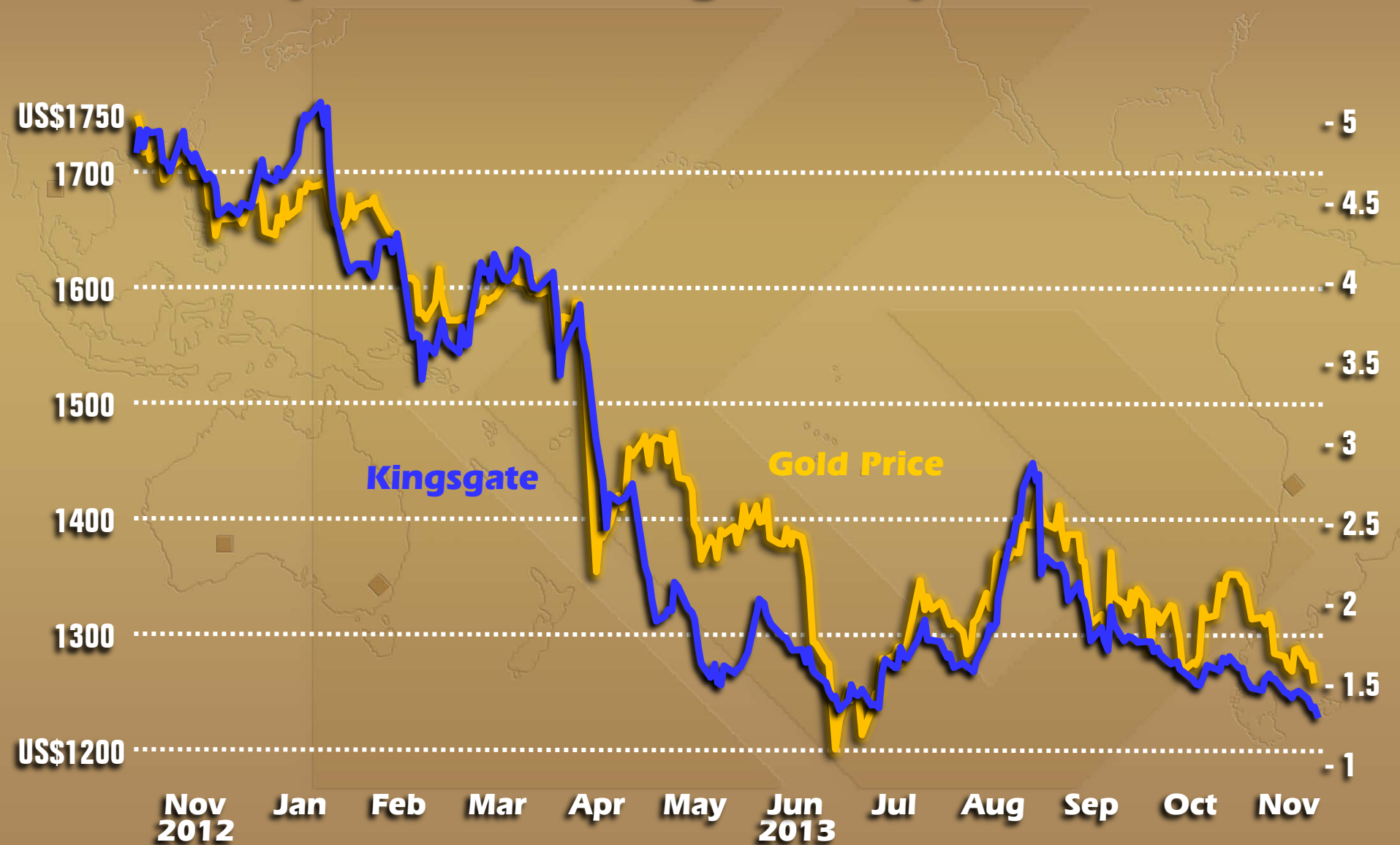
Gold Industry Cash Costs

Margins are under serious pressure



Kingsgate vs Gold Price

Gold price drives large % of performance



Get Down and Get Dirty!

Kingsgate is adapting to the weak operating environment with a sustainable business strategy

- **Cutting overhead and operating costs**

- **Improving operating efficiencies**

- **Capital programs are being halted or deferred**

- **Reducing exploration programs**

- **Increasing cut-off grades and modifying mine plans**

- **Exploring potential partners for development projects and potential rationalisation of the asset base**



Kingsgate Today

Geographic and operational diversity

- **Two operating gold mines with growth potential**
 - **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 Kingsgate's operations across four regions: Thailand (Chatree Gold Mine), South Australia (Challenger Gold Mine), New South Wales (Bowdens Silver Project), and Chile (Nueva Esperanza Silver/gold Project). The map includes latitude and longitude lines, a 5000 Kilometre scale bar, and labels for major cities like Beijing, Tokyo, Bangkok, Adelaide, Sydney, Santiago, and Buenos Aires. The Pacific Ocean and Coral Sea are also labeled.

Chatree
Gold Mine

Challenger
Gold Mine

Bowdens
Silver Project

Nueva Esperanza
Silver/gold Project

Chatree – World Class Deposit

Asian showcase gold mine



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**

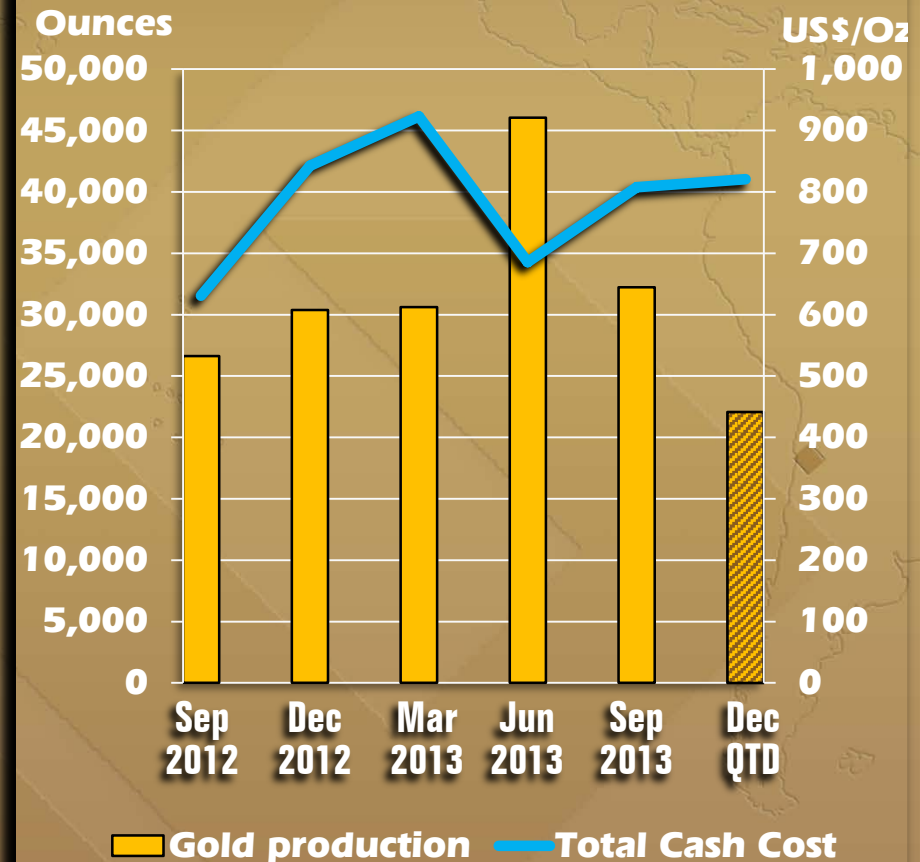


Chatree

Focus remains on production and costs

- **Sept Qtr production 32,241 oz**
- **1,593Kt @ 0.79g/t & 80.1%**
(1,553Kt @ 1.01g/t & 84.1%)
- **Total cash costs US\$807**
(incl. US\$123/oz royalty)
- **Unit cost cutting initiatives delivering results**
 - Revised grade control
 - Improved blast patterns
 - New pit designs
- **December quarter to date**
 - Gold production 22,075oz
 - Total cash costs below US\$850/oz, incl. royalty (preliminary)

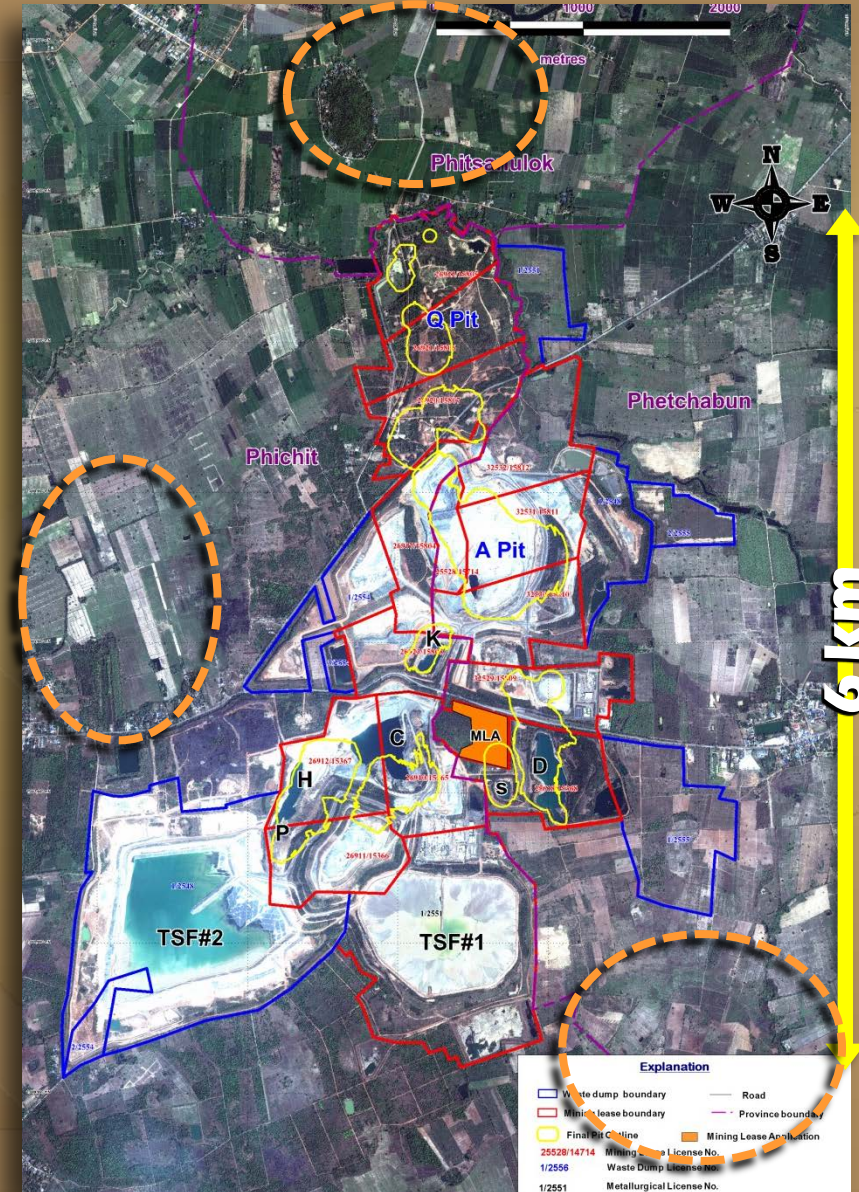
Chatree Quarterly Gold Production and Costs



Chatree - Upside

Upside within current mining leases

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



Chatree Gold Mine – video



Akara Resources Thai IPO

IPO of Akara Resources on Thai stock exchange

- **Advisors appointed and IPO documents lodged with Thai authorities**
- **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 return to shareholders**



Challenger by Name

Challenging by nature



Challenger Gold Mine

Adapting to lower metal price conditions

- **Strategic restructure following gold price uncertainty**
- **New mine plan implemented**
- **Focused on the higher grade Challenger West orebody**
- **New mining contract and contractor:**
 - **Byrnes cut commenced on 1 August**
 - **Higher head grade 4.67g/t vs 3.47g/t**
 - **Lower costs with monthly costs ~30% lower than average monthly costs in FY2013.**
 - **Improved productivity**
- **Expected annual gold production rate of 70,000 to 80,000 ounces**

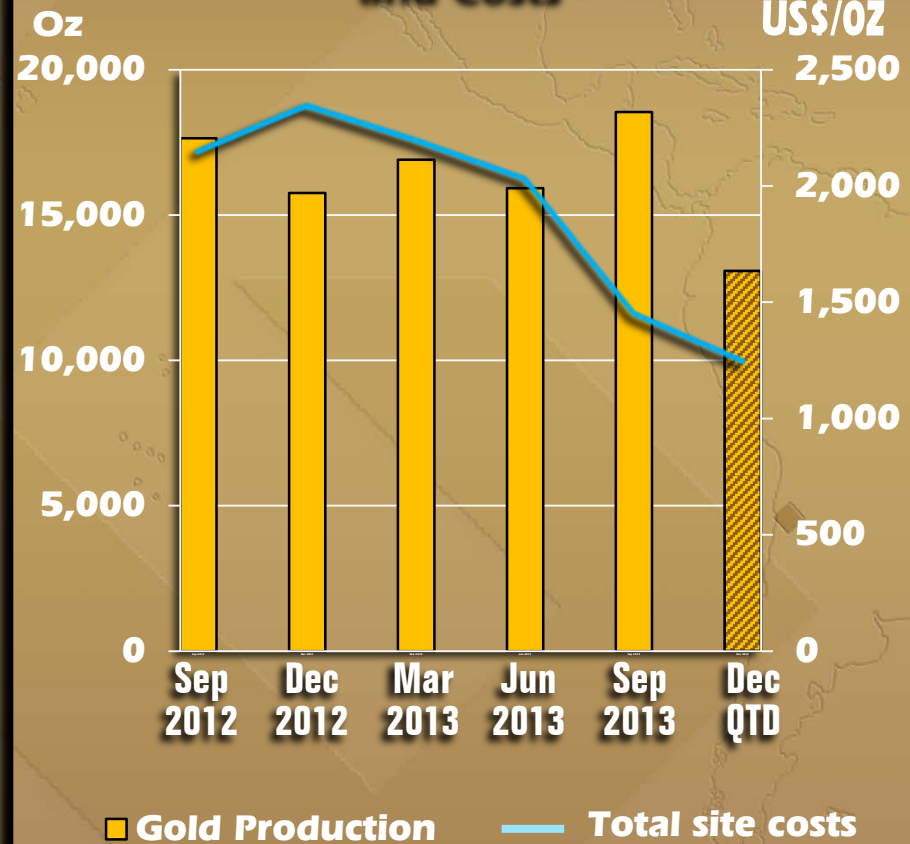


Challenger

Production and costs continue to improve

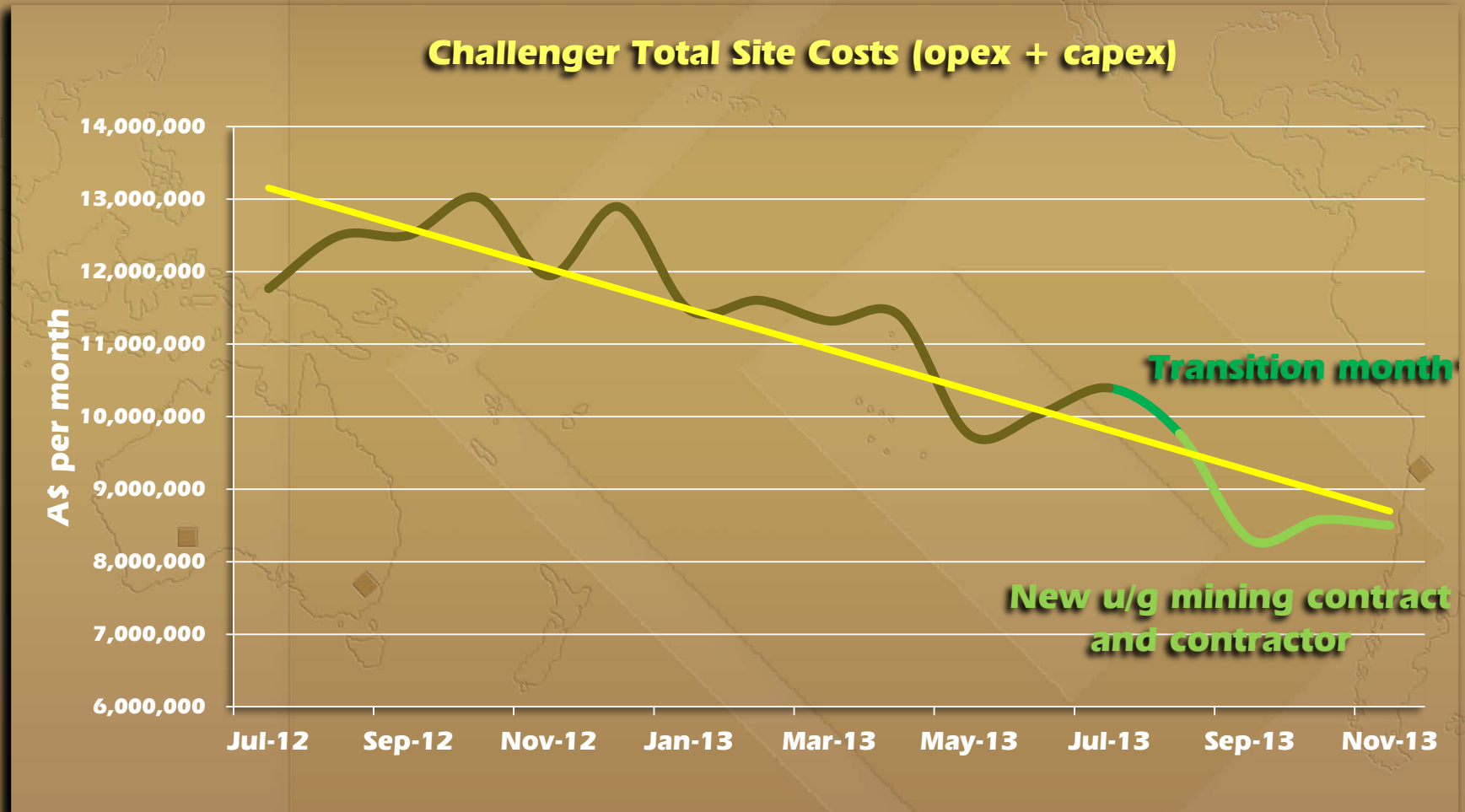
- **Sept Qtr production 18,545oz**
 - Highest production since June Qtr 2012
- **129Kt @ 4.67g/t & 95.5%**
(156Kt @ 3.47g/t & 94.4%)
 - Higher grade with transition to Challenger west
- **Total cash costs US\$ 1,454**
(incl.US\$51/oz royalty)
 - Costs include mine development expenditure
 - Costs down 28% on June Qtr
- **Lower costs continue into December Quarter, to date**
 - Total production of 13,073oz
 - Total site costs below US\$ 1,275/oz (preliminary)

Challenger Gold Production and Costs



Challenger Total Site Costs

Significant cost improvement - achieving results



* Excludes A\$1.4M in changeover costs

Nueva Esperanza

Advanced silver/gold project in Chile



Chimberos open pit



Nueva Esperanza

Highly prospective growth project



- Consolidated epithermal silver/gold deposits in Maricunga belt in Chile
- 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

Panorama of Prospects



Nueva Esperanza

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
Estimated start-up capital cost	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, eliminating a 45km power line**
- **Overland conveyor to leach pads (4.7km)**
- **Merrill Crowe circuit to recover silver/gold doré**
- **Proceeding to final feasibility and design stage**



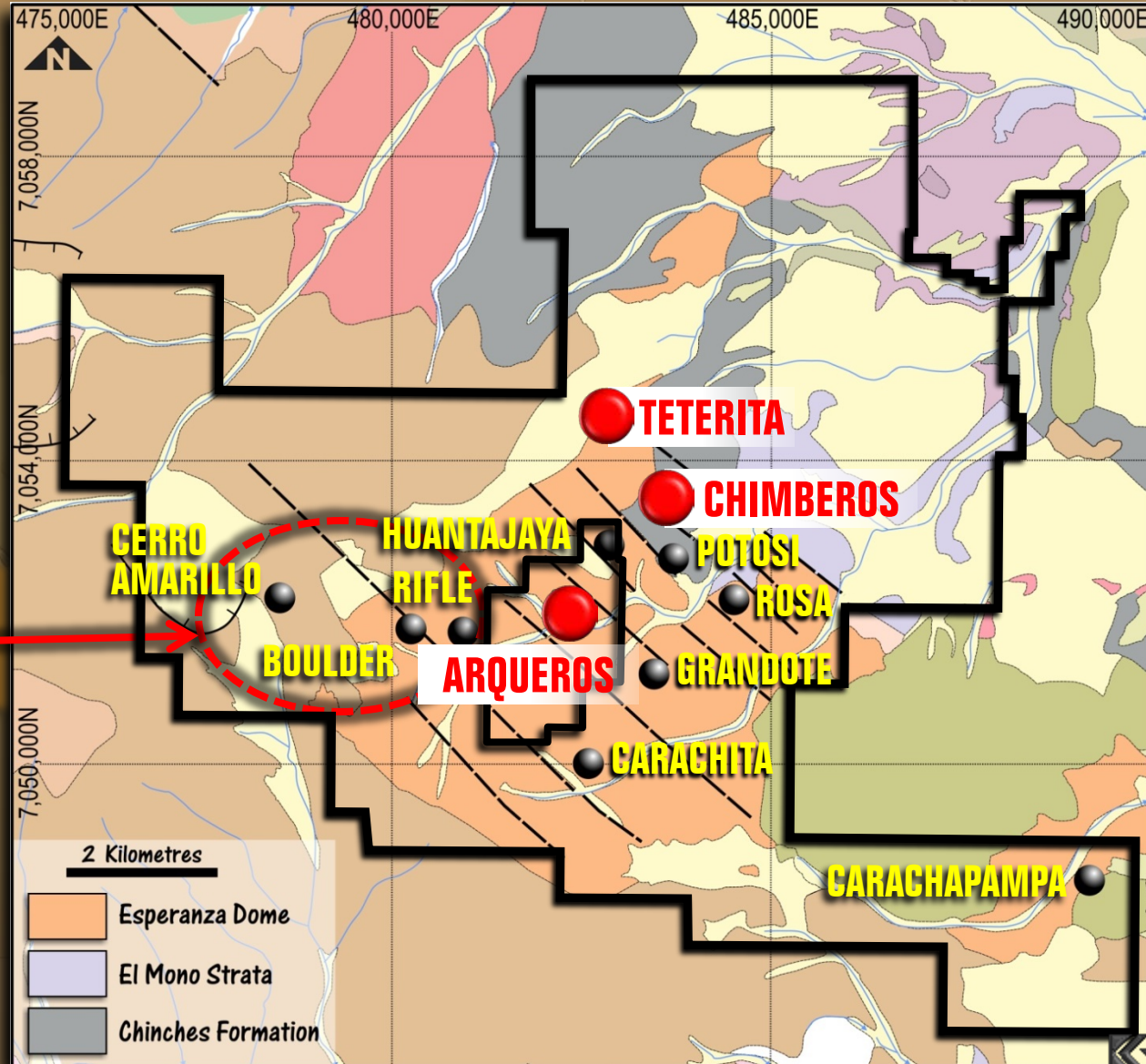
Nueva Esperanza

Highly prospective regional exploration upside

Three established resources

Multiple highly prospective targets

High grade intercepts from historic drilling



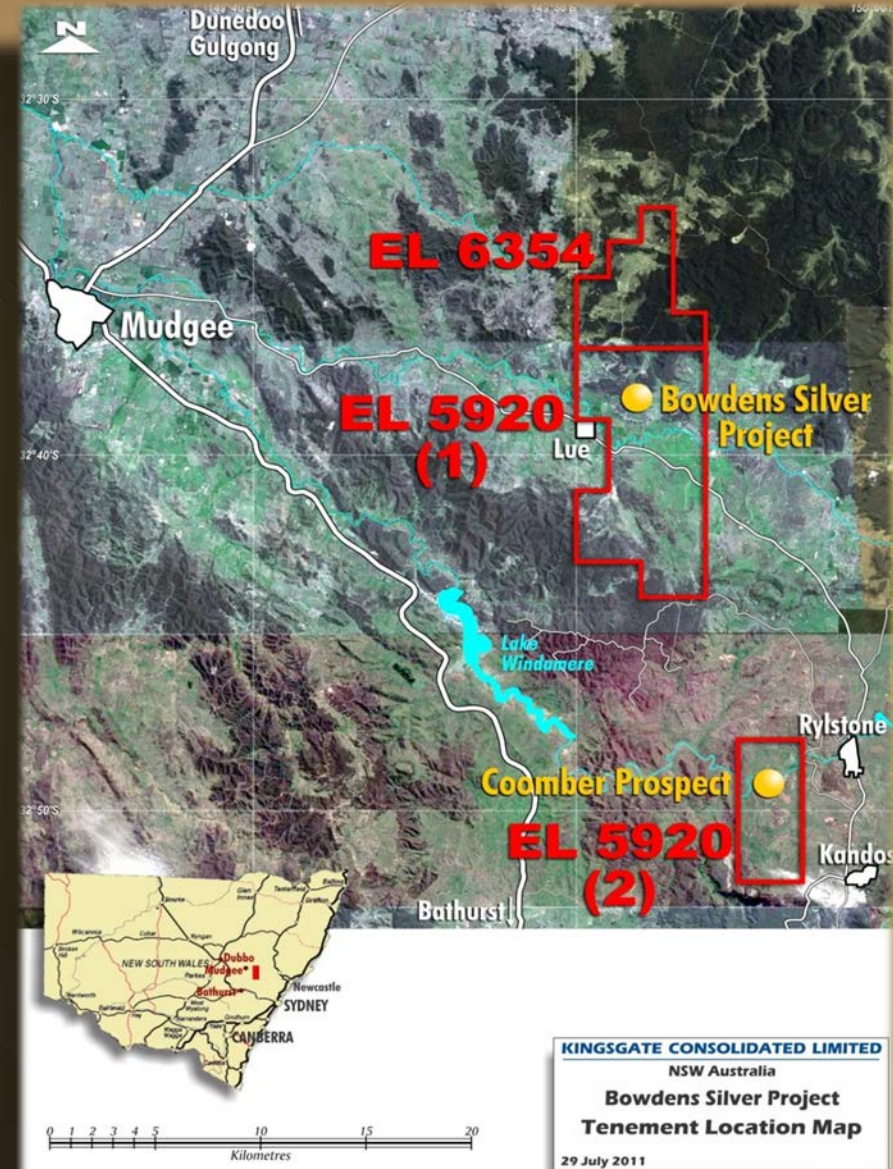
Bowdens Silver Project

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 in progress**

Environmental Impact Statement

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



Kingsgate Adapting to Markets

Focussed on re-building profitability



Solid Production Platform

Gold production: 200,000 ounce FY13



Strong Resource Base

Grown to over 10 million ounces gold equivalent (AuEq)



Project Pipeline – Sequential Developments

Feasibility studies for Nueva Esperanza and Bowdens advancing



Adapting to Volatile Metal Markets

Mine plan flexibility at operations with cost control and cost cutting



Positive Operational Outlook

Gold production of 190,000 to 210,000 ounces in FY2014



Kingsgate Consolidated Limited



Listed: ASX

Code: KCN

Shares: 152 Million

Market Cap: ~A\$150M

www.kingsgate.com.au



Appendix

General Disclaimer:

The information contained in this presentation is for informational purposes only and does not constitute an offer to issue, or arrange to issue securities or other financial products. The information contained in this presentation is not investment or financial product advice and has been prepared without taking into account the investment objectives, financial situation or particular needs of any person. To the maximum extent permitted by law, none of Kingsgate Consolidated Limited, its directors, employees or agents, nor any other person accepts any liability including without limitation any liability arising out of fault or negligence for any loss caused from the use of the information contained in this presentation. No representation or warranty, express or implied, is given as to the accuracy, completeness or correctness, likelihood of achievement or reasonableness of any forecasts or other forward looking statements.

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.



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



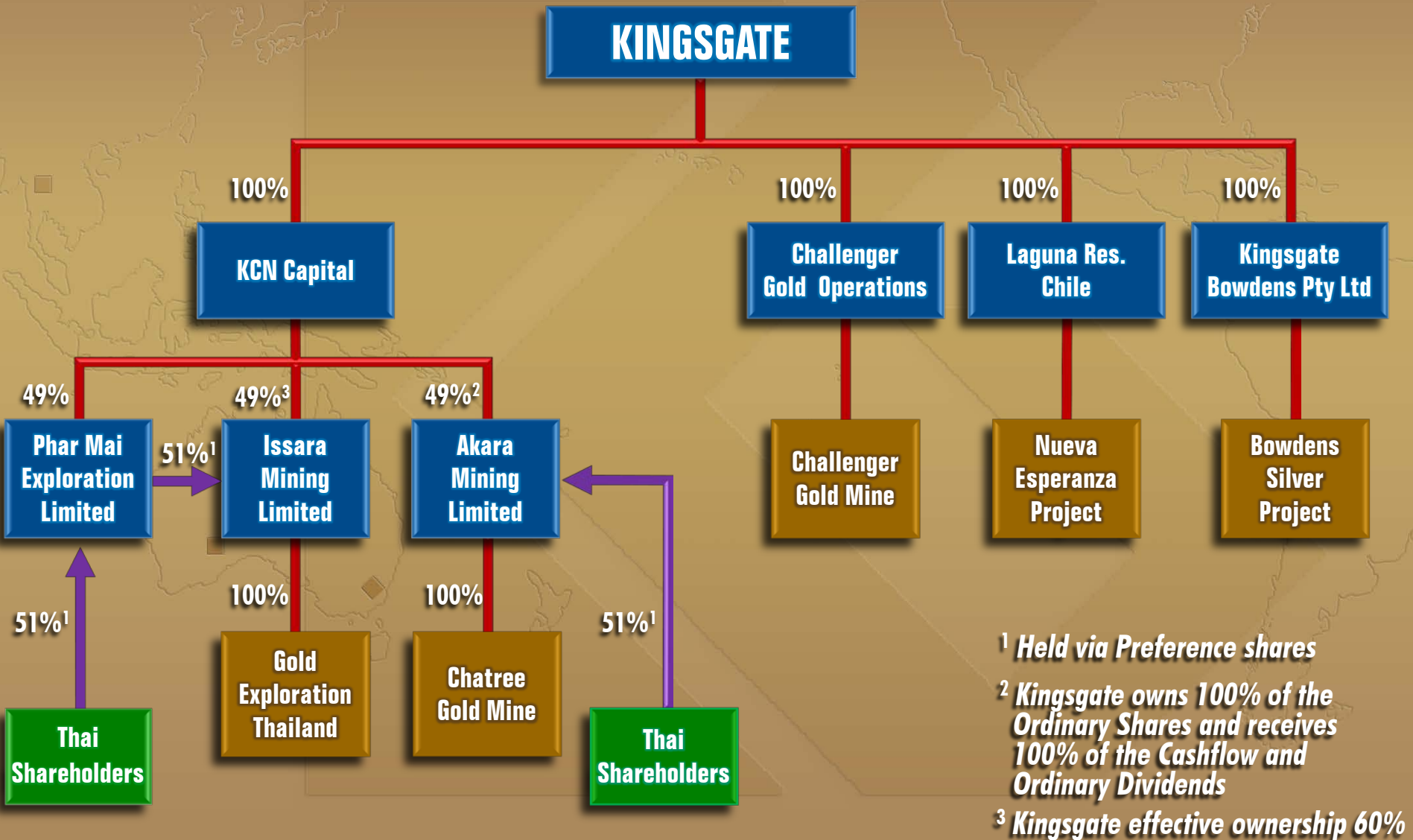
Zero Accident Award
2010



Prime Minister's Award
2010

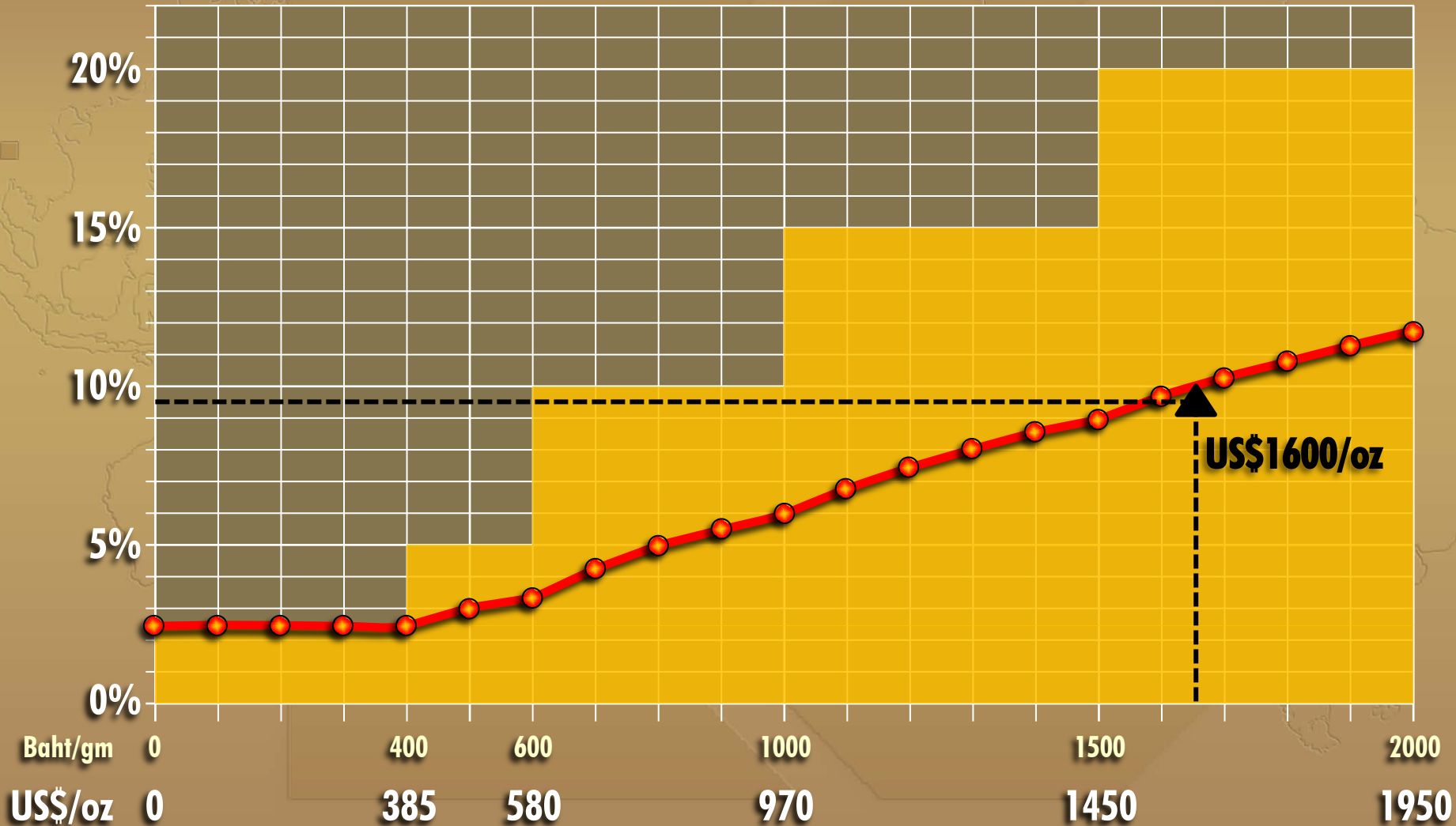


Corporate Structure



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: $AgEq (g/t) = Ag (g/t) + Au(g/t) \times EQa$. Gold Equivalent: $AuEq (g/t) = Au (g/t) + Ag (g/t)/EQa$; $EQa = (price\ gold * recovery\ gold) / (price\ silver * recovery\ silver)$. 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: $AgEq (g/t) = Ag (g/t) + 27.5 \times Pb (\%) + 22.8 \times Zn (\%)$. 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: $AuEq (g/t) = 45 (gold\ price / silver\ price)$. Calculated from prices of US\$1200/oz Au, US\$26.33/oz Ag. #4. Chatree gold equivalent: $AuEq/t = Au (g/t) + Ag (g/t) / EQa$. 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.

