



Kingsgate

Consolidated Limited

ABN 42 000 837 472

18 September 2023

**Via ASX Online
(10 Pages)**

FOR PUBLIC RELEASE

Manager
Company Announcements Office
Australian Securities Exchange

Mining Operations and New Near-Surface Grade Control Drilling Update

Kingsgate Consolidated Limited (ASX:KCN) (“Kingsgate or the Company”) is pleased to advise mining operations at the Chatree Gold Mine will recommence in mid October 2023.

In preparation for mining, the Company is conducting grade control drilling campaigns to identify high grade zones that could boost processing plant production. These campaigns are ongoing and supported by the addition of five new drill rigs arriving next month. When not required for grade control drilling, these drill rigs will be deployed for Chatree’s aggressive exploration programs.

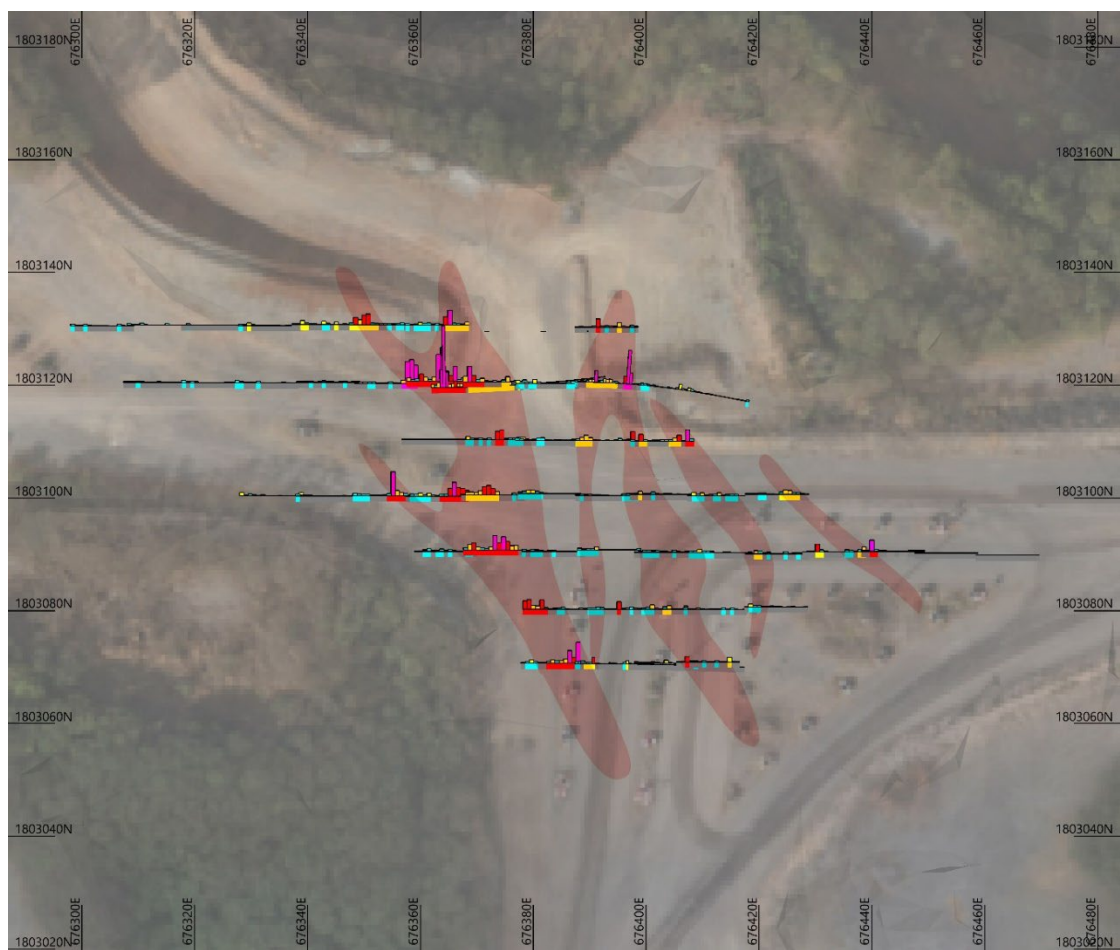
Initial grade control drilling in the southern end of A Pit returned near-surface gold and silver intercepts in an area not previously known to host economic mineralisation. Grade control delineated 91,400 tonnes at 0.74 g/t Au and 6.52 g/t Ag for approximately 2,000 ounces of gold and 19,000 ounces of silver not included in the current Ore Reserves.

Significant grade control intercepts include:

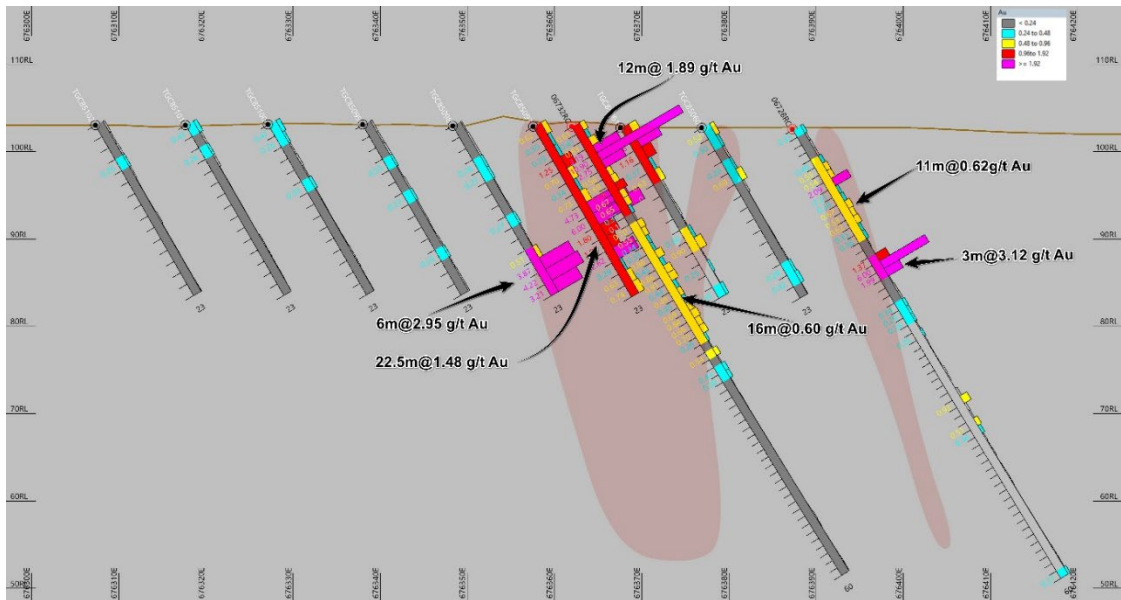
- 06728RC on section 1803120N: 11m @ 0.62g/t Au and 3m @ 3.12g/t Au
- 06732RC on section 1803120N: 12m @ 1.90g/t Au and 16m @ 0.60g/t Au
- TGC85098 on section 1803120N: 6m @ 2.95g/t Au
- TGC85097 on section 1803120N: 22.5m @ 1.48g/t Au
- TGC85080 on section 1803100N: 7.5m @ 1.29 g/t Au
- TGC85079 on section 1803100N: 10.5m @ 1.23 g/t Au
- TGC85074 on section 1803070N: 13.5m @ 1.14 g/t Au
- TGC85073 on section 1803080N: 9m @ 1.07 g/t Au
- TGC85076 on section 1803090N: 19.5m @ 1.05 g/t Au
- TGC85078 on section 1803100N: 12m @ 0.91g/t Au



Location of the grade control drilling



Drill results and mineralisation distribution on the southern end of A Pit



Grade control drill results on section 1803120N showing new, near-surface ore zone

Kingsgate’s Managing Director and CEO, Jamie Gibson said, “We are delighted to announce mining will recommence in mid October. This is an impressive milestone, particularly as the Chatree Gold Mine only reopened six months ago in March this year. The initial grade control drilling results are promising and we’re looking forward to expanding this program over the coming weeks to boost our production profile.”

*Correction to ASX:KCN release titled ‘Chatree Gold Mine Overhaul Update’, dated 13 September 2023, page 1, total litres pumped to date was incorrectly stated as 3 million litres, however the correct figure is 30 million litres.

Jamie Gibson
Managing Director and CEO
KINGSGATE CONSOLIDATED LIMITED

Forward Looking Statement

These materials include forward looking statements. Forward looking statements inherently involve subjective judgement and analysis and are subject to significant uncertainties, risks and contingencies, many of which are outside of the control of, and 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 and 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.

Competent Persons Statement

The information in this report that relates to the Akara Resources grade control results is based on information compiled by Ron James, who is a consultant geologist to the Kingsgate Group. Ron James is a member of The Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists as a Competent Person. Mr James has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration, and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Mineral Resources and Ore Reserves." Mr James has consented to the public reporting of these statements and the inclusion of the material in the form and context in which it appears.

Akara Resources – 18 September 2023 Grade Control Drilling Results

JORC Code 2012 Edition – Table 1

SECTION 1: Sampling Techniques and Data

Criteria	Commentary
<p>Sampling techniques</p>	<ul style="list-style-type: none"> • Grade control drilling results and sampling was completed by industry standard techniques and was guided by the Kingsgate Group protocols including industry standard QAQC procedures. • For RC drilling, one metre samples were collected from the cyclone then riffle split to create two representative samples of 3 to 4kg, one for the laboratory for assaying and the other for retention as a reference sample. Wet samples were left to naturally dry prior to riffle splitting. Sieved chip samples were geologically logged. • All samples were transported to the Chatree Mine laboratory for assaying by company personnel. • At the laboratory, all samples were dried, crushed and pulverised to 85% passing 75 microns, with a 50g charge analysed for gold by fire assay and silver by aqua regia. • Standard samples, duplicate samples and blank samples were inserted into the assay batches at a frequency of at least 1 in every 25 samples. Sample batches submitted for assay have generally 100 to 150 samples with a maximum of 250 samples per batch. • The QAQC results confirmed the reliability of sampling and assaying with sufficient confidence for the estimates. Close agreement between resource model estimates and mill reconciled production for mining to date provided additional confidence in the reliability of the resource sampling and assaying.
<p>Drilling techniques</p>	<ul style="list-style-type: none"> • All RC drilling used face sampling bits, with diameters of generally 5.25 inch to 5.5 inches (127 to 133mm) with sub-samples collected by riffle splitting. • Grade control drilling, and resource definition drilling, has been conducted with drill spacings of 10x10 meters and 25x25 meters, covering a total distance of 1,330 meters. It involved the drilling of 78 holes for grade control and 5 holes for RC along section 1803070N to 1803130N. The program is still ongoing, with a priority to complete the haul road intersection area and ramp access to the A Pit. Grade control drilling will become more detailed, with 5x5 meter spacing once specific ore zones are identified.
<p>Drill sample recovery</p>	<ul style="list-style-type: none"> • Drilling contracts and geological supervision of the drillers require the operators to do their best to provide good quality, high recovery, and uncontaminated samples.

Criteria	Commentary
	<ul style="list-style-type: none"> • RC drilling used face-sampling bits and rigs of generally sufficient air capacity, including booster compressors where required to provide dry, high recovery samples. • RC sample recovery was calculated by comparing total recovered sample weights with expected weights derived from bit diameters and the densities used for resource modelling. Overall, RC sample recovery averaged around 80% with some lower sample recoveries associated with soft and less competent rock such as soil, shear zones or broken rock. • Most RC samples were dry, with 73% of samples having moisture records logged completely dry and 20% as wet. • The potential for preferential loss/gain of fine/coarse material was low. Test sieving and analyses of RC samples showed no notable average difference in gold grades between coarse and fine fractions.
Logging	<ul style="list-style-type: none"> • The exploration RC drilling was logged with appropriate detail to support reporting of exploration results. • All exploration holes are geologically logged by industry standard techniques, including qualitative logging of geology, mineralisation, alteration, structure, sample recovery, and sample quality. The logging uses a paper-based system with standardised codes and is transferred into the database after validation in MicroMine, Access, and a proprietary import tool constructed by H&S Consultants. • Logging is checked for consistency between adjacent holes providing a cross check of logging variations between geologists, and with time. Any logging revisions are recorded in field sheets and updated in the database. Most geologists responsible for recording geological data have been working at Chatree and nearby regional exploration prospects for more than five years providing consistency in logging. • RC chips were stored on site in a chip library.
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> • All sample collection and bagging is supervised by company geologists. • For RC drilling the full sample from each metre is collected from the cyclone and riffle split to produce two representative samples of 3 to 4kg; one sample is sent to the laboratory for assaying and the other kept as a reference sample or used as a duplicate with duplicates collected every 20th sample. Wet samples are dried prior to riffle splitting. • Standard samples, duplicated samples (RC) and blank samples were inserted to the assay samples batch at least 1 in every 25 samples. Each sample batch submitted for assay has generally 100 to 150 samples with a maximum of 250 samples per batch.

Criteria	Commentary
	<p>All samples were transported to the Chatree Mine laboratory by company personnel.</p> <ul style="list-style-type: none"> The on-site laboratory was certified by ISO with a 17025 rating. At the laboratory, samples were dried at 120oC for a minimum of 8 hours then the entire sample was jaw crushed to a nominal 2-4mm. A 1-1.5kg split was taken and pulverised in a 2000cc Lab technics B2000 pulveriser. In addition to routine replicate assays of pulps, duplicate “re-split” samples of jaw-crushed material were taken at approximately every 10th sample. OREAS standards were used as internal laboratory standards. The sub-sample sizes, sub-sample methods and sample preparation techniques were appropriate for the style of mineralisation.
<p>Quality of assay data and laboratory tests</p>	<ul style="list-style-type: none"> Assaying for gold and silver for exploration results was carried out by the Chatree Gold Mine on-site laboratory. Gold assaying was by fire-assay (25 and 50g samples) with AAS finish. All assays of greater than 6.0g/t gold were repeated using a gravimetric finish. Silver was assayed using an aqua regia digestion with AAS finish. The on-site laboratory at the Chatree Mine site was certified by ISO with a 17025 rating. The analytical technique was a total representation of the interval sampled. Substantial focus was given to ensure sampling procedures met industry best practice ensuring acceptable levels of accuracy and precision for the resource sampling and assaying. An appropriate sampling protocol was designed and implemented specifying sample collection and sample preparation and assaying at the laboratory. Laboratory sample preparation was routinely checked using grinding tests and sieve analysis. All assay batches included blind reference standards, blank samples, and field duplicates (RC), in addition to internal laboratory checks. These results were routinely evaluated to determine if results were within predefined tolerances. Inter-laboratory checks were done on a periodic basis and the results were analysed statistically. Each set of 50 samples routinely contained three control samples (47 primary samples, 1 standard, 1 duplicate, 1 blank) with QAQC samples representing 6% of assaying. In 2014, the QAQC protocol was modified as part of Kingsgate’s continuous improvement strategy. For the revised protocol each set of 22 samples contained the three control samples (19 primary samples, 1 standard, 1 duplicate, 1 blank) with QAQC samples representing 15% of assaying.

Criteria	Commentary
	<ul style="list-style-type: none"> • Submitted standards results were analysed on a batch-by-batch basis and monthly. Most standards show average accuracy of within 5% of expected value with no consistent positive or negative bias. In cases where initial standard assays fell outside the acceptable range, the entire batch was re-assayed. • Duplicate assays show acceptable correlation with primary samples with no apparent bias. • The quality control measures had established that the assaying was of appropriate precision and accuracy for the estimates. Close agreement between resource model estimates and mill reconciled production for mining to date provided additional confidence in the reliability of the resource sampling and assaying.
Verification of sampling and assaying	<ul style="list-style-type: none"> • Significant intersections will be verified by alternate company personnel and external consultants. • Significant intersections will be re-assayed by different techniques (including Leachwell, Fire assay) to confirm their accuracy. • The Kingsgate Group had formal data validation procedures with data being validated as close to the source as possible to ensure reliability and accuracy. Inconsistencies identified in the validation procedures were re-checked and changes were made to the database once the problem was identified. • Independent checking for internal consistency within and between tables in the resource database extract by MPR showed no significant discrepancies. • Close agreement between resource model estimates and mill reconciled production for mining to date provided additional confidence in the validity of the resource database.
Location of data points	<ul style="list-style-type: none"> • All drill hole collars were surveyed using a DGPS by the exploration survey team. • The location of the sample points and topographic surface had been established with sufficient accuracy for reporting of exploration results.
Sample security	<ul style="list-style-type: none"> • RC samples were delivered directly to the assay laboratory by company staff at the completion of each drill hole. If samples were left on site overnight, they were considered secure, because there was a guard at drill sites at night-time when there was no drilling operation. After collection and bagging diamond core samples were delivered directly to the assay laboratory by company staff.

SECTION 2: Reporting of Grade Control Drilling Results

Criteria	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> • Chatree Gold Mine is located in central Thailand approximately 280km north of Bangkok and 35km southeast of Phichit Province. • Akara Resources includes the recently re-granted 16 Mining Leases and 8 Waste Dump Leases covering a total of 11.85 km². • Exploration was undertaken within the 32 remaining Special Prospecting Licences (“SPL”) in the Phetchabun Province of central Thailand, all of which are in good standing.
Work done by other parties	<ul style="list-style-type: none"> • All grade control drilling was undertaken by Akara Resources of the parent Kingsgate Group.
Geology	<ul style="list-style-type: none"> • The regional geology is dominated by a volcano-sedimentary sequence that interfingers laterally with terrigenous sediments. The depositional environment is interpreted to have consisted of a series of andesitic and rhyolitic stratovolcanoes situated in a shallow marine environment adjacent to a continental margin. • The Chatree Gold Mine is an unusual low sulphidation epithermal gold–silver deposit located in the Loei – Phetchabun volcanic belt in central Thailand. The deposit spans 2.5 by 7.5km and consists of 8 vein zones, five of which were mined by open pit methods. • The Chatree low sulphidation epithermal gold–silver deposit occurred as veins, stockworks and minor breccias hosted by volcanic and volcanogenic sedimentary facies. The main gold–silver mineralisation was characterised by colloform–crustiform banded quartz ± carbonate ± chlorite ± adularia–sulphide–electrum veins. Gold mainly occurs as electrum, both as free grains associated with quartz, carbonate minerals and chlorite, and as inclusions in sulphides, mostly pyrite. • Oxidisation and broad stratigraphic types control the gross distribution of gold and silver mineralisation with specific geological units providing preferred mineralisation hosts.
Drill hole information	<ul style="list-style-type: none"> • Reference to a single RC hole is made in this announcement.
Data aggregation methods	<ul style="list-style-type: none"> • The RC holes were generally sampled over one metre down-hole intervals, with assay grades at one-meter intervals.
Diagrams	<ul style="list-style-type: none"> • Relevant diagrams are included in the body of this announcement.

Criteria	Commentary
Other substantive exploration data	<ul style="list-style-type: none"> <li data-bbox="480 262 1417 403">• Airborne geophysical surveys were conducted at Chatree in 2004. Ground geophysical surveys comprising resistivity and chargeability continued until mine closure in 2016 and results of this inhouse work were used in this announcement.
Future work	<ul style="list-style-type: none"> <li data-bbox="480 421 1417 595">• Exploration and grade control work comprising RC, and RAB drilling, is ongoing during 2023 as well as other exploration tools including mapping, soil sampling and rock chip sampling. Diamond drilling will be also considered in selected high priority targets to further verify geological factors.