Kingsgate
Consolidated Limited

ABN 42 000 837 472

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Manager
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Diamond Drilling Confirms Significant Gold and Silver Mineralisation 20km South of Chatree Gold Mine, Thailand

Kingsgate Consolidated Limited (ASX:KCN) ("Kingsgate" or "the Company") is pleased update Akara Resources' ("Akara") positive early exploration progress at the Chang Puek prospect approximately 20km south of the Chatree Gold Mine ("Chatree").

Following previous excellent Reverse Circulation (RC) gold intercepts (ASX:KCN release titled, "Significant Gold Exploration Results in Thailand", dated 24 November 2023) at Chang Puek, Diamond Drilling (DD) has provided important information regarding the geology, orientation and continuity of a significant gold and silver mineralised system.

The first and only DD hole to date, 7726DD was collared a substantial 60m northwest of the previously reported 7728RC on section 2075N, which returned significant gold and silver intercepts, including 20m at 3.87g/t gold (see Figures 1 and 2 below).

Hole 7726DD confirmed that the significant mineralised system is dipping to the east and that gold mineralisation is associated with phyllic altered rhyolitic breccia and hydrothermal breccia with 2-10% quartz-sulphide veins and 1-7% disseminated pyrite (see also core photographs in Figure 3). This gold and silver mineralisation is of a similar nature to the epithermal ore at Chatree, 20km to the north.

To date there has been limited follow-up drilling along strike at this early stage of exploration and further drilling is proposed to test the extent of the system.

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Significant gold and silver intercepts in this first DD hole include:

7726DD: **2.35m@0.49 g/t Au** from 19 to 21.35m

12m@0.41 g/t Au from 31 to 43m and

33m@1.08 g/t Au from 49 to 82m including **2m@4.76 g/t Au** from 70 to 72m with **17m@33.12 g/t Ag** from 65m to 82m

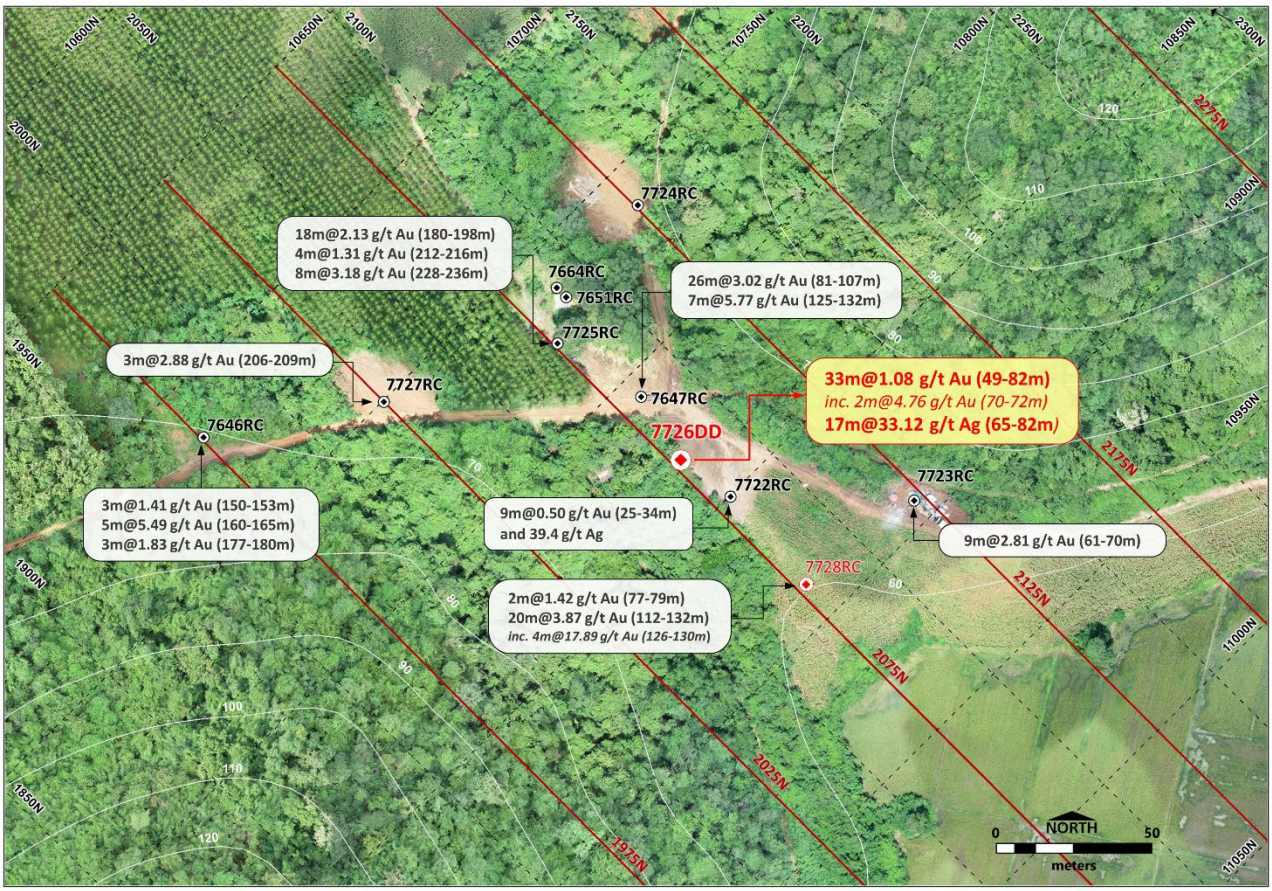

Figure 1: Drill hole locations and assay highlights in the central Chang Puek prospect (section 2075N, 2125N and 2025N). Note: RC holes have "RC" and the current DD hole has "DD" after the hole number.

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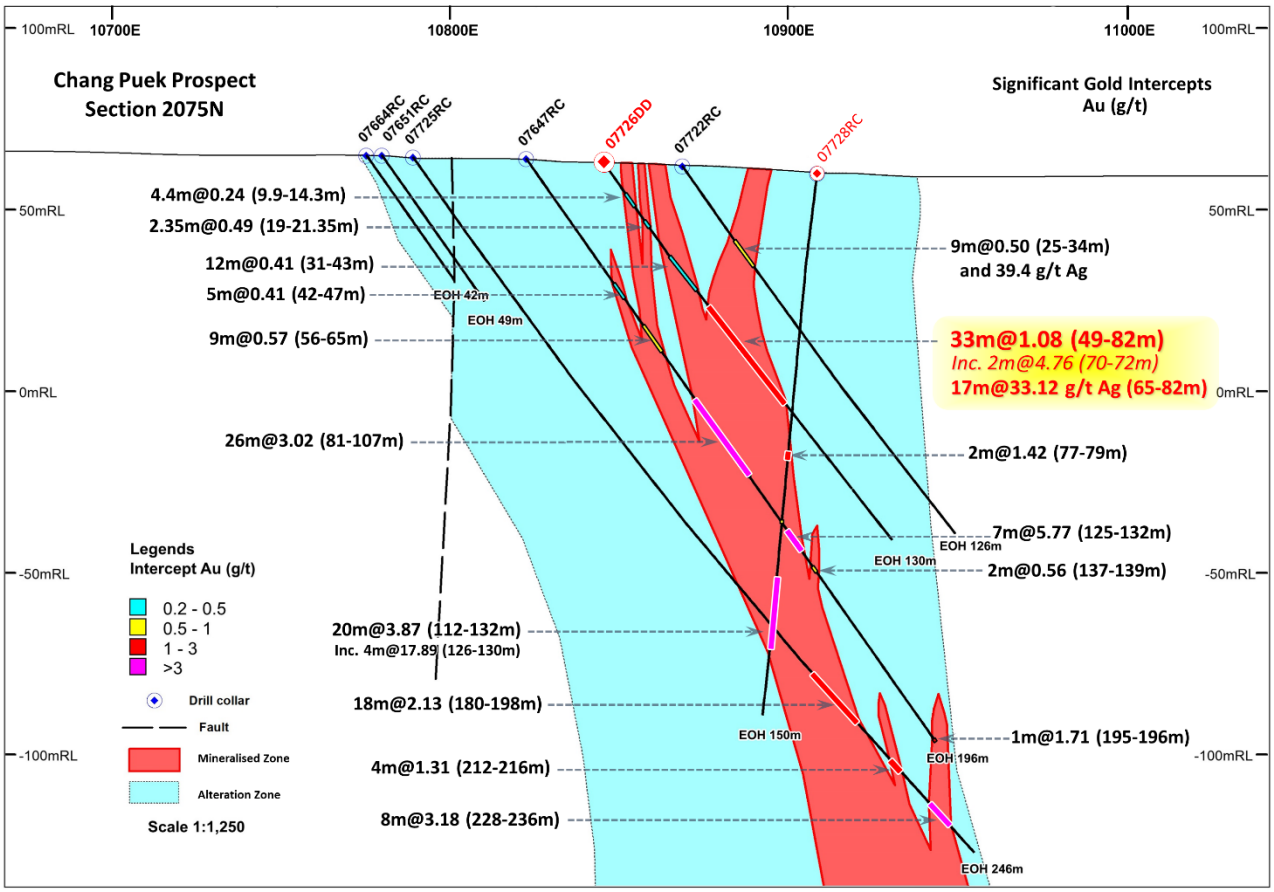

Figure 2: Cross section line 2075N, showing significant gold intercepts.

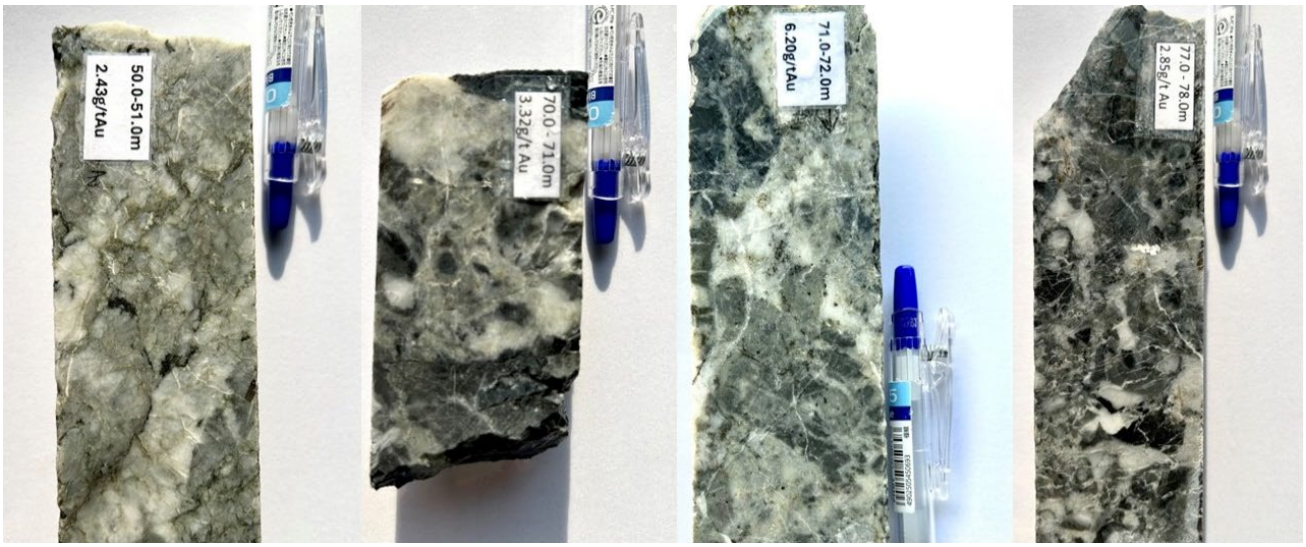

Figure 3: Silicified hydrothermal breccia in 7726DD, assayed up to 6.20 g/t Au and 124 ppm Ag.

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Competent Persons Statement

The information in this report that relates to the Akara Resources exploration 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.

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Akara Resources Ltd. Thailand – 19 December 2023 Exploration Results

JORC Code 2012 Edition – Table 1

Section 1: Sampling Techniques and Data

Criteria	Commentary
Sampling techniques	• Exploration 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.
Drilling techniques	• 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. • Air Core (RAB) holes were generally drilled by high-pressure air and dual walled rods to penetrate the ground and return the sample to the surface through the inner tube and then through a sampling system. The bit size generally 3 inch to 3.5 inches (76.2 to 88.9 mm). • Diamond drilling is often used as tails on RC drill holes for geological purposes or drilling beyond the capacity of the RC drill rig. For diamond drilling of tails extending RC holes drilling is generally NQ double tube. When coring was from surface, drilling was by HQ triple tube (The bit size generally 3.78 inches or 96.1mm) until competent rock was reached. A change was then made to NQ double tube (The bit size generally 2.98 inches or 75.6mm) when competent rock was reached.
Drill sample recovery	• Drilling contracts and geological supervision of the drillers require the operators to do their best to provide good quality, high recovery, and uncontaminated samples. • 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	• 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 standardized 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.

Criteria	Commentary
	• RC chips were stored on site in a chip library.
Sub-sampling techniques and sample preparation	• All sample collection and bagging is supervised by company geologists. • For RC drilling the full sample from each meter 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. All samples were transported to the Chatree Mine laboratory by company personnel. • The on-site laboratory was certified by ISO with a 17025 rating. • At the laboratory, samples were dried at 120^{o}C 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.
Quality of assay data and laboratory tests	• 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. • 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	• 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	• 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.

Criteria	Commentary
Sample security	• 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 Exploration Results

Criteria	Commentary
Mineral tenement and land tenure status	• Chatree Gold Mine is located in central Thailand approximately 280km north of Bangkok and 35km south east of Phichit Province. • Akara Resources includes the recently re-granted 14 Mining Leases, 3 Mining Lease Applications and 6 Waste Dump Leases and 1 Metallurgical License covering a total of 11.64 km². • Exploration was undertaken within the 17 remaining Special Prospecting Licences ("SPL") in the Phetchabun Province of central Thailand, all of which are in good standing.
Exploration done by other parties	• All exploration drilling was undertaken by Akara Resources of the parent Kingsgate Group.
Geology	• For the main part, the Phetchabun SPLs in central Thailand are hosted by Late Permian to Early Triassic volcaniclastic and volcanogenic sedimentary rocks. • 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	• Reference to a single RC, DD and RAB hole is made in this announcement.
Data aggregation methods	• The RC holes were generally sampled over one metre down-hole intervals, with assay grades at one-meter intervals. • Report of intercept of drilling results following criteria as below: - Minimum gold assay = 0.20 g/t Au - Minimum length = 2.00 m - Minimum gold gram-meter = 1.0 Au g*m - Include internal waste intervals with maximum consecutive length = 2.00 meters - In case of few intercepts of high-grade gold (>= 5.0 g/t Au) minimum length has been allowed 1.0 meters. • Intercept length and gold average grade are calculated by following equations.

Criteria	Commentary
Diagrams	• Relevant diagrams are included in the body of this announcement.
Other substantive exploration data	• 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	• Exploration 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.