



Kingsgate

Consolidated Limited

ABN 42 000 837 472

22 February 2016

**Via ASX Online
(1 page)**

FOR PUBLIC RELEASE

Manager
Company Announcements Office
Australian Securities Exchange

Challenger Gold Mine Sale Agreement Completed

Experienced Pacific Rim gold producer, Kingsgate Consolidated Limited (ASX:KCN) is pleased to announce that the Sale Agreement to sell its 100% owned Challenger Gold Mine in South Australia to a 50/50 Joint Venture between Diversified Minerals Pty Ltd (a 100% owned associate of the PYBAR Group) and WPG Resources Limited has been completed.

The Agreement allows for a management hand over to take place on 15 March 2016.

This is a modest extension to the previously announced hand over date of the end of February 2016, and will allow for an orderly completion of all site activities by Kingsgate, and a smooth transition to the new owners.

Kingsgate Chief Executive Officer, Mr Greg Foulis said *"The sale of Challenger is a strategic step and allows Kingsgate to focus on core assets, namely the Chatree Operation in Thailand and the Nueva Esperanza Project in Chile."*

Kingsgate maintains previous guidance for Challenger with attributable production of approximately 10,000 ounces of gold for the March 2016 quarter.

**Greg Foulis
Chief Executive Officer
Kingsgate Consolidated Limited**

For further information, please contact:
Greg Foulis, Ph: +61 2 8256 4800

For investor relations enquiries, please contact:
Jamie Gibson,
General Manager Corporate and External Relations
Ph: +61 2 8256 4800 or jgibson@kingsgate.com.au