



# Kingsgate

Consolidated Limited

ABN 42 000 837 472

30 September 2016

**Via ASX Online  
(1 page)**

**FOR PUBLIC RELEASE**

Manager  
Company Announcements Office  
Australian Securities Exchange

## **Update on the Sale of the Bowdens Silver Project**

Kingsgate Consolidated (ASX:KCN) (“Kingsgate” or the “Company”) is pleased to provide an update on the purchase of the remaining 15% of the Bowdens Silver Project by Silver Mines Limited (ASX:SVL).

On 30 June 2016, Kingsgate advised that it had entered into a Deed of Variation with Silver Mines Limited, for an additional payment of A\$5 million in return for the remaining 15% of the Bowdens Silver Project.

By way of an amendment to the Deed of Variation, both Kingsgate and Silver Mines Limited have now agreed to the following terms:

- Kingsgate will receive a non-refundable payment of A\$1 million on 30 September 2016, with the residual amount to be paid on or prior to 30 December 2016;
- the remaining A\$4 million (plus interest of 10% per annum calculated from 30 September 2016 to the date payment is made) of the post completion amount is payable to Kingsgate; and
- should Silver Mines Limited not pay the final balance of A\$4 million by 30 December 2016, the parties will form an unincorporated 85% -15% Joint Venture with Kingsgate retaining 15% as contemplated under the original Agreement.

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