

# **Andash Gold-Copper Project**

## **16 February 2010**

Kentor Gold Limited (ASX: KGL) is an Australian-based company formed in 1988 as a specialist gold explorer. The Company was listed on the Australian Securities Exchange in 2005 and has diversified into exploration and development of gold, geothermal energy and base metals in Central Asia where it has highly regarded, established local management. The Andash Gold-Copper Project (Kentor Gold 80%) is targeted to commence production in late 2011 at an annual rate of 60,000 oz gold and 5,000 tonnes copper in concentrate. At Savoyardy (option to purchase 100%) Kentor Gold plans further intensive exploration to increase an existing high grade gold Resource for future mine development.

### **Issued capital:**

393 million ordinary shares 59.1 million unlisted options

#### **Market Capitalisation**

(16 Feb. 2010): \$57 million

### Contact

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# Progress Report on exploration work to increase Andash Gold-Copper Resource

With development of the Andash gold-copper project targeted to commence this year, Kentor Gold Limited (ASX Code: KGL) (Kentor or the Company) is progressively assessing opportunities to expand the resources through commencing exploration in other prospects which exist on the Andash exploration licence (see Figure 3).

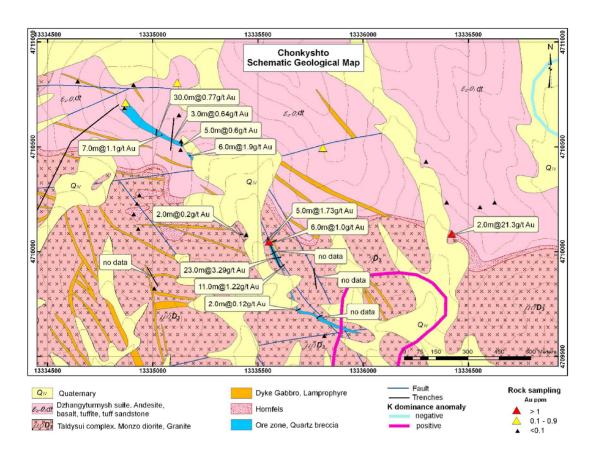
Kentor is undertaking a systematic review of exploration results to date on the area included in the 49 square kilometre Andash Exploration Licence. Results are being compiled and reviewed from reports of various explorers dating from the 1960's to 2008. Of the six known gold and copper-gold prospects on the licence area, in addition to Andash Zone 1 (see Figure 3), results from two of the prospects (Chonkyshto and Jerganak) have now been compiled. Work is in progress on compiling results for the remaining four known prospects (Andash North/Nakhodka, Tokhtonysai, Andash Zone 2, and Andash Zone 3).

### **Chonkyshto Gold Prospect**

Mineralisation at Chonkyshto was discovered by Soviet explorers in 1967, and was further investigated by western companies in recent years. Gold mineralisation is contained in silicified breccias over a strike length of 2.5 kilometres (see Figure 1). The width of the mineralised breccia varies from 2 to 30 metres. Reported assay results include:

- 23m at 3.29g/t Au
- 30m at 0.77g/t Au
- 1.9m at 6.0g/t Au

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. Figure 1: Schematic Geological Map and Historical Exploration Results for Chonkyshto Gold Prospect, Andash Exploration Licence

### **Jerganak Copper-Gold Prospect**

Mineralisation at Jerganak was discovered by Soviet explorers in 1964, and was also further investigated by western companies in recent years. The general structural layout of the mineralisation is defined by two sets of faults striking NNW and ENE. Copper-gold mineralisation is imposed on skarns, and separate mineralisation is found in an Ordovician volcano-sedimentary sequence. Average grades of each of the mineralised bodies recorded at Jerganak are shown in Figure 2 below. Some of the better values include:

- 11.7 metres at 0.27g/t Au and 0.97% Cu
- 25.2 metres at 0.15g/t au and 0.32% Cu
- 19.9 metres at 0.11g/t Au and 0.41% Cu

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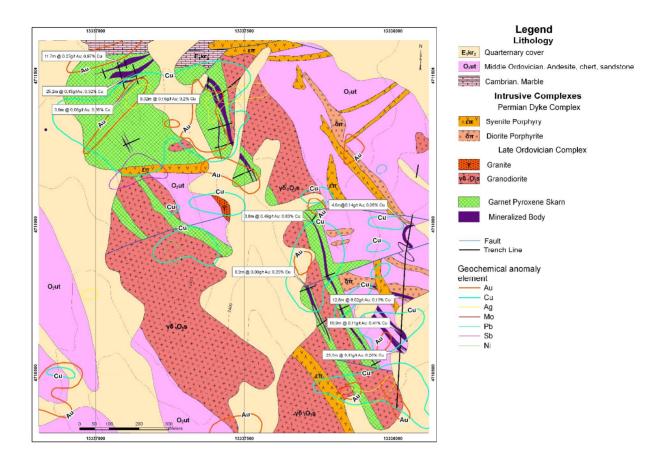


Figure 2: Schematic Geological Map and Historical Exploration Results for Jerganak Copper-Gold Prospect, Andash Exploration Licence

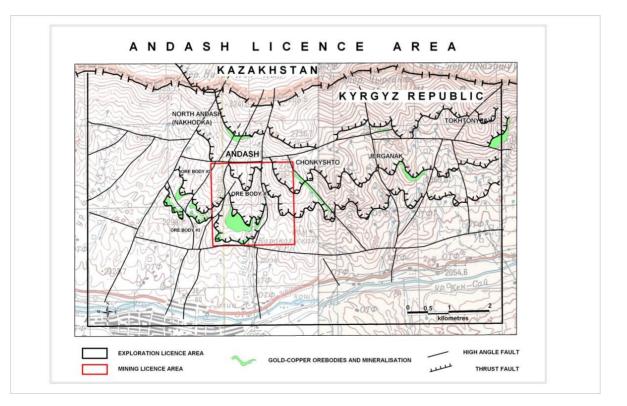


Figure 3: Location of Prospects on Andash Exploration Licence Area

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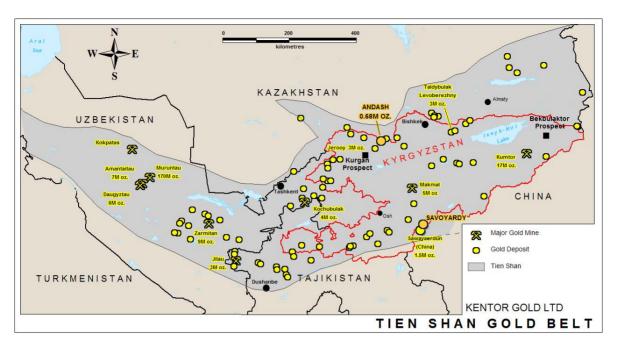


Figure 4: Location of Andash in the Tien Shan gold belt

For further information, visit the Kentor website at <a href="www.kentorgold.com.au">www.kentorgold.com.au</a> or contact:

# **Mr Simon Milroy**

Managing Director

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#### **Competent Persons Statement:**

The exploration results in this report are based on information compiled by Simon Milroy, who is a member of the Australasian Institute of Mining and Metallurgy and a full time employee of Kentor Gold Limited. Mr. Milroy has sufficient experience which is relevant to the style of the mineralisation and the type of deposit under consideration and to the activity to which he is undertaking, to qualify as a Competent Person as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr. Milroy has consented to the inclusion of this information in the form and context in which it appears in this report.

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