



3 November 2010

Kentor Gold Limited (ASX: KGL) is an Australian-based company formed in 1998 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. Kentor Gold owns 80% of the Andash Gold-Copper Project which is under development and is targeted to annually produce 70,000 oz gold and 7,400 tonnes copper in concentrate.

Issued capital:

*577 million ordinary shares
59.6 million unlisted options*

Market Capitalisation

2 November 2010: \$118 million

Contact

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BINDING OPTION AGREEMENT ON AKTASH GOLD-COPPER PROJECT

- **Due diligence completed**
- **Potential to extend mine life and increase production at nearby planned Andash gold-copper mine**

Kentor Gold Limited (**Kentor** or the Company) is pleased to announce that it has completed the due diligence on the Aktash Gold-Copper Project and signed a binding option agreement with Turan Metals LLC, the vendor of the Aktash project.

The option gives Kentor the exclusive right to acquire the Aktash project after completing a drilling program of 1,500 m. The Aktash deposit is located just 8km from the proposed processing plant site of the Andash Gold-Copper Project that Kentor is currently moving towards full-scale development.

Hellmann and Schofield have established an Exploration Target* for the Aktash deposit under JORC guidelines of 2 to 5 million tonnes of ore grading 2 to 3.5 g/t gold, 0.3 to 0.7% copper and 8 to 12 g/t silver.

*The potential quantity and grade is conceptual in nature and there has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource.

Managing Director Simon Milroy said:

“The option agreement over Aktash comes hard on the heels of establishing an Exploration Target at Andash Zone 2 and Andash Zone 3 only one kilometre from the proposed initial open pit at Andash Zone 1 (ASX announcement 21 October 2010).

“This means that we are even more confident of improving the economics of the Andash project by adding to the mine life and potentially increasing production.”



Aktash Gold-Copper Project

Aktash is located 10km east of the Andash Zone 1 deposit and 8km from the planned Andash concentrator. It sits close to the watershed of the Kyrgyzstan Range adjacent to the border with Kazakhstan at an elevation of 2,800m. Most of the distance from Aktash to the planned Andash processing plant site is along an existing road in the valley of the Karakol River.

The grade of gold and copper at Aktash is considerably higher than at Andash. The delineation of additional Resources at Aktash will allow blending of the Aktash ore with the Andash ore which is likely to lead to increases in the planned annual production of gold and copper. Further information on the geology and exploration at Aktash is contained in the ASX announcement by Kentor on 21 July 2010 relating to the letter of intent entered into by Kentor with regard to the future acquisition of Aktash during the option period.

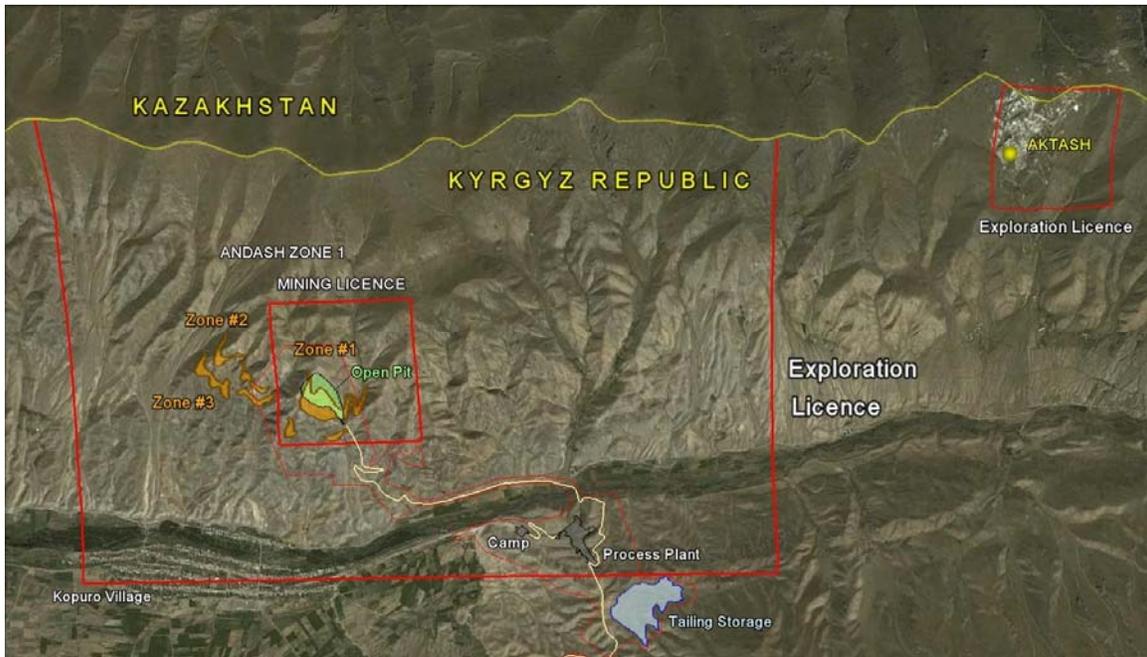


Fig 1: Location of Aktash Deposit in Relation to Andash Zone 1

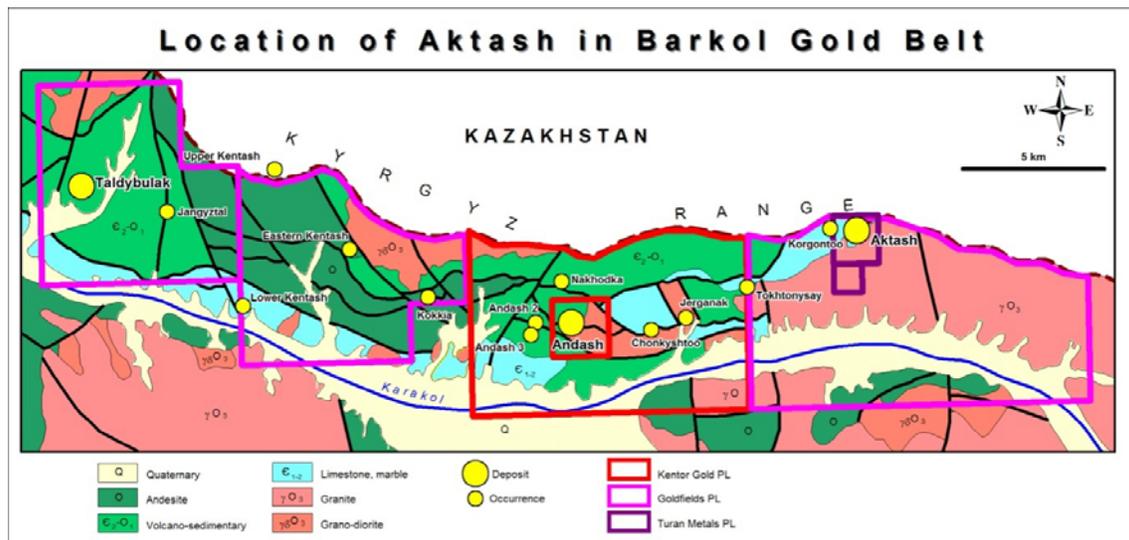


Fig 2: Location of the Aktash Deposit within the Barkol Gold Belt



For further information contact:

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The Exploration Target in this report is based on information compiled by Simon Tear, who is a member of the Australasian Institute of Mining and Metallurgy and a full time employee of Hellman and Schofield. Mr. Tear 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. Tear has consented to the inclusion of this information in the form and context in which it appears in this report.