



Kingsgate Consolidated Limited

**Financial Results for the Year to
30 June 2012**



30 August 2012



Disclaimer

Forward Looking Statements:

These materials include forward looking statements. Forward looking statements inherently involve subjective judgment & analysis & are subject to significant uncertainties, risks & contingencies, many of which are outside of the control of, & may be unknown to, the company.

Actual results and developments may vary materially from that expressed in these materials. The types of uncertainties which are relevant to the company may include, but are not limited to, commodity prices, political uncertainty, changes to the regulatory framework which applies to the business of the company & general economic conditions. Given these uncertainties, readers are cautioned not to place undue reliance on such forward looking statements.

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Some statements in this presentation regarding estimates or future events are forward looking statements. They involve risk and uncertainties that could cause actual results to differ from estimated results. Forward looking statements include estimates of future production, cash and total costs per ounce of production, reserve and mineralized material estimates, capital costs, and other estimates or prediction of future activities. They include statements preceded by words such as “believe,” “estimate,” “expect,” “intend,” “will,” and similar expressions. Actual results could differ materially depending on such things as political events, labour relations, currency fluctuations and other general economic conditions, market prices for Dominion Mining Limited and/or Kingsgate Consolidated Limited products, timing of permits and other government approvals and requirements, changes in operating conditions, lower than expected ore grades, unexpected ground and mining conditions, availability and cost of materials and equipment, and risks generally inherent in the ownership and operation of mining properties and investment in foreign countries.



Record Financial Year

- **Record Net profit before tax, up 413% to \$91M**
- **Record Net profit after tax, up 255% to \$75M**
- **Record EBITDA of \$168m, an increase of 129%**
- **Strong EPS of 52.5cps, an increase of 181%**
- **Final dividend of 10cps, unfranked (Total 20cps for the year)**
- **Record gold sales volume up 78% to 204,145oz**
- **Ave gold price received up 20% to \$1,663/oz**



Operating Highlights

- Record Group gold production 208,760oz up 85% on FY2011
- Group Total Cash Costs, US\$720/oz (inc royalties)
(Chatree US\$618/oz Challenger US\$862/oz)
- Chatree North expansion in final stages of optimisation
operating ~6.2Mtpa
- Challenger West exploration delivering results
- Nueva Esperanza feasibility nearing completion
- Bowdens resource drilling expected to increase mineral resource



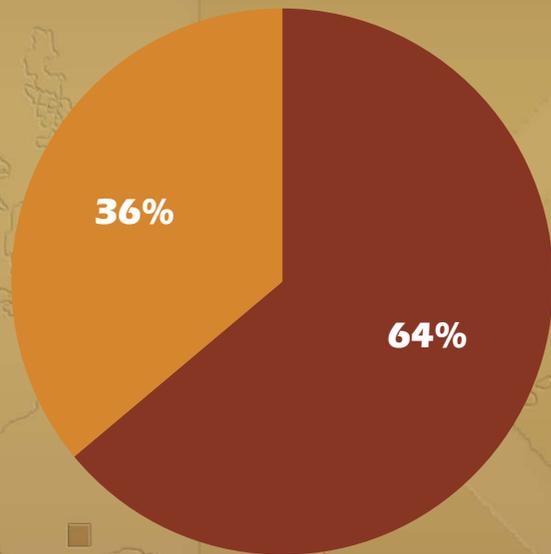
Income Statement

Income Statement	A\$ Million :	FY 2012	FY2011	Change %
Sales revenue		357.3	172.4	+107
Cost of sales		(238.8)	(113.7)	+110
Gross Profit		118.6	58.7	+102
Exploration		(1.9)	(2.4)	(21)
Group admin		(19.3)	(17.8)	+8
Other income / (expenses)		1.6	0.9	+78
Forex		1.3	(15.8)	
Business acquisition costs		(1.0)	(4.8)	(80)
Profit before finance and tax		99.2	18.7	+430
Finance income		1.5	0.8	+97
Finance costs		(9.4)	(1.7)	+453
Profit before tax		91.3	17.8	+413
Income tax benefit/(expense)		(16.3)	(3.1)	+426
Profit after tax		75.0	20.9	+259
D&A		67.6	27.8	+143
Finance costs		9.4	1.7	
Forex		(1.3)	15.8	
Business acquisition costs		1.0	4.8	
Income tax expense / (benefit)		16.3	3.1	
EBITDA (before significant items)		167.9	67.8	+129



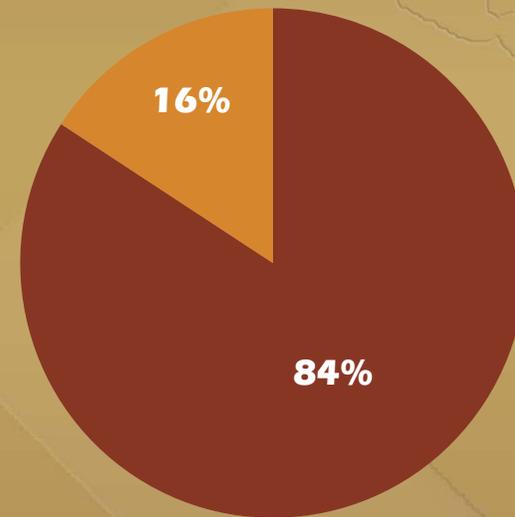
Earnings by Operation

EBITDA



■ Chatree ■ Challenger

PBIT



■ Chatree ■ Challenger



Income Statement

TAX

Effective tax rate 18%.
Chatree plant 2 BOI tax privileges begin post optimisation.

Finance Costs

Finance costs of \$9.4M (2011, \$1.7M) mainly reflect interest expensed on the Akara debt facility.

Royalties

Gold sales up 78% and ave higher gold price.



Key Cashflow Items

Inventory Movements

Lower at \$8.1M (2011, \$23.9M) reflecting value of net stockpile movements.

Deferred Stripping

Decreased to \$7.1M (2011, \$9.4M) reflecting continued mining above the life of mine strip ratio.

Capex

Higher capex reflecting Chatree Plant 2 and TSF #2, and additional development costs at Challenger W and Challenger Deeps.



Chatree Operations

Strong Operational Performance

121,372oz up 59% on prior year.
5,116Kt @ 0.90g/t (2,533Kt @ 1.1g/t)
C North high grade zone completed

Total Cash Costs US\$618/oz

Chatree total cash costs US\$460/oz
(before US\$158/oz royalty).
Higher costs for consumables and royalties.

Chatree Plant Expansion

Thru'put of 6.2Mtpa achieved in optimisation.
Incremental expansion under review.
Plant 2 undergoing final verification by Thai authorities for 2-3 weeks in Sept.



Challenger Operations

Gold Production
87,388oz

644.6Kt @ 4.55g/t (683.9Kt @ 4.70g/t)
Stope availability fell behind due to development shortfall.

Total Cash Costs
US\$862/oz

Total cash costs US\$800/oz
(before US\$62/oz royalty)

Challenger
Development

Challenger West stope (800 level) in-line with expectations.
New shoot identified – Aminus 2.
Main decline advances across 79' Fault.

* 5 months attributable to KCN



Challenger Strategy

Turning around the operation

Understand the issues

Contractor Underperforming

Development shortfall mainly due to poor equipment availability lack of experienced operators.

Implementing change

Site responsible for business unit.

Additional KCN experienced people in mine management and contractor supervision.

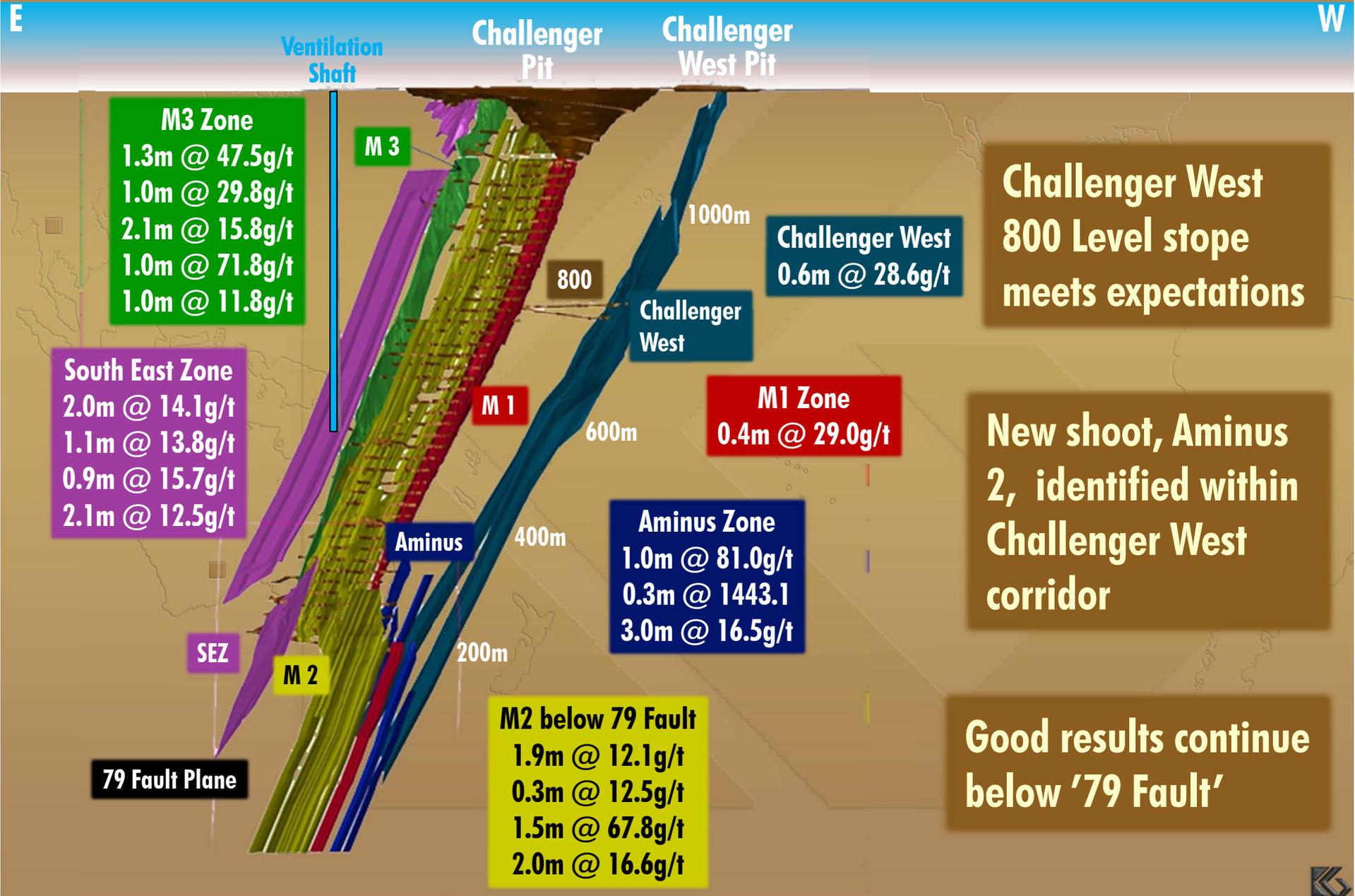
Plan for the future

Establish two new mining fronts at Challenger West and across '79 Fault.

Continue to implement over the next 6 months to set up the mine for the future.



Challenger Exploration Upside



Nueva Esperanza

Resource Evaluation

Teterita metallurgical work underway. Two drillholes completed at Chimberos. Camp reduced for winter .

Feasibility Study

Integrated mine for Arqueros and Teterita completed and under review. Ausenco appointed to take feasibility through to definitive stage.

Environmental Impact Assessment

The EIA process is well advanced and currently within expected timeframe. Required prior to mining lease grant.



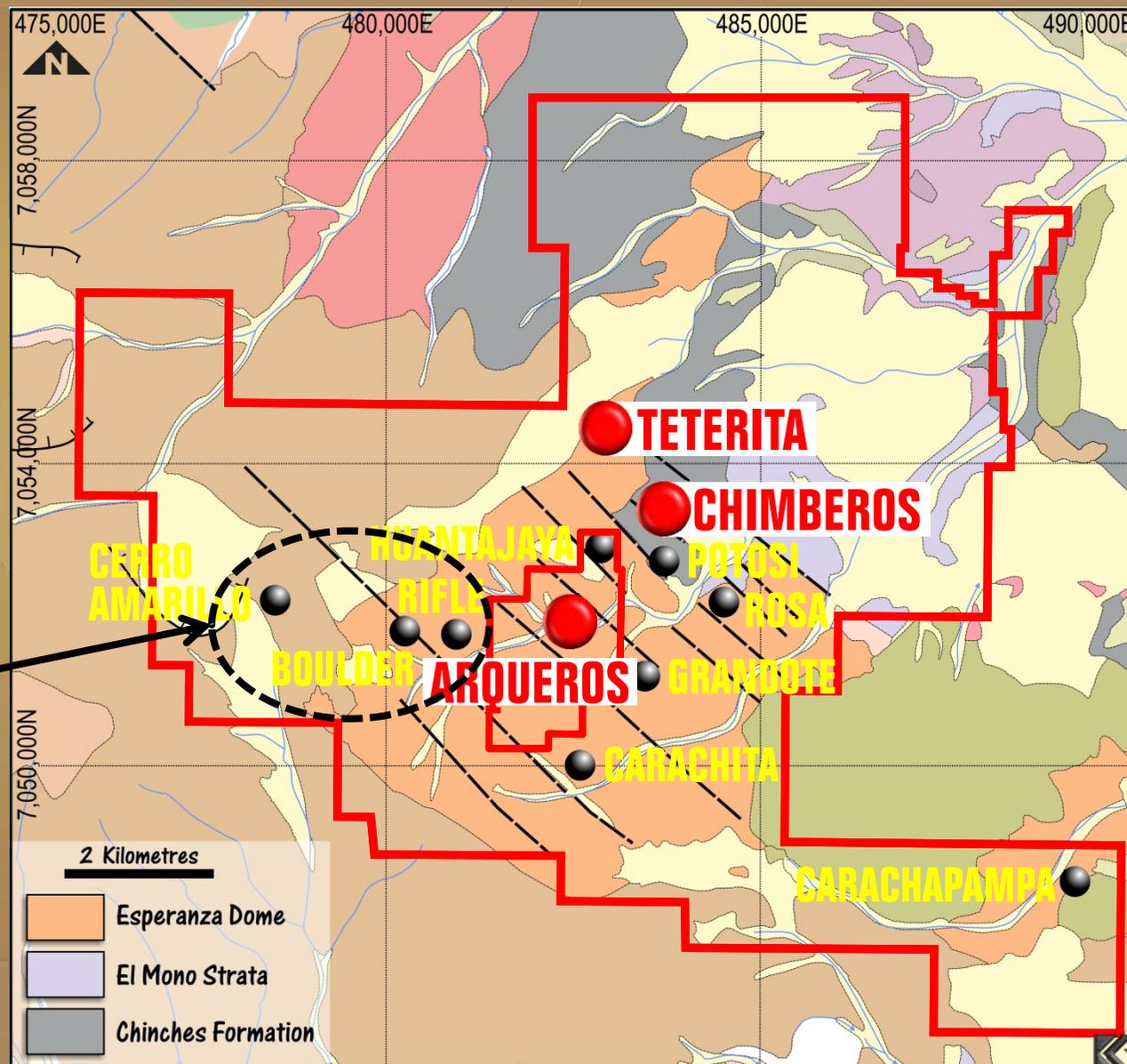
Nueva Esperanza Upside

Highly prospective regional exploration

Three established resources

Multiple highly prospective targets

High grade gold intercepts from historical drilling



Bowdens Silver Project

Drill Program

Resource definition drilling continuing.
Geotech and metallurgical drilling completed.

Feasibility Study

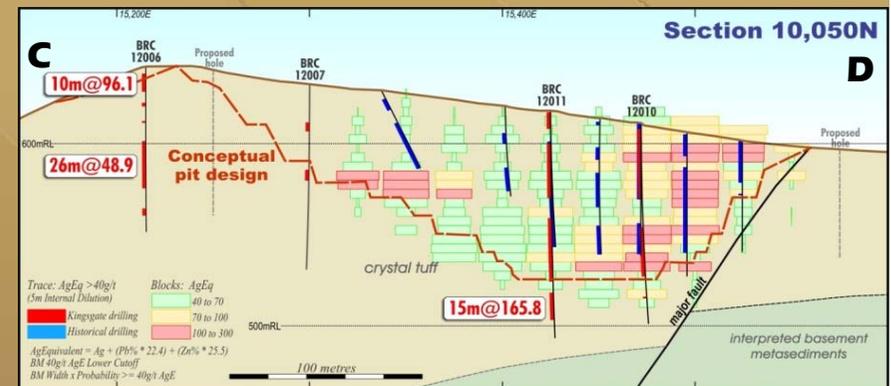
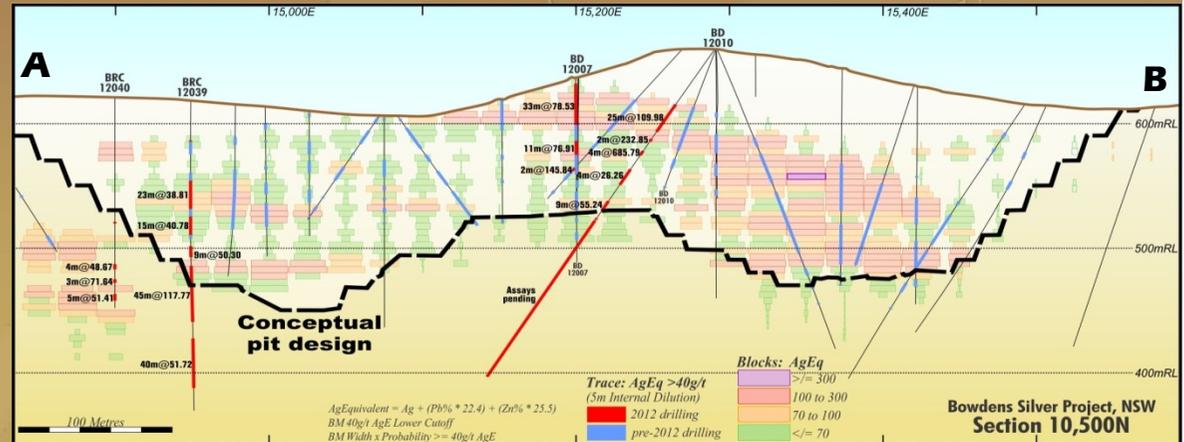
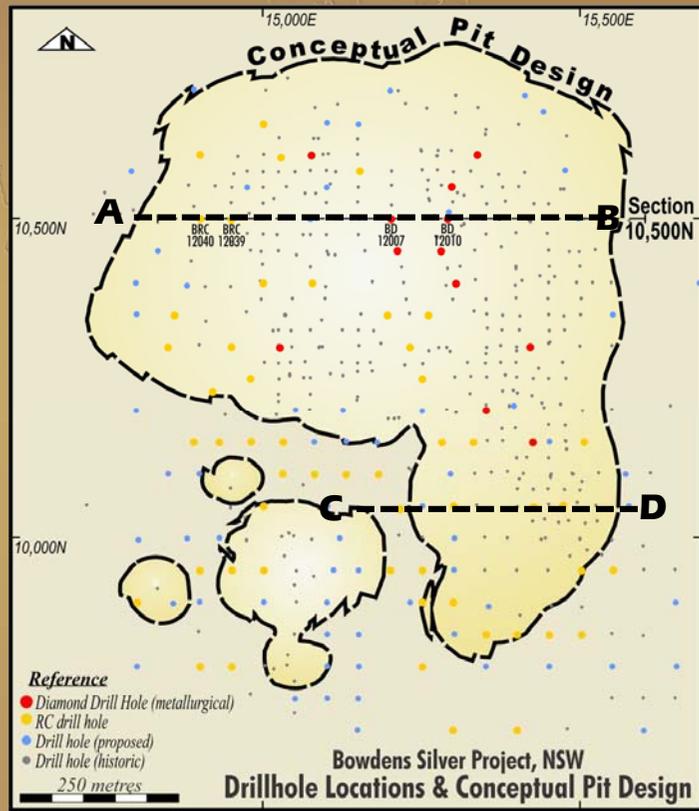
Feasibility study well advanced.
Environmental baseline work continuing.
Data collected will add to previous work.

Geology and Metallurgy

Detailed surface geological mapping completed.
Metallurgical testwork underway.



Bowdens Upside Potential



- Resource drilling continues to intersect mineralisation outside current resource
- Assays include 45m @ 117.8 AgEq and 40m @ 96.1 AgEq



Outlook for FY2013

Gold Production

Group gold production 200,000oz to 220,000oz.
First half year to be weaker than second half year.

Chatree

Chatree gold production 120,000oz to 130,000oz
Higher throughput at lower grade.
Metallurgical licence expected after verification complete.

Challenger

Challenger gold production 80,000oz to 90,000oz
Addressing underground development issues.
Six months to implement change.

Nueva Esperanza

Integrated mine plan received and being reviewed.
Draft technical feasibility to be complete by end Sept.
Development decision in the December quarter.

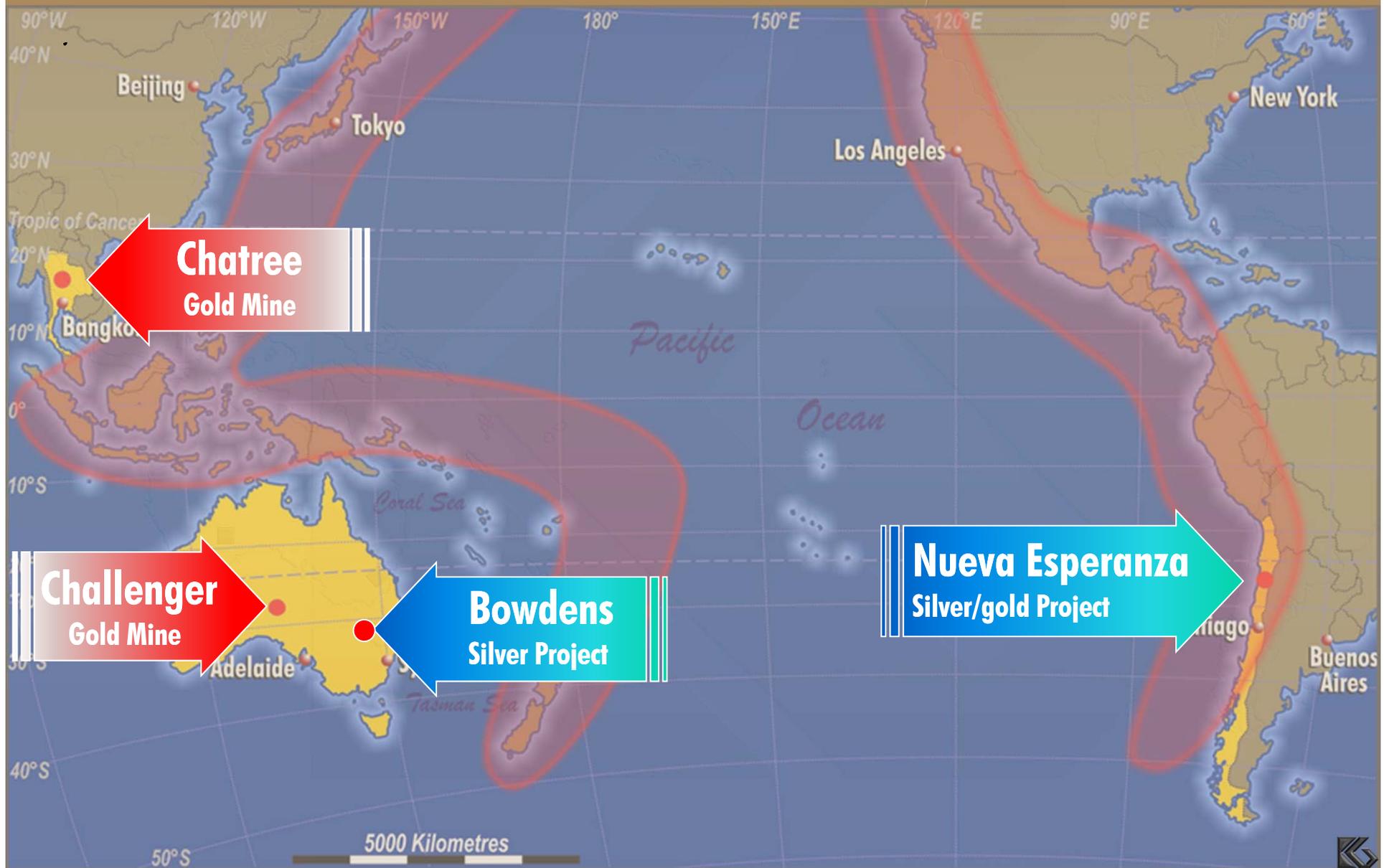
Bowdens

Resource model to be updated after drilling.
Draft feasibility study to be completed during the year.



Delivering on its Growth Strategy

Geographic and operational diversity in Asia/pac



Kingsgate Consolidated Limited



Shares: 151 Million

Market Cap: ~A\$750M

ASX: KCN

www.kingsgate.com.au

