



25 May 2012

Australian-based Kentor Gold Limited (ASX: KGL) is entering the ranks of operating gold mining companies in 2012. The Company is progressing a pipeline of advanced projects in Australia and the Kyrgyz Republic.

*The **Murchison Gold Project** in Western Australia -scheduled to commence high grade gold mining at the Burnakura plant in mid-2012, with the potential to add gold-copper production from the neighbouring Gabanintha deposit.*

*The high grade, very low cost **Andash Gold-Copper Project** in the Kyrgyz Republic – development-ready, awaiting site access and targeting 2013 to commence production at 70,000 oz gold and 7,400 tonnes copper pa for an initial six years, with high potential for expansion.*

*The **Jervois Copper-Silver-Gold Project** in the Northern Territory – targeting 2014 start-up following current studies into developing the high grade copper-silver resource with potential for gold, magnetite and other base metals.*

Issued capital:

106.2 million ordinary shares
2.9 million unlisted options

Market Capitalisation

24 May 2012: \$81 million

Kentor Gold achieves further high grade drilling results at Murchison Gold Project

- **Potential to increase high grade Resources**
- **NOA 7&8 is not currently included in the mine plan**
- **Drilling intercepts at NOA 7&8 include:**
 - **8m @ 9.9 g/t gold from 176m, incl. 1m @ 40.8 g/t (Hole 12BNRC0229)**
 - **3m @ 13.9 g/t gold from 247m incl. 1m @ 36.1 g/t (Hole 12BNRC0223)**
 - **1m @ 35.2 g/t gold from 226m, and 6m @ 8.3 g/t gold from 247m (Hole 12BNRC0222)**

Kentor Gold Limited ("Kentor Gold" or "the Company") has intersected high grade gold during RC drilling at NOA 7&8 pits at the Murchison Gold Project in Western Australia.

Announcing the results, Kentor Gold Managing Director Simon Milroy said:

"These results at NOA7&8 present a further expansionary and cost reduction opportunity for the Murchison Project.

"We are planning to restart the NOA2 underground mine later this year and great results like this will add to future underground mining potential.

The NOA 7/8 deposit which is the most northerly of the known Burnakura deposits is 800m to the north of NOA 2 and has similar mineralisation confined to a brittle fracture zone characterised by brecciation and stockwork veining within the Burnakura Thrust Zone. The mineralised zone has been traced over a strike length of 560m. The host rocks are mostly sediments or felsic volcanoclastics.

Some of the mineralisation at the northern end of NOA 8 is hosted within a carbonaceous siltstone that may be subject to lower recoveries. Previous test work on this material has demonstrated that good recoveries can still be achieved in a CIL plant.



The Murchison Gold Project comprises the Burnakura gold and Gabanintha gold-copper sites approximately 50km south of Meekatharra. Kentor Gold is proceeding with Phase 1 of a four-phase development program at Murchison. Production is scheduled to commence at Burnakura at a rate of 24,000 oz gold per year from mid-2012, with planning for an expansion next year underway. Initial production will come from the Lewis and Reward pits at Burnakura.

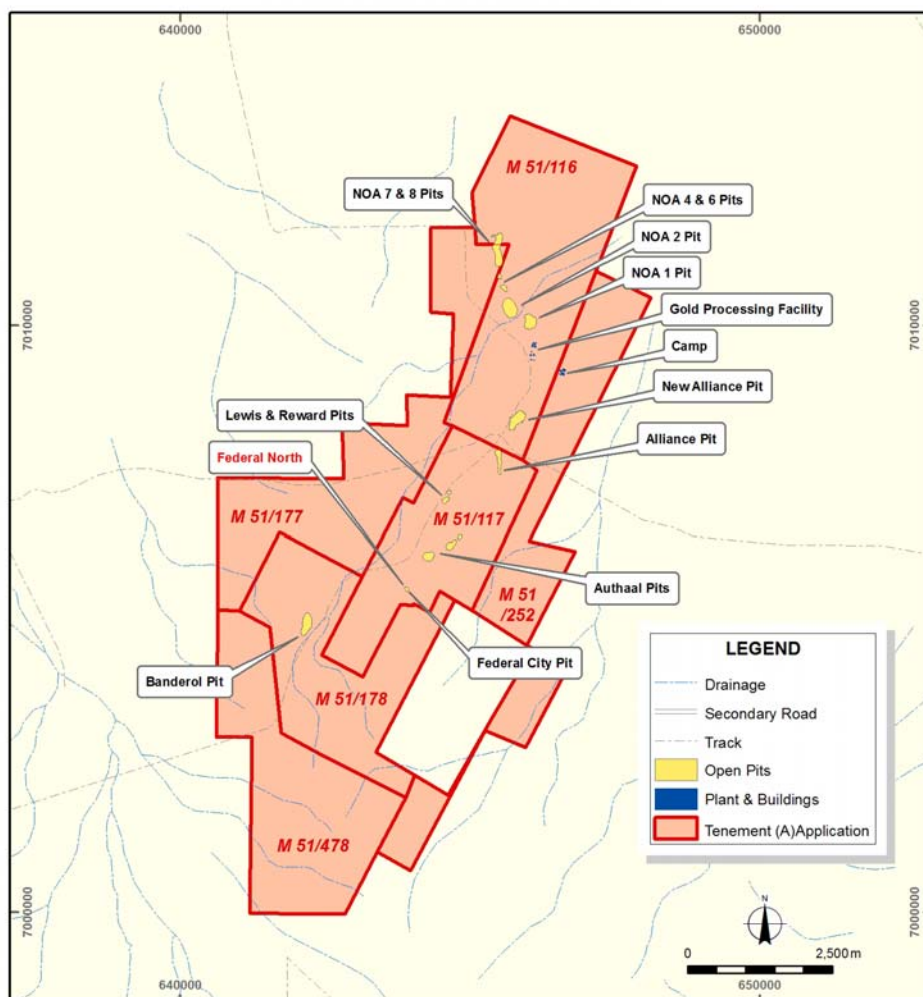


Figure 1 Burnakura Tenement Plan



Figure 2 Plan of NOA 7&8 displaying drill hole collars

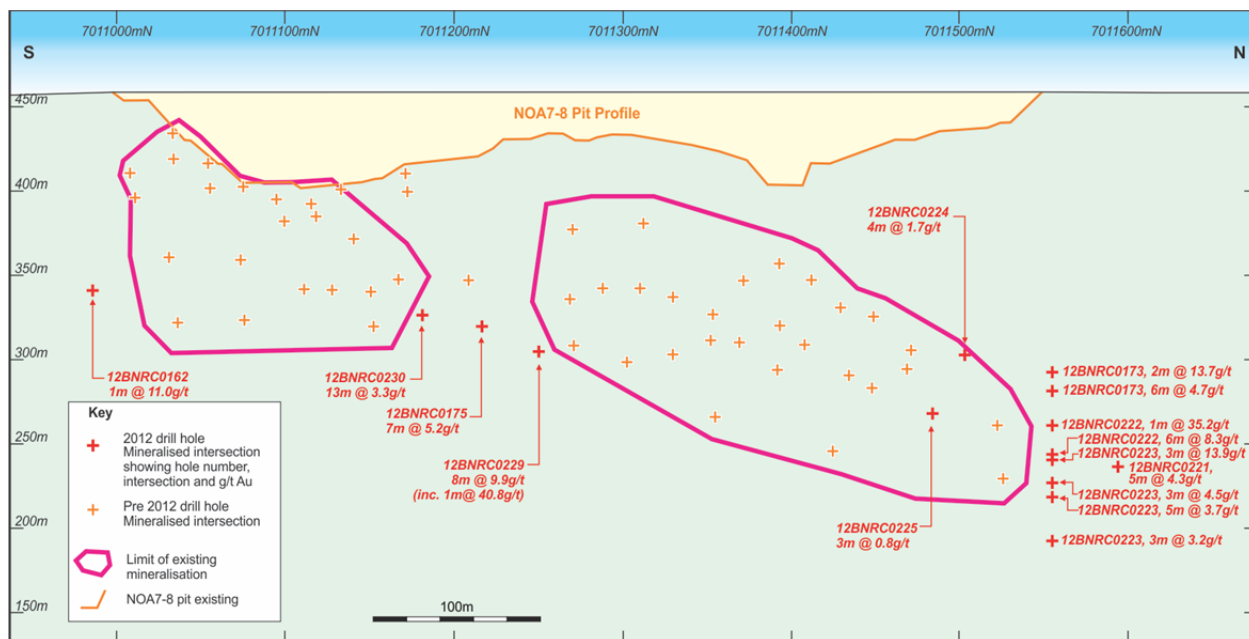


Figure 3 Longitudinal section looking west through NOA 7&8

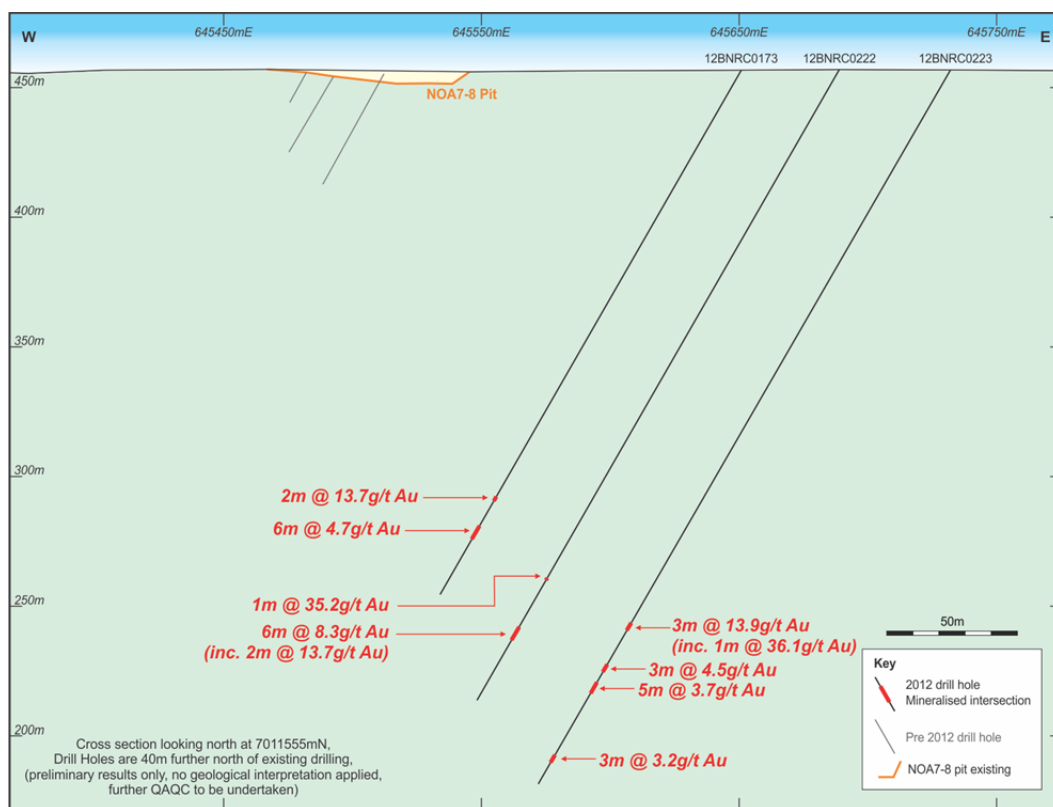


Figure 4 North of NOA 8 Cross Section



Table 1. Significant Assay results for NOA 7&8 RC drilling

Hole ID	From (m)	To (m)	Interval (m)*	Gold g/t
12BNRC0162	136	137	1.0	11.0
12BNRC0173	190	192	2.0	13.7
	203	209	6.0	4.7
12BNRC0175	160	167	7.0	5.2
12BNRC0221	255	260	5.0	4.3
12BNRC0222	226	227	1.0	35.2
	247	253	6.0	8.3
12BNRC0223	247	250	3.0	13.9
		including	1.0	36.1
	265	268	3.0	4.5
	274	279	5.0	3.7
	305	308	3.0	3.2
12BNRC0224	177	181	4.0	1.7
12BNRC0225	215	218	3.0	0.8
12BNRC0229	176	184	8.0	9.9
		including	1.0	40.8
12BNRC0230	152	165	13.0	3.3

*True width is approx. 85% of down hole interval

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The information in this report that relates to exploration results for Burnakura is based on work completed by Mr Keith Mayes who is a full-time employee of Kentor Gold Limited and a Fellow of the Geological Society of London. Mr Mayes has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity 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 Mayes has consented to the inclusion of this information in the form and context in which it appears in this report.