



26 October 2009

KENTOR GOLD LTD

ACN 082 658 080

Share Purchase Agreement Signed for Andash

Kentor Gold Limited (ASX code: KGL) (Kentor or the Company) is pleased to announce that Kentor and Aurum Mining PLC have executed the Share Purchase Agreement for Kentor's purchase of 80% of the Andash Gold-Copper project in the Kyrgyz Republic. Subject to conditions precedent being satisfied, the completion date for the purchase will be 22 December 2009.

Aurum Mining PLC (Aurum or the Vendor) has sent a circular to its shareholders, seeking approval for the sale of the asset to Kentor as required by AIM listing rules. The meeting is set down for 12 November 2009. The Directors of Aurum have unanimously recommended Shareholders to vote in favour of the transaction and have advised they intend to vote their own beneficial holdings for the resolution.

Transaction Status/Timetable

- Kentor is in the process of finalising financing arrangements for the purchase consideration of US\$14.85 million.
- Aurum Shareholder approval expected on **12 November 2009**.
- Purchase Completion **22 December 2009**
- An update of the feasibility study is underway to optimise the mine plan and process design and provide current capital and operating costing estimates. Completion is planned for **March 2010**
- Project construction planned to commence **3rd Quarter 2010**
- Project commissioning planned to commence **3rd Quarter 2011**.

About the Andash Project

The high grade, low cost project is targeted for production in 2011 at the average annual rate of 60,000 oz gold and 5,000 tonnes copper in concentrate for eight years.

Andash is located in the Tien Shan Gold Belt, one of the world's major gold provinces spanning central Asia. Kentor is exercising an option to purchase an 80% interest in Andash.

Situated in the gold-rich Talas region, the Andash project will benefit from extensive existing infrastructure, including low cost power and an available workforce. The near-surface deposit has a proposed strip ratio of 0.8:1, and the ore is metallurgically simple to process.

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About the Company:

Kentor Gold Limited (ASX Code: KGL) is an Australian-based company formed in 1998 as a specialist gold explorer. The Company was listed on the Australian Securities Exchange (ASX) in March 2005 and has diversified into exploration for gold, geothermal energy and base metals in Central Asia, where it has highly regarded, established local management.

Kentor is working towards the development of two gold mines in the Kyrgyz Republic:

- Andash, targeted for production in 2011 at the currently planned rate of 60,000 oz gold and 5,000 tonnes copper in concentrate per year for eight years - and
- Savoyardy, proposed to commence in 2010 at the initial rate of 10,000 oz gold per year for a minimum three years subject to final decision later this year - Kentor has an option to purchase 100 per cent of the project.

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