



Kingsgate

Consolidated Limited

ABN 42 000 837 472

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FOR PUBLIC RELEASE

Manager
Company Announcements Office
Australian Securities Exchange

Update on the Gold Sludge held at the Chatree Gold Mine, Thailand

Kingsgate Consolidated Limited (ASX:KCN) (“Kingsgate” or the “Company”) is delighted to announce that its subsidiary, Akara Resources, has been granted permission by the Thai Government to sell the high value gold and silver “sludge,” which is secured at the Chatree Gold Mine, to a Thai refinery to be processed into fine gold and silver.

The sludge refers to material cleaned from the tanks and processing plant following the closure of the Chatree Gold Mine on 31 December 2016, and has always been, and acknowledged to be, the property of Akara Resources.

The sludge contains approximately 4,750 ounces of gold and 34,800 ounces of silver, and is valued at around A\$14 million at a gold price of A\$2,678 an ounce (as at 9 September 2020) before royalties, transportation and refining costs.

Akara Resources has agreed terms with a Thai refinery to process the sludge pursuant to new legislation requiring gold mined in Thailand to be refined in Thailand. Shipment of the sludge to the refinery has commenced.

Whilst this move is long overdue, Kingsgate sees it as a small but positive step, and seemingly as an act of good faith, indicating a new willingness by the Thai Government to pursue a negotiated settlement between the two parties, a process KCN has advocated for some considerable time.

**Ross Smyth-Kirk
Executive Chairman
Kingsgate Consolidated**