



Kingsgate

Consolidated Limited

ABN 42 000 837 472

4 May 2011

**Via ASX Online
(1 page including cover)**

The Manager
Company Announcements Office
Australian Securities Exchange

Dear Sir/Madam,

Kingsgate Secures Akara Expansion Financing

Kingsgate is pleased to announce that today its Thai subsidiary, Akara Mining Limited, executed a US\$100 million baht denominated syndicated loan facility that completes its funding requirements for the expansion of its Chatree Mine to over 5 million tonnes per annum ore throughput. The participants in the syndicated loan facility are CIMB Thai Bank Public Company Limited (CIMB), the Bangkok branch of Sumitomo Mitsui Banking Corporation (SMBC) and Investec Bank (Australia) Limited (Investec). Participation is US\$42 million, US\$40 million and US\$18 million respectively.

CIMB and SMBC are Mandated Lead Arrangers with CIMB also acting as Facility and Security Agents. Investec is the Arranger and Technical Agent.

The syndicated loan facility is a four year amortising loan with equal half yearly repayments commencing on 31 March 2012. The loan documentation contains no mandatory hedging requirements.

In conjunction with the syndicated loan facility, Kingsgate's existing one year standby A\$60 million facility with Investec, that has been used as a bridge while the expansion funding was completed, is being replaced by a three year US\$50 million revolving facility with Investec.

The Chairman of Kingsgate, Ross Smyth-Kirk commented that "the continued support of Investec and that of our new Thai lenders demonstrates their strong confidence in the future of the Chatree Mine."

Mr Smyth-Kirk added "Expanding the plant to over 5MTPA brings a new dimension to the Thai operations and accelerates Kingsgate's thrust to become the preferred mid-tier ASX gold producer".

Yours sincerely,

Gavin Thomas
Managing Director & CEO
Kingsgate Consolidated Limited