



# Kingsgate

Consolidated Limited

ABN 42 000 837 472

2 November 2007

**Via ASX Online  
(1 page)**

Manager, Company Announcements  
Australian Stock Exchange Limited  
Level 4, 20 Bridge Street  
SYDNEY NSW 2000

Dear Sir/Madam,

## **Thai Gold Royalties**

The Minister of Industry has amended the Thai Mineral Royalty Rates Act and increased royalties on some 48 mined commodities in Thailand. In some instances progressive royalty rates based on commodity prices have been introduced. Gold royalty has been included in this category.

With immediate effect, gold royalty has been increased to:

- “(1) two point five per cent of the price of gold per gram for the price not exceeding Baht Four Hundred;
- (2) five per cent of the price of gold per gram for the part in excess of Baht Four Hundred but not exceeding Baht Six Hundred;
- (3) ten per cent of the gold per gram for the part in excess of Baht Six Hundred but not exceeding Baht One Thousand;
- (4) fifteen per cent of the price of gold per gram for the part in excess of Baht One Thousand but not exceeding Baht One Thousand Five Hundred;
- (5) twenty per cent of the price of gold per gram for the part in excess of Baht One Thousand Five Hundred.”

The financial effect on the Company, at current gold prices, is to increase the cost of gold production. At a gold price of US\$780 per oz (equivalent to Baht 800 per gram), the royalty is US\$39 per oz compared to US\$20 per oz under the previous royalty regime.

The royalty rate for silver (10%) remains unchanged.

Yours sincerely,  
KINGSGATE CONSOLIDATED LIMITED

**PETER WARREN**  
Company Secretary