



Kingsgate

Consolidated Limited

ABN 42 000 837 472

29 March 2016

Via ASX Online
(1 page)

FOR PUBLIC RELEASE

Manager
Company Announcements Office
Australian Securities Exchange

Successful Completion of Due Diligence Period for Bowdens Silver Project

Kingsgate Consolidated (ASX:KCN) is pleased to announce that Silver Investment Holdings Australia Ltd (SIHA) has given formal notice that it has satisfactorily completed its due diligence for the Bowdens Silver Project, and will pay the deposit monies totalling A\$1.8 million as contemplated under the Sale and Purchase Agreement.

By way of background the terms of the transaction are as follows:

- On completion of the acquisition, Kingsgate and SIHA will immediately be associated in an unincorporated Joint Venture with Kingsgate retaining an initial 15% Free Carried Interest (to the point that SIHA meets certain criteria including lodgement of an Environmental Impact Statement, exploration expenditure of A\$4 million and completion of a Bankable Feasibility Study);
- Kingsgate will receive a total payment of A\$20 million cash for the 85% interest in the project of which A\$200,000 has been received by way of a non-refundable deposit;
- A further A\$1.8 million will now be paid as the due diligence period has successfully been completed; and
- The remaining A\$18 million will be paid by SIHA at deal completion, which is scheduled to occur by 30 June 2016.

Greg Foulis
Chief Executive Officer
Kingsgate Consolidated Limited