



HopgoodGanim

LAWYERS

16 September 2016

Australian Securities Exchange
Company Announcement Platform

By facsimile: 1300 135 638

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Dear Sir/Madam

Northern Gulf Petroleum International Pte. Ltd. – Announcement of Proportional Off-Market Takeover Bid for Kingsgate Consolidated Limited ABN 42 000 837 472 (ASX:KCN)

We are the solicitors for Northern Gulf Petroleum International Pte. Ltd. (**NGPI or Company**).

In accordance with Section 633(1) Item 5 of the Corporations Act 2001 (Cth) (**Corporations Act**), we **attach** a copy of the bidder's statement of NGPI dated 16 September 2016 relating to its Takeover Bid (**Bidder's Statement**).

A copy of the Bidder's Statement has been lodged with the Australian Securities and Investments Commission (**ASIC**) and sent to Kingsgate Consolidated Limited ABN 42 000 837 472 (**Kingsgate**).

In accordance with Section 633(4) of the Corporations Act we give notice that the Company has specified 7.00pm (AEST) on 19 September 2016 as the date for the purposes of determining the persons to whom information must be sent under Items 6 and 12 of the table in Section 633(1) of the Corporations Act in relation to the Company's off-market takeover bid (**Register Date**).

Yours faithfully

HopgoodGanim Lawyers

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THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

You should read this document in its entirety. If you are in any doubt as to how to deal with it, you should consult your Broker, legal, financial or other professional adviser as soon as possible.

NORTHERN GULF PETROLEUM INTERNATIONAL PTE. LTD. BIDDER'S STATEMENT

ACCEPT

THE CASH PROPORTIONAL OFFER

Northern Gulf Petroleum International Pte. Ltd.

Registration Number 201438399Z (**NGPI**) is offering to acquire 50.1% of your ordinary shares in **Kingsgate Consolidated Limited** ABN 42 000 837 472 (**Kingsgate**) for **A\$0.042** cash per share.

The date of the Offer is 30 September 2016 and the Offer will close on 4 November 2016, unless extended or withdrawn.

Corporate Adviser



Australian Legal Adviser



THIS IS AN IMPORTANT DOCUMENT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to how to deal with this document, you should consult your Broker, legal, financial or other professional adviser as soon as possible.

KEY DATES

Bidder's Statement lodged with Kingsgate, ASIC and ASX	16 September 2016
Date of Offer (Offer opens)	30 September 2016
Offer closes (unless extended or withdrawn)	7:00pm (Sydney time) 4 November 2016

These dates may vary as permitted under the Corporations Act.

HOW DO I ACCEPT THE OFFER?

- (a) You may accept the Offer for 50.1% of your Kingsgate Shares (rounded down to the nearest whole number of shares) but for no more or less;¹ and
- (b) Acceptances must be received before the end of the Offer Period,

in either case as follows:

For Issuer Sponsored Holdings of Kingsgate Shares

(Securityholder Reference Number beginning with "I")

To accept the Offer, complete the enclosed Issuer Acceptance Form in accordance with the instructions on it and return it in the enclosed envelope or to an address on the Issuer Acceptance Form so that it is received before 7:00pm (Sydney time) on the last day of the Offer Period.

For CHESS Holdings of Kingsgate Shares

(Holder Identification Number beginning with "X")

To accept the Offer, either contact your Controlling Participant (usually your Broker) and instruct them to accept the Offer on your behalf, or complete the enclosed CHESS Acceptance Form in accordance with the instructions on it and return it in the enclosed envelope or to an address on the CHESS Acceptance Form, before 7:00pm (Sydney time) on the last day of the Offer Period.

For Participants

If you are a Participant, you must initiate acceptance of the Offer in accordance with the ASX Settlement Rules before the Offer closes.

DISCLAIMER, IMPORTANT INFORMATION AND NOTICES

(a) Bidder's Statement

This Bidder's Statement is given by NGPI under Part 6.5 of Chapter 6 of the Corporations Act and relates to the Offer. This Bidder's Statement is dated 16 September 2016, and includes an Offer dated 30 September 2016 to acquire 50.1% of each Kingsgate Shareholder's Kingsgate Shares.

¹ If accepting the Offer would leave you with less than a Marketable Parcel of Kingsgate Shares, the Offer will extend to all of your Kingsgate Shares subject to the modification to section 618(2) of the Corporations Act made by ASIC under Class Order [CO 13/521]. See section 8.1(d) of this Bidder's Statement for further details.

(b) Australian Securities and Investments Commission

A copy of this Bidder's Statement was lodged with ASIC on 16 September 2016. Neither ASIC nor any of its officers take any responsibility for the contents of this Bidder's Statement.

(c) Offers outside Australia

The distribution of this Bidder's Statement may, in some countries, be restricted by law or regulation. Accordingly, persons who come into possession of this Bidder's Statement should inform themselves of, and observe, those restrictions.

(d) Notice to foreign Kingsgate Shareholders

This Bidder's Statement and the Offer are subject to Australian disclosure requirements which may be different from those applicable in other jurisdictions. This Bidder's Statement and Offer do not constitute an offer in any place in which, or to any person whom, it would not be lawful to make such an offer.

(e) Disclosure regarding forward looking statements

Some of the statements appearing in this Bidder's Statement may be in the nature of forward looking statements. As such statements relate to future matters, you should be aware that they are subject to inherent risks and uncertainties. Those risks and uncertainties include factors and risks specific to the industries in which NGPI and Kingsgate operate as well as general matters – such as general economic conditions, prevailing exchange rates, interest rates and conditions of the financial markets – that are outside the control of NGPI and its directors. The forward looking statements do not constitute a representation that any such matter will be achieved in the amounts or by the dates indicated and are presented solely as a guide to assist you in assessing the Offer. The forward looking statements are based on information available to NGPI at the date of this Bidder's Statement.

(f) Investment decisions

This Bidder's Statement does not take into account your individual investment objectives, financial situation or particular needs. You should therefore seek your own financial and taxation advice before deciding whether or not to accept the Offer.

(g) Information on Kingsgate

All information in this Bidder's Statement relating to Kingsgate has been prepared by NGPI using information included in public documents filed by Kingsgate or published by Kingsgate on its website. None of the information in this Bidder's Statement relating to Kingsgate has been commented on or verified by Kingsgate or its directors or independently verified by NGPI or its directors for the purposes of this Bidder's Statement. Accordingly, subject to the Corporations Act, NGPI does not make any representation or warranty, express or implied, as to the accuracy or completeness of this information. The information on Kingsgate in this Bidder's Statement should not be considered comprehensive. In addition, the Corporations Act requires the directors of Kingsgate to provide a Target's Statement to Kingsgate Shareholders in response to this Bidder's Statement, setting out certain material information concerning Kingsgate.

(h) Defined terms and interpretation

Unless otherwise noted, capitalised terms and certain abbreviations used in this Bidder's Statement are defined in the Glossary in section 9. That section also sets out certain rules of interpretation that apply to this Bidder's Statement.

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LETTER TO KINGSGATE SHAREHOLDERS

16 September 2016

Dear Kingsgate Shareholder

On behalf of NGPI, I am pleased to make an offer (**Offer**) to you to acquire 50.1% of your fully paid ordinary shares in Kingsgate Consolidated Limited (**Kingsgate**) for a cash price of A\$0.042 each (**Offer Price**).

The Offer is being made by Northern Gulf Petroleum International Pte. Ltd. (**NGPI**).

If you accept the Offer you will sell 50.1% of your Kingsgate Shares to NGPI for cash consideration and retain the balance.²

You should accept the Offer because:

■ ***Kingsgate faces losing the Chatree Gold Mine in a matter of weeks***

The flagship Chatree Gold Mine in Thailand is Kingsgate's primary production asset and main cash contributor.³ The Metallurgical Licence is crucial to the continued operation of Chatree, but to date Kingsgate has been unable to resolve outstanding issues and the **Thai Government intends to allow the licence to expire and shut down the mine on 31 December 2016.**⁴

■ ***Without Chatree, Kingsgate's future hangs in the balance***

In Kingsgate's recently released Preliminary Final Report, Kingsgate stated that "there is a clear intention from the Thai Government to shut down the Chatree Gold Mine".⁵ In the Independent Auditor's Report, Kingsgate's auditor PricewaterhouseCoopers (**PwC**) indicated the existence of a "material uncertainty"⁶ that may cast "significant doubt" as to whether Kingsgate can continue as a going concern.

PwC also noted that Kingsgate's current liabilities exceed current assets by \$36,855,000 and that **Kingsgate's short term future depends on (amongst other matters) continued support from its external lenders.**⁷

On top of that, Kingsgate has noted that **its ability to continue long term would depend on, amongst other things, it successfully achieving "one or more" of the following:**⁸

- Extension of the Metallurgical Licence at Chatree
- Successfully pursuing legal and other avenues for compensation from the Thai government
- Realising the value of assets including potential sale of the Chatree Gold Mine
- Implementing and completing a commercially viable rehabilitation program at Chatree
- Equity raising

■ ***To save Chatree, an urgent, effective strategy must be implemented in Thailand***

Clearly, Kingsgate's approach to dealing with the issues surrounding the Chatree Gold Mine is not working – and **time is running out.**

² Refer to footnote 1.

³ Source: Kingsgate ASX Announcement "Appendix 4E and FY16 Annual Financial Statements", page 36, released on ASX on 31 August 2016 in compliance with ASIC Class Order [CO 13/521] (**Preliminary Final Report**).

⁴ Refer to footnote 3, Preliminary Final Report page 3 and 36. Refer also to footnotes 21, 22, 23 and 24.

⁵ Refer to footnote 3, Preliminary Final Report page 36.

⁶ Refer to footnote 3, Preliminary Final Report page 93. Kingsgate Shareholders should also refer to footnote 14.

⁷ Refer to footnote 3, Preliminary Final Report page 93. Kingsgate Shareholders should also refer to footnote 15.

⁸ Refer to footnote 3, Preliminary Final Report pages 36 and 37.

Kingsgate has proven itself unable to manage the situation in Thailand. Some Board members have been openly critical of the Thai Government and by its own admission, Kingsgate's business and reputation in Thailand is now "irrevocably damaged".⁹ In over nine months of requests, Kingsgate has managed to secure just one meeting with the Thai Minister of Industry, whose office is responsible for extending metallurgical licences.¹⁰

At the same time, Kingsgate has said that this year it experienced "operational and processing issues" at Chatree resulting from "harder than scheduled ore from the stockpiles and extended periods of reduced truck and excavator availability".¹¹

It is also important to note that any potential legal action against the Thai government could take years, with no guarantee of success.

An urgent, effective strategy needs to be implemented as soon as possible if Kingsgate is to survive.

■ ***I will leverage my experience and understanding of Thailand to seek a positive outcome***

I have considerable in-country political and business experience in Thailand and believe my understanding of the key issues at Chatree, the local industry and the regulatory framework uniquely positions me to assist Kingsgate to resolve the situation. My credentials include:

- **Previously being an advisor to the Kingsgate Board and a major shareholder of Akara** between 2007 and 2011. In my advisory role to the Kingsgate Board from early 2007 to mid-2008:
 - I was asked to negotiate a series of longstanding objections that had been hindering the Environmental Impact Assessment (EIA) approval process at Chatree North. After more than 24 months, Kingsgate had been unable to facilitate the completion approval of the EIA. **I was able to deliver the EIA approval in a short period by agreeing to establish a rehabilitation fund to be jointly administered by the mine, local administration and the provincial governor;**
 - Following this success, I used my established channels to **successfully negotiate the passage of the Forestry Approvals at the Chatree North Project;** and
 - In July 2008, **Thailand's Minister of Industry finally approved and signed the nine required Chatree North Mining Leases following the approval of the Ministry's Mineral Act Committee.**
- **Previously being an Advisor to Prime Minister Chavalit Yongchaiyudh of Thailand** in 1997. Most notable was my involvement with the historical signing of the maritime boundary agreement between Thailand and Vietnam after decades of dispute.

I raise these points to illustrate that I know the Chatree Gold Mine and I know Thailand and believe I (along with my nominee directors) are best placed to help solve Kingsgate's issues.

I believe that through NGPI I can leverage this prior experience for the benefit of Kingsgate Shareholders by launching a campaign to correct and improve the public perception of Akara and the Chatree Gold Mine, which is accused, in my view falsely, to be the cause of contamination of underground water in nearby communities.

I will attempt to seek meetings with the highest levels of Government to explain and clarify that allegations against Akara and Chatree are misleading and to present various studies by Thai and independent overseas experts which support this.

⁹ Refer to footnote 3, Preliminary Final Report page 3.

¹⁰Source: Kingsgate ASX Announcement "Quarterly Activities Report" released on ASX on 29 July 2016 in compliance with ASIC Class Order [CO 13/521].

¹¹ Refer to footnote 3, Preliminary Final Report page 5.

■ **NGPI will share the risk and as a Kingsgate Shareholder, you share in the potential upside**

NGPI intends to share the risk and hopefully the reward with Kingsgate Shareholders. As such it has structured its Offer as a proportional cash bid.

If NGPI is successful in its approach, as a Kingsgate Shareholder you will share the economic benefit for the remaining part of your holding.

■ **Cash payment vs Suspension from Trade**

NGPI is offering a cash payment for 50.1% of your Kingsgate Shares.

This should be compared to the current unacceptable situation whereby Kingsgate Shares have been suspended from trade since 13 May 2016 and for the foreseeable future - restricting your ability to exit your investment.

While I strongly believe that NGPI has a good chance of resolving the issues at the Chatree Gold Mine, we need time to do so and immediate action must be taken.

I encourage you to read this document in its entirety, and then to accept the Offer as soon as possible.

The Offer is subject to a customary condition, namely NGPI obtaining FIRB approval required for the Offer. Full details in respect of the Offer, including its terms and conditions, are set out in this Bidder's Statement. To accept the Offer, please follow the instructions on the Acceptance Form.

I look forward to working alongside Kingsgate Shareholders to progress and improve the situation at the Chatree Gold Mine as soon as possible.

Yours sincerely,



Chatchai Yenbamroong
Director
Northern Gulf Petroleum International Pte. Ltd.

WHY YOU SHOULD ACCEPT THE OFFER

Reason 1 Kingsgate faces losing the Chatree Gold Mine

The Chatree Gold Mine in Thailand is Kingsgate's primary production asset and main cash contributor.¹² The Metallurgical Licence is crucial to the continued operation of Chatree, but to date Kingsgate has been unable to resolve outstanding issues and the Thai Government intends to allow the licence to expire and shut down the mine on 31 December 2016.¹³

Reason 2 Without Chatree, Kingsgate's future is in doubt

PwC (Kingsgate's auditor) have indicated the existence of a "material uncertainty" that may cast "significant doubt" as to whether Kingsgate can continue as a going concern.¹⁴

Kingsgate's current liabilities exceed current assets by \$36,855,000 and its short term future depends on (amongst other matters) continued support from external lenders.¹⁵

In addition, Kingsgate has noted that its long term future also depends on a range of possible factors including it being able to successfully pursue legal and other avenues of compensation from the Thai government, completing rehabilitation of and potentially selling the Chatree Gold Mine or an equity raising.¹⁶

Reason 3 An urgent strategy must be put in place in Thailand

Kingsgate's approach to dealing with the issues at Chatree is not working – and time is running out.

Kingsgate has proven itself unable to manage the situation in Thailand. Some Board members have been openly critical of the Thai Government and by its own admission, Kingsgate's business and reputation in Thailand is now "irrevocably damaged".¹⁷

In over nine months of requests, Kingsgate has managed to secure just one meeting with the Thai Minister of Industry, whose office is responsible for extending metallurgical licences.¹⁸

An urgent, effective strategy needs to be implemented as soon as possible if Kingsgate is to survive.

¹² Refer to footnote 3.

¹³ Refer to footnote 4.

¹⁴ Refer to footnote 3, Preliminary Final Report page 93. Note 1 to the Consolidated Financial Statements indicates that the consolidated entity's main cash contributor, the Chatree Gold Mine will only operate until 31 December 2016. Related external borrowing for the Chatree Gold Mine was therefore reclassified to current liabilities resulting in the consolidated entity having current liabilities exceeding its current assets by \$36,855,000 and having insufficient financial resources to fully fund its ongoing operations. PwC also note that the continuing viability of the consolidated entity and its ability to continue as a going concern and meet its debts and commitments as and when they fall due are dependent upon the consolidated entity being successful in generating sufficient positive cash flows from the Chatree Gold Mine until 31 December 2016 and the ongoing support of the external lenders of the Group.

¹⁵ Refer to footnote 3, Preliminary Final Report page 93. PwC notes that this is as a result of external borrowings related to the Chatree Gold Mine being reclassified to current liabilities. The continuing viability of the consolidated entity and its ability to continue as a going concern and meet its debts and commitments as and when they fall due are dependent upon the consolidated entity also being successful in generating sufficient positive cash flows from the Chatree Gold Mine until 31 December 2016.

¹⁶ Refer to footnote 3, Preliminary Final Report pages 36 and 37.

¹⁷ Refer to footnote 3, Preliminary Final Report page 3.

¹⁸ Refer to footnote 10.

Reason 4 Mr Chatchai Yenbamroong will leverage his Thai experience to seek a positive outcome for Kingsgate

- NGPI is a wholly owned subsidiary of Northern Gulf Petroleum Holdings Limited, an entity controlled by Thailand-based Mr Chatchai Yenbamroong.
- He has considerable in-country political and business experience which uniquely positions him to assist Kingsgate to resolve the situation at Chatree. His credentials include:
 - founder and executive director of Northern Gulf Petroleum Pte. Ltd., Thailand's first independent oil and gas exploration and production company;
 - previously an advisor to the Kingsgate Board and major shareholder of Akara (the entity through which Kingsgate holds Chatree) between 2007 and August 2011. In his advisory role to the Kingsgate Board from early 2007 to mid-2008, he was able to deliver the EIA in a short period and successfully negotiate the passage of the Forestry Approvals at the Chatree North Project.
 - being an Advisor to the Prime Minister Chavalit Yongchaiyudh of Thailand in 1997.

Mr Yenbamroong will leverage this experience for the benefit of Kingsgate Shareholders by launching a fact-based campaign to correct and improve the public perception of Akara and the Chatree Gold Mine, which in his view, are falsely accused as the cause of contamination of underground water in nearby communities.

Reason 5 NGPI will share the risk and Kingsgate Shareholders can share the potential upside

NGPI intends to share the risk and hopefully the reward with Kingsgate Shareholders. As such it has structured its Offer as a proportional takeover bid, as opposed to a full takeover.

Accordingly, if NGPI is successful in its approach, Kingsgate Shareholders will share in the potential upside through the remainder of their shareholding.

Reason 6 Receive a cash payment for your Kingsgate Shares

NGPI is offering Kingsgate Shareholders A\$0.042 per Kingsgate Share in cash for 50.1% of your shareholding. If you accept the Offer and the Offer becomes unconditional, you will:

- be paid \$A0.042 per Kingsgate Share;
- not incur any brokerage fees; and
- NGPI will pay the consideration due to you on or before the earlier of:
 - o 10 Business Days after this Offer is accepted or 10 Business Days after the Condition has been waived or fulfilled (whichever is the later); and
 - o 10 Business Days after the end of the Offer Period.

At present, you cannot easily trade your Kingsgate Shares as they have been suspended from trading since 13 May 2016 and this will continue for the foreseeable future.

FREQUENTLY ASKED QUESTIONS

The table below answers some key questions that you may have about the Offer and should be read in conjunction with the remainder of this Bidder's Statement. You are strongly encouraged to read the entire Bidder's Statement before deciding whether or not to accept the Offer.

Question	Answer
What is the Offer?	<p>NGPI is making an Offer to acquire 50.1% of your Kingsgate Shares (but no more or less).¹⁹ The Offer consideration is A\$0.042 cash for each Kingsgate Share.</p> <p>Accordingly, if you accept the Offer, you will receive \$0.042 per Kingsgate Share, for 50.1% of your Kingsgate Shares (rounded down to the nearest whole number of shares) and retain the remainder of your Kingsgate Shares.</p> <p>For example, if you own 12,500 Kingsgate Shares and accept the Offer, you will receive \$263 in cash and continue to own 6,238 Kingsgate Shares.</p> <p>You may only accept the Offer for 50.1% of your Kingsgate Shares, and not a greater or lesser proportion. However, if by accepting the Offer you will be left holding less than a Marketable Parcel, then NGPI will buy all of your Kingsgate Shares for A\$0.042 cash each (Non-Marketable Parcel Extension).²⁰ In other words, in these limited circumstances the Offer will extend to ALL of your Kingsgate Shares. This rule regarding the Offer applying to all of your Kingsgate Shares will not apply to a parcel of Kingsgate Shares, whether held beneficially or otherwise, that has come into existence, or increased in size because of a transaction entered into (including the creation of one or more trusts), at any time after 10:00am on the Announcement Date. Subject to the provisions of a notice complying with the requirements in section 8.6(b), this also applies in relation to persons who hold Kingsgate Shares as nominee or trustee for others (see section 8.6(b) of this Bidder's Statement for further details).</p> <p>The Acceptance Form includes details of the number of Kingsgate Shares you can accept into the Offer based on your holding at the Register Date.</p>
What is this Bidder's Statement?	<p>This Bidder's Statement was prepared by NGPI for distribution to Kingsgate Shareholders. This Bidder's Statement describes the terms of the Offer for 50.1% of your Kingsgate Shares and information relevant to your decision whether or not to accept the Offer.</p> <p>This Bidder's Statement is an important document, which you should read in full. Should you have any doubt as to how to deal with this document, you should consult your Broker, legal, financial or other professional adviser.</p>
Who is NGPI?	<p>NGPI is the bidder making the Offer.</p> <p>NGPI is a limited private company incorporated in Singapore</p> <p>For more information on NGPI, please see section 1.</p>
What is NGPI's current interest in Kingsgate Shares?	<p>NGPI does not own any Kingsgate Shares on issue as at the date of this Bidder's Statement. NGPI and its Associates have no Voting Power in Kingsgate.</p>
How do I accept the Offer?	<p>To accept the Offer you should follow the instructions set out in section 8.4 and on the Acceptance Form. Your acceptance must be received before the end of the Offer Period.</p>
Are there any conditions to the Offer?	<p>The Offer is subject to approval from FIRB. See section 8.8 for further information.</p> <p>The date for giving the notice of the status of the conditions required by section 630(1) of the Corporations Act is 28 October 2016 (subject to extension in accordance with section 630(2) of the Corporations Act if the Offer Period is extended).</p>

¹⁹ If accepting the Offer would leave you with less than a Marketable Parcel of Kingsgate Shares, the Offer will extend to all of your Kingsgate Shares subject to the modification to section 618(2) of the Corporations Act granted by ASIC under Class Order [CO 13/521]. See section 8.1(d) of this Bidder's Statement for further details.

²⁰ See sections 8.1 and 8.6 of this Bidder's Statement for further details.

Question	Answer
What happens if the Condition of the Offer is not satisfied or waived?	If the Condition of the Offer is not satisfied or waived by the end of the Offer Period, the Offer will lapse, any acceptances will be cancelled and you will retain your Kingsgate Shares even if you have accepted the Offer.
When does the Offer close?	The Offer closes at 7:00pm (Sydney time) 4 November 2016 unless extended or withdrawn in accordance with the Corporations Act.
What should I do?	You should: <ul style="list-style-type: none"> • read this Bidder's Statement in full; • read Kingsgate's Target's Statement in full (when issued); • consult your Broker, legal, financial or other professional adviser if you are in any doubt as to what action to take or how to accept the Offer; and • if you wish to accept the Offer, follow the instructions set out in section 8.4 and on the enclosed Acceptance Form.
Can I accept the Offer for less than 50.1% of my Kingsgate Shares?	No, you can only accept for the full 50.1% of shares you hold in Kingsgate, rounded down to the nearest whole number of shares.
If I accept the Offer, can I sell the remainder of my Kingsgate Shares on-market?	<p>If you accept the Offer, you will retain 49.9% of your Kingsgate Shares. You are currently unable to sell your Kingsgate Shares on-market, as trading in Kingsgate Shares is currently suspended. However, in the event that Kingsgate Shares become capable of being traded on-market, any purchaser of such Kingsgate Shares will not be able to accept the Offer in respect of those shares.</p> <p>In accordance with 'ASX Guidance Note 18: Market Codes and Trading Procedures', there will be special ASX trading arrangements with respect to these remaining Kingsgate Shares. In summary they are as follows:</p> <ul style="list-style-type: none"> • purchasers of the remaining Kingsgate Shares will not be entitled to accept the Offer and such shares will trade on the ASX on an "ex-Offer" basis; and • settlement of trades in "ex-Offer" Kingsgate Shares will be deferred until after the end of the Offer Period. <p>If you do not accept the Offer in respect of your Kingsgate Shares and instead sell some or all of your Kingsgate Shares, the purchaser of those shares may accept the Offer. In this circumstance, your Kingsgate Shares will trade on a "cum-Offer" basis and in a normal (T+2) settlement process.</p>
If I accept the Offer, when will I be paid?	<p>If you accept Offer and the Offer becomes unconditional, NGPI will pay the consideration due to you on or before the earlier of:</p> <ul style="list-style-type: none"> - 10 Business Days after the Offer is accepted or 10 Business Days after the Condition has been waived or fulfilled (whichever is the later); and - 10 Business Days after the end of the Offer Period. <p>See section 8.2 for further information.</p>
What if I am a foreign shareholder?	Foreign Kingsgate Shareholders will be paid the same cash consideration as stipulated under the Offer. You will be paid in Australian dollars by cheque drawn on an Australian bank branch.
What happens if I accept the Offer?	Once you accept the Offer in respect of 50.1% of your Kingsgate Shares you will not be able to sell those Kingsgate Shares or otherwise deal with the Rights attaching to those Kingsgate Shares, subject to your limited statutory rights to withdraw your acceptance in certain circumstances. You will be able to sell the remainder of your Kingsgate Shares, but a transferee will not be able to accept the Offer in respect of them. Please see the answer to "If I accept the Offer, can I sell the remainder of my Kingsgate Shares on-market?" above for more information about this.
What happens if I do not accept the Offer?	If you do not accept the Offer and you do not sell your Kingsgate Shares on the ASX (to the extent you are able to), you will retain all of your Kingsgate Shares and will not receive any cash consideration.

Question	Answer
Can I withdraw my acceptance?	You can only withdraw your acceptance if a withdrawal right arises under the Corporations Act.
What are the tax implications of accepting the Offer?	<p>A general description of the taxation treatment for certain Australian resident Kingsgate Shareholders accepting the Offer is set out in section 6.</p> <p>The description in section 6 is a general description only and not advice. It does not take into account your particular circumstances or needs. Kingsgate Shareholders should not rely on that description as advice for their own affairs.</p> <p>NGPI recommends you should consult your taxation adviser for detailed taxation advice before making a decision as to whether or not to accept the Offer for your Kingsgate Shares.</p>
What if I have further questions or require further information in relation to the Offer?	If you have any questions in relation to the Offer, please contact your Broker, legal, financial or other professional adviser.
Can holders of Kingsgate ADRs accept the Offer?	<p>The Offer does not extend to holders of Kingsgate ADRs.</p> <p>Holders of Kingsgate ADRs should consult with BNY Mellon and their provisional advisers to determinate how best to deal with their Kingsgate ADRs.</p>
Can holders of convertible securities (such as Unlisted Options or Deferred Rights) accept the Offer?	<p>No. The Offer does not extend to convertible securities in Kingsgate.</p> <p>Additionally, this Offer does not extend to Kingsgate Shares in respect of which you become registered or become entitled to be registered as the holder prior to the end of the Offer Period as a result of the conversion of, or the exercise of rights attached to, other securities convertible into Kingsgate Shares that are on issue at the Register Date (including the Unlisted Options and the Deferred Rights).</p>

1 INFORMATION ON NGPI

1.1 Overview of NGPI

NGPI is a limited private company incorporated in Singapore (registration number 201438399Z). NGPI was incorporated on 30 December 2014 and its registered office is 6 Temasek Boulevard, #09-05, Suntec Tower Four, Singapore (038986).

NGPI is a wholly owned subsidiary of Northern Gulf Petroleum Holdings Limited (registration number EC42114, a company limited by shares and existing under the laws of the Islands of Bermuda, **NGPH**), an entity controlled by Mr Chatchai Yenbamroong and Ms Catherine Yenbamroong.

NGPH owns Northern Gulf Petroleum Pte. Ltd., a Singapore-incorporated company that is the holder of an interest in certain petroleum concessions located in the Gulf of Thailand. In addition to the petroleum assets in Thailand, NGPH together with Mr Chatchai Yenbamroong own approximately 20% in ASX-listed Tap Oil Limited (refer Tap Oil Limited ASX Announcement dated 29 April 2016), which has a working interest in petroleum assets in Thailand and various petroleum concessions in Western Australia.

NGPI has been dormant since its incorporation.

As at the date of this Bidder's Statement NGPI and its Associates do not hold any Kingsgate Shares.

1.2 NGPI directors

As at the date of this Bidder's Statement, the directors of NGPI are:

- **Chatchai Yenbamroong B.A. in Political Science (Thammasat University, Thailand) and M.A in Journalism (Northwestern University, USA) under Fulbright Scholarship**



Mr Yenbamroong is the founder and executive director of Northern Gulf Petroleum Pte. Ltd., Thailand's first independent oil and gas exploration and production company.

Mr Yenbamroong was previously one of the largest individual shareholders of Kingsgate from 2008 to 2010, and is very familiar with Kingsgate, Akara and the Chatree Gold Mine from an historical perspective.

Mr Yenbamroong is a major shareholder of Siphum Co. Ltd, the company which held 52% of the preference shares in Akara (Kingsgate's Thai operating subsidiary) from 2007 until August 2011.

Mr Yenbamroong was an advisor to the Prime Minister of Thailand from 1996 to 1997, during which the Asian financial crisis broke out destabilising governments around the region.

- **Lie Sin Nee (Li Xinni) B.A. in Accountancy (Nanyang Technological University of Singapore)**



Ms Lie Sin Nee is an accountant by profession and was with Arthur Andersen in 2002, Ernst & Young from 2002 to 2003 and PricewaterhouseCoopers from 2003 to 2006. Subsequently she moved to a private company in Singapore as Senior Finance Manager.

2 INFORMATION ON KINGSGATE

2.1 Profile of Kingsgate

Kingsgate was established on 28 October 1970 as “Kingsgate Mining & Exploration Co NL” and converted to “Kingsgate Consolidated Limited” on 27 September 2002.

Kingsgate is an Australian public company limited by shares and listed on the ASX since 1988 (ASX: KCN). The Shares of Kingsgate are currently suspended and have been suspended since 13 May 2016 as a result of the issues outlined in section 2.2 below.

2.2 Principal activities of Kingsgate

Based on the public announcements of Kingsgate, NGPI understands that Kingsgate has interests in projects in Thailand, Chile and Australia.

(a) Thailand - Chatree Gold Mine

General

Kingsgate is the owner and operator, through its subsidiary Akara, of the Chatree Gold Mine in central Thailand. Kingsgate commenced gold production at its Chatree Gold Mine in Thailand in 2002.

Issues at the Chatree Gold Mine

On 12 May 2016, Kingsgate made a request to the ASX for voluntary suspension of trading, following a public announcement from the Thai Minister of Industry (**MOI**) on 10 May 2016 concerning the tenure of the renewal of the licence for metallurgical operations at the Chatree Gold Mine.²¹

On 26 May 2016, Kingsgate made a request to the ASX for a continuation of the voluntary suspension of trading, on the basis that:²²

- (i) it had received the renewal of the Metallurgical Licence for the Chatree Gold Mine in Thailand for the period ending 31 December 2016 (and not the anticipated 5 years from the renewal date), and that Kingsgate understood that the renewal would be subject to certain conditions (which had not been provided to Kingsgate at that date); and
- (ii) the relevant order (in respect of the Thai Government’s decision) had been classified and was unable to be publicly disclosed.

On 16 June 2016, Kingsgate made a request to the ASX for a continuation of the voluntary suspension of trading, on the basis that:²³

- (i) on 10 June 2016, Kingsgate was advised that the Thai Cabinet Secretariat had issued an urgent order to overturn the 10 May 2016 resolution to only renew the Metallurgical Licence at the Chatree Gold Mine until 31 December 2016. The resolution had been made by the Cabinet following a brief video report by the MOI. The matter had then been reconsidered at a Cabinet

²¹ Source: Kingsgate ASX Announcement “Suspension from official quotation” released on ASX on 12 May 2016 in compliance with ASIC Class Order [CO 13/521].

²² Source: Kingsgate ASX Announcement “KCN Request for Continuation of Voluntary Suspension” released on ASX on 26 May 2016 in compliance with ASIC Class Order [CO 13/521].

²³ Source: Kingsgate ASX Announcement “KCN Request for Continuation of Voluntary Suspension” released on ASX on 16 June 2016 in compliance with ASIC Class Order [CO 13/521].

meeting on 7 June 2016, as the original decision had been taken with no accompanying documentation. As a result of this, Cabinet ordered that the original ruling be overturned and replaced with the following resolutions:

- (A) That the video presented to Cabinet by the MOI on 10 May 2016 is acknowledged, and that the MOI has been asked to continue the work being undertaken by the Environment and Health Committees established in 2015 to review the operations at Chatree Gold Mine and update the general public on these matters accordingly; and
 - (B) The MOI and other related government departments are to take further action in accordance with appropriate laws and regulations.
- (ii) a spokesperson for the Office of the Thai Prime Minister, General Sansern Kaewkamnerd stated that:

“[T]he fact is that the new ruling does not mean that the order to shut down Akara Resources Public Company Limited’s gold mine by the end of 2016 has been overturned despite widespread discussions otherwise in social media. Instead it is simply a technical matter”

and

“Prime Minister and National Council of Peace and Order Chief General Prayut Chan-o-cha had previously appointed a committee to investigate the matter with representatives from the Ministries of Industry, Public Health, Natural Resources and Environment, and Science and Technology. This committee has full authority to shut down the mine, and the Cabinet does not have to issue any order. Only an acknowledgement of the committee’s proposal is needed.”

- (iii) the Thai MOI also advised that the Cabinet’s original resolution was revoked so it can approach the issue in a more cautious manner to minimise the risk of any future legal action that may be taken against the government by Akara and/or Kingsgate.

On 29 July 2016, Kingsgate released its Quarterly Report for the period ending 30 June 2016 which summarised the above generally. In addition, amongst other matters, Kingsgate:²⁴

- (i) alleges the Thai Government’s actions lack legal and operating clarity;
- (ii) notes that in June, Akara was ordered to provide a full closure and remediation plan for the mine within 30 days, with such rehabilitation order rescinded less than a month after it was issued;
- (iii) notes that the Thai Department of Special Investigation (**DSI**) has since taken an interest in investigating the operation and alleges that the DSI entered the Chatree Gold Mine site without notice, potentially without proper legal grounds for such an entry, accompanied by a media contingent and a group of anti-mining protestors.
- (iv) notes that Kingsgate had only been able to secure one meeting with the Thai MOI in more than nine months of requesting meetings;

²⁴ Source: Kingsgate ASX Announcements “Statement on Thai Media Report” released on ASX on 2 October 2015 and “Quarterly Activities Report” released on ASX on 29 July 2016 in compliance with ASIC Class Order [CO 13/521].

- (v) notes that the MOI had informed Kingsgate that even if the unsubstantiated (in Kingsgate's view) health and environment allegations were dismissed, that Kingsgate lacked full community support or popularity to remain in business in spite of an international and independent health, environment and community audit commissioned by the MOI that shows the Chatree Gold Mine operates to best practice international mining standards;
- (vi) notes that the MOI had informed Akara that the 30 day health and environment committee investigation was still ongoing and was expected to possibly conclude in October 2016;
- (vii) notes that given the limited mine life imposed by the Thai Government, and subject to a final review and audit, there would be a substantial impairment to the carrying value of the Chatree Gold Mine that would be in the order of US\$175 million; and
- (viii) notes that there had been no further direct engagement from the Thai National Anti-Corruption Commission since notices were issued in October 2015 (other than the occasional gratuitous comment in the media).

On 31 August 2016 Kingsgate released its Preliminary Final Report. NGPI would encourage all Kingsgate Shareholders to read the Kingsgate Preliminary Final Report in full.

(b) Chile – Nueva Esperanza Project

Kingsgate is the 100% owner of the Nueva Esperanza Project, located in the Domeyko Cordillera of the Atacama Region of Chile. The property comprises contiguous Mining Concessions with a total area of 9,326 hectares. Kingsgate also owns and has the surface rights to an area of 4,020 hectares. The Nueva Esperanza Project was acquired by Kingsgate in 2012 through the consolidation of tenements and resources in 2011.

(c) Australia – Bowdens Silver Project

The Bowdens Silver Project is located in the Lue/Rylstone area of central western New South Wales, approximately 240 kilometres west of Sydney.

On 25 February 2016, Kingsgate announced a Share Purchase Agreement was entered into to sell an 85% interest in the Bowdens Silver Project (**Bowdens**) for cash consideration of A\$20 million to Silver Investment Holdings Australian Limited (**SIHA**). This arrangement was subsequently varied with SIHA agreeing to purchase 100% of the project for a total consideration of A\$25 million. On 29 June 2016, Kingsgate completed the sale of the Bowdens project.²⁵ At that date, \$5 million of the consideration was outstanding and is due to be paid by 30 September 2016. If this is not paid by the due date Kingsgate will retain 15% of the Bowdens project under an unincorporated joint venture.²⁶

²⁵ Source: Kingsgate ASX Announcement "Successful Completion of Bowdens Sale" released on ASX on 30 June 2016 in compliance with ASIC Class Order [CO 13/521].

²⁶ Refer to footnote 3.

2.3 Kingsgate's directors

As at the date of this Bidder's Statement, the directors of Kingsgate are:

Kingsgate director	Position	Number of Kingsgate Shares
Ross Smyth-Kirk	Non-Executive Chairman	5,076,725 shares ²⁷
Peter McAleer	Non-Executive Director	100,000 shares ²⁸
Peter Alexander	Non-Executive Director	46,487 shares ²⁹
Peter Warren	Non-Executive Director	145,000 shares ³⁰
Sharon Skeggs	Non-Executive Director	19,347 shares ³¹

2.4 Substantial shareholders

As at the date of this Bidder's Statement, there were 223,584,937 Kingsgate Shares on issue.

As at the date of this Bidder's Statement, Kingsgate comprises of the following substantial shareholders:

Shareholder	Number of Kingsgate Shares	% of Kingsgate Shares
Universal-Investment-Gesellschaft	16,500,000	7.38% ³²
Resource Capital Funds	13,353,040	5.97% ³³

2.5 Publicly available information

Kingsgate is a listed disclosing entity for the purposes of the Corporations Act and as such, is subject to regular reporting and disclosure obligations. Specifically, as an ASX listed company, Kingsgate is subject to the ASX Listing Rules, which require continuous disclosure of any information Kingsgate has concerning it that a reasonable person would expect to have a material effect on the price or value of its securities.

The ASX website lists all announcements issued by Kingsgate. These documents are available in electronic form from www.asx.com.au.

²⁷ Source: Kingsgate ASX Announcement "Change of Director's Interest Notice" released on ASX on 28 April 2014 and Kingsgate ASX Announcement "Appendix 4E and FY16 Annual Financial Statements" released on ASX on 31 August 2016 in compliance with ASIC Class Order [CO 13/521].

²⁸ Source: Kingsgate ASX Announcement "Change of Director's Interest Notice" released on ASX on 3 April 2013 and Kingsgate ASX Announcement "Appendix 4E and FY16 Annual Financial Statements" released on ASX on 31 August 2016 in compliance with ASIC Class Order [CO 13/521].

²⁹ Source: Kingsgate ASX Announcement "Change of Director's Interest Notice" released on ASX on 28 April 2014 and Kingsgate ASX Announcement "Appendix 4E and FY16 Annual Financial Statements" released on ASX on 31 August 2016 in compliance with ASIC Class Order [CO 13/521].

³⁰ Source: Kingsgate ASX Announcement "Initial Director's Interest Notice" released on ASX on 7 July 2014 and Kingsgate ASX Announcement "Appendix 4E and FY16 Annual Financial Statements" released on ASX on 31 August 2016 in compliance with ASIC Class Order [CO 13/521].

³¹ Source: Kingsgate ASX Announcement "Initial Director's Interest Notice" released on ASX on 19 December 2014 and Kingsgate ASX Announcement "Appendix 4E and FY16 Annual Financial Statements" released on ASX on 31 August 2016 in compliance with ASIC Class Order [CO 13/521].

³² Source: Kingsgate ASX Announcement "KCN Corporate Presentation April - May 2016" released on ASX on 18 April 2016 in compliance with ASIC Class Order [CO 13/521].

³³ Source: Kingsgate ASX Announcement "KCN Corporate Presentation April - May 2016" released on ASX on 18 April 2016 in compliance with ASIC Class Order [CO 13/521].

Kingsgate is also required to lodge various documents with ASIC. Copies of documents lodged with ASIC by Kingsgate may be obtained for a fee from, or inspected at, an office of ASIC.

For further information regarding Kingsgate, please refer to Kingsgate's 2015 Annual Report which can be located on the ASX website at www.asx.com.au using Kingsgate's ASX code 'KCN' or Kingsgate's website at www.kingsgate.com.au.

2.6 Disclaimer

The information in this section 2 concerning Kingsgate has been prepared by NGPI using publicly available information. Neither NGPI nor any of its directors or advisers has independently verified that information and do not make any representation or warranty, express or implied, as to the accuracy, relevance or completeness of such information, other than as required by the Corporations Act.

The information on Kingsgate in this Bidder's Statement should not be considered comprehensive.

3 **NGPI'S INTENTIONS**

3.1 Introduction

This section 3 sets out NGPI's intentions, on the basis of the facts and information concerning Kingsgate which are known to it and the existing circumstances affecting the business of Kingsgate, in relation to the following:

- (a) the continuation of the business of Kingsgate;
- (b) any major changes to be made to the business of Kingsgate, including any redeployment of the fixed assets of Kingsgate;
- (c) any major changes to the board of Kingsgate; and
- (d) the future employment of the present employees of Kingsgate.

NGPI's overall intention is to drive long term value creation for Kingsgate by having the Metallurgical Licence renewed for a period of 3 years to 5 years after 31 December 2016.³⁴ NGPI seeks to realise this goal by way of:

- engaging in a positive campaign to correct and improve the current negative public perception of Akara and the Chatree Gold Mine;
- seeking to engage with the Thai Government (at multiple levels) to:
 - repair the relationship that currently exists with Kingsgate; and
 - collaboratively resolve the issues facing Kingsgate, Akara and the Chatree Gold Mine; and
 - raise awareness, explain and clarify (at a Government and local level) that the allegations levelled against Akara and the Chatree Gold Mine are misleading and to present various studies by Thai and independent experts which support this.

The intentions of NGPI have been formed on the basis of publicly available facts and information concerning Kingsgate and the general business environment, which are known at the time of preparing this Bidder's Statement.

Final decisions regarding these matters will only be reached by NGPI in light of material information, facts and circumstances at the relevant time. Accordingly, the statements set out in this section 3 are statements of current intention only and may vary as new information becomes available or circumstances change. The statements in this section 3 should be read in this context.

3.2 Intentions

At the date of this Bidder's Statement, NGPI and its Associates do not have a Relevant Interest in any Kingsgate Shares. If all Kingsgate Shareholders accept the Offer, NGPI would hold a Relevant Interest of approximately 50.1%.³⁵

³⁴ While NGPI is confident in its ability to achieve its stated intention, this is obviously subject to uncertainty and there can be no guarantee that this goal will be ultimately achieved.

³⁵ This number could theoretically exceed 50.1% as a result of the Non-Marketable Parcel Extension if all Shareholders were to accept the Offer.

The effectiveness and potential benefits to Kingsgate of NGPI's proposed strategy will depend, in part, on the level of NGPI's Relevant Interest in Kingsgate Shares at the close of the Offer Period and the extent of the influence NGPI may exert as a result. NGPI may acquire significant influence over Kingsgate at ownership levels less than 50%. For example, if NGPI were to have a Relevant Interest in 25.1% of Kingsgate's Shares, Kingsgate will not be able to pass any resolutions requiring approval by 75% of its Shareholders without NGPI's approval. Conversely, if Kingsgate were to propose a resolution that required only a simple majority vote (e.g. the appointment of a director), NGPI's support of that resolution would substantially increase the likelihood of that resolution passing, where NGPI is entitled to vote on such resolutions.

(a) **Kingsgate Directors**

After the end of the Offer Period, NGPI intends to seek to replace some of the members of the Kingsgate board with nominees of NGPI.

NGPI would seek to engage with Kingsgate in a constructive manner regarding the appointment of directors nominated by NGPI to the Kingsgate Board. However, if such engagement did not eventuate, and NGPI held more than 5% of Kingsgate at the relevant time, NGPI may consider using rights given to shareholders with shareholdings of 5% or more to propose changes to the Kingsgate board by proposing new directors to replace existing directors.

NGPI would seek to nominate directors who are focused on resolving the situation appropriately and collaboratively with the Thai Government and are focused on managing the business for long term value creation of Kingsgate Shareholders.

As a general principle, NGPI believes that decisions are better made with a smaller rather than a larger group of directors for a company of Kingsgate's size. As a result, NGPI may seek to reduce the board size and change the geographical concentration of directors to better reflect Kingsgate's geographical revenue focus. NGPI would seek to ensure that the new Kingsgate Board would consist of directors in whom shareholders could have confidence to resolve the current situation at the Chatree Gold mine.

Initially, NGPI would intend to propose the following persons be appointed as directors of Kingsgate:

Chatchai Yenbamroong

Details of Mr Yenbamroong's background can be found at section 1.2 and NGPI takes this opportunity to reiterate the considerable in-country and local experience of Mr Yenbamroong.

John Bovard



Mr John Bovard is a civil engineer with 50 years' experience in mining, heavy construction, project development and corporate management. His

career to date has included roles as CEO of public companies and both Executive and Non-Executive Directorships. He holds a Bachelors Degree in Civil Engineering, is a Fellow of the Australasian Institute of Mining and Metallurgy, and a Fellow of the Australian Institute of Company Directors.

He has extensive experience in construction and mine development, company management, working in remote areas and with local communities and has mine operations experience including being a Registered Mine Manager.

Mr Bovard is currently a Non-Executive Director of Aus Tin Mining Limited (ASX:ANW) and a Non-Executive Director of SolGold Plc (AIM). Mr Bovard was also Non-Executive Chairman of ASX-listed Orbis Gold Limited (ASX:OBS) prior to its acquisition by TSX listed SEMAFO Inc in 2015.

Roles held by Mr Bovard over the past ten years include interim CEO of Australian Solomons Gold Ltd, Non-Executive Chairman of Axiom Mining Ltd and CEO and President of (TSX listed) Asia Pacific Resources Ltd developing a large potash resource in Thailand. Other Directorships have included Danae Resources NL (Managing Director) and Greenwich Resources Plc (Executive Chairman), both through to early 2006.

Mr Bovard was also Project Manager for the \$A800 million Western Mining Corporation (WMC), Phosphate Hill Fertiliser Project, located south of Mount Isa in Queensland, Australia. Other major project experience includes managing the early feasibility studies and construction of the Porgera Mine in Papua New Guinea and managing the company responsible for the Super Pit expansion at Kalgoorlie. Mr Bovard also held the role General Manager of the giant OK Tedi porphyry Copper Gold Mine.

Experience relevant to Thailand includes 4 ½ years as CEO of Asia Pacific Resources Ltd, three years as Project Manager for an Australian aid project in the unsettled deep south of Thailand in the late 1970's together with a number of consulting assignments in the resources sector for one of the largest listed companies in Thailand over a period of 10 years.

Paul Underwood



Mr Underwood has over 33 years experience in the upstream oil and gas sector and corporate advisory. He was the founding Managing Director and Chief Executive Officer of Tap Oil Limited (ASX:TAP), a position he held for 11 years. Mr Underwood presided over Tap Oil during its progression from an unlisted junior start-up company into a significant participant in the oil and gas sector with a market capitalisation of several hundred million dollars.

Since 2012, he has been Executive Chairman (and since 2015 Managing Director and CEO) of Triple Energy Ltd, (ASX:TNP) a company focussed on oil and gas projects in China.

Mr Underwood has also served as a Non-Executive Director of Western Power, a Western Australian state owned electricity utility, and is the President of Alliance Francaise de Perth.

If NGPI is successful in appointing its nominees to the Kingsgate Board, NGPI will seek, to the extent possible through its nominees on the Kingsgate board, to implement the intentions detailed in this section 3 where they are considered by those directors to be in the best interests of Kingsgate and all shareholders.

(b) Kingsgate's operating businesses and employees

NGPI does not currently have access to all material information, facts and circumstances which are necessary to assess the operational, commercial, taxation and financial implications of its current intentions; final decisions on these matters have not been made.

NGPI, through its nominees on the Kingsgate Board would propose to the Kingsgate Board that it conduct a strategic review of Kingsgate's businesses and operations. NGPI would work with management and staff to:

- determine the optimal strategy and operational structure for Kingsgate's businesses and operations;
- identify performance improvement opportunities; and
- develop a detailed business plan for the ongoing operation and growth of Kingsgate's business and operations in consultation with the senior management of Kingsgate.

The outcome of this review may result in changes to the strategy and structure of the respective operating businesses, including potential changes to the way in which those businesses are managed, as well as the number and functions of employees in each operating unit.

(c) ASX listing

NGPI's current intention is to maintain Kingsgate's ASX listing (subject to the ASX Listing Rules and Kingsgate continuing to meet the spread requirements of an ASX listed entity).

3.3 Limitations in giving effect to intentions

The extent to which NGPI will be able to implement its intentions in relation to Kingsgate will be subject to:

- (a) the Corporations Act and the ASX Listing Rules;
- (b) the legal obligations of the directors of Kingsgate to act for proper purposes and in the best interests of Kingsgate; and
- (c) the outcome of NGPI's review of Kingsgate at the conclusion of the Offer Period, which may alter or prevent the achievement of certain intentions set out above.

3.4 Other intentions

Subject to the matters described above in this section 3 and elsewhere in this Bidder's Statement and, in particular, the completion of the strategic review of Kingsgate's operations, it is the intention of NGPI, on the basis of the facts and information

concerning Kingsgate that are known to NGPI and the existing circumstances affecting the assets and operations of Kingsgate at the date of this Bidder's Statement that:

- (a) the business of Kingsgate will be conducted in substantially the same manner as at the date of this Bidder's Statement;
- (b) no other major changes will be made to the business of Kingsgate;
- (c) there will be no redeployment of the fixed assets of Kingsgate; and
- (d) the present employees of Kingsgate will continue to be employed by Kingsgate.

4 INFORMATION ON KINGSGATE SECURITIES

4.1 Issued securities

NGPI understands that the total number of securities in Kingsgate as at the date of this Bidder's Statement is as follows:³⁶

- (a) 223,584,937 Kingsgate Shares;
- (b) 111,660 unlisted deferred rights with conversion date 1 July 2016 (**Deferred Rights**); and
- (c) 4,833,334 unlisted options (**Unlisted Options**) as per the below:

Options	Exercise price	Expiry date
3,333,334	\$10.50	22 September 2016
500,000	\$0.40	30 June 2019
500,000	\$0.50	30 June 2020
500,000	\$0.60	30 June 2021

4.2 Relevant interest in Kingsgate securities and Voting Power

As at the date of this Bidder's Statement and as at the date immediately before the first Offer is sent:

- (a) NGPI has no Relevant Interest in Kingsgate Shares; and
- (b) NGPI has no Voting Power in Kingsgate Shares.

4.3 Consideration provided for Kingsgate securities during previous four months

NGPI and its Associates have not acquired any Kingsgate Shares during the four months ending on the day immediately before the date of the Offer.

NGPI and its Associates have not disposed of any Kingsgate Shares during the period of four months ending on the day immediately before the date of the Offer.

4.4 Inducing benefits given during previous four months

Except as set out in this Bidder's Statement, neither NGPI nor any of its Associates have, during the period of four months ending on the day immediately before the date of the Offer, given, offered or agreed to give a benefit to another person where the benefit was likely to induce the other person, or an Associate, to:

- (a) accept the Offer; or
- (b) dispose of Kingsgate Shares,

which benefit was not offered to all Kingsgate Shareholders under the Offer.

³⁶ Source: Kingsgate ASX Announcement "Appendix 3B" released on ASX on 15 August 2016 in compliance with ASIC Class Order [CO 13/521].

4.5 No escalation agreements

Neither NGPI, nor any of its Associates have entered into any escalation agreement that is prohibited by section 622 of the Corporations Act.

5 FUNDING

5.1 Total consideration

The consideration for the acquisition of the Kingsgate Shares to which the Offer relates will be satisfied by the payment of cash for each Kingsgate Share.

The maximum amount of cash that NGPI would be required to pay under the Offer if acceptances are received for all Kingsgate Shares on issue as at the date of this Bidder's Statement is approximately A\$4,870,326.³⁷

5.2 Sources of cash consideration

All cash required to fund the Offer will be provided by funding from Mr Chatchai Yenbamroong (**Financier**) pursuant to the Unsecured Loan Deed, details of which are set out below in section 5.3.

Mr Yenbamroong has provided evidence to the Bidder that the amount referred to in Section 5.1 above is held in an Australian bank account with Bankwest in the name of Mr Yenbamroong in immediately available funds.

5.3 Unsecured Loan Deed

On 7 September 2016, the Financier and NGPI entered into an unsecured loan deed (**Unsecured Loan Deed**).

The Unsecured Loan Deed provides for a loan (**Loan**) from the Financier to NGPI (as borrower) up to the facility limit (**Facility Limit**) of the amount of A\$6.2 million (as reduced or cancelled under the Unsecured Loan Deed).

The Facility Limit is permanently reduced by amounts prepaid by NGPI or repaid by NGPI in accordance with the Unsecured Loan Deed.

Under the Unsecured Loan Deed, if NGPI wants to request an Advance it must give an irrevocable notice to the Financier at least two Business Days before the date of the proposed Advance and the Financier will provide the Advance to the Borrower in accordance with such notice and the Unsecured Loan Deed. Other than set out in this section 5.3, there are no limitations or conditions in respect of an Advance.

Any funds so advanced may only be used for the payment of the cash consideration to sellers of Kingsgate Shares pursuant to the Offer or for the payment of the costs of experts and advisors in respect of the Offer.

No interest accrues under the Unsecured Loan Deed.

The Loan must be repaid to the Financier on the repayment date (being two years from first drawdown, **Repayment Date**). On the Repayment Date, the Facility Limit is reduced to zero.

Under the Unsecured Loan Deed, NGPI indemnifies and must keep the Financier indemnified against any liability, loss, cost or expense (including, without limitation, legal costs on a full indemnity basis) which the Financier pays or incurs in exercising any Power or as a result of or in connection with any default by NGPI in performing or observing any of NGPI's Obligations under the Unsecured Loan Deed.

³⁷ This amount has been calculated on basis of all Shareholders accepting the Offer (112,016,053 x A\$0.042 = ~A\$4,704,674) and the application of the Non-Marketable Extension in respect of an additional 3,944,100 Shares (3,944,100 x A\$0.042 = ~A\$165,652).

6 TAXATION IMPLICATIONS

6.1 Introduction

This section 6 provides a brief outline of certain Australian tax consequences which may arise where a Kingsgate Shareholder decides to accept the Offer. Kingsgate Shareholders are specifically informed that the outline contained in this section 6:

- (a) does not constitute tax advice by NGPI or its advisers to any Kingsgate Shareholder;
- (b) is an indicative guide based on the understanding of NGPI of the possible Australian CGT, GST and stamp duty consequences arising to Kingsgate Shareholders on the disposal of Kingsgate Shares;
- (c) does not consider any broader Australian or foreign tax implications;
- (d) is prepared on the basis of the existing Australian tax laws and administrative practices applicable as at the date of this Bidder's Statement, which may be subject to change periodically (including with retrospective effect); and
- (e) should not be relied upon by a Kingsgate Shareholder for any purpose (including in deciding whether the Kingsgate Shareholder should accept the Offer).

The outline contained in this section 6 is not intended to be an authoritative or complete statement of the Australian tax law applicable to the specific circumstances of every Kingsgate Shareholder. In particular, the comments in the outline are generally only relevant to those Kingsgate Shareholders who hold their shares on capital account for Australian income tax purposes. The comments do not apply to Kingsgate Shareholders who:

- (a) are in the business of trading or dealing in securities, or otherwise hold their Kingsgate Shares on revenue account;
- (b) acquired their Kingsgate Shares as a result of an employee share plan or employee share option plan;
- (c) are a bank, insurance company or tax exempt organisation;
- (d) are subject to the Australian Taxation of Financial Arrangements (**TOFA**) rules in Division 230 of the *Income Tax Assessment Act 1997 (Cth)* in relation to their Kingsgate Shares; or
- (e) are non-resident Kingsgate Shareholders who currently hold, or have held at any time, Kingsgate Shares through a permanent establishment in Australia.

The outline contained in this section 6 is not intended to be, and should not be relied upon as, personal taxation advice or financial advice. The applicable tax treatment may vary according to individual circumstances, and as such, each Kingsgate Shareholder should seek independent tax advice in connection with the Offer that is specific to their particular circumstances.

6.2 Disposal for CGT purposes

A Kingsgate Shareholder that accepts the Offer (and the Offer becomes unconditional) should be treated as having disposed of the relevant Kingsgate Shares for Australian CGT purposes on the date that the Offer is accepted. The disposal of a Kingsgate Share

in this manner should constitute a disposal of a CGT asset and potentially trigger a taxing event under Australia's CGT regime.

6.3 Australian resident Kingsgate Shareholders

A Kingsgate Shareholder should realise a capital gain in connection with the disposal of a Kingsgate Share equal to the amount by which the Offer consideration exceeds the cost base of their Kingsgate Share. A Kingsgate Shareholder should alternatively realise a capital loss equal to the amount by which the reduced cost base of the Kingsgate Share exceeds the Offer consideration. A capital loss may be used to offset a capital gain made in the same income year or be carried forward to offset a capital gain made in a future income year, subject to the satisfaction of any applicable loss recoupment tests.

If a Kingsgate Shareholder accepts the Offer but the Condition of the Offer is not satisfied, the Offer will lapse. Any Kingsgate Shareholders who have accepted the Offer in these circumstances will not be taken to have disposed of their Kingsgate Shares and accordingly, should not realise any capital gain or loss.

The cost base and reduced cost base of a Kingsgate Share should generally equal the amount that the Kingsgate Shareholder paid, or is deemed to have paid, to acquire the Kingsgate Share (including certain incidental costs associated with the acquisition, such as brokerage fees).

A Kingsgate Shareholder who is an Australian tax resident individual, trust or complying superannuation fund may be entitled to reduce a capital gain arising on disposal of a Kingsgate Share by the CGT discount, provided that:

- (a) the Kingsgate Share was acquired at least 12 months prior to its disposal for Australian CGT purposes; and
- (b) the CGT discount is applied to the capital gain after any available capital losses are first offset against that capital gain.

The applicable CGT discount which should reduce any remaining capital gain arising from the disposal of a Kingsgate Share (after the application of any capital losses or net capital losses from previous income years) is as follows:

- (a) 50% for an individual or trust; and
- (b) 33.33% for a complying superannuation fund.

The CGT discount is not available to any Kingsgate Shareholders that are companies.

Capital gains and capital losses of a taxpayer in a year of income are aggregated to determine whether there is a net capital gain. Any net capital gain is included in assessable income and is subject to income tax. Capital losses may not be deducted against other income for income tax purposes, but may be carried forward to offset against future capital gains, subject to satisfying certain rules relating to the recoupment of carried forward losses.

6.4 Non-resident Kingsgate Shareholders

A Kingsgate Shareholder who is not a resident of Australia for Australian income tax purposes should generally not have to pay Australian income tax in relation to any capital gain arising on the disposal of their Kingsgate Shares. Further, non-residents are generally not entitled to claim any capital gains tax discount on disposal of a CGT asset subject to Australian income tax.

Non-Australian resident holders of Kingsgate Shares who (together with their associates) hold 10% or more of the rights to capital distributions, rights to profit distributions or rights to vote in Kingsgate and non-Australian resident holders of Kingsgate Shares who hold their Kingsgate Shares through a permanent establishment in Australia should seek independent professional advice in respect of their own particular circumstances.

6.5 Goods and services tax

Generally, the holders of Kingsgate Shares should not be liable for GST in respect of a disposal of those Kingsgate Shares. However, in certain circumstances, Kingsgate Shareholders may be restricted from claiming input tax credits for GST incurred on costs in connection with the Offer (for example, GST included in advisory costs).

6.6 Stamp duty

Kingsgate Shareholders should not generally be subject to adverse Australian stamp duty implications in connection with the Offer.

7 ADDITIONAL INFORMATION

7.1 ASIC modifications

NGPI has relied on ASIC modifications of section 618 of the Corporations Act as set out in ASIC Class Order [CO 13/521]. The effect of the modifications is reflected in the terms of the Offer set out in section 8 of this Bidder's Statement.

Also, ASIC has published various class orders providing for modifications and exemptions that generally apply to all persons including NGPI, in relation to the operation of Chapter 6 of the Corporations Act.

7.2 Persons to whom the Offer is sent

For the purposes of section 633(2) of the Corporations Act, the date for determining the person to whom information is to be sent in items 6 and 12 of section 633(1) of the Corporations Act is the Register Date (being 19 September 2016).

7.3 Directors' consents

The Directors of NGPI have given and have not, before the lodgement of this Bidder's Statement with ASIC, withdrawn their consent to be named in this Bidder's Statement in the form and context in which they are named.

7.4 Third party consents

The following persons have given, and have not withdrawn before the date of this Bidder's Statement, their consent to be named in this Bidder's Statement in the form and context in which they are so named:

- Mr John Bovard as a proposed nominee of NGPI on the Kingsgate Board;
- Mr Paul Underwood as a proposed nominee of NGPI on the Kingsgate Board;
- Link Market Services Limited as share registrar;
- Patersons Securities Limited as corporate adviser; and
- HopgoodGanim Lawyers as Australian legal adviser.

Each of the above persons:

- does not make, or purport to make, any statement in this Bidder's Statement; and
- to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Bidder's Statement.

As permitted by ASIC Class Order [CO 13/521] (**Class Order**), this Bidder's Statement contains statements which are made in, or based on statements made in, documents lodged with ASIC or given to ASX as set out below:

Entity	Announcement	Date of Announcement
Kingsgate	Appendix 4E and FY16 Annual Financial Statements	31 August 2016
Kingsgate	Appendix 3B	15 August 2016
Kingsgate	Successful Completion of Bowdens Sale	30 June 2016

Kingsgate	KCN Request for Continuation of Voluntary Suspension	16 June 2016
Kingsgate	KCN Request for Continuation of Voluntary Suspension	26 May 2016
Kingsgate	Suspension from official quotation	12 May 2016
Kingsgate	KCN Corporate Presentation April - May 2016	18 April 2016
Kingsgate	Quarterly Activities Report	30 October 2015
Kingsgate	Statement on Thai Media Report	2 October 2015
Kingsgate	Initial Director's Interest Notice	19 December 2014
Kingsgate	Initial Director's Interest Notice	7 July 2014
Kingsgate	Change of Director's Interest Notice	28 April 2014
Kingsgate	Change of Director's Interest Notice	3 April 2013

Pursuant to the Class Order, the consent of the parties making those statements is not required for, and those persons have not consented to, the inclusion of such statements in this Bidder's Statement.

On request by a Kingsgate Shareholder during the Offer Period, NGPI will provide a copy of those documents (or the relevant parts of those documents) free of charge and within 2 Business Days of such request. A request should be made in writing to HopgoodGanim Lawyers (marked for the attention of Luke Dawson).

7.5 No other material information

There is no other information that:

- is material to the making of the decision by a holder of Kingsgate Shares whether or not to accept the Offer; and
- which is known to NGPI,

other than:

- as set out or referred to elsewhere in this Bidder's Statement; or
- information which it would be unreasonable to require NGPI to disclose because the information has previously been disclosed to holders of Kingsgate Shares.

7.6 Privacy

NGPI has collected your information from the register of Kingsgate Shareholders for the purposes of making the Offer. The Corporations Act requires the names and addresses of Kingsgate Shareholders to be held in a public register. Your information may be disclosed on a confidential basis to NGPI's affiliates and external service providers, and may be required to be disclosed to regulators, such as ASIC. The registered office of NGPI is 6 Temasek Boulevard, #09-05, Suntec Tower Four, Singapore (038986).

7.7 Rounding

A number of figures, amounts, percentages, prices, estimates, calculations of value and fractions in this Bidder's Statement are subject to the effect of rounding. Accordingly, the actual calculation of these figures may differ from the figures set out in this Bidder's Statement.

8 TERMS OF OFFER

8.1 Offer

- (a) NGPI offers to acquire from you, on the terms and conditions of this Offer, 50.1% of your Kingsgate Shares (rounded down to the nearest whole number of shares) together with all Rights attaching to those Kingsgate Shares. You may only accept this Offer for 50.1% of your Kingsgate Shares and not a greater or lesser proportion.³⁸ For example, if you hold 12,500 Kingsgate Shares, you can only accept this Offer in respect of 6,262 Kingsgate Shares.
- (b) This Offer does not extend to Kingsgate Shares in respect of which you become registered or become entitled to be registered as the holder prior to the end of the Offer Period as a result of the conversion of, or the exercise of rights attached to, other securities convertible into Kingsgate Shares that are on issue at the Register Date (including the Unlisted Options and the Deferred Rights).
- (c) This Offer extends to any person who is able, during the Offer Period, to give good title to a parcel of Kingsgate Shares that are not “tagged” and has not already accepted an Offer for those Kingsgate Shares (see section 8.7(a)). If you accept this Offer in respect of 50.1% of your Kingsgate Shares, you are not entitled to accept the Offer for your remaining Kingsgate Shares (**Remaining Shares**), nor can a transferee of your Remaining Shares accept the Offer. Your Remaining Shares will effectively be “tagged” so that a transferee of the Remaining Shares will be prevented from accepting this Offer.
- (d) Subject to section 8.1(e) and despite paragraphs (a), (b) and (c) of this section 8.1, if accepting this Offer would leave you with less than a Marketable Parcel of Kingsgate Shares, this Offer extends to the whole of that parcel and if you accept the Offer you will be deemed to have accepted for (and will receive consideration for) 100% of your Kingsgate Shares, unless you or another person acquired a legal or equitable interest in the Kingsgate Shares comprising the parcel after the Offer was announced to ASX on the Announcement Date. This section applies to persons who hold Kingsgate Shares as nominee or trustee for others, provided that the holder provides a notice complying with section 8.6(b) in relation to each parcel of Kingsgate Shares to which this provision is to apply.
- (e) Section 8.1(d) will not apply to a parcel of Kingsgate Shares, whether held beneficially or otherwise, that has come into existence, or increased in size, because of a transaction entered into (including the creation of one or more trusts), at any time after 10:00am on the Announcement Date.
- (f) If necessary, if the number of your Kingsgate Shares to which this Offer relates is not a whole number, the Offer will be rounded down to the nearest whole number.
- (g) Offers on terms and conditions identical to those contained in this Offer have been dispatched or will be dispatched to all holders of Kingsgate Shares registered as such in the Register on the Register Date.
- (h) This Offer is dated 30 September 2016.

³⁸ If accepting the Offer would leave you with a less than a Marketable Parcel of Kingsgate Shares, the Offer will extend to all of your Kingsgate Shares, subject to the modification to section 618(2) of the Corporations Act granted in ASIC Class Order [CO 13/521]. See sections 8.1(d) and 8.6 of this Bidder's Statement for further details.

8.2 Consideration and dividends

- (a) Subject to the terms of this Offer, the consideration offered by NGPI for the acquisition of each of your Kingsgate Shares to which this Offer relates is A\$0.042 cash for each Kingsgate Share.
- (b) Subject to sections 8.2 and 8.4(d) and the Corporations Act, NGPI will pay the consideration due to you for your Kingsgate Shares on or before the earlier of:
 - (i) 10 Business Days after this Offer is accepted or 10 Business Days after the Condition has been waived or fulfilled (whichever is the later); and
 - (ii) 10 Business Days after the end of the Offer Period.
- (c) Where the Acceptance Form requires an additional document to be delivered with your Acceptance Form to enable NGPI to become the registered holder of your Shares (such as a power of attorney):
 - (i) if that document is given with your Acceptance Form, NGPI will provide the consideration in accordance with section 8.2(b);
 - (ii) if that document is given after your Acceptance Form and before the end of the Offer Period while this Offer is subject to the Condition, NGPI will provide the consideration due to you on or before the earlier of 10 Business Days after this Offer becomes unconditional and 10 Business Days after the end of the Offer Period;
 - (iii) if that document is given after your Acceptance Form and before the end of the Offer Period while this Offer is not subject to the Condition, NGPI will provide the consideration due to you on or before the earlier of 10 Business Days after that document is given and 10 Business Days after the end of the Offer Period; or
 - (iv) if that document is given after the end of the Offer Period, and the Offer is not subject to the Condition, NGPI will provide the consideration within 10 Business Days after that document is given. If you do not provide NGPI with the required additional documents within one month after the end of the Offer Period, NGPI may, in its sole discretion, rescind the Offer Contract.
- (d) Payment of the cash amount to which you are entitled under the Offer will be made by cheque in Australian currency. Cheques will be posted to you at your risk by ordinary mail (or in the case of foreign shareholders, by airmail) to the address last provided to NGPI by Kingsgate.
- (e) NGPI will be entitled to all Rights declared, paid, made or which arise or accrue at or after the Announcement Date in respect of the Accepted Shares that it acquires pursuant to this Offer.
- (f) If any Rights are declared, paid, made or arise or accrue in cash after the Announcement Date in respect of the Accepted Shares to the holders of the Accepted Shares, NGPI will (provided that the same has not been paid to NGPI) be entitled to reduce the consideration specified in section 8.2(a) and payable by it to the holders of the Accepted Shares by an amount equal to the value of such Rights.
- (g) If any non-cash Rights are issued or made or arise or accrue after the Announcement Date in respect of the Accepted Shares to the holders of the Accepted Shares, NGPI will (provided the same has not been issued to NGPI) be entitled to reduce the consideration specified in section 8.2(a) and payable by it to

the holders of the Accepted Shares by an amount equal to the value (as reasonably assessed by the Chairman of ASX or his or her nominee) of such non-cash Rights.

- (h) It is your sole responsibility to satisfy yourself that you are permitted by any applicable Foreign Law to accept the Offer. If, at the time of acceptance of the Offer, you are resident in or a resident of a place to which, or you are a person to whom, the following regulations apply:
- (i) the *Autonomous Sanctions Regulations 2011* (Cth);
 - (ii) Part 4 of the *Charter of the United Nations Act 1945* (Cth);
 - (iii) the *Charter of the United Nations (Dealing with Assets) Regulations 2008* (Cth);
 - (iv) the *Charter of the United Nations (Sanctions – Al-Qaida) Regulations 2008* (Cth);
 - (v) the *Charter of the United Nations (Sanctions – Iraq) Regulations 2008* (Cth); or
 - (vi) any other law of Australia or regulation under the *Charter of the United Nations Act 1945* (Cth) that requires that an authority, clearance or approval of the Reserve Bank of Australia, the Australian Taxation Office or any other government authority be obtained before you receive any consideration for your Shares,

which would make it unlawful for NGPI to provide consideration for your Shares, you will not be entitled to receive any consideration for your Shares until all requisite authorities or clearances have been received by NGPI.

8.3 Offer Period

- (a) Unless the Offer is withdrawn in accordance with the requirements of the Corporations Act, this Offer will remain open for acceptance by you during the period commencing on the date of this Offer and ending at 7:00pm (Sydney time) on:
- (i) 4 November 2016; or
 - (ii) any date to which the period of this Offer is extended in accordance with the Corporations Act,
- whichever is the later.
- (b) NGPI reserves the right, exercisable in its sole discretion, to extend the Offer Period in accordance with the Corporations Act (as modified by ASIC Class Order [CO 13/521]).
- (c) If, within the last seven days of the Offer Period:
- (i) the Offer is varied to improve the consideration offered; or
 - (ii) NGPI's Voting Power in Kingsgate increases to more than 50%,

the Offer Period will be automatically extended so that it ends 14 days after the event referred to in paragraph (i) or (ii) above.

8.4 How to accept this NGPI Offer

- (a) You may accept this Offer only in respect of 50.1% of your Kingsgate Shares (rounded down to the nearest whole number of shares) but for no more or less.³⁹
- (b) Subject to section 8.6, to accept this Offer in respect of Kingsgate Shares which, at the time of acceptance, are registered in your name in the issuer sponsored subregister operated by Kingsgate (in which case your Kingsgate Shares are not in a CHESS Holding and your Securityholder Reference Number will commence with "I"), you must complete and sign the Issuer Sponsored Subregister Acceptance Form enclosed with this Offer (which forms part of this Offer) in accordance with the instructions on it and return it together with all other documents required by those instructions (if any) to:

By mail:

Link Market Services Limited
Kingsgate Consolidated Limited Takeover
Locked Bag A14
SYDNEY SOUTH NSW 1235

By hand delivery (*please do not use this address for mailing purposes*):

Link Market Services Limited
Kingsgate Consolidated Limited Takeover
1A Homebush Bay Drive
RHODES NSW 2138

so that it is received at an address specified above by no later than the end of the Offer Period. A reply paid envelope, which is valid if sent from within Australia, is enclosed for your use.

- (c) To accept this Offer in respect of Kingsgate Shares which, at the time of acceptance, are held by you in a CHESS Holding (in which case your Holder Identification Number will commence with "X"), you must comply with the ASX Settlement Operating Rules. To accept this Offer in accordance with the ASX Settlement Operating Rules:
 - (i) if you are the Controlling Participant, you must initiate acceptance of this Offer in accordance with Rule 14.14 of the ASX Settlement Operating Rules before the end of the Offer Period; or
 - (ii) if you are not the Controlling Participant, you may either:
 - (A) instruct your Controlling Participant (normally your Broker), in accordance with the sponsorship agreement between you and the Controlling Participant, to initiate acceptance of this Offer in accordance with Rule 14.14 of the ASX Settlement Operating Rules, such initiation to occur before the end of the Offer Period. If you choose to accept this Offer in this way, your Controlling Participant will be obliged by Rule 14.14.1 of the ASX Settlement Operating Rules to initiate the acceptance in accordance with your instructions (if specified) or otherwise by End of Day (as defined in the ASX Settlement Operating Rules) on the date that you instruct the Controlling Participant to accept this Offer or, if the Offer Period ends on the day you provide those instructions, before the end of the Offer Period; or

³⁹ If accepting the Offer would leave you with a less than a Marketable Parcel of Kingsgate Shares, the Offer will extend to all of your Kingsgate Shares, subject to the modification to section 618(2) of the Corporations Act granted in ASIC Class Order [CO 13/521]. See sections 8.1(d) and 8.6 of this Bidder's Statement for further details.

- (B) otherwise, complete and sign the enclosed CHES Acceptance Form in accordance with the instructions on the CHES Acceptance Form and return it (using the enclosed reply paid envelope, which is valid if sent from within Australia) together with all other documents required by those instructions to the address indicated on the CHES Acceptance Form, and as such authorise NGPI to instruct your Controlling Participant to initiate acceptance of this Offer on your behalf in accordance with Rule 14.14 of the ASX Settlement Operating Rules. For return of the CHES Acceptance Form to be an effective acceptance of the Offer under this section 8.4(c)(ii)(B), it must be received by NGPI in time for NGPI to give instructions to your Controlling Participant, and your Controlling Participant to carry out those instructions, before the end of the Offer Period.
- (d) An acceptance of this Offer under section 8.4(b) or 8.4(c)(ii)(B) shall not be complete until the Acceptance Form, completed and signed in accordance with the instructions on it and all other documents required by those instructions, have been received at the address set out in section 8.4(b). Notwithstanding the foregoing provisions of this section 8.4, NGPI may, in its absolute discretion, waive at any time prior to the end of the Offer Period all or any of the requirements specified in the Acceptance Form but payment of the consideration in accordance with this Offer will not be made until any irregularity has been resolved and such other documents as may be necessary to procure registration of the Kingsgate Shares have been lodged with NGPI.
- (e) The postage and transmission of the Acceptance Form and other documents is at your own risk.

8.5 Validity of acceptances

- (a) Subject to this section 8.5, your acceptance of the Offer will not be valid unless it is made in accordance with the procedures set out in section 8.4.
- (b) NGPI will determine, in its sole discretion, all questions as to the form of documents, eligibility to accept the Offer and time of receipt of an acceptance of the Offer. NGPI is not required to communicate with you prior to or after making this determination. The determination of NGPI will be final and binding on all parties.

8.6 Entitlement to Offer

- (a) Subject to section 8.1(c), a person who:
 - (i) is able during the Offer Period to give good title to a parcel of Kingsgate Shares; and
 - (ii) has not already accepted an Offer for those Kingsgate Shares;may, in accordance with section 653B(1) of the Corporations Act, accept this Offer as if an offer on terms identical with the Offer had been made to that person in relation to those Kingsgate Shares.
- (b) If at any time during the Offer Period, and before you accept this Offer, your Kingsgate Shares consist of one or more separate parcels within the meaning of section 653B of the Corporations Act (for example, because you hold Kingsgate Shares on trust for, as nominee for, or on account of, another person or persons), then you may accept as if a separate offer in the form of this Offer had been made to you in relation to each of those parcels (including any parcel you hold in your own right). An acceptance by you of the Offer in respect of any such distinct portion of your Kingsgate Shares will be ineffective unless:

- (i) you have given NGPI notice stating that your Kingsgate Shares consist of separate and distinct parcels, such notice being:
 - (A) in the case of Kingsgate Shares not in a CHES Holding, in writing; or
 - (B) in the case of Kingsgate Shares in a CHES Holding, in an electronic form approved by the ASX Settlement Operating Rules; and
- (ii) your acceptance specifies the number of Kingsgate Shares in the distinct portions to which the acceptance relates; and
- (iii) in circumstances where the parcel of Kingsgate Shares is held by you as trustee or nominee for, or otherwise on account of, another person, your acceptance specifies:
 - (A) the date that other person acquired an equitable interest in the parcel or, if that date is not known, the date that other person is reasonably believed to have acquired an equitable interest in the parcel; and
 - (B) where the date that other person acquired an equitable interest in the parcel is the Announcement Date – whether the equitable interest was acquired before the time the Offer was announced to ASX on the Announcement Date.
- (c) Beneficial owners whose Kingsgate Shares are registered in the name of a Broker, investment dealer, bank, trust company or other nominee should contact that nominee for assistance in having this Offer accepted in respect of the Kingsgate Shares which they beneficially own.

8.7 Effect of acceptance

- (a) By:
 - (i) completing, signing and returning an Acceptance Form in accordance with section 8.4(b) or 8.4(c)(ii)(B); or
 - (ii) causing this Offer to be accepted in accordance with the ASX Settlement Operating Rules if your Kingsgate Shares are in a CHES Holding,

you will, or will be deemed to, have:

- (iii) subject to section 650E of the Corporations Act and section 8.6 irrevocably accepted this Offer in respect of your Kingsgate Shares to which this Offer relates (**Accepted Shares**);
- (iv) agreed, subject to the Condition being fulfilled, to transfer the Accepted Shares to NGPI;
- (v) represented and warranted to NGPI as a fundamental condition going to the root of the contract resulting from your acceptance of this Offer that, both at the time of acceptance of this Offer and at the time the transfer of the Accepted Shares to NGPI is registered, all of the Accepted Shares are and will upon registration be fully paid up and free from all mortgages, charges, liens and other encumbrances of any kind and restrictions on transfer of any kind, and that you have full power and capacity (whether legal or equitable) to sell and transfer the Accepted Shares and that you have paid all amounts which at the time of acceptance have fallen due for payment in respect of the Accepted Shares;

- (vi) authorised NGPI (by any of its directors, officers, servants or agents), if necessary, to complete on the Acceptance Form correct details of the Accepted Shares, fill in any blanks remaining on the Acceptance Form and rectify any error in or omission from the Acceptance Form as may be necessary to make the Acceptance Form an effective acceptance of this Offer;
- (vii) irrevocably appointed NGPI and each of its directors, secretaries and officers from time to time jointly and each of them severally as your true and lawful attorney, with effect from the date that the Condition of the Offer is fulfilled, with power to exercise all powers and rights which you could lawfully exercise as the registered holder of the Accepted Shares or in exercise of any right derived from the holding of the Accepted Shares, including, without limiting the generality of the foregoing, requesting Kingsgate to register the Accepted Shares in the name of NGPI, attending and voting at any meeting of Kingsgate Shareholders, demanding a poll for any vote taken at or proposing or seconding any resolutions to be considered at any meeting of Kingsgate Shareholders, requisitioning any meeting of Kingsgate Shareholders, signing any forms, notices or instruments relating to the Accepted Shares and doing all things incidental or ancillary to any of the foregoing. You will, or will be deemed to, have acknowledged and agreed that in exercising such powers the attorney may act in the interests of NGPI as the intended registered holder of the Accepted Shares. This appointment, being given for valuable consideration to secure the interest acquired in the Accepted Shares, is irrevocable and terminates upon registration of a transfer to NGPI of the Accepted Shares;
- (viii) agreed, with effect from the date that the Condition of the Offer is fulfilled, in the absence of a prior waiver of this requirement by NGPI, not to attend or vote in person at any meeting of Kingsgate Shareholders or to exercise or purport to exercise any of the powers conferred on NGPI or its nominee in section 8.7(a)(vii);
- (ix) irrevocably authorised and directed Kingsgate to pay to NGPI or to account to NGPI for all Rights in respect of the Accepted Shares, subject, however, to any such Rights received by NGPI being accounted for by NGPI to you in the event that this Offer is withdrawn or avoided;
- (x) except where Rights have been paid or accounted for under section 8.7(a)(ix), irrevocably authorised NGPI to deduct from the consideration payable in respect of the Accepted Shares, the value of any Rights paid to you in respect of the Accepted Shares which, where the Rights take a non-cash form, will be the value of those Rights as reasonably assessed by the Chairman of ASX or his or her nominee;
- (xi) if, at the time of acceptance of this Offer, the Accepted Shares are in a CHESS Holding, irrevocably authorised NGPI to cause a message to be transmitted in accordance with ASX Settlement Operating Rule 14.17.1 (and at a time permitted by ASX Settlement Operating Rule 14.17.1(b)) so as to transfer the Accepted Shares to NGPI's Takeover Transferee Holding. NGPI shall be so authorised even though at the time of such transfer it has not paid the consideration due to you under this Offer;
- (xii) agreed to indemnify NGPI in respect of any claim or action against it or any loss, damage or liability whatsoever incurred by it as a result of you not producing your Holder Identification Number or in consequence of the transfer of the Accepted Shares being registered by Kingsgate without production of your Holder Identification Number for the Accepted Shares;

- (xiii) represented and warranted to NGPI that, if you are the legal owner but not the beneficial owner of the Accepted Shares:
 - (A) the beneficial holder has not sent a separate acceptance of the Offer in respect of the Accepted Shares;
 - (B) the number of Kingsgate Shares you have specified as being the entire holding of Kingsgate Shares you hold on behalf of a particular beneficial holder is in fact the entire holding; and
 - (C) that you are irrevocably and unconditionally entitled to transfer the Accepted Shares, and to assign all of the beneficial interest therein to NGPI; and
- (xiv) agreed, subject to the Condition of the Offer being fulfilled, to execute all such documents, transfers and assurances that may be necessary or desirable to convey the Accepted Shares and any Rights in respect of the Accepted Shares to NGPI.
- (b) If your Kingsgate Shares are in a CHES Holding and you complete, sign and return the Acceptance Form in accordance with section 8.4(c)(ii)(B) (which you are not bound, but are requested, to do), you will be deemed to have irrevocably authorised NGPI and any of its directors, secretaries or officers to:
 - (i) instruct your Controlling Participant to initiate acceptance of this Offer in respect of the Accepted Shares which are in a CHES Holding, in accordance with Rule 14.14 of the ASX Settlement Operating Rules if you have not already done so; and
 - (ii) give any other instructions in relation to the Accepted Shares to your Controlling Participant on your behalf under the sponsorship agreement between you and that Controlling Participant.

8.8 Conditions of this NGPI Offer

Subject to section 8.10, the completion of this Offer and any contract that results from an acceptance of this Offer, is subject to the fulfilment of the following Condition:

FIRB

Before the end of the Offer Period:

- (a) NGPI receives written notice from the Treasurer or his delegate to the effect that there are no objections under the *Foreign Acquisitions and Takeovers Act 1975* (Cth) (**FATA**) or Australia's foreign investment policy to the acquisition of Kingsgate Shares under the Offer, such notice being unconditional; or
- (b) the Treasurer ceases to be empowered to make any order under FATA prohibiting the proposed acquisition of Kingsgate Shares by NGPI due to the lapse of time under FATA because of the expiry of the applicable statutory waiting period.

8.9 Nature and benefit of the Condition

- (a) The Condition in section 8.8 is a condition precedent to NGPI acquiring an interest (as that term is defined in the *Foreign Acquisitions and Takeovers Act 1975* (Cth)) in your Kingsgate Shares.

- (b) Subject to the Corporations Act, NGPI alone is entitled to the benefit of the Condition in section 8.8, or to rely on any non-fulfilment of the Condition.

8.10 Freeing the Offer of the Condition

- (a) NGPI may free this Offer, and any contract resulting from its acceptance, from the Condition in section 8.8, either generally or by reference to a particular fact, matter, event, occurrence or circumstance (or class thereof), by giving notice to Kingsgate and to ASX declaring this Offer to be free from the Condition, in accordance with section 650F of the Corporations Act. This notice may be given not less than 7 days before the end of the Offer Period.
- (b) If, at the end of the Offer Period, the Condition in section 8.8 has not been fulfilled and NGPI has not declared the Offer (or it has not become) free from those conditions, all contracts resulting from acceptance of the Offer will be automatically void.

8.11 Notice on status of Condition

The date for giving the notice on the status of the conditions required by section 630(1) of the Corporations Act is 28 October 2016 (subject to extension in accordance with section 630(2) if the Offer Period is extended).

8.12 Withdrawal by NGPI

- (a) In accordance with section 652B of the Corporations Act, NGPI may withdraw this Offer at any time with the written consent of ASIC which consent may be given subject to such conditions (if any) as are specified in the consent. Notice of any withdrawal will be given to ASX and Kingsgate and NGPI will comply with any other conditions imposed by ASIC.
- (b) If, at the time this Offer is withdrawn, the Condition in section 8.8 has been freed, all contracts arising from acceptance of the Offer before it was withdrawn will remain enforceable.
- (c) If, at the time this Offer is withdrawn, the Offer remains subject to the Condition in section 8.8, all contracts arising from its acceptance will become void (whether or not the events referred to in the Condition have occurred).
- (d) A withdrawal pursuant to section 8.12 will be deemed to take effect:
 - (i) if the withdrawal is not subject to conditions imposed by ASIC, on or after the date on which that consent in writing is given by ASIC; or
 - (ii) if the withdrawal is subject to conditions imposed by ASIC, on and after the date on which those conditions are satisfied.

8.13 Variation

NGPI may, at any time, and from time-to-time, vary this Offer in accordance with the Corporations Act.

8.14 Other matters

- (a) All costs and expenses of preparation of this Bidder's Statement and of the preparation and circulation of the Offer will be paid by NGPI.
- (b) Any notices to be given by NGPI to Kingsgate under the Offer may be given to Kingsgate by leaving them at, or sending them by pre-paid ordinary post to, the registered office of Kingsgate or by sending them by facsimile transmission to Kingsgate at its registered office.
- (c) Any notices to be given to NGPI by you or by Kingsgate under the Offer may be given to NGPI by leaving them at or sending them by pre-paid ordinary post to NGPI at the address referred to in the Corporate Directory.
- (d) Any notices to be given by NGPI to you under the Offer may be given to you by sending them by pre-paid post or courier, or if your address is outside Australia, by pre-paid airmail or courier, to your address as shown in the Register.
- (e) This Offer and any contract that results from your acceptance of this Offer are governed by the laws in force in Queensland, Australia.

9 GLOSSARY AND INTERPRETATION

Glossary

The following terms have the meanings set out below unless the context requires otherwise:

Acceptance Form means the acceptance form enclosed with this Bidder's Statement.

Accepted Shares has the meaning given to that term in section 8.7(a)(iii).

Advance means the principal amount of an outstanding advance from Mr Chatchai Yenbamroong (as Financier) to NGPI (as Borrower) under the Unsecured Loan Deed.

Akara means Akara Resources Public Company Limited (formerly known as Akara Mining Limited).

Announcement Date means 16 September 2016, being the date of the announcement of the Offer.

ASIC means the Australian Securities and Investments Commission.

Associate has the meaning given to that term in section 12 of the Corporations Act.

ASX means ASX Limited ACN 008 624 691 or the Australian Securities Exchange it operates, as the context requires.

ASX Settlement means ASX Settlement Pty Limited ACN 008 504 532.

ASX Settlement Operating Rules means the operating rules of ASX Settlement.

Bidder's Statement means this document, being the bidder's statement of NGPI under Part 6.5 of the Corporations Act relating to the Offer.

Board means the board of directors of Kingsgate.

Broker means a person who is a share broker and a participant in CHESS.

Business Day means a day on which banks are open for general banking business in Sydney (not being a Saturday, Sunday or public holiday in that place).

CGT means Australian capital gains tax.

Chatree Gold Mine means the gold mine operated by Akara in central Thailand, 280 kilometres north of Bangkok.

CHESS Holding means a holding of Kingsgate Shares on the CHESS subregister of Kingsgate.

CHESS means the Clearing House Electronic Subregister System operated by ASX Settlement, which provides for the electronic transfer, settlement and registration of securities in Australia.

Condition means the condition to the Offer as set out in section 8.8 of this Bidder's Statement.

Controlling Participant in relation to Kingsgate Shares, has the same meaning as that in ASX Settlement Operating Rules.

Corporations Act means the *Corporations Act 2001* (Cth) and any regulations made under that Act.

Deferred Rights has the meaning given to that term in section 4.1.

FATA means the *Foreign Acquisitions and Takeovers Act 1975* (Cth).

FIRB means the Foreign Investment Review Board.

Foreign Law means a law, however arising, or requirement of a regulatory body of a jurisdiction other than an Australian jurisdiction.

Governmental Agency means a government or governmental, semi-governmental, administrative, fiscal or judicial body, department, commission, authority, tribunal, agency or entity whether foreign, federal, state, territorial or local whether in Australia or elsewhere, including (without limitation) any self-regulatory organisation established under a statute or otherwise discharging substantially public or regulatory functions, and in particular, ASX and ASIC.

Group means Kingsgate and its subsidiaries.

GST means the goods and services tax imposed under the *A New Tax System (Goods and Services Tax) Act 1999* (Cth).

Holder Identification Number or **HIN** means the number used to identify a Kingsgate Shareholder on the CHESS subregister of Kingsgate.

Independent Auditor's Report means the Independent Auditor's Report prepared by PricewaterhouseCoopers dated 31 August 2016 contained within Kingsgate's Appendix 4E and Annual Financial Statements for the year ended 30 June 2016.

Issuer Sponsored Holding means a holding of Kingsgate Shares on Kingsgate's issuer sponsored subregister.

Kingsgate means Kingsgate Consolidated Limited ABN 42 000 837 472.

Kingsgate ADRs means the American depositary receipts for Kingsgate Shares traded on the OTC market (Code: KSKGY).

Kingsgate Share means a fully paid ordinary share in Kingsgate.

Kingsgate Shareholder means a person who is registered as the holder of Kingsgate Shares in the Register.

Listing Rules means the listing rules of ASX as amended or varied from time to time.

Marketable Parcel means a holding of Kingsgate Shares with a value of not less than \$500 based on the "cum-Offer" ASX closing price of Kingsgate Shares on the date that is the most recent Trading Day before the relevant acceptance of the Offer is received.

Metallurgical Licence means the metallurgical licence in respect of the Chatree Gold Mine.

Non-Marketable Parcel Extension has the meaning given to that term in the "Frequently Asked Questions" section of this Bidder's Statement.

NGPI means Northern Gulf Petroleum International Pte. Ltd (registration number 201438399Z).

Obligation means any obligation, commitment, liability, covenant, undertaking or duty whether arising by operation of law, in equity or by statute and whether expressed or implied.

Offer or **NGPI Offer** means, the offer to acquire Kingsgate Shares under the terms and conditions contained in this Bidder's Statement, as varied in accordance with the Corporations Act.

Offer Contract means a contract that results from the acceptance of the Offer.

Offer Period means the period commencing on 30 September 2016 and ending on 4 November 2016, or such later date to which the Offer has been extended.

Offer Price means A\$0.042 per Kingsgate Share the subject of the Offer.

Participant has the meaning given in the ASX Settlement Operating Rules.

Power means any right, power, authority, discretion or remedy conferred on the Financier by the Unsecured Loan Deed or any applicable law.

Preliminary Final Report has the meaning given to that term in Footnote 3.

Register Date means 7:00pm on 19 September 2016.

Register means the register of Kingsgate Shareholders maintained by Kingsgate in accordance with the Corporations Act.

Related Body Corporate has the meaning given in section 9 of the Corporations Act.

Relevant Interest has the meaning given in sections 608 and 609 of the Corporations Act.

Remaining Shares has the meaning given to that term in section 8.1(c).

Rights means all accretions, rights or benefits of whatever kind attaching to or arising from or in respect of the Kingsgate Shares, whether directly or indirectly, including without limitation all rights to receive dividends (and any attaching franking credit), to receive or subscribe for shares, units, notes, options or other securities and to receive all other distributions or entitlements declared, paid, made or issued by Kingsgate or any subsidiary of Kingsgate after the Announcement Date.

Securityholder Reference Number or **SRN** means the number allocated by Kingsgate to identify a Kingsgate Shareholder on its issuer sponsored subregister.

T+2 means that settlement occurs on the second Trading Day after the date of the transaction in accordance with ASX practice.

Takeover Transferee Holding has the same meaning as in the ASX Settlement Operating Rules.

Target's Statement means the target's statement to be prepared by Kingsgate in response to this Bidder's Statement.

Trading Day has the meaning given to it in the Listing Rules.

Unlisted Options has the meaning given to that term in section 4.1.

Unsecured Loan Deed has the meaning given to that term in section 5.3.

Voting Power has the meaning given to it in section 610 of the Corporations Act.

Interpretation

- (a) Annexures to this Bidder's Statement form part of this Bidder's Statement.
- (b) Words and phrases to which a meaning is given by the Corporations Act, the Listing Rules or the ASX Settlement Operating Rules have that meaning in this Bidder's Statement unless that meaning is inconsistent with the context in which the word or phrase is used.
- (c) Headings are for convenience only and do not affect the interpretation of this Bidder's Statement.
- (d) The singular includes the plural and vice versa and words importing any gender include the other gender, and references to persons include corporations.
- (e) References to sections are to sections of this Bidder's Statement.
- (f) References to paragraphs are references to paragraphs within the section in which the reference to the paragraph is made.
- (g) References to time are references to the time in Sydney, Australia on the relevant date, unless stated otherwise.
- (h) References to "dollars", "\$" or "cents" are to Australian currency, unless stated otherwise.
- (i) References to "US\$" are to United States of America currency.

APPROVAL OF BIDDER'S STATEMENT

This Bidder's Statement has been approved by a resolution of the directors of NGPI.

Signed for and on behalf of NGPI by:



Chatchai Yenbamroong, Director

CORPORATE DIRECTORY

Northern Gulf Petroleum International Pte. Ltd.

6 Temasek Boulevard
#09-05
Suntec Tower Four
Singapore (038986)

Australian Legal Adviser

HopgoodGanim Lawyers
Level 8, Waterfront Place
1 Eagle Street
Brisbane QLD 4000

Corporate Adviser

Patersons Securities Limited
Level 23, Exchange Tower
2 The Esplanade
Perth WA 6000

Share Registrar

Link Market Services Limited
Level 15
324 Queen Street
Brisbane QLD 4000



A Your name

SAMPLE NAME 1
SAMPLE NAME 2
<SAMPLE A/C>
SAMPLE ADDRESS 1
SAMPLE ADDRESS 2

Your Holding

Holder Identification Number: X12345678910
Kingsgate consolidated Limited (Kingsgate) Shares held at the Register Date
50.1% of Kingsgate Shares held at the Register Date
If your holding has changed between the Register Date and time of acceptance, then write your current holding here.

Your acceptance will be granted over your updated holding (subject to the terms of the Offer).

This is an important document. If you are in doubt as to how to complete this form, please consult your financial or other professional adviser immediately.

CONTROLLING PARTICIPANT'S NAME
Broker's Name printed here

Transfer and Acceptance Form – CHES Subregister

This is a personalised form for the sole use of the holder and holding recorded above.

B Accept the Offer

By accepting the Offer, you are accepting the Offer for 50.1% of your Kingsgate Shares (rounded down to the nearest whole number). The consideration applicable is set out in the terms of the Offer made by Northern Gulf Petroleum International Pte. Ltd (NGPI).

*Note: If accepting the Offer would leave you with a holding of Kingsgate Shares with a value of less than \$500 based on the "cum-Offer" ASX closing price of Kingsgate Shares on the date that is the most recent Trading Day before your acceptance of the Offer is received, then subject to the terms and conditions of the Offer, the Offer will apply to all (and you will be deemed to have accepted the Offer in respect of all) of your Kingsgate Shares.

C Contact details

Please provide your contact name and telephone number in case we need to speak to you about this Acceptance Form.

Telephone Number where you can be contacted during business hours

Contact Name (PRINT)

D You must sign this form for your instructions in this Acceptance Form to be executed

I/We, the person(s) named above, accept the Offer in respect of my/our Kingsgate Shares as set out above and hereby agree to transfer to NGPI my/our Kingsgate Shares specified above for the consideration specified in the Offer, and on the terms and conditions of the Offer set out in the Bidder's Statement.

Shareholder 1 (Individual)

Sole Director & Sole Company Secretary

Shareholder 2 (Individual)

Secretary/Director (delete one)

Shareholder 3 (Individual)

Director

Please refer overleaf for further important instructions

REGISTRY USE ONLY



HIN



Broker PID



Holding

KCNT TKO004



Further Important Instructions

Your Kingsgate Consolidated Limited Shares are in a CHESS Holding, you do not need to complete and return this Acceptance Form to the registry to accept the Offer. You can instead contact your Controlling Participant (usually your stockbroker) and instruct them to accept the Offer on your behalf in sufficient time before the end of the Offer Period to enable your Controlling Participant to give effect to your acceptance of the Offer on CHESS during business hours. If you decide to use this Acceptance Form to authorise us to contact your Controlling Participant on your behalf, follow the instructions below. You should allow Link Market Services Limited ("Link") sufficient time for the delivery of the Acceptance Form to your Controlling Participant on your behalf. Neither Northern Gulf Petroleum International Pte. Ltd., nor Link will be responsible for any delays incurred by this process.

Please refer to the Bidder's Statement dated 16 September 2016 (including as replaced or supplemented) (**Bidder's Statement**) which accompanies this Acceptance Form.

Completion instructions

- A**
- **Please check the front page** to ensure that your name and address are correct. If incorrect, please write your correct details and initial the amendments. Amendments to your name or address can only be processed by your Controlling Participant.
 - **Please note** your consideration will be issued in the names as they appear on the Kingsgate Consolidated Limited register.
- D**
- **Please sign this Acceptance Form** in the places for signature(s) set out on the front page and in accordance with the following instructions:
 - **Joint Shareholders:** If your Kingsgate Consolidated Limited Shares are held in the names of more than one person, all of those persons must sign this Acceptance Form.
 - **Corporations:** This Acceptance Form must be signed by either two directors or a director and a company secretary. Alternatively, where the company has a sole director and, pursuant to the Corporations Act, there is no company secretary, or where the sole director is also the sole company secretary, that director may sign alone. Alternatively, a duly appointed attorney may sign.
 - **Powers of attorney:** If this Acceptance Form is signed under a power of attorney, please attach a certified copy of the power of attorney to this Acceptance Form when you return it. If this Acceptance Form is signed under Power of Attorney, the attorney declares that he/she has no notice of revocation of the Power of Attorney.
 - **Deceased Estates:** All the executors and administrators must sign this Acceptance Form. When you return this Acceptance Form, please attach it to a certified copy of probate, letters of administration or certificate of grant accompanied (where required by law for the purpose of transfer) by a certificate of payment of death or succession duties and (if necessary) a statement in terms of Section 1071B(9)(b)(iii) of the Corporations Act.

Personal Information Collection Notification Statement: Personal information about you is held on the public register in accordance with Chapter 2C of the *Corporations Act 2001*. For details about Link Group's personal information handling practices including collection, use and disclosure, how you may access and correct your personal information and raise privacy concerns, visit our website at www.linkmarketservices.com.au for a copy of the Link Group condensed privacy statement, or contact us by phone on +61 1800 502 355 (free call within Australia) 9am–5pm (Sydney time) Monday to Friday (excluding public holidays) to request a copy of our complete privacy policy.

Lodgement instructions

- Mail or deliver completed Acceptance Form(s) and any other documents required by the above instructions to:

Mailing Address

Link Market Services Limited
Kingsgate Consolidated Limited Takeover
Locked Bag A14
SYDNEY SOUTH NSW 1235

or

Hand Delivery

Link Market Services Limited
Kingsgate Consolidated Limited Takeover
1A Homebush Bay Drive
RHODES NSW 2138

- A reply paid envelope is enclosed for use within Australia.

Your acceptance must be received by no later than the end of the Offer Period, which is 7:00pm (Sydney time) on the last day of the Offer Period.



A Your name

SAMPLE NAME 1
SAMPLE NAME 2
<SAMPLE A/C>
SAMPLE ADDRESS 1
SAMPLE ADDRESS 2

Your Holding

Securityholder Reference Number: I12345678910
Kingsgate consolidated Limited (Kingsgate) Shares held at the Register Date
50.1% of Kingsgate Shares held at the Register Date
If your holding has changed between the Register Date and time of acceptance, then write your current holding here. Your acceptance will be granted over your updated holding (subject to the terms of the Offer).

This is an important document. If you are in doubt as to how to complete this form, please consult your financial or other professional adviser immediately.

Transfer and Acceptance Form – Issuer Sponsored Subregister

This is a personalised form for the sole use of the holder and holding recorded above.

B Accept the Offer

By accepting the Offer, you are accepting the Offer for 50.1% of your Kingsgate Shares (rounded down to the nearest whole number). The consideration applicable is set out in the terms of the Offer made by Northern Gulf Petroleum International Pte. Ltd (NGPI).

*Note: If accepting the Offer would leave you with a holding of Kingsgate Shares with a value of less than \$500 based on the "cum-Offer" ASX closing price of Kingsgate Shares on the date that is the most recent Trading Day before your acceptance of the Offer is received, then subject to the terms and conditions of the Offer, the Offer will apply to all (and you will be deemed to have accepted the Offer in respect of all) of your Kingsgate Shares.

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Telephone Number where you can be contacted during business hours

Contact Name (PRINT)

D You must sign this form for your instructions in this Acceptance Form to be executed

I/We, the person(s) named above, accept the Offer in respect of my/our Kingsgate Shares as set out above and hereby agree to transfer to NGPI my/our Kingsgate Shares specified above for the consideration specified in the Offer, and on the terms and conditions of the Offer set out in the Bidder's Statement.

Shareholder 1 (Individual)
Sole Director & Sole Company Secretary

Shareholder 2 (Individual)
Secretary/Director (delete one)

Shareholder 3 (Individual)
Director

Please refer overleaf for further important instructions

REGISTRY USE ONLY



SRN



Holding

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Further Important Instructions

Your Kingsgate Consolidated Limited Shares are in an Issuer Sponsored Holding. To accept the Offer, you must complete and return this Acceptance Form in accordance with the instructions below.

Please refer to the Bidder's Statement dated 16 September 2016 (including as replaced or supplemented) (**Bidder's Statement**) which accompanies this Acceptance Form.

Completion instructions

- A** • **Please check the front page** to ensure that your name and address are correct. If incorrect, please write your correct details and initial the amendments. Amendments to your name can only be processed by the Kingsgate Consolidated Limited Registry.
- **Please note** your consideration will be issued in the names as they appear on the Kingsgate Consolidated Limited register.
- D** • **Please sign this Acceptance Form** in the places for signature(s) set out on the front page and in accordance with the following instructions:
 - **Joint Shareholders:** If your Kingsgate Consolidated Limited Shares are held in the names of more than one person, all of those persons must sign this Acceptance Form.
 - **Corporations:** This Acceptance Form must be signed by either two directors or a director and a company secretary. Alternatively, where the company has a sole director and, pursuant to the Corporations Act, there is no company secretary, or where the sole director is also the sole company secretary, that director may sign alone. Alternatively, a duly appointed attorney may sign.
 - **Powers of attorney:** If this Acceptance Form is signed under a power of attorney, please attach a certified copy of the power of attorney to this Acceptance Form when you return it. If this Acceptance Form is signed under Power of Attorney, the attorney declares that he/she has no notice of revocation of the Power of Attorney.
 - **Deceased Estates:** All the executors and administrators must sign this Acceptance Form. When you return this Acceptance Form, please attach it to a certified copy of probate, letters of administration or certificate of grant accompanied (where required by law for the purpose of transfer) by a certificate of payment of death or succession duties and (if necessary) a statement in terms of Section 1071B(9)(b)(iii) of the Corporations Act.

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