



# Kingsgate

Consolidated Limited

ABN 42 000 837 472

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(1 page)**

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Manager  
Company Announcements Office  
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## **Update on Claim against Kingdom of Thailand**

Representatives of Kingsgate Consolidated Limited (ASX:KCN) ("Kingsgate" or the "Company") have met with representatives of the Royal Thai Government to discuss a possible settlement of the Company's claims against the Kingdom of Thailand under the Australia-Thailand Free Trade Agreement ("TAFTA").

Shortly before the meeting, the Company was informed that the Thai Government had lifted the "temporary suspension" of the Chatree Mine, which is operated by the Company's subsidiary, Akara Resources Public Company Limited ("Akara"). Further, Kingsgate was advised that Akara's application for renewal of its Metallurgical Processing Licence, which expired on 31 December 2016, could now be processed.

However, it subsequently became clear that the Thai Government would not be offering any monetary compensation for the substantial losses that Kingsgate has already suffered as a result of the unlawful closure and expropriation of the Chatree Mine, nor for the substantial expenses that would be incurred in connection with restarting operations at Chatree (if an appropriate framework for doing so was able to be agreed with the Thai Government).

Nevertheless, Kingsgate was informed that the Thai Government may be willing to provide other meaningful benefits in consideration of the shut-down of the Chatree Mine.

In light of the foregoing, the Kingsgate board has determined that it is in the interests of the Company to further explore this matter, together with a number of other unresolved issues.

Accordingly, Kingsgate has reserved its legal position under TAFTA and allowed a further limited period of dialogue with the Thai Government.

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