



31 March 2010

Kentor Gold Limited (ASX: KGL) is an Australian-based company formed in 1998 as a specialist gold explorer. The Company was listed on the Australian Securities Exchange in 2005 and has diversified into exploration and development of gold, geothermal energy and base metals in Central Asia where it has highly regarded, established local management. The Andash Gold-Copper Project (Kentor Gold 90%) is targeted to commence production in late 2011 at an annual rate of 60,000 oz gold and 5,000 tonnes copper in concentrate. At Savoyardy, Kentor Gold plans further intensive exploration to increase an existing high grade gold Resource for future mine development.

Issued capital:

393 million ordinary shares
59.1 million unlisted options

Market Capitalisation

(30 Mar. 2010): \$51 million

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KENTOR GOLD TO INCREASE INTEREST IN ANDASH GOLD-COPPER PROJECT TO 90%

Kentor Gold Limited (Kentor Gold or the Company) is pleased to announce that it has negotiated the acquisition of the remaining 10% interest held by Aurum Mining plc (Aurum) in the Andash Gold-Copper Project in the Kyrgyz Republic.

The acquisition will bring Kentor Gold's interest in the Andash Project to 90%, the remaining 10% being held by a local Kyrgyz company, Invest-centre Talas (ICT).

Kentor Gold has agreed to pay US\$2.2 million for the additional 10% interest, to be paid in three instalments by 30 July 2010. In addition to the cash consideration, Kentor will be releasing Aurum from the representations and warranties made in the original purchase contract. As such the acquisition of the additional interest is subject to Kentor Gold undertaking due diligence within 15 business days of the signing of the agreement on 30 March 2010. The contract is also conditional upon ICT waiving their pre-emptive right to the acquisition.

Commenting on the acquisition, Kentor Gold Managing Director Simon Milroy said:

"The acquisition highlights Kentor Gold's confidence in the Andash Gold-Copper Project ahead of the Company's final decision, to be taken next month, on proceeding with full-scale project development.

"With key senior staff for the Project now engaged and commissioning of the mobile fleet of construction and mining equipment under way, we are well on track to be in production late in 2011."



Established with a strong on-the-ground presence in the Kyrgyz Republic for more than 10 years, Kentor Gold acquired an 80% interest in the advanced Andash Project from Aurum Mining when it became available in 2009, together with the mobile fleet already assembled in the country for the Project.

Kentor Gold holds its current interest in the Andash Project through a wholly owned subsidiary Kaldora Company Limited which will also hold the additional 10% interest.

For further information, visit the Kentor website at www.kentorgold.com.au or contact:

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