



4 January 2012

Kentor Gold (ASX: KGL) is an Australian-based, emerging mid-tier gold company with advanced projects in Australia and the Kyrgyz Republic.

*Formed in 1998 and listed on the ASX in 2005, the Company expects to commence high grade gold production at **Burnakura** in Western Australia in mid-2012, with potential additional gold-copper production from the neighbouring **Gabaintha** deposit. At **Jervois** in the Northern Territory, the Company is studying the feasibility of developing a large, high grade copper-silver resource with potential for the production of gold and other base metals.*

*In the Kyrgyz Republic, Kentor Gold is ready to proceed with the development of the Company's 80% owned high grade, very low cost **Andash** Gold-Copper Project once site access has been obtained. Andash is targeted to produce 70,000 oz gold and 7,400 tonnes copper pa for an initial six years, with high potential for expansion.*

Issued capital:

1,062.1 million ordinary shares
27.4 million unlisted options

Market Capitalisation

22 December, 2011: \$117 million

HeliTEM Survey of Gabaintha Gold-Copper Project identifies several drilling targets

- Follow-up RC drilling planned to extend known gold-copper mineralisation
- Additional drilling to increase existing gold JORC Resource at Gabaintha

Kentor Gold Limited (Kentor Gold or the Company) is pleased to report plans to proceed with exploration drilling at Gabaintha as a result of a highly encouraging airborne survey.

In September, 2011, Kentor Gold flew a HeliTEM survey over the most prospective areas of the Company's suite of tenements at Gabaintha which is located in the Meekathara area of WA.

The survey was undertaken to identify drilling targets in order to extend known gold-copper mineralisation at Gabaintha. Kentor Gold has already established gold resources at Gabaintha and at nearby Burnakura where the Company is targeting the commencement of gold production during 2012.

The areas covered by the AEM (aerial electro-magnetic) survey are shown in Figures 1 and 2 and include both Kentor Gold's own Yagahong North gold-copper deposit and areas of historical copper production at Lady Alma and Copper Hills. In the Figures, areas of known copper mineralisation are shown to correspond to HeliTEM anomalies.

HeliTEM is the world's most powerful commercially available helicopter-borne time-domain EM system, ensuring the greatest depth of exploration possible for any AEM system. This has allowed targets to be identified beneath often thick intervals of transported and weathered material.

Modelling of the targets will commence this month and will provide Kentor with estimates of size and orientation to help direct follow-up drilling.

The proposed drilling at Gabaintha forms part of an overall 20,000m RC program that will commence this month at Kentor Gold's nearby Burnakura Gold Project.

This regional exploration is in addition to drilling planned in 2012 to increase and upgrade the existing Gabaintha Inferred Resource of 203,000oz of gold (4.5Mt @ 1.4g/t Au at 0.5g/t Au cut-off).

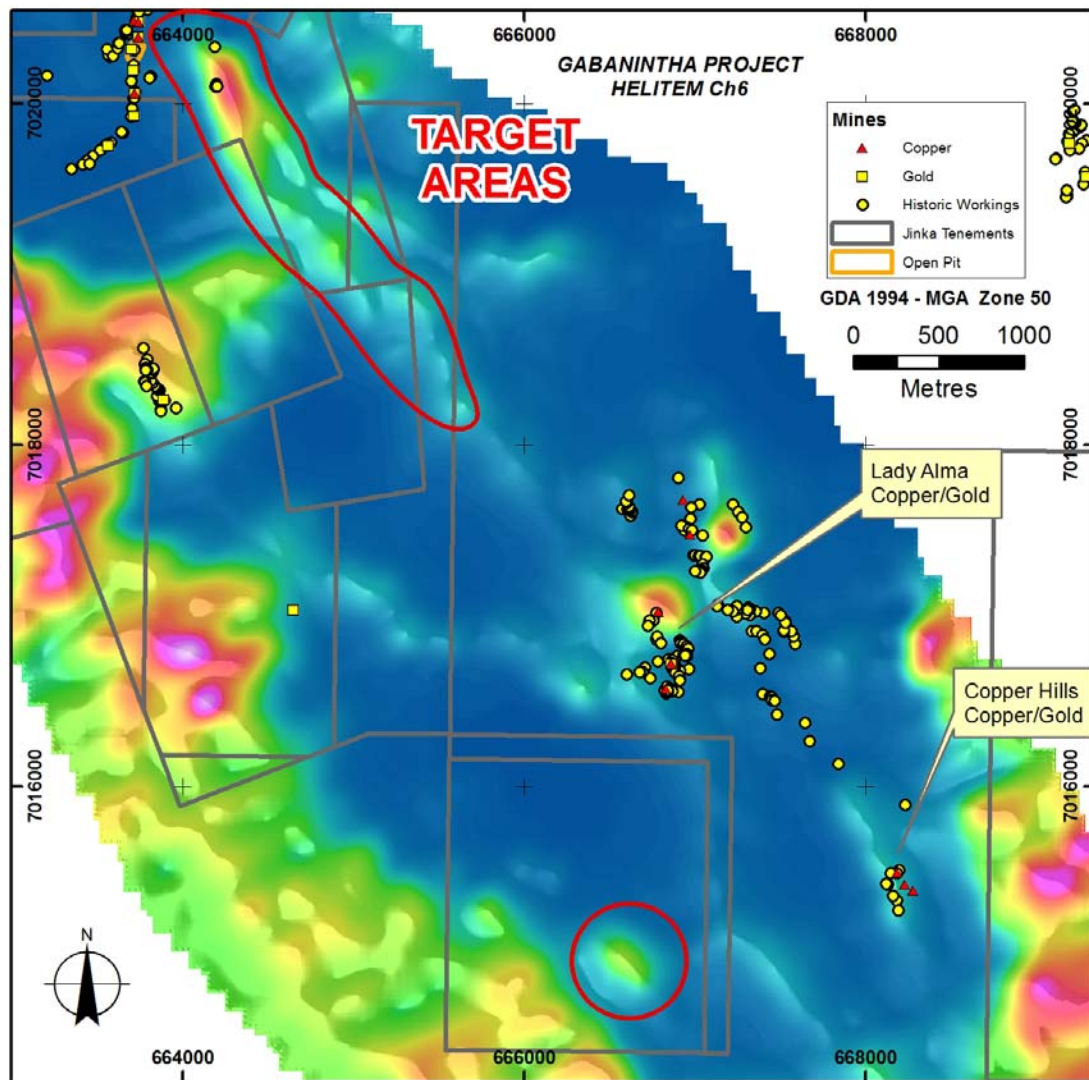


Figure 1 Gabanintha Helitem Targets - southern tenements

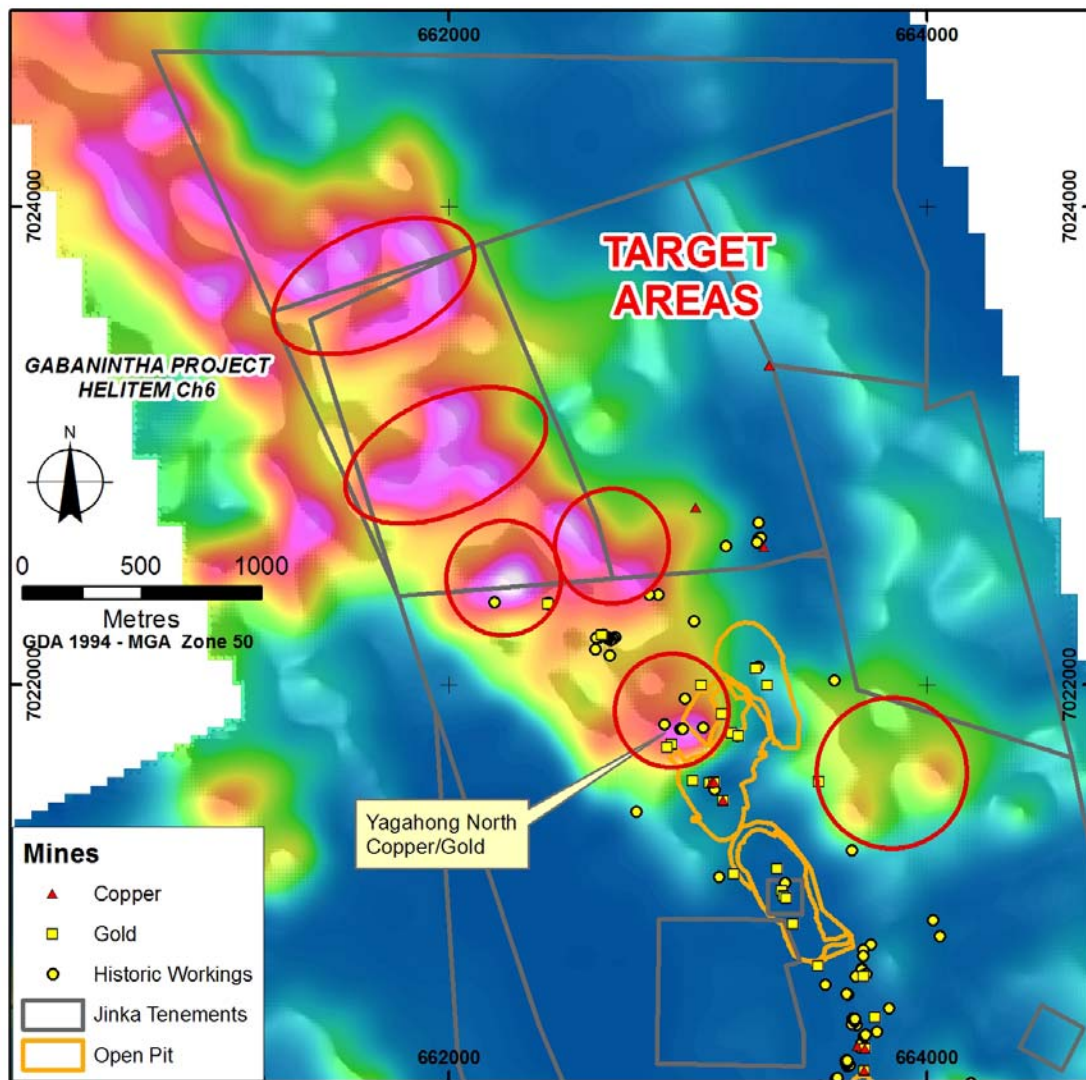


Figure 2 Gabanintha Helitem Targets - northern tenements

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The information in this report that relates to mineral resource estimation for Gabanintha is based on work completed by Mr Jonathon Abbott who is a full-time employee of MPR Geological Consultants Pty Ltd and a member of the Australian Institute of Geoscientists. Mr Abbott has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Abbott consents to the inclusion in the report of the matters based on his information in the form and context in which it appears. Mr Abbott visited the Gabanintha project from 20 to 21 April 2011.