



4 February 2011

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. Kentor Gold owns 80% of the Andash Gold-Copper Project which is under development in the Kyrgyz Republic and is targeted to produce annually 70,000 oz gold and 7,400 tonnes copper in concentrate.

Issued capital:

*1,061.6 million ordinary shares
59.6 million unlisted options*

Market Capitalisation

(3 Feb. 2011): \$159 million

Update on Andash Gold-Copper Project

Kentor Gold Limited (“Kentor” or the “Company”) has been advised that the Krygyz Government is establishing a Commission of Enquiry for the Andash Project, with a view to expediting the approval process. The Commission will consist of 3 members of parliament and Kentor has been advised that it is charged with producing a final report by 1 March 2011. The terms of the enquiry are yet to be released, but from discussions with the Minister of Natural Resources, Kentor understands that the Commission will make recommendations on how any concerns being expressed by some members of the local community should be reconciled with the pressing economic development plans of the Republic.

Kentor welcomes the establishment of the Commission and expects that the process will alleviate any latent concerns regarding the development of the Andash Project, held by some members of the community. As previously advised, Kentor is of the opinion that the involvement of the central government will assist greatly in the approval process for Andash.

Kentor has agreed to a request to suspend its on-site activities whilst the review is undertaken. This includes the community support activities provided by Kentor. All off-site activities including engineering, planning and environmental permitting are continuing to be carried out as per the schedule.

A favourable outcome on 1 March 2011 will allow Kentor to continue its development activities without impacting on the current schedule.

For further information contact:

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