



**20 June 2011**

*Kentor Gold Limited (ASX: KGL) is an Australian-based company that is engaged primarily in the exploration and development of gold, base metals and geothermal energy 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. Kentor Gold is also targeting early production at gold-copper projects in Western Australia and the Jervis multi-metals project in the Northern Territory.*

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**Issued capital:**

*1,062.1 million ordinary shares  
58.1 million unlisted options*

**Market Capitalisation**

*(17 June 2011): \$110 million*

## **Kentor Advances the Burnakura Gold Project in WA**

Kentor Gold Limited (“the Company” or “Kentor Gold”) is advancing its plans to commence early gold production at the Burnakura mine with the acquisition of plant and equipment to augment the existing equipment on site.

Kentor has acquired a heap leach plant, previously owned by Range River Gold (in administration), which includes the following:

- A two stage crushing plant.
- Heap leaching equipment including an agglomerator, conveyors and stacker
- Carbon adsorption tanks
- Elution column and gold room.

The elution column and gold room will be used in the processing circuit at the Burnakura project and provides Kentor with a cost effective means of re-commissioning the plant.

The crushing equipment will be utilised to upgrade the throughput capacity of the Burnakura plant and the heap leaching equipment will possibly be used to establish a heap leaching operation to treat the low grade ore at Burnakura. Heap Leaching at Burnakura is currently the subject of a feasibility study.

The acquisition price was \$1.3 million and will be funded from current cash reserves

The acquisition follows the announcement of a gold resource on the project in excess of 500,000oz. The feasibility study for the project continues with the aim of commencing production in 2012.

Commenting on the acquisition, Simon Milroy, the managing director of Kentor Gold said “The purchase of this equipment will contribute to a fast and cost effective restart of the Burnakura gold plant at an expanded capacity. The additional equipment will mean that a heap leaching operation can be established in the future at a low capital cost. “



### For further information contact:

Mr Simon Milroy  
Managing Director  
Phone: (07) 3121 3206  
Email: [info@kentorgold.com.au](mailto:info@kentorgold.com.au)

Table 1 Burnakura Inferred Resource estimates May 2011

	0.5 g/t Au cut off			1.0 g/t Au cut off			1.5 g/t Au cut off		
	Mt	Au g/t	Au koz	Mt	Au g/t	Au koz	Mt	Au g/t	Au koz
NOA	5.3	1.8	307	3.4	2.4	262	2.2	3.0	212
Alliance	1.9	1.3	79	0.8	2.0	51	0.4	2.7	35
Lewis Reward	1.2	1.1	42	0.4	1.8	23	0.2	2.3	15
Authaal	1.2	1.2	46	0.4	2.0	26	0.2	2.8	18
Federal City	0.4	1.7	22	0.2	2.7	17	0.1	3.7	12
Banderol	0.6	1.0	19	0.2	1.5	10	0.1	2.1	7
<b>Total</b>	<b>10.6</b>	<b>1.5</b>	<b>516</b>	<b>5.4</b>	<b>2.2</b>	<b>390</b>	<b>3.2</b>	<b>2.9</b>	<b>298</b>

The information in this report that relates to mineral resource estimation for Burnakura is based on work completed by Mr Jonathon Abbott who is a full-time employee of Hellman & Schofield Pty Ltd and a member of the Australasian Institute of Mining and Metallurgy. 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 Burnakura project from 20 to 21 April 2011.

### Photographs of Plant and Equipment - Indee Site 2005



2 Stage Crushing Plant



Agglomerator and Cement Silo



Overland Conveyor



Stacker



Carbon Tanks, Elution Column and Gold Room