



18 July 2011

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
61.1 million unlisted options

Market Capitalisation

15 July. 2011: \$106 million

Initial Gold Resource of over 200,000oz for Gabaintha Gold Project, WA

- **High grade component of 1.3Mt @ 2.9g/t for 121,000oz**
- **Mineralisation remains open at depth**
- **Resource includes 450,000 tonnes @ 0.5% copper**
- **Gold production at nearby 500,000oz Burnakura targeted for mid-2012**

Kentor Gold Limited ("the Company" or "Kentor Gold") is pleased to announce an Inferred Resource estimate for the Gabaintha Gold Project of 4.5Mt @ 1.4g/t for a total of 203,000oz at 0.5 g/t cut off.

At a 1.5 g/t cut off, the Inferred Resource is estimated at 1.3Mt @ 2.9g/t for 121,000 oz gold.

The estimate follows Kentor Gold's recent acquisition of Jinka Minerals Limited whose assets comprise the **Burnakura** and **Gabaintha** advanced gold and copper projects south of Meekathara in Western Australia, and the copper-gold and silver-lead-zinc project at **Jervois** in the Northern Territory.

Gabaintha is near Burnakura where Kentor Gold is undertaking a feasibility study with the aim of commencing gold production in mid-2012.

Announcing the Gabaintha estimate, Kentor Gold Managing Director Simon Milroy said:

"This is a great start for Gabaintha. This resource estimate is based on historical drilling which was targeting oxide gold resources only. Most of the previous drilling was terminated as soon as the holes encountered copper mineralisation. The resource is open down dip in all of the old pits, most of which were only mined to approximately sixty metres depth (Figures 2 and 3). Kentor is now planning a drilling programme to target additional gold and copper mineralisation below the pits.



The current price of copper now makes the copper an attractive target at Gabanintha and the concept being studied is to truck the copper-gold ore to Burnakura where it will be recovered using flotation to produce a copper gold concentrate.

This now brings Kentor's total group resources to

- 1.4 million ounces of Gold
- 191,000 t of Copper and
- 7.6 million ounces of Silver
(details contained in Appendix 1)

Table 1: Gabanintha Inferred Gold resource estimates by deposit area

	0.5 g/t Au cut off			1.0 g/t Au cut off			1.5 g/t Au cut off		
	Kt	Au g/t	Au koz	Kt	Au g/t	Au koz	Kt	Au g/t	Au koz
Tumblegum	170	1.1	6	60	1.8	3	30	2.3	2
Canterbury	1,200	1.1	42	500	1.7	27	230	2.3	17
Terrells	1,500	1.2	58	700	1.8	41	370	2.4	29
Yagahong	120	1.0	4	50	1.5	2	20	1.9	1
Yagahong North	1,200	2.2	85	800	2.9	75	570	3.5	64
Golden Hope North	290	0.9	8	100	1.5	5	30	2.0	2
Total	4,500	1.4	203	2,200	2.2	156	1,300	2.9	121

Table 2: Gabanintha Inferred copper resource estimates at 0.3% copper cut off for fresh mineralisation

	Kt	Au g/t	Cu %
Terrells	170	1.0	0.4
Yagahong North	280	1.9	0.6
Total	450	1.6	0.5

Notes to Accompany Resource Estimate

The Gabanintha project consists of six deposits within a strike length of approximately 2.4 kilometres comprising, from south to north Tumblegum, Canterbury, Terrells, Yagahong, Kavanagh and Golden Hope North. For resource estimation, Canterbury mineralisation is subdivided into two zones designated as Canterbury North and South and Yagahong mineralisation is subdivided into Yagahong South, Central and North domains.

Open pit mining by Dominion Mining Limited between 1987 and 1991 focussed on the Canterbury, Terrells, Yagahong and Kavanagh deposits with only very limited production from Tumblegum and no mining at Golden Hope North.

H&S has estimated recoverable gold resources for Gabanintha using Multiple Indicator Kriging (MIK), a method that has been demonstrated to provide reliable estimates of recoverable open pit resources in gold deposits of diverse geological styles. A variance adjustment has been applied to derive estimates



of recoverable resources at the scale of an open pit operation with mining selectivity of 4 by 6 by 2.5 metres and grade control sampling on a 5 by 8 by 1 metre pattern.

Copper resources were estimated for Terrells and Yagahong North by Ordinary Kriging. Drilling information available for the other mineralised domains includes too few mineralised copper assays for estimation of mineral resources.

The estimates are primarily based on RC drilling from the 1980's. Uncertainty over the reliability of this sampling, the lack of density measurements and oxidation logging reduce confidence in the estimated resources. The current estimates are classified as Inferred and additional work including twin hole drilling, and density measurement is required to allow estimation of higher confidence estimates.

Table 1 provides estimated remaining resources for Gabanintha at a range of cut off grades and Table 2 shows estimates for fresh mineralisation reported at a copper cut off of 0.3%. The figures in these table are rounded to reflect the precision of estimates and exhibit rounding errors. The estimates extend to the base of drilling at 150 metres depth.

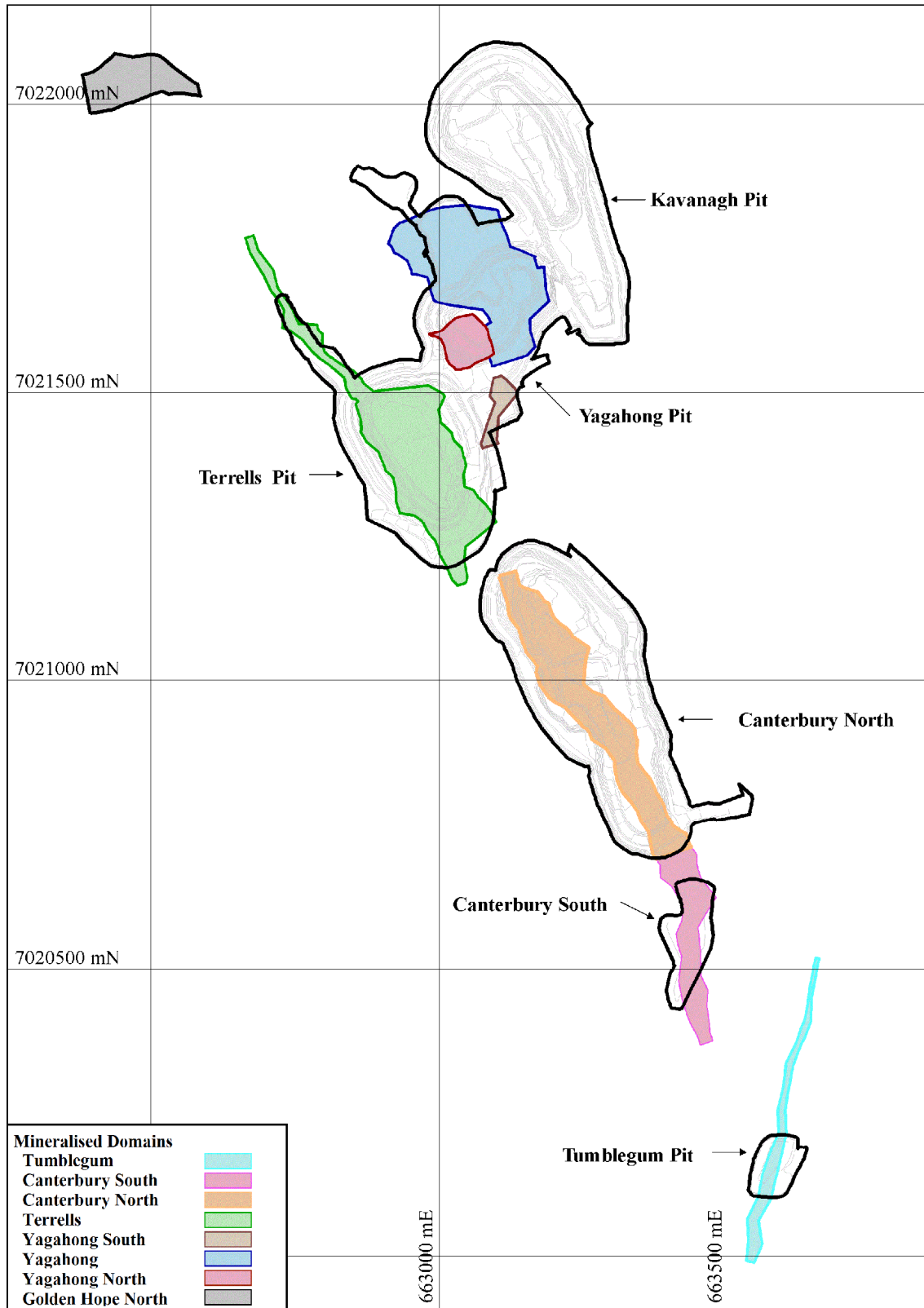


Figure 1: As-mined pits and resource domains at 465 mRL

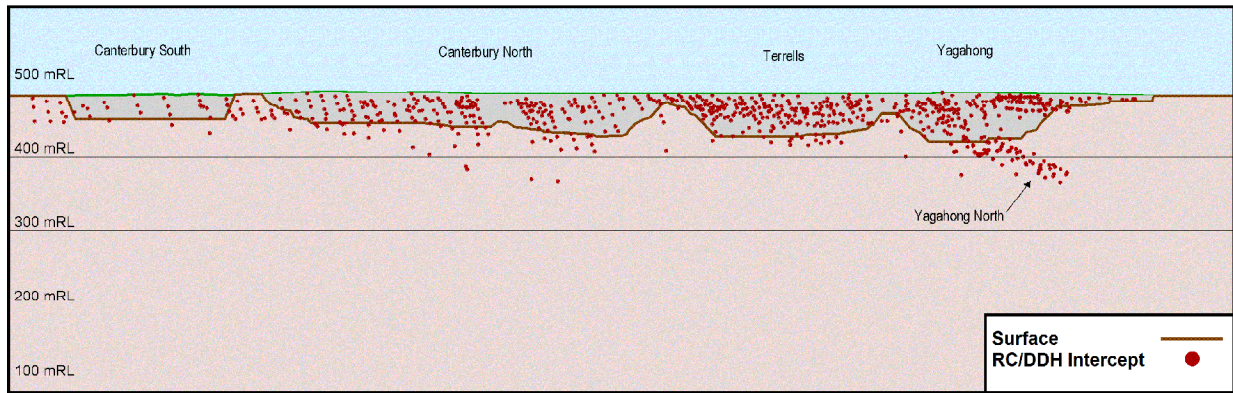


Figure 2. Long Section through Gabanintha showing shallow depth of drilling to date.

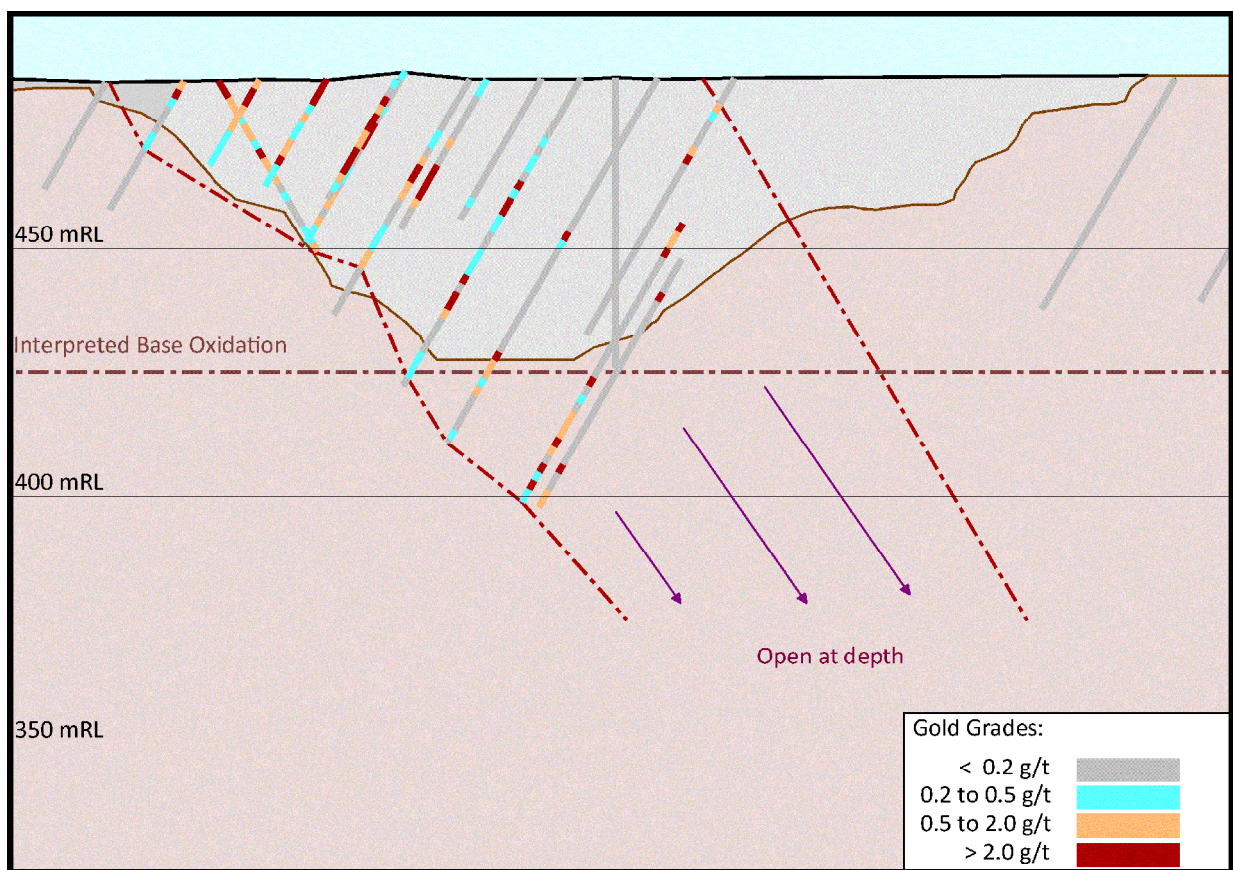


Figure 3. Cross Section through Terrells Open Pit showing previous mining has ceased at the base of oxidation and the mineralisation is open at depth.



Figure 4. Aerial photograph of the Gabanintha open pits

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**Appendix 1 Kentor Gold Group Resources**

	Tonnes (mt)	Grade Au g/t	Grade Cu%	Grade Ag g/t	Gold (oz)	Copper (t)	Silver (Oz)
Andash Sulphide	0.38	0.93	0.25		11,350	950	
Jervois	8.8		1.3	26.7		113,000	7,600,000
Burnakura	10.6	1.5			516,000		
Gabanintha	4.5	1.4	(1)		203,000	(1)	
Total Inferred Resources	24.28				730,350	113,950	7,600,000
Andash Oxide	0.81	0.85	0.43		22,136	3,510	
Andash Sulphide	14.31	1.11	0.38		510,507	54,260	
Total Indicated Resources	15.12				532,643	57,770	
Andash Oxide	0.923	0.88	0.5		26,114	4,638	
Andash Sulphide	3.16	1.21	0.47		122,932	14,900	
Total Measured Resources	4.08				149,046	19,538	
Total Resources	43.48				1,412,039	191,258	7,600,000

Gabanintha and Burnakura Resources as quoted at a cut-off grade of 0.5g/t Au.

Jervois Resource is based on cut-off grades 0.2% to 0.5% Cu

Kentor Gold own 80% of the Andash project

(1) At Gabanintha, 450,000t of the resource also contains 0.5% copper equating to an additional 2,250t of copper in the resource.

Competent Persons Statement

The information in this report that relates to mineral resource estimation for Gabanintha and 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

The data in this report that relates to Mineral Resource Estimates for Jervois is based on information evaluated by Mr Simon Tear who is a Member of The Australasian Institute of Mining and Metallurgy (MAusIMM) and who has sufficient experience 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 (the "JORC Code"). Mr Tear is a full-time employee of Hellman & Schofield Pty Ltd and he consents to the inclusion in the report of the Mineral Resource in the form and context in which they appear.

The Resource estimates for Andash in this report are based on information compiled by Dr. Phil Newall, who is a Chartered Engineer and Fellow of the Institute of Materials Minerals and Mining and a full time employee of Wardell Armstrong International. Dr.Newall has sufficient experience which is relevant to the style of the mineralisation and the type of deposit under consideration and to the activity to 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. Dr.Newall has consented to the inclusion of this information in the form and context in which it appears in this report.