

**13 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 **Gabanintha** 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

12 January 2012 \$138 million

Resource increase lifts Jervois Copper-Silver-Gold Project to new scale

- **33% increase in contained copper to 150,500 tonnes**
- **Additional exploration target of 50,000 to 100,000 tonnes copper in Reward and Bellbird**
- **Increased silver Resource; significant gold assays**
- **Full feasibility study planned this year**

Kentor Gold Limited ("Kentor Gold" or "the Company") is pleased to announce that an updated resource estimate has been completed following the recent drilling campaign at the Reward and Bellbird prospects, part of the Jervois Project in the Northern Territory.

- The total Inferred Resource has increased to 11.9 Mt @ 1.3% copper and 25.2 g/t silver containing 150,500 tonnes of copper and 9.66 million ounces of silver, a 33% increase in copper and 27% increase in silver based on a cut-off grade of 0.5% Cu.
- Exploration Potential for the Reward and Bellbird deposits in areas adjoining the current Inferred Resource is 5 – 10Mt @ 0.75 to 1.25% copper and 10 to 25g/t silver at a 0.5% copper cut off (for 50,000 to 100,000 tonnes copper and 3 to 5Mozs silver). The deposits are open at depth and there are additional possibilities along strike from the deposits based on interpretation of the recently completed detailed conductivity survey.

The potential quantity and grade of the Exploration Potential is conceptual in nature and there has been insufficient exploration to define a Mineral Resource. It is uncertain if further exploration will result in the determination of a Mineral Resource



Kentor Gold Managing Director Simon Milroy commented:

“These results have lifted Jervois to a new scale of potential development.

“The recent drilling provided great value for money, increasing the resource substantially

“Initial project development potential was enhanced by the Resource being concentrated at the Reward deposit.

“The deposits are still open at depth and along strike, so we can expect to continue with this exploration success.

“The high copper grade combined with the strong precious metal credits and good metallurgy (26% Cu concentrate grade at 94% recovery) indicate that we have a strong project on our hands.

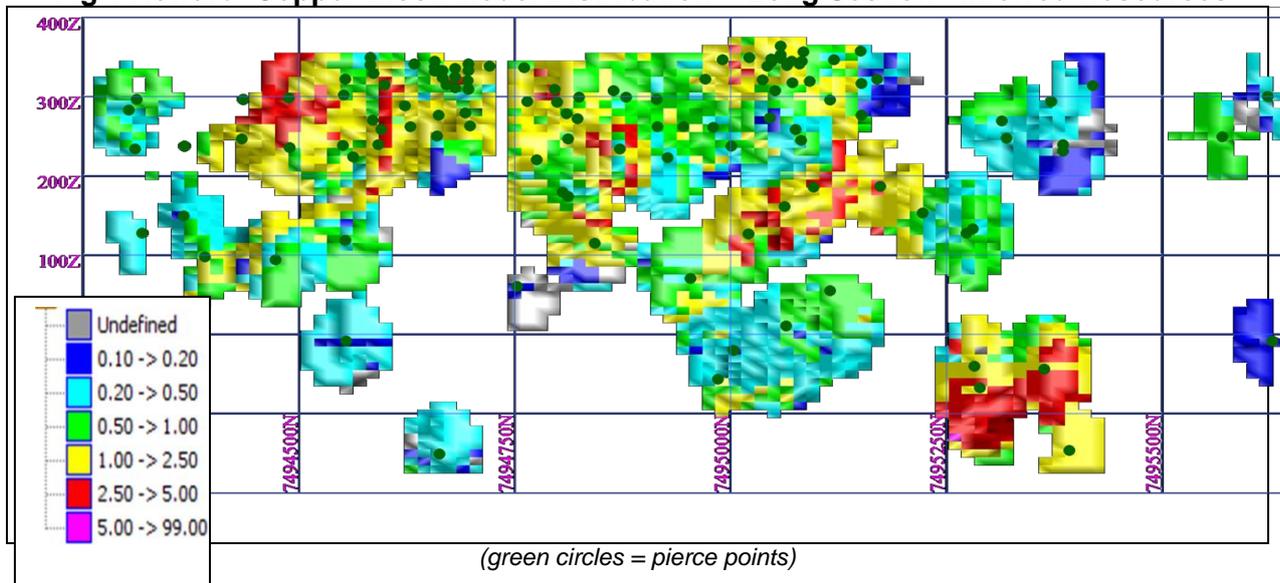
“Significant gold assays have been recorded in the Reward drilling and require further exploration work to determine their impact on the resource estimates. The gold grades appear to be increasing with depth.

“The Jervois project is currently the subject of a scoping study which we expect to complete in April. We then plan to move the project straight into a definitive feasibility study.”

Tendering is underway for this year’s initial drilling program planned to commence in early March. It will comprise of 8,000m of RC and 3,000m of diamond drilling designed to twin several historic holes and infill areas with little or no drilling. It is anticipated that this drilling will both upgrade and increase the existing resource at both Reward and Bellbird.

Figures 1 & 2 show the resource blocks that comprise the Inferred Resource at Reward and Bellbird. Both resources are open at depth and along strike.

Fig 1 Reward Copper Block Model Distribution - Long Section - Inferred Resources

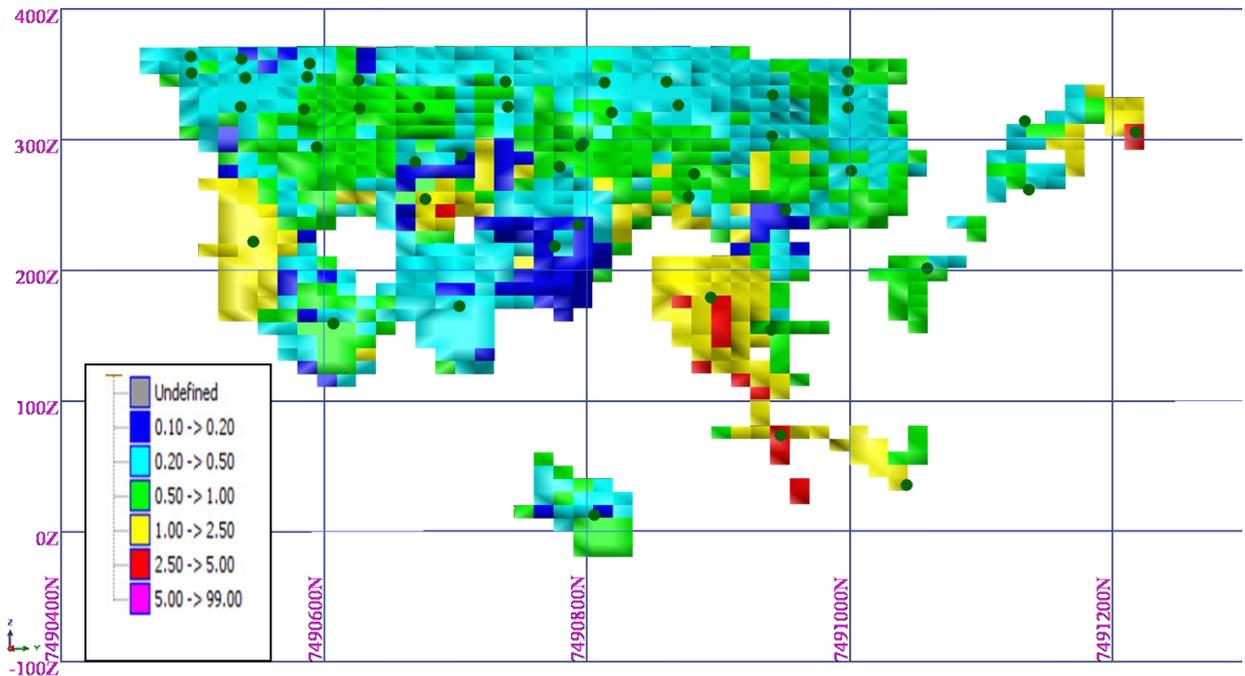


Of note at Reward is the deeper high-grade copper zone that is also showing consistently high gold grades. Unfortunately only approx. 20% of the historical drilling has been assayed for gold but with the additional drilling planned for this year it is anticipated that gold will soon be included in future resource upgrades.

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Figure 2 Bellbird Copper Block Model Distribution Long Section Inferred Resources



(green circles = pierce points)

Of note at Bellbird are the high grade areas intersected at depth and along strike to the north (RHS) from Kentor's recent drilling program.

As part of the ongoing metallurgical test work program several diamond holes are planned to provide additional sulphide and shallow oxide material from both Reward and Bellbird.

For further information contact:

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

Mr. David Waterhouse
Investor Relations
(03) 9670 5008
dwaterhouse@waterhouseir.com.au

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11th January 2012

Kentor Gold Limited
(by email)

Resource Estimation for the Jervois Base Metal Project, Northern Territory

Hellman & Schofield ("H&S") was requested by Kentor Gold Limited ("KGL") to update the Mineral Resource Estimates for its Jervois Base Metal Project, 270kms north east of Alice Springs in the Northern Territory. The target commodity is copper with subordinate lead, zinc and silver with the area having been the subject of substantial historic exploration. The project consists of a series of narrow, structurally controlled, sub-vertical sulphide/magnetite-rich deposits hosted by Proterozoic-aged amphibolite grade metamorphosed sediments of the Arunta Inlier. A total of four deposits comprise the project, namely (Marshall)-Reward, Green Parrot, Bellbird and Bellbird North. The updated estimates incorporate recent drilling results from Reward and Bellbird. H&S completed initial resource estimates for all four deposits in July 2011 and undertook a site visit in August 2011.

The new resource estimates are based on 3,740 1m composites from 177 drill holes. Composite extraction was from a drill hole database using mineralisation wireframes designed to a 0.1-0.2% copper cut off (and anomalous silver) under geological control (where available). Modelling consisted of Ordinary Kriging with a maximum search distance of 60m and a minimum number of 6 data points. Reporting of the resources used a 0.5% copper cut off to blocks within the relevant mineral wireframes. The resource estimates are classified as Inferred.

KGL have informed H&S that they initially intend to selectively mine the deposits in an open pit scenario followed by a switch to underground extraction and the resources have been classified on these assumptions. As a result a separation of the resources was made at the 165mRL i.e. approximately 200m below surface, to divide likely open pit resources from possible underground extraction material. The new global resources for the Jervois Base Metal Project are included below:

Jervois Base Metal Project Inferred Resources December 2011

Deposit	MTonnes	Cu %	Ag ppm	Cu Tonnes	Ag Mozs	Cu cut-off %
Reward +165mRL	4.5	1.3	30.9	60,000	4.40	0.5
Reward -165mRL	2.5	1.4	23.2	35,000	1.90	0.5
Bellbird +165mRL	3.7	1.2	7.5	44,000	0.90	0.5
Bellbird -165mRL	0.2	1.1	8.0	2,500	0.06	0.5
Green Parrot	0.7	1.0	93.5	7,000	2.10	0.3
Bellbird North	0.3	0.7	27.4	2,000	0.30	0.2
Total	11.9	1.3	25.2	150,500	9.66	

(minor rounding errors)

SYDNEY

6 / 3 Trelawney St. Eastwood, NSW, 2122
P.O. Box 599, Beecroft, NSW, 2119
Ph: (02) 9858 3863 Fax: (02) 9858 4057
Email: hellscho@hellscho.com.au

BRISBANE

Lvl 4, 46 Edward St, Brisbane, QLD, 4000
Po Box 16116, City East, QLD, 4002
Ph: (07) 3012 9393 Fax: (07) 3012 9373
Email: brisbane@hellscho.com.au

The above figures include a sub-section of lead/zinc mineralisation coincident with the copper mineralisation at Green Parrot and Bellbird North comprising 1Mt @ 2.6% lead, and 2.2% zinc.

H&S has accepted in good faith the drill hole and assay database provided by KGL, who take responsibility for appropriateness of cut-off grade, QA/QC and "reasonable prospect" assumptions (Section 19 JORC).

At Reward using a 1% copper cut off on blocks below the 165mRL within the mineral wireframes, yields an Inferred Resource of 1.4Mt at 1.9% copper and 32.2g/t silver for 27,500 tonnes of contained copper and 1.5 million ounces of silver.

Significant gold assays have been recorded in the Reward drilling and require further exploration work to determine their impact on the resource estimates.

Exploration Potential for both the deposits consists of areas peripheral to the current Inferred estimates within the interpreted mineral wireframes, unconstrained by depth. This is estimated to be a combined total for Reward and Bellbird of 5.0 – 10.0Mt @ 0.75 to 1.25% Cu and 10 to 25g/t Ag at a 0.5% Cu cut off (50,000 to 100,000 tonnes Cu and 3 to 5Mozs Ag). The deposits are open at depth and there are additional possibilities along strike from the deposits based on interpretation of the recently completed detailed SAM survey.

The potential quantity and grade of the Exploration Potential is conceptual in nature and there has been insufficient exploration to define a Mineral Resource. It is uncertain if further exploration will result in the determination of a Mineral Resource.

The data in this report that relates to Exploration Results is based on information evaluated by Mr Rudy Lennartz 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 Lennartz is a full-time employee of Jinka Minerals Limited and he consents to the inclusion in the report of the Exploration Results in the form and context in which they appear.

The data in this report that relates to Mineral Resource Estimates 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 data in this report that relates to cut off grades and mining assumptions is based on information evaluated by Mr Simon Milroy 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 Milroy is a full-time employee of Kentor Gold Limited and he consents to the inclusion in the report of the cut off grades and mining assumptions in the form and context in which they appear.