Kingsrose Mining Limited

Kingsrose Mining Limited

(ABN 49 112 389 910)

ASX Code: KRM

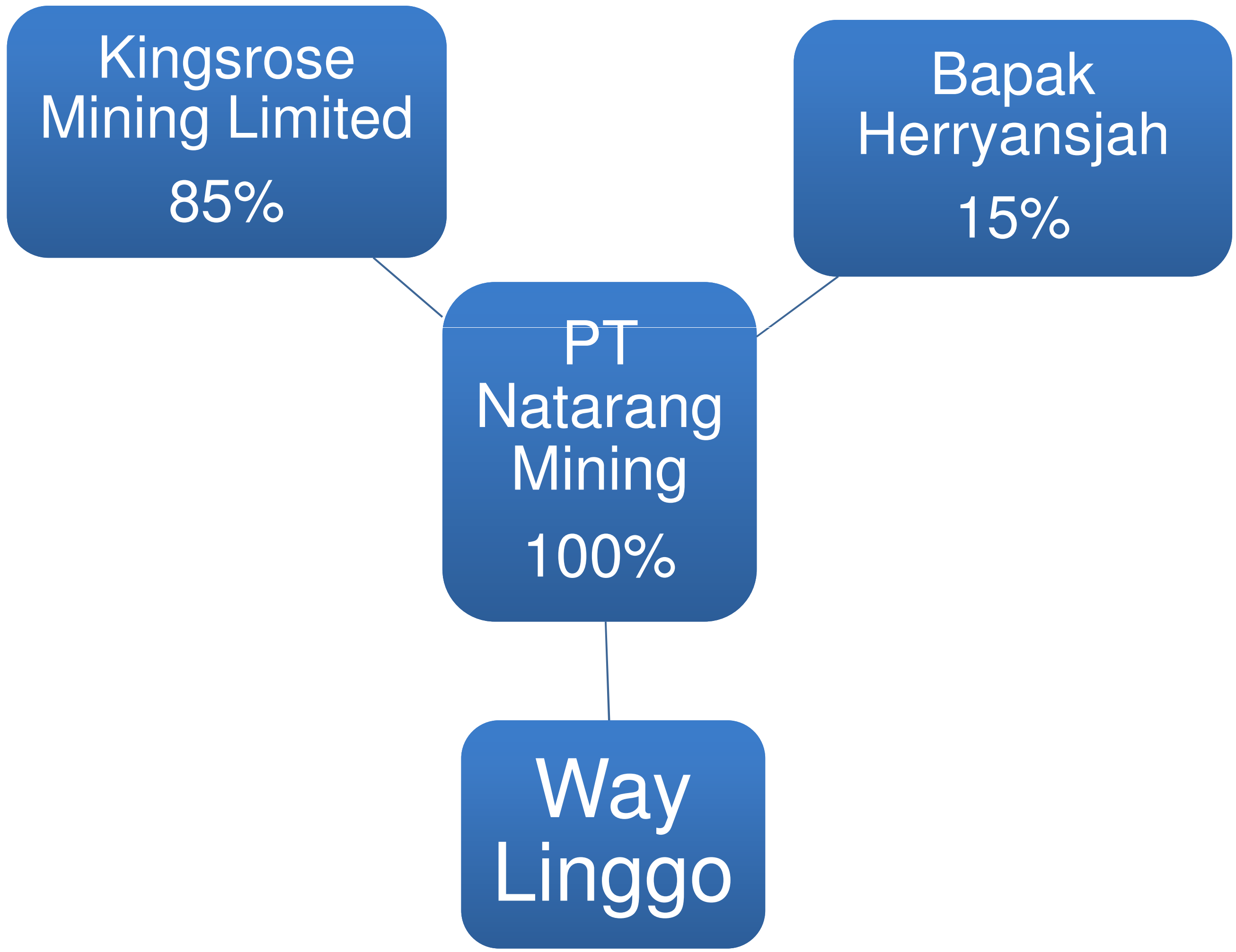
Gold Miners

August 2011

Who is Kingsrose Mining?

- Gold miner in production
  - Targeting 45 koz gold, 500 koz silver production
- One of the lowest cost producers in the world
  - Targeting US$150/oz (After silver credits)
- High operating margins generating significant cash flow
  - $28 million in cash and bullion (at 30 June 2011)
- Massive growth opportunity
  - Highly prospective land holdings on Trans Sumatra Fault
  - Virgin discovery of high grade epithermal veins with the potential for a new high grade mine at Talang Santo
  - Aggressive exploration with 10 drill rigs in action
- Large Zinc Tailings project in Sardinia

Way Linggo ownership



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Way Linggo Project - Sumatra, Indonesia

Way Linggo - mining

Underground mining

- Sub-vertical epithermal vein
- Access via 2 adits & internal shaft
- Hand-held stoping methods
- Small scale boggers, locos and granbys on rails
- Skip hoisting up slope to stockpile

North Vein ore bodies

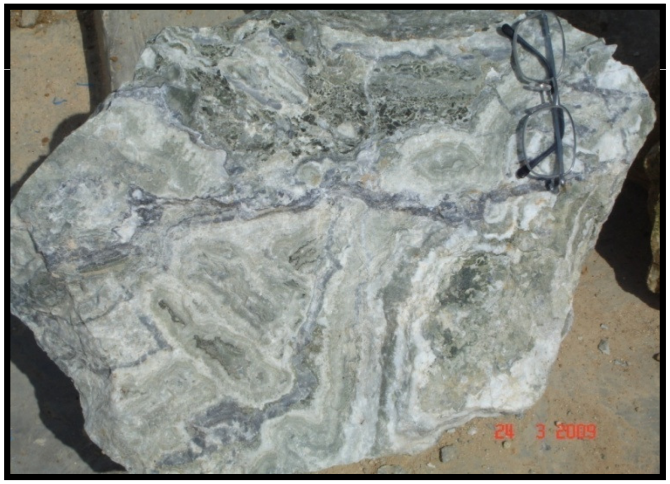
Mine performance to date

Resource estimate grade
- 8.44 g/t Gold
- 129 g/t Silver

Mining to date (approx)
- 14.8 g/t Gold
- 174 g/t Silver

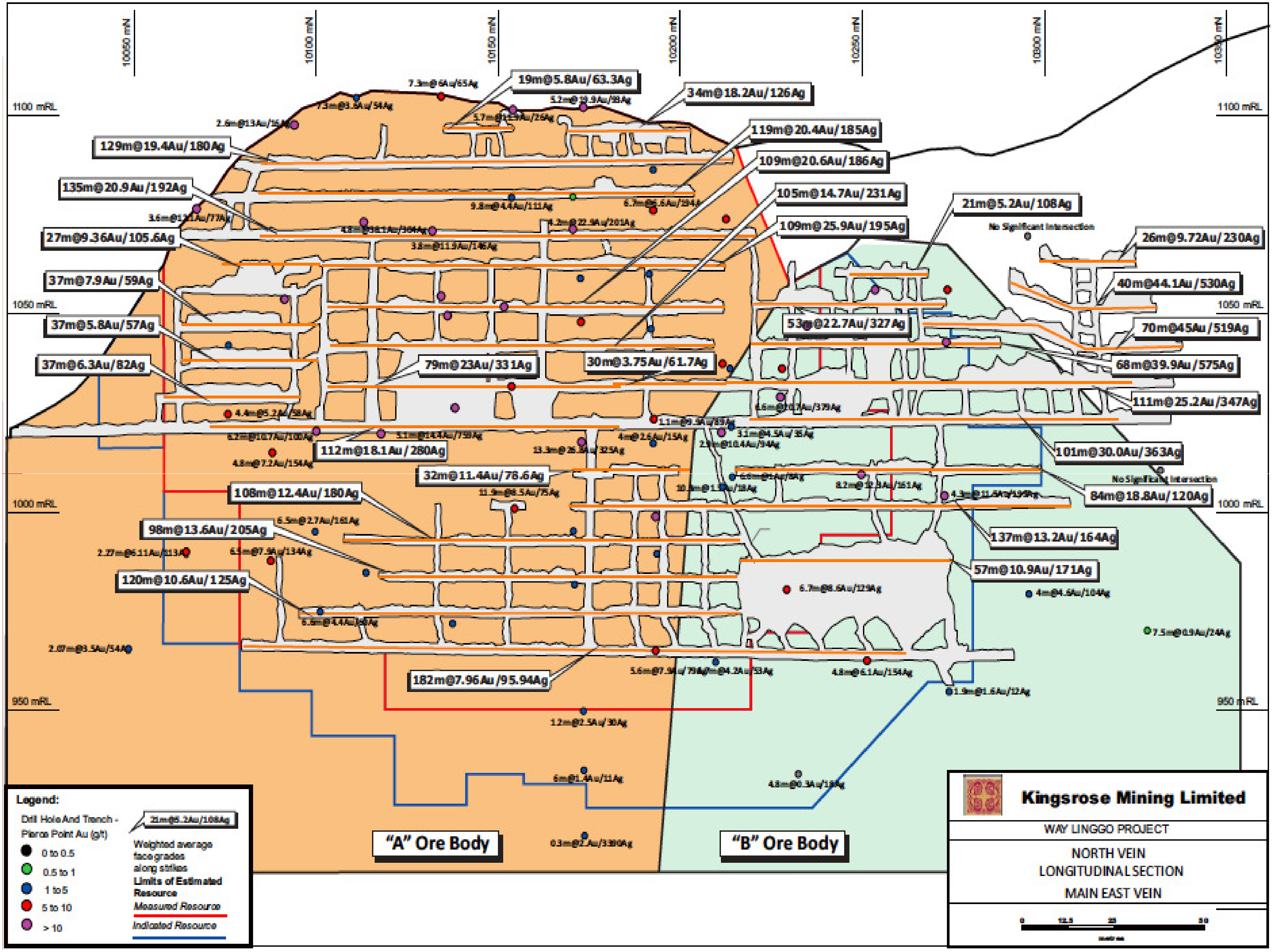
A Ore Body Zone
Quartz - Adularia – Clay Assemblage

1020 Level Face sampling (uncut)
112 m @ 20.4 g Au/t, 304 g Ag/t
Average width 4.1 m



B Ore Body Zone
Quartz – Chlorite – Clay Assemblage

1020 Level Face sampling (uncut)
90 m @ 33.5 g Au/t, 414 g Ag/t
Average width 4.5 m



10050 mN
10100 mN
10150 mN
10200 mN
10250 mN
10300 mN
1100 mRL
1050 mRL
1000 mRL
950 mRL
19m@5.8Au/63.3Ag
34m@18.2Au/126Ag
119m@20.4Au/185Ag
129m@19.4Au/180Ag
109m@20.6Au/186Ag
135m@20.9Au/192Ag
105m@14.7Au/231Ag
21m@5.2Au/108Ag
109m@25.9Au/195Ag
27m@9.36Au/105.6Ag
No Significant Intersection
26m@9.72Au/230Ag
37m@7.9Au/59Ag
40m@44.1Au/530Ag
37m@5.8Au/57Ag
53m@22.7Au/327Ag
70m@45Au/519Ag
37m@6.3Au/82Ag
79m@23Au/331Ag
30m@3.75Au/61.7Ag
68m@39.9Au/575Ag
111m@25.2Au/347Ag
112m@18.1Au/280Ag
101m@30.0Au/363Ag
32m@11.4Au/78.6Ag
No Significant Intersection
108m@12.4Au/180Ag
84m@18.8Au/120Ag
98m@13.6Au/205Ag
137m@13.2Au/164Ag
120m@10.6Au/125Ag
57m@10.9Au/171Ag
182m@7.96Au/95.94Ag
7.3m@6Au/65Ag
7.3m@3.5Au/54Ag
5.2m@19.9Au/98Ag
2.6m@13Au/16Ag
9.8m@4.4Au/111Ag
6.7m@6.6Au/194Ag
3.6m@13.1Au/77Ag
4.2m@22.9Au/201Ag
3.8m@11.9Au/146Ag
4.4m@5.2Au/58Ag
6.6m@20.7Au/379Ag
1.1m@9.5Au/89Ag
5.1m@14.4Au/759Ag
4.8m@7.2Au/154Ag
13.3m@26.3Au/325Ag
4m@2.6Au/15Ag
3.1m@4.5Au/35Ag
2.9m@10.4Au/94Ag
8.2m@12.3Au/161Ag
11.9m@8.5Au/75Ag
6.5m@2.7Au/161Ag
2.27m@6.11Au/113Ag
6.5m@7.9Au/134Ag
6.7m@8.6Au/129Ag
4m@4.6Au/104Ag
7.5m@0.9Au/24Ag
2.07m@3.5Au/54Ag
4.8m@6.1Au/154Ag
1.9m@1.6Au/12Ag
1.2m@2.5Au/30Ag
6m@1.4Au/11Ag
4.8m@0.3Au/18Ag
0.3m@2.Au/3390Ag
Legend:
Drill Hole And Trench - Pierce Point Au (g/t)
0 to 0.5
0.5 to 1
1 to 5
5 to 10
> 10
21m@5.2Au/108Ag
Weighted average face grades along strikes
Limits of Estimated Resource
Measured Resource
Indicated Resource
"A" Ore Body
"B" Ore Body
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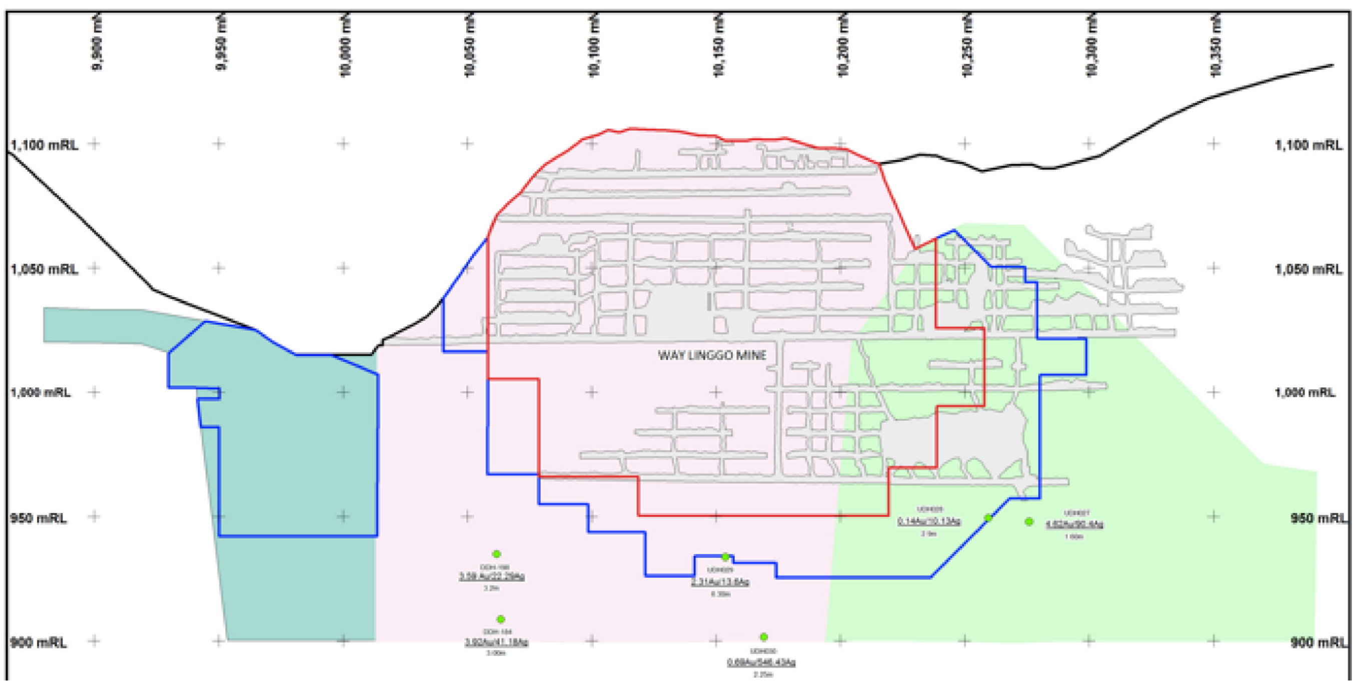
WAY LINGGO PROJECT
NORTH VEIN
LONGITUDINAL SECTION
MAIN EAST VEIN
0
12.5
25
50
metres

Way Linggo - mining

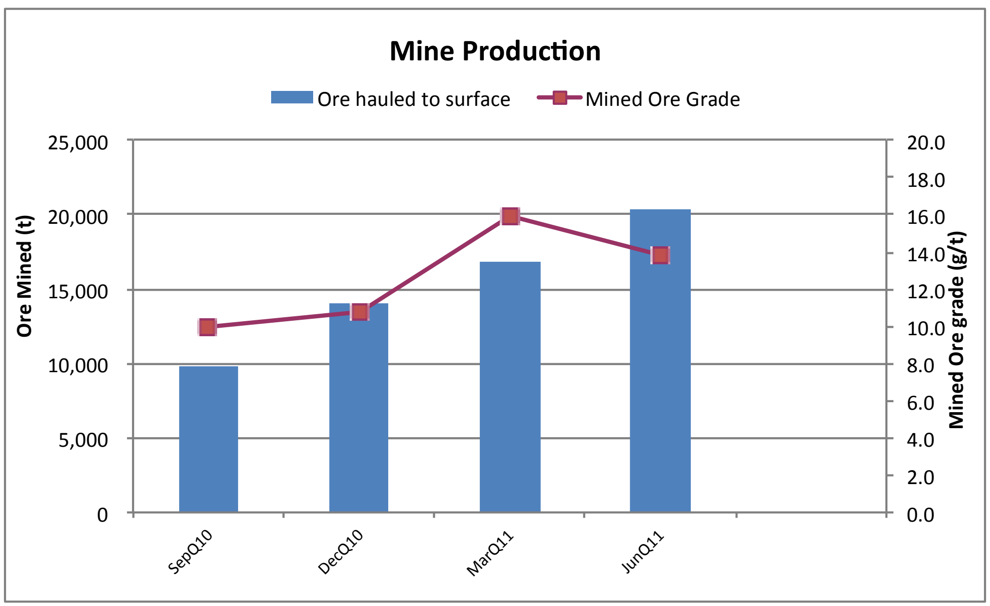
- Orebody is only drilled 350m along strike and 150m vertically
- Ore system open in all directions and indications are that it is a telescoping system
- Moved 2 rigs to drill extensions
- Excellent potential to extend resources at Way Linggo mine



Way Linggo – mining summary

Summary

- 4-5 years mine life
- 2 years developed
- Production rate targeting 400 tpd steady state



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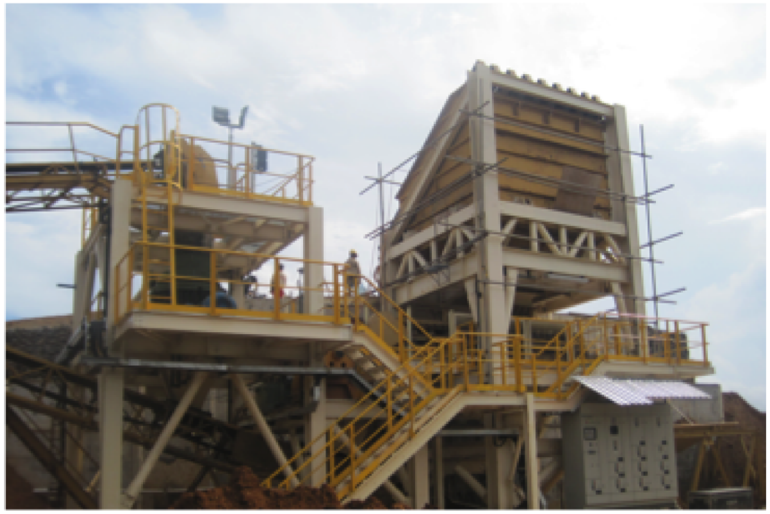
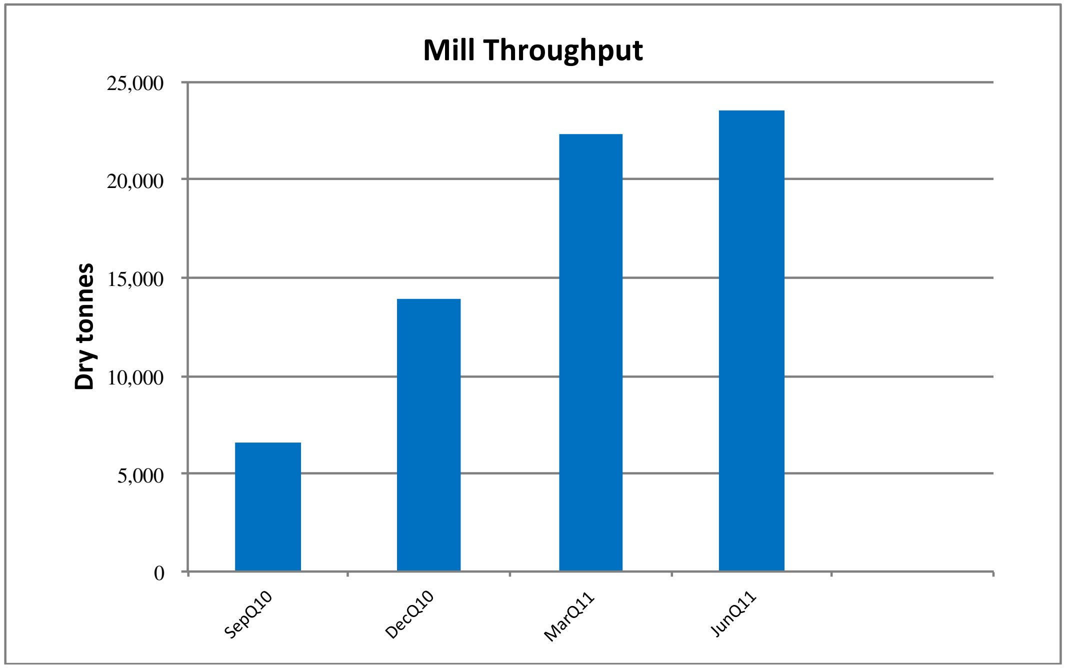
Way Linggo – process plant

140,000 tpa Plant

Crushing → Milling → Leach → Merrill Crowe → Smelting





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Way Linggo – process plant

Improvements

Initially there were clay handling problems restricting throughput

Remedy

SAG Mill installation and minor circuit modifications

- improve plant operability and de-risk the process
- Reduce operating costs
- Increase circuit capacity for future process plant expansion

Opportunity to expand plant to 600 t/day capacity to grow with additional mining from Way Linggo extension and the new discoveries.

Way Linggo - production scorecard

		2010/2011	Steady State	Expanded Capability
Mine throughput	t	61,068	140,000	200,000
Mine grade	g/t gold	13.0	12.0	12.0
	g/t silver	162	144	144
Mill throughput	t	66,336	140,000	200,000
Mill grade	g/t gold	14.1	12.0	12.0
	g/t silver	179	144	144
Gold production	oz	27,056	45,000	64,000
Silver production	oz	318,869	500,000	710,000
Gold equivalent	oz	33,855	57,500	82,000

Way Linggo - financial scorecard

		2010/2011	Steady State	Expanded Capability
Mining cost	$/oz	119	200	140
Process cost	$/oz	253	215	180
Admin cost	$/oz	92	75	50
Operating cost	$/oz	464	490	370
Operating cost after silver credits	**$/oz**	**142**	**150**	**80**
D & A	$/oz	246	210	200
Government royalties	$/oz	33	35	35
Total cost	$/oz	421	395	315

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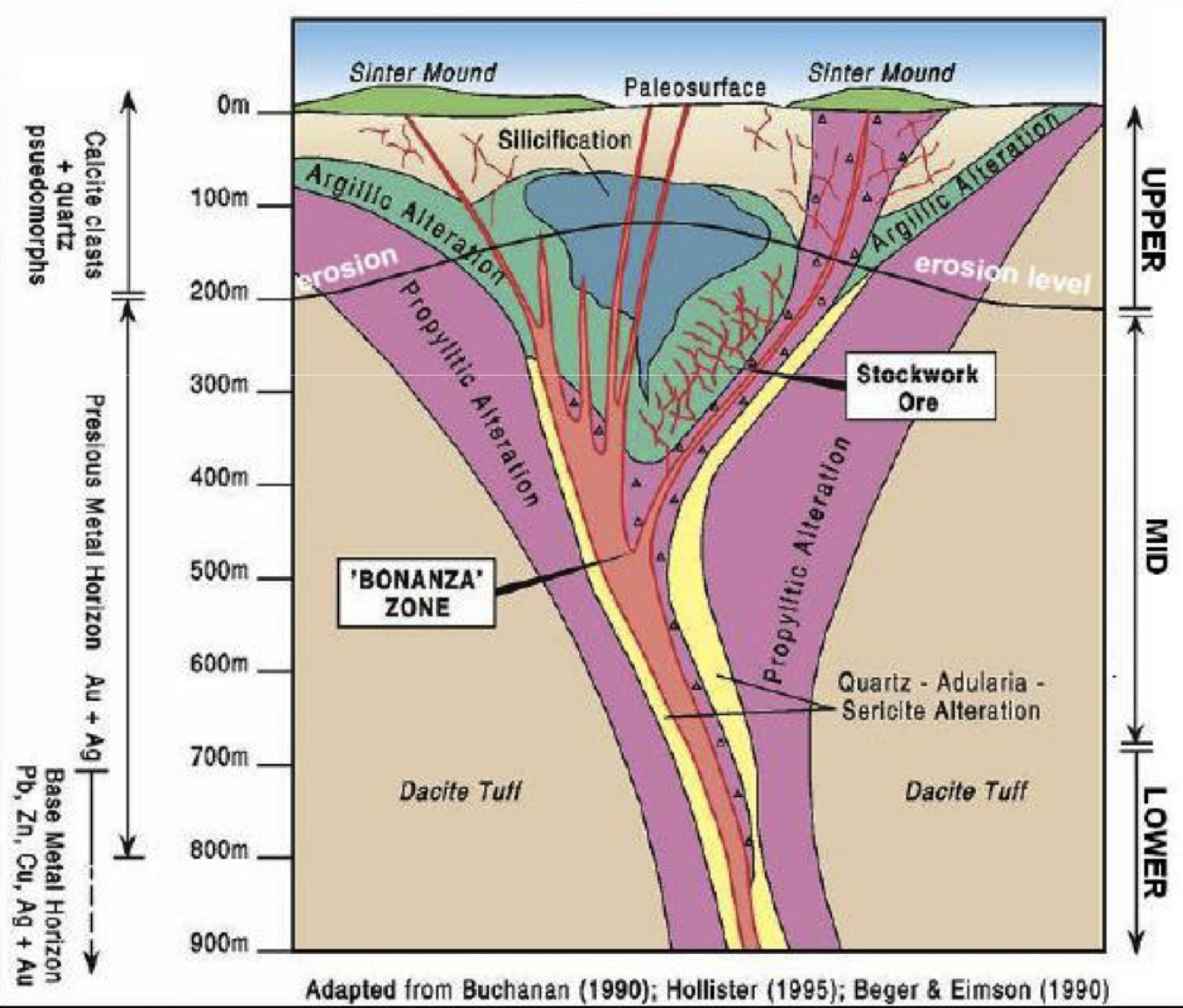
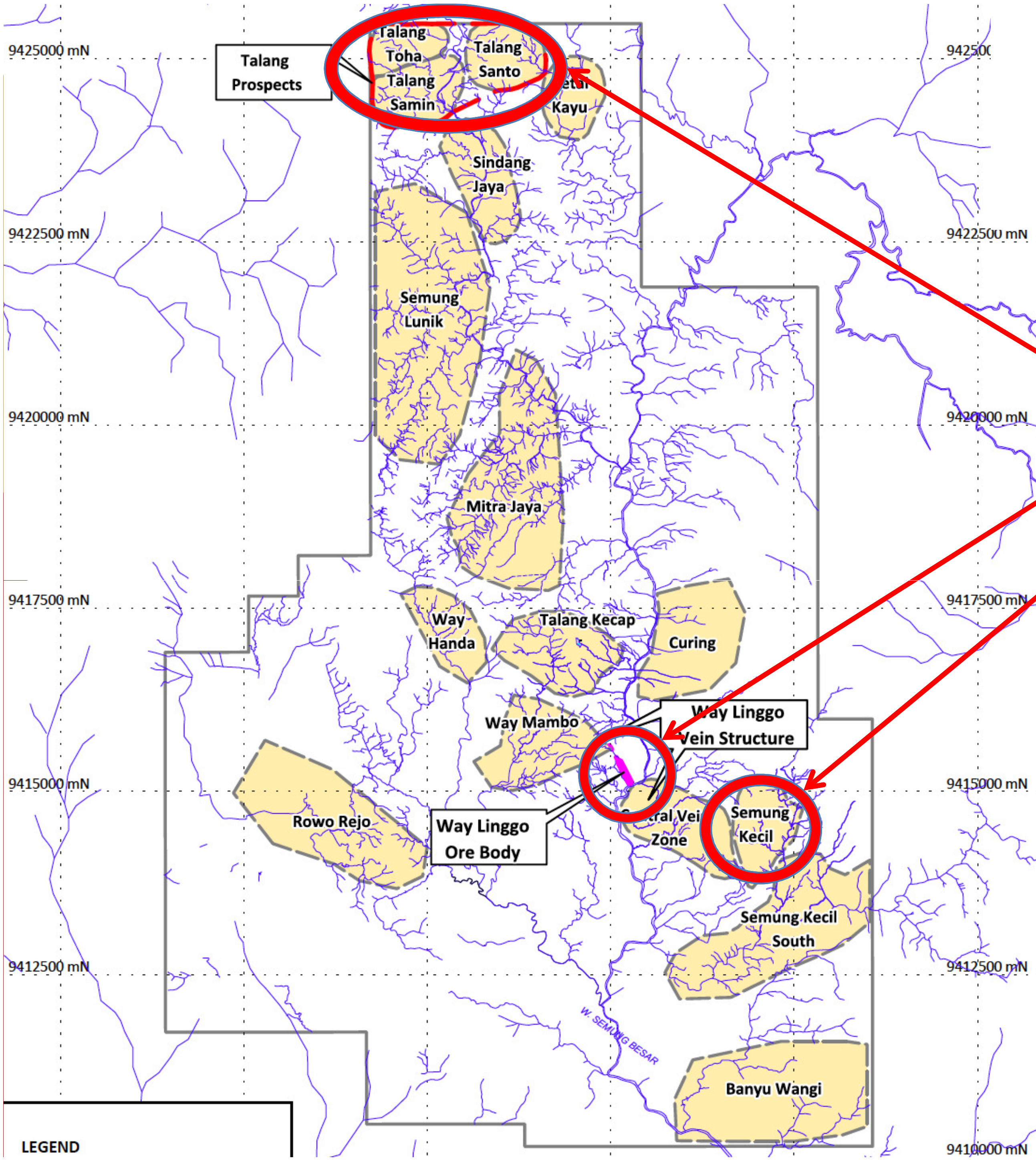
Exploration – low sulphidation epithermal gold





15 exploration targets

3 exploration priorities

Talang cluster

Way Linggo mine

Semung Kecil

- 11 rigs in action
- 6 field teams
- $14 million budget over the next 12 months

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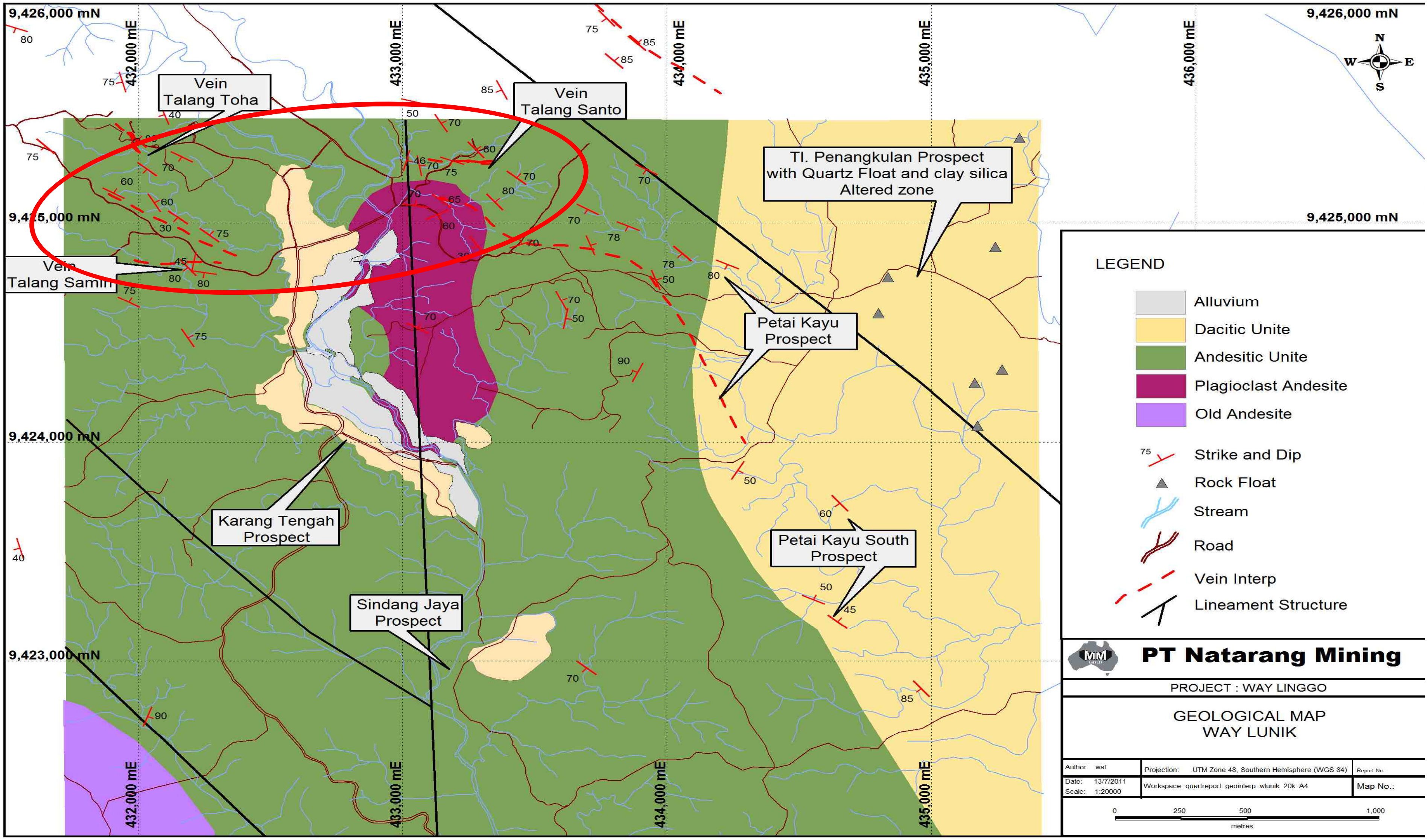
Talang cluster of prospects



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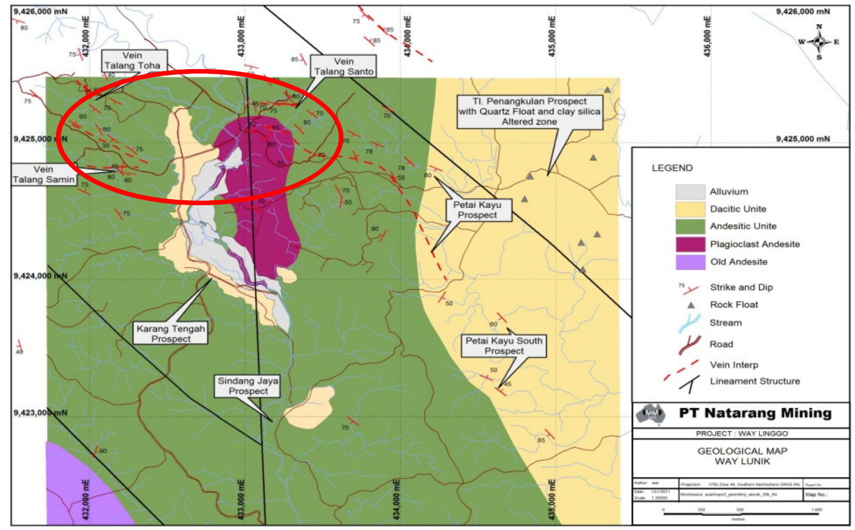
Talang cluster of prospects

Talang cluster – 3 main veins identified
•Talang Santo
•Talang Toha
•Talang Samin

5 new prospects identified
•Petai Kayu
•Talang Karang Tengah
•Sindang Jaya
•Talang Penangkulan
•Talang Palas



Preserved epithermal centre

Talang Santo – drilling results

DDH 194 2.4m @ 7.5 g/t Au, 35 g/t Ag
and
3.9m @ 9.2 g/t Au, 21 g/t Ag

DDH 199 1.1m @ 46.9 g/t Au, 88 g/t Ag
and
4.35m @ 10.0 g/t Au, 25 g/t Ag

DDH 206 **4.80m @ 10.3 g/t Au, 34 g/t Au**
and
2.00m @ 5.01 g/t Au, 10 g/t Ag

DDH 207 1.45m @ 10.2 g/t Au, 16 g/t Ag
and
1.30m @ 14.4 g/t Au, 26 g/t Au

DDH 208 **10.65m @ 8.3 g/t Au,11 g/t Ag**
including
1.25m @ 30.6 g/t Au, 40 g/t Ag

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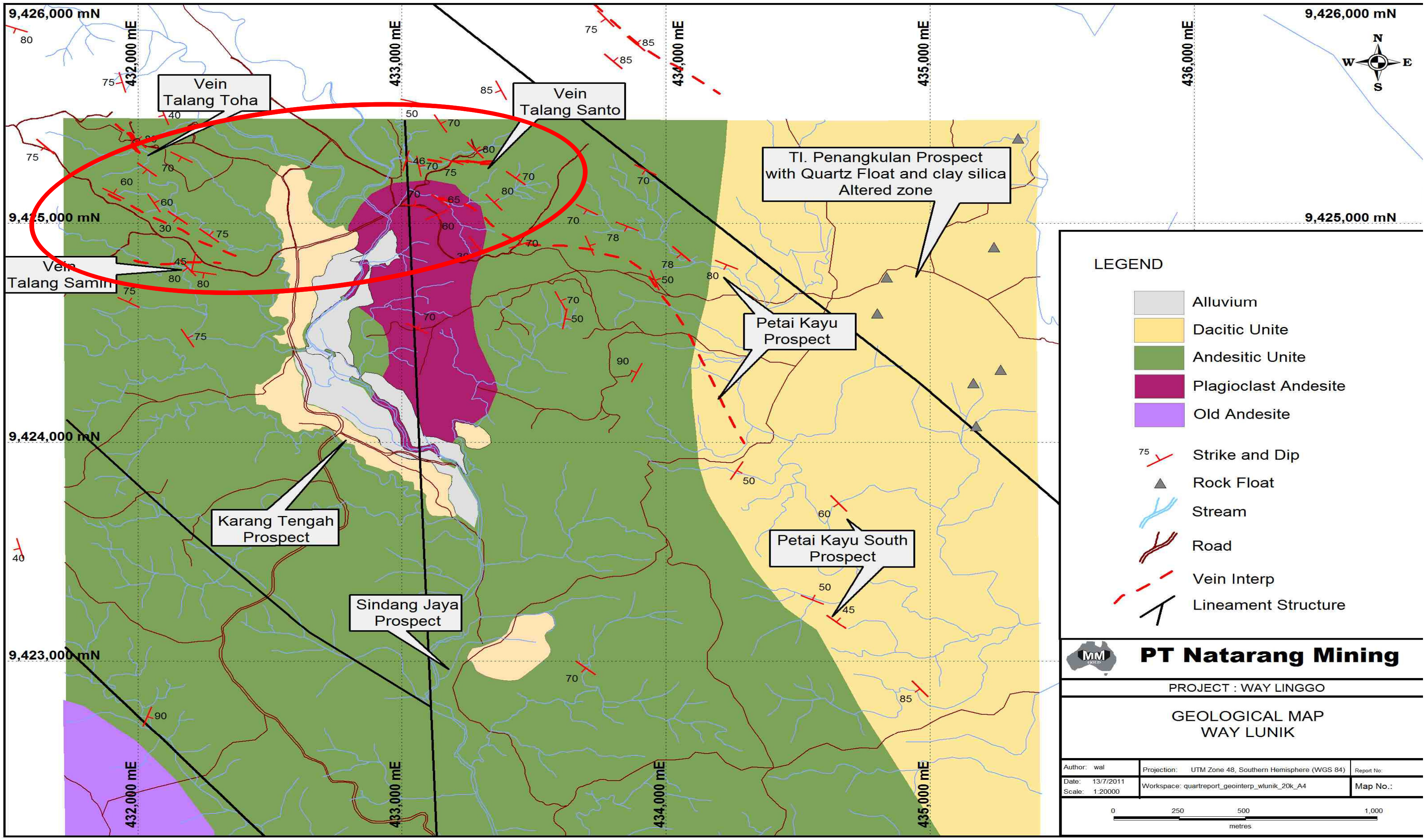
Talang Santo – a potential 2nd mine

- Talang Santo only 7 km NNE from Way Linggo.
- Access road complete - 17 km long
  - Haul road standard to Way Linggo
- Total 6 rigs at Santo end of August 2011
- Fast track resource definition
- Already shaping up as similar size to Way Linggo and still open along strike and at depth.
- No impediments to quick development

Talang cluster of prospects



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Way Linggo – the right geological setting

Highly prospective geological setting

Rim of Fire structural setting

Trans Sumatra Fault Zone (TSFZ)

Host to major gold and copper mines

Host to tertiary gold deposits

- Most significant source after Witwatersrand Basin South Africa

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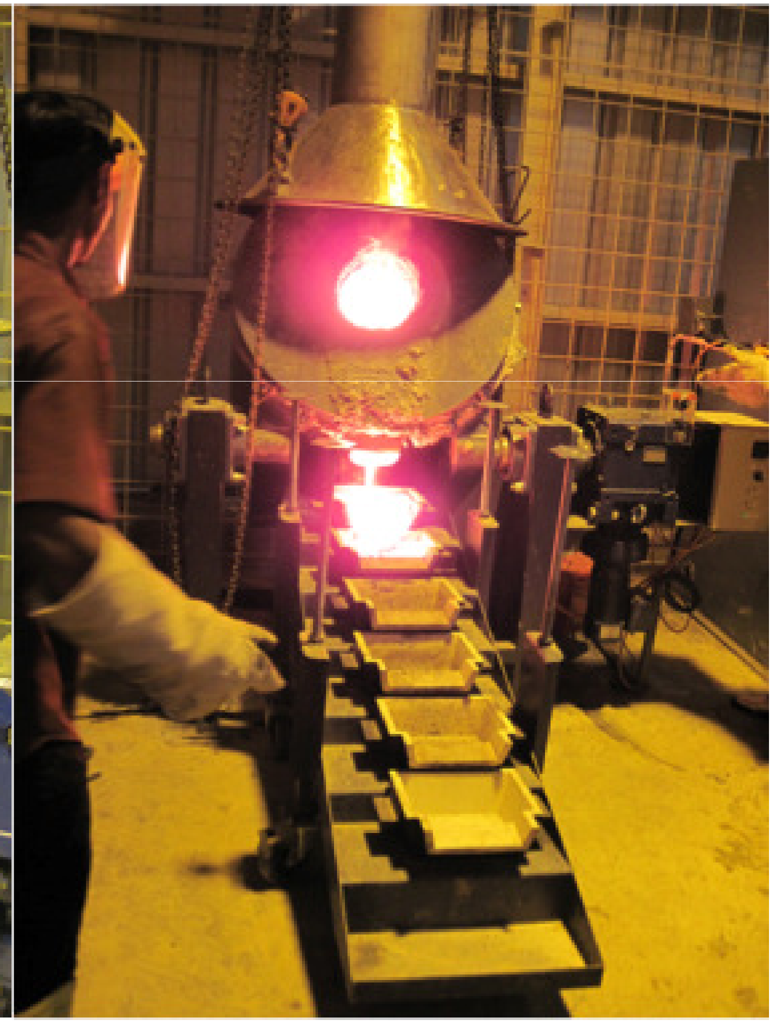
Way Linggo – gold producer



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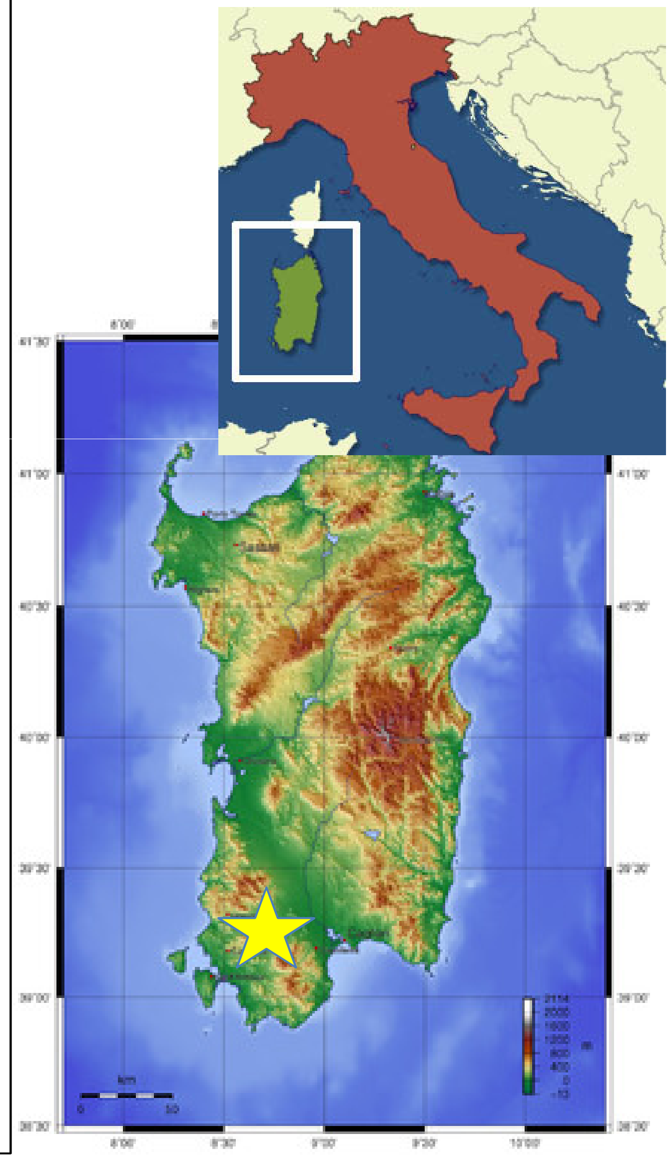
SARINC Zinc/Lead Tailings Project - Sardinia, Italy

Highlights

- Tailings resource target (Non-JORC) 89.2Mt @ 2% Zinc, 0.6% Lead. Residues from one of largest historic Lead-Zinc provinces in Europe.
- Target contains over 1.8 million tonnes Zinc, nearly 500,000 tonnes Lead + ???Silver.



Objectives

- Metallurgical testwork to ascertain recoverability of minerals and basic flowsheet.
- Finalise agreements and the way forward with Sardinian government.
- Establish a separate specialist vehicle for the assets commercial opportunity and provide opportunity and benefit for Kingsrose shareholders.

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Investment proposition

- One of the lowest cost gold mines in the world
- Risk free gold exposure with significant upside
  - Already producing and capital sunk
- High margins – gold price less $150/oz
- Strong stock performance
  - Up 60% in last 12 months (as at 31 July 2011)
  - Up 188% in last 24 months (as at 31 July 2011)
  - Recent discovery provides opportunity for similar uplift
- $28 million in cash and bullion at 30 June 2011
- Board track record

General Disclaimer

This presentation has been prepared by Kingsrose Mining Limited ("Kingsrose" or the "Company"). It should not be considered as an offer or invitation or inducement to subscribe for or the purchase of any securities in the Company. This presentation contains forecasts and forward looking statements. Such forecasts, projections and information are not a guarantee of future performance, involve unknown risks and uncertainties. Actual results and developments may differ materially from those expressed or implied. Kingsrose has not audited or investigated the accuracy or completeness of the information, statements and opinions contained in this presentation. Accordingly, to the maximum extent permitted by applicable laws, Kingsrose makes no representation and can give no assurance, guarantee or warranty, express or implied, as to, and takes no responsibility and assume no liability for, the authenticity, validity, accuracy, suitability or completeness of, or any errors in or omission, from any information, statement or opinion contained in this presentation. This overview of Kingsrose does not purport to be all inclusive or to contain all information which its recipients may require in order to make an informed assessment of the Company's prospects. You should conduct your own investigation and perform your own analysis in order to satisfy yourself as to the accuracy and completeness of the information, statements and opinions contained in this presentation before making any investment decision.

Competent Person Statement

The information in this report that relates to exploration results, mineral resources and ore reserves is based on information compiled by Mr. Peter G. Cook, BSc Applied Geol, MSc (Min Econ), who is a Member of the Australasian Institute of Mining and Metallurgy, and a Director of and consultant to Kingsrose Mining Limited. Mr. Cook has sufficient experience which is relevant to the styles of mineralisation and types of deposits and to the activity 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 ("JORC Code"). Mr. Cook consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

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Board of Directors

John Morris Chairman	Mr. Morris has over 36 years experience in exploration, project development and management of public listed resource companies. He has held prior directorships in a number of gold and base metals public companies in Australia and overseas including Forsayth NL, Uruguay Mineral Exploration Plc and Amerisur Resources Plc (formerly Chaco Resources Plc/Gold Mines of Sardinia Plc)
Chris Start Managing Director	Mr. Start graduated from RMIT as a Metallurgical Engineer with honors in 1988 and has over 23 years of experience in the mining industry. He has worked as a metallurgist, in management positions and as a consultant at a number of mine sites including Kidston, Murrin Murrin, Granny Smith and Boddington. Mr. Start also has international experience working as the Processing Manager at Mt Muro gold and silver mine in Indonesia and as the General Manager at the Musselwhite gold mine in Canada. In addition to his extensive operations experience, Mr Start also has a Master of Science Degree in Mineral Economics.
Tim Spencer Finance Director	Mr Spencer is an economist and qualified accountant with over 16 years experience in various accounting, treasury and finance roles, which included periods with gold companies and a gold refining and trading enterprise. He has particular expertise in precious metals markets and in hedging strategies.
Peter Cook Non-Exec Director	Peter Cook is a Geologist and Mineral Economist and is the current Non-Executive Chairman of Metals X Limited, Aragon Resources Limited and Pacific Niugini Limited. He is also a director of Westgold Resources Limited. Mr Cook brings significant expertise in exploration, mine and corporate management.
Bill Phillips Non-Exec Director	Mr. Phillips has over 30 years experience in mining contracting and mine management, much of which has been gained in Western Australia. He is highly regarded as a leading specialist in underground narrow vein mining. He has managed or been instrumental in the successful development of 16 mines either in the role of contractor or as owner/shareholder. Mr. Phillips most recent role was overseeing development, mining and production at Medusa Mining Limited's Co-O gold mine in the southern Philippines. He is now focused solely on the Way Linggo gold/silver mine located in Sumatra.

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Way Linggo - Snowden's resource estimate

Deposit	Classification	Tonnes	Au g/t	Ag g/t	AuEq g/t	AuEq oz
North Vein	Measured	309,000	10.99	167	13.78	137,000
	Indicated	89,000	6.78	113	8.65	24,900
	Inferred	125,000	4.81	81	6.16	24,800
	Sub-total	523,000	8.79	137	11.08	186,600
Hangingwall Split and Central Vein Zone	Measured	-	-	-	-	-
	Indicated	73,000	5.20	68	6.34	14,900
	Inferred	40,000	4.23	46	5.00	6,500
	Sub-total	113,000	4.86	60	5.86	21,400
	TOTAL	636,000	8.09	124	10.15	208,000

- **Resource depleted for mining to the end of June 2010**
- **Resource reported in compliance with JORC Code 2004**
- **Gold equivalent (AuEq) assumes 1 g/t Au is equivalent to 60 g/t Ag**
- **Classified Mineral Resource is based on 2.5 g/t AuEq cut-off grade**