KINGSROSE
MINING LIMITED

4 October 2013

Company Announcements Office
Australian Securities Exchange Limited
Level 6, 20 Bridge Street
SYDNEY NSW 2000

2013 NOTICE OF ANNUAL GENERAL MEETING

Please be advised that the Notice of Meeting & Explanatory Memorandum for the Company's Annual General Meeting of Shareholders to be held on 7 November 2013 was despatched today.

Additionally, the documents can be accessed on the Company's website www.kingsrosemining.com.au

Yours faithfully

Jeannette Smith
Company Secretary
KINGSROSE MINING LIMITED

Kingsrose Mining Limited is a gold producer that owns 85% of the Way Linggo Project in South Sumatra, Indonesia. The Project has emerged as small but highly profitable due to its high gold and silver grades and low operating costs. The Way Linggo Project, held under a highly prozed 4th generation Contract of Work Agreement with the Indonesian government (mining title of 10,540 hectares), sits on the prolifically mineralised Trans-Sumatran Fault, which is part of the Pacific Rim of Fire. The area is considered highly prospective for low-sulphidation epithermal gold-silver deposits. Kingsrose made a second high grade epithermal gold discovery in mid 2011, named Talang Santo (7km NNE of the Way Linggo mine) and is now under development. The early exploration success and the numerous positive indicators on the property give the Company confidence that further high grade deposits will be found.

Suite 9, Level 2, 12-14 Thelma Street, West Perth WA 6005 | T (08) 9486 1149 | F (08) 9486 1151
info@kingsrosemining.com.au | ASX Code KRM (Ordinary Shares)
www.kingsrosemining.com.au

KINGSROSE MINING LIMITED

NOTICE OF MEETING
and
EXPLANATORY MEMORANDUM

for the Annual General Meeting of Shareholders
to be held at
The Celtic Club, 48 Ord St, West Perth, 6005
Western Australia
on
Thursday, 7 November 2013
at
10.30am (WST)

This is an important document - please read it carefully

If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting.

If you are unable to attend the Annual General Meeting, please complete the enclosed Proxy Form and return it in accordance with the instructions set out on that form.

TIME AND PLACE OF MEETING AND HOW TO VOTE

Venue

The Annual General Meeting of Kingsrose Mining Limited will be held at:

The Celtic Club, 48 Ord Street
West Perth, 6005
Western Australia
on
Thursday, 7 November 2013
at
10.30am (WST)

How to Vote

You may vote by attending the meeting in person, by proxy or authorised representative.

Voting in Person

To vote in person, attend the meeting on the date and at the place set out above.

The meeting will commence at 10.30am (WST).

Voting by Proxy

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with section 249L of the Corporations Act, members are advised that:

- each member has a right to appoint a proxy;
- the proxy need not be a member of the Company; and
- a member who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints two proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

New sections 250BB and 250BC of The Corporations Act came into effect on 1 August 2011 and apply to voting by proxy on or after that date. Shareholders and their proxies should be aware of these changes to The Corporations Act, as they will apply to this Meeting. Broadly, the changes mean that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Further details on these changes are set out below.

Proxy vote if appointment specifies way to vote

Section 250BB(1) of The Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, if it does:

- the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed); and
- if the proxy has two or more appointments that specify different ways to vote on the resolution – the proxy must not vote on a show of hands; and
- if the proxy is the Chair of the meeting at which the resolution is voted on – the proxy must vote on a poll, and must vote that way (i.e. as directed); and
- if the proxy is not the Chair – the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

Transfer of non-chair proxy to Chair in certain circumstances

Section 250BC of The Corporations Act provides that, if:

- an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members; and
- the appointed proxy is not the chair of the meeting; and
- at the meeting, a poll is duly demanded on the resolution; and
- either of the following applies:
    - the proxy is not recorded as attending the meeting;
    - the proxy does not vote on the resolution,

the chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

Your proxy form is enclosed.

NOTICE OF MEETING

Notice is hereby given that the Annual General Meeting of Shareholders ("Meeting") of Kingsrose Mining Limited ("Kingsrose or Company") will be held on Thursday, 7 November 2013 at 10.30am (WST), at The Celtic Club, 48 Ord Street, West Perth, 6005, Western Australia, and at any adjournment of that meeting, for the purpose of dealing with the business set out below including considering and, if thought fit, passing the following proposed resolutions set out below.

The Explanatory Memorandum to this Notice provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum and the Proxy Form forms part of this Notice.

The Company's 2013 Annual Report can be accessed on the Company's website www.kingsrosemining.com.au.

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BUSINESS OF THE MEETING

- ***Financial Statements and Reports***

  To receive the financial statements and reports of the Directors and the Auditors for Kingsrose Mining Limited and its controlled entities for the year ended 30 June 2013.

- ***Ordinary Resolution 1 – Adoption of Remuneration Report***

  "That, for the purpose of Section 250R(2) of the Corporations Act and for all other purposes, the Remuneration Report for the year ended 30 June 2013 as disclosed in the 2013 Annual Report be adopted."

  Note:
  The Corporations Act provides that a resolution to approve the adoption of the remuneration report must be put to the vote at a listed company's annual general meeting. The vote on Resolution 1 is advisory only and does not bind the directors of the Company.

  However, pursuant to recent amendments to the Corporations Act, if 25% or more of votes cast are voted against the adoption of the Remuneration Report at two consecutive annual general meetings, shareholders will be required to vote at the second annual general meeting on a resolution (a "spill resolution") for another meeting to be held within 90 days of the second annual general meeting at which all of the Company's Directors, other than the Managing Director, must stand for re-election. Votes cast against the Remuneration Report for the year ended 30 June 2012 did not total 25%.

  In accordance with the Corporations Act the Board is submitting this Remuneration Report to shareholders for consideration and adoption by way of a non-binding resolution. The Remuneration Report is set out within the Directors' Report.

  Please see Explanatory Memorandum for more information.

  Voting Prohibition Statement:

  A vote on this Resolution must not be cast (in any capacity) by or on behalf of any of the following persons:

  (a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or
  (b) a Closely Related Party of such a member.

  However, a person (the voter) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:

(c) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on the Resolution; or

(d) the voter is the Chair and the appointment of the Chair as proxy:

(i) does not specify the way the proxy is to vote on this Resolution; and

(ii) expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel for the Company, or if the Company is part of a consolidated entity, for the entity

- ***Ordinary Resolution 2 – Re-election of Director – Mr. John C. Morris***

  "That John C. Morris, a director, retires by rotation in accordance with the clause 12.11 of the Company's Constitution and being eligible is re-elected as a director of the Company."

- ***Ordinary Resolution 3 – Re-election of Director – Mr. Andrew P. Spinks***

  "That Andrew P Spinks, a director having been appointed as a casual vacancy and retiring in accordance with the Company's Constitution, and being eligible, is re-elected as a director of the Company."

- ***Ordinary Resolution 4 - Ratification of Issue of Shares under ASX 15% rule to clients of Bell Potter Securities Limited***

  "That for the purposes of ASX Listing Rules 7.1 and 7.4, and for all other purposes, the issue on 22 July 2013 of 43,793,980 ordinary shares to clients of Bell Potter Securities Limited at a price of $0.35 each be ratified and approved."

  Voting Exclusion: The Company will disregard any votes cast on this Resolution by any person who participated in the issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the Resolution is passed and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

- ***Ordinary Resolution 5 – Approval of proposed issue of Share Rights to the Interim Managing Director, Mr. Timothy G. Spencer – 2013-2014 long term incentive***

  "That approval is given for the purposes of section 208 of the Corporations Act and Listing Rule 10.14, for the issue of 588,653 Share Rights to Mr. Tim Spencer as the long-term incentive component of his remuneration package for the 2013/2014 financial year, in accordance with the terms detailed in the Explanatory Memorandum accompanying and forming part of this Notice of Meeting."

  Voting Exclusion: The Company will disregard any votes cast on this Resolution by any Director, other than any Directors who are ineligible to participate in the Plan, and any associates of those Directors. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

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By order of the Board

Jeanette P. Smith
Company Secretary
4 October 2013

EXPLANATORY MEMORANDUM

PROXY AND VOTING INSTRUCTIONS

1. A Shareholder of the Company entitled to attend and vote is entitled to appoint not more than two proxies. Where more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the Shareholder's voting rights. If the Shareholder appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half of the votes. A proxy need not be a Shareholder of the Company.

2. In accordance with Regulation 7.11.37 of the Corporations Act, the Directors have set a date to determine the identity of those entitled to attend and vote at the Meeting. The date is Tuesday, 5 November 2013 at 10.30am (WST).

3. A proxy form is attached. This is to be used by shareholders if they wish to appoint a representative (a "proxy") to vote in their place. All shareholders are invited and encouraged to attend the Meeting, or if they are unable to attend in person, the Proxy Form should be completed, signed and returned to the Company's registered office in accordance with the instructions on that form.

4. Shareholder questions - At the Meeting, the Chairman will allow a reasonable opportunity for shareholders to ask questions or make comments on the management of the Company or the Remuneration Report. Mr. Darren Lewsen of Ernst & Young, as the auditor responsible for preparing the auditor's report for the year ended 30 June 2013 (or his representative) will attend the Meeting. The Chairman will also allow a reasonable opportunity for shareholders to ask the auditor questions about:

   (a) the conduct of the audit;

   (b) the preparation and content of the auditor's report;

   (c) the accounting policies adopted by the Company in relation to the preparation of the financial statements; and

   (d) the independence of the auditor in relations to the conduct of the audit.

   To assist the management of the Company and the auditor of the Company in responding to questions please submit any questions you may have in writing to the Company Secretary, to be received no later than 5pm (WST) on Thursday, 31 October 2013.

In person or by post:	Kingsrose Mining Limited Suite 9, Level 2 12-14 Thelma Street West Perth WA 6005
By facsimile:	08 9486 1151 (within Australia) +61 8 9486 1151 (outside Australia)

This Explanatory Memorandum has been prepared for the information of Shareholders of Kingsrose Mining General Meeting of Shareholders to be held at The Celtic Club, 48 Ord Street, West Perth 6005, Western Australia on Thursday, 7 November 2013 at 10.30am (WST) ("the Meeting") and at any adjournment of that meeting.

This Explanatory Memorandum should be read in conjunction with the accompanying Notice of Annual General Meeting ("the Notice").

The following matters should be noted in respect of the resolutions in the Notice:

- **Financial Statements and Reports**

  Appropriate time will be devoted to the consideration of the Financial Report of the Company for the year ended 30 June 2013 and the Directors' and Auditor's reports thereon.

  A copy of the Financial Report for the Company and the Directors' and Auditor's reports thereon are contained within the Company's 2013 Annual Report. For those shareholders who have made an election to receive a hard copy of the Company's Annual Report, a copy is included with this Notice of Meeting. For those shareholders who have not made an election to receive a hard copy of the Annual Report, please note that it is available on the Company's web site via the following link www.kingsrosemining.com.au

- **Resolution 1 – Adoption of Remuneration Report**

  In accordance with section 250R(2) of the Corporations Act, the Company presents to shareholders for their consideration and adoption by way of non-binding resolution the Company's Remuneration Report as disclosed in the Directors' Report in the Company's 2013 Annual Report.

  The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the Directors or the Company.

  The remuneration report sets out the Company's remuneration arrangements for the Directors and senior management of the Company. The Remuneration Report is part of the Directors' Report contained in the annual financial report of the Company for the financial year ending 30 June 2013.

  A reasonable opportunity will be provided for discussion of the remuneration report at the Annual General Meeting.

  NB: Voting Consequences

  Under changes to the Corporations Act that came into effect on 1 July 2011, if at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report in two consecutive annual general meetings, the Company will be required to put to shareholders a resolution proposing the calling of a general meeting to consider the appointment of directors of the Company (Spill Resolution) at the second annual general meeting.

  If more than 50% of shareholders vote in favour of the Spill Resolution, the company must convene the general meeting (Spill Meeting) within 90 days of the second annual general meeting.

  All of the Directors of the Company who were in office when the Directors' Report (as included in the Company's annual financial report for the financial year ended immediately before the second annual general meeting) was approved, other than the Managing Director of the company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting. Following the Spill Meeting those persons whose election or re-election as Directors is approved will be the Directors of the Company.

  At the Company's previous Annual General Meeting, the votes cast against the Remuneration Report at that general meeting were less than 25%. Accordingly, the Spill Resolution is not relevant for this Annual General Meeting.

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NB: Proxy Restrictions

Shareholders appointing a proxy for Resolution 1 should note the following:

If you appoint a member of the Key Management Personnel as your proxy
If you elect to appoint a member of Key Management Personnel whose remuneration details are included in the Remuneration Report, or a Closely Related Party of that member, *you must direct the proxy how they are to vote.* Undirected proxies granted to these persons will not be included in any vote on Resolution 1.

If you appoint the Chair as your proxy
If you elect to appoint the Chair as your proxy, you *do not* need to direct the Chair how you wish to your vote to be exercised on Resolution 1; however if you do not direct the Chair how to vote, *you must tick the acknowledgement on the Proxy Form to acknowledge that the Chair may exercise its discretion in exercising your proxy even though Resolution 1 is connected directly or indirectly with the remuneration of Key Management Personnel.*

If you appoint any other person as your proxy
You *do not* need to direct your proxy how to vote and you *do not* need to tick any further acknowledgement on the Proxy Form.

- **Resolution 2 – Re-election of Director – Mr. John C. Morris**

Clause 12.11 of the Constitution requires that if the Company has three or more Directors, one third (or the number nearest one-third rounded upwards in case of doubt) of those Directors must retire at each Annual General Meeting, provided always that no Director (except a Managing Director) shall hold office for a period in excess of three years, or until the third Annual General Meeting following his or her appointment, whichever is the longer, without submitting himself or herself for re-election.

Mr. Morris retires by rotation and under the Company's Constitution and is required to submit himself for re-election at the next Annual General Meeting. Mr. Morris offers himself for re-election.

Mr. Morris has over 41 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 Forsyth NL and Amerisur Resources Plc (formerly Chaco Resources Plc/Gold Mines of Sardinia Plc). Mr. Morris also serves on the Company's Remuneration Committee.

- **Resolution 3 – Re-election of Director – Mr. Andrew P. Spinks**

Mr. Spinks is a current director who was appointed by the Board to fill a casual vacancy. Under the Company's constitution he is required to submit himself for re-election at the next Annual General Meeting. Mr. Spinks offers himself for re-election.

Mr. Spinks is a geologist with over 24 years professional experience in nickel, gold, coal, iron ore and diamonds in Australia and Africa. He has undertaken diverse roles from grass roots exploration through to senior management and consulting roles in exploration, project development and mining. He is a co-founder of Strategic Resource Management and was responsible for the strategy, target generation and acquisitions of that company. Mr. Spinks holds a B.App.Sc (Geol), Grad.Dip (Mining), W.A. Quarry Managers Certificate and is a member of the AusIMM. Mr Spinks is currently a director of Kibaran Resource Limited and Rarus Limited. He also serves on the Company's Remuneration Committee. Mr. Spinks is an independent director.

- **Resolution 4 - Ratification of Securities Issue – Bell Potter Securities Limited**

On 22 July 2013 the Company issued to Bellset Nominees Pty Ltd, the nominee company of Bell Potter Securities Limited, 43,793,980 ordinary shares in the capital of the Company at a price of $0.35 each. This issue was made by the Company in accordance with Listing Rule 7.1 of the ASX Listing Rules, which permits a Company to issue up to 15% of its issued capital without shareholder approval.

Resolution 4 seeks Shareholder approval under Listing Rule 7.4, which provides that an issue of securities that is made without Shareholder approval under Listing Rule 7.1 is treated as having been made with approval for the purposes of Listing Rule 7.1 if each of the following applies:

On 22 July 2013 the Company issued to clients of Bell Potter Securities Limited 43,793,980 ordinary shares in the capital of the Company at a price of $0.35 each.

This issue was made by the Company in accordance with Listing Rule 7.1 of the ASX Listing Rules, which permits a Company to issue up to 15% of its issued capital without shareholder approval.

Neither Bell Potter Securities Limited, nor clients of Bell Potter Securities Limited who participated in the placement, are considered a related party if -

- the issue did not breach Listing Rule 7.1; and
- the holders of ordinary securities subsequently approve it.

The Directors confirm that the issue of the ordinary shares to Bell Potter Securities Limited did not breach Listing Rule 7.1. The effect of Shareholders passing Resolution 4 will be to restore the Company's ability to issue, without Shareholder approval, further securities up to the full 15% limit currently imposed by Listing Rule 7.1 without obtaining shareholder approval.

As required by Listing Rule 7.5, the following information is provided in relation to the issue of the ordinary shares to Bellset Nominees Pty Ltd:

a. A total of 43,793,980 ordinary shares were issued.
b. The ordinary shares were issued at a price of $0.35 each.
c. The shares were fully paid ordinary shares ranking equally in all respects with existing Shares on issue.
d. The shares were issued to clients of Bell Potter Securities Limited and to other non-related institutional and sophisticated investors.
e. The funds raised have been used for Talang Santo mine development, resource to reserve infilling drilling/resource extension drilling, and working capital for the Company.

- **Resolution 5 – Grant of Share Rights to the Interim Managing Director, Mr. Tim Spencer.**

Background

Under ASX Listing Rule 10.14, the acquisition of securities by a Director under an employee incentive scheme requires shareholder approval unless the shares required for the scheme are purchased on market.

It is proposed that the Interim Managing Director, Mr Tim Spencer, be granted rights to be provided with Shares in the Company or, alternatively, at the discretion of the Company, the equivalent cash value ("Share Rights") in accordance with his participation in the Long Term Incentive Plan ("the Plan").

The Plan is intended to support the achievement of the Company's business strategy by linking executive rewards to improvements in the financial performance of the Company and aligning the interests of executives with shareholders.

The Share Rights granted to Mr Spencer will vest on 30 June 2016 subject to satisfaction of the performance condition and, subject to the exceptions noted below, to the continued employment of Mr Spencer with the Company. Share Rights that do not vest will automatically lapse. No amount is payable by Mr Spencer in respect of the grant or vesting of Share Rights.

Share Rights to be granted to Mr Spencer are conditional and non-transferable; they cannot be hedged, sold, transferred, mortgaged, charged or otherwise disposed of or dealt with.

Shareholder Approval (Section 208 of the Corporations Act)

Chapter 2E of the Corporations Act regulates the provision of financial benefits to related parties by a public company. Section 208 of the Corporations Act provides that, for a public company to give a financial benefit to a related party of the company, the company must:

(a) obtain the approval of the company's members in the manner set out in Sections 217 to 227 of the Corporations Act; and

(b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in Sections 210 to 216 of the Corporations Act.

The provision the issue of Share Rights by the Company constitute the giving of a financial benefit, and as a Director, Mr Spencer ("Participating Director") is considered to be a related party of the Company.

In accordance with the requirements of Sections 217 to 227 of the Corporations Act, the following information is provided to Shareholders to allow them to assess the proposed issue of Share Rights:

(a) as a Director, the Participating Director is a related party of the Company to whom proposed Resolution 5 would permit the financial benefit to be given;

(b) the nature of the financial benefit to be given to Mr Spencer is the issue of 588,653 Share Rights;

(c) the Share Rights will be issued under the terms and conditions of the Plan which was approved by shareholders at the Annual General Meeting held on 1 November 2012;

(d) as at the date of this Notice of Meeting, the Participating Director holds the following securities in the Company:

Director	Listed Shares	Share Performance Rights
Tim Spencer	1,050,000	97,297

(e) the remuneration and emoluments payable by the Company to the Participating Director for both the current financial year and previous financial year are set out below:

Director	Current Financial Year (2013)	Previous Financial Year (2012)
Tim Spencer	$298,759	$290,562

(f) in the event Resolution 5 is approved, a total of 588,653 Share Rights will be allotted and issued. If all the Share Rights are exercised this will increase the number of Shares on issue from 335,753,851 to 336,439,801 (assuming that no Options are exercised and no other Shares issued) with the effect that the shareholding of existing Shareholders would be diluted as follows:

Holder	Share Rights issued to participating Director 2012	Share Rights to be issued to participating Director 2013	Dilutionary effect upon exercise of all Share Rights
Tim Spencer	97,297	588,653	0.20%

(g) the number of Share Rights issued to the Participating Director has been determined by dividing the value of 60% of fixed pay (as at 1 July 2013) by the volume weighted average price of the Company's shares over the five trading days immediately prior to 1 July 2013;

(h) the issue price at which Share Rights will be issued to the Participating Director will be $0.306 per Share Right;

(i) For the purposes of these explanatory notes, the Company has valued the performance rights in accordance with AASB2 Share-based payments. On the basis of the 1 July 2013 value date, each performance right was valued at $0.29 using a Monte Carlo simulation method, based on the following assumptions. However, assuming that shareholders approve the issue of the performance rights to Mr Spencer on 7 November 2013, then the value will have to be recalculated as at that date.

Assumptions	
Dividend yield	3.3%
Share price at grant date	0.46
Exercise price	0
Volatility	59.08%
Risk free rate	2.82%
Expected life of share performance rights (no of years)	3

(j) the value of the financial benefit to be provided to the Participating Director is $170,709;

(k) the number of shares that will vest with the Participating Director at the end of the performance period will be determined having regard to the performance criteria described below;

(l) the trading history of Shares on ASX in the 12 months before the date of this Notice of General Meeting is set out below:

	Price	Date
Highest	$1.24	18 September 2012
Lowest	$0.29	25 June 2013
Last	$0.40	23 September 2013

(m) the primary purpose for the provision of the issue of the Share Rights to Mr Spencer is to provide a market linked incentive package in his capacity as Interim Managing Director and to assist in the reward, retention and motivation of Mr Spencer in the ongoing operations and strategic direction of the Company whilst maintaining the Company's cash reserves. The Board (other than Tim Spencer) considered the extensive experience and reputation of Tim Spencer, the current market price of Shares and current market practices when determining the number of Share Rights to be issued to Mr Spencer. The Board considers the issue of the Share Rights to Mr Spencer to be reasonable upon the terms proposed;

(n) the Company will not incur any costs or fees in relation to issuing the Share Rights to the Participating Director, other than:

   a. listing fees of the Share Rights convert into Shares will be payable to ASX. These fees are not expected to be any more than $3,593; and

   b. a value equal as determined in accordance with the accounting standards attached to the issue of the Share Rights to the Participating Director will be included as wages for the purpose of pay roll tax. If this value together with other wages paid by the Company during any month exceeds a defined threshold, then pay roll tax may become payable by the Company;

(o) if the Share Rights are not issued to the Participating Director, the Company could remunerate the Director for additional amounts. However, the Board considers it reasonable for the remuneration of the Director to have a cash component and an equity component to further align the Participating Director's interests with Shareholders.

   As outlined above, there are alternate options available to issuing Share Rights in respect of remunerating the Director and accordingly, Shareholders should consider the above matters carefully before deciding how to vote on this Resolution;

(p) Mr Spencer declines to make a recommendation to Shareholders in relation to Resolution 5 due to his material personal interest in the outcome of Resolution 5;

(q) Mr John Morris who does not have a material personal interest in the outcome of Resolution 5 recommends that Shareholders vote in favour of Resolution 5 for the reasons set out above. Mr Morris is not aware of any other information that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass Resolution 5;

(r) Mr J. William Phillips who does not have a material personal interest in the outcome of Resolution 5 recommends that Shareholders vote in favour of Resolution 5 for the reasons set out above. Mr Phillips is not aware of any other information that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass Resolution 5; and

(s) Mr Andrew Spinks who does not have a material personal interest in the outcome of Resolution 5 recommends that Shareholders vote in favour of Resolution 5 for the reasons set out above. Mr Spinks is not aware of any other information that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass Resolution 5.

Shareholder approval (ASX Listing Rule 10.14)

ASX Listing Rule 10.14 provides that a company must not permit a director of the company to acquire securities under an employee incentive scheme without the approval of shareholders for the acquisition. The Plan is considered to be an employee incentive scheme for the purposes of the ASX Listing Rules.

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In accordance with ASX Listing Rule 10.15, the following information is provided to Shareholders in relation to Resolution 5:

(a) the maximum number of securities that may be issued to the Participating Director under Resolution 5 is 588,653 Share Rights;

(b) the issue price of the Share Rights will be as $0.306 per Share Right;

(c) a total of 270,269 Share Rights have been issued under the Plan: 172,972 to the former Managing Director, Mr Chris Start and 97,297 to Mr Timothy Spencer, Interim Managing Director. The issue of those Share Rights was approved at the 2012 Annual General Meeting of Shareholders. The issue price was $1.11. Upon the resignation of the former Managing Director in June 2013, 172,972 Share Rights were cancelled, leaving a balance of 97,297 issued to Mr. Spencer;

(d) Directors may participate in the Plan;

(e) the Company will not provide a loan to the Participating Director to fund the payment for the subscription price for the Share Rights;

(f) it is proposed that the Share Rights will be issued on one date within 12 months from the date of the Meeting, however, the Company reserves the right to issue the Share Rights progressively; and

(g) the Shares issued upon conversion of the Share Rights issued pursuant to Resolution 5 will rank equally with all other Shares on issue.

Performance Conditions/Vesting of Performance Rights

Subject to the Plan Rules, the number of Share Rights that vest under the 2013 Share Rights Offers will be determined according to the Company's total shareholder return ("**TSR**") performance compared with the TSR performance of a group of comparable ASX-listed gold mining companies over the period from 1 July 2013 to 30 June 2016 (the 'Performance Period').

TSR is the change in a company's total shareholder return (basically share price growth plus dividends and distributions, on the assumption that all dividends and distributions are re-invested, together with any other shareholder returns) over the Performance Period. TSR therefore reflects the change in shareholder value of KRM and the comparator companies over the Performance Period.

The Company's relative TSR ranking will be assessed as at 30 June 2016 (using the average closing price of shares over the three months up to and including that date) by comparing the Company's TSR performance with the TSR performance of the entities in the comparator group over the same period.

For the 2013 Share Rights Offer, the comparator group will consist of 19 selected ASX-listed gold mining companies. All of the comparator group companies that continue to be listed on the ASX will remain in the comparator group, but companies that cease to be listed because of mergers, de-listings etc. will drop out of the comparator group and will not be replaced.

KRM Relative TSR LTI Comparator Group Companies

The peer group is comprised of companies that focus on gold exploration and/or production that have a market capitalization that is around one third to three times that of Kingsrose's market capitalization. The peer group was selected with the assistance of analyses by the Board's independent adviser, Guerdon Associates.

The list below shows the 19 comparator on these selection criteria, as well as Kingsrose Mining Limited and its relative positioning as at 30 June 2013.

ASX Ticker	Name	Market Capitalisation	Sector
EVN	Evolution Mining Ltd	$403m	Gold
MML	Medusa Mining Ltd	$291m	Gold
RSG	Resolute Mining Ltd	$384m	Gold
SLR	Silver Lake Resources Ltd	$227m	Gold
KCN	Kingsgate Consolidated Ltd	$191m	Gold
BDR	Beadell Resources Ltd	$394m	Gold
GDO	Gold One International Ltd	$171m	Gold
SBM	St Barbara Ltd	$220m	Gold
NST	Northern Star Resources Ltd	$246m	Gold
TRY	Troy Resources Ltd	$255m	Gold
PIR	Papillon Resources Ltd	$226m	Gold
TAM	Tanami Gold NL	$29m	Gold
SAR	Saracen Mineral Holdings Ltd	$71m	Gold
RED	Red 5 Ltd	$84m	Gold
FML	Focus Minerals	$91m	Gold
RMS	Ramelius Resources Ltd	$37m	Gold
SIH	Sihayo Gold Ltd	$6m	Gold
CDG	Cleveland Mining Co Ltd	$19m	Diversified Metals & Mining
KRM	**Kingsrose Mining Ltd**	**$104m**	**Gold**
	KRM Percentile Ranking	**39**	

- None of the Share Rights in the 2013 Plan offer will vest unless the Company's TSR over the Performance Period is at least equal to the TSR of the company that is at the 50th percentile (median) of the companies in the comparator group, ranked by their TSR performance, at which point 50% of the Share Rights in the 2013 Share Rights Offer will vest.
- All of the Share Rights in the 2013 Share Rights Offer will vest if the Company's TSR over the Performance Period is equal to or greater than the TSR of the company that is at the 75th percentile of the companies in the comparator group, ranked by their TSR performance.
- The proportion of the Share Rights in the 2013 Share Rights Offer that vests increases progressively on a linear basis for the Company's relative TSR performance between that of the companies at the 50th percentile and the 75th percentile of the companies in the comparator group, ranked by their TSR performance.

Glossary

In the Explanatory Memorandum the following terms bear the following meanings unless the context otherwise requires.

A$ means the lawful currency of Australia.

Annual General Meeting or **Meeting** means the meeting convened by the Notice**.**

ASIC means Australian Securities and Investments Commission.

ASX means ASX Limited (ABN 98 008 624 691) and where the context permits, the Australian Securities Exchange operated by ASX Limited.

Board means the Board of Directors of the Company.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that the ASX declares is not a business day.

Company means Kingsrose Mining Limited.

Constitution means the constitution of the Company.

Corporations Act means the *Corporations Act 2001* (Cth).

Directors means the directors of the Company, ie: John C. Morris; Timothy G. Spencer; J. William Phillips; Andrew P. Spinks.

Explanatory Memorandum means the explanatory memorandum to this Notice of General Meeting.

Listing Rules or Official Listing Rules means the listing rules of ASX.

Notice means this Notice of Annual General Meeting and includes the Explanatory Memorandum and Proxy Form.

Plan means Kingsrose Mining Limited Employee Option and Share Rights Plan 2012.

Resolution means a resolution contained in this Notice of General Meeting.

Share means a fully paid ordinary share in the capital of the Company.

Share Rights means rights to acquire Shares issued pursuant to the Plan.

Shareholder means a shareholder of the Company.

WST means Australian Western Standard Time.

APPOINTMENT OF CORPORATE REPRESENTATIVE

Under section 250D of the Corporations Act

This is to certify that by a resolution of the Directors of:

…….…………………. (Company)

The Company has appointed:

………
(Insert name of Representative)

in accordance with the provision of section 250D of the Corporations Act, to act as the body corporate representative of that company at the Annual General Meeting of Kingsrose Mining Limited to be held on Thursday, 7 November, 2013 at 10.30am (WST) and at any adjournment of that meeting.

Dated:

Executed by the Company)
in accordance with its Constitution)

……………………………………………………………………….. Signed by authorized representative	………………………………………………………………………. Signed by authorized representative
………………………………………………………………………… Name of authorized representative (PRINT)	………………………………………………………………………. Name of authorized representative (PRINT)
……………………………………………………………………….. Position of authorized representative (PRINT)	……………………………………………………………………….. Position of authorized representative (PRINT)

Instructions for Completing Appointment of Corporate Representative

Under Australian law, an appointment of a body corporate representative will only be valid if the Certificate of Appointment is completed correctly.

Please follow the instructions below to complete this Certificate:

1. Execute the Certificate following the procedure required by your Constitution or other constituent documents.
2. Print the name and position (e.g. director) of each company officer who signs this Certificate on behalf of the Company.
3. Insert the date of execution where indicated.
4. Send or deliver the Certificate to KINGSROSE MINING LIMITED at Level 2, Suite 9, 12-14 Thelma Street, West Perth, WA 6005 or by fax to the registered office on 08 9486 1151 by 10.30am, Tuesday, 5 November 2013. Alternatively the original Certificate of Appointment may be presented upon attendance at the Annual General Meeting of the Company.

PROXY FORM

Please return this Proxy Form by
10:30am (WST) on Tuesday, 5 November 2013 to:

Company Secretary
Kingsrose Mining Limited
Suite 9, Level 2, 12-14 Thelma Street
West Perth, Western Australia

Or by fax to +61 8 9486 1151

KINGSROSE
MINING LIMITED

I/We ______________________________

being a Member of Kingsrose Mining Limited entitled to attend and vote at the Annual General Meeting, hereby

Appoint ______________________________

Name of Proxy

or failing the person so named or, if no person is named, the Chairman of the Meeting or the Chairman's nominee, to vote in favour of Resolution 1 (unless otherwise indicated below by ticking one of the boxes next to Resolution 1) and to vote in relation to each of Resolutions 4 and 5 in accordance with the following directions or, if no directions have been given in relation to any of Resolutions 4 and 5, as the proxy sees fit, at the Annual General Meeting to be held at The Celtic Club, 48 Ord Street, West Perth, 6005, Western Australia on Thursday, 7 November 2013 at 10.30 am (WST) and at any adjournment thereof.

Voting Directions on Business of the Annual General Meeting		**FOR**	**AGAINST**	**ABSTAIN***
Resolution 1	Adoption of Remuneration Report (i)	☐	☐	☐
Resolution 2	Re-election of Director – Mr. John C. Morris	☐	☐	☐
Resolution 3	Re-election of Director – Mr. Andrew P. Spinks	☐	☐	☐
Resolution 4	Ratification of Securities (ii)	☐	☐	☐
Resolution 5	Long-term incentive – Mr. Timothy G. Spencer (iii)	☐	☐	☐

*If you mark the Abstain box for a particular item, you are directing your proxy **not** to vote on your behalf on a show of hands or on a poll and you votes will not be counted in computing the required majority on a poll.

(i) Resolution 1

IF THE CHAIRMAN IS APPOINTED AS YOUR PROXY, THE CHAIRMAN WILL VOTE IN FAVOUR OF RESOLUTION 1 UNLESS YOU DIRECT OTHERWISE BY TICKING ONE OF THE BOXES ABOVE NEXT TO RESOLUTION 1.

(ii) Resolution 4

IF YOU DO NOT WISH TO DIRECT THE CHAIRMAN AS YOUR PROXY TO VOTE ON RESOLUTION 4, PLACE A MARK IN THIS BOX. ☐

(iii) Resolution 5

IF YOU DO NOT WISH TO DIRECT THE CHAIRMAN AS YOUR PROXY TO VOTE ON RESOLUTION 5, PLACE A MARK IN THIS BOX. ☐

By marking any of these boxes you acknowledge that the Chairman may exercise your proxy even if he or she has an interest in the outcome of the respective resolution, and that votes cast by him or her, other than as proxy holder, would be disregarded because of that interest. If you do not mark this box and you have not directed your proxy how to vote, the Chairman will not cast your votes on the respective resolutions and your votes will not be counted in calculating the required majority if a poll is called on a resolution.

If two proxies are being appointed, the proportion of voting rights this proxy represents is ___________ %

Signed this day of 2013.

By: Individuals and joint holders	**By: Companies (affix common seal if appropriate)**
Signature	**Director**
Signature	**Director/Secretary**
Signature	**Sole Director and Sole Secretary**

IMPORTANT: Please provide the following information should we need to contact you.

Name: **Day time contact number:**

Instructions for Completing Appointment of Proxy Form

1. In accordance with Section 249L of the Corporations Act, a shareholder of the Company who is entitled to attend cast two or more votes at a general meeting of shareholders is entitled to appoint two proxies. Where more than one proxy is appointed, such proxy must be allocated a proportion of the member's voting rights. If the shareholder appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half the votes.

2. A duly appointed proxy need not be a member of the Company. In the case of joint holders, all must sign.

3. Corporate shareholders should comply with the execution requirements set out on the Proxy Form or otherwise with the provisions of section 127 of the Corporations Act. Section 127 of the Corporations Act provides that a company may execute a document without using its common seal if the document is signed by:

   - two directors of the company;
   - a director and a company secretary of the company; or
   - for a proprietary company that has a sole director who is also the sole company secretary – that director.

   For the Company to rely on the assumptions set out in sections 129(5) and (6) of the Corporations Act, a document must appear to have been executed in accordance with sections 127(1) or (2). This effectively means that the status of the persons signing the document or witnessing the affixing of the seal must be set out and conform to the requirements of section 127(1) or (2) as applicable. In particular, a person who witnesses the affixing of a common seal and who is the sole director and sole company secretary of the company must state that next to his or her signature.

4. Completion of a Proxy Form will not prevent individual shareholders from attending the Meeting in person if they wish. Where a shareholder completes and lodges a valid Proxy Form and attends the Meeting in person, then the proxy's authority to speak and vote for that shareholder is suspended while the shareholder is present at the Meeting.

5. Where a Proxy Form or form of Appointment of Corporate Representative is lodged and is executed under power of attorney, the Proxy Form and the original or certified copy of any power of attorney under which it is signed must be lodged in like manner as this proxy and received no later than 48 prior to the time of commencement of the Meeting.

In accordance with section 250BA of the Corporations Act the Company specifies the following for the purposes of receipt of proxy appointments -

Registered Office: Suite 9, Level 2, 12-14 Thelma Street, West Perth, WA 6005. Fax Number: +61 8 9486 1151.

<u>Proxy appointments are to be received no later than 48 hours prior to the time of commencement of the Meeting. Any proxy received after that time will not be valid.</u>

If you need any further information about this form or attendance at the Company's Annual General Meeting, please contact Jeanette Smith, Company Secretary, on 08 9486 1149.