

ASX Announcement
May 2, 2016

Board Appointments and Debt Restructure

Kingsrose Mining Limited (ASX: KRM) is pleased to advise that highly experienced mining executive Doug Kirwin has joined the Company's Board as a Non-executive Director.

Kingsrose also advises that Non-executive Director Bill Phillips has become Executive Director (Mining).

Mr Kirwin is a highly regarded geologist with 45 years' experience, mainly in the Asia-Pacific region. He was the exploration Executive Vice-President of Ivanhoe Mines and was Managing Director of International Geological Services Pty. Ltd.

Mr Kirwin has also held several senior positions with Anglo American and Amax. He has evaluated mineral deposits throughout the Americas, Asia and Europe and has managed numerous projects throughout Asia, Europe and Australia.

Mr Kirwin holds a Master of Science Degree in mineral exploration from James Cook University in Australia. As a member of the joint discovery team of the Hugo Dummett Deposit at Oyu Tolgoi, Mongolia, he was a co-recipient of the PDAC inaugural Thayer Lindsley medal awarded for the most significant international mineral discovery in 2004 and was the Society of Economic Geologists International Exchange Lecturer for 2006.

Mr Kirwin served as the Vice President of the Society of Economic Geologists from 2009 until 2011. He has been an independent consultant since 2011. In 2015, Mr Kirwin received the Alumni of the year award from James Cook University, where he is currently an adjunct research professor.

Mr Kirwin, who recently visited the Company's operations, said: "Given the relatively young age and high level of preservation of the numerous epithermal vein systems throughout the Way Linggo Project, the potential for new discoveries is immense.

"Recent exploration has identified silica sinters, hydrothermal eruption breccias and silica caps, which represent excellent targets for drilling. Furthermore, the Talang Santo epithermal system is significantly larger than the original Way Linggo Mine and remains open the west and at depth."

Mr Phillips, who holds a 6.2 per cent stake in Kingsrose, has been a Director of the Company since 2005. He has over 40 years' experience in mine contracting and mine management and is highly regarded as a leading specialist in underground narrow vein mining, having been instrumental in the successful development of 16 mines as a contractor or owner/shareholder.

Mr Phillips' remuneration, the terms of which are contained within a service contract, will not change as a result of his new role.

Kingsrose Executive Chairman John Morris, who will continue an executive capacity, said Mr Kirwin would bring extensive geological and management experience to the Company.

“The combination of Doug’s geological knowledge and Bill’s specialist mining skills and thorough understanding of the Way Linggo Project will go a long way to ensuring we unlock the true value of this exceptional asset,” Mr Morris said.

“With construction of the 5 Level haulage shaft at the Talang Santo Mine scheduled to recommence in the June Quarter, and development of the mine continuing to indicate the potential for additional high grade zones, we are confident that production rates will return to previously anticipated levels over the 2017 financial year.

“At the same time, our exploration campaign will continue to target the extremely prospective, high-grade near mine extensions at Talang Santo.”

Debt Restructure

Kingsrose Mining is pleased to advise that it has agreed with each of its lenders, Michael John Andrews, Great Golden Investment Limited and Beaurama Pty Ltd (“the Lenders”) to restructure the repayment profile of the Company’s Loan Facilities.¹

The Company commenced repayment of the Loan Facilities on 31 July 2015, with a total of A\$1.8M of the loan repaid to date. In October 2015, any further repayment of the remaining A\$10.1M was deferred for a period of six (6) months until April 2016. The Board considers it prudent to defer any further repayment for an additional six (6) month period with the revised terms requiring repayment of the outstanding principle recommencing in October 2016 with final repayment due in February 2018.

Interest is payable monthly in arrears and the applicable interest rates remain unchanged. No restructuring fees were charged by the Lenders.

-ENDS-

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¹The variation to the repayment profile of the Loan Facilities is subject to ASX confirming that the variation falls under the scope of the waiver from ASX Listing Rule 10.1 granted by ASX on 30 January 2015 and no further waiver of the terms of ASX Listing Rule 10.1 is required. (Refer ASX Announcement dated 30 January 2015).