



KINGSROSE
MINING LIMITED
ADMINISTRATORS APPOINTED

ASX Announcement
24 March 2017

Kingsrose raises \$5.4m via a Secured Convertible Loan Facility to Assist with Restructure

The Administrators of Kingsrose Mining Limited (administrators appointed) (ASX:KRM) advise that the Company has to date raised \$5.4m via a secured convertible loan facility (**Convertible Facility**) to assist with the ongoing restructure of Kingsrose's financial arrangements and operations at the Way Linggo Project in Indonesia. The amount raised has either been received and/or is represented by executed agreements. Firm commitments of up to another \$1m are expected to be received in the next 7 days. A further release will be made when the full amount received is known.

The Convertible Facility, which has been provided by a group of professional and sophisticated investors, can be converted to equity at four cents per share, though this will require shareholder approval. If the loan is not converted to equity, Kingsrose is required to repay it on the later of termination of the administration or any deed of company arrangement which may be entered into by Kingsrose.

The funds raised under the Convertible Facility will be applied to the ongoing restructure of Kingsrose, to provide working capital for the Company and to provide funding to its 85 per cent-owned subsidiary PT Natarang Mining (**PTNM**), the owner and operator of the Way Linggo Project.

The funding to PTNM will be provided progressively over the next three to four months. This money will be used by PTNM to supplement its working capital requirements while further capital development is undertaken at Way Linggo Project to enable the operation to become cashflow-positive.

Kingsrose Administrator Michael Ryan said: "The Convertible Facility is an important step in the restructuring process and will assist with the re-organisation of the operations at Way Linggo".

"We have made strong progress to date and we will continue to work alongside the management of Kingsrose as we move towards bringing Kingsrose out of administration and resumption of trading in its shares," Mr Ryan said.

As a result of this fundraising, the previously-announced debt restructuring arrangements with Kingsrose's secured lenders, Michael John Andrews (**MJA**), Great Golden Investment Limited (**GGIL**) and Beaurama Pty Ltd (**Beaurama**), are now effective. ([Refer ASX Announcement 23 February 2017](#)).



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Under the terms of the Beaurama agreement, the Beaurama debt (A\$4.4M) will now become unsecured with no further interest accruing until July 2020 after which interest will accrue at 5% per annum, payable monthly in arrears. To the extent it has not been repaid earlier, the Beaurama debt will be deferred to a single payment due on 30 November 2023.

It is anticipated that based on executed agreements received to date, a total of 264m shares will be issued under the Convertible Facility and the MJA and GGIL debt to equity conversion. These new shares, when issued, will constitute approximately 38% of the issued capital and will rank pari passu with existing Kingsrose shares.

-ENDS-

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