

ASX Announcement
15 March, 2019

Financial Results for Six Months to 31 December 2018

Kingsrose lays foundations for twin production sources

Key Highlights

- Strong progress made in executing strategy to establish two open pit production sources: Talang Santo and Way Linggo
- Talang Santo camp, offices and associated infrastructure completed and pre-strip proceeding to plan, with ore production set for ramp-up in mid CY2019
- At Way Linggo, sustaining production and pre-strip on schedule and repair works following pit wall failure in period are well advanced; Ore production ramp-up on track for mid CY2019
- Final Approvals granted by the Indonesian Government in January 2019; All approvals now in place for current life-of-mine at both Way Linggo and Talang Santo open pits
- Operating deficit for the six months restricted to \$5.4m despite the significant investment in pre-production works at both projects
- Cash, trade receivables and bullion of \$8.41m at Dec 31, 2018 (\$9.65m at Dec 31, 2017)

Kingsrose Mining (ASX: KRM) is pleased to provide its financial results for the six months to December 31, 2018.

The results reflect a period of significant investment by the Company in developing its new open pit mine at Talang Santo and extending the Way Linggo open pit.

Substantial progress was made in the pre-stripping activity at both projects. As a result, Kingsrose is on track to achieve its goal of ramping up production at two open pit mines in the middle of this calendar year.

Despite the investment in developing two open pits mines, Kingsrose restricted its operating loss for the period to \$5.4 million, in part thanks to the sale of 5,874 gold oz produced as part of the project development process.

This enabled the Company to finish the period with cash, bullion and receivables of \$8.4 million, down from \$9.65 million a year earlier.

Waste stripping began as scheduled at Talang Santo in early November 2018 and ore encountered 1m from surface confirms the Mawi and Hanging Wall quartz veins in the old underground workings continue to near surface. The current plan has identified 5 pit stages producing to October 2020. Studies to resume the underground mining at Talang Santo will begin in the new financial year.

Kingsrose Chairman Dr Mike Andrews said the Kingsrose's strategy to operate two open pits mines producing in parallel was on track.

"The investment we are making in these developments will result in strong cashflow and the benefit of having two production sources," Dr Andrews said.

-ENDS-

For more information please contact:

Stuart Bodey,
Chief Executive Officer
+61 8 9381 5588
info@kingsrosemining.com.au

Paul Armstrong
Read Corporate
+ 61 8 9388 1474

For further information regarding the Company and its projects please visit www.kingsrosemining.com.au