
NOTICE OF ANNUAL GENERAL MEETING AND EXPLANATORY STATEMENT

KINGSROSE MINING LIMITED | ACN 112 389 910

DATE: 2 November 2018
TIME: 11am (WST)
LOCATION: Walsh Room
Sage Hotel
1309 Hay Street
West Perth
Western Australia

This Notice of Annual General Meeting and Explanatory Statement should be read in its entirety. If Shareholders are in doubt as to how to vote, they should seek advice from their professional adviser without delay.

Should you wish to discuss the matters in this Notice of Annual General Meeting and Explanatory Statement please do not hesitate to contact the Company Secretary on + 61 8 9381 5588.

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DETAILS OF THE MEETING

Notice is hereby given that the Annual General Meeting of Shareholders of Kingsrose Mining Limited (ACN 112 389 910) will be held at the Walsh Room, Sage Hotel, 1309 Hay Street, West Perth, Western Australia on Friday, 2 November 2018 at 11am (WST).

YOUR VOTE AND VOTING ELIGIBILITY

The business of the Annual General Meeting affects your shareholding and your vote is important. To vote in person, attend the Meeting at the time, date and place as set out above. If you are unable to attend the Meeting, you are encouraged to complete and return the Proxy Form attached to this Notice of Meeting and Explanatory Statement.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 4pm (WST) on Wednesday, 31 October 2018.

VOTING BY PROXY

All Shareholders who are entitled to attend and vote at the Meeting have the right to appoint a proxy to attend and vote for them. The proxy does not have to be a Shareholder. Shareholders holding two or more Shares can appoint either one or two proxies. If two proxies are appointed, the appointing Shareholder can specify what proportion of their votes they want each proxy to exercise.

You can direct your proxy to vote “for”, “against” or “abstain” from voting on each resolution by marking the appropriate box in the Voting Directions section of the Proxy Form.

If a proxy holder votes, they must cast all votes as directed. Any directed proxies that are not voted will automatically default to the Chair, who must vote the proxies as directed.

If you sign the Proxy Form, but do not complete the boxes in the Voting Directions section of the Proxy Form, the Chair will be appointed as your proxy.

If you appoint the Chair as your proxy and do not direct him how to vote, you are expressly authorising the Chair to cast your undirected proxy on all proposed Resolutions in accordance with the Chair’s intentions set out below.

If the Chair of the meeting is appointed, or taken to be appointed as a Shareholder’s proxy and the appointment does not direct the Chair as to how to vote on a resolution, the Chair intends to exercise all available votes in favour of all proposed Resolutions.

The Proxy Form must be received at the office of Link Market Services Limited, as detailed below by 11am (WST) on Wednesday, 31 October 2018.

Proxy Forms received later than this time will be deemed invalid.

By Post: Link Market Services Limited, Locked Bag A14 Sydney South NSW 1235

By Delivery: Link Market Services Limited, 1A Homebush Bay Drive Rhodes NSW 2138

By Facsimile: From overseas: +61 2 9287 0309 From Australia: 02 9287 0309

Online: Login to the Link Market Services' website www.linkmarketservices.com.au, select 'Investor Login' and enter Kingsrose Mining Limited or the ASX code (KRM) in the Issuer name field, your Security Reference Number (SRN) or Holder Identifier Number (HIN) (which is shown on your proxy form), postcode and security code which is shown on the screen and click 'Login'. Select the 'Voting' tab and then follow the prompts. You will be taken to have signed your Proxy Form if you lodge it in accordance with the instructions given on the website.

VOTING BY ATTORNEY

If a Shareholder has appointed an attorney to attend and vote at the Meeting, or if the proxy is signed by an attorney, the power of attorney (or a credited copy of the power of attorney) must be sent using one of the methods listed above for the receipt of Proxy Forms and received before the Proxy Deadline (unless this document has been previously lodged with the Company's Share Registry for notation).

VOTING BY CORPORATE REPRESENTATIVE

A body corporate which is a Shareholder, or which has been appointed a proxy, may appoint an individual to act as its representative at the Meeting. The appointment must comply with the requirements in Section 250D of the Corporations Act.

Alternatively, Shareholders can download and fill out the 'Appointment of Corporate Representation' form from Link Market Services Limited's website www.linkmarketservices.com.au. Click on "Resources" and then select Forms.

The appointed corporate representative should bring evidence of his or her appointment to the Meeting, unless it has previously been given to the Company.

QUERIES

If you have any queries regarding matters contained in this Notice of Meeting, please call the Company Secretary on +61 8 9381 5588.

BUSINESS OF THE MEETING

The Explanatory Statement to this Notice of Meeting provides additional information on matters to be considered at the Annual General Meeting. The Explanatory Statement and the Proxy Form are part of this Notice of Meeting.

ORDINARY BUSINESS

2018 FINANCIAL STATEMENTS & REPORT

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2018, together with the Directors' Report and the Auditor's Report.

Copies of these reports are included in the 2018 Annual Report sent to those Shareholders who elected to receive a hard copy. A copy of the report is also available on the Company's website www.kingsrosemining.com.au

RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

To consider, and if thought fit, to pass, with or without amendment, the following resolution as a non-binding advisory resolution:

“That for the purpose of section 250R(2) of the Corporations Act and for all other purposes, the Remuneration Report for the Company and its controlled entities for the year ended 30 June 2018 as contained in the Company's Annual Financial Report be approved and adopted.”

Note: The vote of the Remuneration Report is advisory only and does not bind the Directors of the Company.

Voting Prohibition Statement:

A vote on Resolution 1 must not be cast (in any capacity) by or on behalf of either 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 Resolution 1 as a proxy if the vote is not cast on behalf of a person described above and either:

- (a) The voter is appointed as a proxy by writing that specifies the way the proxy is to vote on Resolution 1; or
- (b) 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 Resolution 1; and
 - (ii) Expressly authorises the Chair to exercise the proxy even though Resolution 1 is connected directly or indirectly with the remuneration of a member of the Key Management Personnel of the Company.

RESOLUTION 2 – RE-ELECTION OF DIRECTOR | MR RODERICK MCILLREE

To consider and, if thought fit, to pass, with or without amendment the following resolution as an ordinary resolution:

“That, for the purpose of clause 12.11 of the Company's Constitution, Listing Rule 14.4 and for all other purposes, Mr Roderick McIllree, a Director, retires by rotation and being eligible, is re-elected as a Director.”

RESOLUTION 3 – RE-ELECTION OF DIRECTOR | DR MICHAEL ANDREWS

To consider and, if thought fit, to pass, with or without amendment the following resolution as an ordinary resolution:

“That, for the purpose of clause 12.11 of the Company’s Constitution, Listing Rule 14.4 and for all other purposes, Dr Michael Andrews, a Director, retires by rotation and being eligible, is re-elected as a Director.”

RESOLUTION 4 – APPROVAL OF KINGSROSE MINING LTD INCENTIVE OPTIONS AND PERFORMANCE RIGHTS SCHEME

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an ordinary resolution:

“That, for the purposes of ASX Listing Rule 7.2 (Exception 9(b)) and for all other purposes, approval is given for the Company to adopt an employee incentive scheme titled Kingsrose Mining Ltd Incentive Options and Performance Rights Scheme and for the issue of securities (including Options and Performance Rights) under that Scheme, on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion:

The Company will disregard any votes cast in favour of the Resolution by or on behalf of any Director (except any Directors who are ineligible to participate in any employee incentive scheme in relation to the Company) 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.

RESOLUTION 5 – RENEWAL OF PROPORTIONAL TAKEOVER PROVISIONS

To consider and, if thought fit, to pass, with or without amendment the following resolution as a special resolution:

“That for the purposes of section 136(2) of the Corporations Act and for all other purposes, approval is given for the Company to modify its existing Constitution by renewing clauses 8.12 to 8.22 of the Company’s Constitution for a period of three years from the date of approval of this Resolution.”

By order of the Board of Directors



Susan Hunter
Company Secretary
25 September 2018

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions which are the subject of the business of the Annual General Meeting of the Company, to be convened for Friday, 2 November 2018 commencing at 11am (WST).

2018 FINANCIAL STATEMENTS AND REPORTS

In accordance with the Corporations Act, the business of the Annual General Meeting will include receipt and consideration of the Financial Report, the Directors' Report and the Auditors' Report for the financial year ended 30 June 2018.

The Company has provided a copy of the 2018 Annual Report to those Shareholders who specifically requested a copy. The Company's Annual Report is available on its website www.kingsrosemining.com.au

RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

General

Section 250R(2) of the Corporations Act requires that at a listed company's Annual General Meeting a resolution that the Remuneration Report must be presented to Shareholders for their consideration and adoption.

The Remuneration Report is set out in the Company's 2018 Annual Report and sets out the Company's remuneration framework and policies and the remuneration arrangements for the Directors and Senior Executives of the Company.

Voting Consequences – “two strikes rule”

Section 250R(3) of the Corporations Act provides that the vote on the adoption of the Remuneration Report is for advisory purposes only and will not bind the Directors or the Company. The Board will however, take the outcome of the vote into consideration when reviewing the remuneration practices and policies of the Company. Under the Corporations Act if at two consecutive annual general meetings, at least 25% or more of the votes cast on a Remuneration Report resolution are voted against the adoption of the Remuneration Report then a further resolution (**Spill Resolution**) may be required to be considered at the second annual general meeting as to whether a further meeting be convened (within 90 days) to put certain Directors to re-election. The Directors to be put to re-election are those Directors (other than the Managing Director) who were in office at the date when the resolution to make the directors report (considered at the later annual general meeting) was passed.

Previous Voting Results

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

RESOLUTIONS 2 – RE-ELECTION OF DIRECTOR | MR RODERICK MCILLREE

Clause 12.11 of the Company's Constitution and Listing Rule 14.4 requires that at every Annual General Meeting one-third of the Directors for the time being, or, if their number is not a multiple of 3, then the number nearest one-third, shall retire from office, provided always that no Director (except a Managing Director) shall hold office for a period in excess of 3 years, or until the third annual general meeting following his or her appointment, whichever is the longer, without retiring and submitting himself or herself for re-election.

Accordingly, Mr Roderick McIllree is required to retire by rotation, and being eligible, offers himself for re-election as a Director.

Mr Roderick McIlree is a corporate geologist. A graduate of Curtin University School of Mines he has spent decades working in frontier locations during which time he has gained a global perspective of commodities. Mr McIlree has held numerous technical roles at a range of companies with a particular focus on gold in the broader Asia-Pacific region. Mr McIlree has extensive capital markets experience having successfully raised funds for mining and exploration companies with assets both within Australia and overseas.

Mr McIlree is currently Managing Director of AIM listed Blue Jay Mining Plc.

Recommendation: The Directors (other than Mr McIlree) unanimously recommend that Shareholders vote in favour of Resolution 2.

RESOLUTION 3 – RE-ELECTION OF DIRECTOR | DR MICHAEL ANDREWS

Clause 12.11 of the Company's Constitution and Listing Rule 14.4 requires that at every Annual General Meeting one-third of the Directors for the time being, or, if their number is not a multiple of 3, then the number nearest one-third, shall retire from office, provided always that no Director (except a Managing Director) shall hold office for a period in excess of 3 years, or until the third annual general meeting following his or her appointment, whichever is the longer, without retiring and submitting himself or herself for re-election.

Accordingly, Dr Michael Andrews is required to retire by rotation, and being eligible, offers himself for re-election as a Director.

Dr Michael Andrews is a geologist with more than 35 years of research and mining industry experience in gold, copper, coal and iron exploration. He holds an honours degree in Geology from the University of Reading, and a doctorate in Exploration Geochemistry from the University of Wales. Dr Andrews is currently President and COO of Southern Arc Minerals Inc, President and COO of Japan Gold Corp and President and a Director of Tethyan Resources PLC, all public exploration companies listed on the Toronto Venture Exchange.

Dr Andrews was a Founding Director of Kingsrose Mining and played an instrumental role in the discovery, exploration, feasibility and development of its Way Linggo Gold Mine in Indonesia and he has been closely involved with the development of a number of other gold mines in Southeast Asia.

Dr Andrews also held the positions of Executive Director and Chief Geologist of Aulron Energy Ltd., Director of Gold Operations for Meekatharra Minerals Ltd, and managed the Teck Corporation-MM Gold Indonesian Joint Venture, an exploration portfolio of thirteen gold and copper projects, and also held senior exploration positions with Ashton Mining Ltd, Aurora Gold Ltd and Muswellbrook Energy and Minerals. Dr Andrews is a fellow of the Australasian Institute of Mining and Metallurgy, a fellow of the Geological Society and a fellow of the Society of Economic Geologists.

Dr Andrews is a substantial shareholder of the Company.

Recommendation: The Directors (other than Dr Andrews) unanimously recommend that Shareholders vote in favour of Resolution 3.

RESOLUTION 4 – APPROVAL OF ISSUE OF SECURITIES UNDER INCENTIVE OPTION SCHEME

Resolution 4 seeks Shareholders approval for the issue of securities under the Kingsrose Mining Ltd Incentive Options and Performance Rights Scheme (**Scheme**) in accordance with ASX Listing Rule 7.2 (Exception 9(b)).

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

ASX Listing Rule 7.2 (Exception 9(b)) sets out an exception to ASX Listing Rule 7.1 which provides that issues under an employee incentive scheme are exempt for a period of 3 years from the date on which shareholders approve the issue of securities under the scheme as an exception to ASX Listing Rule 7.1.

If Resolution 4 is passed, the Company will be able to issue securities under the Scheme to eligible participants over a period of 3 years without impacting on the Company's ability to issue up to 15% of its total ordinary securities without Shareholder approval in any 12 month period.

Shareholders should note that no securities have previously been granted under the Scheme.

The objective of the Scheme is to assist in attracting, motivating and retaining key employees and it is considered by the Company that the adoption of the Scheme and the future issue of securities under the Scheme will provide selected employees and other eligible participants with the opportunity to participate in the future growth of the Company in a manner which aligns their interests with the interests of the Shareholders as a whole.

Any future issues of securities under the Scheme to a related party or a person whose relationship with the company or the related party is, in ASX's opinion, such that approval should be obtained will require additional Shareholder approval under ASX Listing Rule 10.14 at the relevant time.

A summary of the key terms of the Scheme is set out in Schedule 1.

In addition a copy of the Scheme is available for review by Shareholders at the registered office of the Company until the date of the General Meeting. A copy of the Scheme can be sent to Shareholders upon request to the Company Secretary at +61 8 9381 5588.

Shareholders are invited to contact the Company if they have any queries.

RESOLUTION 5 – RENEWAL OF PROPORTIONAL TAKEOVER PROVISIONS

Background

Under the Corporations Act, a company is empowered to include in its constitution a provision to enable the company to refuse to register shares acquired under a proportional takeover bid unless a resolution is passed by shareholders in a general meeting approving the offer.

Under the Corporations Act and clause 8.22 of the Company's Constitution, the provisions must be renewed every three years or they will cease to have effect. The current provisions have ceased to have effect. The Directors consider that it is appropriate to renew approval for clauses 8.12 to 8.22 for a period of three years from the date of the Annual General Meeting (after which it will have to be renewed by a further special resolution of Shareholders each 3 years).

Proportional Takeover Bids

A proportional takeover bid is an off market takeover offer sent to all Shareholders but only in respect of a specified portion of each Shareholder's Shares in the Company (i.e. less than 100%). Accordingly, if a Shareholder accepts in full the offer under a proportional takeover bid, the Shareholder will dispose of the specified portion of the Shareholder's Shares and retain the balance of the Shares.

Effect of Proportional Takeover Provision

The effect of clauses 8.12 to 8.22 is that if a proportional takeover bid is made to Shareholders, the Directors are obliged to convene a meeting of Shareholders to be held at least 15 days before the offer closes. The purpose of the meeting is to vote on a resolution (**Approving Resolution**) to approve the proportional takeover bid. The Approving Resolution is passed if more than 50% of the votes cast on the resolution by Members (excluding the Bidder and their associates) are in favour of the resolution.

If no such resolution is voted on within the required timeframe, the resolution is deemed to have been approved. This, in effect, means that Shareholders as a body may only prohibit a proportional takeover bid by rejecting such a resolution.

If the resolution is approved or deemed to have been approved, transfers of Shares under the proportional takeover bid (provided they are in all other respects in order for registration) must be registered.

If the resolution is rejected, registration of any transfer of Shares resulting from that proportional takeover bid is prohibited and the offer is deemed by the Corporations Act to be withdrawn.

The proportional takeover provision does not apply to a full takeover bid.

Reasons for Proposing the Resolution

The Directors consider that Shareholders should have the opportunity to vote on a proposed proportional takeover bid. A proportional takeover bid may result in effective control of the Company changing hands without Shareholders having the opportunity of disposing all of their Shares. Shareholders could be at risk of passing control to the offeror without payment of an adequate control premium for all their Shares whilst leaving themselves as part of a minority interest in the Company.

If Resolution 5 is passed, clauses 8.12 to 8.22 of the Constitution can prevent this occurring by giving Shareholders the opportunity to decide whether a proportional takeover bid is acceptable and should be permitted to proceed.

Presently Proposed Acquisitions

As at the date of this Explanatory Statement, no Director is aware of any proposal by any person to acquire or increase the extent of a substantial interest in the Company.

Potential Advantages and Disadvantages of Proportional Takeover Provisions During the Period in Which They Have Been in Effect

The Directors consider that the proportional takeover provisions had no advantages or disadvantages for them during the period in which they have been in effect.

The advantages and disadvantages of the proportional takeover provisions for Shareholders include those set out immediately below, which were applicable during the period in which they have been in effect.

Potential Advantages and Disadvantages of proportional takeover provisions for the Directors and Shareholders

The Directors consider that clauses 8.12 to 8.22 has no potential advantages or potential disadvantages for the Directors as they remain free to make whatever recommendations they consider appropriate on any proportional takeover bid that may be made.

The potential advantages of the proportional takeover provisions for Shareholders include:

1. the right to decide by majority vote whether an offer under a proportional takeover bid should proceed;
2. assisting in preventing Shareholders from being locked in as a minority;
3. increasing the bargaining power of Shareholders which may assist in ensuring that any proportional takeover bid is adequately priced; and
4. each individual Shareholder may better assess the likely outcome of the proportional takeover bid by knowing the view of the majority of Shareholders which may assist in deciding whether to accept or reject an offer under the takeover bid.

The potential disadvantages of the proportional takeover provisions for Shareholders include:

1. proportional takeover bids may be discouraged;
2. lost opportunity to sell a portion of their Shares at a premium; and
3. the likelihood of a proportional takeover bid succeeding may be reduced.

Directors' Recommendation: The Directors recommend that Shareholders vote in favour of Resolution 5.

GLOSSARY

A\$ means the official currency of the Commonwealth 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.

ASX Listing Rules or **Listing Rules** means the Listing Rules of the ASX.

Board means the current Board of Directors of the Company.

Chair means the chair of the meeting.

Closely Related Party of a member of the Key Management Personnel means:

- A. a spouse or child of the member;
- B. a child of the member's spouse;
- C. a dependent of the member's spouse;
- D. anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- E. a company the member controls; or
- F. a person prescribed by the Corporations Regulations 2001 (Cth).

Company means Kingsrose Mining Limited (ACN 112 389 910)

Constitution means the constitution of the Company.

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

Directors means the current directors of the Company.

Explanatory Statement means the explanatory statement accompanying this Notice.

Group Company means the Company or an associated body corporate, or any combination of them, as the context requires.

Key Management Personnel has the same meaning as in the accounting standards (as that term is defined in the Corporations Act) and broadly includes those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, directly or indirectly, including any director (whether executive or non-executive) of the Company or if the Company is part of a consolidated entity of an entity within the consolidated group.

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

Option means an option to acquire a Share.

Performance Right means performance rights granted under the Scheme.

Proxy Form means the proxy form accompanying the Notice.

Remuneration Report means the remuneration report set out in the Director's report section of the Company's annual financial report for the year ended 30 June 2018.

Resolutions means the proposed resolutions set out in the Notice, or any one of them, as the context requires.

Scheme means the Kingsrose Mining Ltd Incentive Options and Performance Rights Scheme the subject of Resolution 4.

Share means an ordinary share in the capital of the Company.

Shareholder means a shareholder of the Company.

WST means Australian Western Standard Time as observed in Perth, Western Australia.

Schedule 1 – Summary of the terms of the Kingsrose Mining Ltd Incentive Options and Performance Rights Scheme

1. Offers

The Board may from time to time make an offer of Options or Performance Rights (**Securities**) to an eligible participant under the Scheme. The offer will specify:

- (a) the number of Securities offered;
- (b) the exercise price and expiry date of any Options;
- (c) the period during which the offer must be accepted;
- (d) any conditions attaching to the exercise/vesting of the Securities and any transfer restrictions on the underlying Shares (once issued); and
- (e) any other terms and conditions applicable to the offer.

Performance Rights can be exercised for nil consideration.

Options, upon vesting, will require payment of the exercise price (as set out in the offer) by the holder when exercised. However, the holder may elect for a cashless exercise facility in lieu of paying the exercise price. Essentially the holder will be able to set off the exercise price against the number of shares (at market value) they are entitled to receive upon exercise of their options. So they will receive less shares.

2. Eligibility

The following persons are eligible to participate in the Scheme:

- (a) directors of any Group Company;
- (b) full or part time employees of any Group Company;
- (c) casual employees of any Group Company working, or reasonably expected to work, approximately 40% or more of a comparable full time position;
- (d) contractors of any Group Company where the individual performing the work is working, or reasonably expected to work, approximately 40% or more of a comparable full time position; and
- (e) a person who is to become one of the above.

Subject to Board approval, an offer may be renounced by an Eligible Participant in favour of immediate family members, a company whose shareholders comprise only the eligible participant or immediate family members, or a corporate trustee of a self-managed superannuation fund in which the eligible participant is a director of the trustee.

3. Conditions

The Board may impose conditions to the vesting or exercise of a Security, or restrictions to the trading or disposal of Shares issued upon exercise of a Security, which conditions must be set out in the relevant offer document. The Board may, in its discretion, waive any such conditions by notice in writing to the relevant participant.

4. General terms of Options

- (a) **(Grant Price):** Securities will be granted for nil consideration.

- (b) **(Non-transferable):** Securities are generally non-transferable. However, upon the death of the participant the Securities may be transferred to their legal representative. Also, with the Board's prior written consent, Securities may be transferred where the relevant person ceases to be an eligible participant due to permanent disability, retirement, redundancy, suffering a severe financial hardship or any other circumstance stated as a special circumstance when the offer is made.
- (c) **(Quotation):** The Securities will not be quoted on the ASX. However, the Company will apply for quotation of Shares issued upon exercise of the Securities subject to any restriction conditions specified in the offer for the Securities.
- (d) **(Rights attaching to Shares):** Shares issued upon exercise of Securities will rank equally with fully paid ordinary shares in the capital of the Company subject to any restriction conditions specified in the offer for the Securities.
- (e) **(Reorganisation of Capital):** If at any time the capital of the Company is reorganised, the terms and number of Securities may be changed by the Company in a manner consistent with and as required by the Corporations Act and the ASX Listing Rules at the time of the reorganisation.
- (f) **(Overriding restrictions):** No Securities may be offered, granted or exercised and no Share may be issued on exercise of any Security if to do so would contravene the ASX Listing Rules or any other applicable law.
- (g) **(No Rights of Participation in New Issues):** The holder of a Security has no right to participate in new issues by the Company except to the extent that the holder exercises the Security prior to the record date for the new issue.

5. Lapsing of Securities

Unexercised Securities will generally lapse on the relevant expiry date. However, Securities will also lapse earlier:

- (a) if the eligible participant ceases to be an eligible participant where the relevant Group company has terminated their engagement for cause;
- (b) if a vesting condition is not satisfied by the due date or becomes incapable of satisfaction (unless the Board exercises its discretion to waive the condition);
- (c) if the eligible participant ceases to be an eligible participant (unless the Board exercises its discretion to waive any remaining vesting conditions or to resolve that the Security does not lapse);
- (d) if the Securityholder purports to dispose of or encumber or hedge a Security in a manner not permitted by the Scheme; or
- (e) by notice from the Board if the eligible participant acts fraudulently or dishonestly, is grossly negligent, demonstrates serious and wilful misconduct or causes a material adverse effect on the Company's reputation.

Where a relevant person ceases to be an eligible participant and the Securities have vested in the relevant person but have not been exercised the Board, in its discretion, may resolve that either the relevant person has a further 1 month in which to exercise the Securities before they lapse or that the Company may cancel the Securities in consideration for a cash payment.

6. Scheme Limit

The Company must have reasonable grounds to believe, when making an offer, that the number of Shares to be received on exercise of Securities offered under the offer, when aggregated with the number of Shares issued or that may be issued as a result of offers made at any time during the previous 3 year period under an employee incentive scheme covered by ASIC Class Order 14/1000, or an ASIC exempt arrangement of a similar kind to an employee incentive scheme, will not exceed 5% of the total number of Shares on issue at the date of the offer.

7. Administration of the Scheme

The Board may appoint a committee for the administration and management of the Scheme. The decision of the Board as to the interpretation, effect or application of the Scheme will be final.



KINGSROSE
MINING LIMITED

Kingsrose Mining Limited

ABN 49 112 389 910

LODGE YOUR VOTE

ONLINE
www.linkmarketservices.com.au

BY MAIL
Kingsrose Mining Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia

BY FAX
+61 2 9287 0309

BY HAND
Link Market Services Limited
1A Homebush Bay Drive, Rhodes NSW 2138

ALL ENQUIRIES TO
Telephone: +61 1300 554 474



X99999999999

PROXY FORM

I/We being a member(s) of Kingsrose Mining Limited and entitled to attend and vote hereby appoint:

APPOINT A PROXY

the Chairman of the Meeting (mark box)

OR if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy

STEP 1

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Annual General Meeting of the Company to be held at **11:00am, (WST) on Friday, 2 November 2018 at the Walsh Room, Sage Hotel, 1309 Hay Street, West Perth WA 6005 (the Meeting)** and at any postponement or adjournment of the Meeting.

Important for Resolutions 1 and 4: If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolutions 1 and 4, even though the Resolutions are connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (**KMP**).

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting.

Please read the voting instructions overleaf before marking any boxes with an .

STEP 2

Resolutions

	For	Against	Abstain*		For	Against	Abstain*
1 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	5 Renewal of Proportional Takeover Provisions	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Re-Election of Director - Mr Roderick McIlree	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
3 Re-Election of Director - Dr Michael Andrews	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
4 Approval of Kingsrose Mining Ltd Incentive Options and Performance Rights Scheme	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				



* 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 your votes will not be counted in computing the required majority on a poll.

SIGNATURE OF SECURITYHOLDERS – THIS MUST BE COMPLETED

Securityholder 1 (Individual)

Joint Securityholder 2 (Individual)

Joint Securityholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

This form should be signed by the securityholder. If a joint holding, either securityholder may sign. If signed by the securityholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).

STEP 3

KRM PRX1801C



HOW TO COMPLETE THIS SECURITYHOLDER PROXY FORM

YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's security register. If this information is incorrect, please make the correction on the form. Securityholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your securities using this form.**

APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. A proxy need not be a securityholder of the Company.

DEFAULT TO CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Form, including where the Resolutions are connected directly or indirectly with the remuneration of KMP.

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your securities will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of securities you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's security registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- (a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- (b) return both forms together.

SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either securityholder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's security registry or online at www.linkmarketservices.com.au.

LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **11:00am (WST) on Wednesday, 31 October 2018**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:



ONLINE

www.linkmarketservices.com.au

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, securityholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the Proxy Form).



BY MOBILE DEVICE

Our voting website is designed specifically for voting online. You can now lodge your proxy by scanning the QR code adjacent or enter the voting link www.linkmarketservices.com.au into your mobile device. Log in using the Holder Identifier and postcode for your securityholding.

QR Code



To scan the code you will need a QR code reader application which can be downloaded for free on your mobile device.



BY MAIL

Kingsrose Mining Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia



BY FAX

+61 2 9287 0309



BY HAND

delivering it to Link Market Services Limited*
1A Homebush Bay Drive
Rhodes NSW 2138

* in business hours (Monday to Friday, 9:00am–5:00pm)



COMMUNICATION PREFERENCE

We encourage you to receive all your shareholder communication via email. This communication method allows us to keep you informed without delay, is environmentally friendly and reduces print and mail costs.



ONLINE

www.linkmarketservices.com.au

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Communications' and click the first button to receive all communications electronically and enter your email address. To use the online facility, securityholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the Proxy Form).

**IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING, PLEASE BRING THIS FORM WITH YOU.
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**