



(Subject to Deed of Company Arrangement) (Receivers and Managers Appointed)

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20 February 2018

Status of Deed of Company Arrangement variation proposals

Sydney, New South Wales: KBL Mining Ltd (Subject to Deed of Company Arrangement) (Receivers and Managers Appointed) ("KBL" or "Company") (**ASX: KBL**) wishes to provide an update to creditors and shareholders as to the status of ongoing negotiations with interested parties and next steps in the Deed Administration.

This is a courtesy update only and is similarly reflected in the *Latest News* section of the KBL information page (kpmg.com/au/kbl-mining). This update is not related to any circular issued to creditors formally by email and mail.

Current status

Since our courtesy update to the market and creditors dated Monday 12 February 2018 negotiations are continuing as to potential variations to the Deed of Company Arrangement that warrant further investigation.

We will provide a further update as to the status of these negotiations and next steps on or before Monday 5 March 2018.

Next steps

No action is required of shareholders or creditors at this stage. At the conclusion of the aforementioned negotiations we will call a meeting of creditors to consider any variation to the Deed or alternatively to terminate the Deed and wind up the Company. Following the outcome of any meeting of creditors regarding next steps, we will update Shareholders accordingly.

Should you have any queries regarding the above, please continue to refer to the KBL Information Page for all information relating to KBL (kpmg.com/au/kbl-mining) or alternatively contact us via email at kbl@kpmg.com.au.

We will endeavour to respond to general enquiries within 10 business days.

Yours faithfully

A handwritten signature in blue ink, appearing to read 'Matthew Woods', with a stylized flourish at the end.

Matthew Woods
Joint & Several Deed Administrator