

ASX Announcement
9 July 2014

Production ramp-up to commence at Talang Santo following receipt of final permit

- **Commencement of key mining activities at Talang Santo, including stoping and increased mine development**
- **~ 8,600 tonnes of ore stockpiled at an estimated mine grade of 13 g/t Au will provide mill feed during a 3 month production ramp up**
- **Underground drilling program at Talang Santo to commence aimed at additional resource delineation**
- **Exploration development at Talang Samin to continue**

Kingsrose Mining Limited (ASX: KRM) is pleased to advise that its 85% owned Indonesian subsidiary, PT Natarang Mining ('PTNM') has now received Ministerial approval from the Forestry department for the "borrow and use" permit ('Pinjam Pakai'). This is the final permit required allowing production to commence immediately at the Talang Santo Mine located at the Way Linggo Project in South Sumatra, Indonesia.

The Company will immediately begin ramping up production from the Talang Santo Mine with key activities including the commencement of stoping, advancement of development on existing levels of the mine and extending the internal shaft to the 4 Level which will provide an additional working horizon in the mine.

The Project has approximately 8,600 tonnes of ore currently stockpiled at an estimated mine grade of 13 g/t Au. The mill will be ramped up in conjunction with mine production over the next 3-months.

In addition, the Company intends to launch an underground drilling program at the Talang Santo Mine aimed at defining additional resources in close proximity to the current mine development, which will include the evaluation of the extent of the recently defined Splay vein. The Company will also continue the exploration development at the Talang Samin shaft designed to determine the geology around previous high grade intercepts from surface diamond drilling.

Kingsrose Managing Director Scott Huffadine said, "the grant of the final permit is a fantastic result, and allows us to direct our efforts on returning the Way Linggo Project to full production. We will focus on implementing our three tier growth strategy aimed at building a sustainable, long term and highly profitable project. We look forward to providing updates over the coming months as we enter a new and exciting phase for the Way Linggo Project."

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Kingsrose Mining Limited (ASX:KRM) owns 85% of the Way Linggo Gold Project in Southern Sumatra, Indonesia. The Project is held under a 100km² 4th Generation Contract of Work (CoW) and is located on the mineral rich Trans-Sumatran Fault, part of the Pacific Rim of Fire. The Project has established infrastructure with a 140Ktpa processing plant and has produced 65,000oz of gold at an average grade of 13.1g/tAu.

The Company is currently developing its second mine at Talang Santo, which, based on current development, is pointing to a significantly larger mineralised system than that seen at the Way Linggo Mine, with advanced exploration at the Talang Samin prospect and potential for continued organic growth from numerous exploration targets.