
ASX RELEASE

30 July 2014

COMPANY UPDATE

Kangaroo Resources Limited ('KRL', ASX: KRL) is pleased to provide the following update on the Company's Pakar transaction.

Reduction in Debt

The Company is pleased to report a US\$12 million (AU\$12.75 million) reduction in its debt position following the settlement of the outstanding cash component of the Pakar transaction. This reduces KRL's debt position to approximately US\$26 million (AU\$27.615 Million).

The adjustment will be applied from 1st January 2014 providing a welcome reduction in interest charges of approximately US\$0.85 Million (AU\$0.90 Million) per annum. The Company will continue to review options to further reduce its debt position and interest costs going forward.

Shared use of New Tabang Infrastructure

The Company is also pleased to report that it has reached an 'in-principle' agreement with Bayan Resources Tbk for the shared use of the new Tabang Infrastructure facilities due to be commissioned in Q4 of 2014. Bayan's Tabang mining concessions are already in commercial operation and the Company expects to bring its own Pakar concessions into production and commence feeding coal through the new Tabang Infrastructure facility within the next 2 years.

The Company is now in more detailed discussion with Bayan regarding establishment of commercial agreements to formalise this co-development arrangement which will cover the life of mine of its Pakar concession areas.

Ian Ogilvie
Managing Director
KANGAROO RESOURCES LTD