

ASX RELEASE

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## Litigation Update

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KBL Mining Limited (“the Company” or “KBL”) advises that the NSW Supreme Court has today handed down in favour of KBL, its decision with respect to the Company’s dispute over:

- Various alleged technical events of default under the Note Issuance Deed, General Security Agreement and Mortgage between KBL and its former lender, RIKID511 Pty Limited (**RPL**); and
- RPL’s claim for additional interest of approximately \$3.12 million (in addition to the \$12.6 million already repaid to it by KBL on 16 March 2015) and approximately \$76,000 in legal costs incurred by RPL in connection with the proceedings, under those documents

The Court found, amongst other things, that:

- Each of the eight purported technical notices of default issued by RPL under the abovementioned documents were invalid and of no effect;
- RPL had no right to claim an additional \$3.12 million in interest from KBL, on top of the \$12.6 million that it had agreed would be repayable to it under the Note Issuance Deed; and
- The money held in KBL’s solicitors’ controlled moneys account, pending the outcome of the proceedings, be paid out to KBL

In addition to the above, the Court ordered, amongst other orders, that:

- RPL pay KBL damages in the amount of \$36,670.40 as a result of KBL having to pay money into KBL’s solicitor’s controlled monies account; and
- RPL pay KBL’s costs of the proceedings

**For further information, please contact:**

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**About KBL Mining**

*KBL Mining is an Australian Resource Company listed on the ASX (KBL and KBLGA) with a focus on producing precious and base metals. KBL's main assets include the Mineral Hill copper-gold-silver-lead-zinc mine near Condoobolin in New South Wales and Sorby Hills lead-silver-zinc project in Western Australia. The Company has been operating the refurbished processing plant at Mineral Hill since October 2011 to produce copper concentrates. Sorby Hills (KBL holds 75% with Henan Yuguang Gold & Lead Co. Ltd (HYG&L) holding 25%) is one of the world's largest near surface undeveloped silver-lead deposits, close to port infrastructure and a short distance from Asian markets. The project received environmental approval on 2 April 2014 and the Joint Venturers are now progressing the Project to development.*

More information can be found on KBL's website at [www.kblmining.com.au](http://www.kblmining.com.au).