

ASX Announcement
12 November 2015

Annual General Meeting Chairman's Address

Please find attached a copy of the address Kingsrose Chairman, Mr. John Morris will give to Shareholders at the Company's Annual General Meeting to be held today at 11 am at The Celtic Club, 48 Ord Street, West Perth WA 6005.

-ENDS-

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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 a track record of high grade, low cost production from the original Way Linggo Mine.

The Company is currently producing from its second mine on the Project area – Talang Santo, which, based on current development is pointing to being a significantly larger mineralised system than that seen at the Way Linggo Mine. In addition, significant exploration upside exists on the wider Project area with numerous high priority targets identified. A systematic and disciplined exploration program was implemented over the last 12 months which has yielded early stage success with gold veins identified undercover and encouraging results from a recent orientation drilling program testing blind mineralisation.

Good morning and welcome to the 2015 Annual General Meeting of Kingsrose Mining Limited.

I'm John Morris and I'm the Chairman of your Company.

It has been a year marked by a few challenges, significant progress and the identification of extensive opportunity for Kingsrose.

At the commencement of the 2015 financial year we were in the midst of trying to secure permits for our Talang Santo project. I said then that we were confident this process would be successful. Our confidence was justified. The project is now fully permitted, giving us full security of tenure.

As shareholders, you will also be well aware of the challenges presented by water inflows at Talang Santo. This has curtailed our production rates, which has in turn had a significant impact on our costs. However, we now believe we have turned the corner in managing this issue. A multi-pronged strategy, including the importation of appropriate pumping equipment and the scheduled shift to other areas of the mine where there is less water, is generating results.

In light of the progress now being made, we believe we are on track to meet our guidance for this financial year of 27,000-35,000oz at an all-in sustaining cost of US\$800-900/oz.

It is important to remember that Talang Santo is a young mine. We have just completed our first year of production and while the water issue has been challenging, it is not unusual for new mines to face hurdles as they are ramped up.

We have now recorded two consecutive quarters with a reconciled mine grade of more than 12gpt. The Resource drilling program which started in August last year resulted in a significant Resource upgrade in August this year.

A substantial portion of this Resource is in the Inferred category, meaning we can grow the mine life with further drilling of this known mineralisation.

Mining is now underway on 4 level and capital development has started on the 5 level, where both water and grades are even more favourable. The ground conditions are also more stable as we move deeper into the mine. While not seeking to dismiss the challenges at Talang Santo, they should not be allowed to detract from the fact that this is an outstanding mine. The exceptional grades underpin a highly competitive cost base. As our guidance figures demonstrate, this project will enjoy robust margins even at today's gold price.

As we have tackled these issues, we have also pressed ahead hard with our exploration program. This has generated considerable success, as you will see in the presentation to be delivered today. In short, we have identified two priority targets with strong potential to become mines.

In addition to these two priority targets we have identified numerous other targets with the potential to become

significant discoveries in the near term. Some of these will be drill-tested over coming months.

Kingsrose clearly has some outstanding opportunities in both the short and longer terms, with the combined benefits of production, cashflow and exploration potential.

As we enter this next chapter, I would like to thank Scott Huffadine for the hard work he has done in progressing our Company to this point. As you know, Scott has decided it is time for him to take a break and the Board fully understands his position given his workload, which has included an immense amount of time away from home. On behalf of the Board, I wish Scott all the very best with his future endeavours.

We have commenced the process of finding a new managing director. In the meantime, my fellow director Bill Phillips continues to play an active role in overseeing mining activities and the recent appointment of Paul Androvic as General Manager – Way Linggo has strengthened the onsite operations team.

I believe Kingsrose is now placed to unlock the true value of its assets.

Thankyou



John Morris
Chairman