

25 June 2012  
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ASX Compliance Pty Limited  
Level 8 Exchange Plaza, 2 The Esplanade  
Perth WA 6000

ASX: KMC  
KMCO

## **Request for re-quotations of the Company's securities KMC & KMCO & Company Update**

Dear Tonia,

Further to our recent discussion, Kalgoorlie Mining Company Limited (KMC or Company) is seeking the re-quotations of the company's securities. In support the Company provides the following information:-

### **Successful completion of non-renounceable rights issue**

As announced to the market, the Company confirms completion of its fully underwritten non-renounceable rights issue that raised \$9,759,842 (before costs).

A total of 975,984,189 new shares were issued to eligible shareholders with the balance taken up by the underwriters in accordance with the rights issue document and underwriting agreement. Shares have been issued and holding statements for the new shares have been dispatched to shareholders.

### **Update on activities**

This funding has ensured the stability of the Company's financial and operating position since the decision to place the Bullant mining operation on active care and maintenance in late February 2012. Whilst this position is expected to remain in the near term the Company's focus has and will continue to be on:-

- a) Developing and reviewing exploration programs across the Company's tenement area;
- b) Further consideration of the care and maintenance program at the Bullant gold mine;
- c) Investigation and analysis of possible future mining plans;
- d) Further re-assessment of the mining operations, costs and performance;
- e) A general strategic review of all corporate matters including suitable executive management;
- f) Consideration of other suitable corporate or acquisition opportunities.

In the Director's opinion, the Company's level of operations is sufficient to warrant the re-quotations of the Company's securities and also that the Company has the ability to pay all its debts as and when they fall due.

## Pro-forma Balance Sheet

The Company's balance sheet as at 29 February 2012 and 31 May 2012 are detailed below:-

	Consolidated 29 February 2012 Unaudited \$	Consolidated 31 May 2012 Unaudited \$
<b>Current assets</b>		
Cash and cash equivalents	337,268	4,207,903
Receivables	403,273	-
Inventories	1,446,986	13,005
Other	812,669	700,902
<b>Total current assets</b>	<b>3,000,196</b>	<b>4,921,810</b>
<b>Non-current assets</b>		
Property, plant and equipment	6,343,972	6,651,182
Mine properties	2,983,312	2,983,312
Exploration and evaluation assets	300,000	300,000
Other assets	1,039,773	1,039,773
<b>Total non-current assets</b>	<b>10,667,057</b>	<b>10,974,267</b>
<b>Total assets</b>	<b>13,667,253</b>	<b>15,896,077</b>
<b>Current liabilities</b>		
Trade and other payables	7,094,490	785,824
Provisions	76,920	51,991
Interest bearing loans & borrowings	328,539	847,561
Other	61,018	71,549
<b>Total current liabilities</b>	<b>7,560,967</b>	<b>1,756,925</b>
<b>Non-current liabilities</b>		
Provision for rehabilitation	1,382,130	1,382,130
Interest bearing loans & borrowings	350,774	-
<b>Total non-current liabilities</b>	<b>1,732,904</b>	<b>1,382,130</b>
<b>Total liabilities</b>	<b>9,293,871</b>	<b>3,139,055</b>
<b>Net assets</b>	<b>4,373,382</b>	<b>12,757,022</b>
<b>Equity</b>		
Contributed equity	50,883,467	60,594,442
Reserves	756,910	756,910
Accumulated losses	(47,266,995)	(48,594,330)
<b>Total equity</b>	<b>4,373,382</b>	<b>12,757,022</b>

Yours faithfully

Russell Hardwick  
Company Secretary