

ASX Announcement

5 August 2014

First Gold Shipment From Talang Santo

Kingsrose Mining Limited (ASX: KRM) is pleased to advise that the first shipment of gold and silver dore from the Talang Santo Mine is scheduled to be completed this week. This is the first shipment of dore since the final approval to commence production at the Talang Santo Mine was received on 9 July 2014.

Approximately 2,000 ounces of gold and 5,650 ounces of silver will be shipped subject to final assay at the refinery. This figure does not include gold and silver in circuit (GIC).

A total of 5,012 tonnes at an average head grade of 10.9 g/t and 31 g/t Ag have been processed and reconciled to 31 July 2014, with the mill currently running at an average throughput of 300 tonnes per day. This will progressively increase to the 380 tpd nameplate capacity over the coming months in line with the increase in mine production.

Head grades have progressively increased and individual days have exceeded 12 g/t Au as the circuit and ore feed blends continue to be balanced following the initial build-up of GIC. A key outcome has been the metallurgical recoveries which are currently returning 97% for gold and 92% for silver, both above previous test work.

Operations at the Talang Santo Mine are focussed on the setup of additional sub levels, rises and ore passes required to commence stoping. Mining is being undertaken on both the 2 and 3 Levels in the Hanging Wall and Mawi veins, and the Splay vein off the 3 Level. (Figure 1). This work is aimed at matching mine production to the current mill capacity over the next few months.

A number of process plant initiatives aimed at circuit optimisation and cost savings are also being trialled over this initial period. These include running the SAG mill stand alone to achieve required grind size without the need to parallel the ball mills, with the required specifications being achieved at 65% power draw on the mill. Trials on thickening leach feed are also underway, which, if successful, will reduce reagent costs.

Kingsrose Mining Limited Managing Director Scott Huffadine said “we are very pleased to be shipping our first dore in under a month of receiving final approvals. This shipment represents a major milestone in the re-start of the Way Linggo Project. Our site team will continue the focused effort to increase tonnes from the mine and optimize the plant during the ramp-up phase.”

-ENDS-



KINGSROSE
MINING LIMITED

For more information please contact:

Investors:

Scott Huffadine
Managing Director
+61 8 9486 1149

Media:

Rupert Dearden
MAGNUS Investor Relations
+61 8 6160 4903

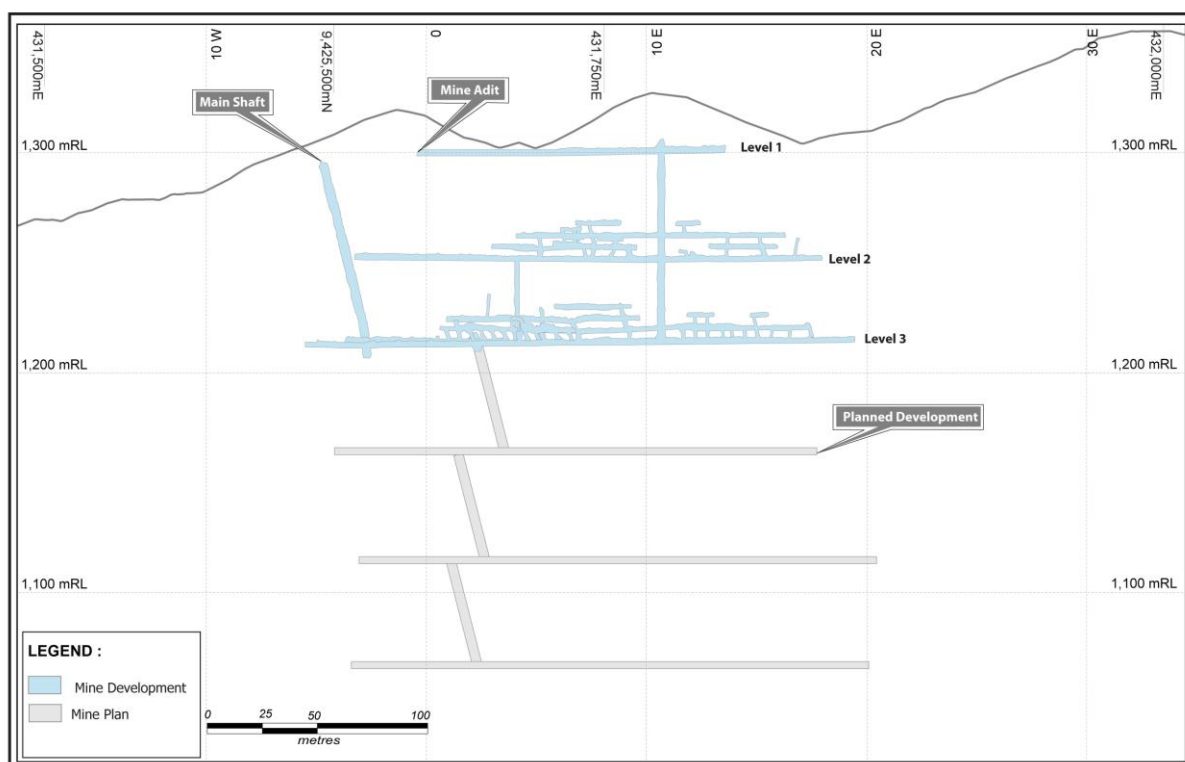


Figure 1: Long Section of the Talang Santo mine showing current and planned Level development.

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 transitioning to full production at 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 original Way Linggo Mine. In addition, significant exploration upside exists on the wider Project area, in particular at the Talang Samin prospect which presents the potential for continued organic growth.