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Company Announcements Office
Australian Securities Exchange Limited
Level 6, 20 Bridge Street
SYDNEY NSW 2000

TOTAL PROJECT RESOURCE INCREASES BY 25%.

TALANG SANTO RESOURCE INCREASES BY 73%.

CURRENT QUARTER PRODUCTION BEHIND DUE TO DELAYS AT TALANG SANTO.

KINGSROSE ON TRACK TO MEET FY13 PRODUCTION TARGET OF 40,000oz +.

Kingsrose Mining (ASX:KRM) is pleased to advise that its exploration drilling has continued to extend and upgrade the Talang Santo Prospect. The latest total JORC-compliant Mineral Resource estimate (as at June 30, 2012) for Talang Santo increased by 73 per cent to 287,489 ounces of gold and 894,951 ounces of silver. Furthermore, over 59% of this has now been upgraded into the Indicated category.

The June 30, 2012 total Mineral Resource for the Way Linggo mine including depletion from mining and an allowance for non-recoverable blocks contains 198,380 ounces of gold and 2,288,326 ounces of silver.

The total Project ounces have increased by 25% to 485,869 ounces of gold and 3,183,278 ounces of silver as at 30 June, 2012. The Mineral Resource (as at 30 June, 2012) by category is summarised below:

Classification	Deposit	Tonnes	Au g/t	Ag g/t	Au ounces	Ag ounces
Measured	Way Linggo	339,215	14.45	174.84	157,592	1,906,804
Indicated	Way Linggo	174,145	6.30	61.09	35,273	342,036
Inferred	Way Linggo	14,120	12.15	86.98	5,516	39,486
SUB-TOTAL	Way Linggo	527,480	11.71	135.05	198,380	2,288,326
Indicated	Talang Santo	863,625	6.19	16.25	171,873	451,200
Inferred	Talang Santo	797,335	4.51	17.31	115,616	443,751
SUB-TOTAL	Talang Santo	1,660,980	5.39	16.77	287,489	894,951
GRAND TOTAL	PROJECT	2,188,460	6.91	45.24	485,869	3,183,278

Competent Person Statement

The information in this report that relates to exploration results, mineral resources and ore reserves is based on information compiled by Mr. Peter G. Cook, BSc Applied Geol, MSc (Min Econ), who is a Member of the Australasian Institute of Mining and Metallurgy and a consultant to Kingsrose Mining Limited. Mr. Cook has sufficient experience that is relevant to the styles of mineralisation and types of deposits and to the activity he is undertaking to qualify as a Competent Person as defined in the 2004 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves ("JORC Code"). Mr. Cook consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

Since the virgin discovery of Talang Santo (7km due north of Way Linggo) in June 2011, Kingsrose has worked swiftly to bring the project into production with the development of a shaft, construction of an adit and development of 2 level at Talang Santo. Production of development ore for processing at the Way Linggo plant commenced in June this year. The Way Linggo mine has entered a phase of lower monthly production as pillar recovery, stope filling and accessing of deeper lower grade zones commences.

The increasing production at Talang Santo is expected to more than offset reductions in the tonnages from the more mature Way Linggo mine. As a result, Kingsrose remains on track to meet its production target of more than 40,000oz of gold this financial year.

The transition from shaft development to ore development and stoping at Talang Santo has encountered minor delays creating a situation where ore production in the current quarter has been impacted. The coincidence of this delay and the mining of lower grade development ore on the 4 level at Way Linggo means total gold production in the September Quarter is expected to be 5,000 oz. Silver production is expected to be in excess of 50,000oz.

However, production is forecast to ramp up in subsequent quarters as the large amount of development and preparation over the past nine months enables Kingsrose to increase mined tonnages and to access higher grade ore. Hence, Kingsrose believes it remains on track for its annual target of more than 40,000oz of gold and 250,000oz of silver.

Yours Faithfully



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About Kingsrose Mining Limited:

Kingsrose Mining Limited is a gold producer that has an 85% interest in the Way Linggo mine in South Sumatra, Indonesia. The project has emerged as a small but highly profitable miner from its high grade gold and silver mine, largely due to its low operating costs. The Way Linggo project hosts a JORC compliant resource of 2,188,500 tonnes with a grade of 6.91/t gold containing 485,900 ounces and 135.6g/t silver containing 3,183,200 ounces, and is targeting production of +40,000 ounces of gold and +250,000 ounces of silver per annum at cash costs of circa US\$300oz after silver credits.

Kingsrose owns a highly prized 4th Generation contract of work (mining title of 10,000 hectares) in Indonesia which regionally sits on the Pacific rim of fire and in close proximity to the prolific mineralised Trans-Sumatra Fault. The area is considered highly prospective for low-sulphidation epithermal gold-silver deposits. Kingsrose has recently made a second high grade epithermal gold discovery at its Talang Santo Prospect, 7km NNE of the Way Linggo mine and has already commenced trial mining of that ore system to supplement and sustain its gold production.

At the end of the June 2012 quarter, Kingsrose had \$34 million in cash and bullion. The Company's operations generate strong free cash flow and importantly, the Company has just paid a maiden interim dividend.