

ASX Announcement
15 March 2018

Kingsrose finalises Contract of Work amendment with Indonesian Government

Kingsrose Mining Limited (ASX: KRM) (**Kingsrose** or the **Company**) is pleased to advise that its 85% owned Indonesian subsidiary, PT Natarang Mining (**PTNM**), has finalised an amendment to its Contract of Work (**Amendment**) with the Government of the Republic of Indonesia (**GOI**).

The Amendment, effective 19 March 2018, sets out PTNM's rights and obligations with respect to all phases of a mining operation and contains specific clauses relating to taxation, royalties and other financial obligations in line with prevailing regulations. The Amendment includes:

- A reduction in the corporate income tax rate from 35% to 25% (effective 1 January 2018 in line with PTNM's financial year); and
- An increase in the net smelter royalty rate from 2% to 3.75% for gold and 3.25% for silver.

There has been no change to the divestment obligation, with the Company still required to offer for sale equity tranches in PTNM which if taken up, would result in the Company's share of PTNM reducing to 49% by December 2020.

Managing Director Paul Jago said: "The signing of the Amendment is another key milestone for Kingsrose. It provides certainty around the Company's operational and financial obligations as it moves towards completing the permitting process of its second open pit mine, Talang Santo."

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For more information please contact:

Paul Jago, Managing Director
+61 8 9381 5588
info@kingsrosemining.com.au

Paul Armstrong
Read Corporate
+ 61 8 9388 1474

For further information regarding the Company and its projects please visit www.kingsrosemining.com.au