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ASX Announcement
October 30, 2018

Positive drilling results highlight potential to expand Talang Santo open pit

Plus, exploration drilling underway to test several high value targets

Kingsrose Mining Limited (ASX: KRM) is pleased to announce that drilling has intersected high-grade mineralisation immediately west of the planned Talang Santo open pit at its Way Linggo Project in Indonesia.

The results, which show the mineralisation is close to the surface, include:

- **3.1m @ 5.97g/t Au and 7.1 g/t Ag, 50m from surface including:**
 - 1.1m @ 7.47g/t Au and 9.0g/t Ag
 - 1.0m @ 8.56g/t Au and 10.5g/t Ag
- **3.8m @ 8.55g/t Au and 7.9 g/t Ag, 43m from surface including:**
 - 0.5m @ 22.83g/t Au and 12.4g/t Ag
 - 0.4m @ 11.57g/t Au and 6.93g/t Ag
 - 0.6m @ 7.84g/t Au and 4.9g/t Ag

The Talang Santo open pit will be Kingsrose's second significant production source at Way Linggo. The Way Linggo pit cutback is currently underway and production from the Talang Santo pit will complement the current production at the Way Linggo pit, with the combined operations expected to generate significant free cashflow for the Company.

This drilling program was designed to sterilise an area outside of the current pit design to the west, for waste placement. Pleasingly, the identification of this high grade mineralisation is now expected to extend the current mine design more than 100m to the west. Final placement of the waste material will be further west where the mineralisation appears to finish. (see Figure 1).



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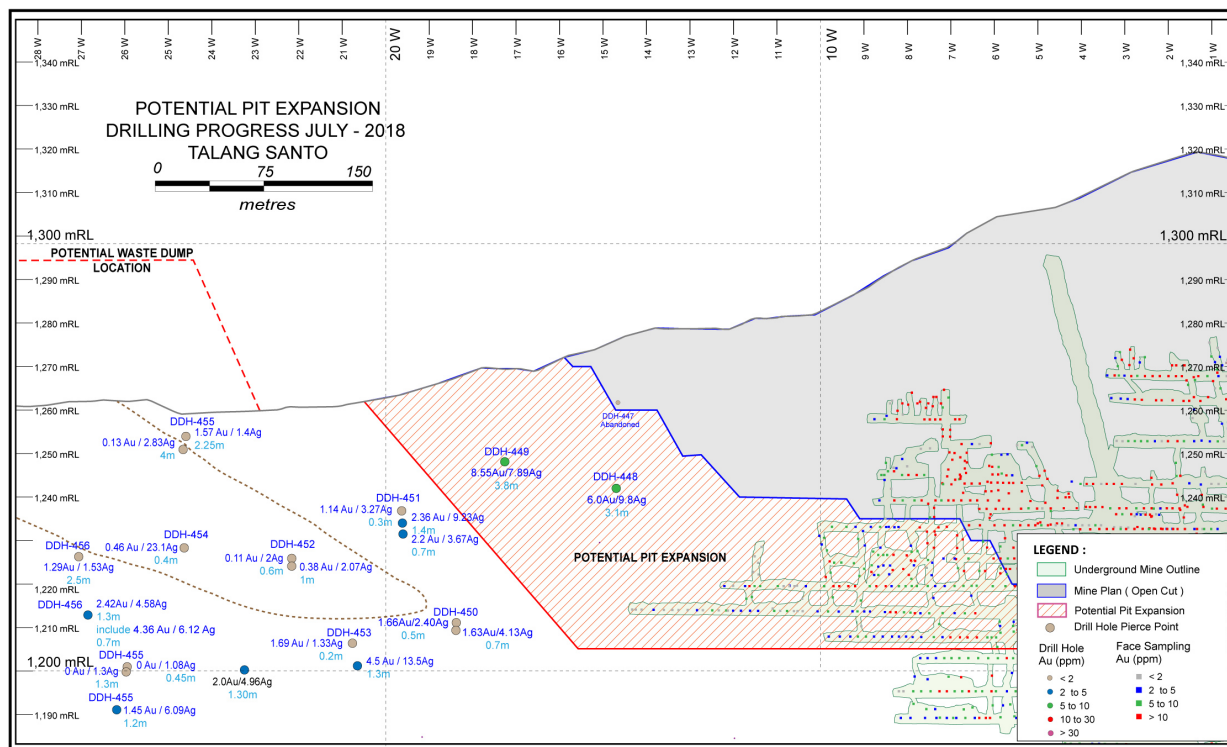


Figure 1 | Drill results from recent drilling, showing the current Talang Santo pit limit and the potential expansion area.

Follow up drilling is planned for the second quarter of 2019 to evaluate the extent of the extension of the Talang Santo ore body.

Talang Santo open pit is on schedule to commence mining early November 2018. Major infrastructure projects have been completed and the pit will have an initial mine life of 22 months. The ore being processed in conjunction with that from the Way Linggo open pit at the Company's Way Linggo processing facility.



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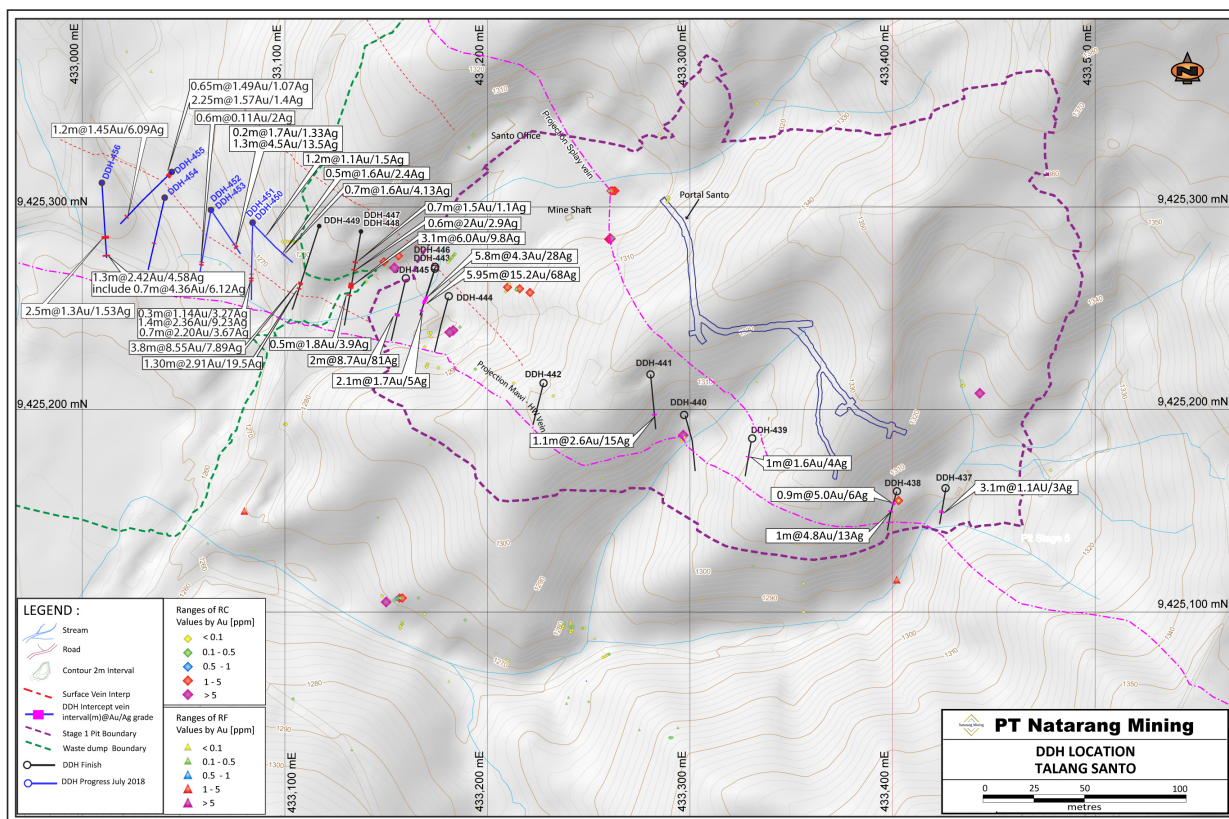


Figure 2 | Drill hole locations and results, Talang Santo. Showing current open pit extent

Exploration Drilling Commencement

Exploration Drilling has commenced on two highly prospective targets, Rawa Gabus and Toha – Samin. Seventeen diamond drill holes have been planned for this campaign consisting of seven holes at Toha – Samin (1265m), and ten holes at Rawa Gabus (2560m). It is estimated that the current drilling operation will be completed by early 2019.

The exploration drilling has been planned following a comprehensive geological evaluation that included:

- Extensive geological surface mapping
- Geochemical sampling
- Rock chip, Auger and Soil Sampling
- Trenching
- XRD clay analysis
- High density ground geophysics (CSMAT)

Figure 3 shows the planned drill holes for the Toha – Samin prospect area, the resistivity results from the CSAMT survey and significant gold grades from the soil and trenching programs.



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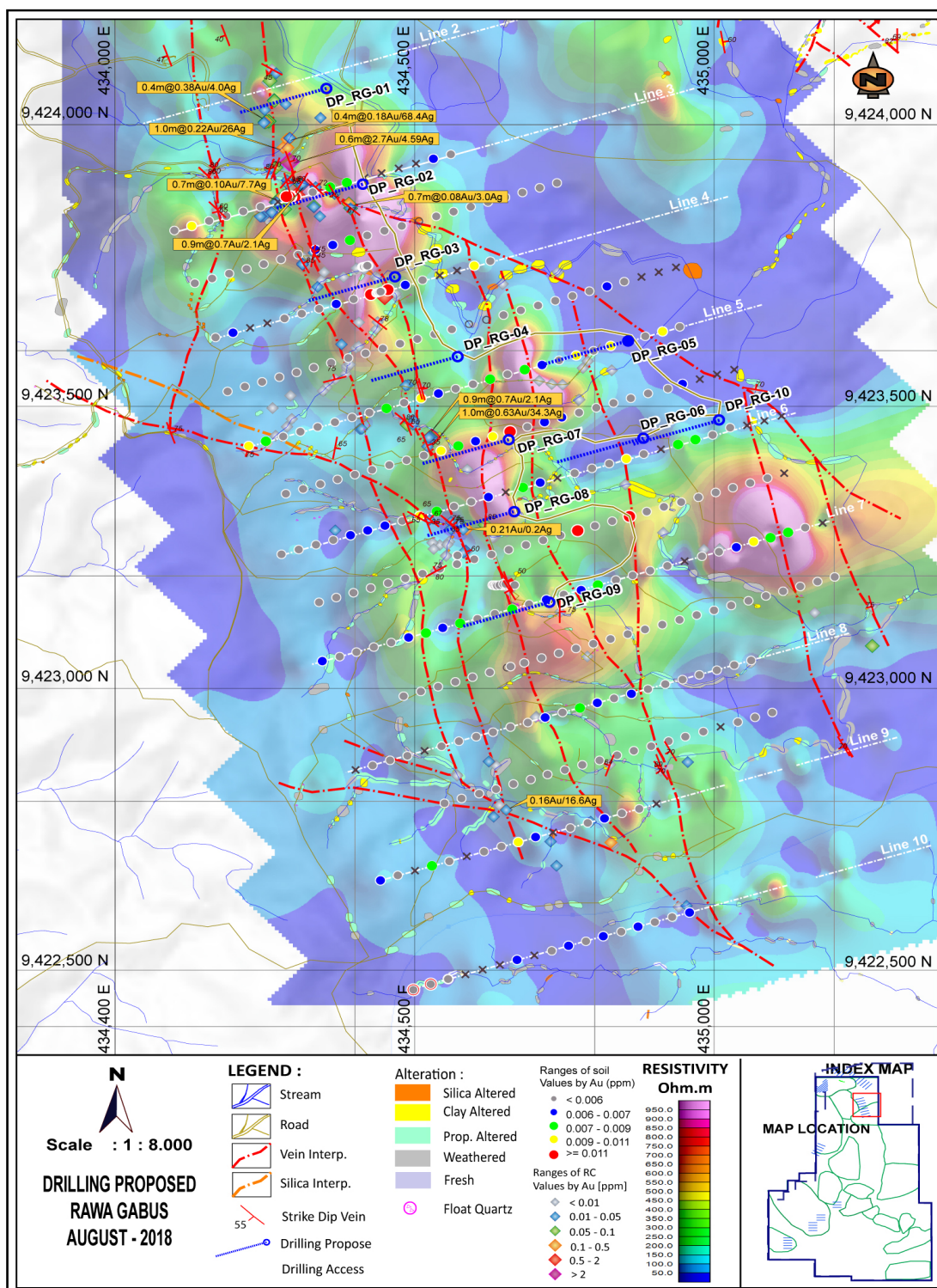


Figure 3 | Drill hole location plan, gold in rock and soil versus CSAMT resistivity (slice 12250) at the Rawa Gabus prospect



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Figure 4 shows the planned drill holes for the Rawa Gabus prospect area, the resistivity results from the CSAMT survey and significant gold grades from the soil and trenching programs.

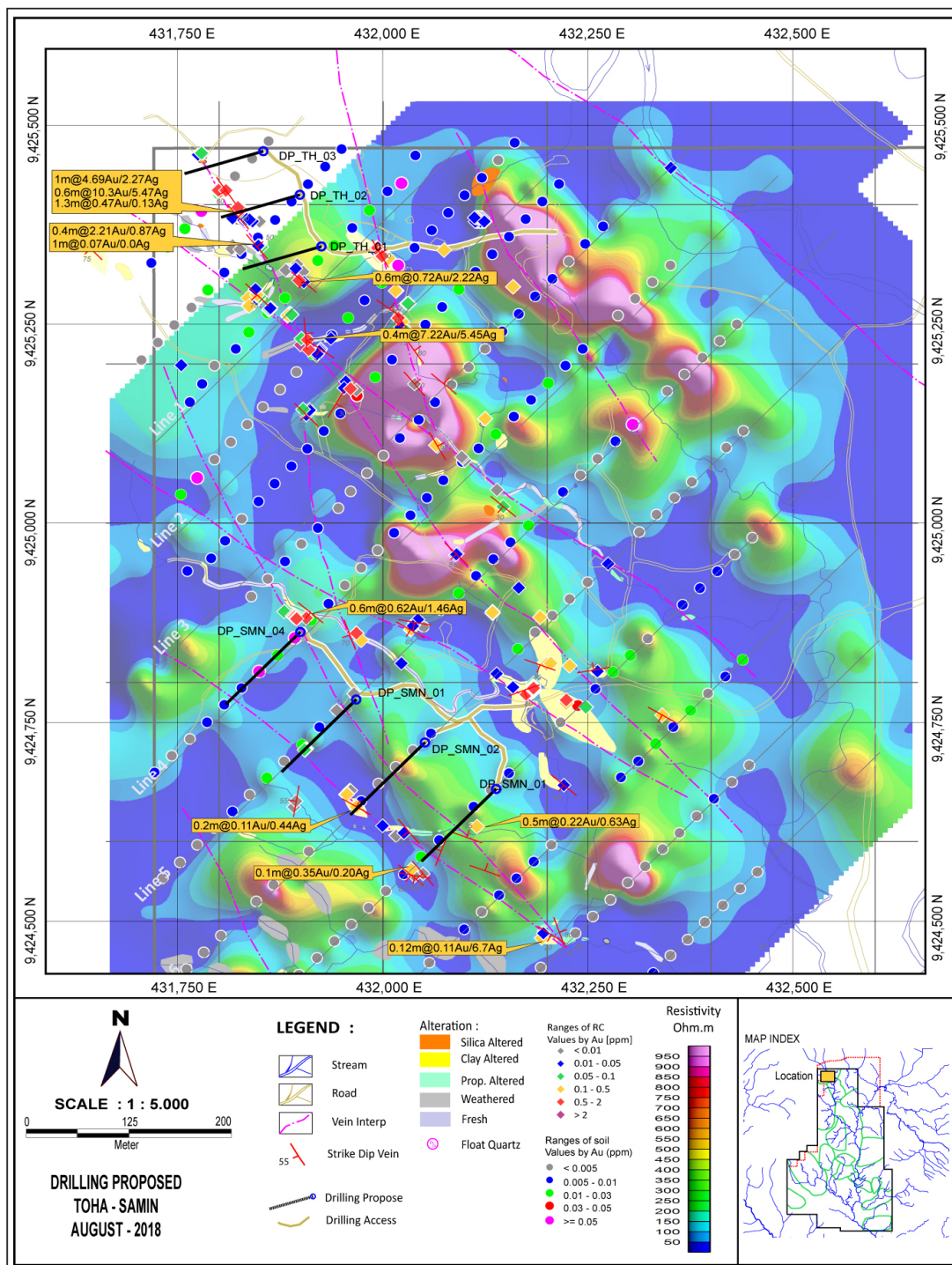


Figure 4 | Drill hole location plan, gold in rock and soil versus CSAMT resistivity (slice 12250) at the Toha-Samin prospect



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Competent Persons Statement

The information in this announcement that relates to exploration results is based on and fairly represents information compiled under the supervision of Roderick McIlree, who is a member of the Australasian Institute of Mining and Metallurgy and a Director of Kingsrose Mining Limited. Mr McIlree has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves." Mr McIlree consents to the inclusion in this report of the matter based on his information in the form and context in which it appears.