

Quarterly Report for the Period Ended 31 March 2023

Kingsrose Mining Limited (ASX: KRM) (“Kingsrose” or the “Company”) is pleased to provide an update on its activities for the March 2023 quarter.

1. HIGHLIGHTS

- Cash balance of A\$35.2m at 31 March 2023 (31 December 2022: A\$36.7m)
- Consolidation of the Råna Nickel-Copper-Cobalt project, Norway
- Selection for the BHP Xplor program

2. EXECUTIVE SUMMARY

During the quarter, the Company announced that it had been selected by BHP, the world’s largest mining company by market capitalisation, to participate in the inaugural BHP Xplor program. BHP Xplor is an innovative accelerator program that is designed to support junior exploration companies advance and de-risk new exploration concepts for critical minerals. Kingsrose was selected after a rigorous interview process involving hundreds of applicants from around the world and is honoured to have been selected as one of seven companies for the program. Under the Xplor program, Kingsrose has been advanced US\$400,000 to date to advance two belt-scale regional exploration concepts for magmatic sulphide nickel-copper in Norway and Finland. A decision between BHP and Kingsrose concerning further investment into the exploration concept will be discussed between the parties in the coming months.

Additionally, Kingsrose announced its entry into two transactions over the Råna nickel-copper-cobalt project in Norway (see ASX Announcements dated 18 January 2022 and 6 March 2023.). The Råna project includes the past-producing Bruvann nickel mine, within a larger 70km² prospective intrusive complex that is under explored by modern geophysics and is host to numerous areas of undrilled surface mineralisation. A significant exploration program is planned at Råna including multiple geophysical surveys and at least 5,000 metres of drilling.

The Company continues to progress drill permitting activities at its Penikat and Porsanger projects and attended the PDAC mining industry conference in Toronto during March to promote its projects and plans for 2023.

3. EXPLORATION & OPERATIONS

Company Updates

During the quarter total exploration costs associated with the Penikat, Porsanger Råna and BHP Xplor projects (Figure 1) were A\$127,746.

Råna Project, Norway

Kingsrose has entered into two agreements with Scandinavian Resource Holdings (see ASX announcement dated 18 January 2023) and EMX Royalties (see ASX announcement dated 6 March 2023) relating to 208 km² of contiguous exploration licences over the Råna nickel-copper-cobalt project (Figure 2), which includes the past producing Bruvann nickel mine within a large 70 km², underexplored mafic-ultramafic intrusive complex with outcropping massive sulphide mineralisation. The company recently added to the landholding at Råna with a new exploration licence (3 km²) to cover the northern part of a shallow conductive body at the base of the intrusion. A comprehensive program of geophysical surveys, geological mapping and geochemical sampling is planned for Q2 and Q3 2023 to generate drill targets. A 5,000 metre core drilling contract has been awarded to Norse Drilling, Norway, with a start date of June 2023.

The exploration program at Råna is designed to model the intrusion geology and structure, better understand controls on mineralisation, and explore for conductive bodies which may represent nickel-copper-cobalt massive sulphide. There are sites of known but underexplored mineralisation at the Rånbogen target as well as along strike from the Bruvann mine, in addition to excellent exploration potential along the entire basal part of the intrusion which has never been systematically explored.

In addition, three exploration licences totalling 30 km² have been granted at the early stage 'Sørfjorden' area, located 30 km southwest of Råna and comprising a 2km by 1km, pipe-like mafic-ultramafic intrusion in the same geological setting as Råna but with little historical exploration.

BHP Xplor Program

Kingsrose attended the BHP Xplor Bootcamp and BHP Xplor Toolkit sessions in February and March as part of the Xplor Program, where training on Mineral Systems Frameworks, operational readiness and business strategy was delivered. Selected service providers were also introduced who specialise in early-stage target generation, geophysical exploration methods, and sustainable operations.

Kingsrose has identified two prospective nickel-copper belts in Norway and Finland which are underexplored. The Xplor program is supporting a detailed geochemical, geophysical and remote sensing data processing and interpretation exercise, designed to identify and rank potentially mineralised mafic-ultramafic intrusions, produce a regional geological and structural interpretation of the belts, and reach a decision point on areas of interest for further exploration work. In parallel to the technical work, a comprehensive cultural and social engagement plan is being developed and implemented.

Penikat Project, Finland

No exploration work has been completed at the Penikat project during the quarter, whilst permitting for drilling is undertaken.

Porsanger Project, Norway

No exploration work has been completed at the Porsanger project during the quarter, whilst permitting for drilling is undertaken.



For personal use only

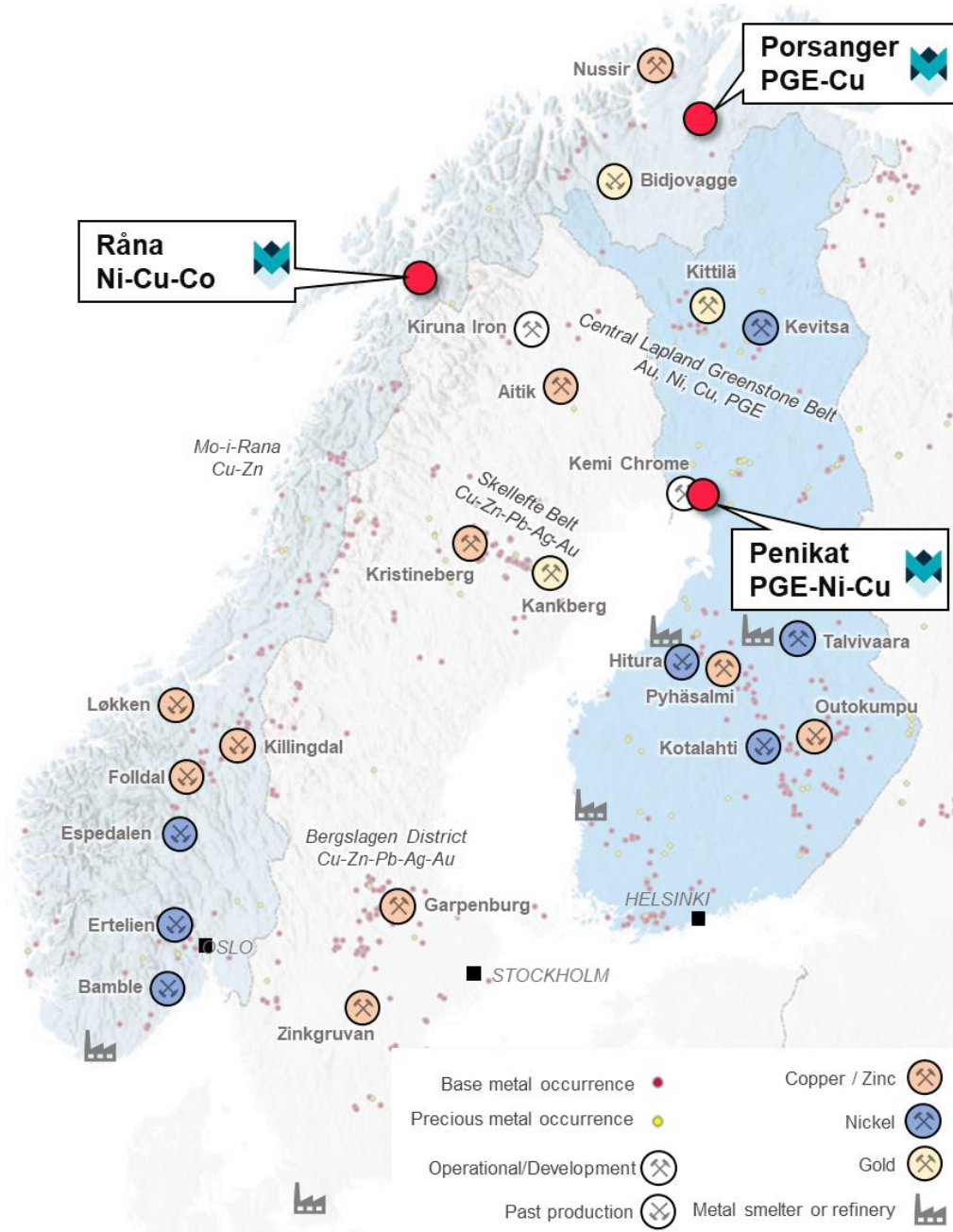


Figure 1: Location of the Penikat, Råna and Porsanger Projects within Fennoscandia

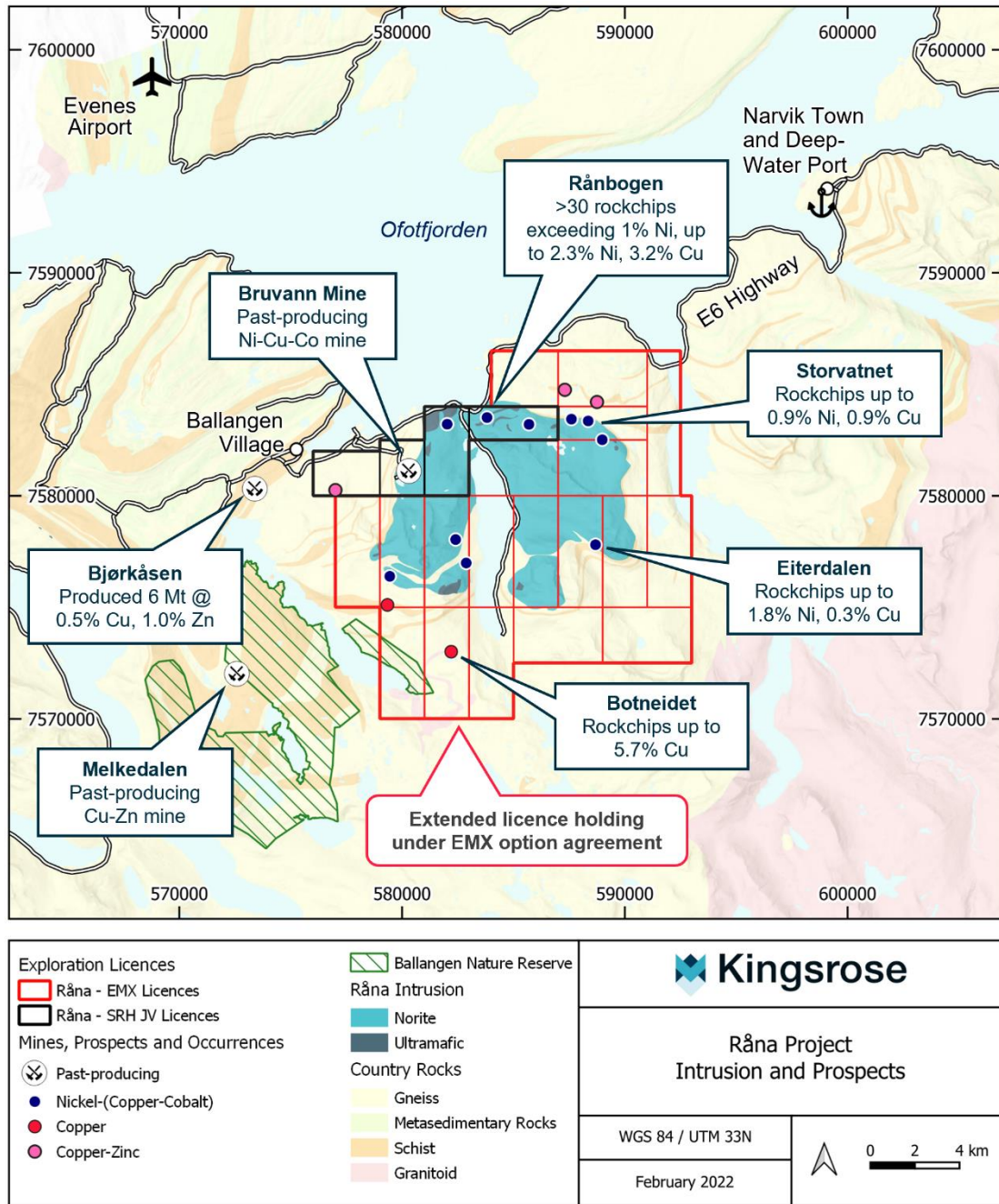


Figure 2: Råna project location, geology and exploration licences

4. SUSTAINABILITY & PERMITTING

Penikat Project, Finland

As a significant portion of the Penikat project area lies within the Martimoaapa – Lumiaaapa – Penikat Natura 2000 site, the exploration licence applications must be supplemented with a report called a Natura Assessment.

The Natura Assessment for the Ala Penikka exploration licence application was submitted in August 2022 and an in-person meeting was held with the Finnish authorities in January 2023 to discuss the content of the assessment and its processing. During the meeting, the authorities provided guidance on additional content and

specific studies or surveys that they would like to see added to the report. Kingsrose has developed a road map to complete all additional tasks by the end of May 2023, and anticipates submission of the final and complete Natura Assessment for all licence areas in June 2023.

Thereafter review by Finnish environmental authorities is expected to take three to six months. This is then followed by a processing and public consultation period by the Finnish exploration licence awarding authority TUKES, expected to last approximately two to four months. In parallel, a research permit is also required from the Environmental Ministry. The timeline for processing this application is imprecise but is currently expected to take between 3 and 12 months. The Company is actively engaging with the relevant authorities and expects to provide a full update on the status of these permit applications and expected timelines in Q4 FY2023 when more specific information is expected to be available.

The Martimoaapa – Lumiaapa – Penikat Natura 2000 site is an important habitat for several protected species, including large birds of prey and rare flora. As part of the required surveys, trapping and tracking of large birds of prey were completed in December 2022 allowing data to be collected to identify important habitats and nesting sites. Exploration plans will be adjusted to avoid and mitigate any potentially negative impact exploration activities might have on these important natural values.

Engagement with local stakeholders has continued throughout the quarter, with direct contact made with surrounding landowners to the project. Both in-person and telephone conversations undertaken were positive and constructive. The Company will continue open and transparent dialogue with local stakeholders and local authority representatives. Site visits by these parties are planned for European spring of 2023.

Porsanger Project, Norway

At the Karenhaugen (Sami translation: Karenvarri) prospect, findings from the ecological and archaeological surveys undertaken in September 2022 have been produced to assist in the planning of the drill hole locations without impacting indigenous monuments or protected species and habitats.

The Company continues to work with the local reindeer herding district, 14A, to finalise a process agreement. The agreement will formalise a clear understanding of the timing and methods of the Company's exploration activities so that the reindeer herding district can be assured that the Company's activities will not impact their livelihood. Once the agreement is signed by all parties, the drill permit application for Kernvarri will be finalised and submitted.

Stakeholder engagement meetings continued throughout the quarter, and a working group with Kingsrose and local stakeholders has been established. The working group involves multiple local group representatives, totalling around 30 local participants. The aims of the working group are to provide information and education on exploration activities, and to discuss how the Company can obtain a social license to operate within the community. The first meeting was held in March 2023 and it is anticipated that these meetings will occur regularly.

5. CORPORATE

Related Party Payments

The following payments to Related Parties of the Company and their associates were made during the quarter:

Director Salaries and Non-Executive Director Fees	A\$ 138,000
Total	A\$ 138,000

Cash On Hand as at March 31, 2023

Cash & Term Deposits	A\$ 35.26M
Total	A\$ 35.26M

For personal use only

Capital Structure

1,750,000 Options and 750,000 Performance Rights were cancelled during the quarter.

The Company's Capital Structure as at 31 March 2023 was as follows:

Ordinary Fully Paid Shares	752,526,519
Options	33,750,000
Performance Rights	6,250,000

SUMMARY OF MINING TENEMENTS AND AREAS OF INTEREST

Project/Tenement Held	Location	Tenement Number	Equity Interest at Quarter End	Change in Entity's Interest During the Quarter
Penikat Platinum Group Element-Copper-Nickel Project, Finland				
Ala Penikka Exploration Licence Application (pending)	Lapland, Finland	ML2021:0132	100%	
Penikat Kaltio Exploration Licence Application (pending)	Lapland, Finland	ML2021:0133	100%	
Penikat Pooki Exploration Licence Application (pending)	Lapland, Finland	ML2021:0134	100%	
Keski-Penikka Exploration Reservation	Lapland, Finland	VA2021:0065	100%	
Yli-Penikka Exploration Reservation	Lapland, Finland	VA2021:0069	100%	
Porsanger Platinum Group Element-Copper-Nickel Project, Norway				
Porsanger-A Exploration Licence	Finnmark, Norway	0165/2019	100%	
Porsanger-B Exploration Licence	Finnmark, Norway	0166/2019	100%	
Porsanger-C Exploration Licence	Finnmark, Norway	0167/2019	100%	
Porsanger-D Exploration Licence	Finnmark, Norway	0168/2019	100%	
Porsanger-E Exploration Licence	Finnmark, Norway	0169/2019	100%	
Porsanger-F Exploration Licence	Finnmark, Norway	0388/2022	100%	

For personal use only

Project/Tenement Held	Location	Tenement Number	Equity Interest at Quarter End	Change in Entity's Interest During the Quarter
Porsanger-G Exploration Licence	Finnmark, Norway	0389/2022	100%	
Porsanger-H Exploration Licence	Finnmark, Norway	0390/2022	100%	
Råna Nickel-Copper-Cobalt Project, Norway – SRH JV¹				
Arnes	Nordland County, Norway	0066/2019	0%	
Bruavatnet	Nordland County, Norway	0067/2019	0%	
Krokelta	Nordland County, Norway	0068/2019	0%	
Rånbogen	Nordland County, Norway	0069/2019	0%	
Arnes-B	Nordland County, Norway	0224/2023	100%	100%
Råna Nickel-Copper-Cobalt Project, Norway – EMX JV²				
Råna 1	Nordland County, Norway	0258/2022	0%	
Råna 2	Nordland County, Norway	0269/2022	0%	
Råna 3	Nordland County, Norway	0278/2022	0%	
Råna 4	Nordland County, Norway	0279/2022	0%	
Råna 5	Nordland County, Norway	0280/2022	0%	
Råna 6	Nordland County, Norway	0281/2022	0%	
Råna 7	Nordland County, Norway	0282/2022	0%	
Råna 8	Nordland County, Norway	0283/2022	0%	
Råna 9	Nordland County, Norway	0284/2022	0%	

For personal use only

For personal use only

Project/Tenement Held	Location	Tenement Number	Equity Interest at Quarter End	Change in Entity's Interest During the Quarter
Råna 10	Nordland County, Norway	0259/2022	0%	
Råna 11	Nordland County, Norway	0260/2022	0%	
Råna 12	Nordland County, Norway	0261/2022	0%	
Råna 13	Nordland County, Norway	0262/2022	0%	
Råna 14	Nordland County, Norway	0263/2022	0%	
Råna 16	Nordland County, Norway	0265/2022	0%	
Råna 17	Nordland County, Norway	0266/2022	0%	
Råna 18	Nordland County, Norway	0267/2022	0%	
Råna 19	Nordland County, Norway	0268/2022	0%	
Råna 20	Nordland County, Norway	0270/2022	0%	
Sørfjorden Nickel-Copper-Cobalt Project, Norway				
Sørfjorden-A	Nordland County, Norway	0225/2023	100%	100%
Sørfjorden-B	Nordland County, Norway	0226/2023	100%	100%
Sørfjorden-C	Nordland County, Norway	0227/2023	100%	100%
Notes:				
<ul style="list-style-type: none"> The Company has a 2% net smelter return royalty in respect of the Way Linggo project, Indonesia, subject to a cap of US\$7,500,000 including the applicable withholding tax. ¹ Refer to ASX Announcement dated 18 January 2023 for terms of SRH earn-in agreement. ² Refer to ASX Announcement dated 6 March 2023 for terms of EMX option agreement. 				

-ENDS-

This Quarterly Activities Report has been released with authority from the Board of Directors.



For more information please visit www.kingsrosemining.com or contact:

Corporate Enquiries

Fabian Baker
Managing Director
+44 20 3002 5906
info@kingsrose.com

Follow our communications

LinkedIn: kingsrose-mining-limited/
Twitter: @KingsroseMining
YouTube: Kingsrose Mining

About Kingsrose Mining Limited

Kingsrose Mining Limited is a leading sustainability-conscious and technically proficient mineral exploration company listed on the ASX. The Company has a discovery-focused strategy, targeting the acquisition and exploration of critical mineral deposits having Tier-1 potential, that has resulted in the acquisition of, or joint venture into, the Råna nickel-copper-cobalt, Penikat PGE and Porsanger PGE-nickel-copper projects in Finland and Norway. Additionally, Kingsrose has been selected for the first cohort of the BHP Xplor exploration accelerator program which commenced in January 2023.

Forward-looking statements

This report includes forward-looking statements, including forward-looking statements relating to the future operations of the Company. These forward-looking statements are based on the Company's expectations and beliefs concerning future events. Forward-looking statements are necessarily subject to risks, uncertainties and other factors, many of which are outside the control of the Company, which could cause actual results to differ materially from such statements. The Company makes no undertaking to subsequently update or revise the forward-looking statements made in this announcement to reflect the circumstances or events after the date of this announcement.

Competent Persons Statement

The information in this report that relates to the Exploration Results at the Råna Project was first reported by the Company in compliance with the 2012 edition of the JORC Code in ASX announcements dated 18 January 2023, 6 March 2023 and 20 April 2023.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the ASX releases referred to above and it further confirms that all material assumptions and technical parameters underpinning the exploration results and exploration target continue to apply and have not materially changed.

For personal use only

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Kingsrore Mining Limited

ABN

49 112 389 910

Quarter ended ("current quarter")

31 March 2023

Consolidated statement of cash flows	Current quarter	Year to date (9 months)
	\$A'000	\$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	6	12
1.2 Payments for		
(a) exploration & evaluation	-	-
(b) development	-	-
(c) production	-	-
(d) staff costs	(456)	(1,310)
(e) administration and corporate costs	(446)	(1,762)
1.3 Dividends received	-	-
1.4 Interest received	321	698
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other – Site care & maintenance costs	-	(260)
– VAT refund received	-	-
1.9 Net cash from / (used in) operating activities	(575)	(2,622)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	-	-
(d) exploration & evaluation	(128)	(380)
(e) investments	-	-
(f) other non-current assets	(191)	(191)

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter	Year to date (9 months)
		\$A'000	\$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	(903)	10,165
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received	-	-
2.5	Other	-	-
2.6	Net cash from / (used in) investing activities	(1,222)	9,594
3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (Repayment of hire purchases)	-	(33)
3.10	Net cash from / (used in) financing activities	-	(33)
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	36,755	27,627
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(575)	(2,622)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(1,222)	9,594
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	(33)
4.5	Effect of movement in exchange rates on cash held	300	692
4.6	Cash and cash equivalents at end of period	35,258	35,258

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	4,715	12,586
5.2	Call deposits	30,543	24,169
5.3	Bank overdrafts	-	-
5.4	Other	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	35,258	36,755

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	138
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
Item 6.1 consists of:		
- Directors' salaries and fees A\$135K		
- Drilling services provided by an entity associated with a director A\$175K		

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other	-	-
7.4	Total financing facilities	-	-
7.5	Unused financing facilities available at quarter end		-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
N/A			

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(575)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(128)
8.3	Total relevant cash inflows / (outgoings) (item 8.1 + item 8.2)	(703)
8.4	Cash and cash equivalents at quarter end (item 4.6)	35,258
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	35,258
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	51

Note: If the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.

8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:

8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: N/A

8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: N/A

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: N/A

Note: Where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

- This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- This statement gives a true and fair view of the matters disclosed.

Date: 28 April 2023

Authorised by:



Joanna Kiernan, Company Secretary