

Quarterly Report for the Period Ended 31 December 2022

Kingsrose Mining Limited (ASX: KRM) (“Kingsrose” or the “Company”) is pleased to provide an update on its activities for the December 2022 quarter.

1. HIGHLIGHTS

- Cash balance of A\$36.7m at 31 December 2022 (30 September 2022: A\$27.6m)
- Completion of sale of Way Linggo project
- Entry into joint venture over the brownfield Råna Nickel-Copper-Cobalt project, Norway
- Selected to participate in the BHP Xplor program
- Hiring of new Norwegian Country Manager, Isak Berntsen

2. EXECUTIVE SUMMARY

During the quarter, the Company completed the sale of its interest in the Way Linggo gold project to Capwill Global Limited (**Capwill Global**).

At Completion of the sale, the Company received US\$7,500,000 (or A\$11,250,000¹) that will be used to further its strategy of responsible critical metals discovery. Additionally, the Company will receive a 2% net smelter royalty in respect of the Way Linggo project, subject to a cap of US\$7,500,000 including the applicable withholding tax.

The Company remains well financed, with A\$36.7 million in cash as at 31 December 2022, and continues to assess additional project acquisition and target generation opportunities.

Additionally, the Company recently announced the following post-quarter events, which will be expanded on in the upcoming Quarterly Report for the period ending 31 March 2023:

- On 18 January 2023, Kingsrose announced that it has entered into a Transaction Implementation Agreement (**TIA**) with Scandinavian Resource Holdings Pty Ltd and Global Energy Metals Corporation for a staged investment into the brownfield Råna Nickel-Copper-Cobalt (Ni-Cu-Co) project, Norway, and formation of a joint venture for the development and operation of the Project (Figure 1). The TIA allows for Kingsrose to earn up to 75% over 8 years, through staged expenditure up to a total of A\$15m. The Company intends to commence geophysical surveys, geological mapping and geochemical sampling to generate targets for drilling later in 2023.
- Kingsrose also announced on 18 January 2023 that the Company has been selected to participate in the BHP Xplor program. BHP Xplor is an accelerator program introduced by BHP in August 2022, which is designed to help provide participants with the opportunity to accelerate their growth and the potential to establish a long-term relationship with BHP and its global network of partners. The Company will receive up to US\$500,000 in cash payments from BHP and access to a network of internal and external experts, to help advance regional target generation for nickel massive sulphide deposits across two highly prospective but underexplored geological belts in Finland and Norway.

3. EXPLORATION & OPERATIONS

Company Updates

During the quarter, the team expanded with the hire of a Norwegian Country Manager, Isak Berntsen. Prior to joining Kingsrose Isak worked within the Norwegian Military over a period of 11 years, where he developed strong operational, strategy, leadership and diplomatic skills through a variety of senior roles. Isak went on to

¹ Based on USD\$1.00:A\$1.50 by reference to the USD:AUD rate specified on www.xe.com on 16 December 2022.

undertake roles as a General Manager and CEO for utility and construction companies in Northern Norway. Growing up in Northern Norway and now living in Tromsø, close to the Company's Råna and Porsanger projects, Isak brings important experience and understanding of the local cultural, political and operational aspects required to successfully advance exploration and development of minerals projects in Norway.

Dr Katariina Koikkalainen, Head of Sustainability, will leave her role with the Company effective 31 January 2023. The Company thanks Katariina for her valuable contributions to establishing high standards of sustainable operations within Kingsrose and wishes her the best in her future endeavours. Kingsrose has continued to build its sustainability team and will replace this leadership role in due course.

During the quarter total exploration costs associated with the Penikat and Porsanger projects were A\$106,753.

Penikat Project, Finland

An airborne magnetic survey was completed between 12-14 October 2022, covering the entire Penikat project over an area of approximately 25 square kilometres using a UAV mounted magnetometer, at a line spacing of between 100 metres and 50 metres totalling 868 line kilometres. The data is being interpreted to produce a three-dimensional model which will inform and assist in geological mapping and drill planning.

Detailed drilling, access route and water supply planning continues in support of the licence application process for the entire Penikat project.

Porsanger Project, Norway

Mapping and rock chip sampling for lithochemical characterisation of the recently identified, mineralised intrusions in the south of the project area was completed (Figure 2). The samples have been analysed by handheld portable XRF to determine concentrations of major rock forming elements and the results will be used to characterise each mapped unit of the large layered intrusion and smaller satellites. This data will allow a comparison with the geochemistry of mineralised intrusions at Porsvann and Karenhaugen to aid in our analysis of prospectivity in this area. Work continues to obtain drill permits for Porsvann and Karenhaugen.

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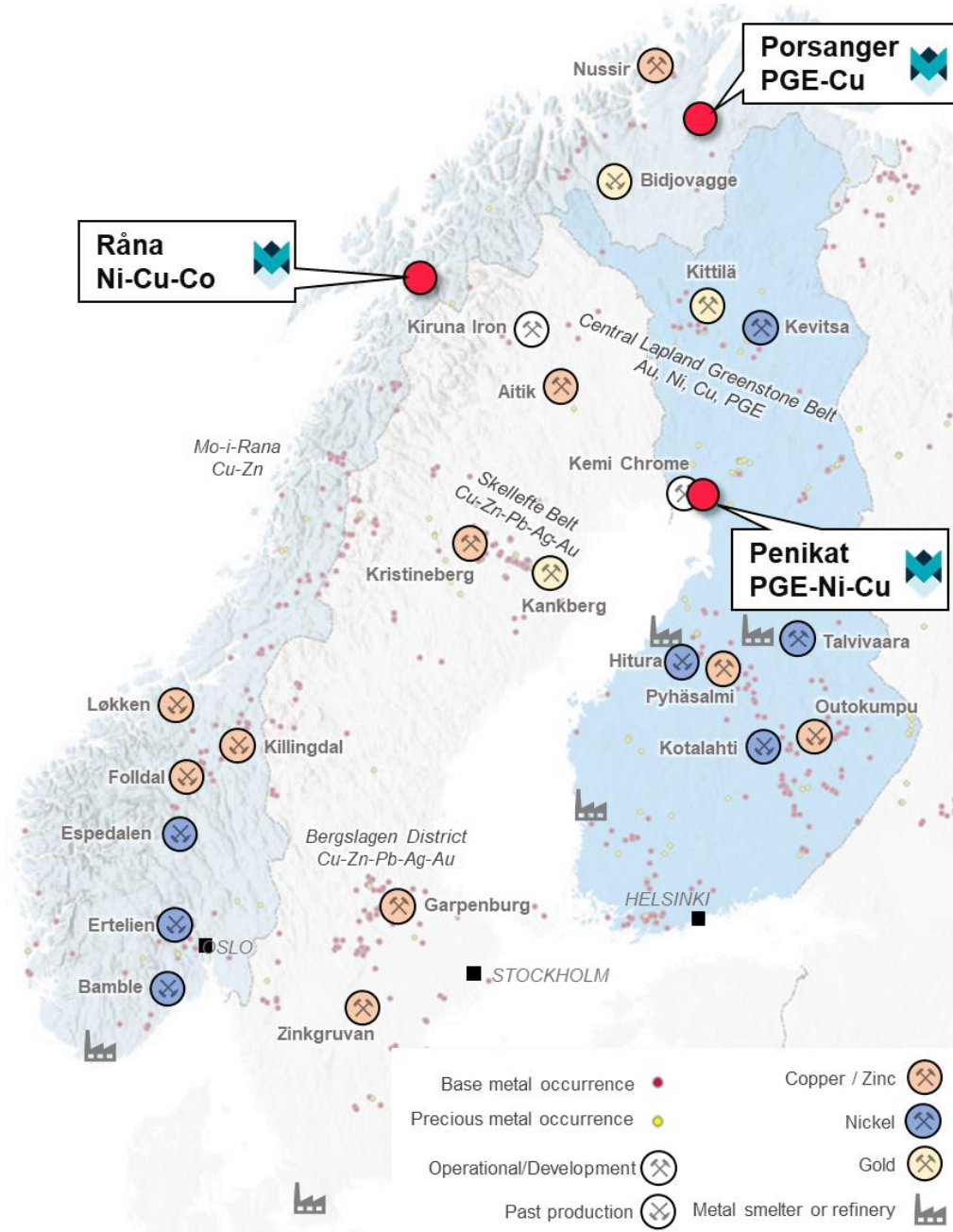


Figure 1: Location of the Penikat, Råna and Porsanger Projects within Fennoscandia

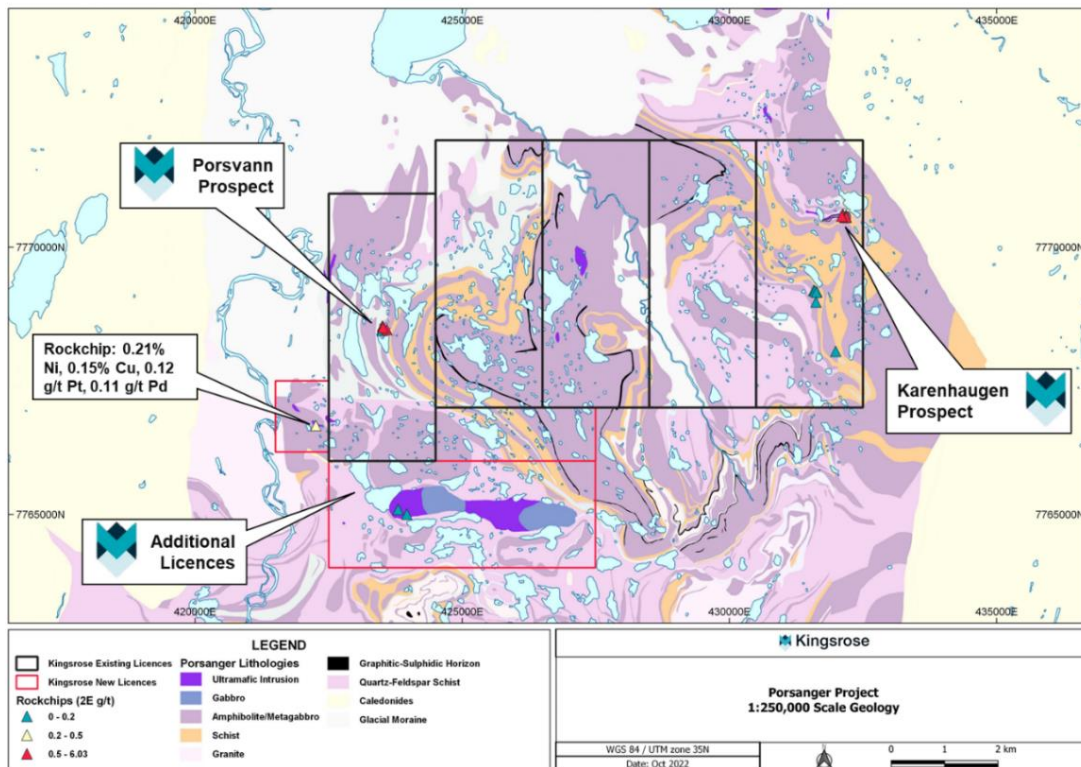


Figure 2: Porsanger exploration licenses, FLEM survey areas, simplified geology, and thematic rock-chip data. 2E is the sum of platinum + palladium

4. SUSTAINABILITY & PERMITTING

Company Updates

During the quarter, the Company was invited to become a member of Euromines. Euromines is the recognised representative of the European metals and minerals mining industry. The main objective of Euromines is to promote the industry and to maintain its relationship with European institutions at all levels. In addition, the association provides advocacy services with regard to EU policy and serves as a network for cooperation and exchange of information throughout the sector. Kingsrose has joined several Euromines committees to foster contacts and contribute towards the development of policy and best practice in exploration and mining in Europe.

Penikat Project, Finland

As a significant portion of the Penikat project area lies within the Martimoaapa – Lumiaapa – Penikat Natura 2000 site (Figure 3), 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 is being reviewed by the Finnish environmental authorities. An in-person meeting with the Finnish authorities has been arranged for January 2023 to discuss the content of the assessment and its processing.

Review by Finnish environmental authorities is expected to take up 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 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.

For the remaining four exploration licence application areas, drill planning and a series of protected species and habitat surveys were undertaken during May through to September last year and will be completed in March-May of 2023 in preparation for the submission of the Natura Assessment. Once submitted in late Q4 FY2023, this will be followed by the same process as detailed above for a decision to be made by the relevant Finnish regulatory bodies in relation to the award of the exploration licences.

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.

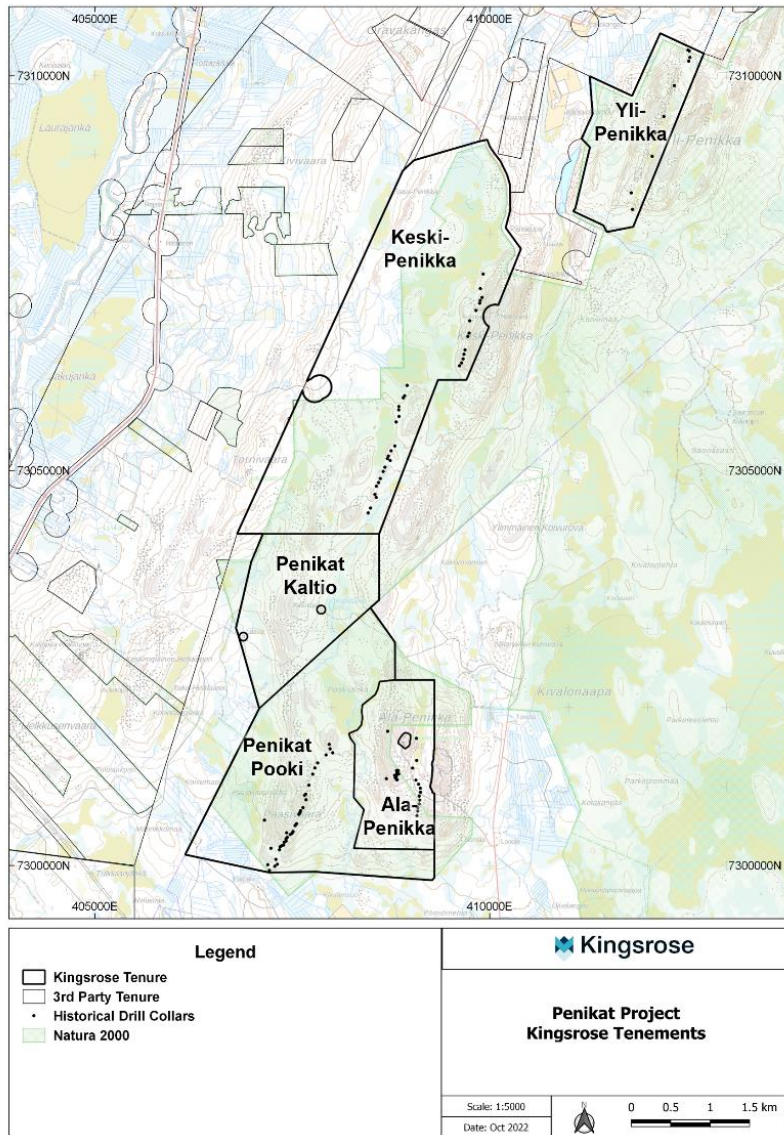


Figure 3: Penikat exploration licence areas

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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 is set for mid-January 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 December 31, 2022

Cash & Term Deposits	A\$ 36.75M
Total	A\$ 36.75M

Capital Structure

The Company's Capital Structure as at 31 December 2022 was as follows:

Ordinary Fully Paid Shares	752,526,519
Options	35,500,000
Performance Rights	7,000,000

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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
Way Linggo Gold Project, Indonesia				
4 th generation Contract of Work with the Government of the Republic of Indonesia	Lampung Province, South Sumatra, Indonesia	N/A	0%	Kingsrose completed the sale of the Company's interest for proceeds of US\$7.5m during the quarter. The Company has retained a 2% net smelter return royalty in respect of the Way Linggo project, subject to a cap of US\$7,500,000 including the applicable withholding tax.
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%	

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Project/Tenement Held	Location	Tenement Number	Equity Interest at Quarter End	Change in Entity's Interest During the Quarter
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%	
Porsanger-G Exploration Licence	Finnmark, Norway	0389/2022	100%	
Porsanger-H Exploration Licence	Finnmark, Norway	0390/2022	100%	

-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@kingsrosemining.com

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About Kingsrose Mining Limited

Kingsrose Mining Limited is a leading ESG-conscious and technically proficient mineral exploration company listed on the ASX. In 2021, the Company commenced a discovery-focused strategy, targeting the acquisition and exploration of critical mineral deposits in Finland and Norway.

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.

You are strongly cautioned not to place undue reliance on forward-looking statements, particularly in light of the current economic climate and the significant volatility, uncertainty and disruption caused by COVID-19.

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Competent Persons Statement

The information in this report that relates to the Exploration Results at the Porsanger Project was first reported by the Company in compliance with the 2012 edition of the JORC Code in ASX announcements dated 28 June 2022, 25 August 2022 and 12 October 2022.

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.

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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 December 2022

Consolidated statement of cash flows	Current quarter	Year to date
	\$A'000	(6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	3	6
1.2 Payments for		
(a) exploration & evaluation	2	(27)
(b) development	-	-
(c) production	-	-
(d) staff costs	(420)	(854)
(e) administration and corporate costs	(525)	(1,328)
1.3 Dividends received	-	-
1.4 Interest received	237	377
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	(172)	(260)
– VAT refund received	-	-
1.9 Net cash from / (used in) operating activities	(875)	(2,086)
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	(107)	(252)
(e) investments	-	-
(f) other non-current assets	(2)	-

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

Consolidated statement of cash flows		Current quarter	Year to date (6 months)
		\$A'000	\$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	11,068	11,068
	(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	10,959	10,816
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)	-	-
3.10	Net cash from / (used in) financing activities	-	-
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	27,622	27,727
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(875)	(2,086)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	10,959	10,816
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-
4.5	Effect of movement in exchange rates on cash held	(951)	398
4.6	Cash and cash equivalents at end of period	36,755	36,755

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	12,586	2,730
5.2	Call deposits	24,169	24,892
5.3	Bank overdrafts	-	-
5.4	Other	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	36,755	27,622

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)	(875)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(107)
8.3	Total relevant cash inflows / (outgoings) (item 8.1 + item 8.2)	(982)
8.4	Cash and cash equivalents at quarter end (item 4.6)	36,755
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	36,755
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	37

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: 30 January 2023

Authorised by:



Joanna Kiernan, Company Secretary