



KINGSROSE
MINING LIMITED
SUBJECT TO DEED OF COMPANY ARRANGEMENT

ASX Announcement
28 July 2018

General Meeting of Shareholders Deed Administrator's Address

Please find attached a copy of the address, Michael Ryan, Joint and Several Deed Administrator for Kingsrose Mining Limited (subject to deed of company arrangement) will give to Shareholders at the Company's General Meeting of Shareholders to be held today at 11am at FTI Consulting, Level 6, 30 The Esplanade, Perth WA.

-ENDS-

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Good morning ladies and gentlemen and welcome to this General Meeting of your Company. My name is Michael Ryan and I am one of the Deed Administrators of Kingsrose Mining (subject to deed of company arrangement).

Today's meeting marks a key milestone in the strategy to return Kingsrose to a position where it can unlock the full value of its Way Linggo Project for the benefit of shareholders.

In simple terms, the resolutions which will be considered today relate to the issue of shares as part of the debt restructuring agreements reached between the Company and its secured lenders in February this year.

Shareholders will also be asked to approve the issue of shares as part of the secured loan facilities under which Kingsrose raised \$6.5 million earlier this year.

The Kingsrose Directors and the Deed Administrators unanimously recommend that shareholders vote in favour of these resolutions.

There are several reasons for their recommendation:

- The debt restructure agreements underpin the financial restructuring of Kingsrose. If the resolutions are approved, Kingsrose will emerge with total unsecured finance debt of just \$4.3 million restructured to be repayable in 2023 with interest accruing from 2020. This compares with the \$9.4 million of interest bearing secured debt the Company was carrying when the Administrators were appointed on 14 December 2016; and
- The issue of shares as part of the secured convertible loan facilities will further reduce the Company's debt and assist with financing ongoing mining and exploration activities at the Way Linggo Project.

If shareholders approve the Resolutions to be dealt with today, it is intended that the new shares will be issued on 31 July 2017. This will be the last substantive step under the deed of company arrangement (**DOCA**) and subject to lodgement of a certificate by the Deed Administrators with the Australian Securities and Investments Commission, the DOCA will be fully be effectuated and brought to an end. It is anticipated that this will occur on or around 31 July 2017. Control of the Company will then be returned to the Directors.

At this stage, no new directors have been appointed. The appointment of any new directors will be an early priority for the Board, as will be seeking the reinstatement of trading in the Company's shares on the Australian Securities Exchange. The Company will also need to continue to work towards finalising the previously announced review of operations of the Way Linggo Project.

Kingsrose believes there is significant exploration potential within the broader project area. As cash flow permits, efforts will be directed towards the creation of a disciplined exploration program.



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The Directors and the Deed Administrators believe that approval of these resolutions will mark another significant step towards placing Kingsrose in a position where it can maximise the opportunities it has at the Way Linggo Project.

Your Company will be much better placed to pursue its production and cashflow strategy and to unlock the exploration upside thanks to the restructuring package which is awaiting your approval.

Finally, on behalf of the Deed Administrators, I would like to thank shareholders for the support you have shown to date for the restructuring and wish you and your Company all the very best for the future. I would also like to thank the employees of Kingsrose and its Indonesian subsidiary PTNM Natarang for their efforts during the Administration and Deed Administration of Kingsrose.