

ASX Announcement
4 October 2022

KINGSROSE ENTERS INTO AGREEMENT FOR THE SALE OF WAY LINGGO GOLD PROJECT, INDONESIA

Kingsrose Mining Limited (ASX: KRM) (**Kingsrose** or **Company**) is pleased to announce that it has entered into a binding, conditional agreement (**Sale Agreement**) with Capwill Global Limited (**Capwill Global**) for the sale of the Way Linggo gold project, via the sale of the entire issued capital of wholly owned Natarang Offshore Pty Ltd (**NOPL**). The Sale Agreement is the realization of the Process Deed dated 1 July 2022 entered into by the Company.

Transaction Highlights

- Capwill Global shall pay the Company total cash consideration of **US\$7,500,000 (A\$11,632,500¹)** as follows:
 - US\$7,000,000 (or A\$10,857,000) upon completion, and US\$500,000 (or A\$775,500) subject to the satisfaction of certain Indonesian regulatory approvals, which are required to be satisfied within 1 year of execution of the Sale Agreement.
- The Company shall enter into a royalty agreement with PT Natarang Mining who wholly owns the Way Linggo gold project, pursuant to which PT Natarang Mining shall pay the Company a **2 % net smelter royalty, subject to a cap of US\$7,500,000** including the applicable withholding tax.

Kingsrose Managing Director Fabian Baker commented on the sale: *“We are delighted to have agreed terms for the sale of the Way Linggo project to Capwill Global, and we wish them well in their plans to recommence production and continue to be an important source of economic opportunity to local communities. With the benefit of the cash consideration, and future royalty payments, Kingsrose is exceptionally well positioned to pursue its vision to become a leading business in the discovery and responsible development of critical minerals projects.”*

Completion of the Sale Agreement is expected to occur within one month of this announcement and is subject to:

- the Company entering into a royalty agreement with PT Natarang Mining for the net smelter royalty;
- Indonesian ministry confirmation of receipt of an application for a change in shareholder of PT Natarang Mining;
- the Company assigning to the Purchaser the following intercompany loans:
 - A\$47,420,558 payable to the Company by PT Natarang Mining; and
 - A\$10,745,777 payable to the Company by NOPL;
- shareholder approval of PT Natarang Mining, who owns the Way Linggo gold project; and

¹ Based on USD\$1.00:A\$1.551 by reference to the £:A\$ rate specified on www.xe.com at 9.00am GMT on the last practicable date prior to the date of this announcement, being 3 October 2022. All further statements of consideration amounts in A\$ are calculated in accordance with this foreign exchange rate.

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- termination or voluntary resignation of all of PT Natarang Mining's commissioners, directors and remaining employees, payment of any outstanding entitlements and amounts, including any redundancy payments, owing to commissioners, directors and employees of PT Natarang Mining.

The Sale Agreement may be terminated by written agreement between the parties, or by either party in accordance with standard commercial termination clauses.

- ENDS -

This announcement has been authorised for release to the ASX by the Board.

For further information regarding the Company and its projects please visit www.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 Tier-1 mineral deposits, that resulted in the acquisition of the Penikat and Porsanger PGE-Nickel-Copper projects in Finland and Norway respectively. The Company previously operated the Way Linggo mine in Indonesia, having produced over 200koz gold and 1.5MOz silver, and is currently assessing opportunities for the divestment of this project.

Forward-looking statements

This announcement includes forward-looking statements, including forward looking statements relating to the future operation 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.