ASX Announcement
23 September 2020

Initial assays from Talang Santo deep drilling highlight scope to upgrade and grow Resource

Kingsrose Mining Ltd (ASX: KRM) ("Kingsrose" or "the Company") is pleased to advise that it has intersected high-grade gold in the first round of holes in the Phase 2 deep drilling program at the Talang Santo deposit within its Way Linggo Project, Indonesia.

The assays come from 11 holes drilled between February and May this year, when exploration was suspended due to the COVID-19 pandemic (refer to ASX Announcement dated 9 April 2020).

Resource extension drilling resumes this week as part of Kingsrose's strategy to upgrade and increase the Talang Santo Resource.

The latest assays from both the Main Vein and the Splay Vein at Talang Santo include:

Main Vein

DDH-577	**4.45m @ 8.43 g/t Au, 12.9 g/t Ag from 389.60m** **(inc. 2.95 m @ 11.6g/t Au, 18.5 g/t Ag from 389.60m)**
DDH-582	**4.00m @ 2.20 g/t Au, 2.6 g/t Ag from 417.50m** **(inc. 0.30 m @ 16.5 g/t Au, 33 g/t Ag from 418.90m) and** **4.30m @ 2.49 g/t Au, 10.7 g/t Ag from 242.80m** **(inc. 0.80m @ 6.73 g/t Au, 33 g/t Ag from 428.3m)**

Splay Vein

DDH-583	**1.6 m @ 17.5 g/t Au, 10.8 g/t Ag from 65.00m** **(inc. 0.75 m @ 37.0 g/t Au, 16.65 g/t Ag from 65.0m**
DDH-581	**2.2 m @ 11.8 g/t Au, 10.8 g/t Ag from 380.40m**
DDH-576	**1.0 m @ 5.68 g/t Au, 4.9 g/t Ag from 396.80m**

These results have been incorporated in the database used for the recently updated Talang Santo Resource, which stands at 850,000 tonnes at 5.1 g/t Au and 13 g/t Ag for 140,000 ounces of gold and 352,000 ounces of silver (refer to ASX Announcement dated 17th September 2020).

Kingsrose Managing Director Karen O'Neill said: "These initial assays are encouraging and with drilling set to resume this week, we look forward to further results, which will in turn help us determine the next steps in our strategy".

Locations of the drill intervals on the Talang Santo long section and summary results are shown in Figure 1 and are summarised in Appendix 1 to this release. Figure 2 presents a map of drill hole locations and planned future Phase 2 drill holes.

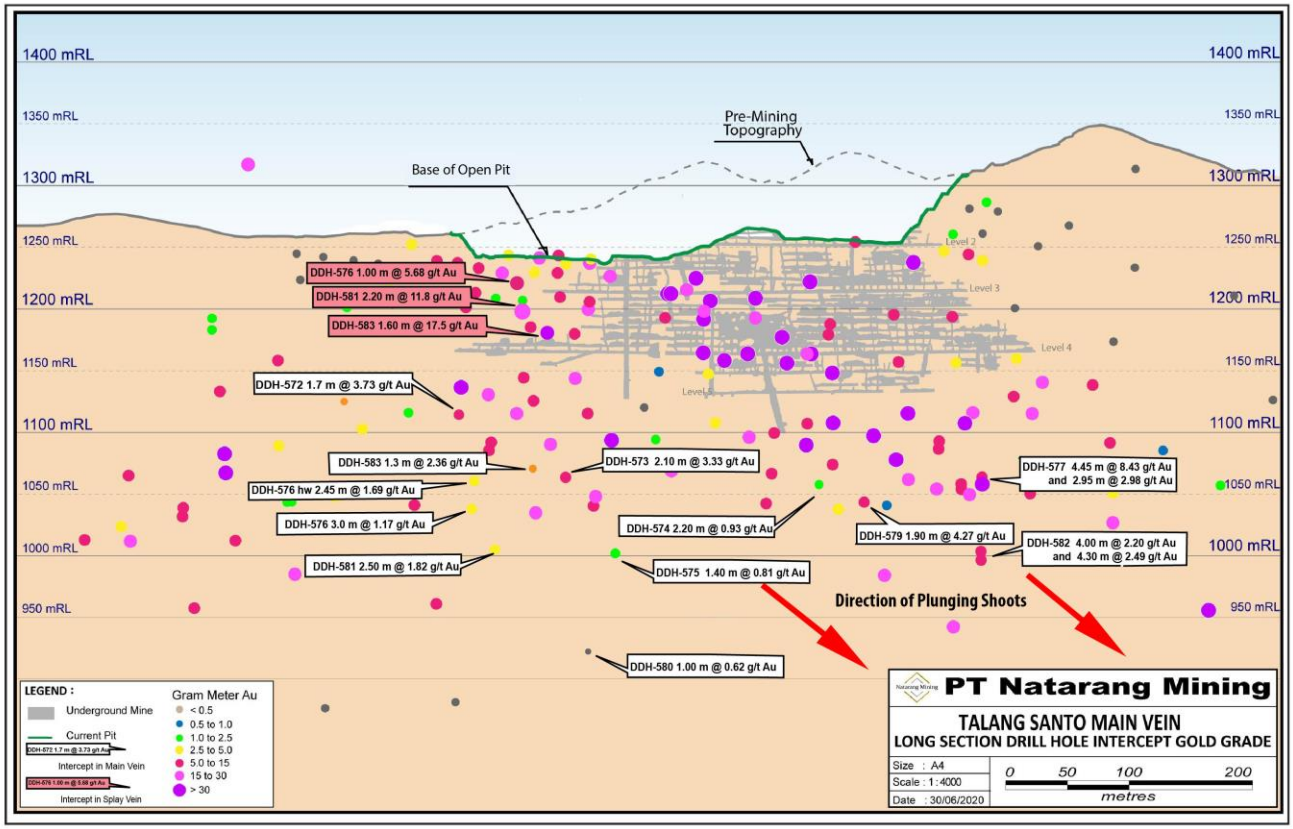

Figure 1. Talang Santo Main Zone Long Section Showing Phase 2 Drill hole pierce points and mineralised intercept results for the Main Vein (in White) and the Splay Vein (in Red).

High grade intervals (shown in red Figure 1) were intersected near to surface on the NW-SE trending Splay Vein highlighting potential to extend the resource in this Splay Vein to the northwest.

Intervals in the western part of the Main Vein were generally of lower gold grade than previous drilling at higher elevations, however these results have confirmed that high grade mineralisation occurs as plunging shoots within the plane of this vein (Figure 1).

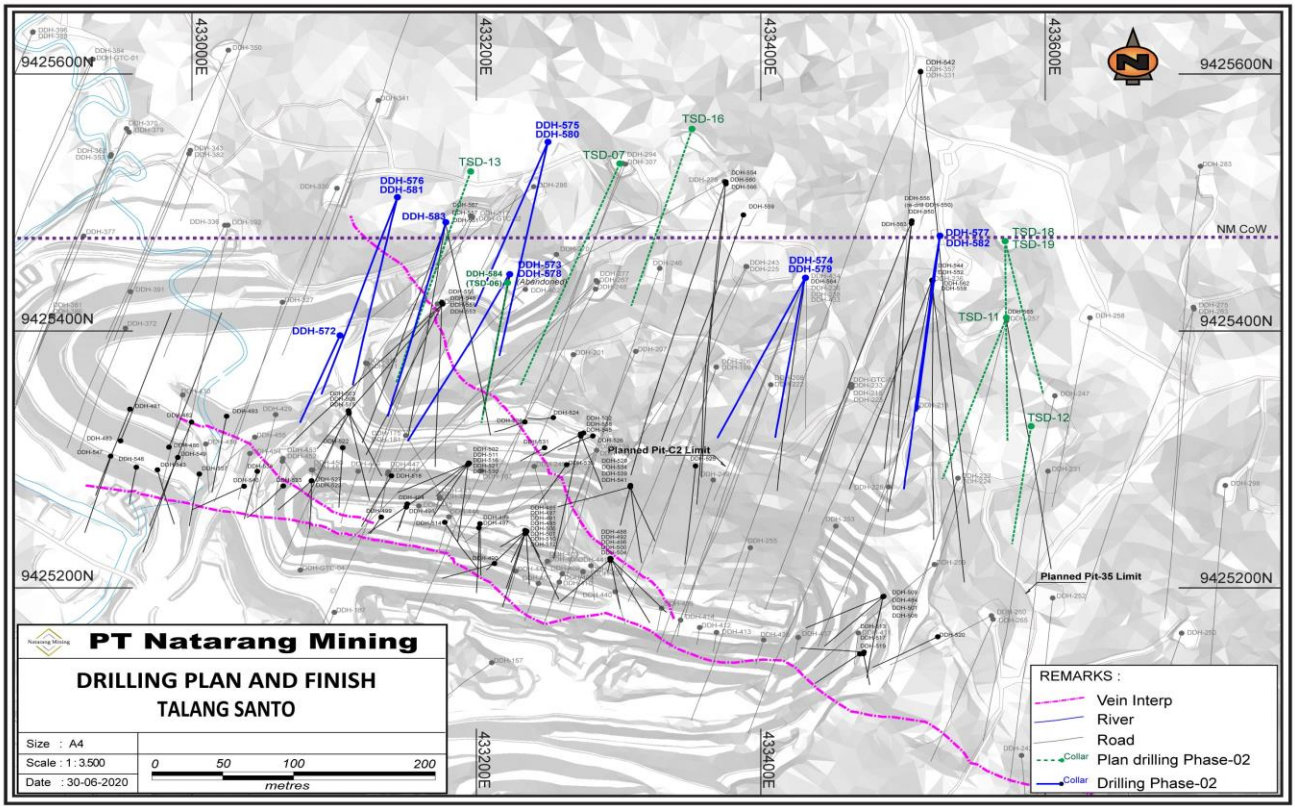

Figure 2. Drill hole locations Phase 2 Talang Santo deep drilling (Completed holes shown in blue).

The interval of the Main Vein intersected in DDH-577 is shown in Figure 3. This shows that within the plunging high-grade shoots of the Main Vein mineralised zones of quartz vein commonly carry grades in excess of 10 g/t Au.

Figure 3. Drill core from Talang Santo 3 Main Vein (DDH-577 - 4.45m @ 8.43 g/t Au and 12.9 g/t Ag from 389.6m, including: 2.95m @ 11.6 g/t Au and 18.5 g/t Ag from 389.6m).

Future exploration drilling at Talang Santo will target down plunge extensions of these mineralised shoots.

-ENDS-

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

Competent Persons Statement

The information in this report that relates to Exploration Results is based on information compiled under the supervision of Dr Michael Andrews, who is a Fellow of the Australasian Institute of Mining and Metallurgy and a Director and Substantial Shareholder of Kingsrose Mining Limited. Dr Andrews 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." Dr Andrews consents to the inclusion in this report of the matter based on his information in the form and context in which it appears.

APPENDIX 1

Table 1. Talang Santo Phase 2 Deep Drilling Interim Results

Hole ID	Easting (UTM 48S)	Northing (UTM 48S)	RL (m)	Azimuth (degrees)	Dip (degrees)	End of Hole	Down-Hole From (m)	Down-Hole To (m)	Down-Hole Interval (m)	Au g/t (uncut)	Ag g/t (uncut)	Core Recovery %
DDH-572	433104	9425398	1291	202	-69	**232.90**	**186.60**	**188.30**	**1.70**	**3.73**	**8.2**	88.0%
DDH-573	433223	9425444	1314	206	-65	**353.90**	**273.50**	**275.60**	**2.10**	**3.33**	**2.5**	98.0%
									(inc. 1.1m@5.83g/t Au and 4.0g/t Ag from 274.5m)			
						and	**325.80**	**327.40**	***1.60***	**1.70**	**7.0**	95.0%
DDH-574	433431	9425441	1371	202	-69	**359.70**	**337.30**	**339.50**	**2.20**	**0.93**	**1.6**	97.0%
DDH-575	433250	9425547	1371	191	-66	**415.00**	**366.00**	**367.40**	**1.40**	**0.81**	**5.9**	100%
DDH-576	433144	9425504	1316	200	-61	**396.80**	**289.20**	**291.65**	**2.45**	**1.69**	**4.4**	88.0%
						and	**314.10**	**317.10**	**3.00**	**1.17**	**1.7**	100%
DDH-577	433526	9425474	1403	189	-60	**423.10**	**382.95**	**385.90**	**2.95**	**2.98**	**9.1**	100%
									(inc. 1.25m@4.39g/t Au and 8.91g/t Ag from 382.95m)			
						and	**389.60**	**394.05**	**4.45**	**8.43**	**12.9**	100%
									(inc. 2.95m@11.6g/t Au and 18.5g/t Ag from 389.6m)			
DDH-579	433431	9425441	1371	191	-68	**371.20**	**347.60**	**349.50**	**1.90**	**4.27**	**3.9**	100%
DDH-580	433250	9425547	1338	202	-72	**464.40**	**434.70**	**435.70**	**1.00**	**0.62**	**0.5**	100%
DDH-581	433144	9425504	1316	194	-64	**380.40**	**340.30**	**342.80**	**2.50**	**1.82**	**2.9**	96%
						and	**348.50**	**349.40**	**0.90**	**1.59**	**10.4**	100%
DDH-582	433526	9425474	1403	186	-71	**470.30**	**417.50**	**421.50**	**4.00**	**2.20**	**2.6**	100%
									(inc. 0.3m@16.5g/t Au and 9.5g/t Ag from 418.9m)			
						and	**424.80**	**429.10**	**4.30**	**2.49**	**10.7**	100%
									(inc. 0.8m@6.73g/t Au and 33g/t Ag from 428.3m)			
DDH-583	433223	9425444	1314	189	-68	**349.80**	**276.70**	**278.00**	**1.30**	**2.36**	**6.5**	100%

Splay Vein

Hole ID	Easting (UTM 48S)	Northing (UTM 48S)	RL (m)	Azimuth (degrees)	Dip (degrees)	End of Hole	Down-Hole From (m)	Down-Hole To (m)	Down-Hole Interval (m)	Au g/t (uncut)	Ag g/t (uncut)	Core Recovery %
DDH-576	433144	9425504	1316	200	-61	**396.80**	**14.80**	**15.80**	**1.00**	**5.68**	**4.9**	**100**
DDH-581	433144	9425504	1316	194	-64	**380.40**	**17.00**	**19.20**	**2.20**	**11.80**	**10.8**	**85**
DDH-583	433223	9425444	1314	189	-68	**349.80**	**65.00**	**66.60**	**1.60**	**17.50**	**10.8**	**100**

APPENDIX 2

JORC CODE, 2012 EDITION – TABLE 1

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques **Drilling techniques** **Drill sample recovery**	• Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. • Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. • Aspects of the determination of mineralisation that are Material to the Public Report. • In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling is used to obtain 1 m samples from which 3 kg is pulverised to produce a 30 g charge for fire assay'). In other cases, more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information. • Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc). • Method of recording and assessing core and chip sample recoveries and results assessed. • Measures taken to maximise sample recovery and ensure representative nature of the samples. • Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	• This Table 1 relates to sampling by diamond drilling, Sampling is according to geological intervals. • Diamond Core, where used is aligned and measured by tape, referenced to downhole core blocks. Sampling is according to geological intervals. • Diamond drilling, and sampling were performed to industry standards. Samples were taken by geological intervals, taken in such a way the sample length is generally targeting 1m or smaller. Diamond core is split onsite and half submitted for crushing, pulverisation and ultimately analysis at commercial assay laboratories. • The samples are core samples from diamond drill holes. • Diamond drill recoveries are recorded as a percentage of measured core against downhole drilled run length intervals in industry standard way. • A relationship between core recoveries and grade has not been established. However, it is postulated that core loss occurred in some of the mineralised diamond drilling intersections due to the friable nature of some material. It is further postulated that this effect may cause some level of under call in the diamond core drilling.
Logging	• Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.	• Core logging is conducted by PT. Natarang Mining ("PTNM") geologists, who delineate intervals on geological, structural, alteration and/or mineralogical boundaries, to industry standard. • Logging is qualitative and most core is photographed. Rock types, veining and alteration/sulphidation are all recorded. • All drill core is logged.

Criteria	JORC Code explanation	Commentary
	• Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. • The total length and percentage of the relevant intersections logged.	
Sub-sampling techniques and sample preparation	• If core, whether cut or sawn and whether quarter, half or all core taken. • If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. • For all sample types, the nature, quality and appropriateness of the sample preparation technique. • Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. • Measures taken to ensure that the sampling is representative of the in-situ material collected, including for instance results for field duplicate/second-half sampling. • Whether sample sizes are appropriate to the grain size of the material being sampled.	• Core is cut by diamond saw and half core used for sampling, the remaining half is archived. For gouge, soft and friable core a manual knife (or similar device) is used to approximately halve the core. • The nature, quality and appropriateness of the sample preparation technique is typical for mineralisation. • The competent person is not aware of any work taken to maximise the representivity of the sample. • Duplicate samples are not routinely sampled. • The sample size far exceeds the grain size of the precious metals, which are generally microscopic. Sample sizes are appropriate.
Quality of assay data and laboratory tests	• The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. • For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. • Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.	• Gold concentration in diamond drilling samples is determined by fire assay: fusion with lead collection, aqua regia prill digestion, followed by atomic adsorption spectrometry (AAS). Analysis for silver in diamond drilling is acid digestion of sample pulp followed by inductively coupled plasma optical emission spectrometry (ICPOES). Analysis is considered total for fire assay and near total for all other assay types of both silver and gold. • Geophysical tools etc are not applicable to this report. None Used. • Acceptable QAQC - blanks and standards have been routinely inserted into assay batches and interlab checks have been performed.
Verification of sampling and assaying	• The verification of significant intersections by either independent or alternative company personnel. • The use of twinned holes. • Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. • Discuss any adjustment to assay data.	• Significant intersections were reviewed by senior exploration geology and mining geology managers from PTNM. • Twinned holes have not been used. • Talang Santo is best described as a working, manually administered, database. It has evolved from a MS-Access database with manual entry into a more automated custom database for the 2019/2020 drilling. Hardcopy data, and/or PDF equivalent, is available for review. • No adjustment is made to assay data.
Location of data points	• Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. • Specification of the grid system used. • Quality and adequacy of topographic control.	• Drillhole collars are surveyed using industry standard survey techniques and equipment. Drillholes have been downhole surveyed with digital downhole camera at average fifty metre intervals, however historically this could get up to over 100m survey intervals, whereas 2019-2020 drilling is generally at 25m intervals.

Criteria	JORC Code explanation	Commentary
		• The Talang Santo deposit operates on a local grid utilising total station methods and conventional baseline control. This grid is nominally aligned to UTM WGS 84 -48S, with unknown veracity. • The Talang Santo deposit is within and proximal to a recently operating open cut mine. Topographical control is provided by conventional modern survey techniques and is adequate for purpose.
Data spacing and distribution	• Data spacing for reporting of Exploration Results. • Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. • Whether sample compositing has been applied.	• Data spacing is variable. In the centre, previously mined portions of the deposit have face sampling at an effective density of circa 5x5m, in the plane of the structure. At the periphery of the Mineral Resource estimate, exploration spacing is circa 50mx50m, in the plane of the structure. • Data spacing and distribution is considered sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource estimation and classifications applied. • Sampling is based on geological intervals. Compositing is not applied until estimation stage.
Orientation of data in relation to geological structure	• Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. • If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	• The orientation of the vein system is known, and drilling intercept angles are generally of suitable orientation to the vein system to provide unbiased sampling results. The drilling and sampling orientation are not considered to introduce a sampling bias.
Sample security	• The measures taken to ensure sample security.	• Samples retrieved from drilling are stored securely in a locked facility patrolled by onsite security. Samples are then logged, cut and stored in numbered sample bags for transported by PTNM employees to the onsite assay laboratory.
Audits or reviews	• The results of any audits or reviews of sampling techniques and data.	• PTNM has worked with various independent consultants to design its drilling and sampling methodologies and continually reviews and improves its processes and procedures.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. • The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	• Tenure is occasioned via a fourth generation Contract of Work (CoW) held by PTNM. PTNM is 85% owned by KRM with the remaining 15% interest held by an Indonesian national. The mine, mill and camp area are all currently constructed and operating within a mixed agricultural and national park setting. Standard Indonesian divestment provisions exist against the COW. KRM is obliged to pay royalties to various parties on its production, including government royalties of 3.75% and 3.25% of gold and silver

Criteria	JORC Code explanation	Commentary
		bullion values respectively. The corporate structure, divestment provisions and royalty obligation are described in detail in the company's annual report. • The COW is valid till 2034. The mine is recently operating. The mill is currently operating. Community relations are cordial. There are no known impediments to continued operation.
Exploration done by other parties	• Acknowledgment and appraisal of exploration by other parties.	• All exploration at the Talang Santo Project has been completed by PTNM.
Geology	• Deposit type, geological setting and style of mineralisation.	• Talang Santo lies in the trans Sumatran fault fore-arc to intra-arc and is classified as low sulphidation epithermal quartz vein gold and silver deposits.
Drill hole Information	• A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: o easting and northing of the drill hole collar o elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar o dip and azimuth of the hole o down hole length and interception depth o hole length. • If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.	• New drillhole information is being presented in this release • All information is tabulated in Appendix 1 to this release
Data aggregation methods	• In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated. • Where aggregate intercepts incorporate short lengths of high-grade results and longer lengths of low-grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. • The assumptions used for any reporting of metal equivalent values should be clearly stated.	• Gold and silver grades for reported intervals summarised in Appendix 1 are calculated by interval length weighted averaging. • Metal Equivalent grades are not stated
Relationship between mineralisation widths and intercept lengths	• These relationships are particularly important in the reporting of Exploration Results. • If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. • If it is not known and only the down hole lengths are reported, there should be a clear statement	• Intervals reported here are downhole lengths. True widths are not known. • The geometry of the Talang Santo Vein system is known and drill hole are oriented approximately perpendicular to the strike of the mineralised system.

Criteria	JORC Code explanation	Commentary
	to this effect (e.g. 'down hole length, true width not known').	
Diagrams	• Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.	• Figure 1 presents a long section showing locations of the drill hole intersections.
Balanced reporting	• Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.	• Downhole interval lengths are clearly stated in Table 1 to this release
Other substantive exploration data	• Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.	• No other exploration information is being presented in this release.
Further work	• The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling). • Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	• This release reports results from the initial eleven drill holes of a programme designed to increase confidence in the resources and to identify extensions to known high grade mineralisation to be targeted for future resource expansion. • Drilling is planned to start in the near future to complete the programme.

Section 3 Estimation and Reporting of Mineral Resources

(Criteria listed in section 1, and where relevant in section 2, also apply to this section.)

Criteria	JORC Code explanation	Commentary
All	N/A	• No Mineral Resource estimate is reported in this release. Section 3 is not applicable.

Section 4 Estimation and Reporting of Ore Reserves

(Criteria listed in section 1, and where relevant in sections 2 and 3, also apply to this section.)

Criteria	JORC Code explanation	Commentary
All	N/A	• No Ore Reserves are currently estimated at Talang Santo. Section 4 is not applicable.