



18 March 2008

The Australian Securities Exchange Limited  
2 The Esplanade  
Perth WA 6000

Dear Sir

## NON RENOUNCEABLE RIGHTS ISSUE

The Company is seeking to raise up to approximately \$162,625 by a non-renounceable rights issue ("**Issue**") of up to approximately 32,525,010 options at an issue price of half a cent each on the basis of 1 option for every 2 ordinary shares held. In the calculation of any entitlement, fractions will be rounded down to the nearest whole number. No shareholder approval is required to the Issue.

The issue is to fulfill the directors' undertaking (as outlined in the Prospectus dated 1 November 2007) to make this offer within six months from the date of listing. Said listing took place on 7 December 2007.

The options are exercisable at 20 cents each with an expiry date of 31 December 2012. Application will be made to the ASX for official quotation of the options.

The funds raised under the Issue will be used as additional working capital and to meet Issue expenses.

The Issue is not underwritten.

The timetable for the Issue is as follows:

Lodgement of Prospectus with ASIC and ASX	18 March 2008
Application to ASX for quotation of options under the Prospectus	18 March 2008
Notice to Shareholders	20 March 2008
Current Shares "Ex" the entitlements issue on the ASX	25 March 2008
<b>Record Date</b> to identify Shareholders and to determine Entitlements to options under the Prospectus	31 March 2008
Despatch of Prospectus and Entitlement and Acceptance Form (" <b>Opening Date</b> ")	3 April 2008
<b>Closing Date</b>	21 April 2008
ASX notified of under subscriptions	24 April 2008



Despatch Date of Holding Statements to option-holders

30 April 2008

The offer to participate in the Issue will be made available to the Company's shareholders with registered addresses in Australia and New Zealand as at 5.00pm WST on 31 March 2008 ("**Eligible Shareholders**").

**No action has been taken to register or qualify the Options or otherwise to permit a public offering of the Options in any jurisdiction outside Australia.**

The capital structure of the Company post-completion of the Issue will be as follows:

Description	Shares	Options	Convertible Notes
Securities on issue pre Issue	65,050,020	6,500,000	11,000,000
Securities issued pursuant to Issue	-	32,525,010	-
Total securities on issue post-completion	65,050,020	39,025,010	11,000,000

\* Note: This assumes that none of the existing optionholders or convertible noteholders exercise or convert their securities into Shares before the Record Date to take up the entitlement.

It is anticipated that a prospectus offering options for subscription will be mailed to Eligible Shareholders on Thursday, 3 April 2008. The prospectus may be viewed on the Australian Securities Exchange's website at [www.asx.com.au](http://www.asx.com.au) or alternatively on the Company's website at [www.kingsrosemining.com.au](http://www.kingsrosemining.com.au).

If you have any questions please do not hesitate to contact me.

Yours faithfully  
KINGSROSE MINING LIMITED

JEANNETTE P. SMITH  
COMPANY SECRETARY