



6 April 2009

The Manager
Announcements
Company Announcements Office
Australian Stock Exchange Limited
PO Box H224 Australia Square
SYDNEY NSW 2000

Dear Sir

PLACEMENT OF 100,000,000 ORDINARY SHARES

The Directors are pleased to announce that they have arranged through Southern Cross Equities a placement of 100,000,000 ordinary shares in the capital of the Company at a price of \$0.20 each.

Southern Cross Equities have advised the Company that they have received verbal acceptances to place the shares and raise \$20,000,000. The placement has closed oversubscribed.

The issue of the new shares will be subject to shareholder approval.

A meeting of shareholders has been convened for 7 May 2009 to approve the issue of shares and a copy of the Notice of Meeting will be mailed to shareholders today.

The shares will be issued following shareholder approval. An Appendix 3B for the proposed issue of shares will be lodged immediately following this announcement.

The intended use of the funds raised will be used for the following purposes:

- (i) Completion of construction of the mine at the Way Linggo Gold Project in Indonesia;
- (ii) To fund the repayment of the loans pursuant to the terms of the Loan Arrangements Deed pursuant to which the Company has obligations to fund the repayment of various loans made to its wholly owned subsidiaries connected to the Project;
- (iii) To fund site exploration during the construction phase for the Project; and
- (iv) General working capital requirements.

Southern Cross Equities will receive a fee of 5% of the total funds raised as well as 1,500,000 unlisted options exercisable at \$0.30 each with an expiry date of four years from the date of allotment.

Yours faithfully
KINGSROSE MINING LIMITED

JEANNETTE P. SMITH
COMPANY SECRETARY