Kingsrose Mining Limited

3 June 2010

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

Dear Sir/Madam

AMENDED - UPDATE ON COMPANY ACTIVITIES

➢ *Way Linggo*

A large milestone has been reached with the Way Linggo Project receiving FINAL approval of its forestry permit, valid for a period of 20 years.

Way Linggo is expected to produce over 45,000 gold ounces per annum at a cash cost of approximately USD150/oz (this includes ongoing underground mine development costs, payable royalties and silver by-product credits).

The ore stockpile on the surface (as at 21 May 2010) comprises 18,284 tonnes grading 20.7 g/t Gold and 244 g/t Silver (the silver is equivalent to 3.65 g/t of gold based on today's metal prices). This ore has been extracted as part of development mining and comes from the previously reported JORC compliant measured and indicated resource.

As reported in the March Quarterly, construction of the process plant has fallen behind schedule due to a combination of heavy rains, delays in delivery of several components and slippage in construction of the gold room. It is now expected that commissioning will commence in the first week of June starting with the crusher and followed by the milling circuit towards the end of June. The first pour is anticipated in the first half of July.

➢ *Corporate*

Kingsrose's cash balance has been boosted by $1.3m from exercised share options and $4.2m from ore sale receipts from the Comet Vale project. The cash balance at 30 June 2010 is expected to be $5.1m after allowing payment of A$2.2m in maturing convertible notes by 30 June.

➢ *Comet Vale*

As announced on 16 October 2009, agreement was reached with 'Production JV' partner, Reed Resources Ltd (ASX:RDR), to allow Kingsrose to exit Comet Vale on favourable terms, effective 31 May 2010.

Proceeds from Ore Campaign No.11 have now been received, totalling $4.2m. It is anticipated that at end-May an ore stockpile of approximately 5,500 tonnes at 6.8gpt will be available for treatment (KRM revenue share is 60%, or approximately A$1m at today's gold price).

KRM is also due to receive $2m equivalent in RDR shares (by 3 June) and $1m in cash for the Comet Vale equipment (by 30 June).

➢ *Sardinia*

Approximately 4,900 samples have been collected from drilling and these samples have now been dispatched for preparation and analysis. A break in drilling is in place to coincide with the sample processing and with a suspension of activities requested by local government agency, IGEA, (Kingsrose' collaboration partner in the tailings Project) to review various technical reports that it requested from Kingsrose.

A further drilling campaign is planned, based primarily on the conclusions drawn from sample analysis and resource modelling and it is anticipated that this will take place during the Jul-Sep 2010 quarter.