

# Appendix 5B

## Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001

Name of Entity

<b>KINGSROSE MINING LIMITED</b>
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ABN	49 112 389 910	Quarter ended ("current quarter") 31 December 2009
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**Consolidated statement of cash flows**

	Current quarter \$A'000 31-Dec-09	Year to date \$A'000
<b>Cash flows related to operating activities</b>		
1.1 Receipts from product sales and related debtors	1,474	1,474
1.2 Payments for	-	-
(a) exploration and evaluation	(318)	(469)
(b) development	(1,992)	(2,488)
(c) production	(1,374)	(2,916)
(d) administration	(1,174)	(1,889)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	69	154
1.5 Interest and other costs of finance paid	(111)	(252)
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	-	-
<b>Net Operating Cash Flows</b>	<b>(3,426)</b>	<b>(6,386)</b>
<b>Cash flows related to investing activities</b>		
1.8 Payment for purchases of:	-	-
(a)prospects	-	-
(b)equity investments	-	-
(c) other fixed assets	(978)	(3,219)
1.9 Proceeds from sale of:	-	-
(a)prospects	-	-
(b)equity investments	-	-
(c)other fixed assets	986	1,007
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material)	-	-
<b>Net investing cash flows</b>	<b>8</b>	<b>(2,212)</b>
<b>1.13 Total operating and investing cash flows</b>	<b>(3,418)</b>	<b>(8,598)</b>
<b>Cash flows related to financing activities</b>		
1.14 Proceeds from issues of shares, options, etc.	(100)	-
1.15 Proceeds from sale of forfeited shares	120	120
1.16a Intercompany borrowings	-	-
1.16 Proceeds from borrowings	-	-
1.17 Repayment of borrowings	-	(100)
1.18 Dividends paid	-	-
1.19 Other (provide details if material)	-	-
<b>Net financing cash flows</b>	<b>20</b>	<b>20</b>
<b>Net increase (decrease) in cash held</b>	<b>(3,398)</b>	<b>(8,578)</b>
1.20 Cash at beginning of quarter/year to date	10,437	15,619
1.21 Exchange rate adjustments to item 1.20	3	-
<b>1.22 Cash at end of quarter</b>	<b>7,042</b>	<b>7,042</b>

+ See chapter 19 for defined terms.

**Payments to directors of the entity and associates of the directors.  
Payments to related entities of the entity and associates of  
the related entities.**

	Current quarter \$A'000
1.23 Aggregate amount of payments to the parties included in item 1.2	98
1.24 Aggregate amount of loans to the parties included in item 1.10	Nil

1.25 Explanation necessary for an understanding of the transactions

**Non-cash financing and investing activities**

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

Nil

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Nil

**Financing facilities available**

*Add notes as necessary for an understanding of the position.*

	Amount available \$A'000	Amount used \$A'000
Nil		
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

**Estimated cash outflows for next quarter**

	\$A'000
4.1 Exploration and evaluation	279
4.2 Development	298
<b>Total</b>	<b>577</b>

**Reconciliation of cash**

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter	Previous quarter
	\$A'000	\$A'000
5.1 Cash on hand and at bank	7,042	10,437
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
<b>Total: cash at end of quarter (item 1.22)</b>	<b>7,042</b>	<b>10,437</b>

**Changes in interests in mining tenements**

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed	Nil			
6.2 Interests in mining tenements acquired or increased	Nil			

+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity quarterly report**

**Issued and quoted securities at end of current quarter**

*Description includes rate of interest and any redemption or conversion rights together with prices and dates.*

		Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	<b>+Preference securities</b>	-	-	-	-
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions	-	-	-	-
7.3	<b>+Ordinary securities</b>	KRM 176,800,020 KRMAU 42,500,000 219,300,020	176,800,020	-	-
7.4	Changes during quarter (a) Increase through exercise of options  (b) Decreases through returns of capital, buy-backs	KRM 50,000	50,000	-	-
7.5	<b>+Convertible debt securities</b> (description)	KRMAQ 11,000,000  Convertible Notes, convertible into ordinary shares of 20c each on or before 30 June 2010. Interest of 6% pa paid on unconverted Notes	-	-	-
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted	-	-	-	-
7.7	<b>Options</b> (description and conversion factor)	<b>Unlisted</b>  KRMAA 1,450,000 KRMAB 1,000,000 KRMAI 2,000,000 KRMAK 500,000 KRMAO 5,000,000 KRMA S 2,250,000 KRMAW 2,000,000 KRMA Y 2,000,000 KRMAZ 1,500,000 17,700,000  <b>Listed</b> KRMO 38,525,010	<b>Unlisted</b>  38,525,010	<i>Exercise price</i> (\$) 0.39 0.48 0.20 0.25 0.25 0.14 0.20 0.14 0.26  20c	<i>Expiry date</i>  13/07/2014 28/07/2014 29/12/2014 31/12/2012 31/12/2012 16/02/2014 16/04/2014 9/04/2014 14/05/2014  31/12/2012
7.8	Issued during quarter	KRMAI 2,000,000	2,000,000	0.2	29/12/2012
7.9	Exercised during quarter	KRMAA (50,000)	(50,000)	0.39	13/07/2014
7.1	Expired during quarter	-	-	-	-
7.11	<b>Debentures</b> (totals only)	-	-	-	-
7.12	<b>Unsecured notes</b> (totals only)	-	-	-	-

**Compliance statement**

+ See chapter 19 for defined terms.

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.



Sign here: ..... Date: 29 January 2010

(Company Secretary)

Print name: TANYA ASHLEY

**Notes**

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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