

Appendix 5B

Mining exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10

Name of Entity	Kingsrose Mining Limited	Quarter ended:	
ABN	49 112 389 910	31 March 2011	
		Current quarter	Year to date
		\$A'000	\$A'000
Consolidated statement of cash flows			
Cash flows related to operating activities			
1.1	Receipts from product sales and related debtors	18,815	41,674
1.2	Payments for		
	(a) exploration and evaluation	(1,498)	(4,984)
	(b) development	(755)	(2,057)
	(c) production	(4,520)	(12,457)
	(d) administration	(760)	(1,888)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	76	153
1.5	Interest and other costs of finance paid	(902)	(972)
1.6	Income taxes paid	-	-
1.7	Other (provide details if material)	-	-
Net Operating Cash Flows		10,456	19,469

Cash flows related to investing activities			
1.8	Payment for purchases of:		
	(a)prospects	-	-
	(b)equity investments	-	-
	(c) other fixed assets	(1,445)	(4,508)
1.9	Proceeds from sale of:		
	(a)prospects	-	-
	(b)equity investments	-	2,149
	(c)other fixed assets	-	54
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	Other (provide details if material)	-	160
Net investing cash flows		(1,445)	(2,145)
1.13	Total operating and investing cash flows	9,011	17,324

Cash flows related to financing activities			
1.14	Proceeds from issues of shares, options, etc.	1,211	2,910
1.15	Proceeds from sale of forfeited shares	-	-
1.16a	Intercompany borrowings	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	(6,320)	(8,520)
1.18	Dividends paid	-	-
1.19a	Other (Royalty Settlement)	-	(263)
1.19b	Other (Repayment of hire purchases)	(83)	(211)
Net financing cash flows		(5,192)	(6,084)

Net increase (decrease) in cash held		3,819	11,241
1.20	Cash at beginning of period/year to date	15,247	7,833
1.21	Exchange rate adjustments to item 1.20	(8)	(16)
1.22	Cash at end of quarter	19,058	19,058

+ 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	167
1.24 Aggregate amount of loans to the parties included in item 1.10	0

1.25 Explanation necessary for an understanding of the transactions

Nil

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

20,005 ounces of silver were delivered to Credit Suisse at the end of March 2011 as part of the Company's obligation under the prepaid silver forward sale transaction entered into in December 2010.

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.

Nil

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

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	2,501
4.2 Development	-
4.3 Production	4,701
4.4 Administration	584
Total	7,786

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 \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	11,019	7,207
5.2 Deposits at call	8,039	8,039
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	19,058	15,246

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.

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) (\$)	Amount paid up per security (See Note 3) (\$)
7.1	+Preference securities	-	-	-	-	-
7.2	Changes during quarter					
	(a) Increases through issues	-	-	-	-	-
	(b) Decreases through returns of capital, buy-backs, redemptions	-	-	-	-	-
7.3	+Ordinary securities	KRM	256,865,347	256,865,347	-	-
7.4	Changes during quarter					
	(a) Increase through exercise of options	KRM	5,529,787	5,529,787	-	-
	(b) Increase through issues	-	-	-	-	-
	(c) Release from escrow	-	-	-	-	-
	(d) Decreases through returns of capital, buy-backs	-	-	-	-	-
7.5	+Convertible debt securities <i>(description)</i> 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 redemption of securities.	-	-	-	-	-
7.7	Options <i>(description and conversion factor)</i>	Unlisted	Unlisted		<i>Exercise price (\$)</i>	<i>Expiry date</i>
		KRMAA	900,000	-	0.39	13/07/14
		KRMAI	1,200,000	-	0.20	29/12/14
		KRMAK	75,000.00	-	0.25	31/12/12
		KRMAM	150,000	-	0.73	8/03/15
		KRMAO	3,500,000	-	0.25	31/12/12
		KRMAS	1,000,000	-	0.14	16/02/14
		KRMAQ	500,000	-	1.52	21/02/13
		KRMAU	3,000,000	-	1.54	17/03/13
			10,325,000			
		Listed	Listed			
		KRMO	28,559,683	28,559,683	0.20	31/12/12
7.8	Issued during quarter	KRMAQ	500,000	-	1.52	21/02/13
		KRMAU	3,000,000	-	1.54	17/03/13
7.9	Exercised during quarter	KRMAA	(200,000)		0.39	13/07/14
		KRMAI	(400,000)		0.20	29/12/14
		KRMAZ	(1,125,000)		0.26	14/05/14
		KRMO	(3,804,787)		0.20	31/12/12
			(5,529,787)			
7.1	Expired during quarter	-	-	-	-	-
7.11	Debentures (totals only)	-	-	-	-	-
7.12	Unsecured notes (totals only)	-	-	-	-	-

+ See chapter 19 for defined terms.

Compliance statement

- 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 5).
- 2 This statement does give a true and fair view of the matters disclosed.



Sign here: Date: 29 APRIL 2011
(Company Secretary)

Print name: JEANNETTE P SMITH

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 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting 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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