

Gold Production Continues to Increase

- Strong production continues following an impressive March quarter for the Mineral Hill Mine
- Plant throughput continues to increase; up 17.5% from March with 2,999oz gold & 33,420oz silver produced during April
- C1 cash costs reduced by 15.1% from March production
- The company's EBITDA for April was \$1.7M representing a 21.4% increase from March

KBL Mining Limited (ASX: "KBL" or "the Company") is pleased to announce optimisation of the Mineral Hill process plant performance has allowed gold production targets to be exceeded during April with a coincident increase in plant throughout and decrease in unit costs.

Following record gold production for the March 2016 quarter, mine and mill statistics have indicated a continuation of strong results. During April, a total of 21,022 tonnes were milled and treated for the production of 2,999 ounces of gold and 33,420 ounces of silver.

With the completion of plant modifications including the installation of a second concentrate filter and repairs to the CIL carbon regeneration kiln, we have seen continual improvement and optimisation of operational performance. This has directly contributed to the 17.5% increase in plant throughput and continued normalisation of C1 cash costs which were \$863/oz through April.

KBL's Managing Director, Greg Starr commented *"the results from Mineral Hill gold production continue to improve with the first month of the June quarter performing as planned. The results demonstrate the capability of the Mineral Hill deposit and justify the ongoing exploration efforts into Pearse North and elsewhere within the large Mineral Hill gold and base metal system."*

While production results will continue to be released on a quarterly basis, the Company will not always release monthly results. KBL has made an exception for April results to inform shareholders of the progressive performance of the process plant following an extended commissioning phase.

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About KBL Mining

KBL Mining is an Australian Resource Company listed on the ASX (KBL and KBLGA) with a current focus on producing precious metals. KBL's main assets include the Mineral Hill copper-gold-silver-lead-zinc mine near Condobolin in New South Wales and Sorby Hills lead-silver-zinc project in Western Australia. The Company has been operating the refurbished processing plant at Mineral Hill since October 2011 to produce copper-gold concentrates and in 2015 commenced producing a gold-silver concentrate and bullion. KBL also holds Sorby Hills (KBL holds 75% with Henan Yuguang Gold & Lead Co. Ltd (HYG&L) holding 25%) is a large near surface undeveloped silver-lead deposit close to port infrastructure and a short distance from Asian markets.

More information can be found on KBL's website at www.kblmining.com.au.