



9 May 2018



• WINNER OF THE 2017 •
BEST EMERGING COMPANY AWARD

Leonora Gold Project Update

Management

Andrew Munckton
Chief Executive Officer

Glenn Grayson
Exploration Manager

Board of Directors

Jeremy Kirkwood
Chairman

Trevor Dixon
Executive Director
Business Development &
Land Tenure

Joe Graziano
Non-Executive Director &
Company Secretary

Brian Dawes
Non-Executive Director

Contact Details

Post
PO Box 565
Mount Hawthorn
Western Australia
6915

Office
342 Scarborough Beach
Road
Osborne Park
Western Australia 6017

Phone
08 9242 2227

Email
info@kinmining.com.au

Website
www.kinmining.com.au

Shares on Issue
221,638,347

Unlisted Options
37,335,750

Highlights

- Preliminary report from Como Engineers confirms a material increase in the estimated capital cost of the Cardinia Process Plant at the Leonora Gold Project ('LGP')
- Como report confirms no fatal flaws in the Cardinia Process Plant
- Several opportunities have been identified which require additional testwork, engineering design and costings to optimise the project
- Construction at the LGP has been suspended in order to undertake further work required to capture these opportunities
- Strategy aimed at maximising the long-term value of the LGP for shareholders

Kin Mining (**ASX: KIN**) provides the following update on the Leonora Gold Project ('LGP' or 'Project') following the decision to curtail construction activities last month (see ASX announcement 11 April 2018).

Kin has recently received a preliminary report covering engineering and metallurgical aspects of the Cardinia Plant Site from Como Engineers. The report has confirmed that there are no fatal flaws with regard to the Cardinia facility. However, Como has identified a number of elements of the processing plant that require additional testwork and design to optimise the project returns. The Como report confirmed the Board's expectation that there will be a material increase in the capital costs to deliver the LGP.

In addition, Kin has received a preliminary report into the LGP from its new Chief Executive Officer Andrew Munckton which aligns with the findings of Como and highlights other opportunities to reduce risk and optimise the project's financial returns.

Based on the information contained in the Como and CEO reports, the Board has determined that the best path forward for the LGP is a suspension of plant construction activities until additional testwork, engineering design scheduling and cost estimates can be completed.

Kin has also held discussions with its financier, Sprott Private Resource Lending (Collector) LP ("Sprott"), and requested a waiver to cover any potential events of default that the suspension of construction activities and revision to the project cost may trigger. The request covers the expected period until the Como project review is complete and new capital cost estimates have been supplied in detail.

There has been no change to the plans to raise a further A\$11M in the near future to fund current liabilities (including potential repayment, if necessary, of the drawn amount under the Sprott facility), ongoing exploration programmes, the orderly suspension of construction works, required testwork, engineering and design and corporate overheads for the next six months. More detail on this financing will be provided when available.

The Board remains confident that the LGP holds significant value. The project has a delineated mineral resource base of more than 1 Moz¹ gold, located within the highly endowed and operationally active Leonora gold region. Kin intends to continue with its active exploration and drilling programme while it progresses the additional activities required to enhance and optimise the value of the LGP when construction is resumed.

Como will continue to work with Kin to further refine and confirm the capital cost estimate in line with the additional test work that is required.

Kin will continue to update shareholders when those capital estimates are definitive.

-ENDS-

For further information, please contact:

Investor enquiries

Andrew Munckton
Chief Executive Officer, Kin Mining NL
+61 (0) 8 9242 2227

Media enquiries

Michael Vaughan
Fivemark Partners
+61 422 602 720

About Kin Mining NL

Kin Mining NL (ASX: KIN) is a West Australian based gold development and exploration company. Kin's key focus is its 100% owned Leonora Gold Project (LGP) located in the highly prospective North-Eastern Goldfields region of Western Australia. The LGP has a +1Moz¹ gold Mineral Resource defined in both supergene and deeper primary mineralisation with considerable potential to grow this resource with further drilling.

¹The Company confirms that it is not aware of any new information or data that materially affects the information included in the ASX Announcement of 30 August 2017 "Kin Defines +1 Million ounces of Gold at the Leonora Gold Project", and that all material assumptions and technical parameters underpinning the estimates in that announcement continue to apply and have not materially changed.

