

Kin Mining NL

ABN 30 150 597 541

Interim Report

31 December 2023

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CORPORATE INFORMATION

ABN 30 150 597 541

Directors

Rowan Johnston
Giuseppe (Joe) Graziano
Hansjoerg Plaggemars
Nicholas Anderson

Company Secretary

Stephen Jones

Registered office

First Floor
342 Scarborough Beach Road
OSBORNE PARK WA 6017

Principal place of business

First Floor
342 Scarborough Beach Road
OSBORNE PARK WA 6017
Tel: (08) 9242 2227

Share register

Automic
GPO Box 5193
Sydney NSW 2001
Tel: 1300 288 664 (within Australia) or +61 2 9698 5414 (outside Australia)

Solicitors

Dominion Legal
104 Edward Street
PERTH WA 6000

Auditors

HLB Mann Judd (WA Partnership)
Level 4, 130 Stirling Street
Perth WA 6000

Securities Exchange Listing

Kin Mining NL shares are listed on the Australian Securities Exchange (ASX: KIN)

DIRECTORS' REPORT

Your Directors submit the financial report of the Group consisting of Kin Mining NL ("the Company") and its wholly-owned subsidiaries, for the half-year ended 31 December 2023. In order to comply with the provisions of the Corporations Act 2001, the Directors report as follows:

Directors

The names of Directors who held office during or since the end of the interim period and until the date of this report are noted below. Directors were in office for the entire period unless otherwise stated.

Rowan Johnson	Executive Chairman
Giuseppe (Joe) Graziano	Non-executive Director
Andrew Munckton (retired 18 August 2023)	Managing Director
Hansjoerg Plaggemars	Non-executive Director
Nicholas Anderson	Non-executive Director

Review of Operations

The half-year to 31 December 2023 has been a transformative period where the Company was involved in two transactions that have set it up to move forward with considerable confidence and renewed vigour (see Corporate below) and had considerable exploration success at the Company's flagship 100%-owned Cardinia Gold Project ("CGP" or "the Project") in Western Australia (Figure 1).

Exploration Results

On 3 July 2023, Kin announced a significant increase in the Mineral Resource Estimate (MRE) for the Cardinia Gold Project to over 1.5 million ounces (37.7 Mt at 1.27 g/t Au), reflecting the success of the drilling programs undertaken by the Company over the previous financial year. Of significance is the growth in the higher-grade Mineral Resources at the under explored eastern part of the Cardinia project which now total 10.4 Mt at 1.42 g/t for 475koz.

After removing the 610,000 oz sold to Genesis (see Corporate below) the remaining resources of the Company are reflected in Table 1.

Table 1 - Mineral Resource Estimate Table September 2023¹

Cardinia East and Mertondale: Mineral Resources: September 2023																
Project Area	Resource Gold Price (AUD)	Lower Cut off (g/t Au)	Measured			Indicated			Inferred			Total Resources			Date Announced	
			Tonnes (Mt)	Au (g/t Au)	Au (k Oz)	Tonnes (Mt)	Au (g/t Au)	Au (k Oz)	Tonnes (Mt)	Au (g/t Au)	Au (k Oz)	Tonnes (Mt)	Au (g/t Au)	Au (k Oz)		
Mertondale																
Mertons Reward	\$ 2,600	0.4				0.9	2.1	62	2.0	0.6	41	2.9	1.11	103	26-Nov-20	
Mertondale 3-4	\$ 2,600	0.4				1.3	1.8	80	1.0	1.0	32	2.4	1.46	112	26-Nov-20	
Tonto	\$ 2,600	0.4				1.9	1.1	68	1.1	1.2	45	3.0	1.17	113	26-Nov-20	
Mertondale 5	\$ 2,600	0.4				0.5	1.6	27	0.9	1.2	34	1.4	1.35	62	26-Nov-20	
Eclipse	\$ 2,600	0.4							0.8	1.0	24	0.8	0.97	24	26-Nov-20	
Quicksilver	\$ 2,600	0.4							1.2	1.1	42	1.2	1.08	42	26-Nov-20	
Mertondale Underground		2.0				0.0	2.4	1	0.0	2.7	1	0.0	2.55	1	18-Oct-22	
Subtotal Mertondale						4.6	1.6	237	7.0	1.0	220	11.7	1.22	457		
Cardinia East																
Helens	\$ 2,600	0.4				1.4	1.5	64	1.3	1.4	57	2.7	1.41	121	26-Jun-23	
Helens East	\$ 2,600	0.4				0.4	1.7	24	1.0	1.5	46	1.4	1.57	70	26-Jun-23	
Fiona	\$ 2,600	0.4				0.2	1.3	10	0.1	1.1	3	0.3	1.25	13	26-Jun-23	
Rangoon	\$ 2,600	0.4				1.3	1.3	56	1.5	1.3	65	2.8	1.32	121	26-Jun-23	
Hobby	\$ 2,600	0.4				0.0	0.0	0	0.6	1.3	23	0.6	1.26	23	17-May-21	
Cardinia Hill	\$ 2,600	0.4				0.5	2.2	38	1.6	1.1	59	2.2	1.38	97	26-Jun-23	
Cardinia Underground		2.0	0.002	3.0	0.2	0.0	2.6	1	0.4	2.4	29	0.4	2.41	29	18-Oct-22	
Subtotal Cardinia East			0.002	3.0	0.2	3.9	1.5	193	6.4	1.4	282	10.4	1.42	475		
TOTAL				0.002	2.97	0.2	8.6	1.56	430	13.5	1.16	501	22.1	1.31	932	

Table 1: Cardinia Gold project Mineral Resource estimate. Mineral Resources estimated by Jamie Logan and reported in accordance with JORC 2012 using a 0.4 g/t Au cut-off within AUD2,600 optimisation shells. Underground Resources are reported using a 2.0 g/t cut-off grade outside AUD2,600 optimisation shells. Note Cardinia Hill and Hobby Resource Estimates completed by Cube Consulting, and also reported in accordance with JORC 2012 using a 0.4 g/t Au cut-off within AUD2,600 optimisation shells.

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 3 July 2023 "Cardinia Gold Project Mineral Resource Passes 1.5Moz.", and that all material assumptions and technical parameters underpinning the estimates in that announcement continue to apply and have not materially changed.

The increase of 134koz announced in July 2023 follows on from the increase of 132koz announced in September 2022 also from the Eastern Corridor.

It was pleasing to see the maiden Mineral Resource estimate for the recently discovered Rangoon and Helens East deposits and also to commence the reporting of an underground component within the MRE reflecting the deeper drilling targets assessed in the last 12 months.

The continued strong growth in the Company's resource base at Cardinia reflects the success of its exploration approach, improving geological knowledge and the potential of the new Eastern Corridor area to deliver higher grade ores within expanded and optimised pit shells.

None of these Eastern Corridor areas were included in the sale of 610,000oz to Genesis during the period and reflect exciting further potential to host a significant long-term gold mining operation from the Company's tenure.

An exciting addition to Kin's exploration opportunities was the discovery of significant VMS mineralisation at its 100%-owned Cardinia East Project, in a belt with no known VMS deposits or prospects. The vast majority of the work confirming this discovery was completed in the current period and the discovery was announced on 8 January 2024.

Re-logging and assaying of a previously drilled diamond hole, IP22DD001, drilled at the recently identified Albus base metal prospect, has confirmed that the hole intersected a zone of sphalerite-dominated massive sulphides with subordinate chalcopyrite, pyrite and galena.

This zone of strong base metal mineralisation was intercepted within cherty sediments along a contact of basalt and felsic volcaniclastics, a typical host setting for VMS mineralisation.

The discovery has been made as part of a wider and ongoing strategic review of the broader potential of the Cardinia Project for new discoveries and other styles of mineralisation including base metals.

The discovery positions Kin to be a first mover in what appears to be a new VMS greenstone belt, within a Tier-1 mining jurisdiction. Planning is underway to systematically explore the belt, applying the latest technology and understanding of VMS mineral systems.

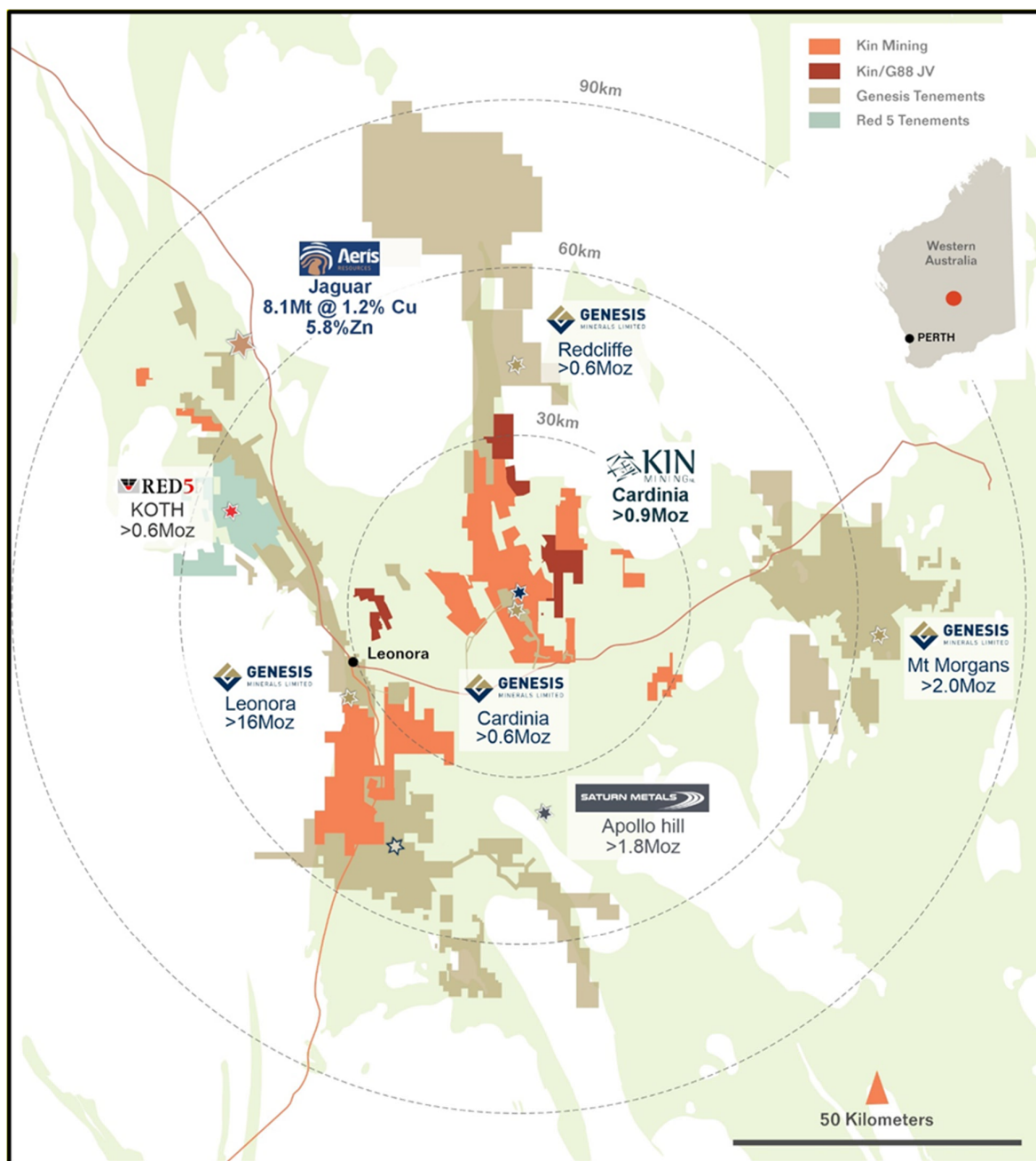


Figure 1: Location of the Cardinia Gold Project including major mineral deposits in the region. (Stated size of deposits includes historical production and current mineral resources.)

Corporate

On 17 October 2023 the Company announced that it would accept a conditional off-market takeover offer by Genesis Minerals Limited (Genesis) for its 7.34% shareholding in Dacian Gold Limited (Dacian). Accepting the Offer for Kin's 89,275,480 shares in Dacian resulted in Kin receiving 17,274,805 Genesis shares valued at \$24,702,971 at the time. The Genesis shares are highly liquid shares and are being held as shares available for sale. Kin had purchased the Dacian shares approximately 12 months earlier for a purchase price of \$10,710,435. The Dacian shares had previously been marked to market on two occasions resulting in a carrying value of \$7,142,038 at the date of disposal. This transaction resulting in Kin recording a gain of \$17,560,933 before tax in Other Comprehensive Income during the period.

On 14 December 2023, the Group announced that it had reached further agreement with Genesis to sell tenements hosting the Bruno, Lewis, Kyte and Raeside deposits and some associated buildings and miscellaneous licenses, which collectively contain JORC compliant Mineral Resources totalling 610,000 ounces, to Genesis for consideration comprising \$15 million in cash and 21,917,532 un-escrowed Genesis shares valued at \$38.5 million.

This transaction completed after period end, on 8 February 2024, resulting in Kin adding \$15,000,000 in cash and 21,917,532 un-escrowed Genesis shares to its assets at that date.

On 18 December 2023 the Group sold 1,159,000 Genesis shares and received \$2,005,070 recording a gain of \$347,700 before tax in Other Comprehensive Income.

The Board remains committed to growing shareholder value by continuing its exploration activities, seeking opportunities to monetise existing resources and pursuing acquisition opportunities where there is a clear pathway to value appreciation.

Events Subsequent to Reporting Date

Other than the completion of the sale of various assets to Genesis as noted above, there have been no other matters or circumstances that have arisen after balance date that have significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial periods.

Auditor's Independence Declaration

Section 307C of the Corporations Act 2001 requires our auditors, HLB Mann Judd, to provide the Directors of the Company with an Independence Declaration in relation to the review of the half-year financial report. This Independence Declaration is set out on page 5 and forms part of this Directors' report for the half-year ended 31 December 2023.

This report is signed in accordance with a resolution of the Board of Directors made pursuant to s.306(3) of the Corporations Act 2001.



Rowan Johnston
Executive Chairman
14 March 2024

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the consolidated financial report of Kin Mining NL for the half-year ended 31 December 2023, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- a) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- b) any applicable code of professional conduct in relation to the review.

Perth, Western Australia
14 March 2024



L Di Giallonardo
Partner

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HLB Mann Judd (WA Partnership) is a member of HLB International, the global advisory and accounting network.

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2023**

	Note	31 December 2023 \$	31 December 2022 \$
Continuing operations			
Interest income		47,886	21,428
Other income		-	5,000
Depreciation and amortisation expense	6	(47,056)	(75,566)
Administration expenses		(389,620)	(499,789)
Consultant expenses		(187,800)	(109,790)
Employee expenses		(703,806)	(322,653)
Occupancy expenses		(26,348)	(33,610)
Travel expenses		(38,330)	(8,507)
Impairment of plant and equipment	6, 12	(9,367,574)	-
Exploration and evaluation expenses		(1,995,622)	(3,996,747)
Loss before income tax expense		(12,708,270)	(5,020,234)
Income tax benefit	3	7,113,097	-
Loss after tax		(5,595,173)	(5,020,234)
Other comprehensive income, net of income tax			
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Gains/ (losses) on the revaluation of equity instruments at fair value through other comprehensive income	5	23,710,323	(1,782,887)
Income tax expense	3	(7,113,097)	-
Other comprehensive income / (loss) for the period, net of income tax		16,597,226	(1,782,887)
Total comprehensive income / (loss) for the period		11,002,053	(6,803,121)
Basic loss per share (cents per share)		(0.47)	(0.51)
Diluted loss per share (cents per share)		(0.47)	(0.51)

The accompanying notes form part of these financial statements.

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2023**

	Note	31 December 2023 \$	30 June 2023 \$
Assets			
Current assets			
Cash and cash equivalents		2,804,614	4,468,196
Trade and other receivables		24,557	29,904
Other current assets		130,711	72,657
Assets held for sale	4	313,190	-
Financial assets	5	28,847,291	-
Total current assets		32,120,363	4,570,757
Non-current assets			
Financial assets	5	-	7,142,038
Property, plant and equipment	6	321,708	10,049,528
Total non-current assets		321,708	17,191,566
Total assets		32,442,071	21,762,323
Liabilities			
Current liabilities			
Trade and other payables		280,766	603,071
Liabilities directly associated with assets classified as held for sale	4	1,450,000	-
Total current liabilities		1,730,766	603,071
Non-current liabilities			
Provisions	7	1,450,000	2,900,000
Total non-current liabilities		1,450,000	2,900,000
Total liabilities		3,180,766	3,503,071
Net assets		29,261,305	18,259,252
Equity			
Share capital	8	116,031,688	116,031,688
Reserves		15,059,400	(1,537,826)
Accumulated losses		(101,829,783)	(96,234,610)
Total equity		29,261,305	18,259,252

The accompanying notes form part of these financial statements.

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2023**

	Share capital	Accumulated losses	Share based payment reserve	Financial asset fair value movement reserve	Total equity
	\$	\$	\$	\$	\$
Balance at 1 July 2023	116,031,688	(96,234,610)	2,030,571	(3,568,397)	18,259,252
Loss for the period	-	(5,595,173)	-	-	(5,595,173)
Other comprehensive income for the period, net of tax	-	-	-	16,597,226	16,597,226
Total comprehensive income / (loss) for the period	-	(5,595,173)	-	16,597,226	11,002,053
Balance at 31 December 2023	116,031,688	(101,829,783)	2,030,571	13,028,829	29,261,305
Balance at 1 July 2022	95,694,551	(87,287,322)	2,030,571	-	10,437,800
Loss for the period	-	(5,020,234)	-	-	(5,020,234)
Other comprehensive loss for the period	-	-	-	(1,782,887)	(1,782,887)
Total comprehensive loss for the period	-	(5,020,234)	-	(1,782,887)	(6,803,121)
Shares issued during the period	13,679,068	-	-	-	13,679,068
Share issue costs	(418,280)	-	-	-	(418,280)
Balance at 31 December 2022	108,955,339	(92,307,556)	2,030,571	(1,782,887)	16,895,467

The accompanying notes form part of these financial statements.

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2023**

		31 December 2023	31 December 2022
	Note	\$	\$
Cash flows from operating activities			
Payments to suppliers and employees for exploration expenditure		(2,010,980)	(3,488,180)
Payments to suppliers and employees for admin and corporate		(1,705,558)	(1,159,420)
Interest received		47,886	21,428
Net cash outflow from operating activities		(3,668,652)	(4,626,172)
Cash flows from investing activities			
Payments for property, plant and equipment		-	(11,488)
Payments for financial assets	5	-	(10,710,435)
Proceeds from sale of financial assets	5	2,005,070	-
Net cash inflow / (outflow) from investing activities		2,005,070	(10,721,923)
Cash flows from financing activities			
Proceeds from the issue of shares		-	13,679,068
Payments for share issue costs		-	(418,280)
Net cash inflow from financing activities		-	13,260,788
Net decrease in cash held		(1,663,582)	(2,087,307)
Cash and cash equivalents at the beginning of the period		4,468,196	3,646,298
Cash and cash equivalents at the end of the period		2,804,614	1,558,991

The accompanying notes form part of these financial statements.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

These condensed interim financial statements are general purpose financial statements, which have been prepared in accordance with the requirements of the *Corporations Act 2001*, Australian Accounting Standards including AASB 134 *Interim Financial Reporting*, Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board.

The financial statements comprise the condensed consolidated interim financial statements for the Group. For the purposes of preparing the consolidated financial statements, the Group is a for-profit entity.

The interim financial statements do not include full disclosures of the type normally included in the full financial report. Therefore, it cannot be expected to provide as full an understanding of the financial performance, financial position and cash flows of the Group as in the full financial report. It is recommended that the interim financial statements be read in conjunction with the full financial report for the year ended 30 June 2023 and any public announcements made by Kin Mining NL and its subsidiaries during the half-year in accordance with continuous disclosure requirements arising under the *Corporations Act 2001* and the ASX Listing Rules.

The accounting policies and methods of computation adopted are consistent with those of the previous financial year and corresponding half-year, except for the impact of the new Standards and Interpretations effective 1 July 2023 disclosed in Note 1(b). These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

The interim financial statements have been prepared on a historical cost basis. Cost is based on the fair value of the consideration given in exchange for assets.

The Company is domiciled in Australia and all amounts are presented in Australian dollars.

For the purpose of preparing the interim financial statements, the half-year has been treated as a discrete reporting period.

(b) Adoption of new and revised standards

Standards and Interpretations applicable to 31 December 2023

In the period ended 31 December 2023, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Group and effective for the current reporting period. As a result of this review, the Directors have determined that there is no material impact of the new and revised Standards and Interpretations on the Group and, therefore, no material change is necessary to Group accounting policies.

Standards and Interpretations in issue not yet adopted

The Directors have also reviewed all of the new and revised Standards and Interpretations in issue not yet adopted for the half-year ended 31 December 2023. As a result of this review the Directors have determined that there is no material impact of the Standards and Interpretations in issue not yet adopted on the Group and, therefore, no change is necessary to Group accounting policies.

(c) Statement of compliance

The interim financial statements were authorised for issue on 14 March 2024.

The interim financial statements comply with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the financial report, comprising the interim financial statements and notes thereto, complies with International Financial Reporting Standards (IFRS).

(d) Significant accounting estimates and judgements

The preparation of the interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

The judgements, estimates and assumptions applied in the interim financial statements, including the key sources of estimation uncertainty were the same as those applied in the Group's last annual financial statements for the year ended 30 June 2023.

(e) Financial assets at fair value through other comprehensive income

Financial assets are recognised when the Group becomes a party to the contractual provisions of the financial instrument. Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred.

The fair value was determined in line with the requirements of AASB 9, which does not allow for measurement at cost. The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

Investments in equity instruments that are not held for trading are eligible for an irrevocable election at inception to be measured at fair value through other comprehensive income (FVOCI). The Group made the irrevocable election to account for its investment in listed equity securities at fair value through other comprehensive income (FVOCI).

Under FVOCI, the subsequent movements in fair value are recognised in other comprehensive income and are never reclassified to profit or loss. Dividends from these investments continue to be recorded as other income within the profit or loss unless the dividend clearly represents return of capital. Any gains or losses recognised in other comprehensive income (OCI) are not recycled upon derecognition of the asset.

(f) Going concern

The interim financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlements of liabilities in the ordinary course of business.

Notwithstanding the fact that the Group incurred an operating loss before income tax of \$12,708,270 for the period ended 31 December 2023 and a net cash outflow from operating activities amounting to \$3,668,652 the Directors are of the opinion that the Group is a going concern for the following reasons.

In October 2023 the Group accepted the conditional off-market takeover offer by Genesis Minerals Limited for its 7.34% shareholding in Dacian Gold Limited. Accepting the Offer for Kin's 89,275,480 shares in Dacian resulted in the Group receiving 17,274,805 Genesis shares valued at \$24,702,971 at the time. The Genesis shares are highly liquid shares and will be able to be disposed of readily should the need arise.

In December 2023 the Group sold 1,159,000 Genesis shares receiving \$2,005,070 in cash proceeds and leaving the Group holding 16,115,805 Genesis shares at 31 December 2023.

On 14 December 2023, the Group announced that it had reached further agreement with Genesis to sell tenements hosting the Bruno, Lewis, Kyte and Raeside deposits and some associated buildings and miscellaneous licenses, which collectively contain JORC compliant Mineral Resources totalling 610,000 ounces, to Genesis for consideration comprising \$15 million in cash and 21,917,532 un-escrowed Genesis shares valued at \$38.5 million.

The transaction completed on 8 February 2024 resulting in Kin receiving \$15,000,000 in cash and 21,917,532 un-escrowed Genesis shares.

The Genesis shares are highly liquid shares and the Group will continue to sell shares as required to fund its activities however it has adequate cash funds to continue operations for more than the next 12 months.

NOTE 2: SEGMENT REPORTING

AASB 8 *Operating Segments* requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the Chief Operating Decision Maker in order to allocate resources to the segment and to assess its performance.

The Group's operating segments have been determined with reference to the monthly management accounts used by the Chief Operating Decision maker to make decisions regarding the Group's operations and allocation of working capital. Due to the size and nature of the Group, the Board as a whole has been determined as the Chief Operating Decision Maker.

Based on the quantitative thresholds included in AASB 8, there is only one reportable segment, being Mineral Exploration and one geographical segment, namely Australia.

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2023**

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The revenues and results of this segment are those of the Group as a whole and are set out in the condensed consolidated statement of profit or loss and other comprehensive income and the assets and liabilities of the Group as a whole are set out in the condensed consolidated statement of financial position.

NOTE 3: INCOME TAX BENEFIT

The Group has recorded an income tax expense of \$7,113,097 in relation to the net gain on the revaluation of equity instruments at fair value through other comprehensive income. The income tax expense of \$7,113,097 is calculated at 30% of the pre-tax gain of \$23,710,323.

The Group has recorded an income tax benefit for tax losses available to be applied against the net gain on the revaluation of equity instruments at fair value through other comprehensive income.

NOTE 4: ASSETS HELD FOR SALE

As set out in Note 12, Kin entered into an Asset Sale Agreement (ASA) with Genesis Minerals Limited (Genesis) on 13 December 2023. This transaction was completed on 8 February 2024. As a result, the following assets have been transferred to Assets held for sale at balance date:

	31 December 2023
	\$
Freehold land and buildings	229,209
Plant and equipment	83,981
	<u>313,190</u>

In addition, there are 16 tenements that are also being sold to Genesis as part of the ASA, however as the Group's accounting policy has been to expend all exploration costs (including acquisition costs) these tenements have no carrying value.

Liabilities directly associated with assets classified as held for sale:

The tenements that are being sold to Genesis have an estimated restoration and rehabilitation costs attributed to them of \$1,450,000. This amount has been reclassified from the non-current Restoration and rehabilitation provision.

NOTE 5: FINANCIAL ASSETS

	31 December 2023	30 June 2023
	\$	\$
<u>Current</u>		
Financial assets measured at fair value through other comprehensive income that are available for sale	28,847,291	-
	<u>28,847,291</u>	<u>-</u>
<u>Non-Current</u>		
Financial assets measured at fair value through other comprehensive income	-	7,142,038
	<u>-</u>	<u>7,142,038</u>

Financial assets are investments in shares in public listed companies.

The 30 June 2023 investments were purchased with cash of \$10,710,435 and were marked to market resulting in a fair value loss recognised in other comprehensive income of \$3,568,397.

These shares were disposed of during the period as a result of the Group accepting a conditional off-market takeover offer by Genesis Minerals Limited for these Dacian Gold Limited shares. The consideration received for these shares was 17,274,805 Genesis shares valued at \$24,702,971 at the time. On 18 December 2023 the Group sold 1,159,000 Genesis shares which had a carried (cost) value of \$1,657,370 and received \$2,005,070 as proceeds. At 31 December 2023 the remaining 16,115,805 Genesis shares were marked to market resulting in a fair value gain recognised in other comprehensive income of \$5,801,690, before tax.

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2023**

Kin Mining NL

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The fair value of the financial assets is a level 1 input, derived from quoted prices (unadjusted) in active markets for identical assets.

A reconciliation of the movements in Financial Assets is included below.

	6 months to 31 December 2023 \$	Year to 30 June 2023 \$
Opening Balance	7,142,038	-
Purchase of 89,275,480 DCN shares	-	10,710,435
Disposal of 89,275,480 DCN shares	(7,142,038)	-
Acquisition of 17,274,805 GMD shares	7,142,038	-
Fair value gain on initial acquisition of GMD investment	17,560,933	-
Sale of 1,159,000 GMD shares	(2,005,070)	-
Fair value gain on Sale GMD shares	347,700	-
Fair value gain / (loss) at balance date	5,801,690	(3,568,397)
Closing balance	28,847,291	7,142,038
Fair value gain / (loss) for the period	23,710,323	(3,568,397)

NOTE 6: PROPERTY, PLANT AND EQUIPMENT

	Freehold land and buildings \$	Assets in construction \$	Plant and equipment \$	Motor Vehicles \$	Total \$
Balance at 1 July 2023	2,819,001	6,892,144	195,082	143,301	10,049,528
Additions	-	-	-	-	-
Impairments (i)	(2,467,864)	(6,892,144)	(7,566)	-	(9,367,574)
Transfer to Assets held for sale (Note 3)	(229,209)	-	(83,981)	-	(313,190)
Depreciation charge for the year	(14,588)	-	(18,138)	(14,330)	(47,056)
Balance at 31 December 2023	107,340	-	85,397	128,971	321,708

(i) Impairments

Property, Plant and Equipment included in the Genesis ASA (See Note 12), that was previously recorded at \$4,019,154 has an ascribed value in the ASA of \$313,190 requiring an impairment charge of \$3,705,964.

Property, Plant and Equipment that was not included in the Genesis ASA (See Note 12), that was previously recorded at \$5,983,318 has been assessed for impairment. An impairment of \$5,661,610 has been recorded as these assets no longer have a foreseeable use.

The total impairment for Property, Plant and Equipment was therefore \$9,367,574.

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2023**

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NOTE 7: PROVISIONS

	31 December 2023	30 June 2023
	\$	\$
<u>Non-Current</u>		
Restoration and rehabilitation provision	1,450,000	2,900,000
	<u>1,450,000</u>	<u>2,900,000</u>

Refer to Note 4 for details of the portion of the restoration and rehabilitation provision that has been allocated to the tenements that are being sold to Genesis and therefore transferred to a current liability. On completion of the transaction, this provision will form part of the gain on disposal.

NOTE 8: SHARE CAPITAL

	31 December 2023	30 June 2023
	\$	\$
Ordinary shares Issued and fully paid	116,031,688	116,031,688

Movement in ordinary shares on issue

	Six Months to 31 December 2023		Year to 30 June 2023	
	No.	\$	No.	\$
<i>Movements in ordinary shares</i>				
Balance at beginning of period	1,178,150,548	116,031,688	866,133,947	95,694,551
Rights issues	-	-	182,116,601	11,066,165
Placement of shares	-	-	129,900,000	9,742,500
Share issue costs	-	-	-	(471,528)
Balance of issued capital at end of the period	1,178,150,548	116,031,688	1,178,150,548	116,031,688

NOTE 9: OPTIONS AND PERFORMANCE RIGHTS

Movement in options on issue

	Six Months to 31 December 2023		Year to 30 June 2023	
	No.	Weighted Average Exercise Price \$	No.	Weighted Average Exercise Price \$
Balance at the beginning of the period	2,000,000	0.243	6,000,000	0.914
Options cancelled on expiry	(2,000,000)	0.243	(4,000,000)	1.250
Balance of options issued at the end of the period (i)	-	-	2,000,000	0.243

Note:

- (i) The share options outstanding at 30 June 2023 had an exercise price of \$0.243 and a remaining contractual life of 155 days. All of these options expired unexercised on 2 December 2023.

NOTE 9: OPTIONS AND PERFORMANCE RIGHTS (cont)

Performance Rights holdings of key management personnel

Ms Leah Moore has Long Term Incentives (LTI) included in her employment contracts at 20% of her TFR.

General Details of the Performance Rights

The Performance Rights will, subject to meeting the Performance Measures, vest into shares in the Company in accordance with the following formula.

$$\text{Number of shares} = \frac{\$ \text{ value of the Performance Rights}}{\text{Volume Weighted Average Price (VWAP) of the Company's shares over the 10 days on which trading in the Employer's shares occurred leading up to and including the day prior to the vesting date}}$$

The Performance Rights will vest on satisfaction of the following performance conditions.

The Board will have the unfettered and absolute right to determine and confirm whether vesting conditions have been met in respect of each and all tranches. In making its determination the Board will recognise the relevant tranche objective at the end of the applicable vesting period and have regard to implementation of the Business Plan, as well as other proposals endorsed by the Board as part of its ongoing review of strategy.

Vesting conditions will be a shareholder aligned measure (Total Shareholder Return – TSR).

Vesting of each Tranche will be measured in absolute terms and relative terms against a defined peer group approved by the Board which is reflective of companies in the same industry with similar issues in respect of organisational size, market capitalisation, geography, life cycle and project complexity as shown in the table below.

Tranche ¹	Vesting conditions (Tranche Objective)	Weighting
Tranche 1	Company's Absolute TSR	50%
	Company's TSR relative to Peers	50%
Tranche 2	Company's Absolute TSR	50%
	Company's TSR relative to Peers	50%
Tranche 3	Company's Absolute TSR	50%
	Company's TSR relative to Peers	50%

¹⁾ The number of Performance Rights to be granted is calculated by dividing each tranche by the VWAP of the Company's Shares over the 10 days on which trading in the Company's Shares occurred leading up to and including the day prior to the vesting date.

Vesting of Performance Rights

No vesting expense has been recorded for the performance rights related to the 6 month period to 31 December 2023 on the basis of uncertainty of the performance conditions being met.

After the end of the prior financial year (year to 30 June 2023) the Board determined that the vesting criteria had not been met for any of the following:

1. Applicable June 2022 LTI (remaining Tranche 1, 2 and 3), and
2. Applicable June 2023 LTI (Tranche 1 and 2).

Accordingly, no shares were issued for performance rights.

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2023**

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NOTE 10: FINANCIAL INSTRUMENTS

The methods and valuation techniques used for the purpose of measuring fair value are unchanged compared to the previous reporting period.

The Directors consider that the carrying value of the financial assets and financial liabilities recognised in the consolidated financial statements approximate their fair values.

	31 December 2023		30 June 2023	
	Carrying amount	Fair value	Carrying amount	Fair value
	\$	\$	\$	\$
<i>Financial assets</i>				
Cash and cash equivalents	2,804,614	2,804,614	4,468,196	4,468,196
Trade and other receivables	24,557	24,557	29,904	29,904
Financial assets (level 1)	28,847,291	28,847,291	7,142,038	7,142,038
<i>Financial liabilities</i>				
Financial liabilities held at amortised cost:				
Trade and other payables	280,766	280,766	603,071	603,071

NOTE 11: CONTINGENT LIABILITIES

There has been no change in contingent liabilities since the last annual reporting date.

NOTE 12: EVENTS SUBSEQUENT TO REPORTING DATE

On 8 February 2024 Kin completed a transaction that it had entered into with Genesis Minerals Limited (Genesis) on 13 December 2023.

The transaction was an Asset Sale Agreement (ASA) where Kin sold 16 tenements including 610,000 ounces of gold bearing ore resources and various items of plant and equipment that were on the tenure to Genesis for \$15M in cash and 21,917,532 un-escrowed Genesis shares. This transaction was not recorded at balance date due to the ASA containing a number of conditions precedent which had not yet been satisfied at balance date. These conditions were satisfied on 8 February 2024, at which time the sale will be recorded in the Group's records. The transaction has resulted in a gain from the disposal of the assets subject to the ASA of \$56M which will be reflected in the Group's annual report for the year ending 30 June 2024.

On 8 February 2024, Kin handed over ownership and rights in the 16 mineral tenements along with 610,000oz of gold resources and certain items of plant and equipment valued in the ASA at \$0.313M.

Given that the completion of the ASA occurred after balance date but before the completion of the 31 December 2023 financial report it is considered that the occurrence provided information on the value of certain items as at 31 December 2023 as follows:

Plant and Equipment (Note 6)

Property Plant and Equipment included in the Genesis ASA that was previously recorded at \$4,019,154 has an ascribed value in the ASA of \$313,190 requiring an impairment charge of \$3,705,964.

Remaining Leonora Gold Plant and Equipment that was not included in the ASA and was carried in the statement of financial position at \$5.661M has been determined by the Directors to have Nil value remaining requiring an impairment charge of \$5.661M.

The total impairment charge for Property, Plant and Equipment was therefore \$9.367M.

Restoration and Rehabilitation Provision (Note 7)

The ASA has resulted in a portion of the restoration and rehabilitation provision relating to the tenements sold to Genesis being transferred to Genesis. This portion has been calculated a \$1.450M, and has been reclassified as a current liability as it relates directly to assets classified as held for sale at balance date.

There have been no additional matters or circumstances that have arisen after balance date that have significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial periods.

DIRECTORS' DECLARATION

1. In the opinion of the Directors of Kin Mining NL (the 'Company'):
 - a. the accompanying interim financial statements and notes are in accordance with the *Corporations Act 2001* including:
 - i. giving a true and fair view of the Group's financial position as at 31 December 2023 and of its performance for the half-year then ended; and
 - ii. complying with Australian Accounting Standards, the *Corporations Regulations 2001*, professional reporting requirements and other mandatory requirements.
 - b. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
 - c. the interim financial statements and notes thereto are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board.
2. This declaration has been made after receiving the declarations required to be made to the Directors in accordance with Section 303(5) of the *Corporations Act 2001* for the half-year ended 31 December 2023.

This declaration is signed in accordance with a resolution of the board of Directors.



Rowan Johnston
Executive Chairman
14 March 2024

INDEPENDENT AUDITOR'S REVIEW REPORT

To the Members of Kin Mining NL

Report on the Condensed Half-Year Financial Report*Conclusion*

We have reviewed the half-year financial report of Kin Mining NL ("the Company") and its controlled entities ("the Group"), which comprises the condensed consolidated statement of financial position as at 31 December 2023, the condensed consolidated statement of profit or loss and other comprehensive income, the condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the half-year ended on that date, selected explanatory notes, and the directors' declaration, for the Group comprising the Company and the entities it controlled at the half-year end or from time to time during the half-year.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of Kin Mining NL does not comply with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the Group's financial position as at 31 December 2023 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's responsibilities for the review of the financial report* section of our report. We are independent of the company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Responsibility of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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Auditor's Responsibility for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2023 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.



HLB Mann Judd
Chartered Accountants

Perth, Western Australia
14 March 2024



L Di Giallonardo
Partner