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23 AUGUST 2016

KIN COMMENCES UPDATED PFS AT LEONORA GOLD PROJECT

Kin Mining (ASX: KIN) today announced the commencement of an updated Pre-Feasibility Study (PFS) of the Leonora Gold Project (LGP).

In late 2014, Kin opportunistically acquired the LGP from the administrators of Navigator Resources. The LGP contains three project areas with JORC compliant resources totaling 722koz Au (Table 1).

The updates to the PFS are based on a significant amount of existing drilling data, JORC compliant resources, historical mine production data, and a completed PFS by Navigator Resources (announced 25 March 2009).

Kin Mining's Chief Executive Officer, Mr Don Harper, said the growth strategy for the Company has never been more focused.

"Kin used the downturn in the industry to better position itself to capitalise on a more favourable environment for junior gold companies and a strengthening gold price," said Mr Harper. "The acquisition of LGP catapulted us towards development and we're now poised to deliver several key milestones in the near-term."

"With the PFS, Navigator did all the heavy lifting – the gold resources and the outstanding quality and quantity of the data has been hugely beneficial," he said.

KIN produced a successful 1Mtpa processing plant Scoping Study, demonstrating an economically robust and technically viable project with considerable upside (announced 9 May 2016).

UPDATED PFS STUDY OBJECTIVE

Kin will utilise Navigator's historical data to develop an enhanced optimised mine plan. The updated PFS envisages mines at Mertondale, Cardinia, Tonto-Eclipse and Raeside that deliver ore to a centrally located stand-alone carbon-in-leach (CIL) gold treatment facility (Figure 1). The study will evaluate the following based on updated estimated capital & operating costs:

- The establishment of a standalone +1 Mtpa processing plant
- The establishment of a standalone 600ktpa processing plant setup for future expansion to +1Mtpa

KIN is targeting completion of the PFS in the December 2016 quarter.

A number of studies related to the completion of the subsequent Definitive Feasibility Study (DFS) are expected to run concurrently with the PFS. Following the determination of the optimum production pathway, the Company is targeting a completion of the DFS and commencement of mining operations in late 2017.

ABOUT THE NAVIGATOR PFS (2009)

Navigator demonstrated an economically and technically viable project with considerable upside. The following is an extract from Navigator's 25 March 2009 ASX announcement:

"At the average March gold price (1-24 March) of ~A\$1,400/oz, the after tax NPV of the Leonora project is A\$66M. Net operating revenue of the project is A\$436M (cash operating margin A\$176M) with an Internal Rate of Return (IRR) of 44%.

At a conservative A\$1,250/oz base case, the after tax NPV is A\$43M, and net operating revenue is A\$389M (cash operating margin A\$129M) with an IRR of 32%.

Independent estimates of the mineral resources at Leonora total 12.2Mt at 1.9g/t for 742,000oz of contained gold. The models on which this estimate is based indicate that a further 282,000oz is contained in mineralisation that falls outside the current resource criteria¹.

The base case development scenario for the PFS is an open cut mine delivering 1Mtpa at 1.8g/t average gold grade to a standalone CIL plant over a 6 year mine life. The average production rate is 53,000 oz pa (320,000oz) assuming a conservative 90% metallurgical recovery.

Average life-of-mine Net Cash Cost (C1) is A\$813/oz (US\$566/oz) for the A\$1,250/oz base case. Standalone project development cost is estimated at A\$45M including a A\$5M contingency...

¹ Mineralisation within open pit optimisations constrained by a gold price of A\$2,000/oz."

Going forward Kin plans to provide progress updates on its exploration strategy, PFS and Rights Issue.

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About Kin Mining NL

Kin Mining (ASX: KIN) is an emerging gold development company in the Eastern Goldfields of Western Australia. Through exploration success and selective acquisition, the Company aims to become a profitable, high-margin Australian gold producer. The immediate focus of the Company is completing an updated pre-feasibility study at its flagship Leonora Gold Project (100%), containing a JORC resource of 722koz, by the end of the calendar year.

Kin's exploration is targeting near-mine and prospects within the transport corridor linking further discovery to a proposed independent processing plant located at the Leonora Gold Project. Kin aims to fund its regional exploration at its extensive and highly prospective project portfolio with an ongoing focus of limiting dilution.

Competent Persons Statement

The information contained in this report relates to information compiled or reviewed by Paul Maher who is a member of the (AusIMM) and Mr. Simon Buswell-Smith who is a Member of the Australian Institute of Geoscientists (MAIG), both are employees of the company and fairly represents this information. Mr. Maher and Mr. Buswell-Smith have sufficient experience of relevance to the styles of mineralisation and the types of deposit under consideration, and to the activities undertaken to qualify as a Competent Person as defined in the 2012 edition of the "JORC Australian code for reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr. Maher and Mr. Buswell-Smith consent to the inclusion in this report of the matters based on information in the form and context in which it appears.

Forward Looking Statements

Certain information in this document refers to the intentions of Kin Mining NL, but these are not intended to be forecasts, forward looking statements or statements about future matters for the purposes of the Corporations Act or any other applicable law. The occurrence of events in the future are subject to risks, uncertainties and other factors that may cause Kin Mining NL's actual results, performance or achievements to differ from those referred to in this announcement. Accordingly, Kin Mining NL, its directors, officers, employees and agents do not give any assurance or guarantee that the occurrence of the events referred to in this announcement will actually occur as contemplated.

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Figure 1 – Leonora Gold Project showing resources and historical Mine production

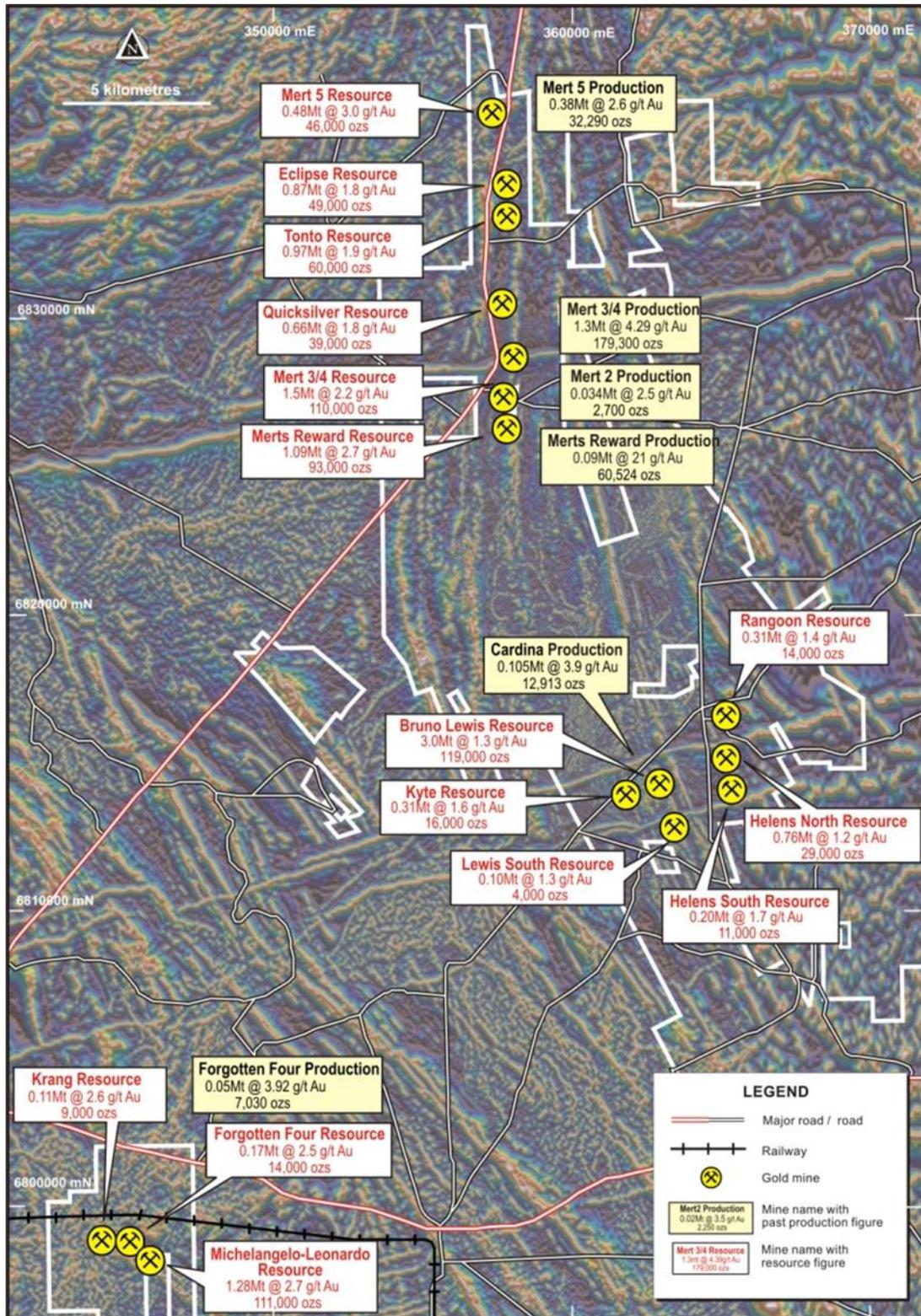


Table 1 – Leonora Gold Project Mineral Resources

Leonora Gold Project Mineral Resources										
Project Area	Lower cut-off grade	Indicated Resources			Inferred Resources			Total Resources		
		g/t Au	Mt	g/t Au	koz	Mt	g/t Au	koz	Mt	g/t Au
Mertondale*										
Mertondale 3_4	0.7	0.87	2.3	65	0.66	2.1	45	1.53	2.2	110
Merton's Reward	0.7	1.01	2.7	87	0.07	1.7	4	1.08	2.6	91
Tonto	0.7	0.97	1.9	60				0.97	1.9	60
Eclipse (Tonto North)	0.7	0.62	1.8	35	0.25	1.7	14	0.87	1.8	49
Mertondale 5	0.7	0.32	3.2	33	0.16	2.7	13	0.48	3.0	46
Quicksilver (Tonto South)	0.7	0.55	1.8	31	0.11	2.1	8	0.66	1.8	39
Subtotal Mertondale		4.34	2.2	311	1.25	2.1	84	5.59	2.2	395
Cardinia**										
Bruno-Lewis Exploration	0.7	1.04	1.1	37	1.52	1.3	63	2.56	1.2	100
Helen's North	0.7	0.63	1.2	24	0.13	1.1	5	0.76	1.2	29
Kyte	0.7				0.31	1.6	16	0.31	1.6	16
Rangoon	0.7	0.09	1.8	5	0.23	1.3	9	0.31	1.4	14
Lewis Grade Control	0.7	0.29	1.4	13				0.29	1.4	13
Bruno Grade Control	0.7	0.11	1.4	5	0.03	1.1	1	0.15	1.3	6
Helen's South	0.7	0.19	1.8	11	0.01	1.3	0	0.20	1.7	11
Lewis South	0.7				0.10	1.3	4	0.10	1.3	4
Subtotal Cardinia		2.35	1.3	95	2.44	1.3	98	4.79	1.3	193
Raeside										
Michelangelo-Leonardo	0.7	1.28	2.7	111				1.28	2.7	111
Forgotten Four	0.7	0.07	3.0	7	0.10	2.1	7	0.17	2.5	14
Krang	0.7	0.11	2.6	9				0.11	2.6	9
Subtotal Raeside		1.47	2.7	127	0.10	2.1	7	1.57	2.6	134
TOTAL		8.16	2.0	533	3.665	1.6	189	11.825	1.9	722

* Resource estimate by McDonald Speijers, 2009 with Merton's Reward depleted by McDonald Speijers in 2010.

** Resource estimate by Runge Limited, 2009 with Bruno Grade Control depleted by Runge in 2010.

Notes: Assay top cuts for Mertondale and Raeside are variable but generally between 10-20g/t Au and are 15g/t Au at Cardinia. No allowance has been made for dilution or ore loss. All resources are constrained by open pit shells optimised at A\$2,000/oz.