

17 February 2015

ASX Compliance Pty Ltd  
Level 40, Central Park  
152-158 St Georges Terrace  
PERTH WA 6000

Attention: Jeremy Newman

Dear Jeremy,

**Kin Mining NL (“Company”)**

We refer to your letter dated 12 February 2015 referring to the Company’s Quarterly Report in the form of Appendix 5B for the period ended 31 December 2014. In light of the information contained in the Appendix 5B the Company responds as follows to your questions:

1. The Company does not believe that on the basis of the information provided that it will continue to expend cash at the rate for the quarter indicated by the Appendix 5B and that it will have sufficient cash to fund its activities. The factors that should be taken into account in assessing the Company’s position are as follows:
  - a. The Estimated Cash Outflows for the next quarter are based on the Company being funded into the near term production opportunity as announced in the Quarterly Activities Report for the period ended 31 December 2014. At present, the Company has not incurred any financial liabilities in relation to the development of the Cardinia project area and specifically the Lewis prospect and will make no financial commitment until it has been funded. If funding is finalized within the next quarter, then the company will expend the necessary cash to commence the development of the prospect.
  - b. The Company currently has placement capacity under Listing Rule 7.1 of 6,242,804 Fully Paid Ordinary Shares and under Listing Rule 7.1A of 4,828,536 Fully Paid Ordinary Shares which at the current market price would provide sufficient funding to assist with the Estimated Cash Outflows for the next quarter and beyond. Furthermore, the company has convened a General Meeting of Shareholders where it will be able to increase that Placement Capacity by a further 6,000,000 Fully Paid Ordinary Shares.
  - c. The directors of the company have been personally funding the operations of the Company whilst in advanced negotiations with several parties to assist with the proposed funding of the Company to commence the development phase.
2. The Company recently completed a significant acquisition of the Leonora Gold Project from the Deed Administrator of Navigator Resources Ltd (Subject to Deed of Company Arrangement). The Company is developing a strategy, from the assessment of data and information acquired via that acquisition, to develop an early stage, low cost mining operation and commence production of Gold in the short to medium term. Once the Company is fully funded to commence the development phase of the proposed production activity it will be working towards the generation of sufficient cash-flows from that production to sustain its operations and further exploitation and development of the entire asset holding. In the shorter term the company will ensure that its asset holdings are maintained in good standing in accordance with the requirements of the Department of Mines and Petroleum. The costs associated with maintaining any negative operating cash-flows have been reduced accordingly and will be supported by the Board of Directors. The Estimated Cash Outflows for the next quarter should be clarified to express that they will only be incurred if the company is fully funded into the development.
3. The Company has taken significant steps to enable it to meet its business objectives as follows:
  - a. The Company is in advanced negotiations with several parties who are Sophisticated Investors to fund the company via a placement of shares or possibly a Convertible Note Facility;

- b. The Company has reduced its Administrative overheads until such time that it has sufficient capital to develop the existing strategy;
  - c. The Board of Directors is committed to the continual financial support of the Company until a suitable funding arrangement has been assessed and announced.
4. The Company confirms that it is in compliance with the Listing Rules and in Particular Listing Rule 3.1.
5. In accordance with the requirements of Listing Rule 12.2, the Company believes that it has sufficient financial support, the capability to raise additional capital or debt to warrant the continued quotation of its securities and its continued listing.

Yours Sincerely

A handwritten signature in black ink, appearing to read "J. Graziano", written in a cursive style.

**Joe Graziano**  
Company Secretary