

Instincts lay the groundwork

Kin Mining Managing Director Don Harper receiving the award for Emerging Company Award at this year's Diggers & Dealers Mining Forum. Image: *The West Australian*.



BY CHLOE VELLINGA

With gold prices heading south and the industry preparing itself for a significant nosedive in early 2014, Kin Mining Chairman Trevor Dixon made the measured decision to trust his instincts and extensive knowledge of the ground in the Leonora area.

Navigator Mining had come unstuck and left behind what Kin Mining Managing Director Don Harper called "a wonderful asset" in the Leonora Gold Project (LGP).

Administrators had the asset up for sale and Kin Mining acquired it for \$2.7 million.

Securing the asset in October 2014, which at the time had 722,000 ounces of resources, Mr Harper said it was a countercyclical acquisition considering no one wanted to know about gold at the time. However, the company placed its trust in Mr Dixon's measured judgment.

"Having his expertise and experience of the area, when the asset came up for sale, Mr Dixon believed it could offer a lot more opportunity," Mr Harper told *National Mining Chronicle*.

"From his perspective it was a low-risk acquisition in terms of having a firm knowledge of the potential area of that area."

Three years on, the LGP has become the backbone of Kin Mining, an emerging gold development company with a significant tenement portfolio in the eastern Goldfields region of Western Australia.

"Kin started very modestly with some Leonora centred exploration tenements, acquired the LGP and, following that, the company performed a scoping study in 2016, followed by a pre-feasibility study in December 2016," Mr Harper said.

"The pre-feasibility study indicated the company could sustain a 50,000-ounce per annum gold production for a period of six years. Subsequent to that, we are now looking to complete a definitive feasibility study in September 2017, which will allow us to raise finance in terms of debt to put the LGP into production."

This year Kin Mining has undertaken a rigorous exploration program, successfully completing about 43,000 of reverse circulation drilling.

This drilling developed an updated resource, with a company announcement in late August revealing a 42 per cent increase to 1 million ounces.

"The company's exploration this year has had a strong production focus to support our growth strategy going forward, but also more importantly results have shown an expansion of this in-ground gold resource to a million ounces and the potential for significant additional exploration success," Mr Harper said.

Kin Mining's recent success and continued determination in the gold mining sector has not gone unnoticed from an industry perspective, with the company receiving the prestigious award for Best Emerging Company of the Year at this year's Diggers & Dealers Mining Forum in Kalgoorlie.

Delighted with the win and excited to be compared to previous winners of the award such as Gold Road Resources and Pantoro, Mr Harper said the recognition was not only important for its company directors, executives and staff, but also its shareholders, who had exhibited their faith in the company from its very early stages.

"We have secured a processing plant and we have done the drilling for it, so I guess the panel thought we definitely have the makings of becoming a company that produces in the next 12 months," Mr Harper said.

"We have shown all the ingredients and ticked all the boxes towards that on our journey so far."

Moving forward, Mr Harper said the company's main objective was to grow its profile and discoveries in order to become a mid-tier gold producer within the next five year production bracket.

Surrounded by big deposits in the eastern Goldfields region, such as Saint Barbara, Dacian and Saracen, Mr Harper said there was no reason to believe this goal was any less than achievable.

"There is no reason to think that our ground, with an appropriate expenditure on exploration, could not deliver a significant uplift in resources in the years to come and build upon that to become a 100,000-ounce producer," he said.

"In my opinion, we couldn't have timed it better. The gold price is lifting. We will hopefully go to production when the gold price is at a very favourable stage and I think that is going to go well in terms of developing a high margin gold project."

Kin Mining will look to its first production in the third quarter of 2018. Without feasibility numbers currently at hand, Mr Harper said the company was targeting an estimated 50,000 and 60,000 ounces per year. **NMC**