

5 August 2016

Dear Shareholder,

**RIGHTS ISSUE - NOTIFICATION TO INELIGIBLE SHAREHOLDERS**

We are writing to you as a registered holder of shares in Kin Mining NL (**Company**).

As announced to ASX on 1 August 2016, the Company is undertaking a pro rata non- renounceable offer of ordinary fully paid shares to eligible shareholders. The offer is on the basis of one (1) new share (**New Share**) for every four (4) shares held by eligible shareholders of the Company as at 5.00pm WST on 19 August 2016 (**Record Date**) at an issue price of \$0.22 per Share, to raise approximately \$4,976,559 (**Offer**).

The Company is making the Offer available to eligible shareholders, being persons who are registered as shareholders of the Company on the Record Date and have a registered address in Australia, New Zealand and Singapore. In calculating entitlements under the Offer, fractions will be rounded down to the nearest whole number. Shareholders who, at the Record Date, do not have an address registered in either Australia, New Zealand or Singapore will not be eligible to participate in the Offer.

New Shares issued pursuant to the Offer will rank equally to existing ordinary shares currently on issue. The Company has applied for official quotation of the New Shares. The Rights Issue is not underwritten.

An offer Document in relation to the Offer has been lodged with ASX setting out the timetable for the Offer. A copy of the Offer Document is available on the ASX website at [www.asx.com.au](http://www.asx.com.au) (ASX code: KIN)

**Ineligible shareholders**

A Shareholder who has a registered address outside Australia, New Zealand or Singapore (Ineligible Shareholder) will not be eligible to participate in the Offer. You are not eligible to participate in the Offer and you will not be sent a copy of the Offer Document. This decision has been made pursuant to Listing Rule 7.7.1(a) of the ASX Listing Rules after taking into consideration the costs of complying with legal and regulatory requirements in jurisdictions outside of Australia, New Zealand or Singapore compared with the small number of Ineligible Shareholders and the number and value of Shares to which they would otherwise be entitled.

**Use of Proceeds**

Proceeds from the Offer will be applied to further development of the Leonora Gold Project including additional drilling and commencement of the Definitive Feasibility Study. Furthermore, the Company will pay the final balance to the Secured Creditor, Waterton Global Value LLP for the acquisition of the Leonora Gold Project and for the Company's administration, meet its current commitments and working capital purposes. The cash costs of the Offer will be approximately \$20,000 (assuming full subscription) and before any commissions that may be payable for any proposed shortfall subscription.

**Capital Structure**

The capital structure of the Company following completion of the Offer is summarised below:

<b>Shares</b>	<b>Numbers</b>
Shares on Issue at date of the Offer	90,482,891
New Shares offered under the Offer <sup>2</sup>	22,620,723
<b>Total Shares on issue at completion of the Offer<sup>1</sup></b>	<b>113,103,614</b>

Options	Numbers
Options Currently on issue at date of the Offer	<b>13,955,000</b>
Unlisted Options exercisable at \$0.20 on or before 31 August 2017	13,955,000
Options offered under the Offer	Nil
<b>Total Options on issue at completion of the Offer</b>	<b>13,955,000</b>

Notes:

1. *The number of Shares on issue assumes that no Options currently on issue are exercised prior to the Record Date.*
2. *The number of New Shares issued assumes that the Offer is fully subscribed and that no Options currently on issue are exercised prior to the Record Date.*

### **Further information**

The Rights Issue is made to Shareholders with registered addresses in Australia, New Zealand or Singapore.

Full detail of the Rights Issue will be contained in the Offer Document that will be mailed to all Eligible Shareholders who are registered on the Record Date. Shareholders eligible to participate should read the Offer Document carefully.

If you have any questions in relation to any of the above matters, please contact the Company on +61 8 9242 2227. For other questions, you should seek professional advice.

Yours Sincerely



Joe Graziano  
Company Secretary