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## High Grade Gold Intersection at Merton's Reward Leonora Gold Project (WA)

### Highlights

- Drillhole MR15RC002 returns **5m @ 7.99g/t Au** from 59m including a higher grade interval of **1m @ 24.70g/t Au**
- Maiden drill campaign at Mertondale T1,T2 and T3 targets considered a success as modelled target zones have been intersected
- Mineralisation correlates with target zones confirms new geological model is robust and will be used for future drill campaigns
- Deeper drilling (MR15RC001) indicates a broad zone of gold mineralisation persists at depths below historic underground workings

**Kin Mining NL (ASX: KIN)** is pleased to announce a high grade gold intersection from its recently completed drilling at Merton's Reward T1 target. The recent drilling defined an extension to the Merton's Reward ore zone (1.08 Mt @ 2.6 g/t for 91,000 oz) with a high grade intersection of **5m @ 7.99g/t Au** from 59m including a higher grade interval of **1m @ 24.70g/t Au**.

The recently completed drill program consisted of 4 deep Reverse Circulation holes that intersected three target areas T1, T2 and T3 for a total of 840 metres. Drilling at the **T1** target consisted of two holes (MR15RC001 and MR15RC002) adjacent to an historic diamond hole NMDD024 which intersected a mineralised zone of 9m @ 3.65 g/t Au from 61m. This intersection sits outside the current Resource envelope and the recent drilling was designed to establish the extent of this ore zone. Drillhole MR15RC002 (168m) returned 5m @ 7.99g/t Au from 59m including a higher grade interval of 1m @ 24.70g/t Au within the predicted target zone (Figure 1 and 2). This encouraging result confirms the Merton's Reward ore shoot extends further east than previously modelled. This ore extension requires further drilling along strike to establish the length and geometry of the ore shoot, which is anticipated to be incorporated into a revised Resource model.

Drillhole MR15RC001 was a deeper hole (246m) and was designed to intersect both the Merton's Reward lode and the vertical shear zone at depth (Figure 2). Drill results confirm a broad zone of mineralisation of **25m @ 0.54 g/t Au** which persists at depths below the level of historic underground workings. This shear zone was exploited during historic underground mining as the main vertical shaft is located within this gold bearing shear zone. This current phase of drilling indicates that the shear zone is persistent further north than previously modelled.

The **T2** Target at Merton's Reward is the extension of the interpreted shallow north plunging ore shoot that was the main ore feed during early production. Merton's Reward was mined extensively in the early 1900's with total production of 90kt @ **21 g/t Au for 60,524 ozs** making it one of the highest grade deposits in the Eastern Goldfields. The ore shoot still remains open down dip (Figure 1). Drillhole MR15RC003 was drilled to a total depth of 198m and was designed to intersect the T2 ore shoot at depth. Assays are pending and are expected in the coming week.

**T3** lies directly on the southern end of the existing Mert 3 pit and the mineralisation tends to kink around at this point (see KIN ASX announcement 27/11/2015 for further detail). Mineralisation is strongest on 6827960mN where a north-east fault may occur which helps explain the kink in mineralisation. A 246m drillhole (MT15RC001) has been drilled to test the south plunging deep target, to determine whether the mineralisation persists. The drillhole intersected encouraging lithologies with highly altered carbonated basalt and felsic porphyry units. Assays are also pending and are expected in the coming week.

Managing Director Trevor Dixon said *"Kin are very pleased with the results from our maiden drill campaign at the T1 target at Merton's Reward. Intersecting 5 metres of almost 8 grams, at a vertical depth of 50 metres is very encouraging. Furthermore we are seeing mineralisation persist at depths below the historic Merton's Reward underground working and further north than previously expected which is an interesting development. The mineralisation is correlating with predicted target zones and confirms the new geological model is robust and will be used to target future drill campaigns. We also still have results pending from the T2 and T3 target areas which is very exciting."*

### **Competent Persons Statement**

*The information contained in this report that relates to mineral resources and exploration results is based on information compiled and reviewed by Paul Maher who is a member of the Australasian Institute of Mining and Metallurgy (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 the 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.*

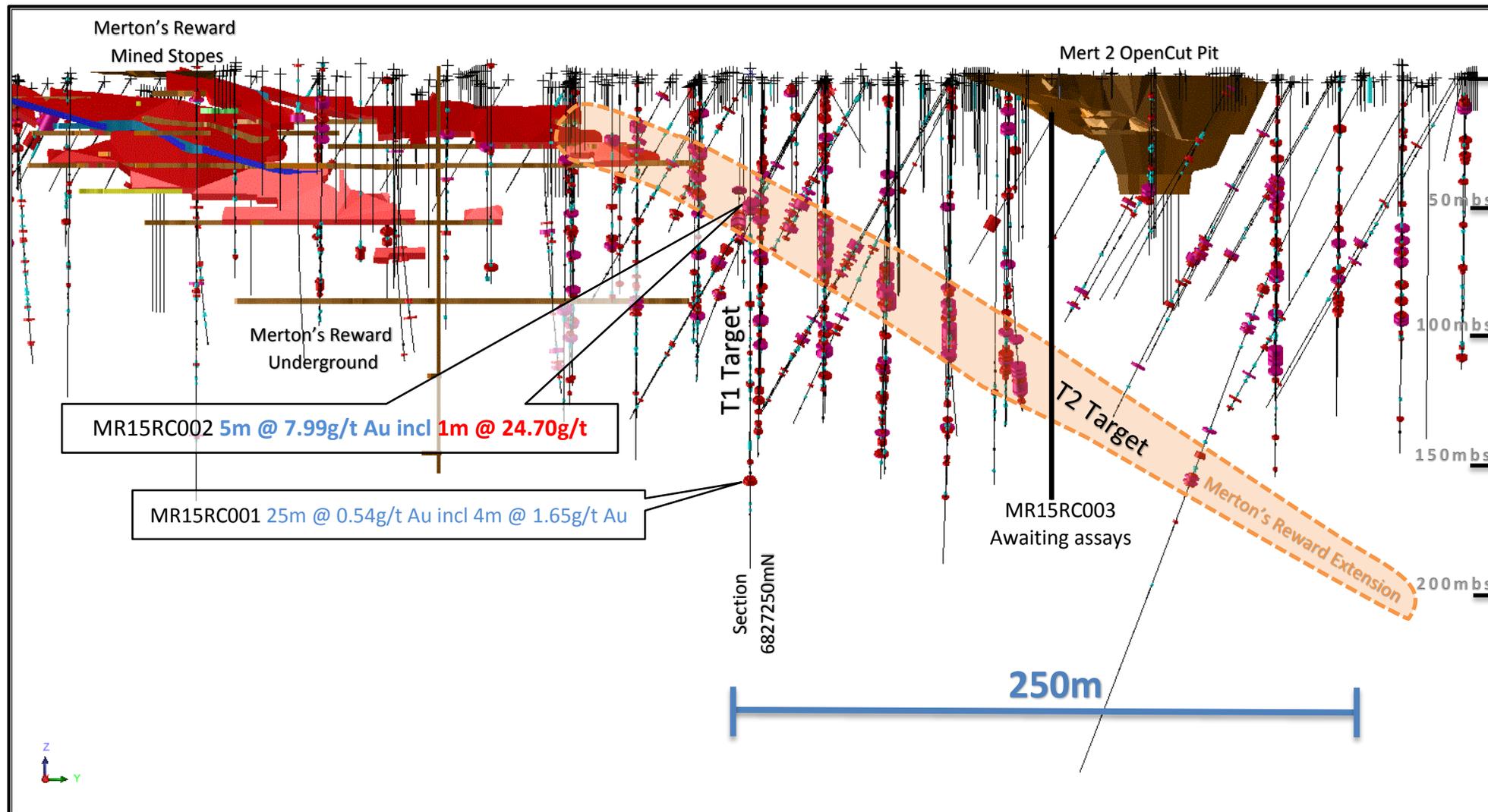


Figure 1 Long Section looking west, highlighting Merton's Reward Underground workings and the recent drill intercepts. Interpreted extension of the Merton's Reward north plunging ore shoot (T2 target, dashed orange) high grade mineralisation (+5g/t Au) in magenta



Table 1 reported significant gold assay intersections (using a 0.2 g/t Au cut) are reported using 1m and 4m intervals with up to 2m of internal dilution. True widths of the high grade shear zone remain unclear but drillholes are interpreted to be drilled perpendicular to the ore zone and are therefore true width. Drillholes MR15RC001 (6827250mN, 357760mE) and MR15RC002 (6827250mN, 357720mE) were drilled 270° azimuth with a -60° Dip.

Hole ID	Depth From	Depth To	Interval (m)	g/t Au
MR15RC001	8	12	4	0.66
MR15RC001	42	44	2	0.32
MR15RC001	76	84	8	0.56
MR15RC001	107	108	1	<b>1.9</b>
MR15RC001	110	111	1	0.22
MR15RC001	113	118	5	0.24
MR15RC001	121	122	1	0.3
MR15RC001	123	124	1	0.5
MR15RC001	166	191	25	0.54
MR15RC001			Including 4m from 186m	<b>1.65</b>
MR15RC001	198	204	7	0.31
MR15RC001	212	216	4	0.27
MR15RC002	57	67	10	<b>4.16</b>
MR15RC002			Including 5m from 59m	<b>7.99</b>
MR15RC002			Including 1m from 59m	<b>24.7</b>
MR15RC002	69	70	1	0.33
MR15RC002	81	83	2	0.52
MR15RC002	88	92	4	0.3
MR15RC002	100	112	12	0.56
MR15RC002	123	125	2	0.29
MR15RC002	127	128	1	<b>1.15</b>
MR15RC002	130	135	5	0.50
MR15RC002	137	138	1	0.67
MR15RC002	140	149	9	0.76
MR15RC002			Including 5m from 140m	<b>1.04</b>

# Appendix A Company Announcement

## SECTION 1 – Sample Techniques and Data

Criteria	Commentary
<p><i>Sampling techniques</i></p>	<p>Sampling of drill holes MR15RC001 and MR15RC002 is varied. Four metre (4m) composite speared samples or one metre (1m) cone split samples, as drilled, were collected over 396m of RC drilling at Merton’s Reward. 235 samples, including blanks, duplicates and standards, were dispatched for assay. Samples were collected over two intervals, individual split metres or four metre speared composite samples, as dictated by lithology and alteration. Approximately 2.5-3kg of sample was collected over each sampled interval. All samples are drill spoil collected via a cone splitter attached to the rig (1m) or a speared representative samples collected over (4m) intervals. Split samples were collected directly from the drill spoil via the rig cyclone splitter. Historic RC drilling (on Cross-Section 6827250mN) was drilled, sampled and compiled by previous project owners, these samples were collected over 1m intervals and fire assayed. Sampling techniques, past and present, are considered to be in line with the standard industry practice of the day and are considered to be representative. At the assay laboratory Kin samples were dried, crushed, pulverised and split to 50grams then fire assayed.</p> <p>All drill holes are accurately located and referenced with grid coordinates recorded in the standard MGA94 Zone51 grid system. Samples are collected using a standard face hammer, they are split/speared/bagged/logged at the drill site.</p> <p>All samples and drilling procedures are conducted and guided by Kin Mining protocols, QA/QC procedures are implemented as per industry standard. Samples were Fire Assayed for Au only.</p>
<p><i>Drilling techniques</i></p>	<p>Surface drilling is completed by a standard Reverse Circulation (RC) drilling technique. RC drilling was conducted by Orbit Drilling using a Schramm Hydco 350 8x8 Actross drilling rig with a 350psi/1250cfm air capacity, a support booster compressor 900psi/1300cfm was utilised in the deeper sections of the drill holes. RC drilling used a face-sampling hammer over 140mm diameter (-60 degrees) drill holes. Holes are all orientated west. The holes have not been surveyed down hole however a follow up down hole gyro survey is planned.</p> <p>Holes are surveyed on surface using a hand held GPS (accuracy ±4m). Holes are drilled east (270°) at (-60°). Hole depth varied between 228m (MR15RC001) and 168m (MR5RC002).</p>
<p><i>Drill sample recovery</i></p>	<p>Sample recovery is measured and monitored by the drill contractor and Kin Mining representatives, bag volume is visually estimated and sample recovery was generally very good. No recovery issues were encountered. For historic drilling, sample recovery data has not been assessed. The sample collected for assay is considered to represent a composite sample. Sample recovery is maximized by using best-practice drill techniques, the hammer is pulled back at the completion of the 6m drill rod and the entire sample is blown back through the rod string. The cone splitter is cleaned with compressed air at the end of each rod and at the completion of the hole. When 4m composite samples are taken the sample spear is inserted diagonally through the sample from top to bottom ensuring a full cross section of sample. In the case of 1m samples a cone splitter attached to the rig is used, duplicate samples are taken every 20m.</p> <p>The vast majority of samples were collected dry however on occasion wet samples were encountered; sampling equipment was cleaned periodically to reduce cross bag contamination. Samples are stored in numbered calico bags. It’s assumed that historic drilling and sampling methodologies were conducted to industry standards of the day.</p> <p>No relationship was observed between sample recovery and grade.</p>
<p><i>Logging</i></p>	<p>Kin’s procedure for geological logging of sample includes recording the colour, lithology, sulphide mineralisation content, veining, alteration, oxidation, grid coordinates, sample interval and hole depth. Data is physically stored and electronically logged. The level of logging detail is considered appropriate for exploration drilling. Logging of geology and colour are interpretative and qualitative, whereas logging of mineral percentage is quantitative.</p> <p>All drill holes are logged entirely, at 1m intervals, to the end of hole. All drill hole logging data is digitally captured in the field, data is validated prior to being uploaded to the data base.</p>

Criteria	Commentary
<p><i>Sub-sampling techniques and sample preparation</i></p>	<p>See Sampling techniques in the above section.</p> <p>The sample collection methodology is considered appropriate for RC drilling and is within today's standard industry practice. Split one metre samples results are more reliable than composite sample results. Analysis was conducted by SGS Mineral Services Laboratories in Kalgoorlie. RC samples are split with a cone splitter at one metre intervals as drilled. Four metre speared composite samples are collected and bagged at the same time. At the laboratory samples are dried, crushed and pulverised until the sample is homogeneous. Analysis technique for gold (only) was a Fire Assay 50 gram charge AAS finish (Lab method FAA505).</p> <p>The vast majority of samples were collected dry; on occasion ground water was encountered and a minimal number of samples were collected wet. Some residual moisture was present as some samples were collected however it's regarded as minimal and not of sufficient concentration to affect the sampling process. Periodically field standards, duplicate samples or blanks were submitted with the sample batch however the assay laboratory, SGS, also included their own internal checks and balances consisting of repeats and standards; repeatability and standard results were within acceptable limits.</p> <p>No issues have been identified with sample representatively. The sample size is considered appropriate for this type of mineralisation style.</p>
<p><i>Quality of assay data and laboratory tests</i></p>	<p>Geochemical analysis was conducted by SGS Laboratories in Kalgoorlie. Sample preparation included drying samples (105°C) and pulverising to 95% passing 75µ. Samples were riffel split to secure a sample charge of 50 grams. Analysis was via Fire Assay (FAA505) with AAS finish. Only gold analysis was conducted (ppm detection). The analytical process and the level of detection are considered appropriate for this early stage of exploration.</p> <p>Fire assay is regarded as a complete digest technique.</p> <p>No geophysical tools were used to determine any element concentrations.</p> <p>Internal laboratory quality control procedures have been adopted. Duplicate, standard and blank samples are periodically imbedded in the sample batch (at a ratio of &gt;1:15).</p>
<p><i>Verification of sampling and assaying</i></p>	<p>The reported significant intersections have been verified by at least three company geologists. All the logged samples have been assayed; the assay data has been/will be stored physically and electronically in the database using Kin Mining's protocols. The sampling and assay data has been compiled, verified and interpreted by company geologists and the competent persons.</p> <p>No holes were twined. No adjustments, averaging or calibrations are made to any of the assay data recorded in the database. QA/QC protocol is considered industry standard with standard reference material submitted on a routine basis.</p>
<p><i>Location of data points</i></p>	<p>Drill hole collars were located and recorded in the field using a hand held GPS with a four metre or better accuracy. The grid coordinate system utilised is (GDA94 Zone51). Hole locations were visually checked on ground and against historic plans for spatial verification.</p> <p>No topographic control (i.e. RL) was required.</p>
<p><i>Data spacing and distribution</i></p>	<p>The drill hole spacing is project specific; the RC drilling patterns employed were dependent on previous drilling, geological interpretation and proximity to old workings. The sample spacing is considered close enough to identify significant zones of gold mineralisation. The drill programme is a follow up exercise that was designed to identify areas of geological interest and extensions to known mineralisation at Mert's Reward. A closer spaced drill programme, on sections to the north is required to determine the size and extent of identified zones of gold mineralisation.</p> <p>Drill spacing and drill technique is sufficient to establish the degree of geological and grade continuity appropriate for the mineral resources and ore reserve estimation procedures and classifications applied.</p>
<p><i>Orientation of data in relation to</i></p>	<p>The sheared Mertondale greenstone sequence displays a NNE to North trend. The tenement package is contiguous; the sampling programme was designed to provide, as best as practicable, an unbiased location of drill sample data.</p> <p>The chance of sample bias introduced by sample orientation is considered minimal. No orientation sampling bias has been identified in the data thus far.</p>

<b>Criteria</b>	<b>Commentary</b>
<i>geological structure</i>	Holes are drilled normal to the orientation of the Mertondale Shear Zone at 270°/-60°. The vast majority of historical drilling is orientated in the same direction.
<i>Sample security</i>	Samples were collected daily in the field and stored in a secure, lockable location in Leonora. Upon completion of drill holes (MR15RC001 and 002) all samples were transported to Kalgoorlie by an SGS company employee. The samples were then stored in a secure lockable building. They were checked against the field manifest, sorted and prepared for assay. Samples were then assayed under the supervision of SGS at their Kalgoorlie laboratory. Once in the laboratories possession adequate sample security measures are utilised.
<i>Audits or reviews</i>	Sampling methodologies and assay techniques used in this drilling programme are considered to be mineral exploration industry standard and any audits or reviews are not considered necessary at this early exploration stage. No audits or reviews have been conducted at this stage apart from internal reviews and field quality control.

## **Section 2 Reporting of Exploration Results**

<b>Criteria</b>	<b>Commentary</b>
<i>Mineral tenement and land tenure status</i>	<p>The RC drill programme was conducted on tenement M37/1284; the area is named the Merton's Reward deposit. The tenement is held in the name of Navigator Mining Pty Ltd, a wholly owned subsidiary of Kin Mining NL. The tenement is managed, explored and maintained by Kin Mining NL. The tenement represents a small portion of the larger Cardinia-Mertondale Project (300sqkm) which hosts the 722,300oz Leonora Gold Project (LGP) Resources. M37/1284 is located within the Shire of Leonora in the Mt Margret Mineral Field in the centre of the North Eastern Goldfields. The holding is located approximately 35km NE of Leonora.</p> <p>There is no known heritage or environmental impediments over M37/1284.</p>
<i>Exploration done by other parties</i>	<p>Gold was initially discovered in the area in 1899 by Mr. Fred Merton. The Merton's Reward (MR) underground gold mine was the direct result of his discovery. The main mining phase at MR was 1899-1911. Historic production records to 1942 yield 88,991t @ 20.8g/t Au (60,520oz).</p> <p>Between 1981-1984 Telluride Mining NL, Nickel Ore NL, International Nickel (Aust) Ltd and Petroleum Securities Mining Co Pty Ltd conducted exploration programmes in the area. Hunter Resources Ltd began actively exploring the Mertondale area 1984-1989, Hunter submitted a NOI in 1986 and commenced a JV with Harbour Lights to treat ore from Mertondale 2 and Mertondale 3. Between 1996-1988 Mertondale 4 pit was mined. Harbour Lights acquired the project in 1989 from Hunter. Ashton Gold eventually gained control of Harbour Lights. Mining was completed in 1993 with the mining of the Mertondale 5 pit. In 1993 Ashton's interest was transferred to Aurora Gold who established a JV with MPI followed by Sons of Gwalia who entered into a JV with Aurora.</p> <p>Sons of Gwalia (SGW) eventually obtained control of the project in 1997 but conducted limited drilling; in 2004 Navigator Mining Pty Ltd (NAV) acquired the tenement holding from the SGW administrator. Navigator conducted the majority of exploration drilling in the area. Kin Mining acquired the project from the (NAV) administrator in late 2014. Historic production from the Mertondale open pits totals 270,000oz.</p> <p>Drilling has been conducted in the immediate area surrounding the two Kin drill holes by several previous owners. The data base has been interrogated and scrutinised to a level where the LGP gold resources are JORC 2012 compliant (ASX announcement 11 May 2015). Visual validation, using 3D software, has been conducted as well as cross referencing with historic reports. Mineralisation between cross sections is cohesive and robust, suggesting that the data is valid.</p>
<i>Geology</i>	The regional geology comprises a suite of NNE-North trending greenstones positioned on the Mertondale Shear Zone (MSZ), a splay limb of the Kilkenny Lineament. The MSZ denotes the

Criteria	Commentary
	<p>contact between Archaean felsic volcanoclastic and sediment sequences (west) and Archaean mafic volcanics (east). Proterozoic dykes and Archaean felsic porphyries have intruded the altered mafic basalt/felsic/sedimentary sequence of the MSZ. The system is mineralised with gold. Two different types of lode have been identified at Merton s Reward; shear hosted lodes and intershear lodes.</p> <p>Exploration is targeting extensions to modest sized but high grade dilational intershear lodes and/or shear hosted gold mineralisation similar to other deposits in the local district.</p>
<i>Drill hole Information</i>	<p>Two RC drill holes MR15RC001-002 have been completed at Mert’s Reward for an advance of 396m. The location of the hole collars is presented as a table in the body of this report. Gold intersections are plotted on relevant plans and also reported in the table. Sampling techniques are varied. Four metre (4m) composite speared samples and one metre (1m) cone split samples, as drilled, were collected over 396m of RC drilling at Merton’s Reward.</p> <p>All hole depths refer to down hole depth in metres. All hole collars are MGA94 Zone51 positioned. Elevation is a nominal estimate. Drill holes are measured from ground level to the bottom of the hole.</p>
<i>Data Aggregation methods</i>	<p>No averaging of the raw assay data was applied. Raw data was used to determine the location and width of gold intersections and anomalous gold trends. Geological assessment and interpretation was used to determine the relevance of the plotted intersections with respect to the sampled medium.</p> <p>Individual grades are reported as down hole length weighted averages. Only RC intersections &gt;0.2g/t are regarded as significant. Anomalous intersections are tabled in the body of this report.</p> <p>No upper cuts were applied to determine anomalous gold areas.</p>
<i>Relationship Between Mineralisation widths and intercept lengths</i>	<p>All assay results are collected from individual meter intervals and submitted as individual metre samples or 4m speared composite samples submitted as composite metre samples, 235 samples were dispatched for assay, the batch included standards, duplicates and blanks. Samples are regarded as composite samples. Holes are drilled perpendicular to the mineralisation and accordingly intercept widths are close to true widths.</p> <p>The orientation, true width and geometry can be determined by interpretation of historical drilling and existing cross sections. Mineralised intercepts are interpreted as extensions of the existing gold resources however they are outside the current parameters of the Merton’s Reward ore body (91,000oz).</p> <p>The maximum sample width is 4m and the minimum sample width is 1m.</p>
<i>Diagrams</i>	<p>Relevant “type example” plans and diagrams are included in this report.</p>
<i>Balanced Reporting</i>	<p>Detailed assay results are diagrammatically displayed and tabled in this report. Only the significant gold results are discussed and reported.</p> <p>The available historic database includes a large inherent data set compiled by previous project owners dating back to 1982. There are limitations in the amount of information provided in the data set. It has not been possible to fully verify the reliability and accuracy of a substantial portion of the data however it appears that no serious problems have occurred and validation check results were within acceptable limits. In general the recent data is more reliable. More than 50% of the drill data for the Merton’s Reward model is sourced from Navigator with a substantial portion sourced from Hunter.</p> <p>Considering the complex history of grid transformations there must be some residual risk in converting old grids to GDA 94 although generally the survey control appears to be accurate and satisfactory.</p> <p>In the case of the existing Merton’s Reward Resource calculation (1.08Mt @ 2.6g/t Au) there is always an area of technical risk associated with resource tonnage and grade estimations.</p>
<i>Other Substantive exploration data</i>	<p>Regarding the results received no other substantive data is currently considered necessary, given the early stage of exploration activities at this time.</p>

<b>Criteria</b>	<b>Commentary</b>
<i>Further work</i>	<p>The entire drill programme consisted of four RC holes for an advance of 840m, only the first two holes are reported in this announcement.</p> <p>Additional drill sections at Merton's Reward are planned to close off and determine the geometry of the identified gold mineralisation.</p> <p>The yet to be drilled holes and the four holes listed above will be incorporated into the existing data base and in time incorporated into the Merton's Reward Resource.</p> <p>The potential to increase the existing resource is viewed as highly likely however at this stage insufficient data is available to determine the lateral extent of any potential grade and tonnage.</p>