



**KIN MINING NL**  
**ACN 150 597 541**

**(ASX: KIN)**

## **CLARIFICATION STATEMENT**

### **KIN DEFINES \$3.0 MILLION FUNDING STRATEGY FOR LEONORA GOLD PROJECT RESOURCES**

**9 June 2015**

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The Board of Kin Mining NL ("KIN" or "The Company") is pleased to announce that it has resolved to raise up to circa \$1,000,000 in a placement to sophisticated and professional investors through the issue of up to circa 10 million new shares at 10 cents per share. Participants in the placement will receive one option exercisable at 20 cents on or before 2 years for every two shares subscribed ("Placement").

In addition to the Placement, KIN has resolved to offer eligible shareholders the opportunity to participate in a Security Purchase Plan ("SPP") to raise up to a further \$2 million (together, "The Capital Raising").

Funds raised pursuant to the Capital Raising will be primarily used as follows:

- Completion of a pre-feasibility study over the Leonora Gold Project.
- JORC 2012 compliant upgrades forthcoming as a result of the last 5 years of drilling campaigns conducted by the previous owners involving some ~15,000 meters of infill and extensional drilling which do not form part of the current JORC 2012 compliant resources previously announced by Kin.
- Infill and extensional drilling at Mertondale to define a Target of 1–1.2 million oz of gold resources along 10 km of the Mertondale Shear Zone.

The exploration target of 1 to 1.2 Million ounces of gold mineralization at a grade range of 1.6-2.5 g/t Au has been identified at Mertondale within the Leonora Gold Project (LGP). The potential quantity and grade of the exploration target is conceptual in nature and therefore is an approximation.

The generation of the 1 to 1.2 Million ounce gold exploration target, is the first step in a staged exploration strategy to identify advanced and prospective areas within the LGP. Evaluation of the historical datasets, including multi-element geochemical, drilling, aeromagnetic and gravity sets were used to define the exploration target. There has been insufficient exploration drilling in some areas to estimate a Mineral Resource and it is uncertain if further exploration will result in the estimation of a Mineral Resource.

The exploration target was estimated in order to provide the market with an assessment of the potential scale of the LGP deposits using historic exploration results. The

exploration target takes no account of geological complexity, possible mining method or metallurgical recovery factors.

Kin's strategy is to evaluate the larger exploration target with the intention to define resources within the envelope. Further drilling, metallurgical test work and resource modelling is planned to be completed within the next 9 months to determine the validity and size of the LGP exploration target.

- Working capital for operational improvements to assist with development of the "Lewis" near term production opportunity and our regional tenement package.

KIN's Managing Director, Mr Trevor Dixon commented: "We are pleased with the strong interest received for the Placement from a range of sophisticated and professional investors. The funding strategy will assist the company in progressing the highly prospective Leonora Gold Project into a large scale mining operation."

### **Security Purchase Plan**

KIN is pleased to advise that it has resolved to provide eligible shareholders the opportunity to participate in this Capital Raising, at the same issue price as the securities were offered under the Placement, by way of a SPP. The SPP will raise up to \$2 million.

Subject to any scale back that is required to comply with ASX requirements, eligible KIN shareholders registered with the Company on the record date, will be entitled to acquire up to \$15,000 of shares at 10 cents per share and also receive a free attaching option (on a 1:2 basis) exercisable at 20 cents each on or before 2 years.

The company will issue a prospectus in relation to the SPP securities because ASIC class order relief (removing the need to lodge a prospectus for SPP shares), does not extend to options issued under an SPP. KIN will reserve the right to place any shortfall from the SPP. The SPP will be subject to shareholder approval at a General Meeting of shareholders to be held as soon as possible ("General Meeting"). The SPP Prospectus is expected to be dispatched to shareholders shortly along with a Notice of Meeting and we encourage shareholders to make sure their address and contact details are up to date to ensure they receive the information to enable them to participate.

### **Placement**

The Allotment of the Placement for up to 10 million shares is not subject to shareholder approval and will fall within the Company's 15% placement capacity under ASX Listing Rule 7.1 and additional 10% placement capacity under ASX Listing Rule 7.1A

For further information, please contact the Company.

Yours Faithfully

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

JOE GRAZIANO  
Company Secretary

**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 an employee of the company and fairly represents this information. Mr. Maher has 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 consents to the inclusion in the report of the matters based on information in the form and context in which it appears.*