Kin Mining NL

ABN 30 150 597 541

Interim Report
31 December 2018

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CORPORATE INFORMATION

ABN 30 150 597 541

Directors
Jeremy Kirkwood
Andrew Munckton
Trevor John Dixon
Brian Dawes
Giuseppe (Joe) Paolo Graziano

Company Secretary
Stephen Jones

Registered office
First Floor
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OSBORNE PARK WA 6017

Principal place of business
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342 Scarborough Beach Road
OSBORNE PARK WA 6017
Tel: (08) 9242 2227

Share register
Advanced Share Registry Services
PO Box 1156
NEDLANDS WA 6909
Tel: (08) 9389 8033

Solicitors
Dominion Legal
104 Edward Street
PERTH WA 6000

Auditors
HLB Mann Judd
Level 4, 130 Stirling Street
Perth WA 6000

Securities Exchange Listing
Kin Mining NL shares are listed on the Australian Securities Exchange (ASX: KIN)

DIRECTORS' REPORT

Your Directors submit the financial report of the Group for the half-year ended 31 December 2018. In order to comply with the provisions of the Corporations Act 2001, the Directors report as follows:

Directors
The names of Directors who held office during or since the end of the interim period and until the date of this report are noted below. Directors were in office for the entire period unless otherwise stated.

Jeremy Kirkwood	Non-executive Chairman
Andrew Munckton	Managing Director (appointed 1 August 2018)
Trevor J Dixon	Executive Director
Giuseppe P Graziano	Non-executive Director
Brian Dawes	Non-executive Director

Review of Operations

The half-year to 31 December 2018 involved Kin Mining ('Kin' or 'the Company') continuing with its program of works to review and revise the Cardinia Gold Project (CGP) Feasibility Study with a view to defining a more robust and higher return project to support a decision to complete detailed engineering works and a Decision to Mine by year end 2019. The long term strategy is for Kin to become a high margin Australian gold producer in 2021 by developing the CGP.

The Company's program of works included:

- Simplification of the mine plan
- Refinement of the metallurgy and process flow sheets
- Definition and location of the infrastructure requirements, water and power supply
- Upgrade of the Helens deposit resource
- New geological interpretation for the Lewis deposit
- Progression of the environmental and project approvals

The additional resource drilling has resulted in improvements in the resources at Helens and a new geological interpretation at the Lewis deposit allowing the introduction of a 'baseload' life of mine pit shell for that growing resource base.

Corporate
The company raised $18.261M during the period from the completion of the rights issue announced on 30 May 2018 and a further Rights Issue announced on 9 October 2018. The May 2018 Rights Issue raised $8.930M in the current period from the issue of 81,182,644 shares at 11c per share and the October 2018 issue raised $9.331M from the issue of 116,640,760 shares at 8c per share.

The funds raised from those two issues allowed Kin to repay the Sprott credit facility and continue its exploration drilling and project feasibility study activities at the Cardinia Gold Project.

Following strong shareholder endorsement for the company's strategy and path to development at the November annual general meeting the Board is committed to restoring and growing shareholder value by formulating and executing a robust CGP development plan.

Auditor's Independence Declaration
Section 307C of the Corporations Act 2001 requires our auditors, HLB Mann Judd, to provide the Directors of the company with an Independence Declaration in relation to the review of the half-year financial report. This Independence Declaration is set out on page and forms part of this Directors' report for the half-year ended 31 December 2018.

This report is signed in accordance with a resolution of the Board of Directors made pursuant to s.306(3) of the Corporations Act 2001.

Andrew Munckton
Managing Director
14 March 2019

HLB MANN JUDD
ADVISORY AND ACCOUNTING

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the consolidated financial report of Kin Mining NL for the half-year ended 31 December 2018, I declare that to the best of my knowledge and belief, there have been no contraventions of:

a) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and

b) any applicable code of professional conduct in relation to the review.

Perth, Western Australia
14 March 2019

D I Buckley
Partner

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Liability limited by a scheme approved under Professional Standards Legislation.

HLB Mann Judd (WA Partnership) is a member of HLB International, the global advisory and accounting network.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE HALF-YEAR ENDED 31 DECEMBER 2018

	Note	31 December 2018	31 December 2017
		$	$
Continuing operations			
Interest income		16,248	21,379
Other income		31,668	1,762
Gain /(loss) on sale of assets		1,000	-
Reimbursements/refunds - government		6,152	11,928
Depreciation and amortisation expense		(161,560)	(34,647)
Administration expenses		(564,979)	(651,275)
Consultant expenses		(52,395)	(191,398)
Employee expenses		(643,651)	(437,814)
Share based payment expense		-	(2,130,900)
Finance costs	7	(1,677,164)	(45,041)
Occupancy expenses		(48,973)	(56,554)
Travel expenses		(17,656)	(74,398)
Exploration and evaluation expenses		(3,473,202)	(3,053,998)
Unrealised foreign exchange losses		(130,163)	-
Loss before income tax expense		**(6,714,675)**	**(6,640,956)**
Income tax expense		-	-
Loss after tax		**(6,714,675)**	**(6,640,956)**
Other comprehensive income, net of income tax			
Other comprehensive income		-	-
Other comprehensive income for the period, net of income tax		-	-
Total comprehensive loss for the period		**(6,714,675)**	**(6,640,956)**
Basic loss per share (cents per share)		(1.95)	(3.86)
Diluted loss per share (cents per share)		(1.95)	(3.86)

The accompanying notes form part of these financial statements.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2018

	Notes	31 December 2018 $	30 June 2018 $
Assets			
Current assets			
Cash and cash equivalents		6,667,985	2,195,518
Trade and other receivables	5	68,337	827,032
Inventory		14,738	14,738
Other		64,764	16,554
Total current assets		**6,815,824**	**3,053,842**
Non-current assets			
Property, plant and equipment		12,477,139	12,429,794
Total non-current assets		12,477,139	**12,429,794**
Total assets		**19,292,963**	**15,483,636**
Liabilities			
Current liabilities			
Trade and other payables	5	631,014	2,292,251
Borrowings	7	1	5,431,384
Total current liabilities		**631,015**	**7,723,635**
Non-current liabilities			
Provisions	8	1,500,000	1,500,000
Total non-current liabilities		**1,500,000**	**1,500,000**
Total liabilities		**2,131,015**	**9,223,635**
Net assets		**17,161,948**	**6,260,001**
Equity			
Share capital	3	60,791,907	43,175,285
Share based payments reserve		1,818,488	1,818,488
Accumulated losses		(45,448,447)	(38,733,772)
Total equity		**17,161,948**	**6,260,001**

The accompanying notes form part of these financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2018

	Share capital	Accumulated losses	Share based payment reserve	Total equity
	$	$	$	$
Balance at 1 July 2018	43,175,285	(38,733,772)	1,818,488	6,260,001
Loss for the period	-	(6,714,675)	-	(6,714,675)
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	-	(6,714,675)	-	(6,714,675)
Shares issued during the half-year	18,261,352	-	-	18,261,352
Share issue costs	(644,730)	-	-	(644,730)
Balance at 31 December 2018	60,791,907	(45,448,447)	1,818,488	17,161,948
Balance at 1 July 2017	26,805,451	(22,940,526)	35,128	3,900,053
Loss for the period	-	(6,640,956)	-	(6,640,956)
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	-	(6,640,956)	-	(6,640,956)
Options issued during the half- year	-	-	1,783,360	1,783,360
Shares to be issued for finance costs	1,125,000	-	-	1,125,000
Shares issued during the half-year	10,175,900	-	-	10,175,900
Share issue costs	(452,813)	-	-	(452,813)
Balance at 31 December 2017	37,653,538	(29,581,482)	1,818,488	9,890,544

The accompanying notes form part of these financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE HALF-YEAR ENDED 31 DECEMBER 2018

	Note	31 December 2018	31 December 2017
		$	$
Cash flows from operating activities			
Payments to suppliers and employees		(5,033,969)	(5,221,034)
Interest received		16,248	21,379
Other Income		-	1,762
Finance costs		(356,351)	-
Net cash outflow from operating activities		(5,374,072)	(5,197,893)
Cash flows from investing activities			
Payments for property, plant and equipment		(887,723)	(1,489,799)
Payment for acquisitions of mineral tenements		-	(270,000)
Net cash outflow from investing activities		(887,723)	(1,759,799)
Cash flows from financing activities			
Proceeds from the issue of shares		17,876,362	6,700,000
Payments for share issue costs		(259,741)	(452,813)
Proceeds from the conversion of options	4	-	2,155,923
Proceeds from borrowings	7	-	6,398,100
Repayment of borrowings	7	(6,882,359)	(524,000)
Net cash inflow from financing activities		10,734,262	14,277,210
Net increase in cash held		4,472,467	7,319,518
Cash and cash equivalents at the beginning of the period		2,195,518	6,654,391
Cash and cash equivalents at the end of the period		6,667,985	13,973,909

The accompanying notes form part of these financial statements.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

The condensed interim consolidated financial statements (the interim financial statements) are general purpose financial statements and has been have prepared in accordance with the requirements of the *Corporations Act 2001*, applicable accounting standards including AASB 134 *Interim Financial Reporting*, Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board ('AASB'). Compliance with AASB 134 ensures compliance with IAS 34 *Interim Financial Reporting*.

The interim financial statements comprise the condensed interim financial statements for the Group. For the purposes of preparing the interim financial statements, the Company is a for-profit entity.

The interim financial statements do not include full disclosures of the type normally included in the full financial report. Therefore, it cannot be expected to provide as full an understanding of the financial performance, financial position and cash flows of the Group as in the full financial report. It is recommended interim financial statements be read in conjunction with the full financial report for the year ended 30 June 2018 and any public announcements made by Kin Mining NL and its subsidiaries during the half-year in accordance with continuous disclosure requirements arising under the *Corporations Act 2001* and the ASX Listing Rules.

The accounting policies and methods of computation adopted are consistent with those of the previous financial year and corresponding half-year, except for the impact of the new Standards and Interpretations effective 1 July 2018 disclosed in section 1(b). These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

The interim financial statements have been prepared on a historical cost basis, except for the revaluation of certain current assets and financial instruments. Cost is based on the fair value of the consideration given in exchange for assets.

The Company is domiciled in Australia and all amounts are presented in Australian dollars.

For the purpose of preparing the interim financial statements, the half-year has been treated as a discrete reporting period.

(b) Adoption of new and revised standards

Standards and Interpretations applicable to 31 December 2018

In the period ended 31 December 2018, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Company and effective for the current reporting periods beginning on or after 1 July 2018.

As a result of this review, the Group has initially applied AASB 9 and AASB 15 from 1 July 2018.

Due to the transition methods chosen by the Group in applying AASB 9 and AASB 15, comparative information throughout the interim financial statements has not been restated to reflect the requirements of the new standards.

AASB 9 *Financial Instruments*

AASB 9 replaces AASB 139 *Financial Instruments: Recognition and Measurement* and makes changes to a number of areas including classification of financial instruments, measurement, impairment of financial assets and hedge accounting model.

Financial instruments are classified as either held at amortised cost or fair value.

Financial instruments are carried at amortised cost if the business model concept can be satisfied.

All equity instruments are carried at fair value and the cost exemption under AASB 139 which was used where it was not possible to reliably measure the fair value of an unlisted entity has been removed. Equity instruments which are non-derivative and not held for trading may be designated as fair value through other comprehensive income (FVOCI). Previously classified available-for-sale investments, now carried at fair value are exempt from impairment testing and gains or loss on sale are no longer recognised in profit or loss.

The AASB 9 impairment model is based on expected loss at day 1 rather than needing evidence of an incurred loss, this is likely to cause earlier recognition of bad debt expenses. Most financial instruments held at fair value are exempt from impairment testing.

The Group has applied AASB 9 retrospectively with the effect of initially applying this standard recognised at the date of initial application, being 1 July 2018 and has elected not to restate comparative information Accordingly, the information presented for 31 December 2017 and 30 June 2018 has not been restated.

There is no material impact to profit or loss or net assets on the adoption of this new standard in the current or comparative years.

AASB 15 *Revenue from contracts with Customers*

AASB 15 replaces AASB 118 *Revenue* and AASB 111 *Construction Contract*s and related interpretations and it applies to all revenue arising from contracts with customers, unless those contracts are in the scope of other standards.

The group has no revenue from contracts with customers.

Other than the above, the Directors have determined that there is no material impact of the other new and revised Standards and Interpretations on the Company and therefore, no material change is necessary to Group accounting policies.

Standards and Interpretations in issue not yet adopted

The Directors have also reviewed all of the new and revised Standards and Interpretations in issue not yet adopted for the half-year ended 31 December 2018.

As a result of this review the Directors have determined that AASB 16 Leases may have a material effect on the application in future periods.

AASB 16 replaces AASB 117 *Leases* and related interpretations.

AASB 16 removes the classification of leases as either operating leases or finance leases – for the lessee – effectively treating all leases as finance leases. Most leases will be capitalised on the statement of financial position by recognising a lease liability for the present value obligation and a 'right of use' asset. The right of use asset is calculated based on the lease liability plus initial direct costs, prepaid lease payments and estimated restoration costs less lease incentives received. This will result in an increase in the recognised assets and liabilities in the statement of financial position as well as a change in the expense recognition with interest and depreciation replacing operating lease expense. There are exemptions for short-term leases and leases of low-value items.

Lessor accounting remains similar to current practice, i.e. lessors continue to classify leases as finance and operating leases.

This Standard will primarily affect the accounting for the Group's operating lease commitments predominately relating to rental premises. The Group is considering available options to account for this transition which may result in a change in reported earnings before interest, tax and depreciation and amortisation (EBITDA) and increase in lease assets and liabilities recognition. The Standard may also have an impact on deferred tax balances. This will however be dependent on the lease arrangements in place when the new Standard is effective, The Group has commenced the process of evaluating the impact of the new Standard.

AASB 16 is effective from annual reporting periods beginning on or after 1 January 2019. A lessee can choose to apply the Standard using a full retrospective or modified retrospective approach.

Other than the above, there is no material impact of the new and revised Standards and Interpretations on the Company and therefore, no material change is necessary to Group accounting policies.

(c) Statement of compliance

The interim financial statements were authorised for issue on 14 March 2019.

The interim financial statements comply with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the financial report, comprising the interim financial statements and notes thereto, complies with International Financial Reporting Standards (IFRS).

(d) Significant accounting estimates and judgements

The preparation of the interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

The judgements, estimates and assumptions applied in the interim financial statements, including the key sources of estimation uncertainty were the same as those applied in the Group's last annual financial statements for the year ended 30 June 2018, except for the impact of the new Standards and Interpretations effective 1 July 2018 as disclosed in section 1(b).

(e) Going concern

The interim financial statements have has been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlements of liabilities in the ordinary course of business.

Notwithstanding the fact that the Group incurred an operating loss of $6,714,675 for the period ended 31 December 2018, has working capital of $6,184,809, and a net cash outflow from operating activities amounting to $5,374,072, the Directors are of the opinion that the Company is a going concern for the following reasons:

- The Directors also anticipate that a further equity raising will be required and will be completed in 2019.

Should these equity raising not be completed, there is a material uncertainty that may cast significant doubt as to whether the Company will be able to realise its assets and extinguish its liabilities in the normal course of business.

NOTE 2: SEGMENT REPORTING

AASB 8 *Operating Segments* requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the Chief Operating Decision Maker in order to allocate resources to the segment and to assess its performance.

The Group's operating segments have been determined with reference to the monthly management accounts used by the Chief Operating Decision maker to make decisions regarding the Group's operations and allocation of working capital. Due to the size and nature of the Group, the Board as a whole has been determined as the Chief Operating Decision Maker.

Based on the quantitative thresholds included in AASB 8, there is only one reportable segment, being Mineral Exploration and one geographical segment, namely Australia.

The revenues and results of this segment are those of the Group as a whole and are set out in the condensed statement of comprehensive income and the assets and liabilities of the Group as a whole are set out in the condensed statement of financial position.

NOTE 3: SHARE CAPITAL

	31 December 2018 $	30 June 2018 $
Ordinary shares Issued and fully paid	60,791,907	43,175,285

Movement in ordinary shares on issue

	Six Months to 31 December 2018		Year to 30 June 2018	
	No.	$	No.	$
Movements in ordinary shares				
Balance at beginning of period	243,547,933	43,175,285	161,696,184	26,805,451
Rights issues	197,823,404	18,261,352	34,665,303	5,598,984
Placement of shares	-	-	28,000,000	7,000,000
Issue of shares to settle transaction costs	-	-	3,500,000	875,000
Issue of shares to a Director after satisfaction of performance rights condition	-	-	380,083	100,000
Issue of shares to a former Director in repayment of amounts owing	-	-	2,785,714	750,000
Issue of shares to former Directors for past services	-	-	1,000,000	330,000
Issue of shares to employees after satisfaction of performance rights condition	-	-	291,149	75,000
Issue of shares following exercise of options	-	-	11,229,500	2,245,900
Share issue costs	-	(644,730)	-	(605,050)
Balance of issued capital at end of the period	441,371,337	60,791,907	243,547,933	43,175,285

NOTE 4: OPTIONS AND PERFORMANCE RIGHTS
Movement in options and rights on issue

	Six months to 31 December 2018		Year to 30 June 2018	
	No.	Weighted Average Exercise Price $	No.	Weighted Average Exercise Price $
Balance at the beginning of the year	37,335,750	0.653	28,865,750	0.297
Options issued to former Directors for past services (i)	-	-	2,000,000	0.750
Options issued to Directors (ii)	-	-	17,000,000	0.960
Options issued to consultants (iii)	-	-	1,000,000	0.360
Options exercised during the period (iv)	-	-	(11,229,500)	0.200
Options cancelled on expiry (v)	(100,000)	0.332	(300,500)	0.200
Balance of options and rights issued at the end of the period (vii)	37,235,750	0.654	37,335,750	0.653

Note:

i. Unlisted Options issued as part of approvals granted at the 15 September 2017 Shareholder General Meeting exercisable at $0.75 by 15 September 2020. Refer to Tranche 1 below for valuation assumptions.
ii. The following Unlisted Options were issued as part of approvals granted at the 15 September 2017 Shareholder General Meeting. There were no vesting conditions attached to the options.

	Tranche 1	Tranche 2	Tranche 3
Number of options issued	7,000,000	6,000,000	4,000,000
Date of issue	15/9/17	15/9/17	15/9/17
Spot price at date of issue	0.33	0.33	0.33
Exercise price	0.75	1.00	1.25
Date exercisable	15 September 2020	15 September 2021	15 September 2022
Volatility	85.07%	85.07%	85.07%
Interest rate	2.08%	2.08%	2.08%
Discount for lack of marketability	30%	30%	30%
Fair value per option	0.0836	0.0916	0.0998

iii. Unlisted options issued for the purpose described were valued using the Black & Scholes option pricing as shown below:

	2018
Purpose of issue	in accordance with a mandate and part of transaction fee for arranging the Project Finance Facility
No. of Options	1,000,000
Date of issue	15 January 2018
Spot price at date of issue	$0.270
Exercise price	$0.360
Date exercisable	15 January 2020
Volatility	94%
Interest rate	1.96%
Discount for lack of marketability	30%
Total fair value	$82,460

iv. Unlisted Options exercised during the relevant period.

v. 300,500 unlisted options with an exercise price of $0.20 expired unexercised on 31 August 2017 and 100,000 unlisted options expired unexercised on 21 November 2018.

vi. The share options outstanding at 31 December 2018 had an exercise price between $0.27 and $1.25 and a weighted average remaining contractual life of 558 days.

NOTE 5: FINANCIAL INSTRUMENTS

The methods and valuation techniques used for the purpose of measuring fair value are unchanged compared to the previous reporting period.

The Directors consider that the carrying value of the financial assets and financial liabilities recognised in the consolidated financial statements approximate their fair values.

	31 December 2018		30 June 2018	
	Carrying amount	Fair value	Carrying amount	Fair value
	$	$	$	$
Financial assets				
Loans and receivables				
- Trade and other receivables	68,337	68,337	827,032	827,032
Financial liabilities				
Financial liabilities held at amortised cost				
- Loans from other entities	1	1	5,431,384	5,431,384
- Trade and other payables	631,014	631,014	2,292,251	2,292,251

NOTE 6: CONTINGENT LIABILITIES

There has been no change in contingent liabilities since the last annual reporting date.

NOTE 7: BORROWINGS

	31 December 2018	30 June 2018
	$	$
Sprott Credit Facility (Current) (i)	1	5,431,384
	1	5,431,384

i. The Company entered into a credit agreement (original credit facility) with Sprott Private Resource Lending (Collector), LP (Sprott) to provide a USD$27M senior secured credit facility to be used for the construction of the 100% owned Leonora Gold Project in December 2017.

The original credit facility includes the following key terms:

- Annual interest rate of 8.00%, plus the greater of US 12-month LIBOR or 1.00%,
- 3,500,000 KIN ordinary shares will be issued to Sprott on closing with the shares to be escrowed for 4 months,
- 1.5% NSR on first 100,000oz gold produced by the LGP,
- 3-year loan term, repayments beginning June 2019, and
- a General Security Deed and Mining Tenement Mortgage.

On 27 December 2017, the Company received the first tranche drawdown of this original credit facility of USD$5M which was recorded in the Statement of Financial Position at 30 June 2018 net of the transaction costs related to the facility.

During the current period the Company and Sprott agreed to vary the credit agreement with an early repayment of the outstanding balance except for US$1 and the removal of all security and covenant requirements while the outstanding balance is only USD$1. The variations to the agreement following the early repayment included:

- an increase in the availability period from 30 June 2019 to 30 June 2021,
- an extension in the maturity date of the facility to 31 March 2023,
- commencement of quarterly principle repayments (on any future drawdowns) has been moved forward to 30 June 2021,
- an amendment to the secured position (during the period that the no loan outstanding is USD$1) to just cover the 1.5% NSR.

As a result of the modification to the terms of the credit agreement transaction costs of $1,381,201 have been expensed in the current period.

The company has an additional USD$22M to drawdown under the facility subject to further due diligence to the satisfaction of the lender. The general security and covenants will be reinstated in the event that Kin seeks to recommence drawdowns on the Credit Facility (subject to further due diligence by Sprott).

NOTE 8: PROVISIONS

	2018 $	2017 $
Non-Current		
Restoration and rehabilitation provision	1,500,000	-
	1,500,000	-

NOTE 9: EVENTS SUBSEQUENT TO REPORTING DATE

There have been no additional matter or circumstance that has arisen after balance date that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial periods.

DIRECTORS' DECLARATION

1. In the opinion of the Directors of Kin Mining NL (the 'Company'):

    a. the accompanying interim financial statements and notes are in accordance with the *Corporations Act 2001* including:

        i. giving a true and fair view of the Group's financial position as at 31 December 2018 and of its performance for the half- year then ended; and

        ii. complying with Australian Accounting Standards, the *Corporations Regulations 2001*, professional reporting requirements and other mandatory requirements.

    b. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

    c. the interim financial statements and notes thereto are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board.

2. This declaration has been made after receiving the declarations required to be made to the Directors in accordance with Section 303(5) of the *Corporations Act 2001* for the half-year ended 31 December 2018.

This declaration is signed in accordance with a resolution of the board of Directors.

Andrew Munckton
Managing Director
14 March 2019

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Kin Mining NL

Report on the Condensed Half-Year Financial Report

Conclusion

We have reviewed the accompanying half-year financial report of Kin Mining NL ("the company") which comprises the condensed consolidated statement of financial position as at 31 December 2018, the condensed consolidated statement of comprehensive income, the condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory notes, and the directors' declaration, for the consolidated entity comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Kin Mining NL is not in accordance with the *Corporations Act 2001* including:

(a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2018 and of its performance for the half-year ended on that date; and

(b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Emphasis of matter - material uncertainty related to going concern

We draw attention to Note 1(e) in the half-year financial report, which indicates that a material uncertainty exists that may cast significant doubt on the entity's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

Directors' responsibility for the half-year financial report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Group's financial position as at 31 December 2018 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of the Company, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

HLB Mann Judd

HLB Mann Judd
Chartered Accountants

D I Buckley
Partner

Perth, Western Australia
14 March 2019