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High Quality Exploration Targets Identified at Gwalia South

- Gwalia-style gold Exploration Targets identified just 2.5km south of the Sons of Gwalia mine (7Moz), at the Gwalia South Prospect
- A new structural analysis reveals north-west trending thrust faults have a controlling effect on large scale gold mineralisation along the Gwalia Shear Zone
- The Gwalia mine sequence continues south through Kin's Desdemona tenure and this gold bearing corridor presents as a highly prospective target zone.

Gwalia South

Kin Mining NL (ASX: KIN) is pleased to report the completion of an exploration targeting exercise along the Gwalia Shear Zone (GSZ), 2.5km south of the world class Sons of Gwalia mine (7Moz) within the Desdemona Project. High priority targets have been generated with the collation of key datasets including newly acquired high resolution aeromagnetics and gravity surveys, historic drill data, reinterpretation of geology and a new structural analysis.

Gwalia South is identified as a standout target that has the potential to host gold mineralisation of a similar style to that at the Sons of Gwalia mine. This is evident as the same geological sequence and structural regime documented at the Sons of Gwalia mine continues south through the Gwalia South Prospect.

During tectonic deformation the Raeside Batholith is believed to have assisted with the deposition of gold mineralisation during its extensional and uplift phase. It is thought that the rigid dome geometry aided the generation of dilatational and compressional jogs on north-west trending thrust faults along the GSZ. These faults are interpreted as the plumbing system that localises hydrothermal fluids and large scale gold mineralisation (Mukherji 2009).

Kin have identified at least two north-west striking faults within the Gwalia South prospect area and believe that these structures have been poorly tested by previous exploration. The new exploration model will focus on the prospective north-west striking faults that are believed to be the controlling structures for large scale gold mineralisation within the GSZ (Figure 1).

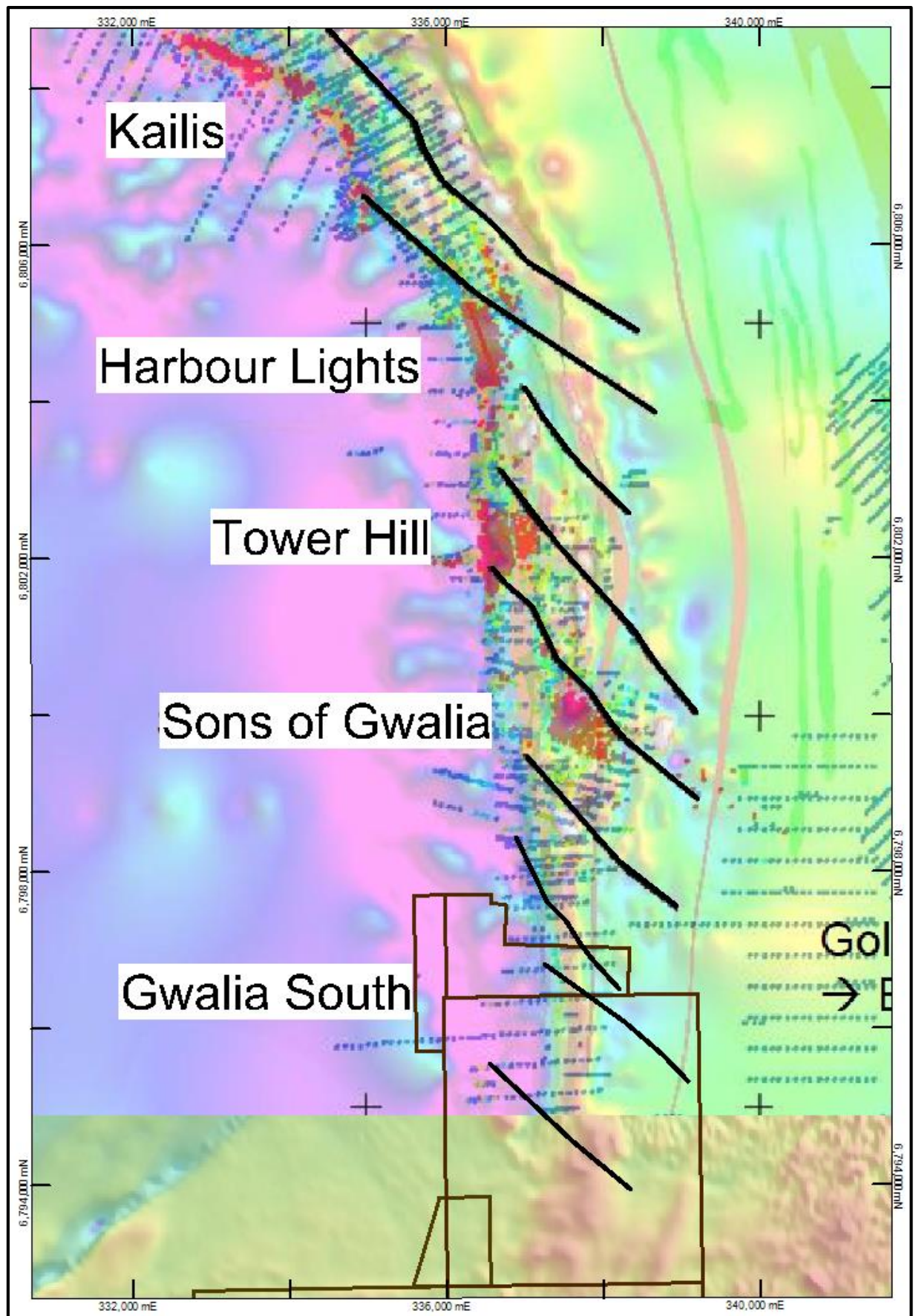


Figure 1 Gold distribution in drillholes (red=>5g/t Au) in relation to north-west striking faults. Structural review undertaken by Centre for Exploration Targeting N.Thébaud 2009 (Mukherji 2009) (Gwalia South faults interpreted by Kin Mining).

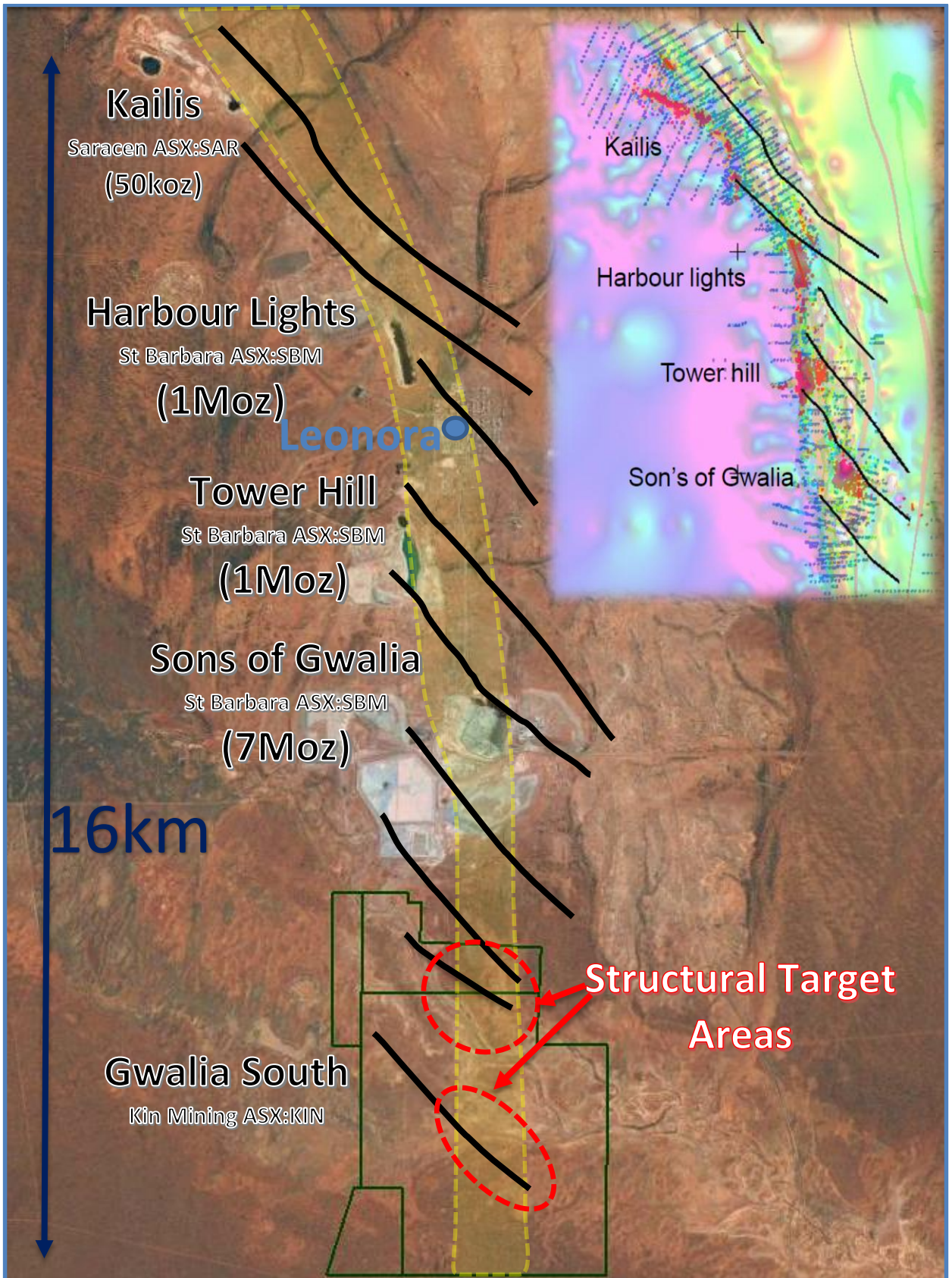


Figure 2 Google Earth image highlighting the prospective gold corridor (yellow shaded outline) and the close proximity of the Gwalia South tenure in relation to the known gold deposits along the contiguous Gwalia Shear Zone, with repeated north-west thrust faults that are believed responsible for localising gold along the shear zone. Insert (Mukherji 2009) displaying drill holes depicting gold mineralisation along the GSZ in relation to the north-west trending faults.

The Gwalia South tenements cover the immediate strike extension of the gold bearing ultramafic and mafic volcanic sequences that host the well-endowed (7Moz) Sons of Gwalia mine (Figure 3). Further to the north-west, the same greenstone package also encompasses the granite-ultramafic lithologies that hosts the Tower Hill (1Moz), Harbour Lights (1Moz), Jasper Flats (165koz), Kailis (50koz) and King of the Hills mines (1.8Moz).

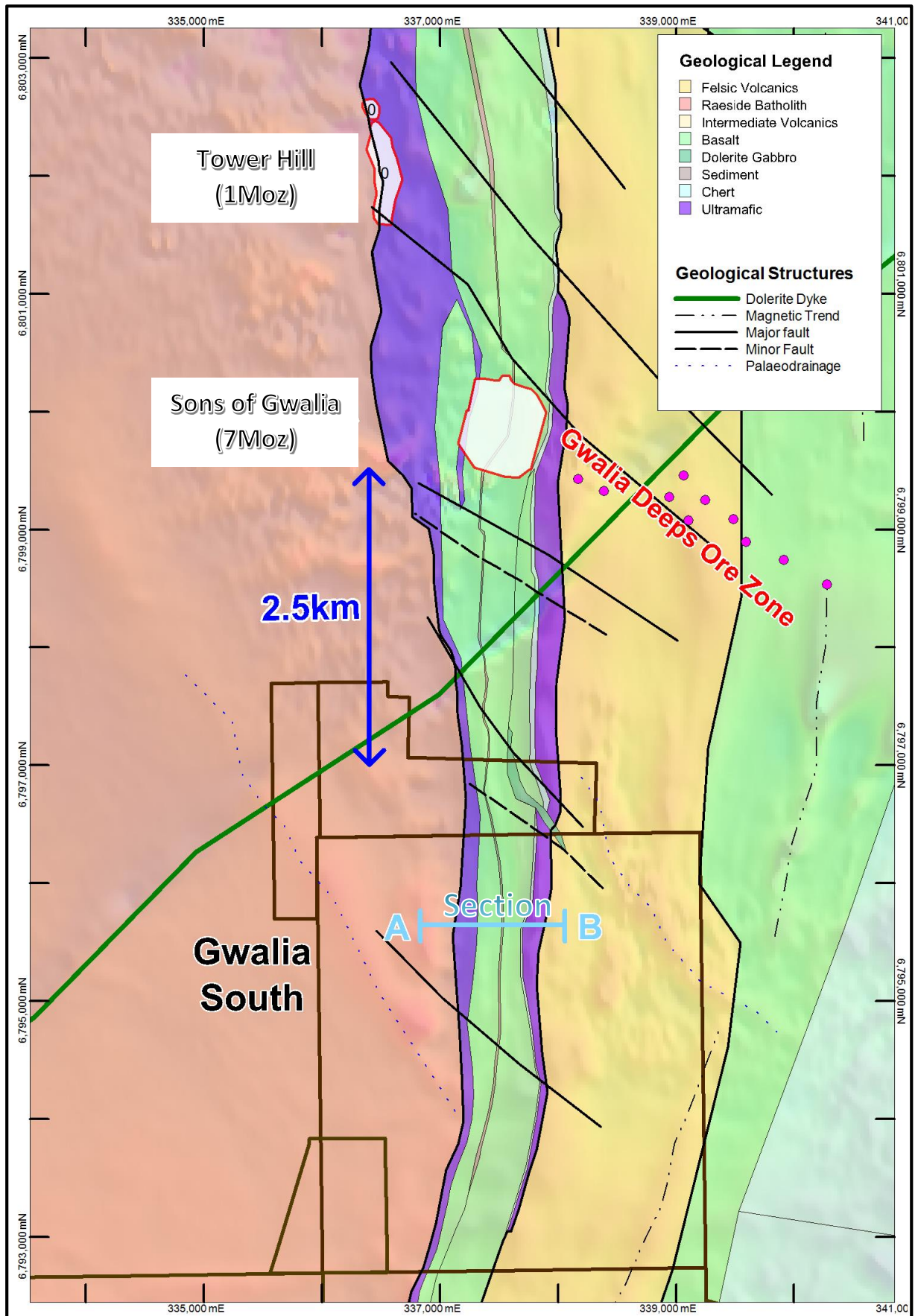


Figure 3 Bedrock geology highlighting the continuation of the Gwalia mine sequence through the Gwalia South area. Two prospective geological target horizons are evident at Gwalia South, the Gwalia mine sequence and the Tower Hill granite-ultramafic contact (see section Figure 4).

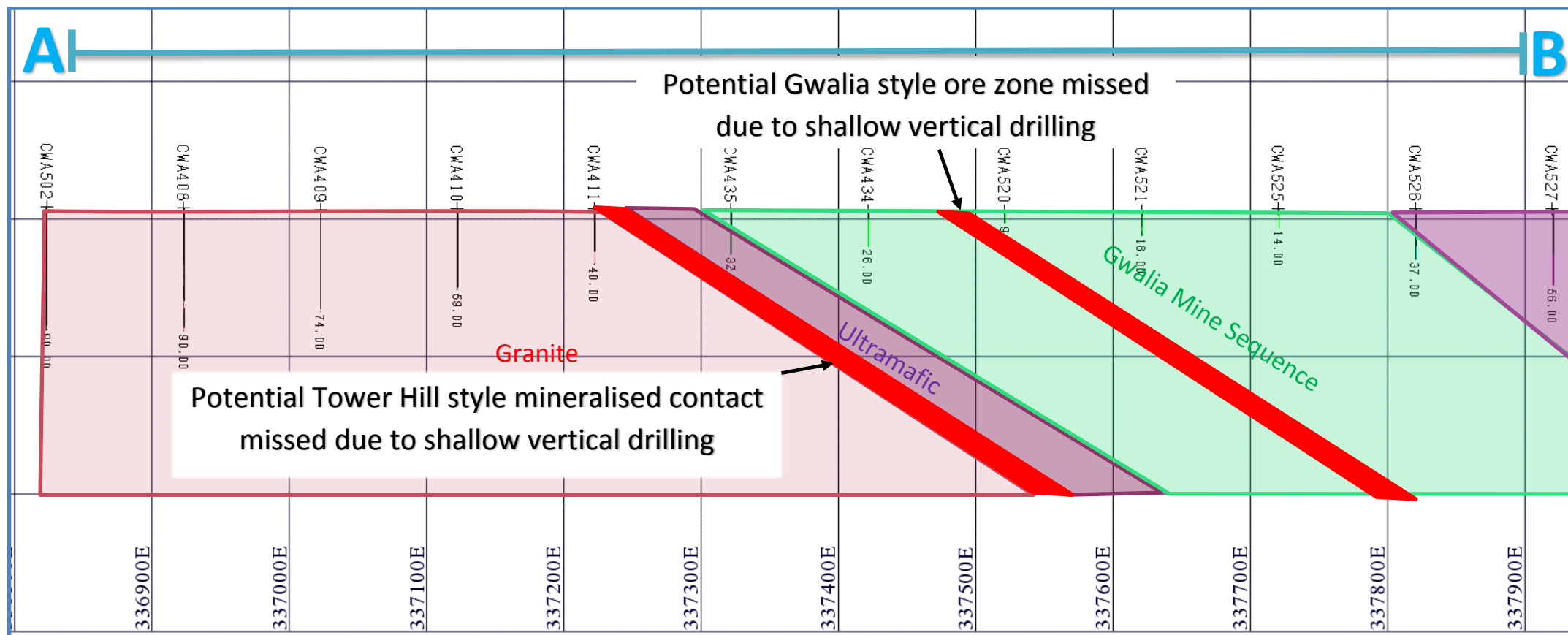


Figure 4 A typical section (6795600mN) highlighting the shallow poorly targeted historical drilling across the prospective ultramafic and mafic volcanic sequences that host the Sons of Gwalia mine. The same greenstone package also encompasses the granite-ultramafic contact along the Gwalia Shear Zone that hosts the Tower Hill mine

Exploration drilling south of the Gwalia mine conducted by Sons of Gwalia in 1999 along the GSZ identified continuous sheared mafic/ultramafic \pm felsic porphyry units (Gwalia mine sequence) and an overlying felsic volcanic/sedimentary sequence where historic RAB and RC drilling has returned several significant gold intersections.

Historic drilling in the Gwalia South area is predominantly sparse vertical Aircore drilled to blade refusal (10-80m depth), generally on 400m line spacings. Drilling to date confirms that the Gwalia mine sequence continues south through Kin's tenure and it is this host sequence that presents as a highly prospective target zone.

Many target areas were insufficiently tested as previous exploration was predominately ineffective due to the holes being vertical and only drilled to blade refusal (Figure 4). Historic drilling often failed to intersect the prospective lithological contacts or the north-west striking faults.

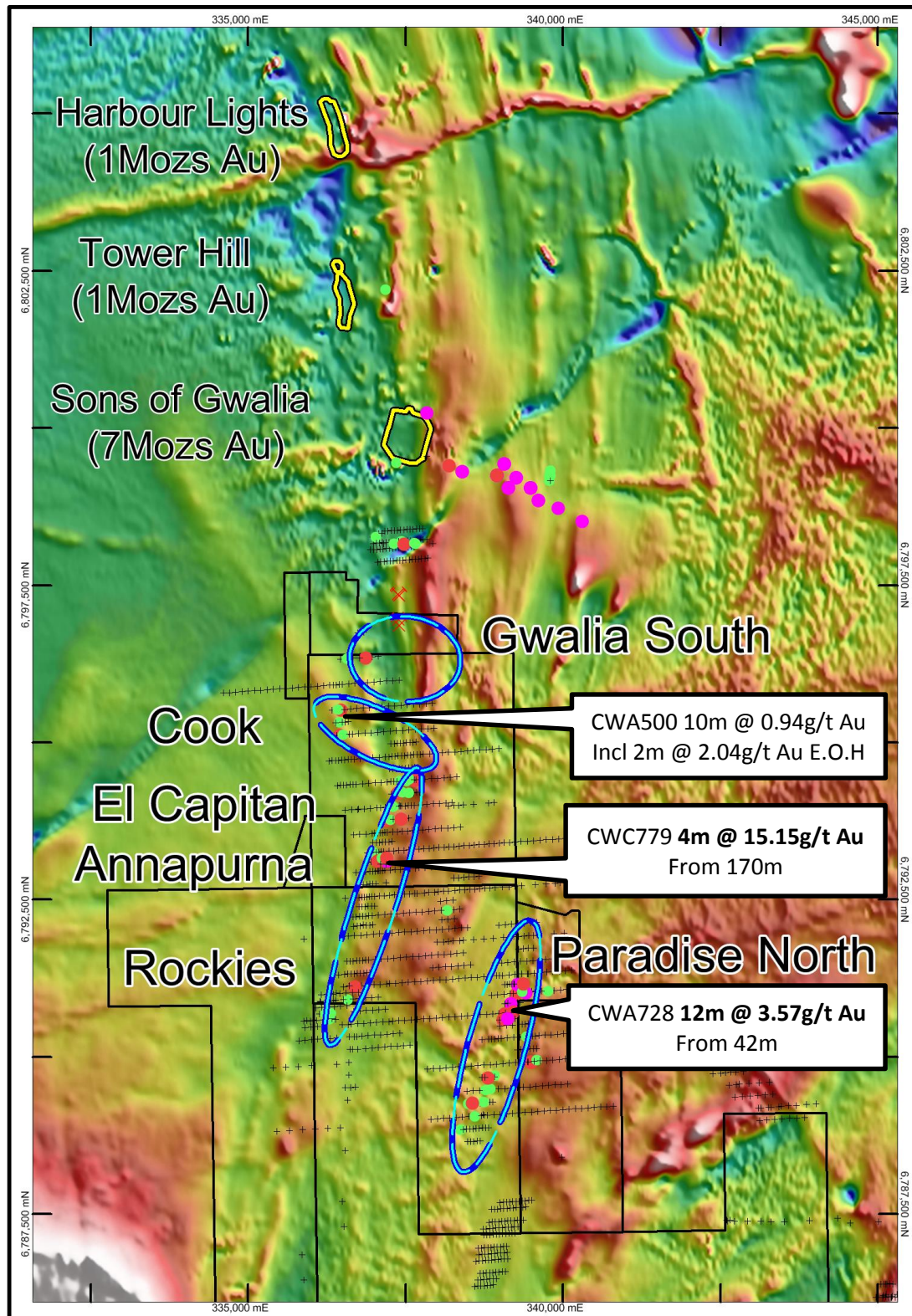


Figure 5 Aeromagnetics with maximum downhole Au g/t (green=0.5-1, red=1-3 and magenta=>3) highlighting the main target areas (blue circles) within the Desdemona Project

Gwalia South has now been elevated to one of Kin's priority gold targets. Collation and interrogation of newly acquired datasets has confirmed the highly prospective nature of the Gwalia South Prospect. Deeper angled RC drilling is planned to effectively test this underexplored structural corridor over a strike length of more than 4km. The recently secured tenure has been held for the last 30 years by the previous mine owners and may have been somewhat overlooked due to large scale mining being their primary focus. The addition of Gwalia South now expands Kin's overall land holding along the prolific gold bearing GSZ to 26km of strike length which Kin plan to systematically explore.

Managing Director Trevor Dixon said *"We are very pleased with the progress at the Gwalia South Prospect. The geological team have been busy getting all the data together which has led to the latest developments. Originally we thought this area would have been well explored due to its close proximity to the world class Sons of Gwalia mine. However the drill data reveals many areas are ineffectively drill tested and the possibility of finding another large scale gold deposit along the Gwalia Shear Zone remains."*

"The fact that that Kin's ground is only 2.5 kilometers away from Sons of Gwalia mine has always been acknowledged, but the fact that Gwalia South also comprises the same geological sequence and structural regime makes this area a compelling drill target that we will investigate in the near future."

References

Davies, A. 1999, Central Well Project, Annual Report for the period 15th July 1998 to 14th July 1999. Available from WAMEX report no. A59923.

Mukherji, A. 2009, Gwalia Project, Annual Report for the Period 1 October 2008 to 30 September 2009. Available from WAMEX report no. A85286.

Competent Persons Statement

The information contained in this report relates to information compiled or reviewed by Mr. Paul Maher who is a member of the (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.