



## 19th December 2014

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ASX: KIN

# Kin Identifies Near Term Production Opportunity at Leonora Gold Project

### Highlights

- Outstanding early-stage mining opportunity identified for high-grade start-up open pits at Lewis, within the larger Cardinia resource.
- Provides a clear pathway for Kin to fast-track its transition to production at the Leonora Gold Project.
- Advanced mine plans in place, clearing the way for a rapid start-up to mining operations.
- Free dig, shallow supergene ore indicates potential for inexpensive life-of-mine operating cost.

Kin Mining NL (ASX: KIN) is pleased to advise that it has identified an outstanding opportunity to fasttrack its transition to gold production at its newly acquired Leonora Gold Project in Western Australia.

Following interrogation of the extensive Leonora Gold Project (LPG) database, the Company has identified a potential start-up pits known as "Lewis East and Lewis West" (M37/86 and M37/227), located within the existing Cardinia resource.

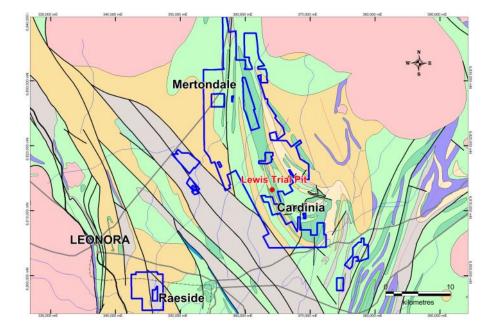


Figure 1 – Location of the Lewis Trial Pit within the Leonora Gold Project (LGP).

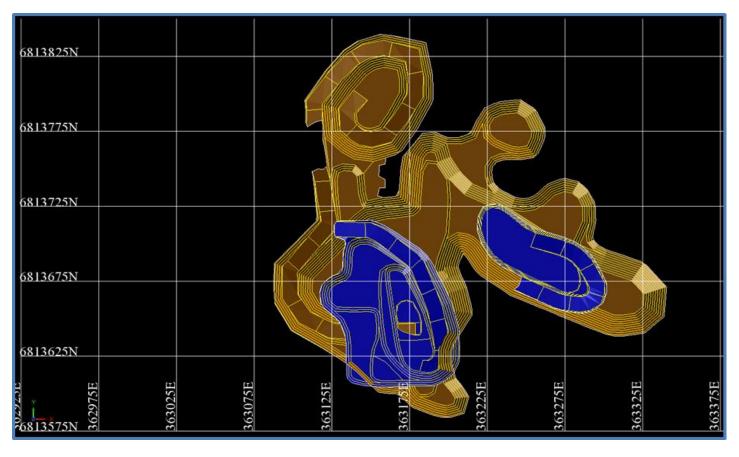


This presents as an avenue to early production, subject to standard environmental and mining approvals (Figure 1), potentially enabling the Company to achieve a rapid ramp-up of gold production.

The trial mining design is well advanced and a substantial part of the work and planning has already been completed by the previous owner of the Leonora Project.

The Lewis resource area has undergone advanced mine planning including trial pit designs, flitch dig block designs and preliminary metallurgical test work.

This portion of the Cardinia resource (which totals 4.8Mt @ 1.3 g/t for 200,000oz – see previous Kin ASX announcement 8th April 2014) is identified as a low cost entry point to production (Figure 2).





The gold mineralisation is hosted in a supergene blanket that covers the entire Lewis resource which is laterally extensive and predominantly sits between 6m and 25m below surface.

The Lewis starter pits are located within this larger supergene deposit and represent a shallow, free dig scenario which eliminates blasting costs. The two starter pits are designed to generate cash flow as they focus on higher grade ore close to surface (Figure 3).

Extensive close spaced grade control RC drilling on 5m by 8m centres has been completed from surface covering the entire starter pits, further reducing start-up costs.

On site leaching is envisaged as the quickest and lowest cost treatment option.



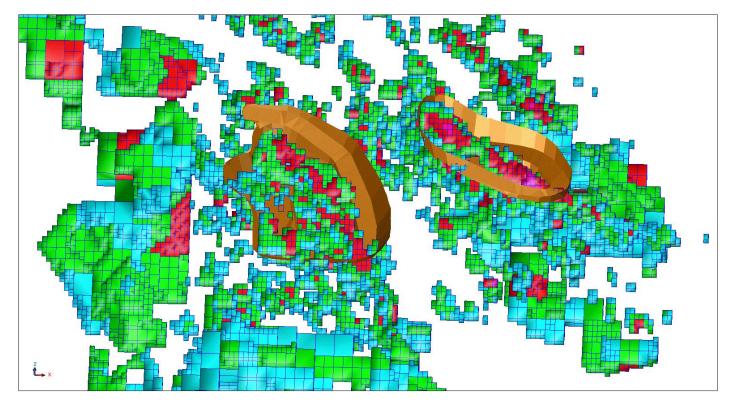


Figure 3 – Oblique section looking north of the eastern and western starter pit shells within Lewis block model (Blocks coloured on gold; 0.8-1.0g/t=cyan, 1.0-2.0g/t=green, 2.0-5.0g/t=red, >5.0g/t=magenta)

Kin's Managing Director Trevor Dixon said the Lewis starter pit was example of the outstanding upside potential within the LGP which put the Company in an excellent position to fast-track its transition from junior explorer to producer.

"We are planning to target the most profitable deposits with small mining operations involving modest development in order to generate a rapid cash flow," Mr Dixon said.

"The Lewis trial mining area represents an outstanding opportunity which has undergone extensive preliminary mine planning, providing a clearly defined pathway to production.

"Previous mining of the supergene blanket at Cardinia was extremely successful as the mined grades were better than expected in a free-dig scenario. The Lewis trial pits are located within the same supergene-enriched deposit at Cardinia, and therefore we would expect a similar outcome with a yield of +2g/t Au."

#### **Competent Persons Statement**

The information in this report that relates to mineral resources and exploration results is based on information compiled by Mr Paul Maher who is a Member of the Australian Institute of Mining and Metallurgy. Mr Maher is a full time employee of the Company and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Maher has given his consent to the inclusion in this report of the matters based on the information in the form and context in which it appears.