Kin Mining N.L.

ACN 150 597 541

Notice of Annual General Meeting

Explanatory Statement

and

Proxy Form

Date of Meeting
3 November 2014

Time of Meeting
11.00 am (WST)

Place of Meeting
"The Heritage Boardroom"
The Melbourne Hotel
Cnr Hay Street and Milligan Street
Perth WA 6000

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of Shareholders of Kin Mining N.L. ("**Kin**" or "the **Company**") will be held on Monday, 3 November 2014, commencing at 11.00am (WST) at "The Heritage Boardroom", The Melbourne Hotel, cnr Hay Street and Milligan Street, Perth, Western Australia.

The enclosed Explanatory Statement accompanies and forms part of this Notice of Meeting.

AGENDA

SPECIAL BUSINESS

Resolution 1: Issue of Shares pursuant to Subscription Agreement

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purpose of Item 7 of Section 611 of the Corporations Act and for all other purposes, approval is given for the acquisition of a relevant interest in up to 23,809,524 Shares by Geolord Resources Pty Ltd arising from a Subscription Agreement between Geolord Resources Pty Ltd and the Company, in excess of the threshold prescribed by Section 606(1)(c)(i) of the Corporations Act, on the terms and conditions set out in the accompanying Explanatory Statement."

Independent Expert's Report: Shareholders should carefully consider the Independent Expert's Report prepared by HLB Mann Judd Corporate (WA) Pty Ltd for the purposes of the Shareholder approval required under Item 7 of Section 611 of the Corporations Act. The Independent Expert's Report comments on the fairness and reasonableness of the transaction to the non-associated Shareholders. The Independent Expert has determined that the issue of Shares to Geolord Resources Pty Ltd is not fair but reasonable to the non-associated Shareholders.

Voting Exclusion: Under Item 7 of Section 611 of the Corporations Act, no votes may be cast in favour of the Resolution by:
(a) the person proposing to make the acquisition and their associates; or
(b) the persons (if any) from whom the acquisition is to be made and their associates.
Accordingly, the Company will disregard any votes cast on this Resolution by Geolord Resources Pty Ltd and any of its associates.

Resolution 2: Appoint Mr Liu as a Director of the Company

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That pursuant to section 201G of the Corporations Act 2001, Mr Jian Liu be appointed as a director of the Company, with effect from 3 November 2014 and subject to completion of the subscription of 13,333,334 Shares by Geolord under the Subscription Agreement."

Resolution 3: Appoint Mr Zhang as a Director of the Company

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That pursuant to section 201G of the Corporations Act 2001, Mr Yi Cheng Zhang be appointed as a director of the Company, with effect from 28 November 2014 and subject to completion of the subscription of 10,476,190 Shares by Geolord under the Subscription Agreement."

Resolution 4: Ratification of Share Issue

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purposes of Listing Rule 7.4 and for all other purposes, ratification be given in respect of the allotment and issue of 1,500,000 fully paid ordinary shares to Waterton Global Value L.P., on the terms and conditions set out in the accompanying Explanatory Statement."

Voting exclusion: In accordance with Listing Rule 7.5.6 the Company will disregard any votes cast on Resolution 4 by any person who participated in the issue the subject of this resolution and any person associated with those persons. However, the Company will not disregard a vote if it is cast by such a person as proxy for a person who is entitled to vote in accordance with the directions on the proxy form or if it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Resolution 5: Approval of Share Issue

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Directors to allot and issue 1,500,000 fully paid ordinary shares to Waterton Global Value L.P., on the terms and conditions set out in the accompanying Explanatory Statement."

Voting Exclusion: In accordance with Listing Rule 7.3.8, the Company will disregard any votes cast on this Resolution 5 by any person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the Resolution is passed and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Resolution 6: Approval for Future Issue of Shares

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purpose of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Directors to allot and issue up to 5,000,000 Shares on the terms and conditions set out in the accompanying Explanatory Statement."

Voting Exclusion: In accordance with Listing Rule 7.3.8, the Company will disregard any votes cast on this Resolution 6 by any person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the Resolution is passed and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

ORDINARY BUSINESS

Accounts and Reports

To receive and consider the annual financial report for the financial year ended 30 June 2014, together with the reports by directors and auditors thereon.

To consider and, if thought fit, to pass the following resolution as an **ordinary resolutions**:

Resolution 7: Adoption of Remuneration Report

"That for the purpose of section 250R(2) of the Corporations Act and for all other purposes, the Remuneration Report set out in the Company's 2014 Annual Report for the financial year ended 30 June 2014 be adopted."

Note: *The vote on this resolution is advisory only and does not bind the directors of the Company.*

Voting Exclusion: Pursuant to section 250R(4) of the Corporations Act, the Company is required to disregard any votes cast on Resolution 7 (in any capacity) by or on behalf of any of the following persons:

(a) member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or
(b) a Closely Related Party of such a member (together "prohibited persons").

However, the Company will not disregard a vote if:

(c) the prohibited person does so as a proxy appointed by writing that specifies how the proxy is to vote on the proposed resolution; and
(d) the vote is not cast on behalf of a prohibited person.

Resolution 8: Re-election of Director (Mr Giuseppe (Joe) Paolo Graziano)

"That Mr Graziano, being a Director of the Company who retires by rotation in accordance with Clause 11.3 of the Company's Constitution and, being eligible, offers himself for re-election, be re-elected as a director of the Company."

Resolution 9: Approval of Additional 10% Placement Capacity

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **special resolution**:

"That, for the purpose of Listing Rule 7.1A and for all other purposes, approval is given for the issue of Equity Securities totalling up to 10% of the Shares on issue, calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions set out in the Explanatory Statement accompanying this Notice of Annual General Meeting."

Voting Exclusion: The Company will disregard any votes cast on this Resolution 9 by any person who may participate in the issue of Equity Securities under this Resolution and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the Resolution is passed and any associates of those persons. However, the Company will not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Voting at General Meeting

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders of the Company at 4.00pm (WST) on 30 October 2014. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the Annual General Meeting.

Proxy and voting entitlement instructions are included on the Proxy Form accompanying this Notice of Meeting.

BY ORDER OF THE BOARD

Joe Graziano
Company Secretary
6 October 2014

EXPLANATORY STATEMENT

1. INTRODUCTION

This Explanatory Statement has been prepared for the information of Shareholders of Kin Mining N.L. ("**Kin**" or "the **Company**") in connection with the business to be conducted at the Annual General Meeting of Shareholders to be held on Monday, 3 November 2014, commencing at 11.00am (WST) at "The Heritage Boardroom, The Melbourne Hotel, cnr Hay Street and Milligan Street, Perth Western Australia.

An Independent Expert's Report prepared by HLB Mann Judd Corporate (WA) Pty Ltd comments on whether the proposal the subject of Resolution 1 is not fair but reasonable to the non-associated shareholders of the Company.

The Directors recommend that shareholders read this Explanatory Statement and the Independent Expert's Report in full before making any decision in relation to Resolution 1.

Shareholders should note that HLB Mann Judd Corporate (WA) Pty Ltd has concluded that the proposal the subject of Resolution 1 is not fair but reasonable to the non-associated shareholders of the Company.

This Explanatory Statement forms part of and should be read in conjunction with the accompanying Notice of Meeting.

2. ISSUE OF SHARES AND APPOINTMENT OF DIRECTORS PURSUANT TO SUBSCRIPTION AGREEMENT (Resolutions 1, 2 and 3)

2.1 General

On 21 July 2014 Kin announced that, pursuant to the Subscription Agreement between Kin and Geolord Resources Pty Ltd ("**Geolord**"), Geolord had agreed to subscribe for 23,809,524 Shares at a price of $0.15 per Share for a total consideration payable to Kin of $3,571,429.

To facilitate the issue of Shares pursuant to the Subscription Agreement, Resolution 1 seeks Shareholder approval for the issue of Shares to Geolord, as well as the acquisition of a relevant interest in the issued voting shares of the Company by Geolord in excess of the threshold prescribed by Section 606(1)(c)(i) of the Corporations Act by virtue of the issue of the Shares.

Approval pursuant to Listing Rule 7.1 is not required for the issue of Shares proposed by Resolution 1 as approval is being obtained under Item 7 of Section 611 of the Corporations Act. Accordingly, the issue of Shares to Geolord will not be included in the 15% calculation of the Company's annual placement capacity pursuant to ASX Listing Rule 7.1.

The Corporations Act and ASIC Regulatory Guide 74 set out a number of regulatory requirements which must be satisfied. These are summarised in sections 2.3 to 2.8.

2.2 Background

On 18 July 2014 the Company entered into the Subscription Agreement with Geolord.

The key terms of the Subscription Agreement are:

(a) Geolord, or its nominee, agrees to subscribe for a total of 23,809,524 Shares in two tranches:
   (i) Tranche 1 – 13,333,334 Shares at $0.15 for $2,000,000 to be completed on or before 31 October 2014 ("**Tranche 1 Shares**"); and
   (ii) Tranche 2 – 10,476,190 Shares at $0.15 for $1,571,428.50 to be completed on or before 28 November 2014 ("**Tranche 2 Shares**").

(b) The subscription of Shares by Geolord is subject to and conditional upon (including but not limited to):

(i) the Leonora gold project transaction being in full force and effect;
(ii) the receipt of all necessary shareholder approvals (as may be required under the Constitution of the Company, the Corporations Act and the Listing Rules) in relation to the transactions contemplated by the Subscription Agreement; and
(iii) completion of the previously announced rights issue with the receipt by the Company of a minimum amount of $1,000,000.

(c) The appointment of two nominee directors by Geolord to the Company's Board, which must not consist of more than five directors in total, with effect from:
(i) 31 October 2014 in the case of the first nominee; and
(ii) 28 November 2014 in the case of the second nominee.

2.3 Item 7 of Section 611 of the Corporations Act

Pursuant to Section 606(1) of the Corporations Act, a person must not acquire a relevant interest in issued voting shares in a listed company if the person acquiring the interest does so through a transaction in relation to securities entered into by or on behalf of the person and because of the transaction, that person's or someone else's voting power in the company increases:

(a) from 20% or below to more than 20%; or

(b) from a starting point that is above 20% and below 90%.

The voting power of a person in a body corporate is determined in accordance with Section 610 of the Corporations Act. The calculation of a person's voting power in a company involves determining the voting shares in the company in which the person and the person's associates have a relevant interest.

A person ("**second person**") will be an "associate" of the other person ("**first person**") if:

(a) the first person is a body corporate and the second person is:

(i) a body corporate the first person controls;

(ii) a body corporate that controls the first person; or

(iii) a body corporate that is controlled by an entity that controls the first person; or

(b) the second person has entered or proposed to enter in a relevant agreement with the first person for the purpose of controlling or influencing the composition of the Company's board or the conduct of the Company's affairs; or

(c) the second person is a person with whom the first person is acting or proposed to act, in concert in relation to the Company's affairs; or

(d) the first person is a body corporate and the second person is:

(i) a director or secretary of the body; or

(ii) a related body corporate; or

(iii) a director or secretary of a related body corporate.

An entity controls another entity if it has the capacity to determine the outcome of decisions about that other entity's financial and operating policies.

No associates of Geolord currently have a relevant interest in any securities of the Company.

Pursuant to Section 608(1) of the Corporations Act, a person has a "relevant interest" in securities if they:

(a) are the holder of the securities;

(b) have the power to exercise, or control the exercise of, a right to vote attached to the securities; or

(c) have power to dispose of, or control the exercise of a power to dispose of, the securities.

It does not matter how remote the relevant interest is or how it arises. If two or more people can jointly exercise one of these powers, each of them is taken to have that power.

As at the date of the Notice of Meeting, Geolord holds no Shares in the Company. On issue of the Tranche 1 Shares, Geolord will be issued with 13,333,334 Shares. On issue of the Tranche 2 Shares, Geolord will be issued with 10,476,190 Shares. The issue of the Trance 1 Shares and the Tranche 2 Shares will result in Geolord acquiring a relevant interest in the issued voting shares of the Company of greater than 20%. This acquisition is in excess of the threshold prescribed by Section 606(1)(c)(i) of the Corporations Act.

There are various exceptions to the prohibition in section 606, including under section 611 item 7 of the Corporations Act. Item 7 of Section 611 of the Corporations Act provides an exception to the prohibition in Section 606(1) of the Corporations Act, whereby a person may acquire a relevant interest in a company's voting shares with the approval of the shareholders of that company.

Accordingly, the Company seeks Shareholder approval under Item 7 of Section 611 of the Corporations Act for the issue of the Shares to Geolord as well as the acquisition of a relevant interest in the issued voting shares of the Company by Geolord in excess of the threshold prescribed by Section 606(1)(c)(i) of the Corporations Act by virtue of the issue of the Shares.

2.4 Specific Information required by Item 7 of Section 611 of the Corporations Act & ASIC Regulatory Guide 74

The following information is required to be provided to Shareholders under ASIC Regulatory Guide 74 and the Corporations Act in respect of obtaining approval pursuant to Item 7 of Section 611 of the Corporations Act.

The identity of the acquirer and their associates and any person who will have a relevant interest in the Shares to be acquired

The acquirer is Geolord.

Geolord is a company incorporated and existing in Australia. Geolord is a privately held company and has interests in a variety of business sectors, industries and investments. The ultimate beneficial shareholder of Geolord is Mr Zhang.

The associates of Geolord are the directors and secretaries of Geolord and its related bodies corporate, including Mr Zhang.

No party other than Geolord and its associates referred to above and the ultimate beneficial shareholder of Geolord, Mr Zhang, will have a relevant interest in the Shares to be issued to Geolord.

Full particulars (including the number and percentage) of the Shares to which Geolord is or will be entitled and the maximum extent of the increase in Geolord's voting power in the Company (including their associates) as a result of the issue of Shares the subject of Resolution 1.

As at the date of the Notice of Meeting, Geolord has a relevant interest in no Shares.

Details of the Shares to which Geolord will be entitled if Resolution 1 is passed are set out in the table below.

Event	Geolord
No. of Shares (% of voting power) held as at the date of the Notice of Meeting (Total Shares = nil)	0 (0%)
Assuming only the Shares contemplated by the Notice of Meeting are issued and no existing Options are exercised	
No. of Shares (% of voting power) held after subscription by Geolord (Total Shares = 63,962,527)	23,809,524 (37.22%)

Event	Geolord
No. of Shares (% of voting power) held as at the date of the Notice of Meeting (Total Shares = nil)	0 (0%)
Assuming $1,000,000 is raised and 6,666,667 Shares are issued to existing shareholders as part of the non-renounceable rights issue and no existing Options are exercised	
No. of Shares (% of voting power) held after subscription by Geolord (Total Shares = 70,629,194)	23,809,524 (33.71%)

Event	Geolord
No. of Shares (% of voting power) held as at the date of the Notice of Meeting (Total Shares = nil)	0 (0%)
Assuming $5,800,000 is raised and 38,653,003 Shares are issued to existing shareholders as part of the non-renounceable rights issue and no existing Options are exercised	
No. of Shares (% of voting power) held after subscription by Geolord (Total Shares = 102,615,530)	23,809,524 (23.20%)

As Geolord does not have any associates who independently hold Shares:

(a) the maximum extent of the increase in the voting power of each of Geolord 's associates that would result from the acquisition; and

(b) the voting power that each of Geolord 's associates would have as a result of the acquisition,

is the same as the:

(c) the maximum extent of the increase in Geolord 's voting power in the Company that would result from the acquisition; and

(d) the voting power that Geolord would have as a result of the acquisition,

as set out above.

The identity, associations (with Geolord and any of its associates) and qualifications of any person who it is intended will become a Director if Shareholders approve the issue of Shares.

There are two new proposed directors as a result of the proposed transaction as considered by Resolutions 2 and 3.

Pursuant to the rights under the Subscription Agreement, Mr Liu and Mr Zhang, nominees of Geolord, are to be appointed as directors of the Company on completion of the subscription of Shares under the Subscription Agreement. Mr Liu and Mr Zhang do not hold any Shares in the Company.

In accordance with the provisions of section 191 and 195 of the Corporations Act, Mr Liu and Mr Zhang as representatives of Geolord, on matters pertaining to Geolord will not:

(a) be present while the matter is being considered at any board meetings; or

(b) vote on the matter.

Mr Liu and Mr Zhang do not have any capacity to control the financial or operational decisions of the Company for the purposes of section 50AA of the Corporations Act.

2.5 Reasons for the issue of Shares

Advantages

(a) The subscription will inject approximately $3,000,000 into the Company.

(b) The Company will have a supportive new major shareholder.

(c) The subscription will allow the Company to complete the acquisition of the Leonora gold project.

Disadvantages

(a) Dilution of non-associated Shareholders' interests from approximately 100% to 66% immediately following the proposed subscription of Shares.

(b) The likelihood of a takeover offer for the Company might be reduced by the introduction of a new major shareholder holding a 34% interest in the Company.

2.6 Recommendations of Directors

The Directors do not have any personal interests in the outcome of Resolutions 1, 2 and 3 and recommend that Shareholders vote in favour of the resolution as they consider the proposed issue of Shares to Geolord to be in the best interests of Shareholders after assessment of the advantages and disadvantages referred to in Section 2.5.

2.7 Independent Expert's Report

The Directors of the Company commissioned HLB Mann Judd Corporate (WA) Pty Ltd to prepare a report on the question of whether the proposal is fair and reasonable to shareholders not associated with Geolord and its associates. That report is attached to this Explanatory Statement.

The Independent Expert's Report prepared by HLB Mann Judd Corporate (WA) Pty Ltd sets out a detailed examination of the proposed transaction to enable non-associated Shareholders to assess the merits and decide whether to approve the issue of Shares to Geolord.

To the extent that it is appropriate, the Independent Expert's Report sets out further information with respect to the subscription and concludes that the issue of Shares to Geolord is not fair nor reasonable to the non-associated Shareholders.

Shareholders are urged to carefully read the Independent Expert's Report set out in Annexure A to understand its scope, the methodology of the valuation and the sources of information and assumptions made.

HLB Mann Judd Corporate (WA) Pty Ltd has consented to the use of their report and opinion in the form and context in which it appears.

2.8 Effect on Capital Structure

Based on the current capital structure of the Company as outlined in this section, the new capital structure and Georlord's interest in the Company following the subscription is as follows:

	Pre-Subscription		**Post- Subscription**	
	Number	**%**	**Number**	**%**
Shares				
Current shareholders (excluding Geolord)	38,653,003	100	45,319,670	64
Warterton Global L.P.			1,500,000	2
Geolord	0	0	23,809,524	34
Total	38,653,003	100	70,629,194	100
Options				
Current optionholders	19,362,512		19,362,512	
Geolord	0		0	

3. RATIFICATION OF SHARE ISSUE – Waterton Global L.P. (Resolution 4)

Resolution 4 of the Notice of Meeting seeks Shareholder ratification of the issue of 1,500,000 Shares to Waterton Global Value L.P. ("**Waterton**") pursuant to the Deed of Variation to the Share Sale Agreement dated 8 September 2014, for the purposes of satisfying Listing Rule 7.4.

As at the date of this Notice of Meeting, the 1.500,000 Shares have not been issued to Waterton Global Value L.P as the Company is waiting on the receipt of certain undertakings and documents from Waterton.

However, it is likely that the 1,500,000 Shares will be issued prior to the Annual General Meeting and in any event pursuant to the Deed of Variation to the Share Sale Agreement prior to 31 October 2014. In the event that the Shares are issued prior to the Annual General Meeting, Resolution 4 operates to seek ratification of the issue of 1,500,000 Shares pursuant to Listing Rule 7.4.

If Resolution 4 is approved, the Shares will not be included in the Company's 15% calculation for the purposes of Listing Rule 7.1.

In compliance with the information requirements of Listing Rule 7.5, Shareholders are advised of the following particulars in relation to the issue of Shares pursuant to Resolution 4:

(a) **Number of securities allotted and issued**

1,500,000 Shares

(b) **Date of Issue**

The Shares have not been issued at the date of this Notice of Meeting. However, it is likely that the Shares will be issued prior to the Annual General Meeting and in any event prior to 31 October 2014.

(c) **Price at which securities were allotted and issued**

No consideration is payable to the Company for the Shares.

(d) **The terms of the securities**

The Shares are ordinary fully paid shares which rank equally with existing Shares on issue.

(e) **The basis on which allottees were determined**

The Shares will be issued to Waterton Global Value L.P. as consideration for Waterton Global Value L.P. as the secured creditor of Navigator Mining Pty Ltd (subject to a deed of company arrangement) consenting to the variation of the Share Sale Agreement.

4. APPROVAL OF SHARE ISSUE – Waterton Global L.P. (Resolution 5)

Resolution 5 of the Notice of Meeting seeks Shareholder approval of the issue of 1,500,000 Shares to Waterton Global Value L.P. ("**Waterton**") pursuant to the Deed of Variation to the Share Sale Agreement dated 8 September 2014, for the purposes of satisfying Listing Rule 7.1.

As at the date of this Notice of Meeting, the 1,500,000 Shares have not been issued to Waterton Global Value L.P as the Company is waiting on the receipt of certain undertakings and documents from Waterton.

However, it is likely that the 1,500,000 Shares will be issued prior to the Annual General Meeting and in any event on a fixed date being pursuant to the Deed of Variation to the Share Sale Agreement. In the event that the Shares will be issued after the Annual General Meeting, the Resolution will operate to approve the issue pursuant to Listing Rule 7.1.

If Resolution 5 is approved, the Shares will not be included in the Company's 15% calculation for the purposes of Listing Rule 7.1.

In compliance with the information requirements of Listing Rule 7.3, Shareholders are advised of the following particulars in relation to the issue of Shares pursuant to Resolution 5:

(a) **Number of securities allotted and issued**

1,500,000 Shares.

(b) **Date of Issue**

The Shares have not been issued at the date of this Notice of Meeting. However, it is likely that the Shares will be issued prior to the Annual General Meeting and in any event prior to 31 October 2014.

(c) **Price at which securities were allotted and issued**

No consideration is payable to the Company for the Shares.

(d) **The terms of the securities**

The Shares are ordinary fully paid shares which rank equally with existing Shares on issue.

(e) **The basis on which allottees were determined**

The Shares were issued to Waterton Global Value L.P. as consideration for Waterton Global Value L.P. as the secured creditor of Navigator Mining Pty Ltd (subject to a deed of company arrangement) consenting to the variation of the Share Sale Agreement.

5. APPROVAL FOR FUTURE ISSUE OF SHARES (Resolution 6)

5.1 General

Resolution 6 seeks Shareholder approval for the issue of up to 5,000,000 Shares. The capital raising will be undertaken via the issue of Shares to sophisticated and professional investors pursuant to section 708 of the Corporations Act.

The Company intends to use the funds from the capital raising towards ongoing exploration expenditure on the Company's existing projects as well as the Leonora gold project and for additional working capital.

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on commencement of that 12 month period.

The effect of Resolution 6 will be to allow the Directors to issue the Shares comprising the capital raising during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

5.2 Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the issue of Shares:

(a) the maximum number of Shares to be issued is 5,000,000;

(b) the Shares will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue will occur progressively;

(c) the Shares will be issued at a price of at least 80% of the volume weighted average price of the Company's Shares as traded on ASX over the 5 day period on which sales in the Company's Shares are recorded preceding the date of issue of the Shares or, if the Shares are offered pursuant to a prospectus, at least 80% of the average market price of the Company's Shares as traded on the ASX over the 5 day period on which sales in the Company's Shares are recorded preceding the date of issue;

(d) the issue of Shares will be made at the discretion of the Directors. It is intended that the allottees will be sophisticated and professional investors pursuant to section 708 of the Corporations Act. Pursuant to the right of first refusal referred to in the Subscription Agreement, Geolord has the right to subscribe for or apply for one third of the offering of Shares under this Resolution 6. In the event that Geolord elects to exercise its right the Company will procure all Shareholder approvals required under both the Listing Rules and the Corporations Act;

(e) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares; and

(f) the Company intends to use the funds raised from the capital raising towards ongoing exploration expenditure on the Company's existing projects including the Leonora gold project and for additional working capital.

6 2014 ANNUAL REPORT

In accordance with the requirements of the Company's Constitution and the Corporations Act, the 2014 Annual Report will be tabled at the Annual General Meeting. Shareholders will have the opportunity of discussing the

Annual Report and making comments and raising queries in relation to the Report. There is no requirement for a formal resolution on this item.

Representatives from the Company's auditors, HLB Mann Judd Corporate (WA) Pty Ltd, will be present to take Shareholders' questions and comments about the conduct of the audit and the preparation and content of the audit report.

Annual Report Online

Shareholders who have not elected to receive a hard copy of the Annual Report can access the report on the company's website at www.kinmining.com.au.

7 ADOPTION OF REMUNERATION REPORT – Resolution 7

7.1 General

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the Directors of the Company.

Pursuant to the Corporations Act, if at least 25% of the votes cast on Resolution 7 are voted against adoption of the Remuneration Report at the Annual General Meeting, and then again at the Company's 2015 annual general meeting, the Company will be required to put to Shareholders a resolution proposing the calling of an extraordinary general meeting to consider the appointment of directors of the Company ("**Spill Resolution**").

If more than 50% of the Shareholders vote in favour of the Spill Resolution, the Company must convene the extraordinary general meeting ("**Spill Meeting**") within 90 days of the Company's 2015 annual general meeting. All of the Directors who were in office when the Company's 2015 Directors Report was approved, other than the managing director of the Company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting. Following the Spill Meeting those persons whose election or re-election as Directors is approved will be the Directors of the Company.

The Remuneration Report sets out the Company's remuneration arrangements for the Directors and senior management of the Company. The Remuneration Report is part of the Directors' report contained in the annual financial report of the Company for the financial year ended 30 June 2014.

A reasonable opportunity will be provided for discussion of the Remuneration Report at the Annual General Meeting.

7.2 Proxy Restrictions

Pursuant to the Corporations Act, if you elect to appoint the Chair, or another member of the Key Management Personnel or any Closely Related Party as your proxy to vote on this Resolution 7, ***you must direct the proxy how they are to vote***. Where you do not direct the Chair, or another member of the Key Management Personnel or Closely Related Party on how to vote on this Resolution 7, the proxy is prevented by the Corporations Act from exercising your vote and your vote will not be counted in relation to Resolution 7.

7.3 Definitions

Key Management Personnel has the same meaning as in the accounting standards and broadly includes those person having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director (whether executive or otherwise) of the Company.

Closely Related Party of a member of the Key Management Personnel means:

(a) a spouse or child of the member;
(b) a child of the members spouse;
(c) a dependent of the member or the members spouse;

(d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
(e) a company the member controls; or
(f) a person prescribed by the Corporations Regulations 2001 (Cth).

Remuneration Report means the remuneration report set out in the Directors' report section of the Company's annual financial report for the year ended 30 June 2014.

8 RE-ELECTION OF DIRECTORS: Resolution 8

Resolution 8 relates to the re-election of Mr Graziano as Director of the Company.

In accordance with the requirements of clause 11.3 of the Company's Constitution and the Corporations Act, one-third of the directors of the Company retire from office at this Annual General Meeting of the Company. Mr Graziano retires by rotation and, being eligible, offers himself for re-election.

A summary of the qualifications and experience of Mr Graziano is provided in the Annual Report.

9 APPROVAL OF 10% PLACEMENT CAPACITY: RESOLUTION 9

9.1 General

ASX Listing Rule 7.1A provides that an Eligible Entity may seek Shareholder approval at its annual general meeting to allow it to issue Equity Securities up to 10% of its issued capital over a period up to 12 months after the annual general meeting ("**10% Placement Capacity**").

The Company is an Eligible Entity.

If Shareholders approve Resolution 9, the number of Equity Securities the Eligible Entity may issue under the 10% Placement Capacity will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 (as set out in Section 9.2 below).

The effect of Resolution 9 will be to allow the Directors to issue Equity Securities up to 10% of the Company's fully paid ordinary securities on issue under the 10% Placement Capacity during the period up to 12 months after the Meeting, without subsequent Shareholder approval and without using the Company's 15% annual placement capacity granted under Listing Rule 7.1.

Resolution 9 is a special resolution. Accordingly, at least 75% of votes cast by Shareholders present and eligible to vote at the Meeting must be in favour of Resolution 9 for it to be passed.

9.2 ASX Listing Rule 7.1A

ASX Listing Rule 7.1A came into effect on 1 August 2012 and enables an Eligible Entity to seek shareholder approval at its annual general meeting to issue Equity Securities in addition to those under the Eligible Entity's 15% annual placement capacity.

An Eligible Entity is one that, as at the date of the relevant annual general meeting:

(a) is not included in the S&P/ASX 300 Index; and

(b) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of $300,000,000.

The Company is an Eligible Entity as it is not included in the S&P/ASX 300 Index and has a current market capitalisation (at the date of this Explanatory Statement) of $5,798,000.

Any Equity Securities issued must be in the same class as an existing class of quoted Equity Securities. The Company currently has one class of quoted Equity Securities on issue, being the Shares (ASX Code: KIN).

The exact number of Equity Securities that the Company may issue under an approval under Listing Rule 7.1A will be calculated according to the following formula:

(A x D) – E

Where:

A is the number of Shares on issue 12 months before the date of issue or agreement:

(i) plus the number of Shares issued in the previous 12 months under an exception in ASX Listing Rule 7.2;

(ii) plus the number of partly paid shares that became fully paid in the previous 12 months;

(iii) plus the number of Shares issued in the previous 12 months with approval of holders of Shares under this rule; and

(iv) less the number of Shares cancelled in the previous 12 months.

D is 10%.

E is the number of Equity Securities issued or agreed to be issued under ASX Listing Rule 7.1A.2 in the 12 months before the date of issue or agreement to issue that are not issued with the approval of holders of Ordinary Securities under ASX Listing Rule 7.1 or 7.4.

9.3 Technical information required by ASX Listing Rule 7.1A

Pursuant to and in accordance with ASX Listing Rule 7.3A, the information below is provided in relation to this Resolution 9:

(a) **Minimum Price**

The minimum price at which the Equity Securities may be issued is 75% of the volume weighted average price of Equity Securities in that class, calculated over the 15 ASX trading days on which trades in that class were recorded immediately before:

(i) the date on which the price at which the Equity Securities are to be issued is agreed; or

(ii) if the Equity Securities are not issued within 5 ASX trading days of the date in Section 5.3(a)(i), the date on which the Equity Securities are issued.

(b) **Date of Issue**

The Equity Securities may be issued under the 10% Placement Capacity commencing on the date of the Meeting and expiring on the first to occur of the following:

(i) 12 months after the date of this Meeting; and

(ii) the date of approval by Shareholders of any transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of the Company's activities) or 11.2 (disposal of the Company's main undertaking).

(c) **Risk of voting dilution**

Any issue of Equity Securities under the 10% Placement Capacity will dilute the interests of Shareholders who do not receive any Shares under the issue.

If Resolution 9 is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 10% Placement Capacity, the economic and voting dilution of existing Shares would be as shown in the table below.

The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in ASX Listing Rule 7.1A(2), on the basis of the current market price of Shares and the number of Equity Securities currently on issue.

The table also shows the voting dilution impact where the number of Shares on issue (variable A in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 10% Placement Capacity.

Number of Shares on Issue	**Dilution**			
	Number of Shares issued under 10% Placement Capacity	**Funds raised based on issue price of $0.075 (50% decrease in issue price)**	**Funds raised based on issue price of $0.15 (issue price)**	**Funds raised based on issue price of $0.30 (100% increase in issue price)**
38,653,003 (Current)	3,865,300	$289,898	$579,795	$1,159,590
57,979,505 (50% increase)	5.797,951	$434,846	$869,693	$1,739,385
77,306,006 (100% increase)	7,730,601	$579,795	$1,159,590	$2,319,180

*****The number of Shares on issue (variable A in the formula) could increase as a result of the issue of Shares that do not require Shareholder approval (such as under a pro-rata rights issue or scrip issued under a takeover offer) or that are issued with Shareholder approval under Listing Rule 7.1.

The table above uses the following assumptions:

1. The current shares on issue are the Shares on issue as at 21 September 2014.
2. The issue price set out above is the last closing price of the Shares on the ASX prior to the date of this Notice.
3. The Company issues the maximum possible number of Equity Securities under the 10% Placement Capacity.
4. The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in ASX Listing Rule 7.2 or with approval under ASX Listing Rule 7.1.
5. The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
6. This table does not set out any dilution pursuant to approvals under ASX Listing Rule 7.1.

Shareholders should note that there is a risk that:

(i) the market price for the Company's Shares may be significantly lower on the issue date than on the date of the Meeting; and

(iii) the Shares may be issued at a price that is at a discount to the market price for those Shares on the date of issue.

(d) **Purpose of Issue under 10% Placement Capacity**

The Company may issue Equity Securities under the 10% Placement Capacity for the following purposes:

(f) as cash consideration in which case the Company intends to use funds raised for exploration and evaluation of the company's existing projects including the Leonora Gold Project and general working capital; or

(g) as non-cash consideration for the acquisition of new assets and investments, in such circumstances the Company will provide a valuation of the non-cash consideration as required by listing Rule 7.1A.3.

(e) **Allocation under the 10% Placement Capacity**

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Capacity. The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to a number of factors, including:

(A) the purpose of the issue;

(B) alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue or other offer where existing Shareholders may participate;

(C) the effect of the issue of the Equity Securities on the control of the Company;

(D) the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company; and

(E) advice from corporate, financial and broking advisers (if applicable).

The allottees under the 10% Placement Capacity have not been determined as at the date of this Notice but may include existing Shareholders and/or new investors who are not related parties or associates of a related party of the Company.

Further, if the Company is successful in acquiring new assets or investments, it is possible that the allottees under the 10% Placement Capacity will be the vendors of the new assets or investments.

(f) **Previous Approval under ASX Listing Rule 7.1A**

At its AGM held in November 2013, the Company obtained approval under ASX Listing Rule 7.1A.

The Company has not issued any Shares in the 12 months preceding the date of the Meeting.

The Company issued 19,362,512 unlisted bonus options with an exercise price of $0.30 exercisable on or before 31 January 2015to existing Shareholders . Once exercised the bonus options will rank equally as fully paid ordinary shares in the company.

9.4 Voting Exclusion

A voting exclusion statement is included in this Notice. As at the date of this Notice, the Company has not invited any existing Shareholder to participate in an issue of Equity Securities under ASX Listing Rule 7.1A. Therefore, no existing Shareholders will be excluded from voting on Resolution 9.

10 DEFINITIONS

ASX	means ASX Limited ABN 98 008 624 691.
Constitution	means the Company's constitution.
Corporations Act	means the Corporations Act 2001 (Cth).

Directors	means the current directors of the Company.
Explanatory Statement	means this Explanatory Statement.
Geolord	means Geolord Resources Pty Ltd.
Independent Expert	means HLB Mann Judd Corporate (WA) Pty Ltd.
Independent Expert's Report	means the report attached as Annexure A prepared by HLB Mann Judd Corporate (WA) Pty Ltd.
KIN or the Company	means Kin Mining NL ACN 150 597 541.
Listing Rules	means the official listing rules of ASX.
Meeting	means the annual general meeting convened by the Notice of Meeting.
Notice of Meeting	means the notice of annual general meeting which forms part of this Explanatory Statement.
Option	means an option to acquire a Share.
Optionholder	means a holder of an Option.
Share	means a fully paid ordinary share in the capital of the Company.
Shareholder	means a holder of a Share.
Share Sale Agreement	means the Share Sale Agreement dated the 27th of May 2014 between the Company and Navigator Resources Ltd ACN 063 366 487 (subject to a deed of company arrangement).
Subscription Agreement	means the Subscription Agreement dated the 18th of July 2014 between the Company and Geolord Resources Pty Ltd ACN 130 655 462.

PROXY FORM

The Secretary
Kin Mining NL
342 Scarborough Beach Road
Osborne Park WA

I/We (full name) _____

of_____

being a member(s) of Kin Mining NL, hereby appoint as my/our proxy

_____

of_____

or, failing him/her the Chairperson of the Meeting to attend and vote for me/us at the General Meeting of the Company to be held at 11.00am on Monday, 3 November 2014 and at an adjournment thereof in respect of _____% of my/our shares or, failing any number being specified, ALL of my/our shares in the Company.

RESOLUTIONS

		FOR	AGAINST	ABSTAIN
1	Issue of Shares to Geolord	☐	☐	☐
2	Appointment of Mr Liu as Director	☐	☐	☐
3	Appointment of Mr Zhang as Director	☐	☐	☐
4	Ratification of Share Issue	☐	☐	☐
5	Approval of Share Issue	☐	☐	☐
6	Approval for Future Issue of Shares	☐	☐	☐
7	Adoption of Remuneration Report	☐	☐	☐
8	Re-election of Director	☐	☐	☐
9	Approval of Additional 10% Placement Capacity	☐	☐	☐

Where permitted, the Chairman intends to vote all undirected proxies in favour of all resolutions.

If the member is an individual or joint holder:

_____ _____

Usual Signature Usual Signature

Dated this day of 2014.

If the member is a Company:

Signed in accordance with the
Constitution of the company
in the presence of:

_____ _____ _____

Director/Sole Director Director/Secretary Sole Director and Sole Secretary

Dated this day of 2014.

INSTRUCTIONS FOR COMPLETING PROXY FORM

1. A member entitled to attend and vote is entitled to appoint not more than two proxies.

2. Where more than one proxy is appointed and that appointment does not specify the proportion or number of the member's votes, each proxy may exercise half of the votes.

3. A proxy need not be a member of the Company.

4. If the member is a company it must execute under its Common Seal or otherwise in accordance with its Constitution.

LODGING YOUR PROXY FORM

To be valid, your proxy form (and any power of attorney under which it is signed) must be received at the address given below no later than 11.00am (WST) on 30 October 2014. Any proxy form received after that time will not be valid for the scheduled meeting.

In person:	Kin Mining NL 342 Scarborough Beach Road Osborne Park 6017
By mail:	Kin Mining NL 342 Scarborough Beach Road Osborne Park 6017
By email:	info@kinmining.com.au

Annexure A

Annexure A – Independent Expert's Report Kin Mining NL prepared by HLB Mann Judd Corporate (WA) Pty Ltd

HLB Mann Judd Corporate (WA) Pty Ltd
ACN 008 878 555
Licensed Investment Adviser

Independent Expert's Report

Kin Mining NL

HLB Mann Judd Corporate (WA) Pty Ltd AFSL 250903
Level 4, 130 Stirling Street Perth WA 6000. PO Box 8124 Perth BC 6849 Telephone +61 (08) 9227 7500. Fax +61 (08) 9227 7533.
Email: hlb@hlbwa.com.au. Website: http://www.hlb.com.au

HLB Mann Judd Corporate (WA) Pty Ltd
ACN 008 878 555
Licensed Investment Adviser

FINANCIAL SERVICES GUIDE

Dated 1 July 2014

1. HLB Mann Judd Corporate (WA) Pty Ltd

HLB Mann Judd Corporate (WA) Pty Ltd ABN 69 008 878 555 ("HLB Mann Judd Corporate" or **"we"** or **"us"** or **"ours"** as appropriate) has been engaged to issue general financial product advice in the form of a report to be provided to you.

2. Financial Services Guide

In the above circumstances we are required to issue to you, as a retail client, a Financial Services Guide ("**FSG**"). This FSG is designed to help retail clients make a decision as to their use of the general financial product advice and to ensure that we comply with our obligations as a financial services licensee.

This FSG includes information about:

- who we are and how we can be contacted;
- the services we are authorised to provide under our **Australian Financial Services Licence, Licence No. 250903**;
- remuneration that we and/or our staff and any associates receive in connection with the general financial product advice;
- any relevant associations or relationships we have; and
- our complaints handling procedures and how you may access them.

3. Financial services we are licensed to provide

We hold an Australian Financial Services Licence which authorises us to provide financial product advice in relation to:

- securities;
- interests in managed investment schemes excluding investor directed portfolio services;
- superannuation; and
- debentures, stocks or bonds issued or proposed to be issued by a government.

We provide financial product advice by virtue of an engagement to issue a report in connection with a financial product of another person. Our report will include a description of the circumstances of our engagement and identify the person who has engaged us. You will not have engaged us directly but will be provided with a copy of the report as a retail client because of your connection to the matters in respect of which we have been engaged to report.

Any report we provide is provided on our own behalf as a financial services licensee authorised to provide the financial product advice contained in the report.

4. General financial product advice

In our report we provide general financial product advice, not personal financial product advice, because it has been prepared without taking into account your personal objectives, financial situation or needs.

You should consider the appropriateness of this general advice having regard to your own objectives, financial situation and needs before you act on the advice. Where the advice relates to the acquisition or possible acquisition of a financial product and there is no statutory exemption relating to the matter, you should also obtain a product disclosure statement relating to the product and consider that statement before making any decision about whether to acquire the product.

5. Benefits that we may receive

We charge fees for providing reports. These fees will be agreed with, and paid by, the person who engages us to provide the report. Fees will be agreed on either a fixed fee or time cost basis.

Except for the fees referred to above, neither HLB Mann Judd Corporate, nor any of its directors, employees or related entities, receive any pecuniary benefit or other benefit, directly or indirectly, for or in connection with the provision of the report.

6. Remuneration or other benefits received by us

HLB Mann Judd Corporate has no employees. All personnel who complete reports for HLB Mann Judd Corporate are partners of HLB Mann Judd (WA Partnership). None of those partners are eligible for bonuses directly in connection with any engagement for the provision of a report.

7. Referrals

We do not pay commissions or provide any other benefits to any person for referring customers to us in connection with the reports that we are licensed to provide.

8. Associations and relationships

HLB Mann Judd Corporate is wholly owned by HLB Mann Judd (WA Partnership). Also, our directors are partners in HLB Mann Judd (WA Partnership). Ultimately the partners of HLB Mann Judd (WA Partnership) own and control HLB Mann Judd Corporate.

From time to time HLB Mann Judd Corporate or HLB Mann Judd (WA Partnership) may provide professional services, including audit, tax and financial advisory services, to financial product issuers in the ordinary course of its business.

9. Complaints resolution

9.1. Internal complaints resolution process

As the holder of an Australian Financial Services Licence, we are required to have a system for handling complaints from persons to whom we provide financial product advice. Complaints must be in writing, addressed to The Complaints Officer, HLB Mann Judd Corporate (WA) Pty Ltd, Level 4, 130 Stirling Street, Perth WA 6000.

When we receive a written complaint we will record the complaint, acknowledge receipt of the complaint within **7 days** and investigate the issues raised. As soon as practical, and not more than **one month** after receiving the written complaint, we will advise the complainant in writing of the determination.

9.2 Referral to external disputes resolution scheme

A complainant not satisfied with the outcome of the above process, or our determination, has the right to refer the matter to the Financial Ombudsman Service Limited (**"FOS"**). FOS independently and impartially resolves disputes between consumers, including some small business, and participating financial services providers.

Further details about FOS are available at the FOS website www.fos.org.au or by contacting them directly via the details set out below.

Financial Ombudsman Service Limited
GPO Box 3
Melbourne VIC 3001
Toll free: 1300 78 08 08
Facsimile: (03) 9613 6399

10. Contact details

You may contact us using the details at the foot of page 1 of this FSG.

HLB Mann Judd Corporate (WA) Pty Ltd
ACN 008 878 555
Licensed Investment Adviser

3 October 2014

The Directors
Kin Mining NL
324 Scarborough Beach Road
OSBORNE PARK WA 6017

Dear Sirs

INDEPENDENT EXPERT'S REPORT

INTRODUCTION

On 21 July 2014 ("Announcement Date"), Kin Mining NL ("Kin" or the "Company") announced that it had entered into a Share Subscription Agreement with Geolord Resources Pty Ltd ("Geolord") under which Geolord has agreed to subscribe for 23,809,524 fully paid shares in Kin at a price of 15 cents per share for total consideration of $3,571,429 and to receive a 16% placement fee from Kin, providing Kin with net funds of $3,000,000. The proposed net consideration of $3,000,000 indicates that the effective price at which the shares are proposed to be issued to Geolord is 12.6 cents per share. The issue of shares to Geolord would result in Geolord becoming a substantial shareholder of Kin. This would be achieved by the approval of Resolution 1 of the Notice of General Meeting of shareholders of the Company proposed to be held on 30 October 2014, namely the issue to Geolord (or its nominee) of 23,809,524 ordinary shares at 15 cents per share (effective price of 12.6 cents per share as explained above) on the terms and conditions set out in the Explanatory Statement ("the Proposed Transaction"). A summary of the key components of the Share Subscription Agreement is set out in Section 3 of this Report.

STRUCTURE OF REPORT

This Report has been divided into the following sections:

1. Summary and opinion
2. Purpose of the Report
3. Key components of the Share Subscription Agreement
4. Economic analysis
5. Industry analysis
6. Adopted basis of evaluation
7. Profile of Kin
8. Valuation of Kin prior to the Proposed Transaction
9. Consideration
10. Assessment of whether the Proposed Transaction is fair
11. Assessment of whether the Proposed Transaction is reasonable
12. Sources of information
13. Qualifications, Declarations and Consents

1. SUMMARY AND OPINION

1.1 Fairness

Set out in the table below is a comparison of the consideration payable in relation to the Proposed Transaction (ie subscription amount per share) with our assessment of the fair market value of a Kin share prior to incorporating the effects of the Proposed Transaction.

	Report Reference	Low cents	Preferred cents	High cents
Value of a Kin share	Section 8	41.5	45.5	49.6
Subscription amount per share [(i)]	Section 9	12.6	12.6	12.6

[(i)] Effective price per share

The subscription amount payable per Kin share in relation to the Proposed Transaction is less than our assessed fair market value of a Kin share.

Accordingly, it is our opinion that the Proposed Transaction is not fair.

1.2 Reasonableness

We have considered the analysis in Section 11 of this Report, in terms of both the advantages and disadvantages of the Proposed Transaction and the position of the non-associated shareholders of Kin if the Proposed Transaction was to proceed.

In our opinion, the position of the non-associated shareholders of Kin if the Proposed Transaction was to proceed is more advantageous than if the Proposed Transaction was not approved by the shareholders.

1.3 Opinion

We are of the opinion that the Proposed Transaction is not fair but reasonable to the non-associated shareholders of Kin.

2. PURPOSE OF THE REPORT

2.1 General

The Directors of Kin have requested that HLB Mann Judd Corporate (WA) Pty Ltd ("HLB") provide an independent expert's report ("Report") advising whether, in our opinion, the Proposed Transaction is fair and reasonable to holders of the Company's ordinary shares whose votes are not to be regarded ("non-associated shareholders").

This Report has been prepared to assist shareholders in their decision whether to vote for or against the resolution giving effect to the Proposed Transaction. Kin is seeking the approval of its shareholders, under Item 7 of section 611 of the Corporations Act 2001, for the Proposed Transaction, as it involves Geolord and its associates acquiring greater than 20% of the issued capital of Kin. At the date of this Report, Geolord holds no shares

in Kin. The issue of shares to Geolord pursuant to the Proposed Transaction will result in Geolord acquiring a relevant interest in Kin greater than 20%.

2.2 Regulatory Guidance

This Report is to be included in the Notice of General Meeting and Explanatory Statement ("Notice of General Meeting") for the meeting to be held on 30 October 2014 to consider the resolution giving effect to the Proposed Transaction, for the purpose of assisting shareholders in their consideration of that resolution. This Report should not be used for any other purpose.

We have prepared this Report having regard to the relevant Australian Securities and Investments Commission ("ASIC") releases. ASIC Regulatory Guide 74 "*Acquisitions agreed to by shareholders*" suggests that the obligation to supply shareholders with all information that is material to the decision on how to vote on the resolution giving effect to the Proposed Transaction can be satisfied by the directors of Kin, by either:

(a) undertaking a detailed examination of the Proposed Transaction themselves, if they consider that they have sufficient expertise; or

(b) by commissioning an independent expert's report.

The directors of Kin have commissioned this Report to satisfy this obligation.

In determining the fairness and reasonableness of the Proposed Transaction, we have had regard to ASIC Regulatory Guide 111 "Content of expert reports" ("RG 111"), which states that an opinion as to whether an offer is fair and/or reasonable shall entail a comparison between the offer price (in this case, the proposed amount payable for the Kin shares by Geolord) and the value that may be attributed to the securities under offer (in this case, the value of the Kin shares) **(*fairness*)** and an examination to determine whether there are sufficient reasons for security holders to accept the offer despite an offer not being fair **(*reasonableness*)**.

The concept of ***fairness*** is taken to be the value of the offer price, or the consideration, being equal to or greater than the value of the securities in this offer (in this case, the value of the Kin shares). Furthermore, this comparison should be made assuming 100% ownership of the "target" (in this case, 100% of Kin) and irrespective of whether the consideration is scrip or cash.

RG 111 states that an offer is reasonable if it is fair. An offer may also be reasonable, if despite it not being fair, there are significant factors which in the expert's opinion shareholders should consider in accepting the offer.

RG 111 also suggests that where the Proposed Transaction is a control transaction the expert should focus on the substance of the control transaction, rather than the legal mechanism used to effect it. RG 111 suggests that where a transaction is a control transaction it should be analysed on a basis that is consistent with a takeover bid.

In our opinion, the Proposed Transaction is a control transaction as defined by RG 111 and we have therefore assessed the Proposed Transaction to consider whether, in our opinion, it is fair and reasonable to the non-associated shareholders of Kin.

We have also had regard to ASIC Regulatory Guide 112 "Independence of experts".

2.3 Compliance with APES 225 *Valuation Services*

This Report has been prepared in accordance with the requirements of the professional standard APES 225 *Valuation Services* ("APES 225") as issued by the Accounting Professional & Ethical Standards Board.

In accordance with the requirements of APES 225, we advise that this assignment is a Valuation Engagement as defined by that standard as follows:

> *"an Engagement or Assignment to perform a Valuation and provide a Valuation Report where the Member is free to employ the Valuation Approaches, Valuation Methods, and Valuation Procedures that a reasonable and informed third party would perform taking into consideration all the specific facts and circumstances of the Engagement or Assignment available to the Member at that time."*

3. KEY COMPONENTS OF THE SHARE SUBSCRIPTION AGREEMENT

On 21 July 2014, Kin announced that it had entered into a Share Subscription Agreement with Geolord under which Geolord has agreed to subscribe for 23,809,524 fully paid shares in Kin at a price of 15 cents per share for total consideration of $3,571,429 and receive a 16% placement fee from Kin, providing Kin with net funds of $3,000,000. The proposed net consideration of $3,000,000 indicates that the effective price at which the shares are proposed to be issued to Geolord is 12.6 cents per share. The issue of shares to Geolord, which is subject to the approval of Resolution 1 of the Notice of General Meeting of shareholders of the Company proposed to be held on 30 October 2014, would result in Geolord becoming a substantial shareholder of Kin. The terms of the Agreement are set out in the Notice of General Meeting.

The key terms of the Share Subscription Agreement are as follows:

i) Geolord will subscribe for a total of 23,809,524 shares in two tranches subject to certain conditions:

- Tranche 1 – 13,333,334 shares at 15 cents per share for consideration of $2,000,000 to be completed on or before 31 October 2014; and
- Tranche 2 – 10,476,190 shares at 15 cents per share for consideration of $1,571,429 to be completed on or before 28 November 2014;

ii) The key conditions precedent to the Share Subscription Agreement are summarised as follows:

- That the Leonora Gold Project acquisition transaction remains in full force and effect on the Tranche 1 Completion Date (see Section 7.1 of this Report);
- The receipt of all necessary approvals (as may be required under the Constitution of the Company, the Corporations Act 2001 and the ASX Listing Rules) at general meeting in relation to that transaction;
- The appointment of two nominee directors by Geolord to the Company's Board, which must not consist of more than five directors in total with effect from:

  (a) The Tranche 1 Completion Date (31 October 2014) in the case of the first nominee; and

(b) The Tranche 2 Completion Date (30 November 2014) in the case of the second nominee;

- Completion of the non-renounceable pro-rata offer to eligible shareholders in accordance with a prospectus lodged with ASIC and dated 9 June 2014 ("Rights Issue"), with the receipt by the Company of a minimum subscription of $1,000,000;

- On the Tranche 2 Completion Date, the Company has agreed to pay Geolord a placement fee of 16% of the total amount subscribed ($571,429), which will be offset and applied in full against the subscription price of the Tranche 2 shares; and

- The Company must apply all of the consideration it receives from the subscription by Geolord under the Share Subscription Agreement in the following manner:

  (a) Tranche 1 must be used to effect completion of the Leonora Gold Project acquisition transaction under the Share Subscription Agreement;

  (b) In satisfaction of its payment obligations in favour of the vendor of the Leonora Gold Project, Navigator Resources Ltd (subject to deed of company arrangement); and

  (c) The development of the Leonora Gold Project.

Depending on the results of the Rights Issue as noted above, Geolord will hold the following interest in Kin if the resolution giving effect to the Proposed Transaction is approved by the shareholders at the General Meeting of shareholders of the Company proposed to be held on 30 October 2014 and if the acquisition of Navigator Mining Pty Ltd is completed (see Section 7.1 of this Report):

	Geolord % interest in Kin
Rights Issue raising of $1,000,000 (i)	33.71%
Rights Issue raising of $5,797,950 (ii)	23.20%

(i) Assumed in our valuation of Kin in Section 8.3.1 of this Report.
(ii) Full subscription.

4. ECONOMIC ANALYSIS

At its meeting on 2 September 2014, the Reserve Bank of Australia Board ("Board") decided to leave the cash rate unchanged at 2.5 per cent. In support of this decision, the Board provided the following commentary:

"Growth in the global economy is continuing at a moderate pace. China's growth remains generally in line with policymakers' objectives, with weakening property markets a challenge in the near term. Commodity prices in historical terms remain high, but some of those important to Australia have declined this year.

Financial conditions overall remain very accommodative. Long-term interest rates and risk spreads remain very low. Volatility in many financial prices is currently unusually low. Markets appear to be attaching a very low probability to any rise in global interest rates or other adverse event over the period ahead.

In Australia, the most recent survey data indicate gradually improving business conditions and some recovery in household sentiment after a weaker period around mid-year, suggesting moderate growth in the economy is occurring. Resources sector investment spending is starting to decline significantly. Investment intentions in some other sectors continue to improve, though these areas of capital spending are expected to see only moderate growth in the near term. Public spending is scheduled to be subdued. Overall, the Bank still expects growth to be a little below trend over the year ahead.

The recorded rate of unemployment has increased recently, despite some improvement in most other indicators for the labour market this year. The Bank's assessment remains that the labour market has a degree of spare capacity and that it will probably be some time yet before unemployment declines consistently. Growth in wages has declined noticeably and is expected to remain relatively modest over the period ahead, which should keep inflation consistent with the target even with lower levels of the exchange rate.

Monetary policy remains accommodative. Interest rates are very low and have continued to edge lower over recent months as competition to lend has increased. Investors continue to look for higher returns in response to low rates on safe instruments. Credit growth has picked up a little, including most recently to businesses. The increase in dwelling prices continues. The exchange rate, on the other hand, remains above most estimates of its fundamental value, particularly given the declines in key commodity prices. It is offering less assistance than would normally be expected in achieving balanced growth in the economy.

Looking ahead, continued accommodative monetary policy should provide support to demand and help growth to strengthen over time. Inflation is expected to be consistent with the 2–3 per cent target over the next two years.

In the Board's judgement, monetary policy is appropriately configured to foster sustainable growth in demand and inflation outcomes consistent with the target. On present indications, the most prudent course is likely to be a period of stability in interest rates".

Source: www.rba.gov.au Statement by Glenn Stevens, Governor: Monetary Policy Decision 2 September 2014

5. INDUSTRY ANALYSIS

The following analysis is provided in respect of the major industries in which the Company is currently operating and in which it plans to operate in future.

5.1 Gold Mining in Australia

Executive Summary

The Gold and Other Non-Ferrous Metal Processing industry has been highly volatile over the past five years. The period has been characterised by large swings in industry revenue, reflecting dramatic shifts in US dollar prices for gold and nickel, and Australian dollar volatility. The industry is expected to generate revenue of $20.2 billion in 2014-15 compared with $21.5 billion in 2009-10. This equates to a fall of 1.3% over the past five years. Industry revenue is forecast to fall by 5.1% in 2014-15.

The main product processed by the industry is refined gold. Semi-refined gold and gold dore bars are supplied to the industry for further processing into refined gold. Some of these intermediate gold products are also included as being processed in the industry, when produced by the non-mining company. Refined gold volumes are expected to total 318.0 tonnes in 2014-15, down from 356.0 tonnes in 2009-10 due to lower mining volumes and some pricing declines. Although the volume of gold refined by the industry is substantial, some firms that refine gold do so for a fee. They do not own either the gold bullion feedstock or the refined gold produced. The refining fee earned

by these industry participants represents only a small fraction of the value of the refined gold.

The industry also produces class-one and class-two nickel, consisting essentially of nickel metal and nickel oxide. The industry also produces a semi-refined product known as nickel matte, some of which is refined into nickel metal. The remainder is exported in semi-refined form. A high proportion of industry output is exported. Gold imports are also high, as these are refined and often re-exported. Imports also include scrap gold for reprocessing.

Industry performance is expected to improve over the five years through 2019-20, reflecting the interplay of moderate growth in output and higher US dollar gold prices offset by a weaker Australian dollar. Industry revenue is forecast to grow by an annualised 0.3% through 2019-20 to $20.4 billion. Industry profit will expand slightly in response to improved capacity utilisation and more stable operating conditions.

Current Performance

Revenue and profit

The performance of the Gold Ore Mining industry follows broad trends in gold production and Australian dollar prices for gold. Industry revenue is expected to increase at an annualised 3.2% over the five years through 2014/15, despite gold price declines pushing revenue lower in 2012/13 and 2013/14. As gold mining volumes decline in 2014/15, IBISWorld estimates industry revenue will decline 2.4% in 2014/15 to $12.2 billion. The overall industry gains reflect the industry's tendency to run counter-cyclical to general economic conditions, and gold's appeal as a safe haven asset during uncertain economic times. These trends have generally increased gold demand, prices and production in both Australia and the rest of the world in the past five years.

Industry profit is estimated to account for 8.7% of industry revenue in 2014/15. This is down from 12.6% in 2009/10 due to higher industry wage and processing costs, and falling gold prices in some years. Industry exports have been strong, growing at an estimated 12.7% annualised in the five years through 2014/15 due to higher internal gold processing by the industry, which has pushed smelted gold exports higher. Competing gold imports are negligible.

Despite the strong performance, there have been several factors detracting from growth, including increasing royalty rates in some states and high production costs. By the end of 2014, the WA Government is expected to decide whether to increase gold royalty payments from 2.5% of the finished product to between 5.0% and 10.0%. As a result of this uncertainty, enterprise numbers are expected to only increase marginally over the five-year period as unprofitable firms exited the industry. However, with output and revenue increasing, establishment numbers are estimated to increase at an annualised 2.0% over the five years through 2014/15, with industry employment expected to increase at an annualised 2.2% over the same period.

Counter-cyclical asset

The performance of Australia's Gold Ore Mining industry depends heavily on the movements and interaction of global gold prices, exchange rates and demand from central banks across the world. The industry's connections to world economic conditions and global financial assets make gold ore mining a volatile business. As a monetary asset, gold is considered a safe haven investment during periods of economic uncertainty, especially on financial markets. This is because gold is considered to be more resilient and less risky than world currencies. However, when global economic conditions are healthy, demand for gold generally declines as investors move towards riskier assets offering higher returns.

Since the onset of the global financial crisis, investors have flocked to gold due to the volatility of financial markets and ongoing uncertainty about economic growth prospects in many developed economies. In response, the world price of gold is forecast to increase at an annualised 2.9% over the five years through 2014/15. From an average of US$1,225 per troy ounce in 2009/10, gold prices soared in the early part of the period in the wake of the financial crisis. Prices peaked at US$1,669 per troy ounce during 2011/12 due to ongoing concern over the US and European debt crises, before declining in 2012/13 and 2013/14 as economic conditions improved. Gold prices are expected to increase in 2014/15 to an average of US$1,411 per troy ounce as the global economy improves and inflationary pressures ease with higher interest rates in the United States and Europe.

Questions of viability

Gold ore mining traditionally incurs high production costs. Many of these are fixed at least for the short term as a result of miners' inability to alter costs significantly once a mine is operating at or near capacity. In addition, the industry has a high level of capital intensity, together with the many associated indirect costs required for exploration, royalties, overheads, marketing, native title laws and research and development. Because of these significant fixed costs, the industry's performance and profitability depend largely on movements in the world price of gold. As a result, increases in industry production costs threaten profit growth.

According to the Chamber of Minerals and Energy of Western Australia, industry production costs have risen in response to higher wages, energy costs and the development of lower grade ore (*Australian Mining Review*). This has been exacerbated by the increasingly complex regulatory landscape facing Australia's resources and energy sector given the introduction of the Minerals Resources Rent Tax, the implementation and subsequent repeal of the carbon tax, and the increase in royalty rates in some states.

Industry Outlook

The performance of the Gold Ore Mining industry will continue to follow broad trends in gold pricing, production volumes and the value of the Australian dollar over the next five years. High gold prices are likely to continue in the next five years. This reflects some global economic uncertainty, and the continued reliance on gold's traditional use as a store of value. Central banks in particular will remain substantial purchasers and holders of gold.

Revenue and profit

Over the next five years, industry revenue and profit will reflect trends in production, US dollar gold prices and the exchange rate. The US dollar gold price is expected to rise slightly over the next five years and that gain, combined with a marginally weaker Australian dollar, will push up gold prices slightly in local currency. Once inflation is taken into account, the forecast price increase will be relatively small. The higher Australian dollar gold price and increased output are expected to result in moderate industry revenue gains over the period. Overall, industry revenue is forecast to grow at an annualised 0.9% over the five years through 2019/20, to total $12.7 billion. Export growth is anticipated to ease as global gold production increases. IBISWorld expects that industry exports will account for 10.3% of revenue in 2019/20, with annualised growth of 1.5% forecast over the five-year period. Imports are expected to remain very low.

Profit is forecast to decrease to 7.6% of industry revenue in 2019/20 as volume, pricing and demand growth remain relatively stable, and as industry wage increases reduce margins. Industry risks include the higher costs associated with deeper mines and more complex geological formations, as well as higher royalty rates. The industry is expected to start the next five-year period with 1.8% growth in 2015/16 on the back of higher gold production and prices. However, production declines and lower prices in 2018/19 and 2019/20 are expected to result in revenue falls for these years.

Rising output and more-complex operations are expected to boost industry employment, leading to growth of 1.2% annualised over the five years through 2019/20. More new firms are expected to enter the industry to chase high profit margins, with establishment numbers forecast to grow 0.9% annualised over the period. However, most new firms will be small in scale and generate relatively low gold production volumes.

Production and projects

Although gold prices are expected to remain relatively high, rising supply worldwide is forecast to constrain price growth. Gold will remain an important part of central bank reserves around the world, while growing affluence in China will likely boost demand for gold jewellery. Gold will continue to be viewed as a portable store of value throughout Asia. Major political shocks to the global economy have the potential to cause large short-term fluctuations in the price of gold. Similarly, a major unexpected flow of gold from stocks onto the market can push the price down. This situation is complicated by the fact that fluctuations in the gold price reflect changes in the value placed on the US dollar, as well as shifts in the market for gold itself.

Australia's gold production is expected to increase over the five years through 2019/20. Significant contributions will be made by the Tropicana joint venture project involving AngloGold Ashanti and Independence Group, which is expected to yield 320,000 to 350,000 troy ounces of gold per annum at full production; the continued ramp-up of Newcrest's Cadia East mine (about 700,000 troy ounces at full production); Mungana Goldmines' Chillagoe project (160,000 ounces); and Tanami Gold's Central Tanami project (160,000 ounces).

A number of smaller projects are also expected to come onstream over the next five years. As well as underpinning new developments, high gold prices provide an incentive to lift production at existing operations where possible, and provide a buffer against expected rises in the cost of obtaining gold at older mines. Production costs tend to increase as mines become deeper, or move from being open-cut to underground

operations, and encounter harder ores. The net increase in Australia's total output will be less than what is added by new projects, as output from some existing mines will decline as they approach resource depletion.

High gold prices will have a longer term effect on the industry, providing an incentive to re-examine techniques aimed at exploiting lower grade ore. Increasingly, Australia's gold production will come from larger mines as smaller, short-life mines become uneconomic and are closed. Considering these factors, Australia's gold output is expected to rise from 269.6 tonnes in 2014/15 to 271.9 tonnes in 2019/20, which represents annualised growth of 0.2%. The largest increases are expected for 2016/17 and 2017/18 as several gold projects ramp-up to full production.

The long-term, high-risk nature of greenfield gold exploration, and the resources required to fund it, mean that gold exploration and production will remain the province of large companies. This trend will be reinforced by production requirements, including the large amounts of capital required for open-cut mining at depth, the technology needed to make the transition to underground operations as shallow reserves are depleted, and the higher costs of processing deeper sulphide ores rather than shallow oxide ores.

Source: IBIS*World*

5.2 Nickel Mining in Australia

Executive Summary

Australia's nickel mine output is expected to increase in 2013/14, as miners look to increase revenue and cover recent major falls. This is despite output from some higher cost operations being curtailed in response to ongoing softness in nickel prices (in both $A and $US). Nickel ore production is expected to be about 251,900 tonnes in 2013/14, up from 248,800 tonnes in the previous year, and well above the 199,600 tonnes produced in 2009/10. Most of the nickel ore mined in Australia is processed locally into nickel concentrate. An estimated 30.9% of industry revenue is generated from exports in 2013/14.

Industry revenue is expected to fall by 6.9% in 2013/14 to $3.5 billion as nickel prices continue to recede in the face of weak demand for steel. In China, the government has slowed some of its infrastructure projects. Elsewhere, economic growth and investment are either weak (the United States) or non-existent (most of the Eurozone), limiting the export prospects of steelmakers in South America and Asia. The resulting subdued demand for nickel is pushing prices down. The decline in $A is even larger, due to the appreciation of the Australian dollar against the greenback.

Industry revenue will remain well below the $10.2 billion reported in 2006/07, when nickel prices soared. However, global nickel prices slumped in subsequent years due to higher nickel pig iron production in response to these high prices. By 2008/09, industry revenue had slumped to $3.5 billion due to the ongoing retreat from the unsustainably high prices. Price movements over that period have been extremely sharp. A steep price plunge as demand evaporated during the global financial crisis was followed by strong price gains. Overall, in the five years through 2013/14, industry revenue is estimated to decrease at an annualised 0.1%.

Industry performance is expected to improve during the five years through 2018/19, with revenue forecast to rise at an annualised rate of 2.6% to $4.0 billion in 2018/19. Output levels are expected to increase slightly in total, while nickel prices (in both $US and $A) are expected to trend up as economic activity and the demand for steel are

revived. Profit is also expected to grow over the five years through 2018/19, although this is from a low base.

Current Performance

The performance of the Nickel Ore Mining industry heavily depends on trends in nickel output, the international nickel price (which is denominated in $US) and the value of the $A. Nickel prices are highly sensitive to shifts in the demand and supply balance for nickel. Falling nickel prices in 2012/13 in the face of subdued global economic growth are expected to slice 19.7% from industry revenue that year. A further fall of 6.9% is expected over 2013/14. Industry revenue is estimated to be $3.5 billion in 2013/14.

Although nickel mining is dominated by BHP Billiton Ltd, several other firms are also important operators, including Glencore Xstrata, Panoramic Resources and Western Areas. Volatile prices over the past few years have led to substantial changes for some operations. Some mines have changed hands over the past few years, including the Ravensthorpe mine. BHP Billiton closed the operation in early 2009 and subsequently sold it to the Canadian firm First Quantum Minerals Ltd in early 2010. Ravensthorpe has since been re-opened. Norilsk closed all of its Australian nickel mining interests in late 2008 and early 2009, as the nickel price plunged, although it subsequently restarted some operations.

Fluctuating output

Australia's nickel production is expected to increase 1.2% in 2013/14. Production slipped in 2012/13 as production from higher cost operations was scaled back in response to ongoing softness in the nickel price. This follows increases in both 2010/11 and 2011/12, when mines reopened and output increased strongly. First Quantum Minerals Limited aims to produce about 39,000 tonnes of nickel per year from its Ravensthorpe mine for the first five years following commercial start-up (which occurred in December 2011). Total mine life is estimated at 30 years, with average output for that period amounting to about 28,000 tonnes per year. Restarted production in Ravensthorpe and Norilsk's Lake Johnston, combined with output from operations, helped lift nickel output to 261,100 tonnes in 2011/12.

Nickel output increased in 2010/11, as higher prices encouraged firms to increase production. For example, Mincor Resources NL, restarted its Miitel mine in mid-2010, adding about 5,000 tonnes to annual nickel production, while output from the Western Areas' Spotted Quoll mine, which commenced operations in early 2010, was ramped up. Nickel ore output rose to 195,000 tonnes. Production had fallen sharply in 2009/10 because of mine closures implemented in the previous year. Increased production at some other operations (for example, Murrin Murrin and Cosmos) was not enough to offset the effect of the mine closures. Production had already begun falling in 2008/09 as tumbling nickel prices led to mine closures.

Boom-bust prices

$US nickel prices are expected to decline in 2013/14, pulled down by weak global conditions and high levels of nickel stocks. The price is also expected to fall in Australian dollars, although a slightly weaker $A will soften the decline. $US prices had already fallen in 2011/12 and 2012/13 as deteriorating economic conditions in the Eurozone and limp activity in the United States increasingly flowed through to other economies, including large developing countries such as China. Weak global economic activity curtailed growth in the demand for steel, including stainless steel, limiting the demand for nickel. The appreciation of the $A led to an even larger price fall in local currency.

The substantially lower nickel price was only partly offset by higher output, leading to a large revenue fall in 2012/13. Lower nickel prices in 2011/12 came after large increases over the previous two years. In both 2009/10 and 2010/11, improved economic conditions worldwide boosted the demand for stainless steel (used in a variety of manufacturing and construction applications) and hence the demand for nickel. Despite the appreciation of the Australian dollar over this two-year period, nickel prices in local currency also rose. Higher output and prices are estimated to have produced revenue growth in both 2010/11 and 2009/10. Nickel prices nosedived in the second half of 2008 and remained low in early 2009. That fall, together with lower output arising from mine closures, is expected to have caused industry revenue to plunge and produced even larger falls in profit. Nickel prices had already fallen by nearly 25.0% in 2007/08, as miners lifted output in response to soaring prices over the previous two years and demand growth began to buckle.

Mixed revenue and export growth

In the five years through 2013/14, industry revenue is expected to decline at an annualised 0.1%. Most of the industry decline had occurred in previous years, with volatility occurring in the past five years. Industry profit has recovered slightly in the past five years, although this is from a low base. IBISWorld estimates that industry profit has increased from 0.8% of industry revenue in 2008/09 to 2.3% in 2013/14.

Industry employment has been relatively stable in the past five years with most volatility due to price changes. IBISWorld estimates that industry employment will increase at an annualised rate of 0.3% in the five years through 2013/14 to 6,400 workers. Industry enterprise numbers have increased steadily, although most have been small exploration firms. Enterprise numbers are estimated to increase at an annualised rate of 3.2% in the past five years to 34 in 2013/14.

The volume and value of exports have increased in the past five years, while imports have remained negligible. In the five years through 2013/14, industry exports are estimated to increase at an annualised rate of 4.4% to $1.1 billion. These are estimated to account for 30.9% of industry revenue in 2013/14, up from 24.8% in 2008/09 due to high demand from China.

Industry Outlook

Trends in $US nickel prices, the value of the $A and in the volume of nickel production will continue to drive industry performance during the five years through 2018/19. Nickel prices, having reached unprecedented highs prior to the global financial crisis, plummeted as global economic growth slumped in subsequent years. Nickel prices are forecast to bottom out in 2014/15 and remain low through 2018/19. Industry

employment is expected to grow at an annualised rate of 0.3% to 6,510 workers in 2018/19 as production volumes expand. New firms are expected to enter the industry seeking new nickel resources. Overall, enterprise numbers are forecast to increase at an annualised rate of 1.7% to 37 in 2018/19.

A growing appetite

About two-thirds of the world's refined nickel output is used in the manufacture of stainless steel and, as a result, the demand for nickel depends heavily on the demand for stainless steel. China is already the largest consumer of nickel, accounting for about 41.0% of total consumption, and its demand for the metal is expected to continue growing strongly over the next five years. Demand for nickel from other developing countries, such as India, will also continue rising.

Two main factors are expected to drive demand for stainless steel and hence for nickel in the five years through 2018/19. The first is government efforts to improve infrastructure such as road and rail networks, which use large amounts of stainless steel during construction. The second is spending on consumer durables. Growing wealth and increasing urbanisation are underpinning rising demand for steel-intensive products such as whitegoods and TVs.

Output recovers

Worldwide, the output of nickel is expected to grow over the five years through 2018/19. China, the major nickel consumer, is also expected to account for an increasing proportion of processed nickel output (in the form of nickel pig iron), using inputs of laterite ore drawn largely from mines in New Caledonia, the Philippines, Indonesia and Madagascar. Several large mines in these areas are scheduled for completion in the next five years, which will boost world nickel mine output as they come onstream. Nickel ore exports from Australia are forecast to increase at an annualised 2.0% to $1.2 billion in 2018/19 to account for 30.1% of industry revenue for the year.

Australia's nickel output is also poised to grow in later years. After some low output growth, BHP Billiton is expected to increase output, as will Glencore Xstrata. Production from the Ravensthorpe mine, which has been restarted by Canada's First Quantum Minerals Limited, is being ramped up. Similarly, output from Norilsk Nickel's restarted mines will grow during the next five years. New mines may also commence operation. Possible start-ups include Norilsk Nickel's Honeymoon Well and Metallica Minerals Norinco. Overall, by 2018/19, Australia's production of nickel is expected to be about 255,700 tonnes per year.

Price pressures

The combination of lower prices and local output is expected to result in a revenue decline of 3.2% in 2014/15. Firming global economic activity over the remaining years through 2018/19 will set the scene for higher nickel prices. Growing steel demand in key consuming countries such as China will lift the demand for nickel, putting upward pressure on nickel prices. Although global output of nickel is expected to be sufficient to meet demand, more production will come from higher cost lateritic ore, in turn putting a floor under nickel prices. In this relatively benign climate, nickel prices (in $US nominal terms) are expected to increase solidly. In addition, Australian producers will benefit from the expected continued slide of the local currency against the US dollar.

Rising output and generally higher prices are expected to yield substantial gains in industry revenue. Overall, revenue is expected to expand at an annualised 2.6% over

the next five years, reaching $4.0 billion by 2018/19. Industry profit is also expected to grow to 2.7% of industry revenue in 2018/19, up from 2.3% in 2013/14. Nonetheless, firms will face ongoing wage growth and cost increases for a range of items, such as fuel and chemicals. Labour market conditions in the key Australian nickel mining state of Western Australia will remain tight as mining output (across a range of mining industries, including iron ore) rises and the demand for mine workers trends up. Rising mine output, both in Australia and overseas, is expected to push up prices for chemicals and explosives used by that sector, while rising economic activity worldwide will drive up fuel prices.

Source: IBIS*World*

6. ADOPTED BASIS OF EVALUATION

6.1 Fairness

We have assessed whether the Proposed Transaction is fair by comparing the proposed consideration for each Kin share with our assessed value of each Kin share.

The Kin shares have been valued at fair market value, which we have defined as the amount at which the shares would be expected to change hands between a knowledgeable willing buyer and a knowledgeable willing seller, neither of whom is under any compulsion to buy or sell. Special purchasers may be willing to pay higher prices to gain control, to reduce or eliminate competition, to secure a source of material supply or sales, or to achieve cost savings or other synergies arising on business combinations, which could only be enjoyed by the special purchaser. As the Proposed Transaction is a control transaction (as defined in RG 111), we have considered this factor in forming our opinion.

6.2 Reasonableness

We have assessed the reasonableness of the Proposed Transaction by considering other advantages and disadvantages of the Proposed Transaction to the non-associated shareholders of Kin.

6.3 Individual circumstances

We have evaluated the Proposed Transaction for Kin shareholders as a whole. We have not considered the effect of the Proposed Transaction on the particular circumstances of individual shareholders. Due to their particular circumstances, individual shareholders may place a different emphasis on various aspects of the Proposed Transaction from those adopted in this Report. Accordingly, individual shareholders may reach different conclusions to ours on whether the Proposed Transaction is fair and reasonable. If in doubt, shareholders should consult an independent adviser.

6.4 Limitations and Reliance on Information

HLB's opinion is based on economic, share market, business trading and other conditions and expectations prevailing at the date of this Report. These conditions can change significantly over relatively short periods of time. If these conditions did change materially the valuations and opinions could be different in these changed circumstances.

This Report is also based upon financial information and other information provided by Kin. HLB has considered and relied upon this information. HLB has no reason to believe that any material facts have been withheld. The information provided to HLB has been evaluated through analysis, enquiry and review for the purposes of forming an opinion as to whether the Proposed Transaction is fair and reasonable. However, in preparing reports such as this, time is limited and HLB does not warrant that its enquiries have identified or verified all of the matters that an audit, extensive examination or "due diligence" investigation might disclose. In any event, an opinion as to fairness and reasonableness is more in the nature of an overall review rather than a detailed audit or investigation.

An important part of the information used in forming an opinion of the kind expressed in this Report is comprised of the opinions and judgment of management. This type of information was also evaluated through analysis, enquiry and review to the extent practical. However, such information is often not capable of external verification or valuation.

Preparation of this Report does not imply that HLB has audited in any way the records of Kin for the purposes of this Report. It is understood that the accounting information that was provided was prepared in accordance with generally accepted accounting principles and in a manner consistent with the method of accounting in previous years except as otherwise noted.

The information provided to HLB included historical financial information for Kin. Kin is responsible for this information. HLB has used and relied on this information for the purpose of analysis. HLB has assumed that this information was prepared appropriately and accurately based on the information available to management at the time and within the practical constraints and limitations of such information. HLB has assumed that this information does not reflect any material bias, either positive or negative. HLB has no reason to believe otherwise.

7. PROFILE OF KIN

7.1 Company History

Kin was registered on 27 April 2011 and was admitted to the Official List of ASX on 30 September 2013.

Kin is an exploration company which has focussed its strategic and exploration efforts on six main projects in Western Australia – Desdemona, Iron King, Murrin Murrin, Redcastle, Mt Flora and Randwick. These projects are prospective for gold, nickel, PGEs and base metals and the Company has been conducting active exploration and evaluation of these projects since acquiring them as part of the IPO listing in September 2013.

On 27 May 2014, Kin entered into a Share Sale Agreement with Navigator Resources Ltd (subject to deed of company administration) to acquire the Leonora Gold Project. Kin entered into a Deed of Variation to the Share Sale Agreement on 3 September 2014. The key terms of this Share Sale Agreement and the Deed of Variation are as follows:

(a) Kin agrees to pay a cash consideration of $2,700,000 for the entire issued capital of Navigator Mining Pty Ltd, a wholly owned subsidiary of Navigator Resources Ltd

(subject to deed of company administration) being the owner of the Leonora Gold Project;

(b) Of the consideration of $2,700,000, Kin was to pay a non-refundable deposit of $200,000 to the deed administrator of Navigator Resources Ltd (subject to deed of company administration). ***This amount has been paid as at the date of this Report***;

(c) Completion of the acquisition was conditional upon Kin obtaining shareholder approval to the acquisition. ***Shareholders approved the acquisition on 4 July 2014***;

(d) Kin was to raise up to $5m by way of a capital raising. ***The Proposed Transaction, together with Kin issuing a prospectus dated 9 June 2014 (and a supplementary prospectus dated 9 September 2014) for the raising of up to $5,797,950 before costs (with a minimum subscription of $500,000), would meet this condition if the total required capital raising is achieved. Kin has the ability to waive this condition if it so chooses***; and

(e) The issue by Kin to the secured creditor of Navigator Mining Pty Ltd, Waterton Global Value L.P. of 1,500,000 fully paid shares in Kin for no consideration.

A background on the Leonora Gold Project was provided by the Company in its ASX announcement dated 4 June 2014.

7.2 Assets

The Company's assets comprise predominantly mineral exploration properties. Extracts of the Company's audited financial reports for the years ended 30 June 2014 and 30 June 2013 are shown at Sections 7.7 and 7.8 of this Report.

7.3 Legal Structure

Kin is a public company incorporated and domiciled in Australia. Kin has no subsidiaries, however if it is successful in acquiring the Leonora Gold Project, it will own 100% of the issued shares in Navigator Mining Pty Ltd, the owner of the Leonora Gold Project.

7.4 Management and Personnel

The Company's current directors are:

Dr Terrence Grammer	Non-Executive Chairman
Mr Trevor Dixon	Managing Director
Mr Marvyn (Fritz) Fitton	Non-Executive Director
Mr Giuseppe (Joe) Graziano	Non-Executive Director/Company Secretary

7.5 Capital Structure and Shareholders

At the date of this Report, Kin had the following securities on issue:

Shares:

	Number
Fully paid ordinary shares	38,653,003

Options:

Expiry date	Exercise price (cents)	Number
31 January 2015 (bonus options issued on 28 February 2014)	30 cents	19,326,512

Escrow provisions

At the date of this Report, 13,222,500 shares are held in escrow until 2 October 2015.

Top 20 shareholders

The top 20 shareholders as at 22 September 2014 are set out below.

Shareholder	Number of Shares	% of total shares on issue
Trevor Dixon	6,602,501	17.08%
Giuseppe Graziano <The Cygnet A/C>	5,000,001	12.94%
VM Drilling Pty Ltd <VM Drilling Unit A/C>	1,060,687	2.74%
Marvyn Fitton	1,000,000	2.59%
Harmanis Holdings <The Harman Family A/C>	1,000,000	2.59%
Botsis Holdings Pty Ltd	1,000,000	2.59%
Partners & Friends Pty Ltd <Personal Partners A/C>	964,468	2.50%
Jim Moore	797,250	2.06%
Ross Crew	608,750	1.58%
Troca Enterprises Pty Ltd <Coulsen Super A/C>	500,000	1.29%
Chin Nominees Pty Ltd <Chin Super A/C>	500,000	1.29%
A & A Cannavo Nominees Pty Ltd <Anthony Meats Super Fund A/C>	500,000	1.29%
Rogue Investments Pty Ltd	500,000	1.29%
Siat Yoon Chin	500,000	1.29%
Chemco Superannuation Fund Pty Ltd <Chemco Super Fund No. 2 A/C>	500,000	1.29%
Katherine Moya	480,000	1.24%
Kailis Consolidated Pty Ltd	450,182	1.17%
Goldfire Enterprises Pty Ltd	406,702	1.05%
Shelley Tanner <Tanner Family Account>	375,000	0.97%
CJC (Qld) Pty Ltd <CJC Property A/C>	375,000	0.97%
TOTAL	**23,120,541**	**59.81%**

7.6 Share Price Performance

Kin's share price movements in the 12 months to the date of preparation of this Report, together with volumes traded are presented in the graph below:

The following key announcements were made by the Company to the market during the above period:

Date	Announcement	Closing share price after announcement $ (movement)	Closing share price three days after announcement $ (movement)
11/09/2014	Kin Secures Highly Prospective Tenement Package	0.15 (◄ 0%)	0.15 (◄ 0%)
09/09/2014	Supplementary Prospectus	0.15 (◄ 0%)	0.15 (◄ 0%)
08/09/2014	Extension of Closing Date for Non-Renounceable Rights Issue	0.15 (◄ 0%)	0.15 (◄ 0%)
23/07/2014	Nickel-Copper-PGE Target Identified at Leonora	0.17 (▲ 12%)	0.17 (◄ 0%)
21/07/2014	Kin Mining Secures $3m From Cornerstone Investor	0.15 (▲ 7%)	0.17 (▲ 12%)
10/06/2014	Prospectus - Rights Issue /Non-renounceable issue	0.19 (◄ 0%)	0.17 (▼ 12%)
04/06/2014	Kin Advances WA Gold Strategy	0.19 (▲ 21%)	0.19 (◄ 0%)
07/05/2014	Kin Embarks on WA Gold Production Strategy	0.19 (▲ 16%)	0.20 (▲ 5%)
29/04/2014	Completion of Due Diligence - Navigator	0.20 (▼ 10%)	0.20 (◄ 0%)
24/04/2014	Quarterly Activities and Cashflow Report 31 March 2014	0.25 (◄ 0%)	0.20 (▼ 25%)
08/04/2014	Kin Mining to Acquire Leonora Gold Project	0.25 (◄ 0%)	0.25 (◄ 0%)
01/04/2014	Release of Restricted Securities from Voluntary Escrow	0.27 (◄ 0%)	0.25 (▼ 8%)
20/03/2014	Outstanding RC Assay Results From Current Drilling Program	0.27 (▲ 4%)	0.27 (◄ 0%)
14/03/2014	Half Year Accounts	0.27 (◄ 0%)	0.26 (▼ 4%)
14/03/2014	Exploration Update	0.27 (◄ 0%)	0.26 (▼ 4%)
27/02/2014	Allotment of Bonus Options and Amendment to Appendix 3B	0.27 (◄ 0%)	0.27 (◄ 0%)
18/02/2014	Exploration Update	0.28 (▲ 4%)	0.27 (▼ 4%)
05/02/2014	Prospectus - Bonus Options Issue	0.29 (◄ 0%)	0.29 (◄ 0%)
30/01/2041	Quarterly Activities and Cashflow Report 31 December 2013	0.28 (◄ 0%)	0.29 (▲ 3%)
14/01/2014	Excellent gold grades returned from follow up sampling	0.29 (◄ 0%)	0.30 (▲ 3%)
24/12/2013	Significant High Grade Result from Leonora Project	0.30 (◄ 0%)	0.30 (◄ 0%)
19/12/2013	Significant Gold Intersections at Murrin Murrin	0.30 (▲ 10%)	0.30 (◄ 0%)
07/11/2013	Drilling has Commenced	0.29 (◄ 0%)	0.28 (▼ 4%)
23/10/2013	Exploration Update	0.31 (▲ 3%)	0.29 (▼ 7%)
14/10/2013	Kin Mining Progress Report	0.31 (◄ 0%)	0.30 (▼ 3%)
01/10/2013	Full Year Statutory Accounts	0.28 (◄ 0%)	0.25 (▼ 12%)

Source: ASX company announcements

The following facts are worthy of note:

(a) The Kin closing share price has fluctuated from a price of 28 cents at the beginning of the above period to a high of 32 cents in late-November 2013 and to a closing price at the date of this Report of 13 cents; and

(b) Following the announcement on 21 July 2014 that the Company had signed a Share Subscription Agreement with Geolord, the Company's closing share price increased by 12% before settling to its pre-announcement price of 15 cents. Since that date, the Company's closing share price has fallen to 13 cents which is the price at the date of this Report.

7.7 Financial Performance

Extracts of the Company's audited financial results for the years ended 30 June 2014 and 30 June 2013 are set out below:

	Audited Year to 30 June 2014 $	Audited Year to 30 June 2013 $
Interest income	38,984	10,271
Other income	34,974	14,213
Depreciation expense	(10,826)	(2,463)
Administration expense	(141,560)	(90,433)
Consultant expenses and professional costs	(197,300)	(5,250)
Employment expenses	(277,840)	-
Occupancy expenses	(41,416)	(23,762)
Travel expenses	(20,765)	-
Loss before income tax	(615,749)	(97,424)
Income tax benefit	-	-
Loss for the year	(615,749)	(97,424)

7.8 Financial Position

Extracts of the Company's audited financial position as at 30 June 2014 and 30 June 2013 are set out below:

	Audited 30 June 2014 $	Audited 30 June 2013 $
Current Assets		
Cash and cash equivalents	173,355	155,306
Trade and other receivables	77,377	14,247
Prepaid IPO costs	-	197,827
Prepayments	90,475	-
Total Current Assets	**341,207**	367,380
Non Current Assets		
Property, plant and equipment	39,629	8,081
Exploration and evaluation expenditure	2,993,636	314,592
Other – deposit on acquisition of Leonora Gold Project and related costs	226,053	-
Total Non Current Assets	**3,259,318**	**322,673**
Total Assets	**3,600,525**	**690,053**
Liabilities		
Current Liabilities		
Trade and other payables	190,250	30,996
Total Current Liabilities	**190,250**	**30,996**
Total Liabilities	**190,250**	**30,996**
Net Assets	**3,410,275**	**659,057**
Equity		
Issued capital	4,145,082	778,115
Accumulated losses	(734,807)	(119,058)
Total Equity	**3,410,275**	**659,057**

7.9 Tax Losses

At 30 June 2014, the Company had a net unrecognised deferred tax asset of $275,076 relating to the benefit of income tax losses. In addition, the Company has an unrecognised deferred tax asset relating to share issue costs recognised directly in equity, which the Company has not as yet quantified. These assets are not included in the statement of financial position in Section 7.8 of this Report. Refer to Section 8.3.1 of this Report for further discussion on this matter.

8. VALUATION OF KIN PRIOR TO THE PROPOSED TRANSACTION

8.1 Valuation Summary

HLB has assessed the fair market value of Kin to be 45.5 cents per share. This is based on our assessment of the fair market value prior to incorporating the effects of the Proposed Transaction.

For the purpose of our opinion, fair market value is defined as the amount at which the shares would change hands between a knowledgeable willing buyer and a knowledgeable willing seller, neither being under a compulsion to buy or sell. We have considered the aspect of a premium for control in forming our opinion.

In determining this amount, we assessed the fair market value of Kin after considering the various valuation methods, which are discussed in further detail at Section 8.2 of this Report.

8.2 Valuation Methodology

Methodologies commonly used for valuing assets and businesses are as follows:

8.2.1 Capitalisation of future maintainable earnings ("FME")

This method places a value on a business by estimating the likely future maintainable earnings, capitalised at an appropriate rate which reflects business outlook, business risk, investor expectations, future growth prospects and other entity specific factors. This approach relies on the availability and analysis of comparable market data.

The FME approach is the most commonly applied valuation technique and is particularly applicable to profitable businesses with relatively steady growth histories and forecasts, regular capital expenditure requirements and non-finite lives.

The FME used in the valuation can be based on net profit after tax or alternatives to this such as earnings before interest and tax ("**EBIT**") or earnings before interest, tax, depreciation and amortisation ("**EBITDA**"). The capitalisation rate or "earnings multiple" is adjusted to reflect which base is being used for FME.

This method is not appropriate for use in mining exploration companies.

8.2.2 Discounted future cash flows ("DCF")

The DCF methodology is based on the generally accepted theory that the value of an asset or business depends on its future net cash flows, discounted to their present values at an appropriate discount rate (often called the weighted average cost of capital). This

discount rate represents an opportunity cost of capital reflecting the expected rate of return which investors can obtain from investments having equivalent risks.

A terminal value for the asset or business is calculated at the end of the future cash flow period and this is also discounted to its present value using the appropriate discount rate.

DCF valuations are particularly applicable to businesses with limited lives, experiencing growth, that are in a start-up phase, or experience irregular cash flows.

The DCF methodology is not considered appropriate to use in the valuation of Kin as the Company is in the exploration phase and does not have cash flow forecast information based on JORC reserves.

8.2.3 Net asset value

Asset based methods estimate the market value of an entity's securities based on the realisable value of its identifiable net assets. Asset based methods include:

- Orderly realisation of assets method
- Liquidation of assets method
- Net assets on a going concern method

The *orderly realisation of assets method* estimates fair market value by determining the amount that would be distributed to entity holders, after payment of all liabilities including realisation costs and taxation charges that arise, assuming the entity is wound up in an orderly manner.

The *liquidation method* is similar to the orderly realisation of assets method except the liquidation method assumes the assets are sold in a shorter time frame. Where wind up or liquidation of the entity is not being contemplated, these methods in their strictest form are generally not appropriate. The *net assets on a going concern method* estimates the market values of the net assets of an entity but does not take into account any realisation costs.

The *net assets on a going concern method* is usually appropriate where the majority of assets consist of cash, passive investments or projects with a limited life. All assets and liabilities of the entity are valued at market value under this alternative and this combined market value forms the basis for the entity's valuation.

Often the FME and DCF methodologies are used in valuing assets forming part of the overall net assets on a going concern basis.

These asset based methods ignore the possibility that the entity's value could exceed the realisable value of its assets as they do not recognise the value of intangible assets such as management, intellectual property and goodwill. Asset based methods are appropriate when entities are not profitable, a significant proportion of the entity's assets are liquid or for asset holding companies.

8.2.4 Quoted Market Price Basis

Another valuation approach that can be used in conjunction with (or as a replacement for) any of the above methods is the quoted market price of listed securities. Where there

is a ready market for securities such as the ASX through which shares are traded, recent prices at which shares are bought and sold can be taken as the market value per share. Such market value includes all factors and influences that impact upon the ASX. The use of ASX pricing is more relevant where a security displays regular high volume trading, creating a "deep" market in that security.

8.2.5 Methodology Adopted

We consider that the most appropriate methods for the valuation of Kin shares are the net assets on a going concern method and the quoted market price basis.

8.3 Valuation

8.3.1 Net assets on a going concern method of valuation of Kin (prior to incorporating the effects of the Proposed Transaction)

Our valuation of Kin on a going concern method of valuation is set out in our valuation calculations below. We have considered the valuation of Kin prior to incorporating the effects of the Proposed Transaction.

Statement of Financial Position	Note	Audited 30 June 2014 $	Valuation Low $	Valuation Preferred $	Valuation High $
Current Assets					
Cash and cash equivalents	1	173,355	1,149,560	**1,149,560**	1,149,560
Trade and other receivables		77,377	77,377	**77,377**	77,377
Prepayments		90,475	90,475	**90,475**	90,475
Total Current Assets		341,207	1,317,412	**1,317,412**	1,317,412
Non Current Assets					
Property, plant and equipment		39,629	39,629	**39,629**	39,629
Exploration and evaluation expenditure – current WA projects	2	2,993,636	17,644,166	**19,471,166**	21,305,166
Other – deposit on acquisition of Leonora Gold Project and related costs	3	226,053	-	**-**	-
Total Non Current Assets		3,259,318	17,683,795	**19,510,795**	21,344,795
Total Assets		3,600,525	19,001,207	**20,828,207**	22,662,207
Liabilities					
Current Liabilities					
Trade and other payables		190,250	190,250	**190,250**	190,250
Total Current Liabilities		190,250	190,250	**190,250**	190,250
Total Liabilities		190,250	190,250	**190,250**	190,250
Net Assets		3,410,275	18,810,957	**20,637,957**	22,471,957

		Number	Number	Number	Number
Shares on issue	4	38,653,003	45,319,670	45,319,670	45,319,670
Value per share (cents)		8.8	41.5	45.5	49.6

We have made the following adjustments to the net assets and issued capital of Kin as at 30 June 2014 in determining our valuation. These adjustments relate to matters which have effect prior to the effects of the Proposed Transaction.

a) Proceeds from the Kin rights issue – for the purposes of the above valuation, we have assumed that subscriptions for 6,666,667 shares are received, amounting to

$1,000,000, together with costs of the rights issue of $23,795. Notwithstanding the fact that the minimum subscription under the Rights Issue is $500,000, we have been advised by the directors of Kin that it is reasonable to assume that the Rights Issue will raise a total of at least $1,000,000.

b) Write-off of the non-refundable deposit paid on the acquisition of Navigator Mining Pty Ltd (owner of the Leonora Gold Project) together with associated costs, totalling $226,053.

c) We have assumed that no options currently on issue will be exercised for the purposes of our valuation. The options are exercisable at 30 cents; the Company's quoted share price at the date of this Report is 13 cents.

d) We instructed Al Maynard & Associates Pty Ltd ("Al Maynard") to provide an independent market valuation of the mineral assets currently held by Kin. Al Maynard considered a number of different valuation methods when valuing these mineral assets. A copy of the report prepared by Al Maynard is attached to this Report as Appendix 3.

The range of values for Kin's exploration assets as assessed by Al Maynard is set out below:

	Low Value $'000	Preferred Value $'000	High Value $'000
Company mineral assets (as valued by Al Maynard & Associates Pty Ltd):			
Desdemona	15,490	17,210	18,930
Iron King	1,370	1,530	1,680
Murrin Murrin	2,630	2,920	3,220
Mt Flora	1,640	1,830	2,010
Randwick	660	730	800
Redcastle	1,740	1,920	2,120
Total	23,530	26,140	28,760

We have incorporated adjustments to update the carrying values of the above assets in the Company's books with the "Valuation Low", "Valuation High" and "Valuation Preferred" amounts above. This has resulted in the following adjustments:

	Carrying value prior to valuation $	Preferred valuation $	Adjustment $
Company mineral assets – at valuation	2,993,636	26,140,000	23,146,364
Less tax effect of uplift at 30%		(6,943,910)	(6,943,910)
Add back tax effect of available tax losses at 30/6/14		275,076	275,076
		19,471,166	16,477,530

Movements in valuation amounts ("preferred") above:

Note 1: Cash	$
Balance at 30 June 2014	173,355
Add: Rights issue proceeds (assumed)	1,000,000
Less: Expenses of the rights issue	(23,795)
	1,149,560

Note 2: Exploration and evaluation expenditure – current WA projects	
Balance at 30 June 2014	2,993,636
Add: Increase in carrying values of exploration projects following independent valuation by Al Maynard (net of tax-effect)	16,477,530
	19,471,166

Note 3: Other – deposit on acquisition of Leonora Gold Project and related costs	
Balance at 30 June 2014	226,053
Less: Write-off of balance if acquisition does not proceed	(226,053)
	-

Note 5: Number of shares on issue	No.
Balance at 30 June 2014	38,653,003
Add: Issue of shares pursuant to rights issue (assumed)	6,666,667
Balance (based on assumed rights issue above)	45,319,670

8.3.2 Quoted Market Price Basis - Shares

To provide a comparison to our assessed valuation of Kin in Section 8.3.1, we have also assessed the value of Kin on the quoted market price basis.

The quoted market value of a company's shares is reflective of its value on a minority interest basis. A minority interest is an interest in a company that is not significant

enough for the holder to have an individual influence in the operations and value of that company.

RG 111.25 suggests that when considering the value of a company's shares for the purposes of approval under Item 7 of section 611 of the Corporations Act, the expert should consider a premium for control. An acquirer could be expected to pay a premium for control due to the advantages they will receive should they obtain control of another company. These advantages include the following:

- control over policy, decision making and strategic direction;
- access to cash flows;
- control over dividend policies; and
- potentially, access to tax losses.

Whilst Geolord will not be obtaining 100% of Kin, RG 111 states that the expert should calculate the value of a "target's" (ie Kin) shares as if 100% control was being obtained. RG 111.3 states that the expert can then consider an acquirer's practical level of control when considering reasonableness. We have considered reasonableness in Section 11 of this Report.

Our valuation calculation has been prepared in two parts. First, we have calculated the quoted market price on a minority interest basis. Secondly, we have added a premium for control to the minority interest value to arrive at a quoted market price value that includes a premium for control.

Minority interest value

A chart of the share price movement of Kin over the 12 month period prior to the date of this Report is included in Section 7.6 of this Report.

The Kin closing share price had fluctuated from a low of 14 cents in July 2014 to a high of 32 cents on 28 November 2013. The closing share price at the date of this Report is 13 cents.

To provide further analysis of the market prices for a Kin share, we have also calculated the volume weighted average market price for 10, 30, 60 and 90 day periods prior to 21 July 2014 (being the date of the announcement that the Company had entered into a Share Subscription Agreement with Geolord) as follows:

	21 July 2014 cents	10 Days cents	30 Days cents	60 Days cents	90 Days cents
Closing price	15.0				
Volume weighted average		14.9	15.6	16.7	18.2

For the quoted market price basis to be reliable there needs to be an adequately liquid and active market for the securities. We consider the following characteristics to be representative of a liquid and active or "deep" market:

- Regular trading in a company's securities;
- At least 50% of a company's securities are traded on an annual basis;
- The spread of a company's shares must not be so great that a single minority trade can significantly affect the market capitalisation of a company; and

- There are no significant and unexplained movements in the company's share price.

A company's shares should meet all of the above criteria to be considered as trading in a "deep" market, however, failure of a company's securities to exhibit all of the above characteristics does not necessarily mean that the value of its shares determined on this basis cannot be considered relevant.

An analysis of the volume of trading in Kin shares for the twelve months to 2 October 2014 is set out below:

	Low cents	High cents	Cumulative Volume Traded No	As a % of issued capital as at 30 June 2014
10 days	13.0	15.0	481,180	1.24%
30 days	14.5	15.0	492,180	1.27%
60 days	14.0	17.0	745,822	1.93%
90 days	14.0	17.0	1,215,822	3.15%
180 days	14.0	27.0	1,831,022	4.74%
Since listing	14.0	32.0	3,968,222	10.27%

This table indicates that the Company's shares display a low level of liquidity, with only 10.27% of the Company's issued capital at 30 June 2014 being traded in the 12 month period to 2 October 2014 and only 3.15% over the last 90 trading days. We do not consider the level of trading in the Company's shares to be sufficiently adequate and to otherwise meet the criteria in order for the trading in the Company's shares to be considered as "deep".

Notwithstanding our opinion that the quoted market price basis is not a reliable valuation basis for our assessment, for the purpose of comparison, in our opinion a range of values for Kin shares based on market pricing, after disregarding post-announcement pricing, is between 14.9 cents and 16.7 cents per share, with a preferred pricing of 14.9 cents.

Control Premium

Share prices from share market trading do not reflect the market value for control of a company as they are in respect of minority interest holdings. Traditionally, the premiums required to obtain control of companies range between 15% and 25% of the minority interest values.

Quoted market price including control premium

Applying these control premiums to Kin's quoted market share price results in the following quoted market price values including a premium for control:

	Low cents	Preferred cents	High cents
Quoted market price value	14.9	14.9	16.7
Control premium	15%	20%	25%
Quoted market price value inclusive of a control premium	17.1	17.9	20.9

Therefore, our valuation of a Kin share based on the quoted market price method and including a premium for control is between 17.1 cents and 20.9 cents with a preferred value of 17.9 cents.

8.4 Assessment on the Fair Market Value of a Kin Share

The results of the net asset and quoted market price valuations performed are summarised in the table below:

	Low cents	Preferred cents	High cents
Net assets (Section 8.3.1)	41.5	45.5	49.6
Quoted market price (Section 8.3.2)	17.1	17.9	20.9

As it is our opinion that the trading in Kin shares is illiquid, we believe the most appropriate method of valuation of Kin shares in accordance with RG 111 is the net assets method.

Based on the results above we consider the value of a Kin share to be between 41.5 cents and 49.6 cents per share, with a preferred value of 45.5 cents per share.

9. CONSIDERATION

The shares proposed to be issued to Geolord would be issued at 15 cents per share. As it is also proposed that Geolord would receive a placement fee of $571,429 resulting in net proceeds of $3,000,000 being paid to Kin, the effective price at which the shares would be issued to Geolord is 12.6 cents per share.

10. ASSESSMENT OF WHETHER THE PROPOSED TRANSACTION IS FAIR

RG 111 defines an offer as being fair if the value of the offer price (price of the shares proposed to be issued to Geolord) is equal to or greater than the value of the securities being the subject of the offer. Set out in the table below is a comparison of our assessment of the fair market value of a Kin share with the value of the consideration pursuant to the Proposed Transaction.

	Cents
Assessed fair market value of a Kin share (Section 8)	**45.5**
Effective price at which shares are proposed to be issued to Geolord (Section 9)	**12.6**

As the amount offered is less than the assessed fair market value of a Kin share, it is our opinion that the Proposed Transaction is **not fair**.

11. CONSIDERATION WHETHER THE PROPOSED TRANSACTION IS REASONABLE

In accordance with RG 111, an offer can be reasonable even though it is not fair. In determining whether the Proposed Transaction is reasonable, we have calculated the value per Kin share on the basis that the Proposed Transaction is finalised, along with the finalisation of the acquisition of Navigator Mining Pty Ltd (owner of the Leonora Project) and associated matters ("post-Proposed Transaction"). We have then compared this value per Kin share with the value per Kin share prior to the Proposed Transaction ("pre-Proposed Transaction").

In arriving at a value per Kin share post-Proposed Transaction, we have made adjustments to the net assets and issued capital to take into account various conditions precedent to the Proposed Transaction. These adjustments take into account the adjustments set out in Section 8.3.1, as well as those resulting from the effects of the Proposed Transaction.

Statement of Financial Position	Note	Audited 30 June 2014 $	Valuation Low $	Valuation Preferred $	Valuation High $
Current Assets					
Cash and cash equivalents	1	173,355	1,516,595	**1,516,595**	1,516,595
Trade and other receivables		77,377	77,377	**77,377**	77,377
Prepayments		90,475	90,475	**90,475**	90,475
Total Current Assets		341,207	1,684,447	**1,684,447**	1,684,447
Non Current Assets					
Property, plant and equipment		39,629	39,629	**39,629**	39,629
Exploration and evaluation expenditure – Leonora Gold Project	2	-	3,585,205	**6,805,205**	11,075,205
Exploration and evaluation expenditure – other WA projects	3	2,993,636	17,644,166	**19,471,166**	21,305,166
Other – deposit on acquisition of Leonora Gold Project and related costs	4	226,053	-	**-**	-
Total Non Current Assets		3,259,318	21,269,000	**26,316,000**	35,420,000
Total Assets		3,600,525	22,953,447	**28,000,447**	34,104,447
Liabilities					
Current Liabilities					
Trade and other payables		190,250	190,250	**190,250**	190,250
Total Current Liabilities		190,250	190,250	**190,250**	190,250
Total Liabilities		190,250	190,250	**190,250**	190,250
Net Assets		3,410,275	22,763,197	**27,810,197**	33,914,197

		Number	Number	Number	Number
Shares on issue	5	38,653,003	70,629,194	70,629,194	70,629,194
Value per share (cents)		8.8	32.2	39.4	48.0

As noted above, we have made the following adjustments to the net assets and issued capital of Kin as at 30 June 2014 in determining our post-Proposed Transaction valuation. These adjustments take into account the adjustments set out in Section 8.3.1, as well as those resulting from the effects of the Proposed Transaction.

a) Proceeds from the issue of 23,809,524 fully paid shares to Geolord at 15 cents per share pursuant to the Agreement, namely $3,571,429.

b) Payment of 16% placement fee to Geolord, namely $571,429. This effectively results in net proceeds of $3,000,000 being received from Geolord. As a result, the effective price at which the shares are being issued to Geolord is 12.6 cents per share.

c) Proceeds from the Kin rights issue – for the purposes of the above valuation, we have assumed that subscriptions for 6,666,667 shares are received, amounting to $1,000,000, together with costs of the rights issue of $23,795. Notwithstanding the fact that the minimum subscription under the Rights Issue is $500,000, we have been advised by the directors of Kin that it is reasonable to assume that the Rights Issue will raise a total of at least $1,000,000.

d) Payment of the balance of the consideration for the acquisition of Navigator Mining Pty Ltd (owner of the Leonora Gold Project) of $2,500,000.

e) Transfer of the deposit of $200,000 and associated costs of $26,053 paid prior to 30 June 2014 for the acquisition of Navigator Mining Pty Ltd to Exploration and Evaluation Expenditure.

f) Payment of estimated stamp duty of $132,965 on the Leonora Gold Project transaction.

g) Issue of 1,500,000 fully paid shares in Kin to Waterton Global Value L.P. (the secured creditor of Navigator Mining Pty Ltd), as consideration for the amended terms of the Deed of Variation of the Share Sale Agreement for the acquisition of Navigator Mining Pty Ltd. We have valued these shares at 15 cents each for total consideration of $225,000.

h) We have assumed that no options currently on issue will be exercised for the purposes of our valuation. The options are exercisable at 30 cents; the Company's quoted share price at the date of this Report is 13 cents.

i) We instructed Optiro Pty Ltd ("Optiro") to provide an independent market valuation of the Leonora Gold Project (which is in the process of being acquired by Kin) and Al Maynard & Associates Pty Ltd ("Al Maynard") to provide an independent market valuation of the mineral assets currently held by Kin. Both Optiro and Al Maynard considered a number of different valuation methods when valuing these mineral assets. A copy of the report prepared by Optiro is attached to this Report as Appendix 2 and a copy of the report prepared by Al Maynard is attached to this Report as Appendix 3.

   The range of values for the exploration assets as assessed by Optiro and Al Maynard is set out below:

	Low Value $'000	Preferred Value $'000	High Value $'000
Leonora Gold Project (as valued by Optiro Pty Ltd):			
Leonora Gold Project	3,800	8,400	14,500
Company mineral assets (as valued by Al Maynard & Associates Pty Ltd):			
Desdemona	15,490	17,210	18,930
Iron King	1,370	1,530	1,680
Murrin Murrin	2,630	2,920	3,220
Mt Flora	1,640	1,830	2,010
Randwick	660	730	800
Redcastle	1,740	1,920	2,120
	23,530	26,140	28,760
Total	27,330	34,540	43,260

We have incorporated adjustments to update the carrying values of the above assets in the Company's books with the "Valuation Low", "Valuation High" and "Valuation Preferred" amounts above. This has resulted in the following adjustments:

	Carrying value prior to valuation $	Preferred valuation $	Adjustment $
Mineral assets – at valuation [(i)]	6,077,654	34,540,000	28,462,346
Less tax effect of uplift at 30%		(8,538,705)	(8,538,705)
Add back tax effect of available tax losses at 30/6/14		275,076	275,076
		[(ii)]26,276,371	20,198,717

(i) Includes Kin's current mineral assets and the Leonora Gold Project. The carrying value of the Leonora Gold Project is its acquisition price.

(ii) Comprises:

Leonora Gold Project	6,805,205
Other WA projects	19,471,166
	26,276,371

Movements in valuation amounts ("preferred") above:

Note 1: Cash	$
Balance at 30 June 2014	173,355
Add: Geolord subscription	3,571,429
Less: Payment of placement fee to Geolord	(571,429)
Add: Rights issue proceeds (assumed)	1,000,000
Less: Expenses of the rights issue	(23,795)
Less: Payment of stamp duty on Leonora Gold Project	(132,965)
Less: Payment of balance of consideration for acquisition of Navigator Mining Pty Ltd (owner of Leonora Gold Project)	(2,500,000)
	1,516,595

Note 2: Exploration and evaluation expenditure – Leonora Gold Project	$
Balance at 30 June 2014	-
Add: Transfer of deposit paid on acquisition of Navigator Mining Pty Ltd (owner of Leonora Gold Project) and other costs	226,053
Add: Payment of balance of consideration for acquisition of Navigator Mining Pty Ltd	2,500,000
Add: Value of shares issued to Waterton Global Value L.P.	225,000
Add: Payment of stamp duty on Leonora Gold Project	132,965
Add: Increase in carrying values of exploration projects following independent valuation by Optiro (net of tax-effect)	3,721,187
	6,805,205

Note 3: Exploration and evaluation expenditure – other WA projects	
Balance at 30 June 2014	2,993,636
Add: Increase in carrying values of exploration projects following independent valuation by Al Maynard	16,477,530
	19,471,166

Note 4: Other – deposit on acquisition of Leonora Gold Project and related costs	
Balance at 30 June 2014	226,053
Less: Transfer to exploration and evaluation expenditure – Leonora Gold Project	(226,053)
	-

Note 5: Number of shares on issue	No.
Balance at 30 June 2014	38,653,003
Add: Issue of shares to Geolord	23,809,524
Add: Shares issued to Waterton Global Value L.P.	1,500,000
Add: Issue of shares pursuant to rights issue (assumed)	6,666,667
Balance (based on assumed rights issue above)	70,629,194

Our valuation above has resulted in the following:

	Cents
Assessed fair market value of a Kin share – pre-Proposed Transaction (Section 8)	**45.5**
Assessed fair market value of a Kin share – post-Proposed Transaction (Section 8)	**39.4**

We have identified the following factors in relation to the reasonableness of the Proposed Transaction (including our assessment above):

Advantages

- The issue of shares to Geolord will provide the Company with additional net funds of $3,000,000.
- Funds raised from the issue of shares to Geolord will enable the Company to complete the acquisition of 100% of the share capital of Navigator Mining Pty Ltd (owner of the Leonora Gold Project), conduct further exploration on the Leonora Gold Project and the Company's other Western Australian projects and for general working capital requirements of the Company.
- The purchase of the Leonora Gold Project will add a further area of interest to the Company's exploration portfolio which in turn will increase the size of the Company and diversify the Company's exploration risks.
- The directors of Kin have advised us that they have sought alternative sources of funding in order to complete the acquisition of Navigator Mining Pty Ltd, however have not been successful in securing any alternative funding. The issue of shares to Geolord provides an immediate source of funds which will enable the acquisition of Navigator Mining Pty Ltd to be completed.

Disadvantages

- The issue of shares to Geolord will result in Geolord having a voting power of greater than 20% and up to 33.71% if the Rights Issue raises an amount of $1,000,000 (as factored into the valuation above). If the Rights Issue raises the minimum subscription of $500,000, Geolord's interest in Kin will be 35.38%. This reduces the voting power of non-associated shareholders in aggregate to as low as 64.62% (if only the minimum subscription of $500,000 under the Rights Issue is achieved).
- Existing shareholders will have their current shareholdings diluted as a result.
- There is no guarantee that the Company's share price will not fall as a result of the issue of shares to Geolord.
- The assessed fair market value of a Kin share pre-Proposed Transaction (45.5 cents) is higher than the assessed fair market value of a Kin share post-Proposed Transaction (39.4 cents).

We have considered the above factors. We note that the assessed fair market value of a Kin share post-Proposed Transaction is 39.4 cents. However, we consider that, on balance, the advantages of the Proposed Transaction outweigh the disadvantages. We are therefore of the view that the position of the non-associated shareholders if the resolution giving rise to the Proposed Transaction is passed, would be more advantageous than if the resolution was not passed.

Accordingly, we are of the opinion that the Proposed Transaction is **reasonable** to the non-associated shareholders.

12. SOURCES OF INFORMATION

In preparing this report we have had access to the following principal sources of information:

- Draft notice of general meeting and explanatory statement concerning the Proposed Transaction;
- Kin's Annual audit financial report for the years ended 30 June 2013 and 30 June 2014;
- Discussions with officers of Kin;
- Publicly available information;
- Share registry information;
- ASX Announcements concerning the Proposed Transaction;
- Valuation report of the Leonora Gold Project prepared by Optiro; and
- Valuation report of Kin's current mineral assets prepared by Al Maynard & Associates Pty Ltd.

13. QUALIFICATIONS, DECLARATIONS AND CONSENTS

HLB, which is a wholly owned entity of HLB Mann Judd Chartered Accountants, is a Licensed Investment Adviser and holder of an Australian Financial Services Licence under the Act and its authorised representatives are qualified to provide this Report. The authorised representative of HLB responsible for this Report has not provided financial advice to Kin.

The author of this Report is Wayne Clark. He is a Fellow of the Institute of Chartered Accountants in Australia, holds a Bachelor of Business, and has considerable experience in the preparation of independent expert reports and valuations of business entities in a wide range of industry sectors.

Prior to accepting this engagement, HLB considered its independence with respect to Kin with reference to ASIC Regulatory Guide 112 and APES 225. In HLB's opinion, it is independent of Kin.

This Report has been prepared specifically for the shareholders of Kin. It is not intended that this Report be used for any other purpose other than to accompany the Notice of Meeting to be sent to the Kin shareholders. In particular, it is not intended that this Report should be used for any purpose other than as an expression of the opinion as to whether or not the Proposed Transaction is fair and reasonable to the non-associated shareholders of Kin. HLB disclaims any assumption of responsibility for any reliance on this Report to any person other than those for whom it was intended, or for any purpose other than that for which it was prepared.

The statements and opinions given in this Report are given in good faith and in the belief that such statements and opinions are not false or misleading. In the preparation of this Report, HLB has relied on and considered information believed, after due inquiry, to be reliable and accurate. HLB has no reason to believe that any information supplied to it was false or that any material information has been withheld.

HLB has evaluated the information provided to it by Kin and other parties, through inquiry, analysis and review, and nothing has come to its attention to indicate the information provided was materially misstated or would not provide a reasonable basis for this Report. HLB has not, nor does it imply that it has, audited or in any way

verified any of the information provided to it for the purposes of the preparation of this Report.

In accordance with the Act, HLB provides the following information and disclosures:

- HLB will be paid its usual professional fee based on time involvement at normal professional rates, for the preparation of this Report. This fee, estimated to be in the range of $15,000 to $20,000 excluding GST, is not contingent on the conclusion, content or future use of the Report.
- Apart from the aforementioned fee, neither HLB, nor any of its associates will receive any other benefits, either directly or indirectly, for or in connection with the preparation of this Report.
- HLB and its directors and associates do not have any interest in Kin.
- HLB and its directors and associates do not have any relationship with Kin or any associate of Kin, other than the firm of HLB Mann Judd being the appointed auditor of Kin.

Yours faithfully
HLB MANN JUDD CORPORATE (WA) PTY LTD
Licensed Investment Advisor (AFSL Licence number 250903)

W M CLARK
Authorised Representative

APPENDIX 1

Appendix 1 – Glossary of Terms

TERM	DEFINITION
Al Maynard	Al Maynard & Associates Pty Ltd
Announcement Date	Date the event giving rise to the Proposed Transaction was announced to ASX being 21 July 2014
ASIC	Australian Securities and Investments Commission
ASX	Australian Securities Exchange Limited
DCF	Discounted cash flows
Directors	Directors of Kin
EBIT	Earnings before Interest and Tax
EBITDA	Earnings before Interest, Tax, Depreciation and Amortisation
FME	Future maintainable earnings
Geolord	Geolord Resources Pty Ltd
HLB	HLB Mann Judd Corporate (WA) Pty Ltd
JORC	Code of the Joint Ore Reserves Committee of the AIMM, AIG and MCA
Kin or the Company	Kin Mining Limited
Notice of General Meeting	The Notice of General Meeting and Explanatory Statement for the meeting to be held on 30 October 2014
Optiro	Optiro Pty Ltd
Proposed Transaction	The issue of 23,809,524 shares in the capital of Kin at an issue price of 15 cents per share to raise $3,571,429, which, after a placement fee of $571,429 is paid to Geolord, results in net proceeds being received of $3,000,000
Report	Independent expert's report prepared by HLB
Non-associated shareholders	Existing shareholders in Kin who are not associated with Geolord

APPENDIX 2

Appendix 2 – Independent valuation of mineral assets prepared by Optiro Pty Ltd.

Kin Mining NL
Independent Valuation on the Leonora Gold Project

J_1786

Principal Author:
Jason Froud *BSc Hons, MAusIMM*

Principal Reviewer:
Christine Standing *BSc Hons, MAusIMM, MAIG*

September 2014

Perth Office

Level 4, 50 Colin Street
West Perth WA 6005

PO Box 1646
West Perth WA 6872
Australia

Tel: +61 8 9215 0000
Fax: +61 8 9215 0011

Optiro Pty Limited
ABN: 63 131 922 739
www.optiro.com

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Kin Mining NL: 1

Principal Author:	Jason Froud *BSc Hons, MAusIMM*	Signature:	
		Date:	22 September 2014
Contributors:			
Principal Reviewer:	Christine Standing *BSc Hons, MAusIMM, MAIG*	Signature:	
		Date:	22 September 2014
Reviewers:			

Important Information:

This Report is provided in accordance with the proposal by Optiro Pty Ltd ("Optiro") to Kin Mining NL and the terms of Optiro's Consulting Services Agreement ("the Agreement"). Optiro has consented to the use and publication of this Report by Kin Mining NL for the purposes set out in Optiro's proposal and in accordance with the Agreement. Kin Mining NL may reproduce copies of this entire Report only for those purposes but may not and must not allow any other person to publish, copy or reproduce this Report in whole or in part without Optiro's prior written consent.

Optiro has used its reasonable endeavours to verify the accuracy and completeness of information provided to it by Kin Mining NL which it has relied in compiling the Report. We have no reason to believe that any of the information or explanations so supplied are false or that material information has been withheld. It is not the role of Optiro acting as an independent valuer to perform any due diligence procedures on behalf of the Company. The Directors of the Kin Mining NL Limited are responsible for conducting appropriate due diligence in relation to the Leonora Gold project. Optiro provides no warranty as to the adequacy, effectiveness or completeness of the due diligence process.

The opinion of Optiro is based on the market, economic and other conditions prevailing at the date of this report. Such conditions can change significantly over short periods of time.

The statements and opinions included in this report are given in good faith and in the belief that they are not false, misleading or incomplete.

The terms of engagement are such that Optiro has no obligation to update this report for events occurring subsequent to the date of this report.

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1. EXECUTIVE SUMMARY

At the request of HLB Mann Judd Corporate (WA) Pty Ltd (HLB) acting for Kin Mining NL (Kin Mining), Optiro Pty Ltd (Optiro) has prepared an Independent Valuation of the Leonora gold project. On 21 July 2014, Kin Mining announced that it had secured a A$3 million cornerstone investment enabling it to complete its acquisition of the Leonora Gold project in Western Australia. Kin Mining entered into a Share Subscription Agreement with Geolord Resources Pty Ltd (Geolord) whereby Geolord agreed to subscribe to 23,809,524 shares at A$0.15. On allotment of the shares, Geolord is to become a substantial shareholder of Kin Mining.

Optiro understands that its report is to be used in the preparation of an Independent Expert's Report for inclusion in a Notice of General Meeting. The general meeting is being called in relation to the Australian Securities Exchange (ASX) Listing Rule 7.1 and Section 611 of the Corporations Act and specifically to seek shareholder approval to issue fully paid ordinary shares to Geolord. The Notice of Meeting is to include a report on the transaction from an Independent Expert stating whether the the transaction is fair and reasonable.

As this report is to be used within a public document it has been prepared in accordance with the requirements of the Code for the Technical Assessment and Valuation of Mineral and Petroleum Assets and Securities for Independent Expert Reports (the VALMIN Code, 2005). A site inspection of the Leonora project was previously carried out by Optiro between 7 August and 10 August 2012. Optiro understands there have been no material changes to the project since that time.

The Leonora gold project is located 30 km northeast of the mining town of Leonora in an area of favourable infrastructure, including a road network, airstrip with regular services to Perth and proximity to an established mining supply network. Navigator completed a Pre-Feasibility Study in March 2009 and carried out a trial mining and milling program at Leonora between February and June 2010, producing over 7,000 ounces of gold.

Optiro has determined the fair market value of the Leonora gold project at an effective valuation date of 9 May 2014. Optiro has used comparable transactions as the preferred method of valuation of the exploration potential within these properties and to determine the valuation for the Mineral Resources. Optiro's opinion of the fair market value of the Mineral Resources and exploration potential is that it lies within the range A$3.8 M to A$14.5 M, with a preferred value of A$8.4 M (Table 1.1). The values assigned to the mineral assets are in Australian dollars (A$) and were prepared at the effective valuation date.

Table 1.1 Valuation summary

Mineral asset	Equity	Value (A$M)		
		Low	High	Preferred
Leonora Mineral Resources	100%	3.0	13.4	7.5
Leonora Exploration Potential	100%	0.8	1.1	0.9
Total		**3.8**	**14.5**	**8.4**

The opinions expressed and conclusions drawn with respect to this valuation of the mineral assets are appropriate at the valuation date of 9 May 2014. The valuation is only valid for this date and may change with time in response to variations in economic, market, legal or political conditions, in addition to future exploration results.

2. INTRODUCTION AND TERMS OF REFERENCE

2.1. TERMS OF REFERENCE AND PURPOSE OF REPORT

Optiro understands that on 18 February 2013, Navigator Resources Limited (Navigator), the then owner of the Leonora gold project, announced to the Australian Securities Exchange that it expected to make an announcement in relation to its funding requirements and then on 28 March 2013, that it had appointed Pitcher Partners as Administrator pursuant to Section 436A of the Corporations Act.

On 8 April 2014, Kin Mining NL (Kin Mining) announced that it had executed a binding term sheet with the Administrator of Navigator Resources Limited (Administrator Appointed) to acquire the Leonora gold project. The acquisition was by way of Kin Mining acquiring all the issued securities in Navigator Mining Pty Ltd (Navigator Mining), a subsidiary of Navigator and registered holder of the Leonora gold project. Optiro understands that under the terms of the agreement Kin Mining were to acquire the Leonora gold project by payment of A$2.7 M in cash subject to the completion of the following conditions:

- Kin Mining completing financial, technical and legal due diligence
- Kin Mining obtaining shareholder approval
- Navigator settling objections to the Applications for Exemption and forfeiture applications in relation to certain mining leases held by Navigator Mining
- execution of a formal share purchase agreement
- no event occurring which is materially adverse to Navigator Mining or the tenements comprising the Leonora gold project
- Kin Mining completing a fund raising to a minimum of A$5 M
- creditor approval of the transaction and any variation to the Navigator and Navigator Mining Deeds of Company Arrangement.

On 29 April 2014, Kin Mining announced it had completed its technical due diligence and accordingly paid a non-refundable deposit of A$200,000 to the Administrator of Navigator. Furthermore, Kin Mining announced the creditors to Navigator and Navigator Mining had approved the proposed transaction.

On 21 July 2014, Kin Mining announced that it had secured a A$3 million cornerstone investment enabling it to complete its acquisition of the Leonora Gold project in Western Australia. Kin Mining entered into a Share Subscription Agreement with Geolord Resources Pty Ltd (Geolord) whereby Geolord agreed to subscribe to 23,809,524 shares at A$0.15. On allotment of the shares, Geolord is to become a substantial shareholder of Kin Mining.

At the request of HLB Mann Judd Corporate (WA) Pty Ltd (HLB) acting for Kin Mining NL (Kin Mining), Optiro Pty Ltd (Optiro) has prepared an Independent Valuation of the Leonora gold project. Optiro understands that its report is to be used in the preparation of an Independent Expert's Report for inclusion in a Notice of General Meeting. The general meeting is being called in relation to the Australian Securities Exchange (ASX) Listing Rule 7.1 and Section 611 of the Corporations Act and specifically to seek shareholder approval to issue fully paid ordinary shares to Geolord. The Notice of Meeting is to include a report on the transaction from an Independent Expert stating whether the the transaction is fair and reasonable.

As this report is to be used within a public document it has been prepared in accordance with the requirements of the Code for the Technical Assessment and Valuation of Mineral and Petroleum Assets and Securities for Independent Expert Reports (the VALMIN Code, 2005). A site inspection of the Leonora project was previously carried out by Optiro between 7 August and 10 August 2012. Optiro understands there have been no material changes to the project since that time.

2.1. RESPONSIBILITY FOR THE REPORT AND DATA SOURCES

This report was prepared by Mr Jason Froud (Principal) and was reviewed by Mrs Christine Standing (Principal) of Optiro. The report has been prepared in accordance with the requirements of the Code for the Technical Assessment and Valuation of Mineral and Petroleum Assets and Securities for Independent Expert Reports (the VALMIN Code, 2005). The authors of this report are Members of the Australasian Institute of Mining and Metallurgy (AusIMM), and therefore are obliged to prepare mineral asset valuations in accordance with the Australian reporting guidelines as set out in the VALMIN Code. All values have been compiled in Australian dollar (A$) terms.

In developing its technical assumptions for the valuation, Optiro has relied upon information provided by Kin Mining, Navigator and their consultants, as well as information obtained from other public sources. The material on which this report is based includes internal and open-file project documentation, technical reports, drillhole databases and Mineral Resource models.

Optiro has reviewed all relevant technical and corporate information made available by the management of Kin Mining. Prior to this report, Optiro had previously valued the Leonora gold project for Navigator and reviewed all relevant technical and corporate information made available by them. Optiro has accepted this information in good faith as being true, accurate and complete, having made due enquiry of both Kin Mining and Navigator. Furthermore, Optiro has sourced publically available information on the Leonora gold project area and recent transactions involving gold as well as discussions with Navigator and Kin Mining staff.

Optiro previously visited the Leonora gold project between 7 and 10 August 2012. Optiro understands there have been no material developments since this time and considered that a further site visit would not reveal information or data material to the outcomes of this report. Optiro is satisfied that sufficient current information was available for these projects to allow an informed appraisal to be made without carrying out a further site inspection.

Figure 2.1 **Location of Navigator's mineral projects including the Leonora gold project**

2.2. LIMITATIONS AND EXCLUSIONS

This report is based predominantly on information provided by Kin Mining and Navigator, either directly from discussions and data provided, or from reports and correspondence with other organisations whose work is the property of Kin Mining or Navigator.

This report is based on information made available to Optiro up to 22 September 2014. Kin Mining has not advised Optiro of any material change, or event likely to cause material change, to the technical assessment of the mineral assets contained within the Leonora gold project. This report specifically excludes any aspects relating to legal issues, commercial and financing matters, land titles and agreements, excepting such aspects as may directly influence the technical assessment of the asset.

The conclusions expressed in this report are valid as at 22 September 2014. The valuation is only appropriate for this date, and may change with time and response to variations to economic, market, legal or political factors, in addition to ongoing exploration results.

3. LEONORA GOLD PROJECT

In 2004, Navigator, through its 100% owned subsidiary Mazzelli Holdings Pty Ltd, acquired the tenements associated with the original Mertondale property from the Sons of Gwalia Ltd Administrators. Subsequently, in 2009, Navigator changed the name of the operating company from Mazzelli Holdings Pty Ltd to Navigator Mining Pty Ltd.

The tenements collectively referred to by Navigator as the Leonora gold project, comprise the Mertondale, Cardinia, Gambier Lass and Raeside project areas. Navigator's original proposed operational focus was the re-establishment of mining around the previously mined Mertondale open pits and underground workings, the Raeside Forgotten Four Pit and the Bruno-Lewis prospect of the Cardinia deposit, which was the subject of a Pre-Feasibility study (PFS) finalised in March 2009. The location for the main administration centre, processing plant and tailings storage facility is to be sited adjacent to the Mertondale 3-4 Pit.

Subsequent to the successful completion of the Leonora acquisition, Kin Mining plans to assess the project area with a view to update and improve the Mineral Resources and JORC classification with the intention of establishing an economic mining operation. Importantly, the Leonora gold project is within close proximity to Kin Mining's existing projects.

3.1. LOCATION AND ACCESS

The Leonora gold project is located in the centre of the Eastern Goldfields, approximately 35 km northeast of Leonora and 700 km northeast of Perth in Western Australia (Figure 2.1).

Road access to the Leonora gold project from Perth is 600 km via the Great Eastern Highway to Kalgoorlie, then a further 235 km north through Menzies to the Leonora township. From Leonora access is gained to the Mertondale/Cardinia minesite by travelling northeast along the Leonora to Nambi Road for approximately 35 km. The well-maintained but unsealed road may become impassable for a limited period following heavy rain events. Alternative access to the project area can be achieved via the Leonora to Laverton Road and entering the southern end of the property via station roads.

Access to the Raeside deposits is either from the west via the Leonora to Kalgoorlie Road or from the north via the Leonora to Laverton Road. The operations can also be serviced by air using an all-weather sealed airstrip, suitable for propeller aircraft, located in Leonora. This service is approximately 1.5 hours flying time from Perth.

3.2. TENURE AND OWNERSHIP

The Leonora gold project comprises 162 granted tenements and one mining lease application covering a total area of 322 km^2 (32,236 ha). This tenement portfolio includes two granted exploration licences, 135 granted prospecting licences and 25 granted mining leases (Table 3.1).

Optiro understands that E37/866 has expired but remains a live tenement as it and E37/868 are currently in the process of being converted to mining licence application M37/1298. A further eight granted miscellaneous licences are also present, but as these exclude mineral rights Optiro has considered them only in general terms in its valuation.

Tenement rentals due to the Western Australian Department of Mines and Petroleum total A$171,809.10, shire rates a further A$109,000 and minimum expenditure commitments on all granted project tenements total A$1,691,080 for the current year.

Table 3.1 details Navigator's current Leonora tenement schedule as at 22 September 2014, and a plan of the tenement areas is included as Figure 3.1. All tenements are currently 100% held by

Navigator, with the exception of M37/646, P37/7274, P37/7275 and P37/7276 which are 80% held by Navigator.

Table 3.1 Leonora gold project – tenement schedule

Licence Number	Name	Area (ha)	Grant date	Expiry date
E37/866*	Raeside	30	21 Nov 2007	20 Nov 2012
E37/868*	Raeside	158.1	22 Nov 2007	21 Nov 2017
E37/1103	Raeside	1518.9	19 Oct 2011	18 Oct 2016
M37/81	Mertondale	327	10 Oct 1986	9 Oct 2028
M37/82	Mertondale	384.3	25 Jul 1986	24 Jul 2028
M37/86	Cardinia	271.1	22 Dec 1986	21 Dec 2028
M37/88	Cardinia	17.8	19 Nov 1986	18 Nov 2028
M37/223	Cardinia	183.6	13 Jul 1989	12 Jul 2031
M37/227	Cardinia	7.6	18 Jul 1989	17 Jul 2031
M37/231	Mertondale	886.2	6 Nov 1989	5 Nov 2031
M37/232	Mertondale	670	6 Nov 1989	5 Nov 2031
M37/233	Mertondale	997	6 Nov 1989	5 Nov 2031
M37/256	Raeside	7.3	31 Jan 1990	30 Jan 2032
M37/277	Cardinia	454.7	11 Apr 1990	10 Apr 2032
M37/299	Cardinia	69.2	22 Oct 1990	21 Oct 2032
M37/300	Cardinia	60	22 Oct 1990	21 Oct 2032
M37/316	Cardinia Pacmin	777.5	28 Dec 1990	27 Dec 2032
M37/317	Cardinia Pacmin	659.8	17 Dec 1990	16 Dec 2032
M37/369	Raeside	177.2	8 Jul 1992	7 Jul 2034
M37/377	Raeside	21.6	13 Oct 1992	12 Oct 2034
M37/379	Raeside	465.8	15 Jan 1993	14 Jan 2035
M37/422	Cardinia	199.1	4 Feb 1994	3 Feb 2015
M37/428	Cardinia	31.8	4 Feb 1994	3 Feb 2015
M37/487	Cardinia	80.7	14 Jun 1995	13 Jun 2016
M37/594	Cardinia	0.1	9 Aug 2006	8 Aug 2027
M37/646†	Cardinia JV	122.9	28 Jun 2006	27 Jun 2027
M37/720	Cardinia	1.9	19 Mar 2010	18 Mar 2031
M37/1284	Mertondale	19.4	17 Apr 2009	16 Apr 2030
M37/1298		1116.2	Pending	
P37/6923	Mertondale	200	3 Nov 2006	2 Nov 2014
P37/6924	Mertondale	200	3 Nov 2006	2 Nov 2014
P37/6925	Mertondale	200	3 Nov 2006	2 Nov 2014
P37/6926	Mertondale	200	3 Nov 2006	2 Nov 2014
P37/6927	Mertondale	200	3 Nov 2006	2 Nov 2014
P37/6928	Mertondale	200	3 Nov 2006	2 Nov 2014
P37/6929	Mertondale	200	3 Nov 2006	2 Nov 2014
P37/6930	Mertondale	192	3 Nov 2006	2 Nov 2014
P37/7241	Cardinia	191	16 Oct 2008	15 Oct 2016
P37/7242	Cardinia	163	16 Oct 2008	15 Oct 2016
P37/7243	Cardinia	174	16 Oct 2008	15 Oct 2016
P37/7244	Cardinia	194	16 Oct 2008	15 Oct 2016

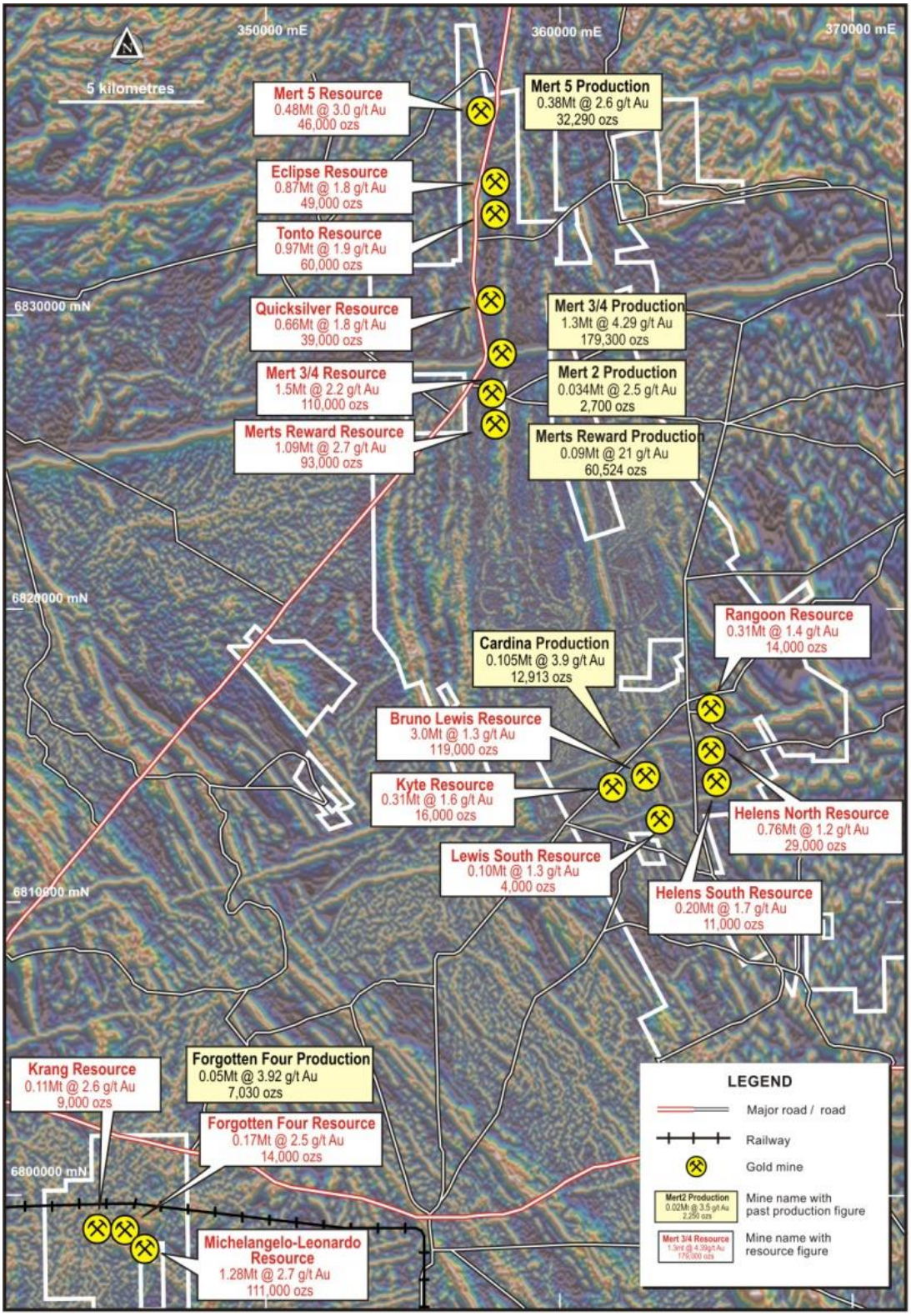
Licence Number	Name	Area (ha)	Grant date	Expiry date
P37/7245	Cardinia	196	16 Oct 2008	15 Oct 2016
P37/7246	Cardinia	200	16 Oct 2008	15 Oct 2016
P37/7247	Cardinia	200	16 Oct 2008	15 Oct 2016
P37/7248	Cardinia	200	16 Oct 2008	15 Oct 2016
P37/7249	Cardinia	200	16 Oct 2008	15 Oct 2016
P37/7250	Cardinia	200	16 Oct 2008	15 Oct 2016
P37/7251	Cardinia	200	16 Oct 2008	15 Oct 2016
P37/7252	Cardinia Pacmin	192	16 Oct 2008	15 Oct 2016
P37/7253	Cardinia	196	16 Oct 2008	15 Oct 2016
P37/7254	Cardinia	199	16 Oct 2008	15 Oct 2016
P37/7255	Cardinia	158	16 Oct 2008	15 Oct 2016
P37/7256	Cardinia	195	16 Oct 2008	15 Oct 2016
P37/7257	Cardinia	200	16 Oct 2008	15 Oct 2016
P37/7258	Cardinia Pacmin	198	30 Dec 2008	29 Dec 2016
P37/7259	Cardinia Pacmin	198	30 Dec 2008	29 Dec 2016
P37/7260	Cardinia Pacmin	139	16 Oct 2008	15 Oct 2016
P37/7261	Cardinia Pacmin	124	16 Oct 2008	15 Oct 2016
P37/7262	Cardinia	172	16 Oct 2008	15 Oct 2016
P37/7263	Cardinia	183	16 Oct 2008	15 Oct 2016
P37/7264	Cardinia	143	20 Mar 2008	19 Mar 2016
P37/7265	Cardinia	174	16 Oct 2008	15 Oct 2016
P37/7266	Cardinia	200	18 Nov 2008	17 Nov 2016
P37/7267	Cardinia	200	18 Nov 2008	17 Nov 2016
P37/7268	Cardinia	188	18 Nov 2008	17 Nov 2016
P37/7269	Cardinia	114	18 Nov 2008	17 Nov 2016
P37/7270	Cardinia	184	18 Nov 2008	17 Nov 2016
P37/7271	Cardinia	168	18 Nov 2008	17 Nov 2016
P37/7272	Cardinia	200	18 Nov 2008	17 Nov 2016
P37/7273	Cardinia	115	16 Oct 2008	15 Oct 2016
P37/7274†	Cardinia JV	93	20 Mar 2008	19 Mar 2016
P37/7275†	Cardinia JV	102	18 Nov 2008	17 Nov 2016
P37/7276†	Cardinia JV	120	18 Nov 2008	17 Nov 2016
P37/7277	Cardinia	28	16 Oct 2008	15 Oct 2016
P37/7655	Mertondale	29	29 May 2009	28 May 2017
P37/7656	Mertondale	127	29 May 2009	28 May 2017
P37/7657	Mertondale	189	29 May 2009	28 May 2017
P37/7658	Mertondale	200	29 May 2009	28 May 2017
P37/7659	Mertondale	200	29 May 2009	28 May 2017
P37/7660	Mertondale	200	29 May 2009	28 May 2017
P37/7661	Mertondale	200	29 May 2009	28 May 2017
P37/7662	Mertondale	200	29 May 2009	28 May 2017
P37/7663	Mertondale	198	29 May 2009	28 May 2017
P37/7664	Mertondale	131	29 May 2009	28 May 2017
P37/7665	Mertondale	193	29 May 2009	28 May 2017
P37/7666	Mertondale	200	29 May 2009	28 May 2017

Licence Number	Name	Area (ha)	Grant date	Expiry date
P37/7667	Mertondale	187	29 May 2009	28 May 2017
P37/7668	Mertondale	171	29 May 2009	28 May 2017
P37/7669	Mertondale	187	29 May 2009	28 May 2017
P37/7670	Mertondale	181	29 May 2009	28 May 2017
P37/7671	Mertondale	157	29 May 2009	28 May 2017
P37/7672	Mertondale	171	29 May 2009	28 May 2017
P37/7673	Mertondale	60	29 May 2009	28 May 2017
P37/7674	Mertondale	177	29 May 2009	28 May 2017
P37/7675	Mertondale	193	29 May 2009	28 May 2017
P37/7697	Leonora	172	23 Jul 2009	22 Jul 2017
P37/7698	Cardinia	165	23 Jul 2009	22 Jul 2017
P37/7699	Cardinia	200	11 Sep 2009	10 Sep 2017
P37/7700	Cardinia	146	11 Sep 2009	10 Sep 2017
P37/7701	Cardinia	200	11 Sep 2009	10 Sep 2017
P37/7702	Cardinia	200	11 Sep 2009	10 Sep 2017
P37/7703	Cardinia	200	11 Sep 2009	10 Sep 2017
P37/7704	Cardinia	200	11 Sep 2009	10 Sep 2017
P37/7705	Cardinia	200	11 Sep 2009	10 Sep 2017
P37/7706	Cardinia	195	11 Sep 2009	10 Sep 2017
P37/7707	Cardinia	200	11 Sep 2009	10 Sep 2017
P37/7708	Cardinia	200	11 Sep 2009	10 Sep 2017
P37/7711	Cardinia	179.6	11 Sep 2009	10 Sep 2017
P37/7712	Leonora	165.5	25 Nov 2009	24 Nov 2017
P37/7713	Leonora	171.7	25 Nov 2009	24 Nov 2017
P37/7714	Leonora	190.7	25 Nov 2009	24 Nov 2017
P37/7715	Leonora	194.9	25 Nov 2009	24 Nov 2017
P37/7716	Cardinia	196.9	11 Sep 2009	10 Sep 2017
P37/7736	Cardinia	176	11 Sep 2009	10 Sep 2017
P37/7737	Cardinia	179	11 Sep 2009	10 Sep 2017
P37/7738	Cardinia	177	11 Sep 2009	10 Sep 2017
P37/7756	Leonora	98	18 Dec 2009	17 Dec 2017
P37/7757	Leonora	105	18 Dec 2009	17 Dec 2017
P37/7758	Leonora	194	18 Dec 2009	17 Dec 2017
P37/7759	Leonora	200	18 Dec 2009	17 Dec 2017
P37/7760	Leonora	197	18 Dec 2009	17 Dec 2017
P37/7761	Leonora	198	18 Dec 2009	17 Dec 2017
P37/7776	Leonora	198	12 May 2010	11 May 2014
P37/7777	Leonora	96	12 May 2010	11 May 2014
P37/7779	Leonora	200	12 May 2010	11 May 2014
P37/7780	Leonora	184	12 May 2010	11 May 2014
P37/7805	Leonora	9.7	23 Oct 2009	22 Oct 2017
P37/7891	Cardinia	40	2 Dec 2010	1 Dec 2014
P37/7892	Cardinia	50	2 Dec 2010	1 Dec 2014
P37/7893	Cardinia	6	2 Dec 2010	1 Dec 2014
P37/7941	Mertondale	5.6	12 Apr 2011	11 Apr 2015

Licence Number	Name	Area (ha)	Grant date	Expiry date
P37/7953	Cardinia	199.9	12 May 2011	11 May 2015
P37/7954	Cardinia	199.9	12 May 2011	11 May 2015
P37/7969	Mertondale	188.3	28 Jun 2011	27 Jun 2015
P37/7970	Mertondale	165.9	28 Jun 2011	27 Jun 2015
P37/7971	Mertondale	191.4	28 Jun 2011	27 Jun 2015
P37/7972	Mertondale	191.5	28 Jun 2011	27 Jun 2015
P37/7973	Mertondale	191.3	28 Jun 2011	27 Jun 2015
P37/7974	Mertondale	200	28 Jun 2011	27 Jun 2015
P37/7975	Mertondale	120.3	28 Jun 2011	27 Jun 2015
P37/7976	Mertondale	165.1	28 Jun 2011	27 Jun 2015
P37/7977	Mertondale	188.8	28 Jun 2011	27 Jun 2015
P37/7978	Mertondale	183	28 Jun 2011	27 Jun 2015
P37/7979	Mertondale	184.6	28 Jun 2011	27 Jun 2015
P37/7980	Mertondale	75.1	28 Jun 2011	27 Jun 2015
P37/7981	Mertondale	200	28 Jun 2011	27 Jun 2015
P37/7982	Mertondale	199.8	28 Jun 2011	27 Jun 2015
P37/7983	Mertondale	200	28 Jun 2011	27 Jun 2015
P37/7984	Mertondale	199.5	28 Jun 2011	27 Jun 2015
P37/7985	Mertondale	200	28 Jun 2011	27 Jun 2015
P37/7986	Mertondale	176.3	28 Jun 2011	27 Jun 2015
P37/7987	Mertondale	198.6	28 Jun 2011	27 Jun 2015
P37/7988	Mertondale	200	28 Jun 2011	27 Jun 2015
P37/7990	Cardinia	23.9	1 Jul 2011	30 Jun 2015
P37/8007	Cardinia	29.5	16 Aug 2011	15 Aug 2015
P37/8043	Cardinia	179	16 Aug 2011	15 Aug 2015
P37/8044	Cardinia	35	16 Aug 2011	15 Aug 2015
P37/8045	Cardinia	181	16 Aug 2011	15 Aug 2015
P37/8057	Perserverance	140	30 Mar 2012	29 Mar 2016
P37/8196	Mertondale	123.4	14 Sep 2012	13 Sep 2016
P37/8199	Mertondale	67.6	24 Oct 2012	23 Oct 2016
P37/8209	Mertondale/Gambier Lass	195.6	31 Oct 2012	30 Oct 2016
P37/8210	Mertondale/Gambier Lass	200	31 Oct 2012	30 Oct 2016
P39/5172	Cardinia	190	16 Aug 2011	15 Aug 2015
Total		**32,235.5**		

† 80% equity in joint venture
* Pending conversion to M37/1298

Figure 3.1 Leonora gold project area showing resource locations



3.3. PROJECT HISTORY

The current project is owned and operated by Navigator Mining Pty Ltd, a fully owned subsidiary of Navigator Resources Limited. Numerous parties have held the project ground since it was first discovered in 1899, with each assessing the financial efficacy of resource extraction to varying degrees of detail and confidence. A brief chronology of significant events relating to Mertondale is as follows:

- Gold was first discovered in the Mertondale area in 1899 by Fred Merton. The town of Mertondale and the Merton's Reward underground were a direct result of this discovery.
- 1899 to 1911 was the main phase of underground mining
- 1911 to 1915 and 1941 to 1942 saw limited mining, with Western Australian Mines Department records indicating a total of 88,991 t of ore mined from Merton's Reward for a total of 60,524 ounces at an average grade of 20.8 g/t gold
- 1981 to 1984, Telluride Mining NL, Nickel Ore NL, International Nickel (Australia) Ltd and Petroleum Securities Mining Co. Pty Ltd all conducted exploration programs in the immediate area
- 1984, Hunter Resources Ltd began exploration in the Mertondale region
- 1986, an initial NOI was submitted by Hunter Resources Ltd and a joint venture agreement with the then Harbour Lights JV was established to treat the ore
- 1986 to 1988, Mertondale 4 Pit was mined
- 1989, Harbour Lights Mining Ltd acquired the tenements from Hunter Resources Ltd
- 1991, mining was concluded with the completion of the Mertondale 5 Pit
- Sons of Gwalia Ltd acquired the tenements in the intervening period
- In 2004, Navigator, through its 100% owned subsidiary Mazzelli Holdings Pty Ltd (now Navigator Mining Pty Ltd), acquired the tenements associated with the original Mertondale property from the Administrators of Sons of Gwalia Ltd.

Historical gold production is over 270,000 ounces from three areas:

- Mertondale 3-4 Pit (1.3 Mt at 4.3 g/t gold)
- Mertondale 5 Pit (385,000 t at 2.56 g/t gold)
- Merton's Reward (90,000 t at 21 g/t gold from underground production 1899 to 1911)

3.4. GEOLOGY AND MINERALISATION

3.4.1. REGIONAL GEOLOGY

The project area is situated within the Eastern Goldfields Province, the easternmost subdivision of the Archaean Yilgarn Block. The Eastern Goldfields Province comprises volcanic and sedimentary rocks (greenstones) that were deposited around 2,700 Ma ago, multiply folded, metamorphosed to low or medium grade, extensively intruded by granitoids at about 2,680 to 2,660 Ma, and subjected to major faulting along northerly to north-north westerly trends. The greenstones can be further subdivided into terranes generally separated by major faults or granitoids. For Leonora, the terranes, from west to east are the Malcolm, Murrin, Laverton and Cosmo Newbery greenstones.

The Malcolm greenstones occupy a small area southwest of the Yilgangi Fault (Keith-Kilkenny Lineament) and mainly consist of basalt, gabbro-dolerite, mafic schist and sediments. The Raeside project area is located within the Malcolm greenstones.

The Murrin greenstones are located between the Yilgangi Fault (Keith-Kilkenny Lineament) and the Celia Lineament, and host the Cardinia and Mertondale project areas. The area is typified by basalt, sandstone, siltstone, felsic volcanic rocks, dolerite, peridotite and volcaniclastic rocks that have been

deformed by large scale D1 and D2 folds and D3 faults and intruded by several small to large, ovoid to elongate granitoid plutons.

In the central part of the Murrin terrane, the stratigraphically lowest rocks are extensive felsic volcanics that form large volcanic edifices (Kauri Well and Manger Bore areas - east of Mertondale and Cardinia). They are overlain and flanked by volcaniclastic rocks (the Welcome Well Complex) derived from the felsic volcanic rocks. The volcaniclastic rocks interfinger with, and are overlain by, a thick sequence of basalt interbedded with sandstone and siltstone. Numerous thick, extensive units of dolerite and peridotite formed within the sequence and there is a peridotite body in the upper part of the andesite volcanic pile; part of the Welcome Well Complex. D1 and D2 folds form interference structures in the Welcome Well-Cardinia Hill area. The metamorphic facies is mainly prehnite-pumpellyite. In the southeast (Mt Kowtah), the sequence comprises mainly basalt and dolerite, and is metamorphosed to greenschist facies.

In the northwest (north of Mertondale), basalt and sandstone outcrop between granitoid bodies, and are metamorphosed to amphibolite facies. In the southwest, the Pig Well Graben is filled with conglomerate and feldspathic sandstone.

Proterozoic mafic dykes cut greenstone sequences and granitoids, and are members of a widespread swarm of mafic, ultramafic and intermediate dykes that intruded the Yilgarn Craton. The dykes are poorly exposed, but readily identified as pronounced east-northeast linear anomalies on aeromagnetic images. In the project area, they are known to occur immediately north of Mertondale 5, at the north end of the Mertondale 3-4 Pit, and to the north of Bruno and south of Lewis at Cardinia.

Major faults and lineaments occurring in the general project area belong to a group of north-north westerly striking, regional scale faults and shear zones that cut the Yilgarn Craton for hundreds of kilometres. Activity on these faults may have begun early in the tectonic history of the Eastern Goldfields, as they appear to have controlled greenstone basin size, shape and location from their inception through felsic and mafic volcanism and intrusion, sedimentation, deformation and dismemberment, to mineralisation. They are possibly strongly modified successors to initial extensional faults that controlled the original greenstone basins. The major north-northwest faults in the project area are the Keith-Kilkenny Lineament (made up of the Yilgangi Fault and the faults bounding the Pig Well Graben) located between the Malcolm and Murrin terranes and the Celia Lineament on the eastern side of the Murrin terrane.

Deformation within the region is related to vertical granitoid emplacement and dominantly strike slip movement along the major structures. The north-striking Mertondale Shear Zone is largely covered by the Mertondale tenement package and is a major, multiphase brittle-ductile shear zone of up to 500 m width and which contains all of the known mineralisation in the Mertondale area.

3.4.2. PROJECT GEOLOGY

MERTONDALE

The Mertondale prospects extend over a total of 12 km strike length from Merton's Reward (Mertondale 1) in the south to Mertondale 5 in the north. Merton's Reward, Mertondale 2 and Mertondale 3-4 are contained within the eastern branch of the Mertondale Shear Zone and extend over approximately 3 km of strike, whilst Quicksilver, Tonto, Eclipse and Mertondale 5 are all contained within the western branch of the shear zone and extend over approximately 9 km of strike.

The Mertondale area consists of a central felsic volcanic sequence bounded on either side by a tholeiitic basalt-dolerite-carbonaceous shale +/- felsic porphyry sequence. The western and eastern

shear zone branches are generally located near the felsic volcanics/mafic contacts. Outcrop within the area is generally poor.

Oxidation at Mertondale is variable, being quite shallow (less than 5 m) at Merton's Reward whilst being quite deep (approximately 80 m) at Eclipse, with a combination of depletion and the presence of Permian sediments masking the bedrock geochemistry.

MERTON'S REWARD

At the historic Merton's Reward underground mine, two types of lode were mined – shear lodes and intershear lodes.

Shear lodes consist of steeply dipping bodies, usually less than 1 m thick and confined to shear zones. They are continuous for 50 m to 100 m along strike and down dip, and often average greater than 30 g/t gold. The lodes are highly cleaved parallel to their dip and strike, with abundant quartz-carbonate veinlets parallel to cleavage. Gold mineralisation is usually associated with 5% to 10% finely disseminated pyrite-arsenopyrite in a sheared and sericitised, carbonated basalt.

Intershear lodes consist of narrow, flat (0° to 30°) to moderately (40° to 60°) east to northeast dipping quartz veins, from which most of the gold at Merton's Reward was mined. The veins attain a maximum thickness of 40 cm and are contained within a highly carbonated, pyritic alteration selvage of up to 12 m thick. The vein selvages contain up to 20% pyrite, 5% arsenopyrite and 90% ankerite and/or siderite, with gold typically concentrated in the central quartz veinlet which usually assays greater than 30 g/t gold. The selvage may grade up to 8 g/t gold.

Intershear lodes may persist for up to 40 m along strike, and are usually truncated on their eastern and western sides by shears and/or shear lodes. Conversely, in some cases intershear lodes overprint shear lodes and it is probable that the two lode types developed contemporaneously. Structural features in the intershear lodes suggest they formed in zones of dilation during deformation in the area.

The Mertondale 2 Pit is located between Merton's Reward and Mertondale 3-4, and is more closely associated with the Merton's Reward style of mineralisation.

Diamond drillhole NMDD024 intersected 9 m at 3.65 g/t gold from 61 m and is outside the A$1,250/oz optimised pit shell. This hole requires follow-up drilling on the same and adjacent sections to determine the extent of this mineralisation, which may be the easterly down dip extension of one of the intershear lodes, or even possibly an intersection on one of the steeply dipping shear lodes.

MERTONDALE 3-4

The Mertondale 3-4 deposits are located in the Mertondale Shear Zone within the basalt unit. In the shear zone a number of units can be recognised, including the porphyry and others which represent varying degrees of carbonation, sericitisation and shearing of a basalt parent. It is difficult to correlate units other than the porphyry between drillholes and sections.

At Mertondale 3-4, a series of steep east dipping, locally folded lenses of gold mineralisation have been delineated over strike lengths of at least 900 m. Mineralised lenses are up to 35 m thick and generally straddle the hangingwall porphyry-basalt contact. The strongest mineralisation is generally at this contact in highly foliated and altered porphyry and basalt. The porphyry unit occurs as a series of flattened, cigar-shaped bodies with dimensions of 200 m to 300 m along strike, up to 30 m thick, and 75 m down the foliation. Long axes of the 'cigars' are flat and parallel to the plunge of stretching lineations mapped in the open cut. The mineralised lenses have similar shapes to the

porphyry units, although they tend to be more extensive in the foliation plane. In general, the thickest mineralisation lies adjacent to the thickest porphyry.

All mineralised zones contain pyrite and arsenopyrite, which are generally present as fine grained crystals up to 2 mm in diameter in elongate clusters parallel to the foliation. Locally the sulphide content is up to 30% by volume, although most lenses average between 5% and 10% sulphides.

Gold is fine, generally less than 10 µm (rarely up to 45 µm) and is usually located in the silicates as individual grains (specks) or clusters of grains. There is a tendency for the gold to occur along the cleavages of micaceous minerals, although it also occurs rarely as grains marginal to pyrite and arsenopyrite or as irregular aggregates within these sulphides.

Drilling that has intersected the Mertondale 3-4 mineralised zone beneath the A$1,250/oz pit shell generally suggests that the potential for high grade underground shoots is fairly restricted. Most of the better grade intersections at Mertondale 3-4 are within the pit shell.

QUICKSILVER

The Quicksilver prospect extends over a strike length of about 5 km on the western branch of the Mertondale Shear Zone, immediately south of Tonto.

The western branch of the fault zone typically contains black mafic mylonite, a black shale, shale, quartz-dolerite, basalt, basaltic andesite and to the east, a felsic volcanic derived from a rhyolite. Felsic porphyritic intrusives occur irregularly along the shear zone. Generally, the black sulphide-graphite-rich mafic mylonite has reasonably high background gold anomalism, in the order of 0.1 to 0.5 g/t gold.

When developed, mineralisation is generally located near the sub-vertical mafic-felsic contact. Sulphidic black shales are commonly present near the mineralisation.

Deeper drilling (holes greater than 100 m deep) at Quicksilver has not been particularly successful. Over the 5 km strike length of the prospect, some 44 deeper holes have been drilled, and only three gave narrow +3 g/t gold intersections.

TONTO

The Tonto prospect extends over a strike length of about 1 km on the western branch of the Mertondale Shear Zone, between the Quicksilver and Eclipse prospects. Lithologies at Tonto are similar to Quicksilver – black mafic mylonite, a black shale, shale, quartz-dolerite, basalt, basaltic andesite and felsic volcanics. The steeply dipping high-grade lode at Tonto is likely to be structurally controlled, and appears to potentially have a shallow southerly plunge. Visually the gold mineralisation remains very difficult to pick, with no obvious association with sulphide content, quartz veining or alteration of either graphite or sericite.

Changes in lithology within the Tonto area tend to coincide with apparent northeasterly/southwesterly striking cross-faults which are evident on both the gravity and magnetic geophysical images. The changes in lithology also appear to be related to a substantial cut-off in gold mineralisation. The changes in lithology include the mylonitic unit becoming much more broken up, a shaly unit appearing and the bottom quartz-dolerite contact not being intersected along a very consistent contact.

The footwall consists of the massive quartz dolerite. This dolerite has a noticeable bleached or carbonated halo on its immediate contact with the mylonite, but grades into a strongly chloritic massive quartz-dolerite. The quartz-dolerite is devoid of gold and often assays below detection. The bleached quartz-dolerite can be difficult to pick but typically contains distinguishable bright green

fuchsitic 'spots' of alteration. In some places the bleaching is not overly intense but the fuchsite is very intense. Some epidote alteration and veining has also been noted. The bottom contact is generally quite sharp.

The Tonto prospect has a number of deeper high grade intersections that may have some continuity. This area requires further analysis of the results to date before planning any further drilling.

ECLIPSE

The Eclipse prospect extends over a strike length of about 2 km on the western branch of the Mertondale Shear Zone, immediately north of Tonto and south of Mertondale 5.

At Eclipse, the geology appears to have changed in comparison to Tonto. The mafic mylonite is present, but is much more discontinuous, whereas the quartz-dolerite is not restricted to the footwall and appears within the central mafic unit quite regularly. A shale unit is also commonplace throughout Eclipse.

A shallow, flat-dipping to horizontal sulphidic quartz vein has been traced over approximately 150 m in the southern to central portions of Eclipse. This vein contains fresh arsenopyrite and pyrite within the quartz, and typically assays with very high gold values.

Toward the northern end of Eclipse, a felsic volcanic is common and is typically found alternating with the mafics. An unclassified granite/porphyry intrusive has also been noted in this area, along with a relatively unsheared chloritic basalt that is slightly talcose and is possibly representative of a high-magnesium basalt. This talcose basalt has been traced up the western margin of the shear, where it is intimately associated with a basaltic andesite and a dolerite.

At the northern end of Eclipse, epithermal-like alteration has been identified. This system of alteration was traceable over several hundred metres in a strong north-south direction. Alteration includes massive fresh sulphides at depth, with a distinctive gossan forming higher up in the oxide profile. The gossan typically contains light blue sugary quartz; black quartz and iridescent haematite/goethite are also present throughout the gossan.

Within the general A$1,250/oz optimised pit shell area at Eclipse, a total of 32 drillholes have tested the mineralisation beneath 400 mRL (the surface is at about 475 mRL). The grades are generally insufficient to drive an open pit deeper into the fresh rock.

MERTONDALE 5

The Mertondale 5 prospect extends over a strike length of about 1.5 km on the western branch of the Mertondale Shear Zone, immediately north of Eclipse.

The Mertondale 5 mineralisation is hosted in a north-south striking sequence of carbonate/sericite schists, graphitic schists and quartz-feldspar porphyries. The unit is relatively narrow, at 5 m to 15 m wide, is bounded to the west by chloritised/carbonated basalts, and to the east by quartz feldspar porphyries containing up to 50% by volume of pyrite and some graphitic schists with high percentages of pyrite.

The footwall contact is well-defined by green chlorite/carbonate basalts, which are moderately to strongly sheared and which strike at 2° to 3° west of grid north. The sericite content is less intense in the footwall sequence than in the adjacent mylonite zone. The hangingwall contact is less well defined, as mixing with mafics has occurred along its contact. The hangingwall lithology is predominantly intensely-altered quartz feldspar porphyry. The mineralised package is strongly weathered to about 100 m, with intense weathering to 75 m.

CARDINIA

The Cardinia tenements overlie a sequence of intermediate-mafic and felsic volcanic lithologies and locally derived epiclastic sediments. These lithologies are on the western limb of the regionally faulted south-plunging Benalla anticline. Minor felsic porphyries and lamprophyre lithologies have been recognised within and adjacent to the Lewis and Bruno areas. At Lewis these intrusive rocks are often associated with mafic-felsic contacts. The eastern edge of the Bruno-Lewis system has been intruded by a dolerite sill. The regional lithological strike is 345° and lithological contacts dip between 30° and 40° to the west while foliation trends dip moderately to the east.

Interpretation of sections, in conjunction with detailed mapping, has shown a series of mineralised structures evident as quartz-ironstone veining and float in outcrop. At Lewis, the primary mineralisation is interpreted to dip from 40° to 70° to the east and lenses vary in width from 1 m to around 7 m true thickness.

Primary gold mineralisation is associated with zones of increased shearing in association with lithological contacts between the mafic and felsic rocks. Disseminated carbonate-sericite-quartz-pyrite alteration zones are present adjacent to the gold mineralisation characterised by increased quartz veining, silicification and shearing.

The deeply weathered nature of the subcropping zones of mineralisation has resulted in variable zones of depletion, ranging from 0 m to 20 m deep, with subsequent supergene enrichment occurring beneath the depleted zone and extending in places to at least 50 m deep. Surface silicification is apparent in the top 4 m.

In the Bruno-Lewis-Kyte resource area, virtually all of the known Mineral Resources are associated with flat-lying to shallowly-dipping zones of mineralisation, thought to be related to supergene gold. These zones have an east-west extent of up to 400 m and they extend over a strike length of about 2 km from the southern end of Lewis to the northern end of Bruno. Vertical thicknesses vary from 0 m to 30 m, with an average of about 5 m to 10 m. Grades can be highly variable in adjacent drillholes; however, continuity appears to be generally quite good, at even a 0.5 g/t gold lower cut-off grade. This supergene mineralisation cuts across all weathered lithologies without any obvious effects.

Mineralised zones at the Helen's and Rangoon areas, located in the northeast of the Cardinia region, are more subvertical in nature and are associated with narrow (1 m to 5 m) steeply dipping zones of shearing and quartz development.

Mineralisation trends are either north-northwest or north-south. At the various Helen's deposits, the mineralised shear zones are generally in mafics, but close to a felsic volcanic/sediment contact, whilst at Rangoon the shear zones are in felsic volcanics/sediments but close to a mafic contact. At Helen's North Lode, good visual correlation has been observed between gold grades and bleaching of the oxidised basalt host rock.

RAESIDE

Mineralisation within the Raeside prospect is hosted by a mixed package of fine-grained sediments and a quartz dolerite unit. The dolerite is sill-like in nature, and roughly conforms to observed bedding trends. The dolerite is fine to medium grained with extensive chlorite alteration. Discontinuities and breaks in diamond core are predominantly oriented along foliation planes, and slickensides are prominent throughout.

Gold mineralisation is hosted in a series of stacked, irregular, sub-parallel structures which dip shallowly to the east. Higher gold grades are generally associated with increased quartz/carbonate

veining and varying levels of iron alteration. Veins are predominately stockwork in nature and widths of massive veining are generally less than 1 m.

GAMBIER LASS

The Gambier Lass prospect area lies over granitoid faulted against a deformed granitoid pebble conglomerate on the eastern limb of the Malcolm Anticline, near the eastern margin of the Keith-Kilkenny Tectonic Zone. This conglomerate is interpreted to be a fault scarp conglomerate derived from the erosion of the granitoid to the east.

Gold mineralisation is associated with moderately west dipping (40° to 50°) quartz veins in a major northwest-trending shear zone within the granitoid conglomerate. Similarly-orientated mineralised quartz vein systems occur at North and South Gambier. The quartz veins are hosted within pervasively-foliated granitoid and related fault scarp material (quartz-sericite schists), and show intense though narrow sericite-carbonate alteration at the vein margins. Minor pyrite alteration is associated with the gold mineralisation.

3.5. MINERAL RESOURCES

Navigator estimated open pit Mineral Resources for the Mertondale, Cardinia, Raeside and Gambier Lass areas. The Mineral Resources have primarily been generated and reported by independent external consultants in accordance with the guidelines of the 2004 JORC Code, with input from Navigator staff. The Mineral Resources have not been updated since the advent of the 2012 JORC Code.

The Mertondale and Raeside Mineral Resources were estimated by McDonald Speijers Pty Ltd in January 2009 and March 2009 respectively. The estimation was completed using a 'recovered fraction' technique. Recovered fraction is a probabilistic technique that estimates the volumetric proportion of each block likely to be above a particular cut-off grade.

The Cardinia Mineral Resources were estimated by Runge Limited in January 2009, using ordinary kriging interpolation constrained within mineralisation envelopes prepared at a nominal 0.2 g/t gold cut-off grade.

The Mineral Resources at the Leonora gold project are summarised in Table 3.2.

Table 3.2 **Leonora gold project Mineral Resources (reported in accordance with the 2004 JORC Code)**

Category	Deposit	Equity	Cut-off (g/t)	Tonnes (Mt)	Gold grade (g/t)	Gold (koz)
Indicated	**Mertondale**					
	Mertondale 3-4	100%	0.7	0.87	2.3	65
	Merton's Reward	100%	0.7	1.01	2.7	87
	Tonto	100%	0.7	0.97	1.9	60
	Eclipse	100%	0.7	0.62	1.8	35
	Mertondale 5	100%	0.7	0.32	3.2	33
	Quicksilver	100%	0.7	0.55	1.8	31
	Subtotal			**4.34**	**2.2**	**311**
	Cardinia					
	Bruno-Lewis exploration	100%	0.7	1.04	1.1	37
	Helen's North	100%	0.7	0.63	1.2	24
	Rangoon	100%	0.7	0.09	1.7	5
	Lewis grade control	100%	0.7	0.29	1.4	13
	Bruno grade control	100%	0.7	0.11	1.4	5
	Helen's South	100%	0.7	0.19	1.8	11
	Subtotal			**2.35**	**1.3**	**95**
	Raeside					
	Michelangelo-Leonardo	100%	0.7	1.28	2.7	111
	Forgotten Four	100%	0.7	0.07	3.0	7
	Krang	100%	0.7	0.11	2.6	9
	Subtotal			**1.47**	**2.7**	**127**
	Total Indicated			**8.16**	**2.0**	**533**
Inferred	**Mertondale**					
	Mertondale 3/4	100%	0.7	0.66	2.1	45
	Merton's Reward	100%	0.7	0.07	1.8	4
	Eclipse	100%	0.7	0.25	1.7	14
	Mertondale 5	100%	0.7	0.16	2.7	13
	Quicksilver	100%	0.7	0.11	2.1	8
	Subtotal			**1.25**	**2.1**	**84**
	Cardinia					
	Bruno-Lewis exploration	100%	0.7	1.52	1.3	63
	Helen's North	100%	0.7	0.13	1.2	5
	Kyte	100%	0.7	0.31	1.6	16
	Rangoon	100%	0.7	0.23	1.3	9
	Bruno grade control	100%	0.7	0.03	1.0	1
	Helen's South	100%	0.7	0.01	1.3	0
	Lewis South	100%	0.7	0.10	1.3	4
	Black Chief	100%	0.7	0.12	1.6	6
	Subtotal			**2.44**	**1.3**	**104**
	Raeside					
	Forgotten Four	100%	0.7	0.10	2.1	7
	Subtotal			**0.10**	**2.1**	**7**
	Gambier Lass	100%	0.7	0.34	1.6	17
	Total Inferred			**4.13**	**1.6**	**212**

Table 3.2 (cont)

Category	Deposit	Equity	Cut-off (g/t)	Tonnes (Mt)	Gold grade (g/t)	Gold (koz)
Total	**Mertondale**					
	Mertondale 3/4	100%	0.7	1.5	2.2	110
	Merton's Reward	100%	0.7	1.1	2.6	91
	Tonto	100%	0.7	1.0	1.9	60
	Eclipse	100%	0.7	0.9	1.8	49
	Mertondale 5	100%	0.7	0.5	3.0	46
	Quicksilver	100%	0.7	0.7	1.8	39
	Subtotal			**5.6**	**2.2**	**395**
	Cardinia					
	Bruno-Lewis exploration	100%	0.7	2.6	1.2	100
	Helen's North	100%	0.7	0.8	1.2	29
	Kyte	100%	0.7	0.3	1.6	16
	Rangoon	100%	0.7	0.3	1.4	14
	Lewis grade control	100%	0.7	0.3	1.4	13
	Bruno grade control	100%	0.7	0.1	1.3	6
	Helen's South	100%	0.7	0.2	1.7	11
	Lewis South	100%	0.7	0.1	1.3	4
	Black Chief	100%	0.7	0.1	1.6	6
	Subtotal			**4.8**	**1.3**	**199**
	Raeside					
	Michelangelo-Leonardo	100%	0.7	1.3	2.7	111
	Forgotten Four	100%	0.7	0.2	2.5	14
	Krang	100%	0.7	0.1	2.6	9
	Subtotal			**1.6**	**2.6**	**134**
	Gambier Lass	100%	0.7	0.3	1.6	17
	Total			**12.3**	**1.9**	**745**

3.6. STUDY RESULTS

3.6.1. MINING

The PFS investigated open pit mining at Mertondale, Cardinia, Tonto-Eclipse and Raeside to deliver 1 Mtpa of ore to a centrally located treatment facility at Merton's Reward. Estimated plant feed within the base case A$1,250 pit shell was 6 Mt at 1.8g/t gold, with average production of 53,000 oz of gold per annum recovered over a 6 year mine life.

The open pits are planned to be mined via conventional benching using a hydraulic excavator and 100 t dump trucks. A 180 t excavator is planned for mining in the Mertondale area, and will operate in tandem with a 100 t excavator at Cardinia and later at Raeside.

The PFS assumes all waste will be tipped on surface waste dumps, but potential was identified to develop an in-pit backfilling mining sequence to minimise truck overhaul, the size of the truck fleet and reduce tyre exposure to excessive tyre heat loadings.

The Cardinia pits are characterised by their extended strike lengths and opportunity was identified to develop ramps within the optimum pit shell and along the strike of mineralisation. Designing for starter ramps and final ramps on in-pit fill will allow final designs that reduce the strip ratio below the currently planned maximum of 7.1 to 1.

Mining costs were based on independent mining contractor estimates that are in line with contract mining benchmark figures. Average mining costs equate to A$18.00 per/tonne of ore treated.

No allowance for underground mining was made in the PFS.

3.6.2. PROCESSING

Three processing alternatives were considered in the PFS: 1) a standalone carbon-in-leach (CIL) processing facility; 2) a heap leach option; and 3) a toll treatment option. Selection of the base case processing option included consideration of capital and operating costs, as well as operability, maintainability, technology and process risk.

A standalone CIL treatment plant was considered to have the advantage of maximising gold recovery from the resource, and will produce the optimum return in an escalating gold price environment. The main disadvantage is a higher start-up capital expenditure.

The standalone 1 Mtpa CIL option adopted for the PFS base case model assumed a centrally located facility at Merton's Reward, adjacent to the well-formed gravel road and 30 km from Leonora. The proposed plant incorporates a conventional two-stage crushing circuit that feeds a ball mill with an in-circuit MMD (Mining Machinery Developments Ltd) sizer to provide for long term flexibility to process a full range of high clay and harder ores.

Capital and operating costs used for the PFS were based on the purchase and re-location of an unspecified second-hand treatment plant. The capital cost of the treatment plant was estimated on the basis that it will require additional equipment in order to ensure that the metallurgical recovery from the plant is maximised. This equipment included a Falcon gravity concentrator and Gekko intensive leach reactor to maximise gold extraction prior to the CIL process. In addition, the residence time within the CIL circuit will be optimised (as required) by the inclusion of additional leach capacity to ensure sufficient leach residence time to achieve target gold recovery.

The proposed Merton's Reward plant site is located 15 km north of the Cardinia gold system, and 6 km south of the Tonto-Eclipse gold system. Ore mined from the Cardinia and Tonto gold systems will be trucked to the Merton's Reward treatment facility. The location of the proposed plant at Merton's Reward is also relatively close to longer term resource growth targets identified along the Mertondale Shear Zone.

The PFS design assumed conventional wet tailings deposition into completed pits, with pit wall spigots and liquor recovery from in-pit pontoons.

3.6.3. METALLURGY

A number of metallurgical test programs were conducted for Navigator on all the larger deposits by AMMTEC under the supervision of Metallurgical Design. The ores were predominantly oxide (62%) and generally soft as defined by the Bond ball mill work index (BWi), with the exception of some primary ores in the Mertondale area. Metallurgical testwork indicated that process throughput rates are optimised if the clay-rich oxide ores are blended with harder ores from Mertondale and other areas. The plant design will allow for flexibility in this approach, with separate clay and competent ore circuits included in the comminution circuit design.

The PFS assumed a 90% metallurgical recovery, which Navigator considers conservative given that the metallurgical testwork in the oxide zones at Mertondale, Cardinia and Raeside indicates high (plus 95%) metallurgical recoveries, as well as a significant gravity gold fraction (up to 30%).

Metallurgical recoveries of approximately 80% from deeper transition and primary ores in the Mertondale areas are attributed to the presence of high levels of sulphides. In some cases the mineralogical evaluation found that the fine gold was associated with pyrite and arsenopyrite.

3.6.4. INFRASTRUCTURE

POWER SUPPLY

Navigator estimated that the project will require an installed power capacity to 5 MW, with the plant requirement expected to be 3 MW.

WATER SUPPLY

The PFS is based on sourcing all water required for the project from known underground aquifers and from the current storage contained within the existing open pits, until such time as onsite (in-pit) tails dams are created and harvesting can occur to supplement bore water.

Capital and operating costs for a reverse osmosis plant were included in the plant costs. The capital cost estimate has taken into consideration the necessity to pump water from the furthest pit at Mertondale 5 to the proposed mine site.

ROADS

The national road between Kalgoorlie and Leonora is the main transport corridor in the area. Access to the project from the town of Leonora is by an existing well-formed gravel road (Nambi Road). Capital has been allocated for the construction of new gravel roads for ore haulage within the project site.

ACCOMMODATION

The PFS allows for accommodation of the work force either by the establishment of a separate accommodation village on the mine site or by the use of existing facilities in the town of Leonora.

3.7. TRIAL MINING

In July 2010, Navigator completed a trial mining and processing test from the Leonora gold project. A total of 74,200 tonnes of material was milled at St Barbara Limited's Leonora processing facility, comprising 60,200 tonnes of Bruno supergene ore and 14,000 tonnes of Mertondale 2 hard rock blending ore. Gold recovered was 4,876 ounces at an average recovery of 97.9% (Table 3.3). Following the favourable results at St Barbara Limited facility, Navigator mined and trucked a further 39,800 tonnes of material to the Bronzewing project for treatment, recovering 2,773 ounces of gold at a recovery of 94.2% (Table 3.3).

Table 3.3 Leonora trial mining statistics

Resource	Item	
St Barbara Limited – Leonora processing		
Bruno	Ore (tonnes)	60,200
	Gold grade (g/t)	2.35
Mertondale 2	Ore (tonnes)	14,000
	Gold grade (g/t)	1.03
Total	Ore (tonnes)	74,200
	Gold grade (g/t)	1.91
	Recovery (%)	97.9
	Gold recovery (ounces)	4,450
Bronzewing processing		
Bruno	Ore (tonnes)	39,800
	Gold grade (g/t)	2.30
	Recovery (%)	94.2
	Gold recovery (ounces)	2,773

4. VALUATION CONSIDERATIONS

There are a number of recognised methods used in valuing mineral assets. The most appropriate application of these various methods depends on several factors, including the level of maturity of the mineral asset and the extent and reliability of information available in relation to the asset. The VALMIN Code classifies mineral assets according to the maturity of the asset:

- **Exploration areas** - properties where mineralisation may or may not have been identified, but where a Mineral Resource has not been declared.
- **Advanced exploration areas** - properties where considerable exploration has been undertaken and specific targets have been identified that warrant further detailed evaluation, usually by drill testing, trenching or some form of detailed geological sampling. A Mineral Resource may or may not have been estimated, but sufficient work will have been undertaken on at least one prospect to provide both a good understanding of the type of mineralisation present and encouragement that further work will elevate one or more prospects to the resource category.
- **Pre-development projects** - properties where Mineral Resources have been identified and their extent estimated, but where a decision to proceed with development has not been made. This includes projects at an early assessment stage, on care and maintenance or where a decision has been made not to proceed with immediate development.
- **Development projects** - properties for which a decision has been made to proceed with development, but which are not commissioned or are not operating at design levels.
- **Operating mines** - mineral properties that have been fully commissioned and are in production.

The VALMIN Code defines value as the fair market value of a mineral asset. The fair market value is the amount of money (or the cash equivalent of some other consideration) for which the mineral asset should change hands on the valuation date in an open and unrestricted market between a willing buyer and a willing seller in an "arm's length" transaction, with each party acting knowledgeably, prudently and without compulsion. In times of high commodity prices and/or buoyant share market conditions the fair market value ascribed to mineral assets may be higher than their technical value. The fair market value of the mineral asset comprises

- The underlying or technical value, which is an assessment of a mineral asset's future economic benefit under a set of assumptions, excluding any premium or discount for market, strategic or other considerations
- the market component, which is a premium or discount relating to market, strategic or other considerations.

In assessing the value of Kin Mining's mineral assets, Optiro has considered both the technical value and the fair market value of the assets.

5. VALUATION APPROACH AND METHODOLOGY

In determining the appropriate valuation method(s) to be used for the Leonora gold project, Optiro has taken into consideration the classification of these assets according to the categories defined in the VALMIN Code and the different methodologies that are generally accepted as industry practice for each classification. Generally there are three broad methods of valuation that are used for valuing mineral assets: these are the market approach, cost approach and income approach. The market and cost approaches are used for the grass-roots through to advanced exploration stages, and the income approach is used for advanced projects with defined reserves to operating mines.

In relation to the classification of the Leonora gold project, it is considered to be an advanced exploration to pre-development project.

Whilst there are capital and operating cost estimates in place for the Leonora gold project, along with generalised production estimates, there are no Ore Reserves in place and Optiro considers that the cost and schedule are insufficiently robust to allow a DCF style valuation to determine fair market value and, furthermore, that they do not adequately account for the risk profile of the project. As such, the valuation approaches that Optiro has elected to use are defined as inferential methods, and rely on comparative or subjective inputs, such as a "rule of thumb" or appraised value method. Such a method values the property in dollars per unit area or dollars per resource tonne.

The methodologies considered by Optiro to determine a value for the mineral projects and the exploration potential are summarised below.

5.1. GEOSCIENTIFIC RATING METHOD

The most well-known method of the Geoscientific ratings type is the modified Kilburn Geological Engineering/Geoscientific method, which was developed by a Canadian geologist who wished to introduce a more systematic and objective way of valuing exploration properties. The Kilburn and similar rating approaches are acknowledged as industry-standard valuation tools. This method is Optiro's preferred valuation tool for early stage exploration projects.

The Kilburn method uses a Geoscientific rating which has as its fundamental value a base acquisition cost (BAC) of the tenement. The BAC is the average cost to acquire a unit of exploration tenement (generally a graticular block, square kilometre or hectare) and maintain it for one year, including statutory fees and minimum expenditure commitments.

The determination of the BAC for exploration licences in Western Australia considered the application and retention costs as set by the Government of Western Australia, Department of Mines and Petroleum, and the average identification, administration and expenditure costs. Based on Optiro's assessment, the BAC applied to the exploration licences is A$1,114 per graticular block or A$344/km^2.

Four technical factors are then applied serially to the BAC of each tenement which enhance, downgrade or have no impact on the value of the property, and which allow a value per tenement to be determined. The four technical factors are:

- **Off-property factor** – relates to physical indications of favourable evidence for mineralisation, such as workings and mining on the nearby properties, which may or may not be owned by the company being valued. Such indications are mineralised outcrops, old workings through to world-class mines.
- **On-property factor** – this is similar to the off property factor but relates to favourable indications on the property itself, such as mines with significant production.
- **Anomaly factor** – the anomaly factor relates to the degree of exploration which has been carried out and the level and/or number of the targets which have been generated as a consequence of that exploration. Properties which have been subject to extensive exploration without the generation of sufficient or quality anomalies are marked down under the Kilburn approach.
- **Geological factor** – this refers to the amount and exposure of favourable lithology and/or structure (if this is related to the mineralisation being valued) on the property. Thus properties which have a high coverage of favourable lithology and through-going structures will score most highly.

The ratings applied by Optiro are listed in Table 5.1.

This methodology is used to determine the technical value, and a fifth factor, reflecting the current state of the market, is applied to determine the market value. This market value determined from the Geoscientific rating method has been verified by consideration of the current market for gold exploration properties in Australia.

Table 5.1 Geoscientific rating criteria (modified by Optiro)

<table>
<tr><th>Rating</th><th>Off-property factor</th><th>On-property factor</th><th>Anomaly factor</th><th>Geological factor</th></tr>
<tr><td>0.1</td><td rowspan="3"></td><td rowspan="3"></td><td></td><td>Generally unfavourable geological setting</td></tr>
<tr><td>0.5</td><td>Extensive previous exploration with poor results</td><td>Poor geological setting</td></tr>
<tr><td>0.9</td><td>Poor results to date</td><td>Generally favourable geological setting, under cover</td></tr>
<tr><td>1.0</td><td>No known mineralisation in district</td><td>No known mineralisation within tenement</td><td>No targets defined</td><td rowspan="2">Generally favourable geological setting</td></tr>
<tr><td>1.5</td><td>Mineralisation identified</td><td>Mineralisation identified</td><td rowspan="2">Target identified, initial indications positive</td></tr>
<tr><td>2.0</td><td rowspan="2">Resource targets identified</td><td rowspan="2">Exploration targets identified</td><td rowspan="2">Favourable geological setting</td></tr>
<tr><td>2.5</td><td>Significant intersections - not correlated on section</td></tr>
<tr><td>3.0</td><td rowspan="2">Along strike or adjacent to known mineralisation</td><td rowspan="2">Mine or abundant workings with significant previous production</td><td rowspan="3">Several significant ore grade intersections that can be correlated</td><td rowspan="3">Mineralised zones exposed in prospective host rocks</td></tr>
<tr><td>3.5</td></tr>
<tr><td>4.0</td><td>Along strike from a major mine(s)</td><td rowspan="2">Major mine with significant historical production</td></tr>
<tr><td>5.0</td><td>Along strike from world class mine</td><td></td><td></td></tr>
</table>

5.2. COMPARABLE TRANSACTION METHOD

The comparable market value approach is a market-based approach, and is an adaptation of the common real estate approach to valuation. For the purposes of mineral asset valuation, a valuer compiles and analyses transactions, converted to a 100% equity basis, of projects of similar nature, time and circumstance, with a view to establishing a range of values that the market is likely to pay for a project. The comparable market approach

- is intuitive, easily understood and readily applied
- implies a market premium/discount for the prevailing sovereign risk
- captures market sentiment for specific commodities or locations
- accounts for intangible aspects of a transaction (i.e. intellectual property).

The transactions deemed to be analogous to the mineral asset being valued are used to determine a unit price (e.g. $/km^2 or $/tonne metal, etc.) for the asset being valued. However, there is an intricate value dynamic between the quantity (size) and quality (grade or prospectivity) that may result in the exclusion of a large number of comparable transactions, which in turn may undermine the accuracy of this method.

The comparable market value approach is widely used throughout the minerals industry; however, the valuer must take into account that this approach is largely retrospective, and therefore cannot take into account anticipated or recent commodity or other market price movements.

5.3. JOINT VENTURE TERMS METHOD

The joint venture terms method is a variation of the comparable market value method. This technique involves transactions where only partial ownership of a project is acquired. The joint venture terms method provides the valuer with a larger acquisitions dataset than the comparable market value method, and consequently these approaches are often used simultaneously in mineral asset valuations.

It is recognised that the market will attribute a sliding-scale premium in accordance with the level of ownership acquired (e.g. a joint venture agreement for a 51% interest in a project may attract a market value significantly above that for an identical project in which a 49% interest is acquired). The valuer therefore needs to account for any potential associated with ownership premiums.

5.4. APPRAISED VALUE METHOD

The cost approach or Appraised Value method is founded on the assumption that the intrinsic value of the exploration tenement is based on the exploration expenditure, and that a highly prospective tenement will generally encourage a higher level of exploration expenditure.

This valuation methodology relies upon the premise that a project is at least worth what the owner has previously spent and/or committed to spending in the future. It considers historical and/or planned future expenditure on the mineral asset and includes the amount of expenditure that has been meaningfully used in the past to define a target or resource and the future costs in advancing the exploration.

The value of the property may be determined from the sum of past effective exploration expenditure (usually limited to the past three years), plus any committed exploration expenditure in the current year and the application of a prospectivity enhancement multiplier (PEM). The PEM is determined by the level of sophistication of the exploration for which positive exploration results have been obtained, and usually ranges between 0.5 and 3.0.

The principal shortcomings of this method are that there is no consistent base from which to derive the valuation and there is no systematic approach taken in determining the PEM. Optiro places less reliance on values determined this method than those determined from the Geoscientific ratings and comparable transaction methods.

6. VALUATION

Optiro's approach has been to use the following valuation methodologies for the Mineral Resources and exploration potential for mineralisation within the Leonora exploration tenements:

- comparable transactions
- joint venture terms.

Optiro considered using the appraised value method but the data was inadequate to provide a meaningful valuation. Optiro considered the use of the Geoscientific rating method for the valuation of exploration potential at Leonora, but given the large number of small prospecting licences and mining leases in place, it is unlikely that this method would yield reliable results.

6.1. MINERAL RESOURCE VALUATION

Optiro reviewed recent transactions involving Yilgarn Craton gold deposits similar to the Leonora Mineral Resources. To obtain a dataset that is relevant under the current time and circumstance, Optiro reviewed transactions that occurred since the beginning of 2012 and in particular since May 2013 when the gold price has typically been averaging below US$1,400 per ounce. From these, Optiro selected transactions that involved gold deposits with Indicated and Inferred Mineral Resources at a similar gold grade to that estimated at the Leonora deposits. The selected transactions are summarised in Appendix A.

Optiro has established from its search of publically available information on recent market transactions of similar gold projects with Inferred and Indicated Mineral Resources that the market has generally been paying in the range of A$4 to A$60 per resource ounce of gold metal in the ground for gold resource projects. When considering projects of similar grade and development stage to the Leonora gold project, the value per ounce is typically with the range of A$4 to A$18 per resource ounce of gold metal.

Optiro notes that the Leonora gold project Mineral Resources are predominantly unencumbered by third party royalties and that the ounces are largely nearer surface, thus resultant mining costs would likely be relatively low.

Based on its review and the current market volatility, Optiro has applied a range of A$4 to A$18 and a preferred value of A$10 per resource ounce of gold metal to determine the value of the gold resources within the Leonora gold project.

Optiro's estimate of the current market value of the gold Mineral Resources within the Leonora gold project lies in the range A$3.0 M to A$13.4 M, with a preferred value of A$7.5 M. Optiro's estimate of the current market value of these gold resources and based on the equity held by Navigator is included as Table 6.1.

Table 6.1 Valuation based on Leonora Mineral Resources

Deposit	Value (A$M)		
	Low	High	Preferred
Leonora gold project	3.0	13.4	7.5

6.2. EXPLORATION POTENTIAL VALUATION

In determining the value of the exploration potential of the Leonora gold project, Optiro considered:

- the large, semi-contiguous, ~322 km^2 licence package located in the prospective Eastern Goldfields Province
- the positive outcome of the PFS completed in March 2009 based upon A$1,250 pit shells
- untested potential along strike and structure from existing resources
- positive results from the 2012 soil sampling program
- that historic production is relatively minor
- the existence of only wide spaced and shallow drilling in numerous prospective areas
- a number of mining leases already in place in many prospective areas
- that in recent years exploration has not been well funded and numerous targets remain untested.

Optiro considered the use of the Geoscientific rating method, but given the large number of small prospecting licences and mining leases in place, it is likely that this method would yield unreliable results. Optiro's analysis of comparable transactions suggests that Yilgarn gold exploration projects similar to the Leonora gold project would typically attract market values in the range A$700/km^2 to A$30,000/km^2, with a strong negative correlation between tenement size and unit value.

When considering the size, exploration stage and potential, the comparable transactions identified by Optiro imply that the Leonora gold project exploration potential would trade within a valuation range of A$2,500/km^2 to A$3,500/km^2. The valuation of exploration potential at the Leonora gold project is considered to be between A$0.80 M and A$1.1 M, with a preferred value of A$0.9 M.

6.3. SUMMARY VALUATION

Optiro's opinion of the fair market value of the Mineral Resources and exploration potential is summarised in Table 6.2.

Table 6.2 Valuation summary of Navigator's Leonora gold project mineral assets based on relevant equity interests

Mineral asset	Value (A$M)		
	Low	High	Preferred
Leonora Mineral Resources	3.0	13.4	7.5
Leonora Exploration Potential	0.8	1.1	0.9
Total	**3.8**	**14.5**	**8.4**

In this report, Optiro has determined the current fair market value of the mineral assets within the Leonora gold project as at 22 September 2014. Optiro's opinion of the fair market value of these assets is that it is within the range A$3.8 M to A$14.5 M, with a preferred value of A$8.4 M. The values assigned to these mineral assets are in nominal Australian dollars (A$) and were prepared with an effective valuation date of 22 September 2014.

7. DECLARATIONS BY OPTIRO

7.1. INDEPENDENCE

Optiro is an independent consulting and advisory organisation which provides a range of services related to the minerals industry including, in this case, independent geological services, but also resource evaluation, corporate advisory, mining engineering, mine design, scheduling, audit, due diligence and risk assessment assistance. The principal office of Optiro is at 50 Colin Street, West

Perth, Western Australia, and Optiro's staff work on a variety of projects in a range of commodities worldwide.

This report has been prepared independently and in accordance with the VALMIN and JORC Codes. The authors do not hold any interest in Kin Mining, Navigator, its associated parties, or in any of the mineral properties which are the subject of this report. Fees for the preparation of this report are being charged at Optiro's standard rates, whilst expenses are reimbursed at cost. Payment of fees and expenses is in no way contingent upon the conclusions drawn in this report.

7.2. QUALIFICATIONS

The principal person responsible for the preparation of this report is Mr Jason Froud (Principal) of Optiro. Peer review was carried out by Mrs Christine Standing.

Mr Jason Froud [BSc (Hons), Grad Dip (Fin Mkts), MAusIMM] is a geologist with over 18 years experience in mining geology, exploration, resource definition, mining feasibility studies, reconciliation, consulting and corporate roles in gold, iron ore, base metal and uranium deposits principally in Australia and Africa. Jason has previously acted as a Competent Person and Independent Expert across a range of commodities with expertise in mineral exploration, grade control, financial analysis, reconciliation and quality assurance and quality control.

Mrs Christine Standing [BSc (Hons) Geology, Grad Dip (Min Econs), MAusIMM, MAIG] is a geologist with 30 years extensive experience in the exploration and mining industry. She has been consulting in resource estimation and generating independent experts' reports since 1988, and her skills include resource evaluation studies, grade control and reconciliation work. Christine is a Principal for Optiro in Perth and is involved in independent technical reviews, audits and valuations of exploration assets.

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9. GLOSSARY OF ABBREVIATIONS AND TECHNICAL TERMS

Term	Explanation
Abbreviations	A$ – Australian dollars, BAC - Base Acquisition Cost, DCF - Discounted cashflow, °C - degrees Celsius, EL - Exploration Licence, EV - Enterprise Value, g/t –grams per tonne, ha – hectare, JVA - joint venture agreement, km – kilometre, km^2 – square kilometre, m – metre, m^3 – cubic metres, MA – million years, mm – millimetre, M – million, ML – Mining Licence, Mt – million tonnes, NPV - Net Present Value, % - percentage, RC - Reverse Circulation drilling, SG - specific gravity , t – tonnes, US$ – United States dollars
Chemical elements	Au – gold
airborne magnetic survey	A measurement of the magnetic susceptibility of rocks, measured from a plane in flight.
alteration	A change in mineralogical composition of a rock through reactions with hydrothermal fluids, temperature or pressure changes.
apatite	A group of phosphate minerals, usually referring to hydroxylapatite, fluorapatite, and chlorapatite.
Archaean	Era of the geological time scale containing rocks greater than 2,500 million years old.
bedrock	The solid rock lying beneath superficial material such as gravel or soil.
bulk density	A property of particulate materials. It is the mass of many particles of the material divided by the volume they occupy. The volume includes the space between particles as well as the space inside the pores of individual particles.
carbonate	A class of sedimentary rocks composed primarily of carbonate minerals. The two major types are limestone and dolomite.
classification	A system for reporting Mineral Resources and Ore Reserves according to a number of accepted Codes.
composite	A sample comprised of a number of smaller samples.
concentrate	End product of the flotation process.
cut-off grade	The grade that differentiates between mineralised material that is economic to mine and material that is not.
diatreme	A breccia-filled volcanic pipe that was formed by a gaseous explosion. Diatremes often breach the surface and produce a tuff cone, a filled relatively shallow crater known as a maar, or other volcanic pipes.
diamond drilling	Drilling method which produces a cylindrical core of rock by drilling with a diamond tipped bit.
dolomite	A carbonate rock consisting of calcium magnesium carbonate.
electromagnetic (EM) geophysical surveys	Survey over an area involving the measurement of alternating magnetic fields associated with currents artificially or naturally maintained in the ground.
exploration licence	Rights to explore for minerals in an area, granted by a government to an individual/company.
fault	A fracture in rock along which displacement has occurred.
fold (folded)	A flexure in rocks.
formation	A defined interval of strata, often comprising similar rock types.
gabbro	A coarse-grained, intrusive mafic igneous rock chemically equivalent to basalt.
geological domains	Spatial domains created to represent areas with similar geological characteristics.
geophysical survey	A survey that measures the physical properties of rock formations, commonly magnetism, specific gravity, electrical conductivity and radioactivity.
granite	A coarse grained intrusive felsic igneous rock.
granitoid	A common and widely-occurring type of intrusive, felsic, igneous rock.
greywacke	A variety of sandstone generally characterized by its hardness, dark colour, and poorly-sorted, angular grains of quartz, feldspar, and small rock fragments set in a compact, clay-fine matrix.
hydrothermal	The actions of hot water or the products produced by the action of hot water.
Indicated Mineral Resource	'An 'Indicated Mineral Resource' is that part of a Mineral Resource for which tonnage, densities, shape, physical characteristics, grade and mineral content can be estimated with a reasonable level of confidence. It is based on exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drillholes. The locations are too widely or inappropriately spaced to confirm geological and/or grade continuity but are spaced closely enough for continuity to be assumed.' (JORC 2004)
Inferred Mineral Resource	'An 'Inferred Mineral Resource' is that part of a Mineral Resource for which tonnage, grade and mineral content can be estimated with a low level of confidence. It is inferred from geological evidence and assumed but not verified geological and/or grade continuity. It is based on information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drillholes which may

Term	Explanation
	be limited or of uncertain quality and reliability.' (JORC 2004)
intercept	Mineralised intersection in a borehole.
intrusion	The emplacement of magma into pre-existing rock.
iron oxides	Minerals composed of iron and oxygen, e.g., hematite, magnetite.
isoclinal	A fold in which the limbs are parallel or near-parallel.
JORC Code	The JORC Code provides minimum standards for public reporting to ensure that investors and their advisers have all the information they would reasonably require for forming a reliable opinion on the results and estimates being reported. The current version is dated 2004.
laterite	A soil residue composed of secondary oxides of iron, aluminium or both.
mafic	Silicate minerals, magmas, and volcanic and intrusive igneous rocks that have relatively high concentrations of the heavier and darker minerals.
magnetic anomaly (high / low)	Magnetic signatures different from the background, made up of a high and a low (dipole) compared to the average field.
Mesoproterozoic	A geological era that occurred between 1,600 Ma and 1,000 Ma ago.
metallurgy	Study of the physical properties of metals as affected by composition, mechanical working and heat treatment.
metamorphics	Rocks that have undergone metamorphism.
Mineral Resource	'A 'Mineral Resource' is a concentration or occurrence of material of intrinsic economic interest in or on the Earth's crust in such form, quality and quantity that there are reasonable prospects for eventual economic extraction. The location, quantity, grade, geological characteristics and continuity of a Mineral Resource are known, estimated or interpreted from specific geological evidence and knowledge. Mineral Resources are sub-divided, in order of increasing geological confidence, into Inferred, Indicated and Measured categories.' JORC 2004.
mineralisation	The process by which a mineral or minerals are introduced into a rock, resulting in a valuable deposit.
mineralogical	The study of minerals: formation, occurrence, properties, composition and classification.
mining lease/licence	A right to operate a mine.
mudstone	A detrital sedimentary rock composed of clay minerals similar to shale but lacking the well developed bedding planes.
ordinary kriging	A geostatistical estimation method which relies upon a model of spatial continuity as defined in a variogram.
ore	Mineralised material which is economically mineable at the time of extraction and processing.
orogeny	The process of mountain building, and may be studied as a tectonic structural event, as a geographical event and a chronological event, in that orogenic events cause distinctive structural phenomena and related tectonic activity, affect certain regions of rocks and crust and happen within a time frame.
oxidation, oxidised	The addition of oxygen to the metal ion, generally as a result of weathering.
Palaeoproterozoic	The first of the three sub-divisions (eras) of the Proterozoic occurring between 2500 Ma and 1600 Ma (million years ago).
pit optimisation	A mathematical process whereby an open cut volume is optimised according to certain financial criteria.
pre-feasibility study	Preliminary assessment of a project to determine mining and processing methods, capital costs, logistics etc.
Prospecting Licence	Authorization granted by a government to an individual permitting the person to prospect for minerals.
Proterozoic	Era of the geological time scale within the Precambrian eon containing rocks of approximately 1000 – 2500 million years old.
quartz	Crystalline silica (SiO2).
radiometric survey (radiometrics)	A survey pertaining to the measurement of geologic time by the study of parent and/or daughter isotopic abundances and known disintegration rates of the radioactive parent isotopes.
recovery	Metallurgical: The percentage of metal that can be recovered given the limitations of the processing equipment.
reverse circulation drilling (RC)	Drilling method that uses compressed air and a hammer bit to produce rock chips.
sediments	Loose, unconsolidated deposit of debris that accumulates on the Earth's surface.
shear	Fault.
siltstone	A type of sedimentary rock where the individual particles are predominantly between <0.05 mm in size.

Term	Explanation
sinistral	Refers to the horizontal component of movement of blocks on either side of a fault or the sense of movement within a shear zone.
stockwork	A network of veins.
stream sediment sampling	Soil sampling of sediments from stream beds.
stripping	Open pit mining term relating to the removal of uneconomic waste material to expose ore. Metallurgical term relating to the removal of copper from the organic phase in the solvent extraction process.
supergene	A mineral deposit or enrichment formed near the surface.
top cut	A process that reduces the effect of isolated (and possible unrepresentative) outlier assay values on the estimation.
transitional	The partially oxidised zone between oxidized and fresh material.
turbititic greywackes	A type of sandstone deposited by submarine currents.
ultramafic	Igneous rocks with very low silica content (less than 45%), generally >18% MgO, high FeO, low potassium and are composed of usually greater than 90% mafic minerals.
vein	A tabular or sheet like body of one or more minerals deposited in openings of fissures, joints, or faults.
volcaniclastics	Sedimentary rocks derived from erosion of volcanic rocks.
volcanics	Sequence of strata formed from an erupting volcano.

Appendix A Western Australian Gold Mineral Resource Transactions

Project	Date	Buyer	Seller	Interest	Consideration	Gold (contained ounces)	Implied value (A$/oz)
Vivien	9/02/2012	Ramelius Resources Ltd	Agnew Gold Mining Company	100%	$10,000,000	154,000	$64.90
Sandstone	14/08/2012	Southern Cross Goldfields Limited	Troy Resources Limited	100%	$5,000,000	720,000	$6.90
Andy Well	21/08/2012	Doray Minerals Ltd	Murchison Resources Pty Ltd	20%	$70,000,000	338,000	$207.10
Beavis	27/08/2012	Wiltshire Asset Management	GBM Gold Ltd	100%	$5,000,000	34,000	$148.40
Turner River	24/09/2012	Polymetals Mining Ltd	Lansdowne Resources Pty Ltd	75%	$2,330,000	298,000	$7.80
Peak Hill	27/09/2012	Resources and Investment NL	Montezuma Mining Company Ltd	100%	$2,900,000	547,000	$5.30
Goodenough	16/11/2012	Stratum Metals Ltd	Resource Assets Pty. Ltd	100%	$3,150,000	36,000	$87.50
Spargoville	20/12/2012	Mithril Resources Ltd	KalNorth Gold Mines Limited	80%	$2,500,000	87,000	$28.80
Goodenough	27/12/2012	Mountain Gold International Ltd	Stratum Metals Ltd	40%	$3,380,000	36,000	$93.80
Southern Cross	9/01/2013	St Barbara	Hanking Gold Mining Pty Ltd	100%	$22,500,000	2,405,000	$9.40
Frogs Leg	10/02/2013	La Mancha Resources Australia Pty Ltd	Alacer Gold Corporation	49%	$287,760,000	1,110,000	$259.20
Youanmi	12/02/2013	Infinity Fame Limited	Apex Minerals NL	100%	$15,500,000	953,000	$16.30
Wiluna	12/03/2013	Everprosperity Investment Co Ltd	Apex Minerals NL	100%	$4,600,000	2,800,000	$1.60
Comet Vale	20/03/2013	Crest Minerals Ltd	Reed Resources Ltd	100%	$6,000,000	211,000	$28.50
Drew Hill	28/05/2013	Exco Resources Ltd	Polymetals Mining Ltd	50%	$2,880,000	161,000	$17.90
Egerton gold	29/05/2013	Gascoyne Resources Limited	Exterra Resources Ltd	100%	$1,000,000	24,000	$41.70
Halleys East	9/07/2013	Beacon Minerals Ltd	Duketon ConsolidatedPty Ltd	20%	$3,250,000	69,000	$47.20
Adelaide Hills	19/07/2013	Terramin Australia Ltd	Maximus Resources Ltd	100%	$1,950,000	237,000	$8.20
Gympie	2/08/2013	Private company	Fe Limited	100%	$2,450,000	49,000	$50.10
Dohertys	5/08/2013	Classic Minerals Ltd	Golden West Resources Ltd	100%	$220,000	20,000	$10.90
Yilgarn South	22/08/2013	Gold Fields Ltd	Barrick Gold Corporation	100%	$300,000,000	1,800,000	$166.70
Birthday Gift	23/08/2013	Blue Tiger Mines Pty Ltd	Barra Resources Ltd	100%	$2,000,000	31,000	$65.40
Melrose and Darlot East	11/10/2013	Unspecified	Korab Resources Ltd	100%	$1,500,000	340,000	$4.40
Sabbath	25/10/2013	Unspecified	Dourado Resources Ltd	100%	$100,000	14,000	$7.20
Plutonic Dome	19/11/2013	Ord River Resources	Dampier Gold Ltd	75%	$8,000,000	683,000	$11.70
Norton	11/12/2013	Mantle Mining Corporation Ltd	Norton Gold Fields Ltd	100%	$330,000	108,000	$3.10

Project	Date	Buyer	Seller	Interest	Consideration	Gold (contained ounces)	Implied value (A$/oz)
Plutonic	23/12/2013	Northern Star Resources	Barrick Gold Corporation	100%	$25,000,000	1,750,000	$14.30
Comet Vale	6/02/2014	Private company	Reed Resources Ltd	100%	$2,000,000	211,000	$9.50
Wiluna	20/02/2014	Blackham Resources Ltd	Apex Minerals NL (Receivers & Managers Appointed)	100%	$50,000,000	2,800,000	$17.90
Lake Carey	13/03/2014	Fortitude Gold Pty Ltd	Midas Resources Ltd	100%	$330,000	405,000	$0.80
Bullabulling	17/04/2014	Norton Gold Fields Ltd	Bullabulling Gold Limited	100%	$23,960,000	3,753,000	$6.40
Meekatharra	14/05/2014	Metals X Ltd	Reed Resources Ltd	100%	$7,000,000	3,550,000	$2.00
Bronzewing	15/05/2014	Metaliko Resources Ltd	Navigator Resources Ltd	100%	$4,000,000	980,000	$4.10
Kathleen Valley	10/06/2014	Ramelius Resources Ltd	Xstrata Nickel Australasia Pty Ltd	100%	$3,645,000	130,000	$28.00

Appendix B Western Australian (Yilgarn) Gold Exploration Transactions

Project	Date	Buyer	Seller	Interest	Consideration	Area (km^2)	Implied value (A$/ km^2)
Cue	24/02/2012	Western Mining Pty Ltd	Canyon Resources Ltd	100%	$400,000	16	25,418
Kintore	14/05/2012	Phoenix Gold Ltd	Private vendor	100%	$800,000	7	119,766
McPhees	7/06/2012	Epic Resources Ltd (now Asct Resources Ltd)	Red Field Pty Ltd	100%	$31,000	6	4,799
Horse Well Extension	19/09/2012	Alloy Resources Limited	Phosphate Australia Ltd	80%	$115,000	56	2,068
Fraser Range	20/09/2012	AAQ Holdings (changing name to Fraser Range Metals Group)	Fraser Range Resources Pty Ltd	100%	$1,800,000	1,296	1,389
Plumridge	20/09/2012	AAQ Holdings (changing name to Fraser Range Metals Group)	International Goldfields Limited	100%	$2,300,000	831	2,768
Lucky Bay South	16/11/2012	Octagonal Resources Ltd	Gold Attire Pty Ltd	20%	$1,275,000	38	33,410
Hogans	16/11/2012	Octagonal Resources Ltd	Gladiator Resources Ltd	30%	$850,000	126	6,749
West River	16/11/2012	Octagonal Resources Ltd	West River Pty Ltd	30%	$850,000	97	8,781
Velvet Strike	16/11/2012	Octagonal Resources Ltd	Velvet Strike Pty Ltd	30%	$850,000	74	11,469
Lake Darlot	10/12/2012	Leopard Resources NL	Interglobal Investments Ltd	100%	$390,000	102	3,816
Juglah Rocks	16/01/2013	Ironstone Resources Ltd	Classic Minerals Ltd	100%	$750,000	135	5,556
Fortescue	22/01/2013	Northern Star Resources Limited	Fortescue Metals Group Ltd	25%	$8,000,000	6,635	1,206
Aurora Tank	15/02/2013	Apollo Minerals Ltd	Marmota Energy	75%	$1,200,000	48	25,000
East Yilgarn	15/03/2013	MRG Metals Ltd	Sasak Resources Australia Pty Ltd	100%	$11,220,000	2,000	5,610
Horseshoe Range	3/04/2013	Resource and Investment NL	Naracoota Resources	100%	$300,000	46	6,593
Lake Grace and Griffins Find	19/04/2013	Auzex Exploration Limited	Panoramic Resources Ltd	60%	$4,000,000	10,500	381
Mt Egerton and Gordon fields	30/04/2013	3D Resources Ltd	Tech-Sol Pty Ltd	85%	$529,412	19	27,348
Long Horse	1/05/2013	Carnavale Resources Limited	Barrambie Minerals Limited	51%	$490,196	255	1,923
Lynas Find	7/05/2013	Alloy Resources Limited	Trafford Resources	51%	$1,274,510	28	46,239
Mt Barrett and Roe Hills Nickel	14/05/2013	Mining Projects Group Limited	Oroya Mining Limited	100%	$200,000	509	393
Tick Hill	17/06/2013	Superior Resources Ltd	Diatreme Resources Ltd	50%	$1,700,000	4	435,897
Plumridge	21/06/2013	Fraser Range Resources Pty Ltd	International Goldfields Limited	60%	$1,666,667	831	2,005
Spargoville	1/07/2013	Ero Mining Ltd (changed name to Tychean Resources Ltd)	Ramelius Resources	100%	$400,000	114	3,497

Project	Date	Buyer	Seller	Interest	Consideration	Area (km^2)	Implied value (A$/ km^2)
Spargoville (Wattle Dam Mine)	1/07/2013	ERO Mining Ltd (now called Tychean Resources)	Ramelius Resources Ltd	100%	$400,000	114	3,497
Valley Floor Prospect	4/07/2013	Ero Mining Ltd (changed name to Tychean Resources Ltd)	Valley Floor Resources Pty Ltd	100%	$150,000	6	27,273
Yundamindera	9/07/2013	Legacy Iron Ore Ltd	Ling prospecting syndicate	60%	$383,333	51	7,516
Gidgee Prospect	12/08/2013	Gateway Miniing Ltd	Panoramic Resources Ltd	70%	$1,714,286	87	19,597
Cuddingwarra	12/08/2013	Gleneagle Gold Ltd	Plasia Pty Ltd	100%	$20,000	115	174
Mt Jewell, Wills Creek, Royal Tasman and Nickel First	13/08/2013	InterMet Resources Ltd	Lancaster Resources Pty Ltd	100%	$250,000	82	3,058
Grafters area	17/10/2013	Excelsior Gold Limited	Fe Limited and Cazaly Resources Limited	100%	$250,000	18	13,889
Cue	28/11/2013	Parker Resources NL	Unspecified	60%	$100,000	40	2,508
Miclere	19/12/2013	Plenty Gold Pty Ltd	Rift Valley Resources	100%	$395,000	111	3,559
Viking	3/03/2014	Genesis Minerals Ltd	AngloGold Ashanti Australia Ltd	100%	$50,000	970	52
Mystique	7/03/2014	Parmelia Resources Ltd	Black Fire Minerals Ltd and Entrée Gold Inc	100%	$312,957	205	1,529
Turner River	25/03/2014	Rugby Mining Ltd	De Grey Mining Ltd	80%	$2,625,000	701	3,745
Tandarra	31/03/2014	Catalyst Metals Ltd	Navarre Minerals Ltd	51%	$5,882,353	69	85,318
Yellow Jack and Devils Mountain	14/04/2014	Laura Exploration Pty Ltd	Eclipse Metals Ltd	100%	$125,000	167	750
Mystique	22/04/2014	Black Fire Minerals Ltd	Entrée Gold Inc	40%	$75,000	205	366
Twin Bonanza Area	14/05/2014	ABM Resources Ltd	Toro Energy Ltd	100%	$100,000	567	$176
Horse Well	23/05/2014	Doray Minerals Ltd	Alloy Resources Ltd	60%	$2,000,000	850	$3,922
Plumridge	10/07/2014	Segue Resources Ltd	International Goldfields Ltd	35%	$200,000	832	$687
Gnaweeda	16/07/2014	Doray Minerals Ltd	Archean Star Resources Australia Pty Ltd	88%	$500,000	360	$1,578
EL69/2820	2/09/2014	Alloy Resources Ltd	Phosphate Australia Ltd	80%	$50,000	81	$775

APPENDIX 3

Appendix 3 – Independent valuation of mineral assets prepared by Al Maynard & Associates Pty Ltd.

AL MAYNARD & ASSOCIATES Pty Ltd
Consulting Geologists
www.geological.com.au ***ABN 75 120 492 435***

9/280 Hay Street, SUBIACO, WA, 6008 Australia
Tel: (+618) 9388 1000 Fax: (+618) 9388 1768
Mob: 04 0304 9449 al@geological.com.au

Australian & International Exploration & Evaluation of Mineral Properties

INDEPENDENT TECHNICAL VALUATION

OF THE

LISTING PORTION OF MINERAL ASSETS

OF

KIN MINING NL

FOR

HLB MANN JUDD CORPORATE (WA) PTY LTD

Author: Allen J Maynard BAppSc(Geol), MAIG, MAusIMM
Company; Al Maynard & Associates Pty Ltd
Date: 30th September, 2014

EXECUTIVE SUMMARY

This Independent Technical Valuation Report has been prepared by Al Maynard & Associates ("AM&A") at the request of Mr W.M. Clarke, Director, of HLB Mann Judd Corporate (WA) Pty Ltd ("HLB") to prepare an Independent Expert's Report ("IER") for inclusion in a Notice of General Meeting ("NOM") for the Board of Kin Mining NL ("Kin" or the "Company") on the Leonora Projects which it controls in the Leonora District of Western Australia (Fig 1). The NOM regards the proposed transaction for Kin to issue shares to Geolord Resources Pty Ltd or its nominee ("Geolord").

Kin listed on the Australian Securities Exchange ("ASX") on 2nd October, 2013 and subsequently commenced an intensive exploration program on three of its six project areas. In April 2014 the company embarked on a strategy to become a significant gold producer focusing on Australia's prolific Leonora region by executing a binding term sheet to acquire the Leonora Gold Project from the Deed Administrator of Navigator Resources Limited (subject to deed of company arrangement) ("Navigator").

The Leonora Project consists of six major project areas generally located within 55 km of Leonora that comprise Desdemona, Iron King, Murrin Murrin, Redcastle, Mt Flora and Randwick (Fig 1). These major projects comprise 85 tenements that include six Exploration Licences ("EL"), two Exploration Licence Applications ("ELA"), two Mining Leases ("ML"), 69 Prospecting Licences ("PL") and six Prospecting Licence Applications ("PLA") covering approximately 341.33 km^2 near Leonora in the Leonora District, Western Australia. These project areas are considered to have reasonable potential for hosting economic gold mineralisation. In addition some leases also have potential to host nickel, PGE and base metal mineralisation.
This Report concludes that the current cash value of 100% of the Leonora Project is ascribed at $26.1million from within the range of $23.5 million to $28.8 million.

Figure 1: Kin Resources Leonora Projects Location in Western Australia

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Mr W.M. Clarke
HLB Mann Judd Corporate (WA) Pty Ltd
Level 4, 130 Stirling Street,
Perth, WA, 6000

2nd October, 2014

Dear Mr Clarke,

VALUATION OF THE KIN LISTING PROJECTS MINERAL ASSETS NEAR LEONORA, WESTERN AUSTRALIA

1.0 Introduction

This Independent Technical Valuation Report has been prepared by Al Maynard & Associates ("AM&A") at the request of Mr W.M. Clarke, Director, of HLB Mann Judd Corporate (WA) Pty Ltd ("HLB") to prepare an Independent Expert's Report ("IER") for inclusion in a Notice of General Meeting ("NOM") for the Board of Kin Resources NL ("Kin" or the "Company") on the Leonora Projects which it controls in the Leonora District of Western Australia (Fig 1). The NOM regards the proposed transaction for Kin to issue shares to Geolord Resources Pty Ltd or its nominee ("Geolord").

The general meeting is being called in relation to Australian Securities Exchange Listing Rule 7.1 and Section 611 of the Corporations Act and specifically to seek the approval of shareholders to issue fully paid ordinary shares to Geolord (or its nominee) on the terms and conditions to be set out in an Explanatory Statement, such that the issue of shares will result in Geolord's voting power in the Company being greater than 20%. The Notice must include a report on the transaction from an independent expert stating whether the transaction is fair and reasonable to holders of the Company's ordinary securities whose votes are not to be disregarded.

Kin listed on the Australian Securities Exchange on 2nd October, 2013 and subsequently commenced an intensive exploration program on three of its six project areas. In April 2014 the company embarked on a strategy to become a significant gold producer focusing on Australia's prolific Leonora region by executing a binding term sheet to acquire the Leonora Gold Project from the Deed Administrator of Navigator Resources Limited (subject to deed of company arrangement) ("Navigator").

1.1 Scope and Limitations

This Report has been prepared in accordance with the requirements of the Valuation of Mineral Assets and Mineral Securities for Independent Expert's Reports (the "Valmin Code") (2005) as adopted by the Australian Institute of Geoscientists ("AIG") and the Australasian Institute of Mining and Metallurgy ("AusIMM").

This Report is valid as of 2nd October, 2014 which is the date of the latest review of the data and technical information. The valuation can be expected to change over time having regard to political, economic, market and legal factors. The valuation can also vary due to the success or otherwise of any mineral exploration that is conducted either on the mineral assets concerned or by other explorers on prospects in the near environs. The valuation could also possibly be affected by the consideration of other exploration data from adjacent licences with production history affecting the mineral assets which have not been made available to the writer.

In order to form an opinion as to the value of any mineral asset, it is necessary to make assumptions as to certain future events, which might include economic and political factors and the likely exploration success. The writer has taken all reasonable care in formulating these assumptions to ensure that they are appropriate to the case. These assumptions are based on the writers' technical training and experience in the mining industry. Whilst the opinions expressed

represent the writer's fair and reasonable professional opinion at the time of this Report, these opinions are not however, forecasts as it is never possible to predict accurately the many variable factors that need to be considered in forming an opinion as to the value of any mineral asset.

The information presented in this Report is based solely on technical reports provided by Kin supplemented by our own inquiries. At the request of AM&A copies of relevant technical reports and agreements were readily made available. A number of such information is available in the public domain and relevant references are listed in Sect. 6.0 –References.

Kin will be invoiced and expected to pay a fee for the preparation of this Report. This fee comprises a normal, commercial daily rate plus expenses. Payment is not contingent on the results of this report. Except for these fees, neither the writer nor any family members have any interest, nor the rights to any interest in Kin nor the mineral assets reported upon. Kin has confirmed in writing that all technical data known to the public domain is available to the writers.

The valuation presented in this Report is restricted to a statement of the fair value of the mineral asset package. The Valmin Code defines fair value as "The estimated amount of money, or the cash equivalent of some other consideration, for which, in the opinion of the Expert reached in accordance with the provisions of the Valmin Code, the mineral asset or security shall change hands on the Valuation date between a willing buyer and a willing seller in an arms' length transaction, wherein each party had acted knowledgeably, prudently and without compulsion".

It should be noted that in all cases, the fair valuation of the mineral assets presented is analogous with the concept of "valuation in use" commonly applied to other commercial valuations. This concept holds that the assets have a particular value only in the context of the usual business of the company as a going concern. This value will invariably be significantly higher than the disposal value, where, there is not a willing seller. Disposal values for mineral assets may be a small fraction of going concern values.

In accordance with the Valmin Code, we have prepared the "Range of Values" as shown in Table 2, section 5.3. Regarding the Project it is considered that sufficient geotechnical data has been provided from the reports covering the previous exploration of the relevant area to enable an understanding of the geology. This provides adequate information to form an informed opinion as to the current value of the mineral assets. A site visit was not undertaken since the authors are familiar with the project area.

1.2 Statement of Competence

This Report has been prepared by Allen J. Maynard Maynard Principal of AM&A, a qualified geologist, a Corporate Member of the AusIMM and a Member of the AIG. He has had over 35 years' experience in mineral exploration and evaluation and more than 30 years' experience in mineral asset valuation. The writer holds the appropriate qualifications, experience and independence to qualify as an independent "Expert" under the definitions of the Valmin Code.

2.0 Valuation of the Mineral Assets – Methods and Guides

With due regard to the guidelines for assessment and valuation of mineral assets and mineral securities as adopted by the AusIMM Mineral Valuation Committee on 17 February 1995 – the Valmin Code (updated 1999 & 2005). AM&A has derived the estimates listed below using the appropriate method for the current technical value of the mineral assets as described.

The ASIC publications "Regulatory Guides 111 & 112" have also been duly referred to and considered in relation to the valuation procedure. The subjective nature of the valuation task is kept as objective as possible by the application of the guideline criteria of a "fair value". This is a

value that an informed, willing, but not anxious, arms' length purchaser will pay for a mineral (or other similar) asset in a transaction devoid of "forced sale" circumstances.

2.1 General Valuation Methods

The Valmin Code identifies various methods of valuing mineral assets, including:-

- Discounted cash flow,
- Joint Venture and farm-in terms for arms' length transactions,
- Precedents from similar asset sales/valuations,
- Multiples of exploration expenditure,
- Ratings systems related to perceived prospectivity,
- Real estate value and Rule of thumb or yardstick approach.

2.2 Discounted Cash Flow/Net Present Value

This method provides an indication of the value of a mineral asset with identified reserves. It utilises an economic model based upon known resources, capital and operating costs, commodity prices and a discount for risk estimated to be inherent in the project.

Net present value ('NPV') is determined from discounted cash flow ('DCF') analysis where reasonable mining and processing parameters can be applied to an identified ore reserve. It is a process that allows perceived capital costs, operating costs, royalties, taxes and project financing requirements to be analysed in conjunction with a discount rate to reflect the perceived technical and financial risks and the depleting value of the mineral asset over time. The NPV method relies on reasonable estimates of capital requirements, mining and processing costs.

2.3 Joint Venture Terms

The terms of a proposed joint venture agreement may be used to provide a market value based upon the amount an incoming partner is prepared to spend to earn an interest in part or all of the mineral asset. This pre-supposes some form of subjectivity on the part of the incoming party when grass roots mineral assets are involved.

2.4 Similar or Comparable Transactions

When commercial transactions concerning mineral assets in similar circumstances have recently occurred, the market value precedent may be applied in part or in full to the mineral asset under consideration.

2.5 Multiple of Exploration Expenditure

The multiple of exploration expenditure method ('MEE') is used whereby a subjective factor (also called the prospectivity enhancement multiplier or 'PEM') is based on previous expenditure on a mineral asset with or without future committed exploration expenditure and is used to establish a base value from which the effectiveness of exploration can be assessed. Where exploration has produced documented positive results a MEE multiplier can be selected that take into account the valuer's judgment of the prospectivity of the mineral asset and the value of the database. PEMs can typically range between 'zero' to 3.0 and occasionally up to 5.0 where very favourable exploration results have been achieved, applied to previous exploration expenditure to derive a dollar value.

2.6 Ratings System of Prospectivity (Kilburn)

The most readily accepted method of this type is the modified Kilburn Geological Engineering/Geoscience Method and is a rating method based on the basic acquisition cost ('BAC') of the mineral asset that applies incremental, fractional or integer ratings to a BAC cost with respect to various prospectivity factors to derive a value. Under the Kilburn method the valuer is required to systematically assess four key technical factors which enhance, downgrade or have no impact on the value of the mineral asset. The factors are then applied serially to the BAC of

each mineral asset in order to derive a value for the mineral asset. The factors used are; off-property attributes on-property attributes, anomalies and geology. A fifth factor that may be applied is the current state of the market.

2.7 Empirical Methods (Yardstick – Real Estate)

The market value determinations may be made according to the independent expert's knowledge of the particular mineral asset. This can include a discount applied to values arrived at by considering conceptual target models for the area. The market value may also be rated in terms of a dollar value per unit area or dollar value per unit of resource in the ground. This includes the range of values that can be estimated for an exploration mineral asset based on current market prices for equivalent assets, existing or previous joint venture and sale agreements, the geological potential of the mineral assets, regarding possible potential resources, and the probability of present value being derived from individual recognised areas of mineralisation.

This method is termed a "Yardstick" or a "Real Estate" approach. Both methods are inherently subjective according to technical considerations and the informed opinion of the valuer.

2.8 General Comments

The aims of the various methods are to provide an independent opinion of a "fair value" for the mineral asset under consideration and to provide as much detail as possible of the manner in which the value is reached. It is necessarily subjective according to the degree of risk perceived by the mineral asset valuer in addition to all other commercial considerations. Efforts to construct a transparent valuation using sophisticated financial models are still hindered by the nature of the original assumptions where a known resource exists and are not applicable to mineral assets without an identified resource or reserve.

The values derived for this Report have been concluded after taking into account the general geological environment of the mineral asset under consideration with respect to the exploration potential.

2.9 Environmental implications

Information to date is that there are no identified existing material environmental liabilities on the mineral asset. Accordingly, no adjustment was made during this Report for environmental implications.

2.10 Indigenous Title Claims

Neither the Company nor the authors are aware of any indigenous title claims within the project area. Accordingly, no adjustment was made during this Report for indigenous title implications.

2.11 Commodities-Metal prices

Where appropriate, current metal prices are used sourced from the usual metal market publications or commodity price reviews (e.g." Kitco.com").

2.12 Resource/Reserve Summary

There are no JORC Code compliant resource estimates which could be used for this valuation.

2.13 Previous Valuations

No previous valuations concerning this portion of the total Kin holdings have been declared within the last two years.

2.14 Encumbrances/Royalty

The Projects may be subject to state royalties as stipulated by the Government where currently

applicable. There is also a potential 2% gross revenue royalty should a mine be developed. No royalty payments are considered in this valuation.

3.0 Background Information

3.1 Introduction

This valuation has been provided by way of a detailed study of existing information and field data provided by Kin. Refer to Sect 6.0.

The area under review comprises an EL that could host base metal or precious metal mineralisation in Western Australia.
Based on a DMP "Tengraph" review, by AM&A, of the title the Kin licence is in good standing as described in the Tenure section below.

3.2 Specific Valuation Methods

There are several methods available for the valuation of a mineral prospect ranging from the most favoured DCF analysis of identified Proved & Probable Reserves to the more subjective rule-of-thumb assessment when no Reserves have yet been calculated but Resources may exist. These are discussed above in Section 2.0.

For the Project the MEE and JV Methods has been applied to determine a current value range.

4.0 Leonora IGR original Project areas

4.1 Introduction

The Leonora Project consists of six major project areas that comprise Desdemona, Iron King, Murrin Murrin, Mt Flora, Randwick and Redcastle. These projects comprise 85 tenements that include six ELs, two ELAs, two MLs, 69 PLs and six PLAs covering in total approximately 341.33 km^2 near Leonora in the Leonora District, Western Australia (Fig 2). These project areas are considered to have reasonable potential for hosting economic gold mineralisation. In addition some leases also have potential to host nickel, PGE and base metal mineralisation.

4.2 Location and Access

All the Kin Mount Margaret Mineral Field project areas are located within a 55 km radius of the towns of either Leonora or Laverton. The project areas are within the Mount Margaret Mineral Field in the Mt Malcolm District of the NE Goldfields of WA. Leonora and Laverton have similar mining histories and are both towns that have benefitted from several mining booms during their lifetime.

The Leonora area has a long and rich gold mining history. It is a well serviced regional centre for the mining, exploration and pastoral industries. The town currently supports a population of around 1,500 and it has a sealed, all weather air-strip with regular flights to Perth.

Leonora is situated 832 km from Perth and 230km north of Kalgoorlie. The sealed Great Eastern and Goldfields Highways provide excellent access into the region for road transport. A standard gauge railway line also services the town and links it with the major mineral export port of Esperance as well as Perth and the eastern States.

Access into the project areas from Leonora is via the sealed Leonora-Laverton Road plus a number of graded gravel roads and tracks north, east and south of the town. Fair weather access using 4WD transport within the leases is reasonable utilising existing station, fence-line and exploration tracks. Some unsealed tracks can become impassable during the infrequent wet weather.

The climate is arid to semi-arid, with an average annual rainfall of only 250 mm. However, rainfall can vary widely from year to year, with droughts followed by very wet years, usually as a result of the spin-off from tropical cyclones and lows.

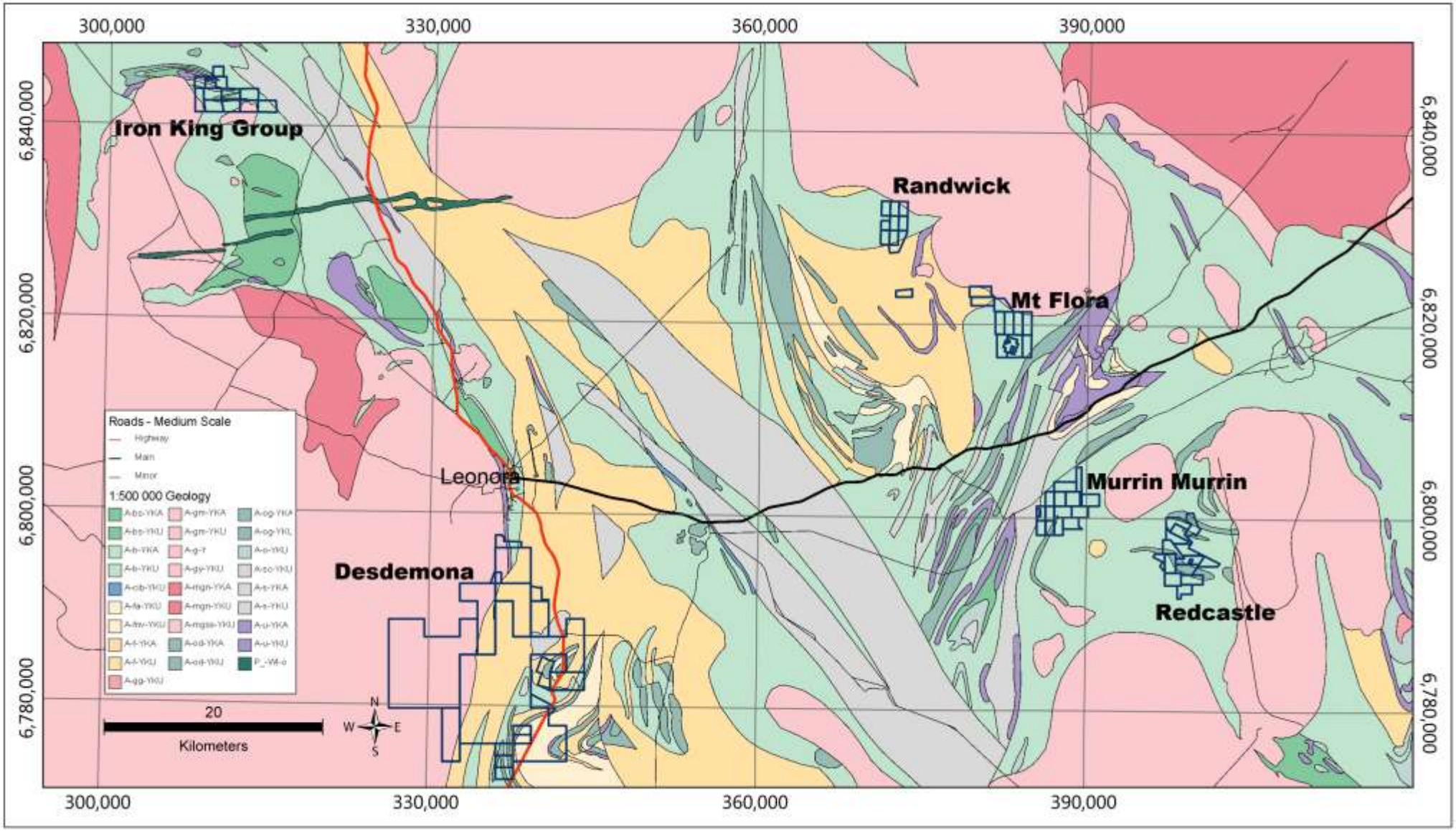

Figure 2: Leonora Projects – Location of six key major project areas.

Five classes of vegetation are recognised in the district, viz: mulga woodlands, acacia and tea-tree scrub, grasslands with scattered trees, succulents and salt-lake communities. Variations in vegetation can generally be attributed to changes in regolith, bedrock and rainfall.

Laverton is situated 832 km ENE of Perth. It can be reached by road via the Great Eastern Highway, thence by the Goldfields Highway to Leonora and finally the sealed Leonora-Laverton Road. Laverton lies 124 km ENE of Leonora and approximately 354 km north of Kalgoorlie.

Laverton has a population of approximately 440 and has an all-weather, sealed air-strip. Skippers Aviation operates flights to Perth five days a week. Laverton is on the eastern edge of the Great Victoria Desert and is surrounded by numerous old mine workings as well as several major modern mines such as Granny Smith and Sunrise Dam.

The area is extremely arid, with a mean annual rainfall of only 230 mm. The very low rainfall cannot support agriculture, but a substantial area of land is used for very low density grazing for sheep and cattle.

4.3 Tenure

A check by AM&A of the DMP records show that the leases are registered to various holders with details summarised in Table 1 and full details listed in Appendix 2.

DESDEMONA			
Tenement ID	**Status**	**Holder**	**Area (ha)**
E37/1152	Live	KIN	1499
E37/1156	Live	KIN	599
E37/1201	Pending	TJD	1200
E37/1203	Pending	TJD	1201
E40/283	Live	TJD	9984
E40/285	Live	TJD	576
E40/320	Live	KIN	5996
E40/323	Live	KIN	899
M40/330	Live	TJD,WVB ,WH	321
P37/8350	Live	KIN	93
P37/8390	Live	KIN	155
P37/8500	Pending	KIN	198
P37/8504	Pending	KIN	77
P40/1263	Live	TJD	198
P40/1283	Live	KIN	146
P40/1284	Live	KIN	199
P40/1285	Live	KIN	199
P40/1286	Live	KIN	199
P40/1287	Live	KIN	153

IRON KING / VICTORY			
Tenement ID	**Status**	**Holder**	**Area (ha)**
P37/7175	Live	TJD	120
P37/7176	Live	TJD	130
P37/7177	Live	TJD	120
P37/7194	Live	TJD, CC, RFC	14
P37/7195	Live	TJD, CC, RFC	200
P37/7196	Live	TJD, CC, RFC	200
P37/7197	Live	TJD, CC, RFC	200
P37/7198	Live	TJD, CC, RFC	200
P37/8455	Live	KIN	196
P34/8458	Pending	KIN	200
P37/8459	Pending	KIN	200
P37/8460	Pending	KIN	200
P37/8461	Pending	KIN	102

REDCASTLE			
Tenement ID	**Status**	**Holder**	**Area (ha)**
P39/4528	Live	TJD	198
P39/4550	Live	Ross Crew	10
P39/4593	Live	TJD	200
P39/4834	Live	TJD	150
P39/4839	Live	TJD	155
P39/4930	Live	ODS Pty Ltd	200
P39/5097	Live	TJD	200
P39/5098	Live	TJD	87
P39/5099	Live	TJD	190
P39/5100	Live	TJD	198
P39/5101	Live	TJD	198
P39/5102	Live	TJD	165
P39/5103	Live	TJD	129
P39/5105	Live	TJD	200
P39/5267	Live	TJD	200

MT FLORA			
Tenement ID	**Status**	**Holder**	**Area (ha)**
P39/4617	Live	TJD	11
P39/4618	Live	TJD	200
P39/4619	Live	TJD	192
P39/4620	Live	TJD	165
P39/4621	Live	TJD	196
P39/4912	Live	TJD	200
P39/4960	Live	TJD	187
P39/4961	Live	TJD	190
P39/5181	Live	TJD	198
P39/5182	Live	TJD	199
P39/5183	Live	TJD	199
P39/5185	Live	TJD	198
P39/5463	Live	KIN	136

MURRIN MURRIN				RANDWICK			
Tenement ID	Status	Holder	Area (ha)	Tenement ID	Status	Holder	Area (ha)
M39/279	Live	TJD, RCM	28	P37/7283	Live	RFC	120
P39/4913	Live	TJD	200	P37/7284	Live	RFC	120
P39/4914	Live	TJD	200	P37/7806	Live	RJW	121
P39/4915	Live	TJD	200	P37/7995	Live	LCF	122
P39/4916	Live	TJD	140	P37/7996	Live	LCF	122
P39/4980	Live	SC	158	P37/7997	Live	LCF	80
P39/5112	Live	TJD	180	P37/7998	Live	LCF	122
P39/5113	Live	TJD	175	P37/7999	Live	LCF	122
P39/5164	Live	RLG	144	P37/8000	Live	LCF	112
P39/5165	Live	RLG	192	P37/8001	Live	LCF	171
P39/5176	Live	RLG	121				
P39/5177	Live	RLG	121				
P39/5178	Live	RLG	121				
P39/5179	Live	RLG	95				
P39/5180	Live	Kazoo Pty Ltd	121				

Table 1: Leonora Project Tenement Summary Details.

4.4 Geological Setting

4.4.1 Regional Geology

Leonora is located on the GSWA 1:250,000 Leonora (SH51-1) Geological Map Sheet and the GSWA 1:100,000 Leonora Geological Map Sheet (3140). Laverton is located on the GSWA 1:250,000 Laverton Geological Map Sheet (SH 51-2) and on the GSWA1:100,000 Geological Map Sheet (3340).

All the Kin project areas are located in the Eastern Goldfields Province of the Yilgarn Craton of Western Australia. Most of the rocks within the tenements are of Archaean age. Such ancient rocks host many of the earth's major gold, nickel and base metal deposits and have been dated at between 2.5-3.0Ga years old. The famous gold mines at Kalgoorlie which have produced over 70Moz Au and the huge nickel sulphide deposits at Kambalda and Mt Keith are hosted by rocks of similar ages and origins.

The Archaean rocks of the Yilgarn Craton are broadly subdivided into granites and greenstones. The granites form large, coalescing, ovoid shaped regions up to several hundreds of kilometres in length and width, generally separated by narrow elongate Greenstone Belts composed of ancient volcanic rocks and sediments that have subsequently been deformed and metamorphosed by complex tectonic and mineralising events (Fig 3). Such events are believed to have been responsible for the formation of major gold, nickel and base-metal deposits in a wide variety of rock-types.

The Australian continental landmass is very ancient and as a result the majority of the rocks of the Western Australian Yilgarn Craton are deeply weathered and oxidised. As a consequence they are overlain by a variety of superficial sedimentary deposits often referred to as "cover". As a result of this history, outcropping rocks of Archaean age within the Yilgarn Craton are not very common and usually only account for around 5-10% of the landforms of any particular region.
In the past, the effect of these weathering processes has greatly hampered mineral exploration but even so, many world-class mineral deposits, particularly gold, have been discovered in the region, dating from as far back as the 1890s.

During the past 10-20 years, a number of modern exploration techniques have been developed to overcome the surface cover problem. These include geophysical methods such as aeromagnetic and electromagnetic surveys and more recently gravity measurements. Geochemical exploration techniques have also become more sensitive and reliable, such as the Mobile Metal Ion ("MMI")

technique. In addition, modern drilling methods have allowed areas that are obscured by regolith to be assessed more easily and economically by targeted exploration.

In the Leonora-Laverton region, several world-class “blind” ore-bodies have been discovered under alluvial cover during the past decade. These include the Wallaby gold deposit (7.1Moz Au), the Thunderbox gold discovery (2.1Moz Au) and the Cosmos nickel deposit (around 1Mt at 8% Ni). The potential for further such discoveries in the region remains high and the disposition of the tenement package reflects this philosophy.

4.4.2 Mineralisation

The Leonora-Laverton region is second only to the Kalgoorlie-Kambalda region in Western Australia for its number and size of economic gold and nickel deposits. Within an 80km radius of the Randwick Project area, known gold endowment (including historic production), totals approximately 40Moz with nine deposits containing in excess of 1Moz Au; including two deposits in excess of 5Moz. There are five operating gold treatment plants within the same area as well as the Glencore International plc (“Glencore”) Ni-Co laterite mine and pressure acid leach processing plant at Murrin Murrin.

Gold mineralisation occurs within a variety of rock types and appears to be primarily controlled by tectonic features (faults and shear zones) rather than by lithological considerations. In contrast, both sulphide and lateritic nickel mineralisation are confined specifically to ultramafic rocks.

Nickel sulphide deposits may be of the massive type (e.g. Cosmos and Rocky’s Reward) or disseminated (such as Mt Keith and Agnew). The lateritic nickel deposits now being exploited by Glencore at Murrin Murrin are formed by the weathering and near-surface enrichment of ultramafic rocks into nickeliferous clays and silicates. Such deposits commonly grade 0.8 - 1.2% Ni and are usually cobalt-rich (0.06-0.10% Co). Recent deeper drilling has confirmed the existence of nickel and cobalt rich massive sulphides directly beneath these lateritic deposits.

Copper, zinc and silver deposits associated with felsic to intermediate volcanics and sediments have been exploited at several locations close to the Murrin Murrin Project during the early 1900s. These were small but rich mines similar to the larger Teutonic Bore deposit, 55km north of Leonora, mined by Seltrust/BP Minerals between 1978-1985 and the high grade Jaguar Zn-Cu-Ag deposit currently being mined underground by the Independence Group (ASX: IGO).

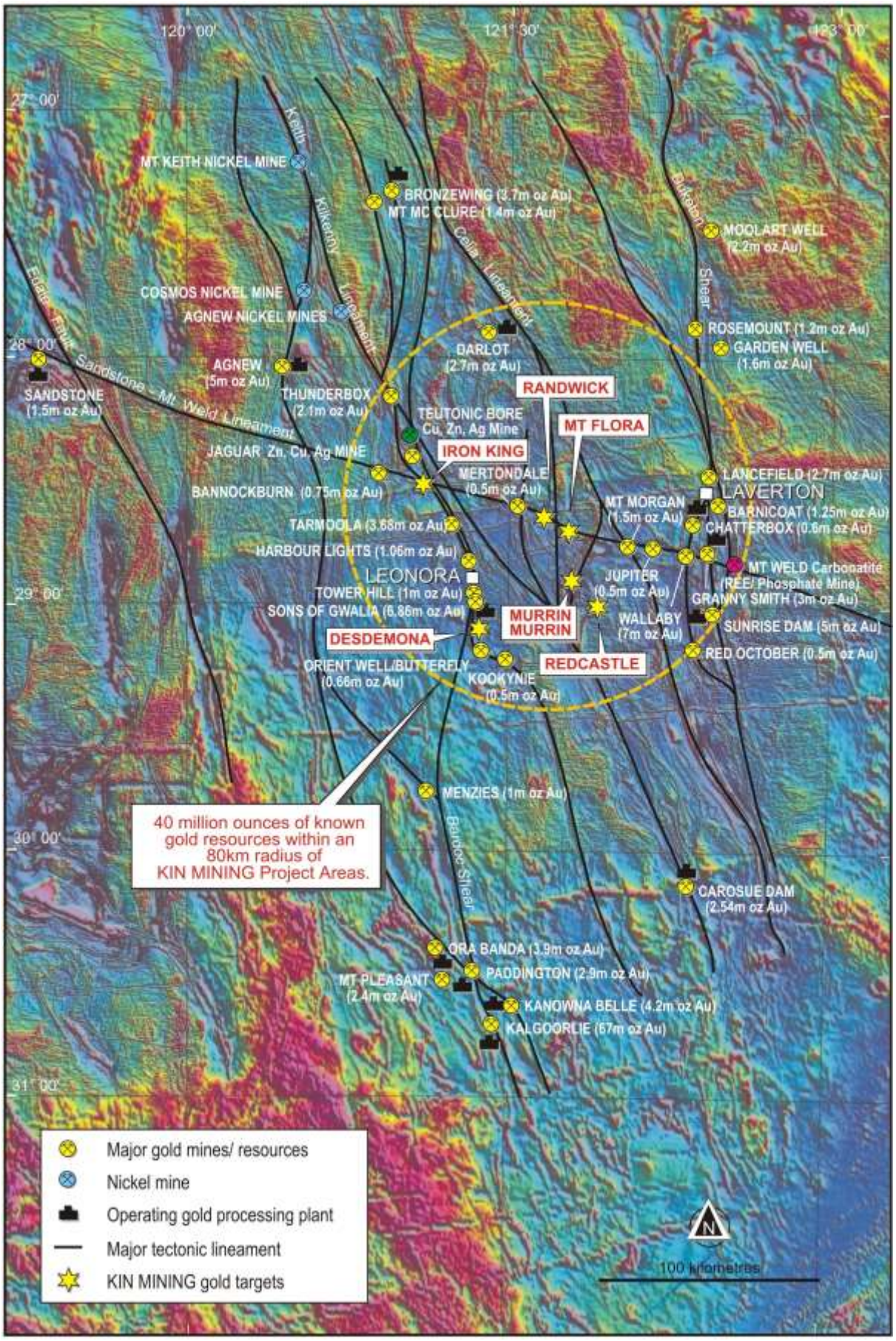

Figure 3: Tenements over TMI with Structure.

4.5 Major Projects

4.5.1 Desdemona

The 238.92 km^2 Desdemona Project that comprises six ELs, two ELAs, one ML, eight PLs and two PLAs is located between10 to 34km south of Leonora. The project area has good potential for the discovery of economic gold, nickel, PGE and base metals mineralisation.

The Desdemona Project area overlies the western contact of the Melita Greenstone Belt and the Mary Bore Magnetic Complex. The stratigraphy generally strikes northeast-southwest and is offset by several strike-slip faults. The Gwalia and Mt George Shear Zones form the margin between the granitoids (granitic gneiss) to the west and the greenstones to the east.

The project area overlies typical Archaean greenstones and meta-sediments intruded by sill-like bodies of mafic and ultramafic rocks. Mafic lavas, rhyolites and dacites predominate in the sequence, with dolerites and gabbros being the dominant intrusives. Previous drilling has shown that the contact between the base of an ultramafic unit and a rhyolitic footwall is highly prospective for Ni, Cu, PGEs and gold at the Kingfisher Prospect.

Early exploration in the area by previous explorers was hindered by the presence of widespread transported cover and deep clay overburden. Many RAB drill programs in the area were unsuccessful, as target depths to test bedrock could not be achieved due to swelling clays or major water in-flows from buried palaeo-channels.

Anomalous gold drill intercepts have been identified at a number of places in the project area including Paradise North, Charcoal, Egret and the 24 km of strike over the Gwalia Shear Zone (which encompasses the Annapurna, El Captain, Gwalia South, Charcoal West and Anzac Prospects).

Significant gold mineralisation has been identified at the Pelican Prospect and on P40/1263, where two gold soil anomalies are yet to be test drilled. Anomalous RAB drill intercepts have been identified at a number of places in the project area including the Charcoal, Charcoal West and Egret Prospects and these all require follow-up drilling to test the full extent of this mineralisation.

On M40/330 RAB, RC and diamond drilling has intersected significant Ni-Cu-PGE-Co-Au mineralisation at the Kingfisher Prospect and deeper drilling is required to delineate massive nickel and copper sulphides along an ultramafic contact with felsic rocks. The Kingfisher prospect contains typical Archean volcanic assemblage intruded by sill-like bodies of basic and ultrabasic rock. Basic lavas of basaltic to spillitic type, and rhyolite and dacitic lavas and tuffs form most of the fundamental sequence and dolerites are the most abundant intrusives. The rocks form part of a large, open syncline with a northeasterly trending axis (Mackay & Schnellman 1971).

Historic drilling, conducted in the 1970s and 1980s, at the Kingfisher Project intersected significant bedrock zones over a 450 m long strike of nickel, copper and PGE enrichment at the peridotite/rhyolite basal contact. The largest sulphide segregation was intersected in HWDD2 and consisted of 0.9 m at 2.0% Ni and 1.5% Cu from 101.2 m (including 1.8m at 1.55g/t Pt and 6.51g/t Pd) of richly mineralised rhyolite breccia. Angular fragments of rhyolite are separated by up to 10 cm of sulphide minerals and the fragments themselves often contain veinlets. Kin has also identified an extensive zone of strong secondary Ni-Cu-Co-PGE surface enrichment at Kingfisher correlating with the historical basal contact ore grade nickel and copper sulphide intersections with associated platinum and palladium.

4.5.2 Iron King Group

The 20.82 km^2 Iron King Group comprises 13 PLs around the historic Iron King and Victory Mining Centres located 45km NNW of Leonora and approximately 14 km NW of St Barbara Ltd's ("SBL") "King of the Hills Gold Mine" formerly called the Tarmoola Mine.

The leases overlie a highly deformed and complex Archaean greenstone sequence intruded by numerous granitic and porphyry intrusions and Proterozoic mafic dykes.

The Iron King area lies directly along the NNW trending Gwalia Shear Zone ("GSZ") that hosts the Sons of Gwalia Mine (6.86Moz Au) and the "King of the Hills" formerly Tarmoola Gold Mine (3.68Moz Au). Gold endowment along the 35km long stretch of the ("GSZ") linking these two major gold mines has been estimated to total 13.04 Moz Au.

A small open-cut gold mine operated at Iron King during 1981-85 produced 253.85oz of gold from 1,161t at 6.8g/t Au. A major gossan occurs on the eastern side of P37/7195 at Iron King. This gossan represents a potential major base metal and/or gold target that has never been effectively drill tested. There are several high grade historic gold mines that represent immediate walk up drill targets. Recent sampling of the Mullock dumps at the Reeds United workings returned up to 25.7g/t Au and the Crystal Ridge Prospect presents a walk up drill target where the best historic drill intercept is 46 m at 1.8g/t Au. In addition there are twelve gold and base metals prospects delineated within the project area.

4.5.3 Murrin Murrin

The 21.96 km^2 Murrin Murrin Project comprises one ML and 14 PLs located approximately 45 km east of Leonora and 79 km west of Laverton in the Mt Morgans District of the Mt Margaret Mineral Field of WA. It is about 15 km south of the Murrin Murrin lateritic Ni-Co Mine and lies within a 15-20 km radius of the Company's Mt Flora, Randwick and Redcastle Project areas.

The Company's Murrin Murrin leases form a contiguous package which is strategically located adjacent to the historic Murrin Murrin gold mining centre and the former Anaconda, Rio Tinto and Nangeroo base metal mines as well as being close to several ofGlencore's Ni-Co lateritic mineralisation.

The tenements cover a section of the Murrin Murrin Greenstone Belt and overlie a suite of NNE trending tholeiitic mafic volcanics, dolerites and minor sedimentary units, including banded iron formation ("BIF") and chert. Primary gold mineralisation generally occurs as "stacked", shallowly dipping mineralised quartz veins.

Metal detecting and prospecting by individuals and small syndicates has been widespread throughout the district since the early 1980s and a number of large alluvial gold patches have been discovered during this time.

Many historic gold workings occur throughout the various leases. Previous drilling has identified numerous gold anomalies in close proximity to this mineralisation and these represent 'walk up' drill targets. Other prime gold targets occur at the intersection of major faults and shear zones**.**

At the Eastern Gabbro Prospect historic drilling by Ashton Mining in the early 1990s returned best results of:

- 9m @ 3.95g/t Au from 25m;
- 10m @ 2.34g/t Au from 35m and
- 6m @ 3.42g/t Au from 34m

Recent RC drilling of 17 holes for 1,305 m by Kin returned significant results highlights as follows:

- MM13RC013 with 31 m at 4.29g/t Au from 64 m incl. 5 m at 17.2g/t Au from 87 m which incl. 2 m at 34.23g/t Au (+1oz Au) from 87 m;

- MM13RC17 with 8 m @ 3.52g/t Au from 28 m (supergene zone) incl. 2 m at 12.94g/t Au from 29 m.

4.5.4 Redcastle

The 24.8 km^2 Redcastle Project comprises 15 PLs situated immediately northeast of the historic Redcastle Mining Centre located about 64km east of Leonora within the Murrin Murrin District of the Mt Margaret Mineral Field of WA.

The project area covers a NW trending sequence of tholeiitic mafic volcanics, dolerites and gabbro which are intruded by porphyry intrusives. Primary gold mineralisation is hosted by quartz vein stockworks within intensely altered quartz-dolerites and controlled by numerous NW trending, generally NE dipping fault zones.

Metal detecting and prospecting has been widespread in the district since the early 1980s and has resulted in the discovery of some large and spectacular gold nuggets. There are eight groups of historic hard rock workings including Bellbird, which returned a recent rock chip sample of 5.29g/t Au and 0.62% Cu. The best historic drill intercept in the area is RR205 with 2 m at 15.3g/t Au from 20m.

Recent geological interpretation work by Kin has highlighted the high prospectivity of the project area. The Company has identified numerous high priority exploration targets on the basis of strong alteration associated with favourable structural intersections associated with granitic intrusions.

4.5.5 Mt Flora

The 22.71 km^2 Mt Flora Gold-Nickel Project comprises 13 PLs located 45 km NE of Leonora and 7 km NW of the Glencore Ni-Co laterite Mine and processing plant at Murrin Murrin within the Mt Morgans District of the Mt Margaret Mineral Field of WA.

The project area covers a sequence of tightly folded NNE trending greenstones which are comprised of tholeiitic mafic volcanics, high-magnesian basalt, BIF, ultramafic rocks and a variety of mafic intrusives. The greenstones in the south of the project area have been tightly folded into the NNE trending Mt Flora Syncline which is bounded by the similarly trending Federation and Sligo Creek Faults. Lateritised ultramafic units occur just east of United Bore and also near Christmas Well and represent Ni-Co laterite targets.

The project area covers numerous historic gold workings associated with the intersection of the NNE trending Federation and Sligo Creek Faults with the WNW trending Randwick Fault. Historic drilling by Terrain Minerals in the vicinity of White Shaft gave a best intersection of 2 m at 15.3 g/t Au which was never followed up.
Recent rock chip sampling at Mt Flora returned up to 115.98g/t Au, 50g/t Ag and 0.68% Pb. Approval for reconnaissance drilling has been received from the Department of Mines and Petroleum.

4.5.6 Randwick

The 12.1 km^2 Randwick Gold Project comprises 10 PLs located just north of the historic Randwick Mining Centre, approximately 45 km NE of Leonora and 75 km west of Laverton within the Malcolm District of the Mt Margaret Mineral Field of WA.

The project area overlies the Randwick Fault which forms part of the Sandstone-Mt Weld Lineament ("SMWL"). This lineament constitutes an important structural control for gold mineralisation in the region. The project area covers a sequence of folded and faulted Archaean greenstones close to the contact with granitic rocks of the intrusive Nambi Batholith to the north.

Gold mineralisation in the general Randwick area is mainly hosted by quartz veins which occur within a variety of rock types. The leases cover numerous historic gold workings at the intersection of the north-south trending Pearl Shell Fault (part of the SMWL).

The historic high-grade Golden Chain Mine (97.65g/t Au) is in the centre of the project area within P37/7997 and a highly prospective auriferous palaeo-channel has also been identified south of the mine. The Company has identified a number of significant gold targets within the project area.

4.6 Exploration Potential

The Kin exploration philosophy is to initially gain an understanding of the structural controls of the known mineral deposits of the region. The smaller, higher-grade gold and nickel deposits may be developed profitably and possibly quite quickly.

A preliminary structural geological appraisal of the district identified a number of high-quality targets that are not associated with historical workings or known mineral occurrences. These targets have been developed over many years by a combination of very detailed geological mapping and geophysical interpretation.

Many of the major targets identified occur below cover in areas of deeply buried Archaean bedrock, for example Desdemona. Most of these targets have had very little or no exploration carried out over them to date, although they are often close to areas of previous investigation. From interpretation of aeromagnetic surveys, Kin has identified the major SMWL as a subtle tectonic lineament trending in a WNW direction through the district that is interpreted to have had a major controlling influence on gold mineralisation.

The SMWL is a craton-scale aeromagnetic trend which links the rare earths-rich carbonatite at Mt Weld, south of Laverton to the historic high-grade gold deposits at Sandstone. Between Mt Weld and Sandstone, the Wallaby gold deposit (7.1Moz Au) and the historic Mt Morgans Gold Mine (1.5Moz Au) occur along this lineament, as do the smaller abandoned Jupiter and Mertondale open-cut gold mines. The Granny Smith Gold Mine also lies very close to this trend, as does the Bannockburn Gold Mine 60km NW of Leonora.

The Iron King Group and Mt Flora Project Areas are associated with magnetic anomalies lying directly on this lineament and the Randwick Project area is adjacent to the northern side of this trend. The Iron King Group is also directly along the NNW trending GSZ that hosts the Sons of Gwalia Mine (6.86Moz Au) and the King of the Hills Gold Mine (3.68Moz Au).

The “Little Pete” gold and base-metal target within the Iron King leases is located at the intersection of the Gwalia Shear and the SMWL and is associated with a major untested gossanous zone within felsic volcanics.

At Redcastle, the major gold targets are located within highly altered and sheared mafic rocks intruded by granites at the core of the regional Redcastle Anticline.

Previous shallow drilling at Redcastle has identified high-grade gold mineralisation associated with old workings (RR205 with 2 m at 15.3g/t Au from 20 m including 1 m at 23.6g/t Au from 20 m). This mineralisation is open along strike and at depth and will be a priority target for early follow-up and deeper RC drilling.

Significant RAB and RC drill intersections have also been returned from previous gold exploration at Murrin Murrin, Iron King and Desdemona project areas. Many of these intersections are open at depth or along strike and present immediate targets for future exploration programs.

At the Desdemona Project two aeromagnetic high targets have both returned encouraging results from previous drilling. There is potential for the discovery of significant gold and possibly Ni-Cu-Co-PGE mineralisation on KIN tenements.

5.0 Valuation of the Projects

When valuing any mineral asset/project it is important to consider as many factors as possible that may either assist or impinge upon the current cash value estimates of the mineral asset/project under consideration. In this Report AM&A considers that the primary features to be taken into account are the Mineral Licence Security; Sovereign Risk; Available Infrastructure; Relevant Expenditure and the general geological setting.

Basically, these “Boxes are Ticked” as described above with regards to mineral licence security, convenient infrastructure, previous mining and favourable geological environment.

5.1 Selection of Valuation Methods

The following valuation methods, as described in section 2, are not considered applicable for the respective reasons provided:

- The Discounted Cash Flow method cannot be used for the Project as the lack of resource estimates precludes a DCF;
- The Kilburn ‘prospectivity’ method - as the range of values generated is typically too wide to be realistic;
- Comparable transactions – with the recent general demise of the exploration industry this has curtailed much activity so no similar relevant transactions could be located.
- Real estate value which is usually based on a value ascribed to varying areas of tenement holdings which may consequently become unrealistic and,
- Empirical rule of thumb or yardstick approach which relies on resources or reserves with an insitu value assigned; at the Leonora projects no resource estimates have yet have been undertaken.

Accordingly the MEE method has been adapted as the basis for the estimation of the value and its ranges at the Leonora listing Project. For the purposes of this report AM&A considers that the MEE method is the most applicable.

5.2 Valuation - MEE Method

The MEE Method was selected as the main basis for the valuation. Previous Form 5 expenditures to the DMP were checked on line and accepted; the total was then subjected to PEM factors that range from 1.1 to1.5.These PEM factors was selected to reflect the positive prospectivity of each project area. Finally a range of values was achieved by applying ±10% to the accepted preferred expenditure to produce a low and a high range of value. The results of this determination are summarised in Appendix 1.

5.3 Valuation Conclusions

AM&A considers that the MEE method applied to historic expenditures is most applicable; this current valuation conclusion presents this estimate and ranges. The summary of the method is presented in Table 2.

	A$M		
Project	**Low**	**High**	**Preferred**
Desdemona	15.49	18.93	**17.21**
Iron King	1.37	1.68	**1.53**
Murrin Murrin	2.63	3.22	**2.92**
Mt Flora	1.64	2.01	**1.83**
Randwick	0.66	0.80	**0.73**
Redcastle	1.73	2.12	**1.92**
Total	**23.53**	**28.76**	**26.14**

Table 2: Summary Range of Current Values.

This Report concludes that the current cash value of 100% of the Leonora Project is ascribed at $26.1million from within the range of $23.5 million to $28.8 million.

Yours faithfully,

Allen J. Maynard
BAppSc(Geol), MAIG, MAusIMM.

6.0 References

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Appendix 1: Kin Valuation Estimate Workings.

Kin Val worksheet							1 Oct 2014
MEE method DMP Form 5 expenditures available					$M		
Project	**Expended**	**Inflation Adjusted**	**PEM Factor**	**PEM Infl Adjusted Total**	**Pref**	**Low**	**High**
Desdemona	$10,183,763	$14,341,373	1.2	$17,209,648	17.21	15.49	18.93
Iron King	$979,678	$1,272,963	1.2	$1,527,556	1.53	1.37	1.68
Murrin Murrin	$1,377,824	$1,949,148	1.5	$2,923,722	2.92	2.63	3.22
Mt Flora	$1,212,102	$1,661,412	1.1	$1,827,553	1.83	1.64	2.01
Randwick	$525,274	$662,752	1.1	$729,027	0.73	0.66	0.80
Redcastle	$1,427,396	$1,749,071	1.1	$1,923,978	1.92	1.73	2.12
Total	$15,706,037	$21,636,719		$26,141,484	26.14	23.53	28.76

Appendix 2: Tenement Holding

KIN MINING NL

TENEMENT SCHEDULE BY PROJECT AREAS

DESDEMONA									
Tenement ID	**Status**	**Holder**	**Area (ha)**	**Applied**	**Granted**	**Expiry**	**Exp'ture**	**Rent**	**Rates**
E37/1201	Pending	TJD	1200	05.08.2014	-	-	$ -	$ 488.40	$ -
E37/1203	Pending	TJD	1201	15.08.2014	-	-	$ -	$ 488.40	$ -
P37/8500	Pending	KIN	198	18.08.2014	-	-	$ -	$ 465.30	$ -
P37/8504	Pending	KIN	77	03.09.2014	-	-	$ -	$ 465.60	$ -
E37/1152	Live	KIN	1499	14.12.2012	12.12.2013	11.12.2017	$ 15,000.00	$ 595.00	$ 287.00
E37/1156	Live	KIN	599	24.04.2013	30.01.2014	29.01.2019	$ 15,000.00	$ 238.00	$ 287.00
E40/283	Live	TJD	9984	15.02.2010	23.03.2011	22.03.2016	$ 34,000.00	$ 6,293.40	$ 1,412.42
E40/285	Live	TJD	576	10.03.2010	11.11.2010	10.11.2015	$ 20,000.00	$ 370.20	$ 287.00
E40/320	Live	KIN	5996	09.02.2012	04.12.2012	03.12.2017	$ 20,000.00	$ 2,380.00	$ 1,079.92
E40/323	Live	KIN	899	21.12.2012	13.12.2013	12.12.2017	$ 15,000.00	$ 357.00	$ 287.00
M40/330	Live	TJD,WVB ,WH	321	02.10.2009	17.06.2010	16.06.2031	$ 32,100.00	$ 5,039.70	$ 3,474.95
P37/8350	Live	KIN	93	21.12.2012	29.11.2013	28.11.2017	$ 3,720.00	$ 213.90	$ 287.00
P37/8390	Live	KIN	155	24.04.2013	13.02.2014	12.02.2018	$ 6,200.00	$ 348.75	$ 287.00
P40/1263	Live	TJD	198	13.10.2009	05.10.2010	04.10.2014	$ 7,920.00	$ 455.40	$ 314.23
P40/1283	Live	KIN	146	23.09.2011	11.09.2012	10.09.2016	$ 5,840.00	$ 335.80	$ 250.44
P40/1284	Live	KIN	199	23.09.2011	16.07.2012	15.07.2016	$ 8,000.00	$ 460.00	$ 315.34
P40/1285	Live	KIN	199	23.09.2011	16.07.2012	15.07.2016	$ 8,000.00	$ 460.00	$ 315.34
P40/1286	Live	KIN	199	23.09.2011	16.07.2012	15.07.2016	$ 8,000.00	$ 460.00	$ 315.34
P40/1287	Live	KIN	153	23.09.2011	16.07.2012	15.07.2016	$ 6,120.00	$ 354.20	$ 250.44
		Totals:-	**23892**				**$ 204,900.00**	**$ 20,269.05**	**$ 9,450.42**

IRON KING / VICTORY									
Tenement ID	**Status**	**Holder**	**Area (ha)**	**Applied**	**Granted**	**Expiry**	**Exp'ture**	**Rent**	**Rates**
P37/8458	Pending	KIN	200	05.03.2014	-	-	$ -	$ 460.00	$ -
P37/8459	Pending	KIN	200	05.03.2014	-	-	$ -	$ 460.00	$ -
P37/8460	Pending	KIN	200	05.03.2014	-	-	$ -	$ 460.00	$ -
P37/8461	Pending	KIN	102	05.03.2014	-	-	$ -	$ 234.60	$ -
P37/7175	Live	TJD	120	29.01.2007	29.01.2009	28.01.2017	$ 4,800.00	$ 276.00	$ 287.00
P37/7176	Live	TJD	130	29.01.2007	29.01.2009	28.01.2017	$ 5,200.00	$ 299.00	$ 287.00
P37/7177	Live	TJD	120	29.01.2007	29.01.2009	28.01.2017	$ 4,800.00	$ 276.00	$ 287.00
P37/7194	Live	TJD, CC, RFC	14	29.01.2007	29.01.2009	28.01.2017	$ 2,000.00	$ 32.20	$ 287.00
P37/7195	Live	TJD, CC, RFC	200	29.01.2007	29.01.2009	28.01.2017	$ 8,000.00	$ 460.00	$ 317.40
P37/7196	Live	TJD, CC, RFC	200	29.01.2007	29.01.2009	28.01.2017	$ 8,000.00	$ 460.00	$ 317.40
P37/7197	Live	TJD, CC, RFC	200	29.01.2007	29.01.2009	28.01.2017	$ 8,000.00	$ 460.00	$ 317.40
P37/7198	Live	TJD, CC, RFC	200	29.01.2007	29.01.2009	28.01.2017	$ 8,000.00	$ 460.00	$ 317.40
P37/8455	Live	KIN	196	11.02.2014	26.08.2014	25.08.2018	$ 7,840.00	$ 450.80	$ -
		Totals:-	**2082**				**$ 56,640.00**	**$ 4,788.60**	**$ 2,417.60**

MURRIN MURRIN									
Tenement ID	**Status**	**Holder**	**Area (ha)**	**Applied**	**Granted**	**Expiry**	**Exp'ture**	**Rent**	**Rates**
M39/279	Live	TJD, RCM	28	13.08.1992	15.01.1993	14.01.2035	$ 10,000.00	$ 439.60	$ 367.32
P39/4913	Live	TJD	200	07.01.2008	29.01.2009	28.01.2017	$ 8,000.00	$ 460.00	$ 317.40
P39/4914	Live	TJD	200	07.01.2008	29.01.2009	28.01.2017	$ 8,000.00	$ 460.00	$ 317.40
P39/4915	Live	TJD	200	07.01.2008	29.01.2009	28.01.2017	$ 8,000.00	$ 460.00	$ 317.40
P39/4916	Live	TJD	140	07.01.2008	29.01.2009	28.01.2017	$ 5,600.00	$ 322.00	$ 287.00
P39/4980	Live	SC	158	19.12.2008	24.09.2009	23.09.2017	$ 6,320.00	$ 363.40	$ 287.00
P39/5112	Live	TJD	180	10.05.2010	12.04.2011	11.04.2015	$ 7,200.00	$ 414.00	$ 287.00
P39/5113	Live	TJD	175	10.05.2010	12.04.2011	11.04.2015	$ 7,000.00	$ 402.50	$ 287.00
P39/5164	Live	RLG	144	06.12.2010	16.08.2011	15.08.2015	$ 5,800.00	$ 333.50	$ 287.00
P39/5165	Live	RLG	192	06.12.2010	16.08.2011	15.08.2015	$ 7,680.00	$ 441.60	$ 310.32
P39/5176	Live	RLG	121	31.12.2010	21.02.2012	20.02.2016	$ 4,840.00	$ 278.30	$ 287.00
P39/5177	Live	RLG	121	31.12.2010	21.02.2012	20.02.2016	$ 4,840.00	$ 278.30	$ 287.00
P39/5178	Live	RLG	121	31.12.2010	21.02.2012	20.02.2016	$ 4,840.00	$ 278.30	$ 287.00
P39/5179	Live	RLG	95	31.12.2010	21.02.2012	20.02.2016	$ 3,840.00	$ 278.30	$ 287.00
P39/5180	Live	Kazoo Nominees Pty Ltd	121	03.02.2011	02.03.2012	01.03.2016	$ 4,840.00	$ 278.30	$ 287.00
		Totals:-	**2196**				**$ 96,800.00**	**$ 5,488.10**	**$ 4,499.84**

REDCASTLE									
Tenement ID	**Status**	**Holder**	**Area (ha)**	**Applied**	**Granted**	**Expiry**	**Exp'ture**	**Rent**	**Rates**
P39/4528	Live	TJD	198	06.06.2006	28.09.2007	27.09.2015	$ 7,920.00	$ 455.40	$ 320.30
P39/4550	Live	Ross Crew	10	02.08.2006	23.10.2008	22.10.2016	$ 2,000.00	$ 23.00	NIL
P39/4593	Live	TJD	200	22.01.2007	30.12.2008	29.12.2016	$ 8,000.00	$ 460.00	$ 321.22
P39/4834	Live	TJD	150	19.03.2007	30.12.2008	29.12.2016	$ 6,000.00	$ 345.00	$ 270.48
P39/4839	Live	TJD	155	30.04.2007	30.12.2008	29.12.2016	$ 6,200.00	$ 356.50	$ 270.48
P39/4930	Live	ODS Pty Ltd	200	20.02.2008	27.03.2009	26.03.2016	$ 8,000.00	$ 460.00	**
P39/5097	Live	TJD	200	11.02.2010	02.12.2010	01.12.2014	$ 8,000.00	$ 460.00	$ 322.14
P39/5098	Live	TJD	87	11.02.2010	02.12.2010	01.12.2014	$ 3,480.00	$ 200.10	$ 287.00
P39/5099	Live	TJD	190	11.02.2010	02.12.2010	01.12.2014	$ 7,600.00	$ 437.00	$ 306.06
P39/5100	Live	TJD	198	11.02.2010	02.12.2010	01.12.2014	$ 7,920.00	$ 455.40	$ 318.97
P39/5101	Live	TJD	198	11.02.2010	02.12.2010	01.12.2014	$ 7,920.00	$ 455.40	$ 318.97
P39/5102	Live	TJD	165	11.02.2010	02.12.2010	01.12.2014	$ 6,600.00	$ 379.50	$ 270.53
P39/5103	Live	TJD	129	15.02.2010	02.12.2010	01.12.2014	$ 5,160.00	$ 296.70	$ 270.53
P39/5105	Live	TJD	200	26.03.2010	12.04.2011	11.04.2015	$ 8,000.00	$ 460.00	$ 287.00
P39/5267	Live	TJD	200	25.01.2012	20.03.2013	19.03.2017	$ 8,000.00	$ 460.00	$ 320.08
		Totals:-	**2480**				**$ 100,800.00**	**$ 5,704.00**	**$ 3,883.76**

MT FLORA									
Tenement ID	**Status**	**Holder**	**Area (ha)**	**Applied**	**Granted**	**Expiry**	**Exp'ture**	**Rent**	**Rates**
P39/5463	Live	KIN	136	31.10.2013	30.05.2014	29.05.2018	$ 5,440.00	$ 312.80	$ 311.46
P39/4617	Live	TJD	11	25.01.2007	30.12.2008	29.12.2016	$ 2,000.00	$ 25.30	$ 287.00
P39/4618	Live	TJD	200	25.01.2007	30.12.2008	29.12.2016	$ 8,000.00	$ 460.00	$ 317.40
P39/4619	Live	TJD	192	25.01.2007	30.12.2008	29.12.2016	$ 7,680.00	$ 441.60	$ 304.70
P39/4620	Live	TJD	165	25.01.2007	30.12.2008	29.12.2016	$ 6,600.00	$ 379.50	$ 287.00
P39/4621	Live	TJD	196	25.01.2007	30.12.2008	29.12.2016	$ 7,840.00	$ 450.80	$ 311.05
P39/4912	Live	TJD	200	07.01.2008	07.01.2010	06.01.2018	$ 8,000.00	$ 460.00	$ 317.40
P39/4960	Live	TJD	187	12.08.2008	17.04.2009	16.04.2017	$ 7,480.00	$ 430.10	$ 287.00
P39/4961	Live	TJD	190	12.08.2008	17.04.2009	16.04.2017	$ 7,600.00	$ 437.00	$ 302.85
P39/5181	Live	TJD	198	11.02.2011	18.10.2011	17.10.2015	$ 7,920.00	$ 455.40	$ 314.23
P39/5182	Live	TJD	199	11.02.2011	18.10.2011	17.10.2015	$ 7,960.00	$ 457.70	$ 315.74
P39/5183	Live	TJD	199	11.02.2011	18.10.2011	17.10.2015	$ 7,960.00	$ 457.70	$ 315.74
P39/5185	Live	TJD	198	11.02.2011	16.12.2011	15.12.2015	$ 7,920.00	$ 455.40	$ 314.23
		Totals:-	**2271**				**$ 92,400.00**	**$ 5,223.30**	**$ 3,985.80**

RANDWICK									
Tenement ID	**Status**	**Holder**	**Area (ha)**	**Applied**	**Granted**	**Expiry**	**Exp'ture**	**Rent**	**Rates**
P37/7283	Live	RFC	120	05.02.2007	30.10.2008	29.10.2016	$ 4,800.00	$ 276.00	$ 287.00
P37/7284	Live	RFC	120	05.02.2007	30.10.2008	29.10.2016	$ 4,800.00	$ 276.00	$ 287.00
P37/7806	Live	RJW	121	20.08.2009	24.06.2010	23.06.2018	$ 4,840.00	$ 278.30	$ 287.00
P37/7995	Live	LCF	122	26.10.2010	01.07.2011	30.06.2015	$ 4,880.00	$ 280.60	$ 287.00
P37/7996	Live	LCF	122	26.10.2010	01.07.2011	30.06.2015	$ 4,880.00	$ 280.60	$ 287.00
P37/7997	Live	LCF	80	26.10.2010	01.07.2011	30.06.2015	$ 3,200.00	$ 184.00	$ 287.00
P37/7998	Live	LCF	122	26.10.2010	01.07.2011	30.06.2015	$ 4,880.00	$ 280.60	$ 287.00
P37/7999	Live	LCF	122	26.10.2010	01.07.2011	30.06.2015	$ 4,880.00	$ 280.60	$ 287.00
P37/8000	Live	LCF	112	26.10.2010	01.07.2011	30.06.2015	$ 4,480.00	$ 257.60	$ 287.00
P37/8001	Live	LCF	171	26.10.2010	01.07.2011	30.06.2015	$ 6,840.00	$ 393.30	$ 287.00
		Totals:-	**1212**				**$ 48,480.00**	**$ 2,787.60**	**$ 2,870.00**

7.0 Glossary of Technical Terms and Abbreviations

Aeromagnetic	A survey made from the air for the purpose of recording magnetic Survey characteristics of rocks.
Alluvial	Transported and deposited by water.
Complex	An assemblage of rocks or minerals intricately mixed or folded together.
Conformable	Beds deposited upon one another in uninterrupted sequence.
Conglomerate	Sedimentary rock formed by the cementing together of rounded water- worn pebbles, distinct from breccia.
Diamond drill	Rotary drilling using diamond impregnated bits, to produce a solid continuous core sample of the rock.
Dip	The angle at which a rock layer, fault of any other planar structure is inclined from the horizontal.
Dyke	A tabular intrusive body of igneous rock that cuts across bedding at a high angle.
Fault	A fracture in rocks on which there has been movement on one of the sides relative to the other, parallel to the fracture.
Felsic	Descriptive of an igneous rock which is predominantly of light coloured minerals (antonym: of mafic).
Footwall	Rocks underlying mineralisation .
Granite	A coarse grained igneous rock consisting essentially of quartz and more alkali feldspar than plagioclase.
Intercept	The length of rock or mineralisation traversed by a drillhole.
JORC	Joint Ore Reserves Committee- Australasian Code for Reporting of Identified Resources and Ore Reserves.
Magnetic Survey	Systematic collection of readings of the earth's magnetic field.
Mineralisation	In economic geology, the introduction of valuable elements into a rock body.
Ore	A mixture of minerals, host rock and waste material which is expected to be mineable at a profit.
Outcrop	The surface expression of a rock layer (verb: to crop out).
Primary	Mineralisation which has not been affected by near surface mineralisation oxidising process.
Quartz	A very common mineral composed of silicon dioxide-SiO_2.
RAB	Rotary Air Blast (as related to drilling)—A drilling technique in which the sample is returned to the surface outside the rod string by compressed air.
RC	Reverse Circulation (as relating to drilling)—A drilling technique in which the cuttings are recovered through the drill rods thus minimising sample losses and contamination.
Recent	Geological age from about 20,000 years ago to present (synonym: Holocene).
Reconnaissance	A general examination or survey of a region with reference to its main features, usually as a preliminary to a more detailed survey.
Remote Sensing	Geophysical data obtained by satellites processed and presented Imagery as photographic images in real or false colour combinations.
Reserve	In-situ mineral occurrence which has had mining parameters applied to it, from which valuable or useful minerals may be recovered.
Resource	In-situ mineral occurrence from which valuable or useful minerals may be recovered, but from which only a broad knowledge of the geological character of the deposit is based on relatively few samples or measurements.
Sandstone	A cemented or otherwise compacted detrital sediment composed predominantly of quartz grains.
Shear (zone)	A zone in which shearing has occurred on a large scale so that the rock is crushed and brecciated.
Stratigraphy	The succession of superimposition of rock strata. Composition, sequence and correlation of stratified rock in the earth's crust.
Strike	The direction or bearing of the outcrop of an inclined bed or structure on a level surface.
Subcrop	The surface expression of a mostly concealed rock layer.
Syncline	A fold where the rock strata dip inwards towards the axis (antonym: anticline).
Ultramafic	Synonymous with ultrabasic.
Volcanic	Relating to the eruption of a volcano.
Volcaniclastic	Describes clastic fragments of volcanic origin.

CHEMICAL SYMBOLS

As	Arsenic	Au	Gold
Ca	Calcium	Cu	Copper
Fe	Iron	K	Potassium
Mo	Molybdenum	Na	Sodium
Ni	Nickel	Pb	Lead
Ti	Titanium	Zn	Zinc

ABBREVIATIONS

B	billion	cm	centimetre
ha	hectare	km	kilometre
km^2	square kilometre	m	metre
m^2	square metre	m^3	cubic metre
mm	millimetre	M	million
t	tonne	tpa	tonnes per annum

UNITS OF CONCENTRATION

ppb	parts per billion	ppm	parts per million