

Kin Mining NL

ABN 30 150 597 541

**Interim Report
31 December 2022**

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CORPORATE INFORMATION

ABN 30 150 597 541

Directors

Giuseppe (Joe) Graziano
Andrew Munckton
Hansjoerg Plaggemars
Nicholas Anderson
Rowan Johnson

Company Secretary

Stephen Jones

Registered office

First Floor
342 Scarborough Beach Road
OSBORNE PARK WA 6017

Principal place of business

First Floor
342 Scarborough Beach Road
OSBORNE PARK WA 6017
Tel: (08) 9242 2227

Share register

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

Solicitors

Dominion Legal
104 Edward Street
PERTH WA 6000

Auditors

HLB Mann Judd (WA Partnership)
Level 4, 130 Stirling Street
Perth WA 6000

Securities Exchange Listing

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

DIRECTORS' REPORT

Your Directors' submit the financial report of the Group consisting of Kin Mining NL ("the Company") and its wholly-owned subsidiaries, for the half-year ended 31 December 2022. In order to comply with the provisions of the Corporations Act 2001, the Directors report as follows:

Directors

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

Giuseppe (Joe) Graziano	Non-executive Chairman
Andrew Munckton	Managing Director
Brian Dawes (retired 24 November 2022)	Non-executive Director
Hansjoerg Plaggemars	Non-executive Director
Nicholas Anderson	Non-executive Director
Rowan Johnson (appointed 15 July 2022)	Non-executive Director

Review of Operations

The half-year to 31 December 2022 has been an active and positive period where the Company continued to make excellent progress with its exploration-driven strategy aimed at growing the resource inventory and making new discoveries at the Company's flagship 100%-owned Cardinia Gold Project ("CGP" or "the Project") in Western Australia (Figure 1).

We were pleased to announce an updated Mineral Resource Estimate with an addition of 132,000 ounces of gold including 95,000 ounces of gold at Rangoon within the rapidly-emerging Eastern Corridor.

The Eastern Corridor continues to yield significant drilling results that point to it becoming a more significant part of the Company's Mineral Resource Estimate over time.

During the current half year, positive drilling results were received across discrete portions of the Eastern Corridor including:

- Deep drilling designed to test an Induced Polarisation (IP) anomaly at the Helens-Rangoon Fault:
 - 2.5m at 3.14g/t Au from 269.5m on the fault position coincident with the IP anomaly; and
 - 0.6m at 30.4g/t from 104.65m in flat east dipping laminated quartz veins in IP22DD001.
- Helens East Fault:
 - 4m at 5.69g/t Au from 101m in HE22RC053 incl 1m at 18.16 g/t Au from 103m
 - 3m at 6.06g/t Au from 127m in HE22RC049
 - 5m at 3.23g/t Au from 126m in HE22RC047
 - 2m at 4.17g/t Au from 34m in HE22RC050
 - 1m at 7.13g/t Au from 100m in HE22RC052
 - 2m at 24.0g/t Au from 204m in HE22RC039
 - 3m at 2.30g/t Au from 153m in HE22RC042
 - 7m at 2.42g/t Au from 93m in HE22RC043
- Helens Rangoon Fault:
 - 4.63m @ 1.6 g/t Au from 215m in RN22CD169
 - 4.77m at 1.75g/t Au from 214.5m in RN22CD168

Further afield an air-core program at Murrin Murrin returned significant assay results including:

- 4m at 0.95g/t Au from 20m (MM22AC037)
- 4m at 1.52g/t Au from 12m (MM22AC039)
- 16m at 0.63g/t Au from 32m (MM22AC088)

We are encouraged as these ongoing drilling programs continue to highlight the potential to host a significant long-term gold mining operation from the Company's tenure.

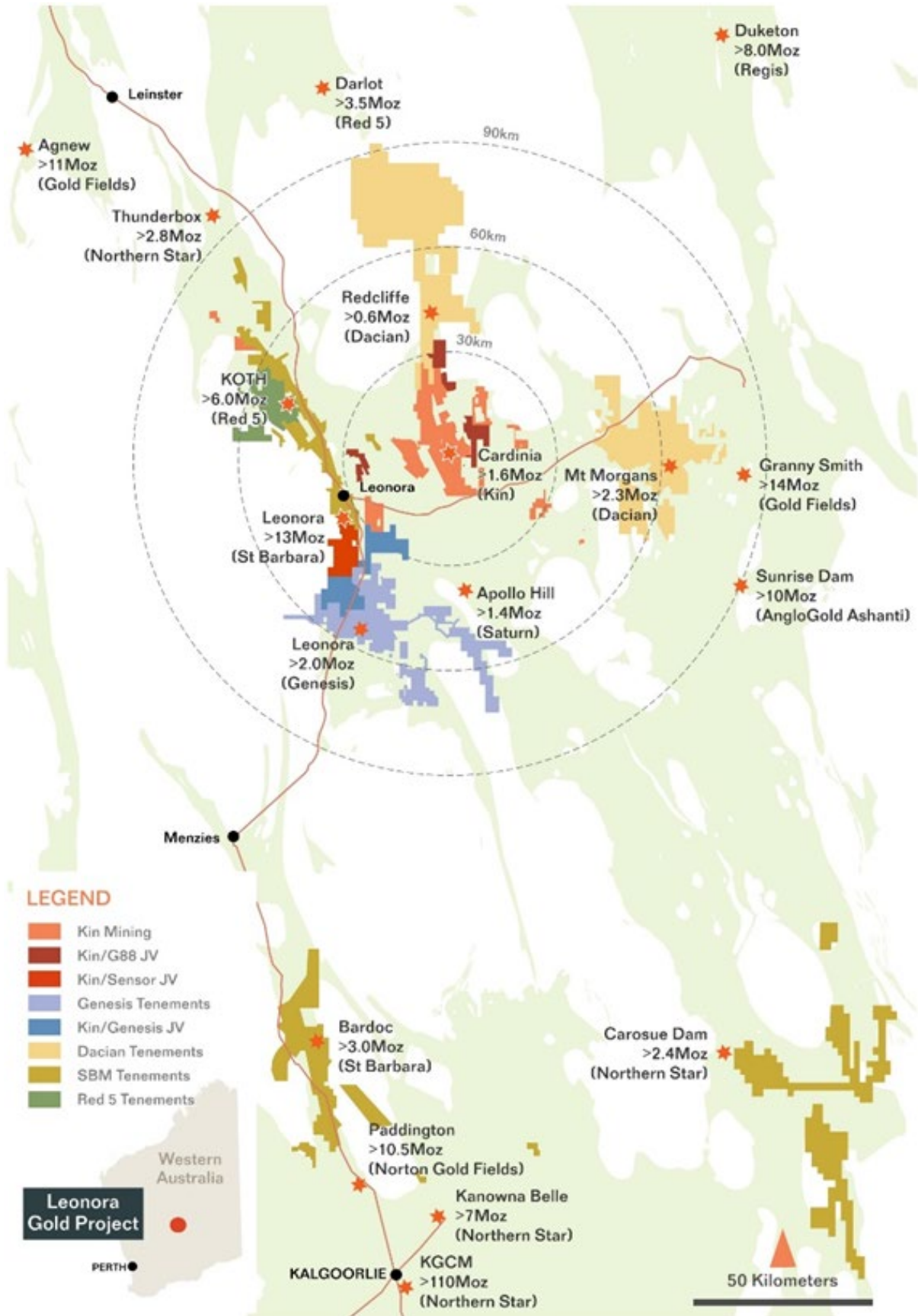


Figure 1: Location of the Cardinia Gold Project including major mineral deposits in the region. (Stated size of deposits includes historical production and current mineral resources.)

Corporate

On the corporate front, the Company acquired on market, a 7.34% holding in Dacian Gold Limited (Dacian) (ASX: DCN). Kin also notes that its major shareholder, Delphi Unternehmensberatung Aktiengesellschaft Group (Delphi Group), holds an additional 3.22% of Dacian. This shareholding positions Kin to help facilitate regional consolidation in the Leonora district.

Dacian was the subject of an off-market takeover bid by Genesis Minerals Limited (ASX: GMD) which was announced on 5 July 2022. GMD's bid for DCN closed on 20 February 2023 with GMD acquiring an interest in 80.08% of the outstanding shares of DCN.

Kin views the Dacian assets as good value and began accumulating a position via on-market purchases of Dacian shares in late August 2022. Kin is looking forward to working with DCN and its shareholders to see the DCN assets operating at their full capacity.

The company raised \$9,742,500, before costs on 18 August 2022 from a placement of 129,900,000 new shares and followed that placement with a non-renounceable 1-for-7 pro-rata Entitlement Offer announced on 18 August 2022. The Entitlement Offer raised a further \$3,936,568 (before costs). The funds raised from the placement and entitlement offer allowed Kin to prepare for the continuance of systematic drilling activities at the Cardinia Gold Project and secure the stake in Dacian Gold Limited.

The Board remains committed to growing shareholder value by building a resource inventory base that will support the CGP development plan.

Events Subsequent to Reporting Date

On 24 January 2023 Kin issued a Bearer Bond to major shareholder, Delphi Group. The short-term bond facility for \$3 million (\$2.910M was received from the issuance of the bond) is repayable within three months of issuance and carries an interest rate of 8%pa. The Bond was repaid on 24 February 2023 along with interest of \$19,068.

On 10 February 2023 the Company closed the 1 for 3 Entitlement Issue that was announced on 18 January 2023. The Entitlement Issue closed with 129,629,032 applications for new shares and a shortfall of 219,878,140 shares. The issue of these entitlement shares raised \$7.130M in funds for the Company. The shortfall shares can be issued at the discretion of the Board up until 10 May 2023 at no less than the offer price.

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

Auditor's Independence Declaration

Section 307C of the Corporations Act 2001 requires our auditors, HLB Mann Judd, to provide the Directors of the Company with an Independence Declaration in relation to the review of the half-year financial report. This Independence Declaration is set out on page 6 and forms part of this Directors' report for the half-year ended 31 December 2022.

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



Andrew Munckton
Managing Director
28 February 2023



AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the consolidated financial report of Kin Mining NL for the half-year ended 31 December 2022, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- a) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- b) any applicable code of professional conduct in relation to the review.

**Perth, Western Australia
28 February 2023**

A handwritten signature in black ink, appearing to read 'L Di Giallonardo'.

**L Di Giallonardo
Partner**

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

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2022**

	Note	31 December 2022 \$	31 December 2021 \$
Continuing operations			
Interest income		21,428	4,204
Other income		5,000	-
Gain on sale of assets		-	449
Depreciation and amortisation expense		(75,566)	(84,127)
Administration expenses		(499,789)	(358,843)
Consultant expenses		(109,790)	(54,000)
Employee expenses		(322,653)	(338,305)
Occupancy expenses		(33,610)	(33,077)
Travel expenses		(8,507)	(4,664)
Provision for rehabilitation	4	-	(1,400,000)
Exploration and evaluation expenses		(3,996,747)	(5,226,157)
Loss before income tax expense		(5,020,234)	(7,494,520)
Income tax expense		-	-
Loss after tax		(5,020,234)	(7,494,520)
Other comprehensive income, net of income tax			
Other comprehensive loss	3	(1,782,887)	-
Other comprehensive loss for the period, net of income tax		(1,782,887)	-
Total comprehensive loss for the period		(6,803,121)	(7,494,520)
Basic loss per share (cents per share)		(0.51)	(0.92)
Diluted loss per share (cents per share)		(0.51)	(0.92)

The accompanying notes form part of these financial statements.

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022**

	Notes	31 December 2022 \$	30 June 2022 \$
Assets			
Current assets			
Cash and cash equivalents		1,558,991	3,646,298
Trade and other receivables		105,333	67,586
Other current assets		133,477	49,882
Total current assets		1,797,801	3,763,766
Non-current assets			
Financial assets	3	8,927,548	-
Property, plant and equipment	4	10,106,546	10,170,624
Total non-current assets		19,034,094	10,170,624
Total assets		20,831,895	13,934,390
Liabilities			
Current liabilities			
Trade and other payables		1,036,428	596,590
Total current liabilities		1,036,428	596,590
Non-current liabilities			
Provisions	5	2,900,000	2,900,000
Total non-current liabilities		2,900,000	2,900,000
Total liabilities		3,936,428	3,496,590
Net assets		16,895,467	10,437,800
Equity			
Share capital	6	108,955,339	95,694,551
Reserves		247,684	2,030,571
Accumulated losses		(92,307,556)	(87,287,322)
Total equity		16,895,467	10,437,800

The accompanying notes form part of these financial statements.

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2022**

	Share capital	Accumulated losses	Share based payment reserve	Financial asset fair value movement reserve	Total equity
	\$	\$	\$	\$	\$
Balance at 1 July 2022	95,694,551	(87,287,322)	2,030,571	-	10,437,800
Loss for the period	-	(5,020,234)	-	-	(5,020,234)
Other comprehensive loss for the period	-	-	-	(1,782,887)	(1,782,887)
Total comprehensive loss for the period	-	(5,020,234)	-	(1,782,887)	(6,803,121)
Shares issued during the half-year	13,679,068	-	-	-	13,679,068
Share issue costs	(418,280)	-	-	-	(418,280)
Balance at 31 December 2022	108,955,339	(92,307,556)	2,030,571	(1,782,887)	16,895,467
Balance at 1 July 2021	88,755,629	(75,939,336)	2,030,571	-	14,846,864
Loss for the period	-	(7,494,520)	-	-	(7,494,520)
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive loss for the period	-	(7,494,520)	-	-	(7,494,520)
Shares issued during the half-year	6,982,311	-	-	-	6,982,311
Share issue costs	(25,852)	-	-	-	(25,852)
Balance at 31 December 2021	95,712,088	(83,433,856)	2,030,571	-	14,308,803

The accompanying notes form part of these financial statements.

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2022**

	31 December 2022	31 December 2021
	\$	\$
Cash flows from operating activities		
Payments to suppliers and employees for exploration expenditure	(3,488,180)	(5,711,039)
Payments to suppliers and employees for admin and corporate	(1,159,420)	(1,350,531)
Interest received	21,428	4,204
Net cash outflow from operating activities	(4,626,172)	(7,057,366)
Cash flows from investing activities		
Payments for property, plant and equipment	(11,488)	(27,706)
Payments for financial assets	3 (10,710,435)	-
Proceeds from sale of assets	-	449
Net cash outflow from investing activities	(10,721,923)	(27,257)
Cash flows from financing activities		
Proceeds from the issue of shares	13,679,068	6,982,311
Payments for share issue costs	(418,280)	(25,852)
Net cash inflow from financing activities	13,260,788	6,956,459
Net decrease in cash held	(2,087,307)	(128,164)
Cash and cash equivalents at the beginning of the period	3,646,298	7,443,297
Cash and cash equivalents at the end of the period	1,558,991	7,315,133

The accompanying notes form part of these financial statements.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

These condensed interim financial statements are general purpose financial statements, which have been prepared in accordance with the requirements of the *Corporations Act 2001*, Australian Accounting Standards including *AASB 134 Interim Financial Reporting*, Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board.

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

The interim financial statements do not include full disclosures of the type normally included in the full financial report. Therefore, it cannot be expected to provide as full an understanding of the financial performance, financial position and cash flows of the Group as in the full financial report. It is recommended that the interim financial statements be read in conjunction with the full financial report for the year ended 30 June 2022 and any public announcements made by Kin Mining NL and its subsidiaries during the half-year in accordance with continuous disclosure requirements arising under the *Corporations Act 2001* and the ASX Listing Rules.

The accounting policies and methods of computation adopted are consistent with those of the previous financial year and corresponding half-year, except for the impact of the new Standards and Interpretations effective 1 July 2022 disclosed in Note 1(b). These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

The interim financial statements have been prepared on a historical cost basis. Cost is based on the fair value of the consideration given in exchange for assets.

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

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

(b) Adoption of new and revised standards

Standards and Interpretations applicable to 31 December 2022

In the period ended 31 December 2022, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Group and effective for the current reporting period. As a result of this review, the Directors have determined that there is no material impact of the new and revised Standards and Interpretations on the Group and, therefore, no material change is necessary to Group accounting policies.

Standards and Interpretations in issue not yet adopted

The Directors have also reviewed all of the new and revised Standards and Interpretations in issue not yet adopted for the half-year ended 31 December 2022. As a result of this review the Directors have determined that there is no material impact of the Standards and Interpretations in issue not yet adopted on the Group and, therefore, no change is necessary to Group accounting policies.

(c) Statement of compliance

The interim financial statements were authorised for issue on 28 February 2023.

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

(d) Significant accounting estimates and judgements

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

The judgements, estimates and assumptions applied in the interim financial statements, including the key sources of estimation uncertainty were the same as those applied in the Group's last annual financial statements for the year ended 30 June 2022, except for the impact of the new Standards and Interpretations effective 1 July 2022 as disclosed in Note 1(b).

(e) Financial assets at fair value through other comprehensive income

Financial assets are recognised when the Group becomes a party to the contractual provisions of the financial instrument. Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred.

Financial assets other than financial assets are recorded fair value. The fair value was determined in line with the requirements of AASB 9, which does not allow for measurement at cost. The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

Investments in equity instruments that are not held for trading are eligible for an irrevocable election at inception to be measured at fair value through other comprehensive income (FVOCI). The Group made the irrevocable election to account for the investment in unlisted and listed equity securities at fair value through other comprehensive income (FVOCI).

Under FVOCI, the subsequent movements in fair value are recognised in other comprehensive income and are never reclassified to profit or loss. Dividends from these investments continue to be recorded as other income within the profit or loss unless the dividend clearly represents return of capital. Any gains or losses recognised in other comprehensive income (OCI) are not recycled upon derecognition of the asset.

(f) Going concern

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

Notwithstanding the fact that the Group incurred an operating loss of \$5,020,234 for the period ended 31 December 2022 and a net cash outflow from operating activities amounting to \$4,626,172, the Directors are of the opinion that the Group is a going concern for the following reasons.

On 10 February 2023 the Company closed the 1 for 3 Entitlement Issue that was announced on 18 January 2023. The Entitlement Issue closed with 129,629,032 applications for new shares and a shortfall of 219,878,140 shares. The issue of these entitlement shares raised \$7.130M in funds for the Company. The shortfall shares can be issued at the discretion of the Board up until 10 May 2023 at no less than the offer price.

The Directors anticipate that further equity raisings will be required in the forthcoming year to meet ongoing working capital and expenditure commitments and are confident of their ability to raise the required funds when required. Alternately, the Directors are confident that they will be able to defer exploration expenditure to manage the Company's cash flow and be able to continue as a going concern.

Should the equity raisings not be completed, there is a material uncertainty that may cast significant doubt as to whether the Group will be able to continue as a going concern and that it will be able to realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

NOTE 2: SEGMENT REPORTING

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

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

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

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

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2022**

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NOTE 3: FINANCIAL ASSETS

	31 December 2022	30 June 2022
	\$	\$
<u>Non-Current</u>		
Financial assets measured at fair value through other comprehensive income	8,927,548	-
	<u>8,927,548</u>	<u>-</u>

Financial assets are investments in shares in public listed companies and were purchased with cash of \$10,710,435. At 31 December 2022 the investments were marked to market resulting in a fair value loss recognised in other comprehensive income of \$1,782,887.

The fair value of the financial assets is a level 1 input, derived from quoted prices (unadjusted) in active markets for identical assets.

NOTE 4: PROPERTY, PLANT AND EQUIPMENT

	Freehold land and buildings	Assets in construction	Plant and equipment	Motor Vehicles	Total
	\$	\$	\$	\$	\$
Balance at 1 July 2022	2,854,951	6,892,144	244,403	179,126	10,170,624
Additions	-	-	11,488		11,488
Depreciation charge for the year	(19,981)	-	(37,673)	(17,912)	(75,566)
Balance at 31 December 2022	<u>2,834,970</u>	<u>6,892,144</u>	<u>218,218</u>	<u>161,214</u>	<u>10,106,546</u>

The useful life of the assets was estimated as follows for both 2022 and 2021:

Buildings	5 to 25 years
Plant and equipment	5 to 20 years
Motor vehicles	5 years
Computer equipment	2 to 3 years

NOTE 5: PROVISIONS

	31 December 2022	30 June 2022
	\$	\$
<u>Non-Current</u>		
Restoration and rehabilitation provision	2,900,000	2,900,000
	<u>2,900,000</u>	<u>2,900,000</u>

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2022**

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NOTE 6: SHARE CAPITAL

	31 December 2022	30 June 2022
	\$	\$
Ordinary shares Issued and fully paid	108,955,339	95,694,551

Movement in ordinary shares on issue

	Six Months to 31 December 2022		Year to 30 June 2022	
	No.	\$	No.	\$
<i>Movements in ordinary shares</i>				
Balance at beginning of period	866,133,947	95,694,551	799,192,341	88,755,629
Rights issues	52,487,569	3,936,568	66,498,202	6,982,311
Placement of shares	129,900,000	9,742,500	-	-
Shares issued on vesting of Performance Rights	-	-	443,404	-
Share issue costs	-	(418,280)	-	(43,389)
Balance of issued capital at end of the period	1,048,521,516	108,955,339	866,133,947	95,694,551

NOTE 7: OPTIONS AND PERFORMANCE RIGHTS

Movement in options on issue

	Six months to 31 December 2022		Year to 30 June 2022	
	No.	Weighted Average Exercise Price \$	No.	Weighted Average Exercise Price \$
Balance at the beginning of the period	6,000,000	0.914	12,000,000	0.957
Options issued	-	-	-	-
Options cancelled on expiry	(4,000,000)	1.250	(6,000,000)	1.000
Balance of options issued at the end of the period (i)	2,000,000	0.2433	6,000,000	0.914

Note:

- (i) The share options outstanding at 31 December 2022 had an exercise price of \$0.243 and a remaining contractual life of 336 days.

Performance Rights holdings of key management personnel

Four executives have performance rights included in their remuneration structures as disclosed below.

Mr Andrew Munckton, Mr Stephen Jones, Ms Leah Moore and Mr Chad Moloney have Annual Long Term Incentives (LTI) included in their employment contracts.

In November 2019 the shareholders agreed to grant 2019/2020 LTI in the form of performance rights to Mr Andrew Munckton in three tranches over three years as follows:

Tranche	Performance Period	Maximum allocation of long term incentives
Tranche 1	1 July 2019 – 30 June 2020	\$32,500
Tranche 2	1 July 2020 – 30 June 2021	\$32,500
Tranche 3	1 July 2021 – 30 June 2022	\$32,500

The Performance Period for these performance rights expired on 30 June 2022. Therefore, there will be no further performance rights issues related to the 2019/2020 LTI .

NOTE 7: OPTIONS AND PERFORMANCE RIGHTS (cont)

In November 2020 the shareholders agreed to grant 2020/2021 LTI in the form of performance rights to Mr Andrew Munckton in three tranches over three years as follows:

Tranche	Performance Period	Maximum allocation of long term incentives
Tranche 1	1 July 2020 – 30 June 2021	\$33,215
Tranche 2	1 July 2021 – 30 June 2022	\$33,215
Tranche 3	1 July 2022 – 30 June 2023	\$33,215

In November 2021 the shareholders agreed to grant 2021/2022 LTI in the form of performance rights to Mr Andrew Munckton in three tranches over three years as follows:

Tranche	Performance Period	Maximum allocation of long term incentives
Tranche 1	1 July 2021 – 30 June 2022	\$33,879
Tranche 2	1 July 2022 – 30 June 2023	\$33,879
Tranche 3	1 July 2023 – 30 June 2024	\$33,879

In November 2022 the shareholders agreed to grant 2022/2023 LTI in the form of performance rights to Mr Andrew Munckton in three tranches over three years as follows:

Tranche	Performance Period	Maximum allocation of long term incentives
Tranche 1	1 July 2022 – 30 June 2023	\$35,235
Tranche 2	1 July 2023 – 30 June 2024	\$35,235
Tranche 3	1 July 2024 – 30 June 2025	\$35,235

Mr Stephen Jones, Ms Leah Moore and Mr Chad Moloney have Long Term Incentives (LTI) included in their employment contracts at 20% of their TFR.

General Details of the Performance Rights

The Performance Rights will, subject to meeting the Performance Measures, vest into shares in the Company in accordance with the following formula.

$$\text{Number of shares} = \frac{\$ \text{ value of the Performance Rights}}{\text{Volume Weighted Average Price (VWAP) of the Company's shares over the 10 days on which trading in the Employer's shares occurred leading up to and including the day prior to the vesting date}}$$

The Performance Rights will vest on satisfaction of the following performance conditions.

The Board will have the unfettered and absolute right to determine and confirm whether vesting conditions have been met in respect of each and all tranches. In making its determination the Board will recognise the relevant tranche objective at the end of the applicable vesting period and have regard to implementation of the Business Plan, as well as other proposals endorsed by the Board as part of its ongoing review of strategy.

Vesting conditions will be a shareholder aligned measure (Total Shareholder Return – TSR).

Vesting of each Tranche will be measured in absolute terms and relative terms against a defined peer group approved by the Board which is reflective of companies in the same industry with similar issues in respect of organisational size, market capitalisation, geography, life cycle and project complexity as shown in the table below.

NOTE7: OPTIONS AND PERFORMANCE RIGHTS (cont)

Tranche ¹	Vesting conditions (Tranche Objective)	Weighting
Tranche 1	Company's Absolute TSR	50%
	Company's TSR relative to Peers	50%
Tranche 2	Company's Absolute TSR	50%
	Company's TSR relative to Peers	50%
Tranche 3	Company's Absolute TSR	50%
	Company's TSR relative to Peers	50%

¹⁾ The number of Performance Rights to be granted is calculated by dividing each tranche by the VWAP of the Company's Shares over the 10 days on which trading in the Company's Shares occurred leading up to and including the day prior to the vesting date.

Vesting of Performance Rights

No vesting expense has been recorded for the performance rights related to the 6 month period to 31 December 2022 on the basis of uncertainty of the performance conditions being met.

After the end of the prior financial year (year to 30 June 2022) the Board determined that the vesting criteria had not been met for any of the following:

1. Applicable June 2020 LTI (remaining Tranche 2 and 3),
2. Applicable June 2021 LTI (remaining Tranche 1 and 2), and
3. Applicable June 2022 LTI (Tranche 1).

Accordingly no shares were issued for performance rights.

NOTE 8: FINANCIAL INSTRUMENTS

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

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

	31 December 2022		30 June 2022	
	Carrying amount	Fair value	Carrying amount	Fair value
	\$	\$	\$	\$
<i>Financial assets</i>				
Cash and cash equivalents	1,558,991	1,558,991	3,646,298	3,646,298
Trade and other receivables	105,333	105,333	67,586	67,586
Financial assets (level 1)	8,927,548	8,927,548	-	-
<i>Financial liabilities</i>				
Financial liabilities held at amortised cost:				
Trade and other payables	1,036,428	1,036,428	596,590	596,590

NOTE 9: CONTINGENT LIABILITIES

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

NOTE 10: EVENTS SUBSEQUENT TO REPORTING DATE

On 24 January 2023 Kin issued a Bearer Bond to major shareholder, Delphi AG, has provided a short-term bond facility for \$3 million. \$2.910M was received from the issuance of the bond. The Bond carried an interest rate of 8%pa. The Bond was repaid on 24 February 2023 along with interest of \$19,068.

On 10 February 2023 the Company closed the 1 for 3 Entitlement Issue that was announced on 18 January 2023. The Entitlement Issue closed with 129,629,032 applications for new shares and a shortfall of 219,878,140 shares. The issue of these entitlement shares raised \$7.130M in funds for the Company. The shortfall shares can be issued at the discretion of the Board up until 10 May 2023 at no less than the offer price.

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

DIRECTORS' DECLARATION

1. In the opinion of the Directors of Kin Mining NL (the 'Company'):
 - a. the accompanying interim financial statements and notes are in accordance with the *Corporations Act 2001* including:
 - i. giving a true and fair view of the Group's financial position as at 31 December 2022 and of its performance for the half-year then ended; and
 - ii. complying with Australian Accounting Standards, the *Corporations Regulations 2001*, professional reporting requirements and other mandatory requirements.
 - b. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
 - c. the interim financial statements and notes thereto are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board.
2. This declaration has been made after receiving the declarations required to be made to the Directors in accordance with Section 303(5) of the *Corporations Act 2001* for the half-year ended 31 December 2022.

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



Andrew Munckton
Managing Director
28 February 2023



INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Kin Mining NL

Report on the Condensed Consolidated Half-Year Financial Report

Conclusion

We have reviewed the accompanying half-year financial report of Kin Mining NL ("the company") which comprises the condensed consolidated statement of financial position as at 31 December 2022, the condensed consolidated statement of profit or loss and other comprehensive income, the condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration, for the Group comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

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

- (a) giving a true and fair view of the Group's financial position as at 31 December 2022 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's responsibilities for the review of the financial report* section of our report. We are independent of the company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Material uncertainty related to going concern

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

Responsibility of the directors for the financial report

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

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Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2022 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

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

Independence

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

HLB Mann Judd

**HLB Mann Judd
Chartered Accountants**

**Perth, Western Australia
28 February 2023**

A handwritten signature in black ink, appearing to read 'L Di Giallonardo'.

**L Di Giallonardo
Partner**