



Prospectus

For the Offer of 12,500,000 Shares at an issue price of 20 cents each to raise \$2,500,000

Oversubscriptions of up to a further 7,500,000 Shares at an issue price of 20 cent each to raise up to an additional \$1,500,000 may be accepted

KIN Mining NL

ABN: 30 150 597 541

Proposed ASX Code: KIN



This Prospectus provides important information about the Company. You should read the entire document including the Application Form. If you have any questions about the Shares being offered under this Prospectus, or any other matter relating to an investment in the Company, you should consult your professional adviser. An investment in the Shares offered under this Prospectus is highly speculative.

Important Notice

This Prospectus is dated 15 August 2012 and was lodged with ASIC on that date. Neither ASIC, ASX nor any of their respective officers take any responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

No securities will be allotted or issued on the basis of this Prospectus later than 13 months after the date of this Prospectus. Application will be made to ASX within 7 days after the date of this Prospectus for admission of the Company to the Official List and quotation of the Shares the subject of this Prospectus.

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any of these restrictions. Failure to comply with these restrictions may violate securities laws. Applicants who are resident in countries other than Australia should consult their professional advisers as to whether any governmental or other consents are required or whether any other formalities need to be considered and followed.

This document may not be distributed in the United States. This document does not constitute an offer to sell, or a solicitation of an offer to buy securities in the United States. Any securities described in this document have not been and will not be, registered under the US Securities Act 1933 and may not be offered or sold in the United States except in transactions exempt from, or not subject to, registration under the US Securities Act 1933 and applicable US state securities law.

This Prospectus does not constitute an offer in any place in which, or to any person to whom, it should not be lawful to make such an offer.

No person is authorised to provide any information or make any representation in connection with the Offer which is not contained in this Prospectus.

Web Site - Electronic Prospectus

A copy of this Prospectus is available and can be downloaded from the website of the Company at www.kinmining.com.au. Any person accessing the electronic version of this Prospectus for the purpose of making an investment in the Company must be an Australian resident and must only access the Prospectus from within Australia. Persons who access the electronic version of this Prospectus should ensure that they download and read the entire Prospectus.

The Corporations Act prohibits any person passing onto another person an Application Form unless it is attached to a hard copy of this Prospectus or it accompanies the complete and unaltered version of this Prospectus. Any person may obtain a hard copy of this Prospectus free of charge by contacting the Company. If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the Application Form. If you have not, please contact the Company and the Company will send you, for free, either a hard copy or a further electronic copy of the Prospectus or both. The Company reserves the right not to accept an Application Form from a person if it has reason

to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

Suitability of Investment & Risks

Before deciding to invest in the Company, prospective investors should read entirely this Prospectus and, in particular, the summary of the Company's business in section 5 and the risk factors in section 6. They should carefully consider these factors in the light of their personal circumstances (including financial and taxation issues) and seek professional advice from their accountant, stockbroker, lawyer or other professional adviser before deciding to invest. Any investment in the Shares of the Company should be regarded as speculative.

Definitions and Photographs

Certain terms and abbreviations used in this Prospectus have defined meanings which are explained in the Glossary. The assets depicted in photographs in this Prospectus are not assets of the Company unless otherwise stated.

Exposure Period

This Prospectus is subject to an exposure period of 7 days from the date of lodgment with ASIC. This period may be extended by ASIC for a further period of up to 7 days. The purpose of this exposure period is to enable this Prospectus to be examined by market participants prior to the raising of funds. If this Prospectus is found to be deficient, any Application Forms received during the exposure period will be dealt with in accordance with section 724 of the Corporations Act. Application Forms received prior to the expiration of the exposure period will not be processed until after the exposure period. No preference will be conferred on Application Forms received in the exposure period and all Application Forms received during the exposure period will be treated as if they were simultaneously received on the Opening Date.

Mineralisation Estimates

The information contained in the Independent Geologist's Report at section 11 was compiled by Al Maynard & Associates Pty Ltd. Al Maynard is a member of the Australasian Institute of Mining and Metallurgy (AusIMM) and the Australian Institute of Geoscientists (AIG). All information that relates to exploration results is expressed in terms of the JORC Code. Al Maynard has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking to qualify as a competent person as defined in the JORC Code.

The information contained in sections 5.1 to 5.7 was compiled by Marvyn (Fritz) Fitton. Mr Fitton is a member of the Australasian Institute of Mining and Metallurgy (AusIMM) and the Australian Institute of Geoscientists (AIG). All information that relates to exploration results is expressed in terms of the JORC Code. Mr Fitton has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking to qualify as a competent person as defined in the JORC Code.

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Corporate Directory

Directors

Terry Grammer (Chairman)
 Giuseppe (Joe) Graziano (Non Exec. Director)
 Marvyn (Fritz) Fitton (Non Exec. Director)
 Trevor Dixon (Exec. Director)

Registered and Business Office

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 OSBORNE PARK WA 6017

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 Email: info@kinmining.com.au

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 Subiaco, WA 6008

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 Fax: +61 8 9388 1768

Auditor

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 Perth WA 6000
 Tel: +61 89227 7500
 Fax: +61 89227 7533

Company Secretary

Joe Graziano

Share Registry

Advanced Share Registry Services
 150 Stirling Hwy
 PO Box 1156
 Nedlands WA 6009

Tel: +61 8 9389 8033
 Fax: +61 8 9389 7871

Solicitors to the Offer

Kings Park Corporate Lawyers
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 Tel: +61 8 9420 0000
 Email: info@kingsparkcorporate.com.au

Investigating Accountant

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Tel: +61 8 9227 7500
 Fax: +61 8 9227 7533

Website

www.kinmining.com.au

1 TIMETABLE TO THE OFFER

Opening Date of the Offer ¹	23 August 2012
Closing Date of the Offer ²	24 September 2012
Allotment of Shares under this Prospectus	8 October 2012
Quotation of Shares on the ASX	12 October 2012

¹ Subject to an exposure period as required by the Corporations Act, any extension of which will delay the Opening Date of the Offer.

² Prospective investors are encouraged to apply as soon as possible after the Offer opens, as the Company reserve the right to close the Offer early or later as indicated above without prior notice.

This timetable is indicative only, and may change.

2 KEY OFFER STATISTICS AND CAPITAL STRUCTURE

	Full subscription (\$2,500,000)	Over subscription (\$4,000,000)
Shares currently on issue	18,950,003	18,950,003
Vendor Shares to be issued	6,000,000	6,000,000
Shares offered under this Prospectus	12,500,000	20,000,000
 Total Shares on issue following the Offer	 37,450,003	 44,950,003
Full amount to be raised under the Offer	\$2,500,000	\$4,000,000

3 CHAIRMAN'S LETTER

Dear Investor

On behalf of the Board I am pleased to invite you to participate in the Offer to become an investor in KIN Mining NL (**KIN**).

KIN has secured options over a portfolio of Projects located in the North Eastern Goldfields of Western Australia. The Projects are located in areas with a history of exploration success, mining and production of gold and other minerals.

KIN believes that these prospects offer reasonable scope for a new discovery and within the next 3 years intends to:

- conduct wide spaced geochemical sampling programmes;
- commence drilling programmes;
- undertake focused & systematic exploration of the six Project areas; and
- seek exploration and development opportunities of quality projects that meet KIN's development objectives and examine the possibilities of joint ventures and other acquisitions that will create value and wealth for the shareholders.

The Company has brought together a skilled and experienced team who have operational and technical experience in resource exploration projects.

With this Offer the Company is seeking to raise \$2,500,000 and may accept oversubscriptions of a further \$1,500,000. The funds will be used to explore and develop the six Project areas the Company has secured options over.

Details of the Offer and information about the Projects are contained in the Prospectus.

All investors should be aware of the speculative nature of mineral exploration and development. There are risks associated with investing in the Company (see section 6). Please carefully consider this Prospectus and seek professional advice, if necessary, to make an informed decision.

I look forward to welcoming you as a Shareholder.

Yours faithfully



Terry Grammer

4 INVESTMENT OVERVIEW

This information is a selective overview only. Prospective investors should read the Prospectus in full, including the experts' reports in this Prospectus before deciding to invest in Shares.

Question	Response	Where to find more information
Who is issuing this Prospectus?	KIN Mining NL (ABN: 30 150 597 541), (KIN or the Company).	
Who is KIN and what does it do?	KIN has a management team skilled in evaluation, procurement, exploration and development of mineral projects. It either has options over or has applied for a total of 70 mineral exploration and mining tenements within the major gold and nickel producing regions of Leonora and Laverton, Western Australia, consisting of six major Projects: • Desdemona; • Iron King Group; • Murrin Murrin; • Redcastle; • Mt Flora; and • Randwick. 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. KIN's management will also monitor global resource opportunities with the view to adding to shareholder value.	Section 4
What are the benefits of investing in the Company?	The benefits of investing in the Company include the following: • Opportunity for capital growth through to successful exploration on the Company's Projects. • An experienced Board and management team.	Section 4

Question	Response	Where to find more information
	• A well-defined strategy to explore and develop the Projects.	
What are the key risks of investing in the Company?	The key risks of investing in the Company include: • Exploration Risk - Whilst considered prospective, the Company's Projects have been subject to limited exploration and presently do not have any JORC Code compliant mineral resource estimates. Mineral exploration and development are high-risk undertakings with no assurances that exploring the Projects will result in the discovery of any mineral deposits which can be economically exploited. • Reliance on key personnel - The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on its senior management and its key personnel (particularly Mr Dixon). There can be no assurance given that there will be no detrimental impact on the Company if one or more of these employees cease their employment. • Additional requirements for capital - There is a risk that any additional funding required for its activities may not be obtained or, if obtained, on terms detrimental to existing Shareholders through dilution. If the Company is unable to obtain additional funding as needed, it may be required to reduce the scope of its operations, scale back its exploration programmes and/or dispose or relinquish some of its Tenements, as the case may be. The above risks are not exhaustive and prospective applicants should refer to the additional risks in section 6.	Section 6

Question	Response	Where to find more information
What is the financial position of the Company?	KIN is a new company that was formed on 27 April 2011. A pro forma balance sheet is set out in the Investigating Accountant's Report.	Section 9
Who are the Directors of the Company?	The Directors of the Company are: • Terry Grammer(Chairman); • Giuseppe (Joe) Graziano (Non Executive Director); • Marvyn (Fritz) Fitton (Non Executive Director); and • Trevor Dixon (Executive Director).	Section 7
What benefits will the Directors receive?	The Directors are paid directors' fees and remuneration for holding office and managing the Company. Mr Dixon is selling a number of tenements to the Company, in consideration for Shares and a cash re-imburement of exploration expenses incurred.	Section 7 Section 5.8
What important contracts has the Company entered into?	The Company is a party to a number of important contracts. They are: • Option Agreements to acquire mineral tenements; and • Employment and consulting agreements with the Directors.	Section 5.8 and 7.4

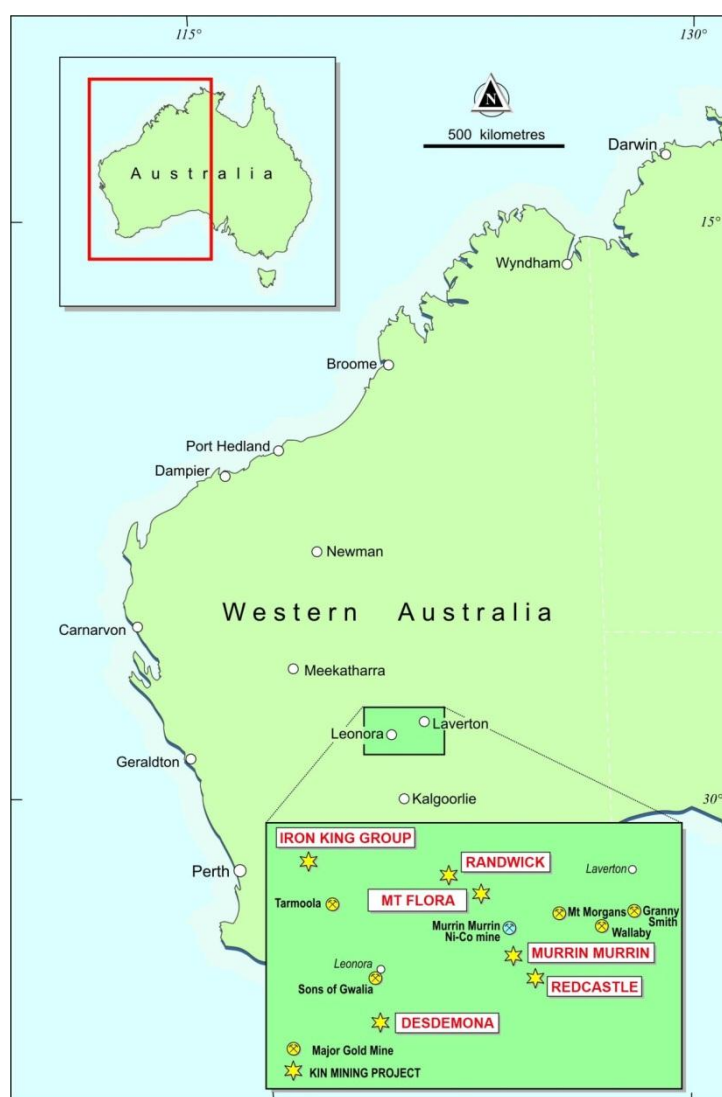
Question	Response	Where to find more information
How will the proceeds of the Offer be used?	The Company intends to use its current funds and the funds raised from the Offer (assuming no oversubscriptions are accepted) broadly as follow: • \$1,250,000 -2 year exploration budget for the Projects. • \$334,500 - Project acquisition costs (including duty). • \$898,000 - 2 year corporate administration costs. • \$100,000 - New project acquisition costs. • \$336,300 - Costs of the Offer. • \$181,200 - General working capital. This is a statement of the Company's intentions as at the date of this Prospectus.	Section 5.8
Will the Company pay dividends?	The Company's focus will be on generating capital growth and has no immediate plan to declare or distribute dividends.	Section 5.11
Where will the Shares be quoted?	An application will be made to the ASX for quotation of the Shares under the trading symbol 'KIN'.	Section 8.10
How can I obtain further advice?	By speaking to your accountant, stockbroker or other professional advisor.	

5 COMPANY AND BUSINESS OVERVIEW

5.1 Introduction and objectives

KIN currently holds options to acquire six exploration project areas in the highly productive and prospective Mt Margaret and North Coolgardie Mineral Fields in the Leonora-Laverton district of Western Australia. The Company intends to conduct exploration mainly for gold, nickel and base metal mineralisation. Within an 80km radius of KINs projects there is a total known gold endowment of around 40 million ounces and several operating gold treatment plants. Infrastructure in the region is good. The Directors believe that all of KIN's exploration Projects lie within a highly prospective and well-endowed mineral province.

Following is a summary of the Company's six Projects. Further information is contained in the Independent Geologists' Report and Independent Solicitors' Report, including details of previous exploration on the Tenements. Applicants are urged to read the reports and if necessary seek advice from their professional advisors before deciding to apply for Shares.



Location of the Company's Projects

5.2 Desdemona (gold, nickel-copper-PGEs) (100%)

The Project comprises 2 Es, 1 ELA, 1M, 5Ps and 1PLA covering a total area of approximately 180 km². The tenements lie between 8 and 32 km south of and along strike from the famous 7 million ounce Sons of Gwalia gold mine first worked in 1896. Significant gold targets may occur under alluvial cover in KIN's ground where previous exploration has delineated several gold prospects regarded as immediate "walk up" drill targets. At the nearby Kingfisher Prospect, previous drilling intersected up to 1.83m @ 1.14% Ni, 0.77% Cu, 7.96 PGEs and 1.22g/t Au associated with a strong magnetic anomaly in ultramafic intrusive rocks. A much larger magnetic anomaly to the west has recently been applied for by KIN as an ELA over what has been called the "Mary Bore Complex". This target is under cover and has never been drilled. The Orient Well (Tampa), Golden Butterfly, Kookynie and Niagara gold mining centres are located between 10 and 50 km southeast of Desdemona and have a total known gold endowment of around 1.5 million ounces.

The Tenements which together form the Desdemona Project have been acquired pursuant to the Van Blitterswyk, Halloran and Dixon Option Agreements, which are summarised in section 5.8(b).

5.3 Iron King Group (gold/base metals) (100%)

The Project comprises 8 PLs covering an area of about 11.8 km² about 60km north of Leonora. The main focus will be on gold but there could also be VMS style base metal potential associated with felsic volcanic rocks in the eastern part of the Tenement block. Several historic gold workings occur within the Project area, some of which were of high grade (e.g. Blue Spec which graded 56.6g/t Au). Drilling during the last 20 years has yielded numerous good results including 46m @ 1.83 g/t gold from the Crystal Ridge Prospect. KIN has identified a large number of "walk-up" drill targets within the Project area. The 3.68 million ounce King of the Hills (Tarmoola) gold mine is only 20 km to the south of and along structure from the old Iron King pit last worked in the mid 1980s.

The Tenements which together form the Iron King Group Project have been acquired pursuant the Dixon Option Agreement, the RF Crew Option Agreement, and the C Crew Option Agreement, which are summarised in sections 5.8(c), 5.8(d) and 5.8(e) respectively.

5.4 Murrin Murrin (gold/base metals) (100% other than M39/279)

The Project comprises 14 Ps and 1M covering an area of roughly 22km² and is located about 10 km south of Glencore's Murrin Murrin nickel-cobalt laterite resources. Historic gold workings occur within the Tenement block and several small open pit gold mines operated nearby in the late 1980s. According to government records, the average historic gold grade in the Murrin Murrin field was 22.14 g/t Au. Previous shallow drilling has shown most gold to be associated with

shallowly dipping “stacked” quartz veins within mafic rocks. Deeper drilling will be required to properly test the full potential of the project area.

The Tenements which together form the Murrin Murrin Project have been acquired pursuant to the Dixon Option Agreement, the Griffiths Option Agreement, the Kazoo Option Agreement and the Caporn Option Agreement, which are summarised in sections 5.8(c), 5.8(f), 5.8(g) and 5.8(h) respectively.

5.5 Redcastle (gold) (100% other than P39/4930)

The Project is gold focused and comprises 15 Ps covering an area of 24.8km² in the vicinity of the historic Redcastle Mining Centre located about 64 km east of Leonora. A number of historic gold workings occur within the project area, most of which have never been properly drill tested. Numerous spectacular alluvial gold nuggets have been discovered within the Tenement block during the last thirty years and their origin remains an enigma. Most historic hard rock gold workings are hosted by highly fractured and altered mafic volcanic and intrusive rocks intruded by granites and porphyries. This is considered to be a potential setting for major gold deposits in the eastern Goldfields of WA. Systematic drilling will be required to investigate the source of the gold nuggets in the Project area.

The Tenements which together form the Redcastle Project have been acquired pursuant to the Dixon Option Agreement, the RF Crew Option Agreement and the ODS Option Agreement, which are summarised in sections 5.8(c), 5.8(d) and 5.8(f) respectively.

5.6 Mt Flora (gold/Ni-Co laterite) (100%)

The Project is located about 45 km northeast of Leonora and comprises 12 Ps covering an area of 21.35km². Numerous historic gold workings occur within the Tenement block many of which are associated with swarms of northeasterly trending sulphidic quartz veins. Many of these old workings have never been drill tested. In addition to gold, two nickel-cobalt laterite prospects have been identified in the Project area associated with ultramafic rocks. Glencore’s lateritic Ni-Co mine is only a few kilometers south of KIN’s ground.

The Tenements which together form the Mt Flora Project have been acquired pursuant to the Dixon Option Agreement summarised in section 5.8(c).

5.7 Randwick (gold) (100%)

The Project comprises 10 Ps covering an area of 12.12km² and is located about 45km northeast of Leonora around the historic Randwick mining centre last worked in the late 1980s. The focus will be on gold. Numerous historic gold workings including the high grade Golden Chain mine (97.65g/t Au), which was worked as recently as the early 1990s, occur within the Tenement block. Four structural targets, under cover, associated with interpreted major fault intersections, have also been identified on the Tenements and will require drill testing.

The Tenements which together form the Randwick Project have been acquired pursuant to the RF Crew Option Agreement, the Woods Option Agreement and the Forsyth Option Agreement summarised in sections 5.8(d), 5.8(j) and 5.8(k) respectively.

5.8 Summary of contracts under which the Company has acquired its Projects

The Company has entered into 11 agreements under which it has the right to acquire the Tenements which together form the Projects.

(a) Standard terms

Each of the agreements are on similar terms, including the following:

- (i) upon exercise of each option to purchase, a royalty of 2% of the gross revenue from the sale or disposal of minerals from the respective Tenements will, in addition to Shares and cash payments, be payable to the relevant seller or sellers (in proportion to their tenement interest);
- (ii) settlement of each Option Agreement is subject to and conditional upon KIN being admitted to the Official List;
- (iii) each option period may be extended by KIN for one or more periods of 1 month by payment to the seller of \$100 per month; and
- (iv) each seller (other than the seller under the Griffiths Option Agreement summarised in section 5.8(f)) retains the right to prospect for alluvial gold on their respective Tenements to a maximum depth of 2 metres from the natural surface.

(b) Van Blitterswyk and Halloran Option Agreements

The Tenements which together form the Desdemona Project have been acquired pursuant to two sale and purchase agreements, one between KIN and Wayne Craig Van Blitterswyk (**Van Blitterswyk**) undated and the other between Wayne Vincent Halloran (**Halloran**) also undated. The material terms of the agreements are similar and are as follows:

- (i) Van Blitterswyk and Halloran granted KIN an option to buy each of their 25% interests in mining lease 40/330.
- (ii) The option fee under each agreement is \$5,000, and the consideration payable to each seller at completion is \$7,500 and the issue of 250,000 Shares.
- (iii) The option granted by Van Blitterswyk must be exercised by 14 October 2012 and the option granted by Halloran by 16 October 2012.

(c) Dixon Option Agreement

By the Sale and Purchase Option Agreement between KIN and Trevor Dixon dated 7 May 2012, Mr Dixon granted KIN an option to buy his interests in the following Tenements:

Tenement	Interest Held	Tenement	Interest Held	Tenement	Interest Held
M40/330	50/100	P39/4915	96/96	P39/5103	96/96
E40/283	96/96	P39/4916	96/96	P39/5105	96/96
E40/285	96/96	P39/5112	96/96	P39/4617	96/96
P40/1263	96/96	P39/5113	96/96	P39/4618	96/96
P37/7175	96/96	P39/5267	96/96	P39/4619	96/96
P37/7176	96/96	P39/4528	96/96	P39/4620	96/96
P37/7177	96/96	P39/4593	96/96	P39/4621	96/96
P37/7194	32/96	P39/4834	96/96	P39/4912	96/96
P37/7195	32/96	P39/4839	96/96	P39/4960	96/96
P37/7196	32/96	P39/5097	96/96	P39/4961	96/96
P37/7197	32/96	P39/5098	96/96	P39/5181	96/96
P37/7198	32/96	P39/5099	96/96	P39/5182	96/96
M39/279	64/96	P39/5100	96/96	P39/5183	96/96
P39/4913	96/96	P39/5101	96/96	P39/5185	96/96
P39/4914	96/96	P39/5102	96/96		

At the time of the grant of the option, the Company paid Mr Dixon \$26,500 (being part re-imburement of exploration expenditure incurred by Mr Dixon in developing the above Tenements). The consideration to be paid to Mr Dixon on exercise of the option is \$157,000 (being part re-imburement for exploration expenditure incurred by Mr Dixon in developing the above tenements) and the issue of 3,807,500 Shares.

If the Company is not listed by 31 December 2012, either party may terminate the Option Agreement.

For the purposes of Chapter 2E of the Corporations Act, on 15 June 2012 Shareholders approved the Option Agreement with Mr Dixon.

(d) RF Crew Option Agreement

By the Sale and Purchase Option Agreement - Iron King, Redcastle and Randwick Project between KIN and Ross Frederick Crew (RF Crew) (**Crew Agreement**) undated, RF Crew granted KIN an option to buy a 100% interest in Prospecting Licences 37/7283 and 37/7284, a one third share in Prospecting Licences 37/7194 to 37/7198 and a 100% share in P39/4550.

Consideration for the grant of the option was \$10,000. The consideration to be paid to RF Crew on exercise of the option is \$24,000 and the issue of 608,750 Shares.

The option must be exercised by 18 October 2012.

(e) C Crew option agreement

By the Sale and Purchase Option Agreement - Iron King Project between KIN and Christopher Crew (**C Crew**) undated, C Crew granted KIN an option to buy a one third interest in Prospecting Licences 37/7194 to 37/7198.

Consideration for the grant of the option was \$5,000. The consideration to be paid to C Crew on exercise of the option is \$11,500 and the issue of 333,750 Shares.

The option must be exercised by 18 October 2012.

(f) Griffiths Option Agreement

By the Sale and Purchase Option Agreement - Murrin Murrin Project between KIN and Robert Lee Griffiths (**Griffiths**) undated, Griffiths granted KIN an option to buy a 100% interest in Prospecting Licences 39/5164, 39/5165, 39/5176, 39/5177, 39/5178 and 39/5179.

Consideration for the grant of the option was \$5,000. The consideration to be paid to Griffiths on exercise of the option is \$15,000 and the issue of 250,000 Shares.

The option must be exercised by 9 November 2012.

(g) Kazoo Option Agreement

By the Sale and Purchase Option Agreement - Murrin Murrin Project between KIN and Kazoo Nominees Pty Ltd ACN 124 403 578 (**Kazoo**) undated, Kazoo granted KIN an option to buy a 100% interest in Prospecting Licence 39/5180.

Consideration for the grant of the option was \$5,000. The consideration to be paid to Kazoo on exercise of the option is \$5,000 and the issue of 50,000 Shares.

The option must be exercised by 20 October 2012.

(h) Caporn Option Agreement

By the Sale and Purchase Option Agreement - Murrin Murrin Project between KIN and Steven Colin Caporn (**Caporn**) undated, Caporn granted KIN an option to buy a 100% interest in Prospecting Licence 39/4980.

Consideration for the grant of the option was \$5,000. The consideration to be paid to Caporn on exercise of the option is \$5,000 and the issue of 50,000 Shares.

The option must be exercised by 6 November 2012.

(i) ODS Option Agreement

By the Sale and Purchase Option Agreement - Redcastle Project between KIN and Oro Del Sur Pty Ltd ACN 138 128 300 (**ODS**) undated, ODS granted KIN an option to buy a 90% interest in Prospecting Licence 39/4930 (**ODS Tenement**).

Consideration for the grant of the option was \$5,000. The consideration to be paid to ODS on exercise of the option is \$5,000 and the issue of 50,000 Shares in KIN.

The option must be exercised by 28 February 2013.

Upon settlement of the option to purchase of the ODS Tenement, KIN and ODS will associate in an unincorporated joint venture (**Joint Venture**). ODS will hold a 10% interest and KIN will hold a 90% interest in the Joint Venture (**Joint Venture Interest**). ODS will be free-carried by the Company up until the completion of a bankable feasibility study or the Company making a decision to commence mining. The joint venture is otherwise on terms that are usual in an agreement of this type.

(j) Woods Option Agreement

By the Sale and Purchase Option Agreement - Randwick Project between KIN and Ronald James Woods (**Woods**) undated, Woods granted KIN an option to buy a 100% interest in Prospecting Licence 37/7806.

Consideration for the grant of the option was \$2,500. The consideration to be paid to Woods on exercise of the option is \$5,000 and the issue of 50,000 Shares.

The option must be exercised by 16 October 2012.

(k) Forsyth Option Agreement

By the Sale and Purchase Option Agreement - Randwick Project between KIN and Lachlan Charles Forsyth (**Forsyth**) undated, Forsyth granted KIN an option to buy a 100% interest in Prospecting Licences 37/7995, 37/7996, 37/7997, 37/7998, 37/7999, 37/8000 and 37/8001.

Consideration for the grant of the option was \$5,000. The consideration to be paid to Forsyth on exercise of the option is \$15,000 and the issue of 300,000 Shares.

The option must be exercised by 20 October 2012.

5.9 Use of funds raised under the Offer

The Company intends to use its current funds of approximately \$600,000 cash on hand as at the date of this Prospectus and the funds raised from the Offer broadly as follows:

Funds available	Full subscription	Over subscription
Cash on hand	\$600,000	\$600,000
Funds from this Offer	\$2,500,000	\$4,000,000
Total funds available	\$3,100,000	\$4,600,000

Use of funds	Full subscription	Over subscription
Exploration programs ¹		
(a) Desdemona	\$350,000	\$650,000
(b) Iron King Group	\$125,000	\$235,000
(c) Murrin Murrin	\$237,500	\$450,000
(d) Redcastle	\$237,500	\$450,000
(e) Mt Flora	\$200,000	\$370,000
(f) Randwick	\$100,000	\$195,000
Total exploration program budget	\$1,250,000	\$2,350,000
Vendor Option Agreement exercise payments including duty	\$334,500	\$334,500
New project acquisition costs including project due diligence ²	\$100,000	\$250,000
2 year corporate administration costs	\$898,000	\$908,000
Costs of the Offer ³	\$336,300	\$446,300

General working capital ³	\$181,200	\$311,200
Total	\$3,100,000	\$4,600,000

Notes:

1. The 2 year budgets for the Projects are itemised and commented upon in the Independent Geologists' Report at section 11.
2. The Company will consider investment opportunities in the resources sector both locally and internationally.
3. The costs of the Offer are detailed in section 8.14.

In the event that the amount raised under this Prospectus is less than the full oversubscriptions, after accounting for reduced costs of the Offer by reason of the reduced fund raising fees, it is intended that the additional amount raised will be applied towards exploration on each project and administration costs on a pro rata basis from the amounts shown above.

This table is a statement of current intentions as at the date of this Prospectus. As with any budget, intervening events (including exploration success or failure) and new circumstances have the potential to affect the way funds will be applied. The Board reserves the right to vary the way funds are applied on this basis.

5.10 Sufficiency of working capital

The Directors are of the opinion that the Company will have enough working capital to carry out its business objectives as described in this Prospectus.

5.11 Dividend policy

The Company does not intend to pay dividends on securities for the year ending 2012.

Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend upon matters such as the availability of distributable earnings, the operating results and financial condition of the Company, future capital requirements, general business and other factors considered relevant by the Directors. No assurances in relation to the payment of dividends, or the franking credits attached to such dividends, can be given.

5.12 Company tax status and financial year

The Company will be taxed in Australia. The financial year of the Company will end on 30 June annually.

5.13 Litigation

Legal proceedings may arise from time to time in the course of the Company's business. As at the date of this Prospectus, the Company is not involved in any

legal proceedings and the Directors are not aware of any legal proceedings pending or threatened against the Company.

5.14 Options

The Company currently has no Options on issue.

It is proposed that the Company will proceed with an Option entitlement issue within approximately three to six months after admission to the Official List. The Option entitlement is intended to be on the basis of 1 Option for every 2 Shares held. The subscription price per Option and other terms will be determined by the Board.

It is proposed that all Shareholders registered on the applicable entitlement date and resident in Australia or New Zealand will be entitled to participate in the non-renounceable entitlements issue of Options.

A disclosure document for the issue of Options will be issued and mailed to eligible Shareholders when the proposed Options are offered. Anyone who wishes to acquire Options will need to complete an application form which will be in or accompanying the disclosure document. Application will be made for the Options to be granted quotation on the ASX.

Any offer will be subject to then prevailing market conditions.

6 RISK FACTORS

An investment in the Company is not risk free. Before deciding to trade in the Shares, Shareholders and prospective investors should read the entire Prospectus, consider at least the following risk factors in light of their personal circumstances and investment objectives (including financial and taxation issues) and seek professional advice from their accountant, stockbroker, lawyer or other professional adviser.

The operating and financial performance and position of the Company, the value of Shares and the amount and timing of any dividends that the Company may pay will be influenced by a range of factors. Many of these factors will remain beyond the control of the Company and the Directors. Accordingly, these factors may have a material effect on the Company's performance and profitability which may cause the market price of Shares to rise or fall over any given period.

This section identifies the areas the Directors regard as major risks associated with an investment in the Company. This list is not intended to be an exhaustive list of the risk factors to which the Company is exposed.

6.1 Specific risks

In addition to the general risks outlined below, there are specific risks associated with the Company's existing and proposed operations. These include:

(a) Exploration success

The Company's Projects have been subject to limited exploration and presently do not have any JORC Code compliant mineral resource estimates.

Shareholders should understand that mineral exploration and development are high-risk undertakings. There can be no assurances that exploration of the Projects will result in the discovery of any economic mineral deposits. Even if an apparently viable deposit is identified there is no guarantee that it can be economically exploited.

The future exploration activities of the Company may be affected by a range of factors including geological conditions, limitations on activities due to permitting requirements, availability of appropriate exploration equipment, seasonal weather patterns, unanticipated operational and technical difficulties, industrial and environmental accidents and many other factors beyond the control of the Company.

(b) Reliance on key management

The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on its senior management and its key personnel (particularly Mr Dixon). There can be no assurance given that there will be no detrimental impact on the Company if one or more of these employees cease their employment.

(c) Additional requirements for capital

Exploration requires significant capital expenditure to explore and develop projects which may generate cash flows.

The Company currently has no income producing assets and will generate losses for the foreseeable future. Until it is able to acquire or develop an asset that generates appropriate cash flow, the Company is dependent upon existing cash reserves (including amounts raised under the Offer) and further equity or debt capital raisings to fund its activities.

There is a risk that any additional funding required may not be obtained or, if obtained, on terms detrimental to existing Shareholders through dilution. If the Company is unable to obtain additional funding as needed, it may be required to reduce the scope of its operations, scale back its exploration programmes and/or dispose or relinquish some of its Tenements, as the case may be.

(d) Environmental license risk

In order to perform its mining activities the holder must comply with the environmental legislation which may include the need to apply for environmental licenses. In some cases the environmental agency takes a long time to provide the environmental license preventing the mineral title holder from performing its proposed activities.

(e) Native Title

The Company's mining tenements may be subject to native title applications in the future. At this stage it is not possible to quantify the impact (if any) that native title may have on the operations of the Company.

(f) Commodity Price Volatility and Exchange Rate Risks

Commodity price volatility impacts both upon the value of the Company's projects and the potential revenue (if any) derived from those projects. Commodity prices fluctuate and are affected by many factors beyond the control of the Company. These factors include supply and demand fluctuations, forward selling activities and other macro-economic factors. Furthermore, international prices of various commodities are denominated in foreign currencies, whereas the income and expenditure of the Company are and will be taken into account in Australian currency, exposing the Company to the fluctuations and volatility of the rate of exchange between foreign currencies and the Australian dollar as determined in international markets.

(g) Regulatory

Changes in relevant taxes, legal and administration regimes, accounting practice and government policies may adversely affect the financial performance of the Company.

(h) Competition risk

The industry in which the Company will be involved is subject to domestic and global competition. Although the Company will undertake all reasonable due diligence in its business decisions and operations, the Company will have no influence or control over the activities or actions of its competitors, which activities or actions may, positively or negatively, affect the operating and financial performance of the Company's projects and business.

(i) Conflicts of interest

Certain Directors are also directors and officers of other companies engaged in mineral exploration and development and mineral property acquisitions. Accordingly, mineral exploration opportunities or prospects of which these Directors become aware may not necessarily be made available to the Company. Although these Directors have been advised of their fiduciary duties to the Company, there exist actual and potential conflicts of interest among these persons and situations could arise in which their obligations to, or interests in, other companies could detract from their efforts on behalf of the Company.

6.2 General investment risks

In addition to the above specific risks associated with the Company's existing and proposed operations there are also general risks associated with an investment in the Shares. These include:

(a) Securities investments and share market conditions

There are risks associated with any securities investment. The prices at which the securities trade may fluctuate in response to a number of factors.

Furthermore, the stock market, and in particular the market for exploration and mining companies may experience extreme price and volume fluctuations that may be unrelated or disproportionate to the operating performance of such companies. These factors may materially adversely affect the market price of the securities of the Company regardless of the Company's operational performance. Neither the Company nor the Directors warrant the future performance of the Company, or any return of an investment in the Company.

(b) Liquidity risk

The market for the Company's Shares may be illiquid. As a consequence investors may be unable to readily exit or realize their investment.

(c) Economic risk

Changes in both Australia and world economic conditions may adversely affect the financial performance of the Company. Factors such as inflation, currency fluctuations, interest rates, industrial disruption and economic growth may impact on future operations and earnings.

(d) Legislative

Changes in relevant taxes, legal and administration regimes, accounting practice and government policies may adversely affect the financial performance of the Company.

(e) Legal Proceedings

Legal proceedings may arise from time to time in the course of the business of the Company. As at the date of this Prospectus, there are no material legal proceedings affecting the Company and the Directors are not aware of any legal proceedings pending or threatened against or affecting the Company.

7 DIRECTORS AND CORPORATE GOVERNANCE

7.1 Directors

The Company is managed by the Board of Directors. The Board comprises of 4 Directors.

(a) Terry Grammer

Mr Grammer is a geologist with over 35 years' experience in mining and mineral exploration with extensive experience in Australia, Africa, east Asia & New Zealand. He has been based in Western Australia since 1988 and has extensive professional experience in the exploration of gold, base metals and some industrial minerals. He was a founder and promoter in 1999 of the successful nickel miner Western Areas NL, and was exploration manager of the company from 2000 until retiring in 2004.

Mr Grammer was awarded the Association of Mining and Exploration Companies' Joint Prospector of the Year Award in 2000 for the discovery in 1997 of Jubilee Mines Cosmos Nickel Deposit.

Mr Grammer retired from active geology in 2004, and since then has been involved company promotion, company financing and project acquisition. Mr Grammer is currently the non - executive Chairman of South Boulder Mines Ltd (ASX:STB), a gold, nickel & potash exploration company. He is also a non - executive director of Sirius Resources NL (ASX:SIR), a mineral exploration company.

Mr Grammer was previously a director of Hannans Reward Ltd (ASX:HNR) from October 2005 to March 2009, a director of Montezuma Mining Company Ltd (ASX:MZM) from November 2006 to April 2009, and a director of Fortis Mining Ltd (ASX:FMJ) from December 2010 to November 2011.

(b) Trevor Dixon

Mr Dixon is a businessman with over 25 years' experience within the mining and exploration industry as an earthmoving contractor to the industry and as a private individual identifying prospective mineral areas and subsequently acquiring project areas of interest. He has been a founding vendor to a number of companies including Jubilee Mines NL (now Xstrata Plc), Terrain Minerals Ltd (ASX:TMX) and Regal Resources Ltd (ASX:RER).

During his time in the industry he has had joint venture partners including Newcrest Mining Ltd, Independence Group NL, St Barbara Ltd, Normandy Poseidon, Ashton Mining, and currently holds joint venture/royalty agreements with Xstrata Plc, Regal Resources Ltd and A1 Minerals Ltd (now Stone Resources Ltd).

Mr Dixon's management experience in the areas of contractual outcomes, Mining Act regulatory procedures and standards, tenement management and

long history of Native Title negotiations and resolutions make him suitable for the role of an Executive Director of KIN.

(c) Marvyn (Fritz) Fitton

Between 1969 and 1987 Mr Fitton worked as senior geologist for several international mining corporations, during which time he was involved in several world class mineral discoveries. In 1987 Mr Fitton founded Geological & Mining consulting firm Maprock Pty Ltd based in Perth WA. Since its formation, Maprock has been responsible for the preparation of numerous independent geological reports for inclusion in prospectuses for successful initial public offerings such as Jubilee Mines, Berkeley Resources, Trafford Resources Athena and Scotgold.

Mr Fitton is a long standing member of both the AusIMM and AIG professional bodies and as such is recognised to be a “Qualified Person” for such purposes as ASX releases and the quantification of JORC mineral resources.

Throughout his career Mr Fitton has been responsible (either as an individual or part of a team) for the discovery of numerous major economic mineral deposits several of which are still in production (e.g. Scuddles-Golden Grove Cu-Zn-Au (WA), Elura Zn-Pb-Ag (Cobar NSW) and Harbour Lights Au (WA). More recently he was involved in the discovery of the Wilcherry Hill high-grade magnetite deposits near Whyalla in South Australia now being mined by Ironclad/Trafford Resources. Mr Fitton has also carried out exploration for a diverse range of mineral commodities in many overseas countries (e.g. China, Fiji, South Africa, Botswana, Uganda and the Balkans). Mr Fitton is currently on the board of or advisor to several private WA based exploration companies with interests in Australia and a number of overseas countries.

(d) Giuseppe (Joe) Graziano

Mr Graziano is a Chartered Accountant with corporate and company secretarial experience. He has experience in capital raisings, ASX compliance and regulatory requirements and is currently a director of Crowe Horwath, (Perth). Mr Graziano has had 22 years’ experience in business, financial and taxation advice to listed and unlisted companies including mining, resources, banking and finances.

Mr Graziano is currently a non-executive director of OZ Brewing Limited (ASX:OZB) and Brimstone Resources Limited (an unlisted public company).

7.2 Directors' holdings

The Directors' interests in Shares of the Company as at the date of this Prospectus are as follow:

	Directly Held	Indirectly Held
Terry Grammer	-	-
Trevor Dixon	2,000,001 ¹	-
Marvyn (Fritz) Fitton	1,000,000	-
Giuseppe (Joe) Graziano	5,000,001 ²	-

¹ Mr Dixon will also be issued an additional 3,807,500 Shares pursuant to the Option Agreement he has with the Company. See section 5.8(c) for more detail.

² Of these 2,500,000 are held for Robert Lee Griffiths.

7.3 Remuneration received by the Directors and their related entities

The Directors will be paid the following remuneration by the Company:

Director	Director's fees per annum	Salaries and bonuses	Benefits in the previous 2 years prior to the date of this Prospectus
Terry Grammer	\$50,000		\$766
Trevor Dixon	\$36,000	\$120,000	\$26,500
Marvyn (Fritz) Fitton	\$36,000		\$26,277
Giuseppe (Joe) Graziano	\$36,000	\$48,000	\$9,478

A Director may also be paid fees or other amounts as the Directors determine if a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director. A Director may also be reimbursed for out of pocket expenses incurred as a result of their directorship or any special duties.

7.4 Executive service, consulting and employment agreements

- (a) Crowe Horwath (an employer of Mr Graziano) and Maprock Pty Ltd (of which Mr Fitton is the sole director) have executive service contracts with KIN on the following terms:

- (i) Remuneration:
 - (A) Crowe Horwath will be charge an hourly rate for its services with a minimum retainer of \$4,000 per month plus GST; and
 - (B) Maprock Pty Ltd will be paid \$750 per day plus GST.
 - (ii) Termination:
 - (A) Either KIN or Crowe Horwath may terminate the engagement by providing 14 days' written notice to the other party.
 - (B) Either KIN or Maprock Pty Ltd may terminate the executive service contract by providing 1 month's written notice to the other party.
 - (iii) Other provisions: the executive service contracts also include standard provisions dealing with duties, confidentiality, intellectual property and liability.
- (b) The Company is a party to an executive employment agreement with Mr Dixon the material terms of which are as follows:
- (i) Mr Dixon will be paid a salary of \$120,000 per annum (plus of superannuation).
 - (ii) Termination: Either KIN or Mr Dixon may terminate the executive service contract by providing 3 months' written notice to the other party.
 - (iii) Other provisions: the executive employment agreement also includes standard provisions dealing with annual leave, termination, property of the Company and indemnity.

As Directors, Messrs Graziano, Fitton and Dixon are related parties of the Company. The Directors (other than the Director concerned) consider the above agreements to be an appropriate form of incentive for and therefore to be reasonable remuneration in the circumstances. For that reason, Shareholder approval was not sought for the purposes of Chapter 2E of the Corporations Act.

7.5 Good faith protection and access deeds

The Company has entered into good faith protection and access deeds with each of the Directors (**Deeds**). Under the Deeds, the Company agrees to indemnify each of the Directors to the extent permitted by the Corporations Act against certain liabilities incurred by the Directors whilst acting as an officer of the Company, and to insure each Director against certain risks to which the Company is exposed as an officer of the Company. The Deeds also grant each Director a right of access to certain records of the Company for a period of up to 7 years after the Director ceases to be an officer of the Company.

The Deeds were entered into as part consideration for the Directors agreeing to hold office as directors of the Company.

The Company also pays premiums to insure all of the Directors against liabilities for costs and expenses incurred by them in defending legal proceedings arising from their conduct whilst acting in the capacity as a Director of the Company.

7.6 No other Directors interests

Other than as set out above or elsewhere in this Prospectus, no Director or proposed Director holds at the date of this Prospectus, or held at any time during the last 2 years before the date of lodgment of this Prospectus with ASIC, any interest in:

- (a) the formation or promotion of the Company; or
- (b) any property acquired or proposed to be acquired by the Company in connection with its formation or promotion of the Company or the Offer; or
- (c) the Offer;

and no amounts have been paid or agreed to be paid by any person and no benefits have been given or agreed to be given by any person:

- (d) to a Director or proposed Director to induce him or her to become, or to qualify as, a Director; or
- (e) for services provided by a Director or proposed Director in connection with the formation or promotion of the Company or the Offer.

7.7 Corporate governance

The primary responsibility of the Board is to represent and advance Shareholders' interests and to protect the interests of all stakeholders. To fulfill this role the Board is responsible for the overall corporate governance of the Company including its strategic direction, establishing goals for management and monitoring the achievement of these goals.

The responsibilities of the Board include:

- (a) protection and enhancement of Shareholder value;
- (b) formulation, review and approval of the objectives and strategic direction of the Company;
- (c) approving all significant business transactions including acquisitions, divestments and capital expenditure;
- (d) monitoring the financial performance of the Company by reviewing and approving budgets and monitoring results;
- (e) ensuring that adequate internal control systems and procedures exist and that compliance with these systems and procedures is maintained;

- (f) the identification of significant business risks and ensuring that such risks are adequately managed;
- (g) the review and performance and remuneration of executive directors and key staff;
- (h) the establishment and maintenance of appropriate ethical standards; and
- (i) evaluating and, adopting, as appropriate, the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations.

The Company is seeking listing on ASX and will be subject to the continuous disclosure obligations under the Listing Rules and Corporations Act. Subject to the exceptions outlined below the Company has adopted the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations to determine an appropriate system of control and accountability to best fit its business and operations commensurate with these guidelines. Copies of corporate governance policies are accessible on the Company's website at www.kinmining.com.au.

As the Company's activities develop in size, nature and scope the implementation of additional corporate governance structures will be given further consideration.

The Board sets out below its 'if not, why not' report in relation to those matters of corporate governance where the Company's practices will depart from the recommendations.

Recommendation Reference - ASX Guidelines	Notification of Departure	Explanation for Departure
2.1	The majority of the Board are not independent Directors.	The Board takes the view that Messrs Graziano and Fitton are not independent in terms of the ASX Corporate Governance Council's discussion of independent status as they are both substantial shareholders. Mr Dixon as an executive director is not independent. Despite these relationships, the Board believes that all of the Directors are able, and do make, quality and independent judgement in the best interests of the Company on all relevant issues before the Board.
2.4	A nomination committee has not	The Board considers that the Company is not currently of a size to justify the formation of a nomination committee.

Recommendation Reference - ASX Guidelines	Notification of Departure	Explanation for Departure
	been established.	The Board as a whole undertakes the process of reviewing the skill base and experience of existing Directors to enable identification of attributes required in new Directors. Where appropriate, independent consultants will be engaged to identify possible new candidates for the Board.
4.1, 4.2, 4.3	An audit committee has not been established.	The Board considers that the Company is not of a size, nor are its financial affairs of such complexity to justify the formation of an audit committee. The Board as a whole undertakes the selection and proper application of accounting policies, the integrity of financial reporting, the identification and management of risk and review of the operation of the internal control systems.
8.1	A remuneration committee has not been established.	The Board considers that the Company is not currently of a size, nor are its affairs of such complexity to justify the formation of a remuneration committee. The Board as a whole is responsible for the remuneration arrangements for Directors and executives of the Company and considers it more appropriate to set aside time at Board meetings each year to specifically address matters that would ordinarily fall to a remuneration committee.

8 DETAILS OF THE OFFER

8.1 Shares offered for subscription

By this Prospectus the Company offers for subscription 12,500,000 Shares at an issue price of 20 cents each to raise \$2,500,000. Oversubscriptions of up to a further 7,500,000 Shares at an issue price of 20 cent each to raise up to an additional \$1,500,000 may also be accepted.

All Shares offered under this Prospectus will rank equally with existing Shares. The rights and liabilities of the Shares offered under this Prospectus are summarised at section 8.13.

The details of how to apply for Shares are set out at section 0.

8.2 Minimum subscription

The minimum subscription under the Offer is \$2,500,000. The Company will not issue any Shares pursuant to this Prospectus until the minimum subscription is satisfied.

Should the minimum subscription not be reached within 4 months from the date of this Prospectus, the Company will either repay the Application moneys to the Applicants or issue a supplementary prospectus or replacement prospectus and allow Applicants one month to withdraw their Applications and be repaid their Application moneys. No interest will be paid on these moneys.

8.3 Opening and Closing Dates

The Opening Date of the Offer will be 23 August 2012 and the Closing Date will be 24 September 2012. The Directors reserve the right to close the Offer early or to extend the Closing Date (as the case may be), should it be considered by them necessary to do so.

8.4 Capital structure

At the close of the Offer, the capital structure of the Company will be:

Shares	Full subscription (\$2,500,000)	Over subscription (\$4,000,000)
Shares currently on issue	18,950,003	18,950,003
Vendor Shares	6,000,000	6,000,000
Shares offered under this Prospectus	12,500,000	20,000,000
Total Shares on issue following the Offer	37,450,003	44,950,003

Offer	Full subscription	Over subscription
Full amount to be raised under the Offer	\$2,500,000	\$4,000,000

8.5 Existing Shareholders

The following Shareholders are substantial Shareholders of the Company:

Shareholder	Number of Shares	%
Giuseppe (Joe) Graziano	5,000,001 ¹	26.4
Trevor Dixon	2,000,001	10.5
Marvyn John (Fritz) Fitton	1,000,000	5.3
Pellicano Pty Ltd (ACN 107 654 991)	1,000,000	5.3
Harmanis Holdings Pty Ltd <The Harman Family A/C>	1,000,000	5.3
Total	10,000,002	52.8

¹ Of these 2,500,000 are held for Robert Lee Griffiths.

8.6 Application for Shares

Applicants should read this Prospectus in its entirety in order to make an informed decision on the prospects of the Company and the rights attaching to the Shares offered by this Prospectus before deciding to apply for Shares. If you do not understand this Prospectus you should consult your stockbroker, accountant or other professional adviser in order to satisfy yourself as to the contents of this Prospectus.

An Application for Shares can only be made on the Application Form contained at the back of this Prospectus. The Application Form must be completed in accordance with the instructions set out on the Application Form.

Applications must be for a minimum of 10,000 Shares (being minimum application moneys of \$2,000), and thereafter in multiples of 1,000 Shares (\$200).

The Application Form must be accompanied by a cheque in Australian dollars, for the full amount of your application moneys. Cheques must be made payable to 'KIN Mining NL - Share Offer Account' and should be crossed 'Not Negotiable'.

Application Forms must not be circulated to prospective investors unless accompanied by a copy of this Prospectus.

Completed Application Forms and accompanying cheques must be received by no later than 5.00pm (WST) on the Closing Date by the Share Registry:

By Post to:	By Delivery to:
KIN Mining NL PO Box 1156 Nedlands WA 6909	KIN Mining NL 150 Stirling Hwy Nedlands WA 6009

The Company reserves the right to extend the Offer or close the Offer early without notice. Applicants are therefore urged to lodge their Application Form as soon as possible.

An original, completed and lodged Application Form, together with a cheque for the application moneys, constitutes a binding and irrevocable offer to subscribe for the number of Shares specified in the Application Form. The Application Form does not need to be signed to be a valid application. An Application will be deemed to have been accepted by the Company upon allotment of the Shares.

If the Application Form is not completed correctly, or if the accompanying payment of the application moneys is for the wrong amount, it may still be treated as valid. The Directors' decision as to whether to treat the Application as valid and how to construe, amend or complete the Application Form is final. However, an Applicant will not be treated as having applied for more Shares than is indicated by the amount of the cheque for the application moneys.

No brokerage or stamp duty is payable by Applicants in respect of Applications for Shares under this Prospectus.

8.7 Applicants outside Australia

The distribution of the Prospectus in jurisdictions outside Australia may be restricted by law and therefore persons who come into possession of the Prospectus should seek advice on and observe any of these restrictions. Failure to comply with these restrictions may violate securities law. Applicants who are resident in countries other than Australia should consult their professional advisers as to whether any governmental or other consents are required or whether any other formalities need to be considered and followed to enable them to acquire Shares.

The return of a duly completed Application Form will be taken to constitute a representation and warranty that there has been no breach of such laws and that all necessary approvals and consents have been obtained.

8.8 Application money held in trust

All application moneys will be deposited into a separate bank account of the Company and held in trust for Applicants until the Shares are issued or application moneys returned. Any interest that accrues will be retained by the Company and will not be paid to Applicants.

8.9 Allocation and allotment of Shares

The Company reserves the right to reject any Application or to allocate to any Applicant fewer Shares than the number applied for. The Company also reserves the right to reject or aggregate multiple applications in determining final allocations.

In the event an Application is not accepted or accepted in part only, the relevant portion of the application moneys will be returned to Applicants, without interest.

The Company reserves the right not to proceed with the Offer or any part of it at any time before the allocation of the Shares to Applicants. If the Offer or any part of it is cancelled, all application moneys, or the relevant application moneys will be refunded.

The Company also reserves the right to close the Offer or any part of it early, or extend the Offer or any part of it, or accept late Applications Forms either generally or in particular cases.

The allotment of Shares to Applicants will occur as soon as practicable after Application Forms and application moneys have been received for the minimum subscription of Shares being offered, following which statements of shareholding will be dispatched. It is the responsibility of Applicants to determine their allocation prior to trading in the Shares. Applicants who sell Shares before they receive their statement of shareholding will do so at their own risk.

8.10 ASX listing

The Company will apply to the ASX within 7 days of the date of this Prospectus for admission to the Official List and for official quotation of its Shares on ASX. If ASX does not grant permission for the quotation of the Shares offered under this Prospectus within 3 months after the date of this Prospectus, or such longer period as is permitted by the Corporations Act, none of the Shares offered by this Prospectus will be allotted or issued. In these circumstances, all Applications will be dealt with in accordance with the Corporations Act including the return of all application moneys without interest.

The fact that ASX may list the Company's securities is not to be taken in any way as an indication of the merits and commercial viability of the Company or the listed securities. ASX takes no responsibility for the contents of this Prospectus, makes no representations as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss arising from or in reliance upon any part of the content of this Prospectus.

8.11 CHESS

The Company will apply to participate in the Clearing House Electronic Sub register System (CHESS). CHESS is operated by ASX Settlement Pty Ltd (ASPL), a wholly owned subsidiary of ASX.

Under CHESS, the Company will not issue certificates to investors. Instead, security holders will receive a statement of their holdings in the Company. If an investor is broker sponsored, ASPL will send a CHESS statement.

8.12 Restricted securities

The ASX may classify certain securities as being subject to the restricted securities provisions of the Listing Rules. In particular, Directors, other related parties and promoters may receive escrow on securities held by them for up to 24 months from the date of quotation of the Shares on ASX.

None of the Shares offered under this Prospectus will be treated as restricted securities and will be freely transferable from their date of allotment.

The Company has no voluntary escrow arrangements in place.

8.13 Rights and liabilities attaching to Shares

Full details of the rights and liabilities attaching to the Shares are:

- (a) detailed in the Constitution a copy of which can be inspected, free of charge, at the registered office of the Company during normal business hours; and
- (b) in certain circumstances, regulated by the Corporations Act, the Listing Rules and the general law.

The following is a summary of the more significant rights and liabilities attaching to the Shares. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

(a) Voting Rights

Subject to any rights or restrictions for the time being attached to any class or classes of shares, at a general meeting of members every member has one vote on a show of hands and one vote per Share on a poll. The person who holds a share which is not fully paid shall be entitled to a fraction of a vote equal to that proportion of a vote that the amount paid on the relevant share bears to the total issue price of the share. Voting may be in person or by proxy, attorney or representative.

(b) Dividends

Subject to the rights of holders of shares issued with any special rights (at present there are none), the profits of the Company which the Board may from time to time determine to distribute by way of dividend are divisible to each share of a class on which the Board resolves to pay a dividend in proportion to the amount for the time being paid on a share bears to the total issue price of the share. All Shares currently on issue and the shares to be issued under this Prospectus are fully paid Shares.

(c) Future Issues of Securities

Subject to the Corporations Act and the Listing Rules, the Directors may issue, grant options over, or otherwise dispose of unissued shares in the Company at the times and on the terms that the Directors think proper and a share may be issued with preferential or special rights.

(d) Transfer of Shares

A shareholder may transfer Shares by a market transfer in accordance with any recognized or electronic system established or recognized by ASX for the purpose of facilitating transfers in Shares or by an instrument in writing in a form approved by ASX or the Board.

(e) Meetings and Notices

Each shareholder is entitled to receive notice of, and to attend, general meetings for the Company and to receive all notices, accounts and other documents required to be sent to Shareholders under the Constitution, the Corporations Act or the Listing Rules.

Shareholders may requisition meetings in accordance with the Corporations Act.

(f) Election of Directors

There must be a minimum of 3 Directors. At every annual general meeting one third of the Directors (rounded down if necessary, to the nearest whole number) must retire from office. Any other Director who, if they do not retire, will at the conclusion of the meeting have been in office for 3 or more years and for 3 or more annual general meetings since he or she was last elected to office must also retire. These retirement rules do not apply to certain appointments including the managing director. Any retiring Director may be re-nominated for appointment as a Director.

(g) Indemnities

To the extent permitted by law the Company must indemnify each past and present Director and secretary against any liability incurred by that person as an officer of the Company and any legal costs incurred in defending an action in respect of such liability.

(h) Winding Up

If the Company is wound up, the liquidator may, with the sanction of a special resolution of the shareholders:

- (i) divide the assets of the Company among the members in kind;
- (ii) determine how the division is to be carried out as between the members or different classes of members.

(i) Shareholder Liability

As the Shares under the Prospectus are fully paid Shares, they are not subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

(j) Alteration to the Constitution

The Constitution can only be amended by a special resolution passed by at least three quarters of shareholders present and voting at the general meeting. At least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

(k) Listing Rules

If the Company is admitted to trading on the Official List, then despite anything in the Constitution, if the Listing Rules prohibit an act being done, the act must not be done. Nothing in the Constitution prevents an act being done that the Listing Rules require to be done. If the Listing Rules require an act to be done or not to be done, authority is given for that act to be done or not to be done (as the case may be). If the Listing Rules require the Constitution to contain a provision and it does not contain such a provision, the Constitution is deemed to contain that provision. If the Listing Rules require the Constitution not to contain a provision and it contains such a provision, the Constitution is deemed not to contain that provision. If a provision of the Constitution is inconsistent with the Listing Rules, the Constitution is deemed not to contain that provision to the extent of the inconsistency.

8.14 Expenses of the Offer

The total estimated expenses of this Prospectus are estimated to be \$336,300 if the Company raises the full subscription amount and \$446,300 if the Company raises the over subscription amount. As at 31 May 2012 approximately \$51,000 has been paid by the Company. The costs of the Offer consist of the following:

Cost	Full subscription (\$2,500,000)	Over subscription (\$4,000,000)
Investigating accountants' report	\$10,000	\$10,000
Independent geologist's report	\$39,300	\$39,300
Legal fees	\$37,000	\$37,000
Prospectus design and printing	\$15,000	\$15,000

Cost	Full subscription (\$2,500,000)	Over subscription (\$4,000,000)
ASIC and ASX fees	\$50,000	\$55,000
Commissions ¹	\$175,000	\$280,000
Other	\$10,000	\$10,000
Total	\$336,300	\$446,300

Notes:

- 1 The Company may pay a commission of up to 7% (excluding GST) of amounts subscribed to any licensed securities dealers or Australian financial services licensee in respect of any valid applications lodged and accepted by the Company and bearing the stamp of the licensed securities dealer or Australian financial services licensee. Payments will be subject to the receipt of a proper tax invoice from the licensed securities dealer or Australian financial services licensee.

These expenses have or will be paid by the Company.

9. SOLICITORS' REPORT



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8/8 Clive Street West Perth, 6005
Western Australia, Australia

15 August 2012

The Directors
KIN Mining NL
Ground Floor, 342 Scarborough Beach Road
Osborne Park WA 6017

Dear Sirs

SOLICITORS' REPORT

1. Introduction

This report is prepared for inclusion in a prospectus (**Prospectus**) to be dated on or about 10 August 2012 for issue by KIN Mining NL ACN 150 597 541 (**Company**) of 12,500,000 Shares at an issue price of \$0.20 per Share to raise \$2,500,000 with oversubscriptions of up to a further 7,500,000 Shares to raise up to a further \$1,500,000.

The report relates to Western Australian mining tenements and tenement applications (**Tenements**) in which the Company holds an interest. The attached Tenement Schedule (**Schedule**) and notes to the Schedule, contain an overview of the Tenements.

2. Searches

For the purpose of this report, we have conducted the following searches and enquiries:

- (a) searches of the Tenements in the mining tenement register (**DMP Register**) maintained by the Department of Mines and Petroleum of Western Australia (**DMP**) pursuant to the Mining Act 1978 (WA) and Mining Regulations 1981 (WA) (**Mining Act**) conducted on 24 July 2012; and
- (b) quick appraisal searches of the Tenements summarising information obtained online from the 'TENGRAPH' system maintained by the DMP conducted on 24 July 2012;

3. Opinion

Based on our searches and enquiries and subject to the assumptions and qualifications set out below, we confirm at the date of the searches that:

- (a) the details of the Tenements referred to in the Schedule are accurate as to the status and registered holders of those tenements;
- (b) unless otherwise specified in this report, the Tenements are in good standing and all applicable rents have been paid;
- (c) none of the Tenements are subject to any unusual conditions of a material nature other than as disclosed in the Schedule;
- (d) this report provides accurate statements as to third party interests, including encumbrances in relation to the Tenements ascertainable from our searches and the information provided to us.

Subject to the comments below relating to standard, administrative authorisations (which are normally applied for only at the time of finalising the details of individual exploration plans), or as otherwise detailed in this Prospectus, there are no legal, regulatory or contractual impediments to the Company undertaking the proposed exploration on the Tenements as detailed elsewhere in the Prospectus.

4. Assumptions and qualifications

In preparing this Report:

- (a) we have assumed the accuracy and completeness of results of the searches of the registers maintained by the DMP and other information obtained from the DMP;
- (b) we have assumed all contracts, agreements or arrangements reviewed were within the capacity and powers of, and were validly authorised, executed and delivered by and binding on each party to them, and where applicable, duly stamped;
- (c) where any agreement, dealing or act (including disturbing the land for exploration or mining) affecting a Tenement requires an authorisation, approval, permission or consent (**Authorisation**) under the Mining Act, or any other relevant legislation, we have assumed that Authorisation has been or will be granted in due course;
- (d) where any dealing in a Tenement has been lodged for registration but is not yet registered, we express no opinion as to whether the registration will be effected, or the consequences of non-registration;
- (e) we have assumed that the Company has complied with all applicable provisions of the Mining Act and all other legislation relating to the Tenements;
- (f) we have not researched the underlying land tenure in respect of the Tenements to determine if native title rights have or have not been extinguished, or the extent of any extinguishment;
- (g) we have not researched the area of the tenements to determine if there are any registered or unregistered sites of significance to aboriginal people within the area.

The Schedule sets out a brief description of the Tenements and a summary of any encumbrances. In relation to the Schedule, we make the following comments:

- (a) references to the areas of the Tenements are taken from the details shown on the tenement searches, it is not possible to verify those areas without conducting a survey which has not been undertaken;
- (b) the area of a tenement as shown in the schedule might be reduced by the existence of pre-existing tenements situated within the boundaries of the relevant tenement and a subsequent requirement that the area of the earlier tenement is excised from the grant of the later tenement; and
- (c) the rights of a holder of a Tenement are subject to compliance by that holder with the terms and conditions under the Mining Act and the conditions specifically set out in the grant of the relevant Tenement.

5. Tenements

The Tenements comprise of exploration licences (prefixed “E”), prospecting licences (prefixed “P”), and mining leases (prefixed “M”) granted and applied for pursuant to the Mining Act.

In accordance with the Mining Act, the holder of a mining tenement is permitted to explore for all minerals including oil shale, but excluding sand or clay occurring on private land. Exploration or mining for iron is also excluded unless it has been authorised by the Minister and endorsed on the mining tenement title. Under the *Petroleum and Geothermal Energy Resources Act 1987* (WA), petroleum and geothermal energy resources are also excluded from the grant of a mining tenement.

In addition to the authorisations and approvals described below, it is a requirement that any person carrying out ground disturbing work on a mining tenement has approval of the DMP to undertake such work. Such approvals may involve referral by the DMP of the work to other Government agencies and may be given subject to special conditions. Approvals are submitted, from time to time, for each exploration program to be undertaken and are submitted to the DMP for approval at an administrative level.

(a) Prospecting Licences

A prospecting licence authorises the holder to enter land for the purpose of prospecting for minerals. ‘Prospecting’ includes the use of vehicles, machinery and equipment, and permits the undertaking of operations and works such as digging pits, trenches and holes, sinking bores and tunneling, for the purpose of prospecting for minerals in, on, or under the land. The holder of a prospecting licence may excavate, extract or remove earth, soil, rocks, stone, fluid or mineral-bearing substances not exceeding 500 tonnes over the term of the licence.

Prospecting licences are granted for a term of four years. The Minister has discretion to extend the prospecting licence for one further four year period if satisfied that a prescribed ground for extension exists.

‘Prescribed grounds’ for extension include circumstances when the holder experienced difficulties or delays arising from governmental, legal, climatic or heritage reasons, where work carried out justifies further prospecting, or where the Minister considers the land has been unworkable for whole or a considerable part of any year of the term.

During the term of a prospecting licence, the holder may apply for and have granted subject to the Mining Act, one or more mining leases over any part of land subject to the prospecting licence. Where an application for a mining lease is made and the term of the prospecting licence is due to expire prior to the grant of the mining lease, the prospecting licence will continue in force over the land subject to the application for the mining lease pending the determination of the application.

Annual rent for the first year of a prospecting licence is payable at the time of application, and upon grant will be payable each year of the term at the rate of \$2.25 per hectare with a minimum annual rental of \$22.50 (current as at date of this report).

Prospecting licences are subject to minimum annual expenditure requirements, which are calculated at the rate of \$40.00 per hectare, subject to a minimum of \$2,000 per annum (based on expenditure requirements current as at date of this report). The holder may apply for exemption from compliance with minimum expenditure requirements on certain grounds set out in the Mining Act or at the discretion of the Minister. A failure to comply with expenditure requirements, unless exempted, renders the prospecting licence liable to forfeiture.

Forfeiture of Prospecting Licences

The Warden, on the application of the Minister, mining registrar, an authorised officer of the DMP, or any other person, may make an order for forfeiture of a prospecting licence for any of the following reasons:

- (i) refusal of an exemption from expenditure;
- (ii) failure by the holder to comply with a condition of a prospecting licence such as payment of rent, statutory royalty or lodgment of a report as required by the Mining Act;
- (iii) failure by the holder to satisfy a request of the Minister; or
- (iv) if the holder is convicted of an offence under the Mining Act.

An application for forfeiture in respect of expenditure conditions must be made during the expenditure year in which there is non-compliance, or within eight months thereafter.

A Warden may only make an order for forfeiture if the Warden is satisfied that non-compliance is of sufficient gravity to justify the forfeiture of the mining tenement.

A Warden may, as he or she thinks fit in the circumstances, impose a penalty as an alternative to making an order for forfeiture of a prospecting licence. The penalty must not exceed \$10,000 in a case where expenditure conditions have not been complied with, and not exceed \$50,000 in any other case.

Applications for Prospecting Licences

A number of the Tenements comprise applications for a prospecting licence.

The DMP will not register a transfer of an application for a prospecting licence, but there is no restriction on an applicant selling an application and providing for its transfer upon grant.

(b) Exploration Licences

An exploration licence permits the holder to explore over a larger area of land than under a prospecting licence. Exploration licences are subject to a maximum 200 graticular blocks in designated areas of the state and a maximum of 70 graticular blocks elsewhere. Graticular blocks range in area from approximately 2.8km² to 3.3 km² depending on their location in Western Australia. There is no limit on the number of exploration licences which may be held by any one person.

An exploration licence authorises the holder to enter land to explore using vehicles, machinery and equipment as may be necessary or expedient for the purpose of exploring for minerals in, on or under the land.

Exploration licences are granted for a term of five years. Whole or part of the land subject to an exploration licence may be extended by one period of five years and then by further two year periods if the Minister is satisfied that a prescribed ground for extension exists.

Exploration licences are subject to a requirement that the holder relinquishes 40% of the tenement area at the end of the initial five year period. The Minister may defer the relinquishment requirement for only one year if satisfied that a prescribed ground for deferral exists. No exemption from the relinquishment requirement is available.

During the first year of grant of an exploration licence, a legal or equitable interest in or affecting the exploration licence cannot be transferred or otherwise dealt with, whether directly or indirectly, without the prior written consent of the Minister. Any agreement made in contemplation of a dealing or other transaction over an exploration licence is valid provided a condition requiring Ministerial consent is included in the dealing or transaction.

During the term of an exploration licence, the holder may apply for and have granted subject to the Mining Act, one or more mining leases over any part of land subject to the exploration licence. Where an application for a mining lease is made and the term of the exploration licence is due to expire prior to the grant of the mining lease, the exploration licence will continue in force with respect to the land subject to the application for the mining lease pending the determination of the application.

Annual rent for an exploration licence is \$116.70 per block for years one to three of the term of the licence, \$181.45 per block for years four and five of the term of the licence, \$246.20 per block for years six and seven of the term of the licence and \$466.20 per block for year eight and each subsequent year of the term of the licence (based on rental rates current as at date of this report).

Exploration licences are subject to minimum annual expenditure requirements which are calculated at not less than \$1,000 per block for years one to three of the term of the licence (subject to minimums of \$10,000 for licences of one block only, \$15,000 for licences of two to five blocks and \$20,000 for licences of six or more blocks); not less than \$1,500 per block for years four and five of the term of the licence (subject to minimums of \$10,000 for licences of one block only, \$20,000 for licences of two to five blocks and \$30,000 for licences of six or more blocks); not less than \$2,000 per block for years six and

seven of the term of the licence (subject to minimums of \$15,000 for licences of one block only, \$30,000 for licences of two to five blocks and \$50,000 for licences of six or more blocks); and not less than \$3,000 per block for years eight and each subsequent year of the term of the licence (subject to minimums of \$20,000 for licences of one block only, \$50,000 for licences of two to five blocks and \$70,000 for licences of six or more blocks) (based on expenditure requirements current as at date of this report).

The holder of an exploration licence may apply for exemption from compliance with minimum expenditure requirements on certain grounds set out in the Mining Act or at the discretion of the Minister. A failure to comply with expenditure requirements, unless exempted, renders the exploration licence liable to forfeiture.

(c) Mining Leases

A mining lease authorises the holder to work and mine the land, and take and remove from the land any minerals and dispose of them, and to do all acts and things necessary to effectually carry out mining operations in, on, or under the land subject to the mining lease.

From 10 February 2006, in addition to other terms and conditions, a mining lease may only be granted if the application is accompanied by either a mining proposal or a "statement" setting out information about the mining operations that are likely to be carried out on the mining lease together with a mineralisation report prepared by a qualified person. If a "statement" and mineralisation report are lodged, the Director, Geological Survey must be satisfied that there is significant mineralisation in, on, or under the land to which an application for a mining lease relates. For the purposes of the Mining Act "significant mineralisation" is defined as a deposit of minerals where exploration results indicate that there is a reasonable prospect of minerals being obtained by mining operations.

Every granted mining lease is subject to a condition requiring the lessee, before carrying out mining operations of a prescribed kind on any part of the land the subject of the lease (including open-cut, underground, quarrying, dredging, harvesting, scraping, leaching and tailing treatment operations together with incidental construction activities), to lodge (and have approved) a mining proposal. Mining proposals are required to detail all matters relating to the environmental management of a proposed project including mine closure and rehabilitation.

A mining lease is granted for a term of 21 years and may be renewed for successive terms upon application to the Minister. A term of renewal must not exceed 21 years.

A holder of a mining lease may not transfer or mortgage a legal interest in the land or any part of the land without the prior written consent of the Minister, or of an officer of the DMP acting with the authority of the Minister.

Annual rent for a mining lease is \$15.40 per hectare (based on rental rates current as at the date of this report).

The holder of a mining lease must expend, or cause to be expended, in mining, or in connection with mining, on the lease not less \$100 for each hectare, with a minimum of

\$10,000 per year during each year of the term of the lease. If the mining lease does not exceed 5 hectares the minimum annual expenditure will be \$5,000.

6. Royalties

Tenement holders must pay royalties on minerals (including material containing minerals) obtained from a mining tenement to the Western Australia State Government. Royalties are payable quarterly to the DMP and must be accompanied by a royalty return in an approved form. The holder of a mining tenement must provide a quarterly production report to the Director General of Mines commencing at the expiration of the first quarter during which any mineral is produced or obtained from that mining tenement. Royalty rates and methods of calculation differ depending on the type of mineral produced or obtained from a mining tenement. A tenement holder may also be liable to pay a safety levy based on the number of hours spent working on a group of tenements (including all employees or contractors).

7. Native Title

Native Title exists in Western Australia and affects all new mining tenements applied for. The Schedule sets out relevant native title claims affecting the tenements but the fact a claim has been lodged does not necessarily mean that native title exists over the area claimed, nor does the absence of a claim necessarily indicate that no native title exists in an area. The existence of native title will be established in due course as the claims are determined by the Federal Court.

The grant of a mining tenement is a "Future Act" under the *Native Title Act 1993* (Cth) (**NTA**) (being an activity or development on land or waters that affects native title). Native title claimants' gain the 'right to negotiate' in relation to the grant of certain mining tenements if their native title claim is registered at the time the government issues a notice (known as a section 29 notice), stating it intends to do the act (i.e. grant the tenement), or if their claim becomes registered within four months after that notice. The "right to negotiate" applies in the main to the grant of a mining lease and describes a process whereby the tenement applicant and native title claimant must negotiate in good faith to try to resolve any potential concerns that the native title claimants may have arising from the mining lease application or its grant.

In some cases (especially for exploration or prospecting licences) the Western Australia State Government applies a "fast track" procedure (the 'expedited procedure') in place of the 'right to negotiate' process. If the proposed grant of a mining tenement is advertised under the expedited procedure, native title parties can lodge an objection to the application of the 'expedited procedure' (as opposed to an objection to the grant). If there is no objection lodged, the tenement can be granted. If an objection is lodged, the parties may either negotiate and reach agreement, or apply to the National Native Title Tribunal (**NNTT**) for a determination.

It is a policy of the DMP to apply the expedited procedure to the grant of exploration and prospecting licences in Western Australia where the applicant has executed a Regional Standard Heritage Agreement (**RSHA**) or has an existing Alternative Heritage Agreement (**AHA**) in place. In the absence of such an agreement applications will be subject to the 'right to negotiate' procedure.

A RSHA or AHA is intended to address potential Aboriginal heritage concerns with respect to work on the area subject to a tenement. The agreements generally provide for a native title party to

withdraw their objection to the expedited procedure and consent to the grant of the tenement upon the terms of the agreement, which can require a heritage survey to be conducted prior to exploration activities.

8. Validity of titles

(a) Right to Negotiate Procedure

Mining tenements granted after 23 December 1996 that affect native title will be valid only if the applicable processes of the NTA have been complied with. Under the right to negotiate procedures, parties are required to negotiate in relation to the grant of the proposed Future Act, eg the grant of a mining tenement. Negotiations are initiated to obtain the agreement of the relevant native title parties to the carrying out of the proposed Future Act on the native title land. The right to negotiate procedure consists of a statutory minimum six month period of negotiation between the relevant government party, the native title party and the grantee, during which time the parties must negotiate in good faith with a view to reaching agreement about the doing of the Future Act.

If parties cannot reach agreement as to the terms of grant, a negotiation party may apply to the NNTT (as the arbitral body) to make a determination as to whether the grant may proceed (and if so, on what conditions).

(b) Compensation

The Mining Act makes mining tenement holders liable for any native title compensation that may be payable as a result of a tenement grant. If the existence of native title is proven over any of the land subject to the Tenements, and the native title holders make application to the Federal Court for compensation, the tenement holder may be liable to pay any compensation awarded. To date, the Federal Court has never awarded native title compensation (although very few compensation claims have been commenced).

(c) Conversion to Mining Lease

In relation to the Tenements undergoing a conversion from an exploration licence or prospecting licence to a mining lease over an area where native title claims are lodged and registered, it will be necessary to go through the 'right to negotiate' process, unless the Company has earlier entered into an agreement with the claimants relating to such conversion.

9. Aboriginal Heritage

(a) Commonwealth

The Aboriginal and Torres Strait Islander Heritage Protection Act 1984 (Cth) (**Commonwealth Heritage Act**) is aimed at the preservation and protection of any Aboriginal areas and objects that may be located on the Tenements.

Under the Commonwealth Heritage Act, the Minister for Aboriginal Affairs may make interim or permanent declarations of preservation in relation to significant Aboriginal areas or objects, which can affect exploration activities. Compensation is payable by the Minister to a person who is, or is likely to be, affected by a permanent declaration of preservation.

(b) Western Australia

Holders of mining tenements in Western Australia are subject to the Aboriginal Heritage Act 1972 (**Heritage Act**), which protects sites that may be of spiritual, cultural or heritage significance to Aboriginal people (**Aboriginal Site**). The Western Australia Department of Indigenous Affairs maintains a register of Aboriginal Sites but registration of an Aboriginal Site is not required by the Heritage Act.

To alter or damage an Aboriginal Site is an offence under the Heritage Act that can lead to prosecution (unless approval has been obtained under the Heritage Act). Any party disturbing an area of the State has an obligation to avoid interfering with an Aboriginal Site. To satisfy this obligation, tenement holders commonly undertake Aboriginal heritage surveys which involves the relevant traditional owners and as necessary, an archeologist or anthropologist walking the land identifying sites and discussing the impact of proposed exploration activity. The costs of the heritage survey are met by the registered tenement holder.

(c) Aboriginal Sites within the Tenements

We have not undertaken any searches or investigations as to whether there are or may be any sites protected by the Heritage Act within the area of the Tenements. It is common practice for an explorer to undertake heritage surveys only over areas about to be disturbed and only when work is imminent.

10. Consent

This report is given on the date set out at the commencement and unless specified to the contrary, speaks only to the laws in force on that date. This report is provided solely for the benefit of the Company and the directors of the Company in connection with the issue of the Prospectus and is not to be relied on or disclosed to any other person or used for any other purpose or quoted or referred to in any public document without our prior written consent.

Kings Park Corporate Lawyers has consented to the inclusion of this Report in the Prospectus in the form and context in which it is included and have not withdrawn that consent before the lodgement of the Prospectus with ASIC.

11. Disclosure of Interest

Kings Park Corporate Lawyers will be paid normal and usual professional fees for the preparation of this report and related matters, as set out elsewhere in the Prospectus.

Yours faithfully

Kings Park Corporate Lawyers

Kings Park Corporate Lawyers

Tenements Schedule

Desdemona Project								
Tenement	Holder (see note below)	Status	Area	Application Date	Grant Date	Expiry Date	Required Expenditure	Notes
M40/330	TJD (50%) WCVB (25%) WVH (25%)	Live	321 ha	2/10/2009	17/06/2010	16/06/2031	\$32,100	1
E40/283	TJD	Live	34 blocks	15/02/2010	23/03/2011	22/03/2016	\$34,000	2, 3, 4 (L40/24) & 5 (Menzies 30 & 129 and NMF 830)
E40/285	TJD	Live	2 blocks	10/03/2010	11/11/2010	10/11/2015	\$15,000	2, 5 (GSS - Menzies 126 & 127) & 6
P40/1263	TJD	Live	198 ha	21/10/2009	5/10/2010	4/10/2014	\$7,920	2, 5 (GSS - Menzies 29 & 123), 6, 7 & 8
P40/1283	KIN	Pending	145.9 ha	23/09/2011				10
P40/1284	KIN	Live	199.2 ha	23/09/2011	16/07/2012	15/07/2016	\$8,000	4 (L40/24) & 13
P40/1285	KIN	Live	199.9 ha	23/09/2011	16/07/2012	15/07/2016	\$8,000	4 (L40/24) & 13
P40/1286	KIN	Live	199.9 ha	23/09/2011	16/07/2012	15/07/2016	\$8,000	4 (L40/24) & 13
P40/1287	KIN	Live	153.6 ha	23/09/2011	16/07/2012	15/07/2016	\$6,160	4 (L40/24) & 13
E40/320	KIN	Pending	20 blocks	9/02/2012				9

Murrin Murrin Project								
Tenement	Holder (see note below)	Status	Area	Application Date	Grant Date	Expiry Date	Required Expenditure	Notes
M39/279	RGM (33.33%) TJD (66.66%)	Live	28 ha	13/08/1992	15/01/1993	14/01/2014	\$10,000	14
P39/4913	TJD	Live	200 ha	07/01/2008	29/01/2009	28/01/2013	\$8,000	14
P39/4914	TJD	Live	200 ha	07/01/2008	29/01/2009	28/01/2013	\$8,000	14
P39/4915	TJD	Live	200 ha	07/01/2008	29/01/2009	28/01/2013	\$8,000	14
P39/4916	TJD	Live	140 ha	07/01/2008	29/01/2009	28/01/2013	\$5,600	14
P39/5112	TJD	Live	180 ha	10/05/2010	12/04/2011	11/04/2015	\$7,200	14
P39/5113	TJD	Live	175 ha	10/05/2010	12/04/2011	11/04/2015	\$7,000	14
P39/5164	RLG	Live	144.2 ha	06/12/2010	16/08/2011	15/08/2015	\$5,800	14
P39/5165	RLG	Live	191.9 ha	06/12/2010	16/08/2011	15/08/2015	\$7,680	14
P39/5176	RLG	Live	121 ha	31/12/2010	21/02/2012	20/02/2016	\$4,840	11 (TSR 7154), 5 (GSS - SSM-Laverton 78) & 14
P39/5177	RLG	Live	121 ha	31/12/2010	21/02/2012	20/02/2016	\$4,840	14
P39/5178	RLG	Live	120.8 ha	31/12/2010	21/02/2012	20/02/2016	\$4,840	14
P39/5179	RLG	Live	95.4 ha	31/12/2010	21/02/2012	20/02/2016	\$3,840	14
P39/5180	KNPL	Live	121 ha	03/02/2011	02/03/2012	01/03/2016	\$4,840	14
P39/4980	SCC	Live	158 ha	19/12/2008	24/09/2009	23/09/2013	\$6,320	14

Randwick Project								
Tenement	Holder (see note below)	Status	Area	Application Date	Grant Date	Expiry Date	Required Expenditure	Notes
P37/7806	RJW	Live	121 ha	20/08/2009	24/06/2010	23/06/2014	\$4,840	
P37/7995	LCF	Live	122 ha	26/10/2010	1/07/2011	30/06/2015	\$4,880	
P37/7996	LCF	Live	122 ha	26/10/2010	1/07/2011	30/06/2015	\$4,880	
P37/7997	LCF	Live	80 ha	26/10/2010	1/07/2011	30/06/2015	\$3,200	
P37/7998	LCF	Live	122 ha	26/10/2010	1/07/2011	30/06/2015	\$4,880	
P37/7999	LCF	Live	122 ha	26/10/2010	1/07/2011	30/06/2015	\$4,880	
P37/8000	LCF	Live	112 ha	26/10/2010	1/07/2011	30/06/2015	\$4,480	
P37/8001	LCF	Live	171 ha	26/10/2010	1/07/2011	30/06/2015	\$6,840	
P37/7283	RFC	Live	120 ha	5/02/2007	30/10/2008	29/10/2012	\$4,800	
P37/7284	RFC	Live	120 ha	5/02/2007	30/10/2008	29/10/2012	\$4,800	12
Iron King/ Victory Project								
Tenement	Holder (see note below)	Status	Area	Application Date	Grant Date	Expiry Date	Required Expenditure	Notes
P37/7175	TJD	Live	120 ha	29/01/2007	29/01/2009	28/01/2013	\$4,800	
P37/7176	TJD	Live	130 ha	29/01/2007	29/01/2009	28/01/2013	\$5,200	
P37/7177	TJD	Live	120 ha	29/01/2007	29/01/2009	28/01/2013	\$4,800	

P37/7194	CC (33.33%) RFC (33.33%) TJD (33.33%)	Live	14 ha	29/01/2007	29/01/2009	28/01/2013	\$2,000	
P37/7195	CC (33.33%) RFC (33.33%) TJD (33.33%)	Live	200 ha	29/01/2007	29/01/2009	28/01/2013	\$8,000	
P37/7196	CC (33.33%) RFC (33.33%) TJD (33.33%)	Live	200 ha	29/01/2007	29/01/2009	28/01/2013	\$8,000	
P37/7197	CC (33.33%) RFC (33.33%) TJD (33.33%)	Live	200 ha	29/01/2007	29/01/2009	28/01/2013	\$8,000	
P37/7198	CC (33.33%) RFC (33.33%) TJD (33.33%)	Live	200 ha	29/01/2007	29/01/2009	28/01/2013	\$8,000	
Mt Flora Project								
Tenement	Holder (see note below)	Status	Area	Application Date	Grant Date	Expiry Date	Required Expenditure	Notes
P39/4617	TJD	Live	11 ha	25/01/2007	30/12/2008	29/12/2012	\$2,000	
P39/4618	TJD	Live	200 ha	25/01/2007	30/12/2008	29/12/2012	\$8,000	
P39/4619	TJD	Live	192 ha	25/01/2007	30/12/2008	29/12/2012	\$7,680	
P39/4620	TJD	Live	165 ha	25/01/2007	30/12/2008	29/12/2012	\$6,600	
P39/4621	TJD	Live	196 ha	25/01/2007	30/12/2008	29/12/2012	\$7,840	
P39/4912	TJD	Live	200 ha	7/01/2008	7/01/2010	6/01/2014	\$8,000	
P39/4960	TJD	Live	187 ha	12/08/2008	17/04/2009	16/04/2013	\$7,480	
P39/4961	TJD	Live	190 ha	12/08/2008	17/04/2009	16/04/2013	\$7,600	

P39/5181	TJD	Live	198 ha	11/02/2011	18/10/2011	17/10/2015	\$7,920	
P39/5182	TJD	Live	199 ha	11/02/2011	18/10/2011	17/10/2015	\$7,960	11 (TSR 7152)
P39/5183	TJD	Live	199 ha	11/02/2011	18/10/2011	17/10/2015	\$7,960	
P39/5185	TJD	Live	198 ha	11/02/2011	16/12/2011	15/12/2015	\$7,920	4 (L39/215)
Redcastle Project								
Tenement	Holder (see note below)	Status	Area	Application Date	Grant Date	Expiry Date	Required Expenditure	Notes
P39/5267	TJD	Pending	200 ha	25/01/2012				14
P39/4528	TJD	Live	198 ha	6/06/2006	28/09/2007	27/09/2015	\$7,920	14
P39/4593	TJD	Live	200 ha	22/01/2007	30/12/2008	29/12/2012	\$8,000	14
P39/4834	TJD	Live	150 ha	19/03/2007	30/12/2008	29/12/2012	\$6,000	14
P39/4839	TJD	Live	155 ha	30/04/2007	30/12/2008	29/12/2012	\$6,200	14
P39/5097	TJD	Live	200 ha	11/02/2010	2/12/2010	1/12/2014	\$8,000	14
P39/5098	TJD	Live	87 ha	11/02/2010	2/12/2010	1/12/2014	\$3,480	14
P39/5099	TJD	Live	190 ha	11/02/2010	2/12/2010	1/12/2014	\$7,600	14
P39/5100	TJD	Live	198 ha	11/02/2010	2/12/2010	1/12/2014	\$7,920	14
P39/5101	TJD	Live	198 ha	11/02/2010	2/12/2010	1/12/2014	\$7,920	14
P39/5102	TJD	Live	165 ha	11/02/2010	2/12/2010	1/12/2014	\$6,600	14
P39/5103	TJD	Live	129 ha	15/02/2010	2/12/2010	1/12/2014	\$5,160	14

P39/5105	TJD	Live	200 ha	26/03/2010	12/04/2011	11/04/2015	\$8,000	14
P39/4930	ODSPL	Live	200 ha	20/02/2008	27/03/2009	26/03/2013	\$8,000	14
P39/4550	RFC	Live	10 ha	2/08/2006	23/10/2008	22/10/2012	\$2,000	14

Holders

The tenements set out above are registered in the name of Kin Mining NL and various other holders. Kin Mining NL's rights to the tenements are set out in full in section 5.8 (Summary of contracts under which the Company has acquired its projects) of this Prospectus, which does not form part of this Solicitors' Report.

Key to Holders:

CC	Christopher Crew
KIN	Kin Mining NL (ACN 150 597 541)
KNPL	Kazoo Nominees Pty Ltd (ACN 124 403 578)
LF	Lachlan Charles Forsyth
ODSPL	Oro Del Sur Pty Ltd (ACN 138 128 300)
RGM	Russell Geoffrey McKnight
RFC	Ross Frederick Crew
RJW	Ronald James Woods
RLG	Robert Lee Griffiths
SCC	Steven Colin Caporn
TJD	Trevor John Dixon
WCVB	Wayne Craig Van Blitterswyk
WVH	Wayne Vincent Halloran

Notes

The notes below refer to particular conditions and endorsements of the Tenements. It is not an exhaustive list. For all conditions and endorsements attached to the Tenements, a search of the DMP Register should be conducted.

Each granted tenement is subject to standard conditions that must be complied with including rent payments, annual expenditure requirements and the requirement to lodge annual technical reports. Standard conditions also stipulate that a tenement holder obtain the consent of an officer of the DMP prior to conducting any ground disturbing work, basic environmental and rehabilitation conditions (such as the removal of all waste, capping of drill holes etc) and prohibitions or restrictions on disturbing existing infrastructure such as roads, powerlines and airstrips. In addition to these standard conditions, the following applies.

1. Project construction and operation and environmental protection should be carried out in accordance with the "Kingfisher - Low Impact Mining Operations on Mining Tenement 40/330" (Reg ID:24329). Additional conditions attach to this tenement which apply stricter rehabilitation obligations on the tenement holder with respect to any work done.
2. The tenement holder must not interfere with the Menzies to Leonora optic fibre cable or the installations in connection with, and must preserve the owner's right of ingress to and egress from the facility at all times.
3. The prior written consent of the Minister for the Mining Act is required before commencing exploration activities on Timber Reserve 18738.
4. The tenement holder must not interfere with the purpose, or installations connected to the Miscellaneous Licence and must preserve the miscellaneous licensee's right of ingress to and egress from the licence area at all times.
5. The tenement holder must not interfere with the Geodetic Survey Station (GSS). Mining within 15 metres of the GSS must be confined to a depth of 15 metres from the natural surface.
6. No excavation, excepting shafts, approaching closer to the Goldfields Highway, Highway verge or the road reserve than a distance equal to twice the depth of the excavation and mining on the Goldfields Highway or Highway verge being confined to below a depth of 30 metres from the natural surface.
7. No excavation, excepting shafts, on any road or road verge, within 15 meters from the natural surface.
8. The prior written consent of the Minister is required before commencing any prospecting activities on Water Act 57 Vic No 20 Reserve 12106.
9. This tenement, if granted, will be subject to special conditions imposed to protect any miscellaneous licence held by Murrin Murrin Holdings Pty Ltd or Glenmurrin Pty Ltd.
10. This tenement, if granted, will carry a condition preserving the rights of ingress and egress to any pre-existing miscellaneous licence holder.

11. The prior written consent of the Minister for the Mining Act is required before commencing prospecting activities on the Trigonometrical Station Reserve (**TSR**).
12. Mining on a strip of land 20 metres wide with any pipeline as the centreline is confined to below a depth of 31 metres from the natural surface, no mining material is to be deposited on such a strip. The owner's right of ingress to and egress from the facility must be preserved at all times.
13. This tenement is subject to endorsements with respect to Water Resource Management Areas. The licence holder must observe statutory requirements, preserve the rights of ingress and egress for officers of the Department of Water (**DOW**) for inspection and investigation purposes, follow guidelines on chemical and hazardous substance storage. Alteration to or extraction of groundwater from an artesian well is prohibited and advice is required from the DOW if prospecting within 50 metres of the outer-most water dependant vegetation of a perennial waterway and within 30 metres of the outer-most water dependant vegetation of a seasonal waterway. Abstraction of groundwater from Ground Water Area 21 is prohibited without a licence from the DOW.
- 14 This tenement is affected by the Kurrku Registered Native Title Claim (WC10/8: WAD385/10).



Accountants | Business and Financial Advisers

9 August 2012

The Directors
Kin Mining NL
PO Box 964
SCARBOROUGH WA 6922

Dear Sirs

INVESTIGATING ACCOUNTANT'S REPORT

Introduction

This Investigating Accountant's Report ("Report") has been prepared for inclusion in a prospectus to be dated on or about 10 August 2012 ("Prospectus") for the issue by Kin Mining NL ("KIN" or the "Company") of 12,500,000 ordinary shares at an issue price of 20 cents each to raise a total of \$2,500,000 before the expenses of the issue ("Offer"). Oversubscriptions may be accepted of up to a further 7,500,000 ordinary shares at an issue price of 20 cents each to raise an additional \$1,500,000 before the expenses of the issue.

This Report has been included in the Prospectus to assist potential investors and their financial advisers to make an assessment of the financial position and performance of Kin Mining NL.

Structure of Report

This Report has been divided into the following sections:

1. Background information;
2. Scope of Report;
3. Financial information;
4. Subsequent events;
5. Statements; and
6. Declaration.

1. Background Information

The Company was registered in Australia on 27 April 2011. The current directors of the Company are Mr Terry Grammer, Mr Trevor Dixon, Mr Marvyn (Fritz) Fitton and Mr Giuseppe (Joe) Graziano. Mr Graziano also acts as the Company Secretary.

HLB Mann Judd (WA Partnership) ABN 22 193 232 714

Level 4 130 Stirling Street Perth WA 6000. PO Box 8124 Perth BC 6849 WA. Telephone +61 (08) 9227 7500. Fax +61 (08) 9227 7533.

Email: hlb@hlbwa.com.au. Website: www.hlb.com.au

Liability limited by a scheme approved under Professional Standards Legislation

HLB Mann Judd (WA Partnership) is a member of HLB International, a world-wide organisation of accounting firms and business advisers

The Company has secured valuable mining tenements in the North-Eastern Goldfields region of Western Australia. KIN is a public unlisted company that has options to acquire a total of 70 mineral exploration tenements within the major gold and nickel producing regions of Leonora and Laverton.

KIN has entered into option agreements to acquire interests in six separate project areas in the North-Eastern Goldfields region of Western Australia. These leases cover a combined total area of 271.8km².

As at the date of this Report, the issued share capital of the Company is 18,950,003 ordinary fully paid shares. The following table summarises share capital movements since registration.

Date		Number issued	Issue price	\$
27/04/2011	Incorporation shares	3	\$1.000	3
21/09/2011	Founder shares	4,000,000	\$0.001	4,000
21/09/2011	Directors' shares	4,000,000	\$0.010	40,000
21/09/2011	Seed capital – tranche 1	2,000,000	\$0.050	100,000
27/10/2011	Seed capital – tranche 1	1,000,000	\$0.050	50,000
23/04/2012	Seed capital – tranche 1	500,000	\$0.050	25,000
06/06/2012	Seed capital – tranche 2	6,950,000	\$0.100	695,000
06/07/2012	Promoter shares	500,000	\$0.050	25,000
		<u>18,950,003</u>		<u>939,003</u>

The Company's main objectives are set out in Section 5 of the Prospectus.

2. Scope of Report

You have requested HLB Mann Judd ("HLB") to prepare this Report presenting the following information:

- a) the historical financial information of the Company, comprising the historical Statement of Financial Position as at 31 May 2012 and the historical Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the period from registration to 31 May 2012 as set out in Appendix 1 to this Report; and
- b) the proforma financial information for the Company, comprising the proforma Statement of Financial Position as at 31 May 2012 and the proforma Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the period then ended. This information is presented under the following two scenarios:
 - \$2,500,000 capital raising, and
 - \$4,000,000 capital raising (maximum oversubscriptions accepted).

The Directors have prepared and are responsible for the historical and proforma information. We disclaim any responsibility for any reliance on this Report or on the financial information to which it relates for any purposes other than that for which it was prepared. This Report should be read in conjunction with the full Prospectus.

We performed a review of the historical financial information and the proforma financial information of the Company as at 31 May 2012 in order to ensure consistency in the application of applicable Accounting Standards and other mandatory professional reporting requirements.

Our review of the historical financial information and the proforma information of the Company was carried out in accordance with Australian Auditing Standard ASRE 2410 "Review of an Interim Financial Report performed by the Independent Auditor of the Entity" and included such enquiries and procedures which we considered necessary for the purposes of this Report. The review procedures undertaken by HLB in our role as Investigating Accountants were substantially less in scope than that of an audit examination conducted in accordance with generally accepted auditing standards. Our review was limited primarily to an examination of the historical financial information and the proforma information, analytical review procedures and discussions with senior management. A review of this nature provides less assurance than an audit and, accordingly, this Report does not express an audit opinion on the historical financial information and proforma information included in this Report or elsewhere in the Prospectus.

In relation to the information presented in this Report:

- a) support by another person, corporation or an unrelated entity has not been assumed;
- b) the amounts shown in respect of assets do not purport to be the amounts that would have been realised if the assets were sold at the date of this Report; and
- c) the going concern basis of accounting has been adopted.

3. Financial Information

Set out in Appendix 1 (attached) are:

- a) The Statement of Comprehensive Income, Statement of Financial Position of the Company as at 31 May 2012, Statement of Changes in Equity and Statement of Cash Flows for the period then ended.
- b) The proforma Statement of Comprehensive Income, proforma Statement of Financial Position of the Company as at 31 May 2012, proforma Statement of Changes in Equity and proforma Statement of Cash Flows for the period then ended as they would appear after incorporating the following significant events and proposed transactions by the Company subsequent to 31 May 2012:
 - i) the issue by the Company pursuant to the Prospectus of 12,500,000 ordinary shares issued at a price of 20 cents each, raising \$2,500,000; or 20,000,000 ordinary shares

issued at 20 cents each, raising \$4,000,000 if oversubscriptions of a further 7,500,000 ordinary shares are accepted;

- ii) the write off to the issued capital account of the estimated costs of the Offer being an estimated \$336,300; or \$446,300 if oversubscriptions of a further 7,500,000 ordinary shares are accepted, after taking into account costs of the Offer incurred prior to 31 May 2012 and included in the Statement of Financial Position as at that date, as detailed below:

	\$2.5M raising \$	\$4.0M raising \$
Investigating accountant's report	10,000	10,000
Independent geologist's report	39,300	39,300
Legal fees	37,000	37,000
Prospectus design and printing	15,000	15,000
ASIC and ASX fees	50,000	55,000
Commissions	175,000	280,000
Other	10,000	10,000
	<u>336,300</u>	<u>446,300</u>
Less: Costs incurred prior to 31 May 2012	<u>(50,997)</u>	<u>(50,997)</u>
	<u>285,303</u>	<u>395,303</u>

- iii) upon exercise of the various vendor option agreements, the payment of \$257,500 to vendors, the issue of 6,000,000 ordinary shares in the capital of the Company to vendors (valued at the IPO issue price of 20 cents each), and the payment of estimated stamp duty of \$77,000; and
- iv) the transfer of \$50,997 in costs of the Offer incurred and recorded at 31 May 2012 from Other Current Assets to the issued capital account.
- c) Notes to the historical financial information and proforma information.

4. *Subsequent Events*

In our opinion, there have been no material items, transactions or events subsequent to 31 May 2012 not otherwise disclosed in the Prospectus that have come to our attention during the course of our review that would require comment in, or adjustment to, the content of this Report or which would cause such information included in this Report to be misleading.

5. *Statements*

Based on our review, which was not an audit, we have not become aware of any matter that causes us to believe that:

- a) the historical financial information of Kin Mining NL as at 31 May 2012 as set out in Appendix 1 of this Report, does not present fairly the financial position of the Company as at that date in accordance with the measurement and recognition requirements (but not

all of the disclosure requirements) of applicable Accounting Standards and other mandatory reporting requirements in Australia and its performance as represented by its results of its operations and its cash flows for the period then ended; and

- b) the proforma information of Kin Mining NL as at 31 May 2012 as set out in Appendix 1 of this Report, does not present fairly the financial position of the Company as at that date in accordance with the measurement and recognition requirements (but not all of the disclosure requirements) of applicable Accounting Standards and other mandatory reporting requirements in Australia and its performance as represented by its results of its operations and its cash flows for the period then ended, as if the transactions referred to in Section 3 (b) of this Report had occurred during that period.

6. Declaration

- a) HLB will be paid its usual professional fees based on time involvement, for the preparation of this Report and review of the financial information, at our normal professional rates (expected to be \$10,000).
- b) 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.
- c) Neither HLB, nor any of its employees or associated persons has any interest in Kin Mining NL or the promotion of the Company. HLB has been appointed as the Company's auditor.
- d) Unless specifically referred to in this Report, or elsewhere in the Prospectus, HLB was not involved in the preparation of any other part of the Prospectus and did not cause the issue of any other part of the Prospectus. Accordingly, HLB makes no representations or warranties as to the completeness or accuracy of the information contained in any other part of the Prospectus.
- e) HLB has consented to the inclusion of this Report in the Prospectus in the form and context in which it appears. The inclusion of this Report should not be taken as an endorsement of the Company or a recommendation by HLB of any participation in the Company by an intending subscriber.

Yours faithfully
HLB MANN JUDD



L DI GIALLONARDO
Partner

APPENDIX 1

KIN MINING NL
STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD FROM REGISTRATION TO 31 MAY 2012

	Reviewed	Proforma \$2.5M raising	Proforma \$4.0M raising
	\$	\$	\$
Income from ordinary activities	-	-	-
Other expenses	(16,047)	(16,047)	(16,047)
Other income	1,000	1,000	1,000
Interest received	839	839	839
Loss from ordinary activities	(14,208)	(14,208)	(14,208)
Income tax expense	-	-	-
Profit/(loss) from ordinary activities after taxation	(14,208)	(14,208)	(14,208)
Other comprehensive income			
Other comprehensive income	-	-	-
Income tax expense	-	-	-
Other comprehensive income, net of tax	-	-	-
Total comprehensive loss	(14,208)	(14,208)	(14,208)

This statement should be read in conjunction with the accompanying notes.

KIN MINING NL
STATEMENT OF FINANCIAL POSITION
AS AT 31 MAY 2012

	Notes	Reviewed \$	Proforma \$2.5M raising \$	Proforma \$4.0M raising \$
Current assets				
Cash and cash equivalents	2	673,001	2,553,198	3,943,198
Receivables		65,550	65,550	65,550
Other (prepaid share issue costs)		50,997	-	-
Total current assets		789,548	2,618,748	4,008,748
Non-current assets				
Property, plant and equipment		2,825	2,825	2,825
Deferred exploration and tenement acquisition expenditure	3	177,645	1,712,145	1,712,145
Total non-current assets		180,470	1,714,970	1,714,970
Total assets		970,018	4,333,718	5,723,718
Current liabilities				
Trade and other payables		120,673	120,673	120,673
Total current liabilities		120,673	120,673	120,673
Total liabilities		120,673	120,673	120,673
Net current assets		849,345	4,213,045	5,603,045
Equity				
Issued capital	4	863,553	4,227,253	5,617,253
Accumulated losses		(14,208)	(14,208)	(14,208)
Total equity		849,345	4,213,045	5,603,045

This statement should be read in conjunction with the accompanying notes.

KIN MINING NL
STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD FROM REGISTRATION TO 31 MAY 2012

	Issued capital \$	Accumulated losses \$	Total \$
Total comprehensive loss	-	(14,208)	(14,208)
Shares issued during the period	939,003	-	939,003
Share issue expenses	(75,450)	-	(75,450)
As at 31 May 2012	863,553	(14,208)	849,345
\$2.5M raising Proforma adjustments			
Shares issued pursuant to Prospectus	2,500,000	-	2,500,000
Shares issued to vendors	1,200,000	-	1,200,000
Issue expenses	(336,300)	-	(336,300)
\$2.5M raising Proforma total	4,227,253	(14,208)	4,213,045
Additional \$1.5M raising Proforma adjustments			
Shares issued pursuant to Prospectus	1,500,000	-	1,500,000
Issue expenses	(110,000)	-	(110,000)
\$4.0M raising Proforma total	5,617,253	(14,208)	5,603,045

This statement should be read in conjunction with the accompanying notes.

KIN MINING NL
STATEMENT OF CASH FLOWS
FOR THE PERIOD FROM REGISTRATION TO 31 MAY 2012

	Reviewed	Proforma \$2.5M raising	Proforma \$4.0M raising
	\$	\$	\$
Cash flows from operating activities			
Interest received	839	839	839
Payments to customers and suppliers	(11,778)	(11,778)	(11,778)
Net cash used in operating activities	(10,939)	(10,939)	(10,939)
Cash flows from investing activities			
Property, plant and equipment	(2,825)	(2,825)	(2,825)
Deferred exploration and acquisition expenditure	(123,913)	(458,413)	(458,413)
Net cash used in investing activities	(126,738)	(461,238)	(461,238)
Cash flows from financing activities			
Proceeds on the issue of shares	874,003	3,374,003	4,874,003
Issue costs paid	(65,325)	(350,628)	(460,628)
Other financial liabilities	2,000	2,000	2,000
Net cash provided by financing activities	810,678	3,025,375	4,415,375
Increase in cash held	673,001	2,553,198	3,943,198
Cash at the beginning of the financial period	-	-	-
Cash at the end of the financial period	673,001	2,553,198	3,943,198

This statement should be read in conjunction with the accompanying notes.

**KIN MINING NL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD FROM REGISTRATION TO 31 MAY 2012**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies which have been adopted in the preparation of the historical and proforma financial information reported under Australian Equivalents to International Financial Reporting Standards ("AIFRS") are shown below.

(a) Basis of preparation

The financial statements have been prepared in accordance with the measurement requirements (but not all of the disclosure requirements) of applicable Accounting Standards and other mandatory professional reporting requirements in Australia using the accrual basis of accounting, including the historical cost convention.

Compliance with IFRS

The financial information complies with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards ("AIFRS"). Compliance with AIFRS ensures that the financial information, comprising the financial statements and notes thereto, comply with measurement requirements but not all of the disclosure requirements of the International Financial Reporting Standards.

Historical cost convention

These financial statements have been prepared under the historical cost convention.

(b) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts.

(c) Trade and other Receivables

Trade receivables are recognised initially at the transaction price (ie cost) and are subsequently measured at cost less provision for impairment.

At the end of each reporting period, carrying amounts of trade and other receivables are reviewed to determine whether there is any objective evidence that the amounts are not recoverable. A provision for impairment of trade receivables is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

(d) Exploration Expenditure and Mining Tenements

Exploration and evaluation costs, including the costs of acquiring licences, are capitalised as exploration and evaluation assets on an area of interest basis. Costs incurred before the Company has obtained the legal rights to explore an area are recognised in the income statement.

Exploration and evaluation assets are only recognised if the rights of the area of interest are current and either:

- the expenditures are expected to be recouped through successful development and exploitation of the area of interest; or
- activities in the area of interest have not at the reporting date, reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves and active and significant operations in, or in relation to, the area of interest are continuing.

Exploration and evaluation assets are assessed for impairment if sufficient data exists to determine technical feasibility and commercial viability, and facts and circumstances suggest that the carrying amount exceeds the recoverable amount (see impairment accounting policy 1(e)).

For the purposes of impairment testing, exploration and evaluation assets are allocated to cash-generating units to which the exploration activity relates. The cash generating unit shall not be larger than the area of interest.

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified from intangible assets to mining property and development assets within property, plant and equipment.

(e) Impairment of assets

The Company assesses at each balance date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Company makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of its fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets and the asset's value in use cannot be estimated to be close to its fair value. In such cases the asset is tested for impairment as part of the cash-generating unit to which it belongs. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset or cash-generating unit is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of

money and the risks specific to the asset. Impairment losses relating to continuing operations are recognised in those expense categories consistent with the function of the impaired asset unless the asset is carried at revalued amount (in which case the impairment loss is treated as a revaluation decrease).

Exploration, evaluation and development expenditure incurred is accumulated in respect of each area of interest. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage which permits reasonable assessment of the existence of economically recoverable reserves.

(f) Trade Payables

Trade payables are recognised at their transaction price. Trade payables are obligations on the basis of normal credit terms and do not bear interest.

(g) Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the ATO. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

(h) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When the Company expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the Statement of Comprehensive Income net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a borrowing cost.

(i) Issued capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(j) Share-based payment transactions

The Company provides benefits to employees (including senior executives) of the Company in the form of share-based payments, whereby employees render services in exchange for shares or rights over shares (equity-settled transactions).

The cost of these equity-settled transactions with employees is measured by reference to the fair value of the equity instruments at the date at which they are granted.

In valuing equity-settled transactions, no account is taken of any performance conditions, other than conditions linked to the price of the shares of Kin Mining NL (market conditions) if applicable.

The cumulative expense recognised for equity-settled transactions at each reporting date until vesting date reflects (i) the extent to which the vesting period has expired and (ii) the Company's best estimate of the number of equity instruments that will ultimately vest. No adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date.

The Statement of Comprehensive Income charge or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is only conditional upon a market condition.

If the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any modification that increases the total fair value of the share-based payment arrangement, or is otherwise beneficial to the employee, as measured at the date of modification.

If an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award and designated as a replacement award on the date that it is granted, the cancelled and new award are treated as if they were a modification of the original award, as described in the previous paragraph.

(i) Cash settled transactions:

The Company also provides benefits to employees in its electronics segment in the form of cash-settled share-based payments, whereby employees render services in exchange for cash, the amounts of which are determined by reference to movements in the price of the shares of Kin Mining NL.

The cost of cash-settled transactions is measured initially at fair value at the grant date using the Black & Scholes option pricing model taking into account the terms and conditions upon which the instruments were granted. This fair value is expensed over the period until vesting with recognition of a corresponding liability. The liability is re-measured to fair value at each balance date up to and including the settlement date with changes in fair value recognised in profit or loss.

(k) Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

(i) Interest income

Interest revenue is recognised on a time proportionate basis that takes into account the effective yield on the financial asset.

(l) Income tax

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance date.

Deferred income tax is provided on all temporary differences at balance date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences except:

- when the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- when the taxable temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, and the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- when the deductible temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, in which case a deferred tax asset is only recognised to the extent that it is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised.

The carrying amount of deferred income tax assets is reviewed at each balance date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Unrecognised deferred income tax assets are reassessed at each balance date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at balance date.

Income taxes relating to items recognised directly in equity are recognised in equity and not in the statement of financial performance.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

(m) Critical accounting judgements and key sources of estimation uncertainty

The application of accounting policies requires the use of judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions are recognised in the period in which the estimate is revised if it affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

(n) Proforma transactions

The proforma Statement of Financial Position, Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows have been derived from the historical financial information as at 31 May 2012 adjusted to give effect to the following actual or proposed significant events and transactions by the Company subsequent to 31 May 2012:

- i) the issue by the Company pursuant to the Prospectus of 12,500,000 ordinary shares issued at a price of 20 cents each, raising \$2,500,000, or 20,000,000 ordinary shares issued at 20 cents each, raising \$4,000,000 if oversubscriptions of a further 7,500,000 ordinary shares are accepted;
- ii) the write off to the issued capital account of the estimated costs of the Offer being an estimated \$336,300, or \$446,300 if oversubscriptions of a further 7,500,000 ordinary shares are accepted, after taking into account costs of the Offer incurred prior to 31 May 2012 and included in the Statement of Financial Position as at that date, as detailed below:

(n) Proforma transactions (cont)

	\$2.5M raising \$	\$4.0M raising \$
Investigating accountant's report	10,000	10,000
Independent geologist's report	39,300	39,300
Legal fees	37,000	37,000
Prospectus design and printing	15,000	15,000
ASIC and ASX fees	50,000	55,000
Commissions	175,000	280,000
Other	10,000	10,000
	<u>336,300</u>	<u>446,300</u>
Less: Costs incurred prior to 31 May 2012	<u>(50,997)</u>	<u>(50,997)</u>
	<u>285,303</u>	<u>395,303</u>

- iii) upon exercise of the various vendor option agreements, the payment of \$257,500 to vendors, the issue of 6,000,000 ordinary shares in the capital of the Company (valued at the IPO issue price of 20 cents each), and the payment of estimated stamp duty of \$77,000; and
- iv) the transfer of \$50,997 in costs of the Offer incurred and recorded at 31 May 2012 from Other Current Assets to the issued capital account.

2. CASH AND CASH EQUIVALENTS

	Reviewed \$	Proforma \$2.5M raising \$	Proforma \$4.0M raising \$
Balance as at 31 May 2012	673,001	673,001	673,001
Cash raised pursuant to Prospectus	-	2,500,000	4,000,000
Share issue costs	-	(285,303)	(395,303)
Cash paid to vendors and estimated stamp duty	-	(334,500)	(334,500)
	<u>673,001</u>	<u>2,553,198</u>	<u>3,943,198</u>

3. DEFERRED EXPLORATION AND TENEMENT ACQUISITION EXPENDITURE

Balance as at 31 May 2012	177,645	177,645	177,645
Payments to vendors upon exercise of vendor option agreements	-	257,500	257,500
Stamp duty on tenements	-	77,000	77,000
Issue of shares to vendors	-	1,200,000	1,200,000
	<u>177,645</u>	<u>1,712,145</u>	<u>1,712,145</u>

4. ISSUED CAPITAL

	Reviewed	Proforma \$2.5M raising	Proforma \$4.0M raising
	\$	\$	\$
Shares issued during the period	939,003	939,003	939,003
Prospectus issue	-	2,500,000	4,000,000
Issue of shares to vendors	-	1,200,000	1,200,000
Share issue costs – seed capital	(75,450)	(75,450)	(75,450)
Share issue costs – Prospectus issue	-	(336,300)	(446,300)
	863,553	4,227,253	5,617,253

	\$2.5M raising Number	\$	\$4.0M raising Number	\$
Shares on issue as at 31 May 2012	18,950,003	863,553	18,950,003	863,553
Proforma adjustments:				
Prospectus issue	12,500,000	2,500,000	20,000,000	4,000,000
Issue of shares to vendors	6,000,000	1,200,000	6,000,000	1,200,000
Share issue costs	-	(336,300)	-	(446,300)
	37,450,003	4,227,253	44,950,003	5,617,253

5. CONTINGENCIES AND COMMITMENTS

Details of future planned expenditure commitments are outlined in Section 5.9 of the Prospectus.

6. RELATED PARTY TRANSACTIONS

Details of Directors' interests in the Company's issued capital and transactions with the Company are included in Section 7 of the Prospectus.

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Australian & International Exploration & Evaluation of Mineral Properties

INDEPENDENT GEOLOGICAL REPORT

FOR AN

INITIAL PUBLIC OFFERING

PREPARED FOR

KIN MINING N.L.

Authors: Allen J. Maynard BAppSc(Geol), MAIG, MAusIMM
David R. Mounsey BSc (Geol)
Company: Al Maynard & Associates Pty Ltd
Date: 7th August, 2012

EXECUTIVE SUMMARY

KIN Mining NL (ACN 150597541) ("KIN" or "the Company") is a public unlisted company that has either acquired interests in or has applied for a total of 70 mineral exploration and mining tenements within the major gold and nickel producing regions of Leonora and Laverton. KIN has requested that Al Maynard and Associates ("AM&A") prepare an Independent Geological Report ("IGR") on their various project areas in the Mount Margaret and North Coolgardie Mineral Fields of Western Australia.

KIN currently holds interests in six major project areas, comprising 70 separate mineral tenements within the North-Eastern Goldfields Province of Western Australia. These leases cover a combined total area of 271.8km². The Company intends to conduct exploration mainly for gold, nickel and base metal mineralisation on their 63 Prospecting Licences ("PL"), 2 Prospecting Licence Applications ("PLA"), 2 Mining Licences ("ML") and 2 Exploration Licences ("EL") and 1 Exploration Licence Application ("ELA"). The project areas comprise Desdemona, Iron King Group, Murrin Murrin, Redcastle, Mt Flora and Randwick (Fig. 1). 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.

Desdemona

The 179.7km² Desdemona Project that comprises two ELs, one ELA, one ML and six PLs is located approximately 620km ENE of Perth and is between 10 to 34km south of Leonora. The project area has good potential for the discovery of economic gold, nickel, PGEs 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.

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. 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. 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.

Iron King Group

The 11.8km² Iron King Group comprises eight PLs around the historic Iron King and Victory Mining Centres located 45km NNW of Leonora and approximately 14km 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 13.04Moz Au (Fitton, 2011).

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 was never been effectively drill tested.

Murrin Murrin

The 21.9km² Murrin Murrin Project comprises 14 PLs and one small Mining Lease located approximately 45km east of Leonora and 79km west of Laverton in the Mt Morgans District of the Mt Margaret Mineral Field of WA. It is about 15km south of the Murrin Murrin lateritic Ni-Co Mine and lies within a 15-20km 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 of Glencore International plc's ("Glencore") 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 KIN's 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.

Redcastle

The 24.8km² Redcastle Project comprises 15PLs 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 gabbros 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 (Plate 1).

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.

Mt Flora

The 21.3km² Mt Flora Gold-Nickel Project comprises 12 PLs located 45km NE of Leonora and 7km 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.

Randwick

The 12.1km² Randwick Gold Project comprises 10 PLs located just north of the historic Randwick Mining Centre, approximately 45km NE of Leonora and 75km 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.

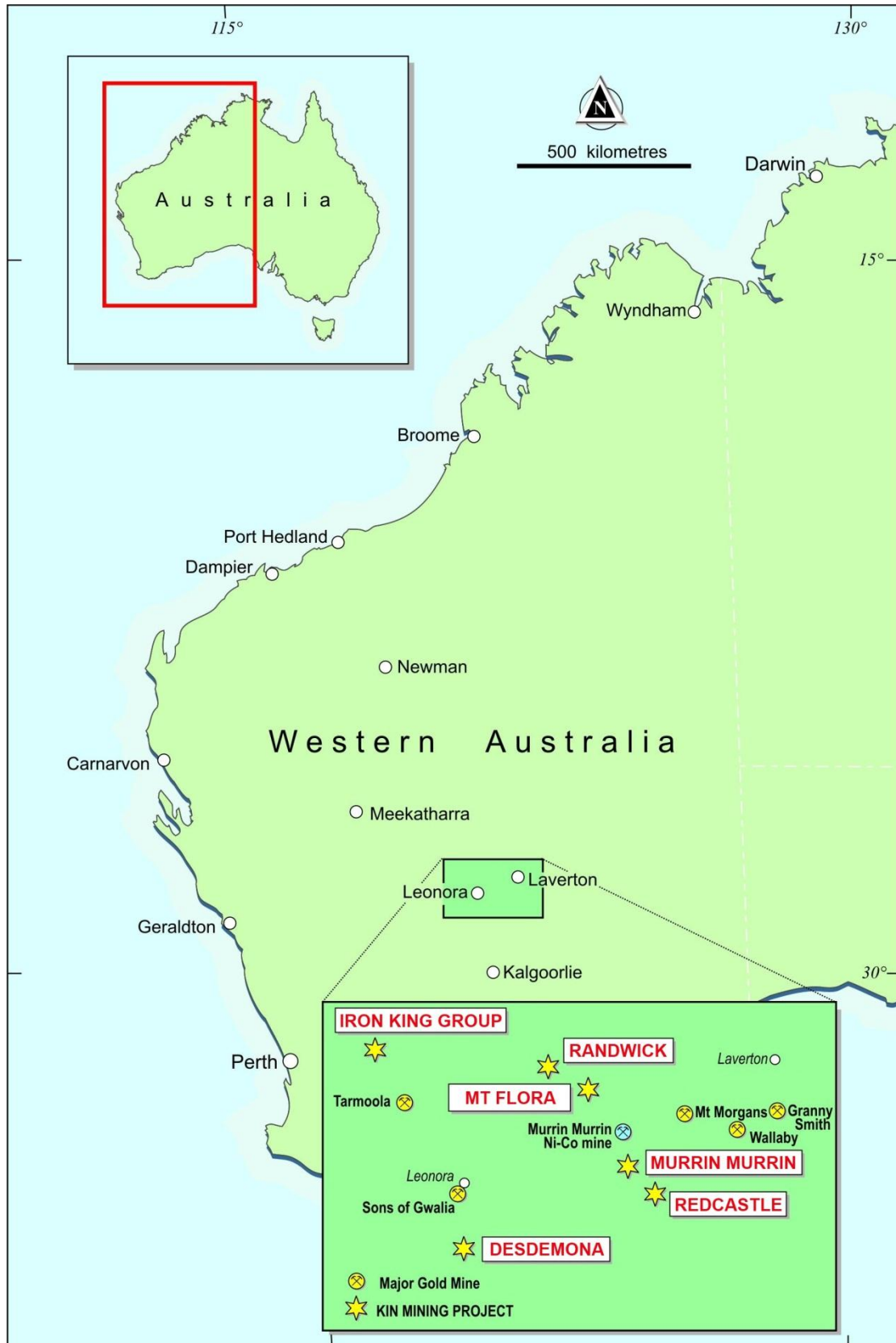


Figure 1: KIN Mining NL Project Areas Location Plan.

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The Directors,
Suite 1,
342 Scarborough Beach Road,
Osborne Park,
Western Australia,
6017.

1st August, 2012

Dear Sirs,

Introduction

Al Maynard and Associates (“AM&A”) has been engaged by KIN Mining NL (“KIN”) to prepare an Independent Geological Report (“IGR”) of the mineral assets held and to be acquired by KIN pursuant to the various agreements outlined elsewhere in this Prospectus. Opinions are presented in accordance with the JORC Code (2005) and other regulations and guidelines that govern the preparation of such reports.

This report is to be included by reference in a prospectus to be lodged with ASIC during August, 2012, to raise \$2.5million with possible oversubscriptions for a further \$1.5million (before costs associated with the issue). These funds will primarily be used for the exploration, evaluation and development of the mineral tenements assembled in Western Australia as outlined in this report.

The legal status, including Native Title considerations associated with the tenure of the KIN’s mineral assets, is subject to a separate Solicitor’s Report elsewhere in the Prospectus. These matters have not been independently verified by AM&A. The present status of tenements listed in this report is based on information provided by KIN and the report has been prepared on the assumption that the tenements will have lawful access for evaluation and development.

KIN’s Mineral Assets comprise interests in 63 granted PLs, two PLAs, one ELA, two granted MLs and two granted ELs. All the project areas have been partially explored by a number of companies in the past and encouraging results have been reported from numerous locations. KIN has begun to research an extensive historical WAMEX data base that has already led to the identification of numerous “walk-up” drill targets.

It is our opinion that the mineral properties and target commodities described in this report warrant the proposed evaluation exploration and testing programs as described. It is noted that proposed programs may be subject to change according to results yielded as work progresses. We are of the opinion that KIN has satisfactorily defined exploration and expenditure programs which are reasonable, having regard to the stated objectives of KIN.

In the course of the preparation of this report, access has been provided to all relevant data held by KIN and various other technical reports and information quoted in the bibliography. We have made all reasonable endeavours to verify the accuracy and relevance of the database.

KIN has warranted to AM&A that full disclosure has been made of all material in its possession and that information provided, is to the best of its knowledge, accurate and true. None of the information provided by KIN has been specified as being confidential and not to be disclosed in our report. The authors are familiar with the areas covered by the KIN's mineral assets. As recommended by the Valmin Code, KIN has indemnified AM&A for any liability that may arise from AM&A's reliance on information provided by or not provided by KIN.

This report was prepared by geologist, A.J. Maynard, Member of the AIG and the AusIMM. The writer is qualified to provide such reports for the purpose of inclusion in public company prospectuses. This report has been prepared in accordance with the relevant requirements of the Listing Rules of the Australian Securities Exchange Limited, Australian Securities and Investment Commission ("ASIC") Regulatory Guidelines 111 & 112 and the Guidelines for Assessment and Valuation of mineral assets and Mineral Securities for Independent Expert reports (the Valmin Code) which is binding on members of the Australasian Institute of Mining and Metallurgy ("AusIMM").

AM&A is an independent geological consultancy established 25 years ago and has operated continuously since then. Neither AM&A nor any of its directors, employees or associates have any material interest either direct, indirect or contingent in KIN nor in any of the mineral properties included in this report nor in any other asset of KIN nor has such interest existed in the past. This report has been prepared by AM&A strictly in the role of an independent expert. Professional fees payable for the preparation of this report constitutes our only commercial interest in KIN. Payment of fees is in no way contingent upon the conclusions of these documents.

Yours faithfully,



Allen J. Maynard BAppSc (Geol), MAIG, MAusIMM.

1.0 Project Summary

1.1 Overview

KIN currently holds interests in six exploration project areas in the highly productive and prospective Mt Margaret and North Coolgardie Mineral Fields in the Leonora-Laverton district of Western Australia. This region forms part of the north-eastern Goldfields Province of WA which hosts numerous world class gold and nickel mines.

The district was first developed during the 1890s as a mining and pastoral region. The world class Sons of Gwalia gold deposit near Leonora was discovered in 1896 and has operated semi-continuously to the present day. From 1897-2003 the mine produced over 5Moz of gold. The current owners, SBL resumed underground production in September 2008 after a three year redevelopment program, with annual production of 82,795oz Au reported. The Company's Desdemona Project is situated along strike to the south of the Sons of Gwalia gold mine under cover (Figs. 2 & 3).

The Iron King Group 60km north of Leonora, is close to, and on similar geological structures to the SBL 3.68Moz King of the Hills Gold Mine . SBL re-christened the Tarmoola Mine "King of the Hills" to reflect its historical name, and have recently resumed underground mining.

The Wallaby gold deposit near Laverton, discovered in 1998, had a pre-mine resource of 7.1Moz Au and is situated only 40km east of KIN's Redcastle Project. The Murrin Murrin Ni-Co laterite Mine and processing plant now owned and operated by the Swiss based multinational corporation Glencore is located adjacent to four of KIN's projects, as are a number of former open-pit gold mines that operated during the past 15-25 years as well as numerous historical gold mines.

The KIN projects comprise a total of 70 separate mineral titles covering a total of 271.8km².

The KIN six exploration projects comprise:

- Desdemona Gold-Nickel-PGE-Base Metal Project
- Iron King Group Gold-Base Metal Project
- Murrin Murrin Gold-Nickel-Base Metal Project
- Redcastle Gold Project
- Mt Flora Gold-Nickel Project
- Randwick Gold Project

1.2 Location and Access

All the KIN Mount Margaret Mineral Fields project areas are located within a 55km 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

(Figs. 1, 2, 3 & 9). 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 1500 and it has its own sealed, all weather air-strip with regular flights to Perth.

Leonora is situated 832km 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. 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).

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 250mm. 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.

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 832km 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 124km ENE of Leonora and approximately 354km north of Kalgoorlie. It 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).

Laverton has a population of approximately 440 and has its own all-weather, sealed air-strip. Skippers Aviation operates flights to Perth five days a week. Laverton is on the western 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 230mm. The very low rainfall cannot support agriculture, but a substantial area of land is used for very low density grazing for sheep and cattle.

The Laverton region is primarily a mining area and has a long gold mining history going back as far as the 1890s. It was at the centre of the famous late 1960s nickel boom, when nickel was discovered at Mount Windarra. This deposit was developed by Western Mining Corporation into the Windarra Nickel Project which mined and

processed nickel for over 18 years, producing 8Mt of ore grading 1.55% Ni during that period. Mining is due to resume in 2012 once Poseidon Nickel Ltd successfully complete refurbishment of the old Windarra Mine. Deep drilling by Poseidon has confirmed major new reserves which will guarantee a future mine life of least seven years and recent test drilling of a soil anomaly has identified a previously unknown nickel deposit.

There are two major gold mines in the vicinity of Laverton: Granny Smith Mine owned and operated by Barrick Gold and the Sunrise Dam Gold Mine, owned and operated by AngloGold Ashanti. Both of these mines have produced over 5Moz Au from open pit and underground mining. Smaller gold mines, such as BrightStar Mine and Ramelius Resources “(Ramelius)” recently acquired Laverton Gold Mine are also close to town. Recent mining activity in the area saw the re-opening of the Barnicoat Mine by Crescent Gold Ltd in 2009. Previous production yielded over 250,000oz Au. Crescent Gold was taken over by Focus Minerals Ltd in early 2012.

The Murrin Murrin lateritic nickel project, which is now operated by Glencore, is located 64km SW of Laverton. It has a predicted mine life in excess of 30 years and had an original pre-mine resource of 145Mt grading 1.07% Ni and 0.085% Co.

The Mt Weld Rare Earths deposit is located 35km south of Laverton and has a resource of 17.5Mt at 8.1% Rare Earths Oxide (“REO”). It is arguably the world’s largest Rare Earths deposit and has a projected mine life of over 20 years. The open pit mine is currently owned and operated by Lynas Corporation and concentrates will be sent to Malaysia for processing.

2.0 Geology and Mineralisation

2.1. Regional Geology

All of KIN’s 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. 2 and 9). 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).

KIN believes that the potential for further such discoveries in the region remains high and the Company has accordingly chosen project areas that reflect this philosophy.

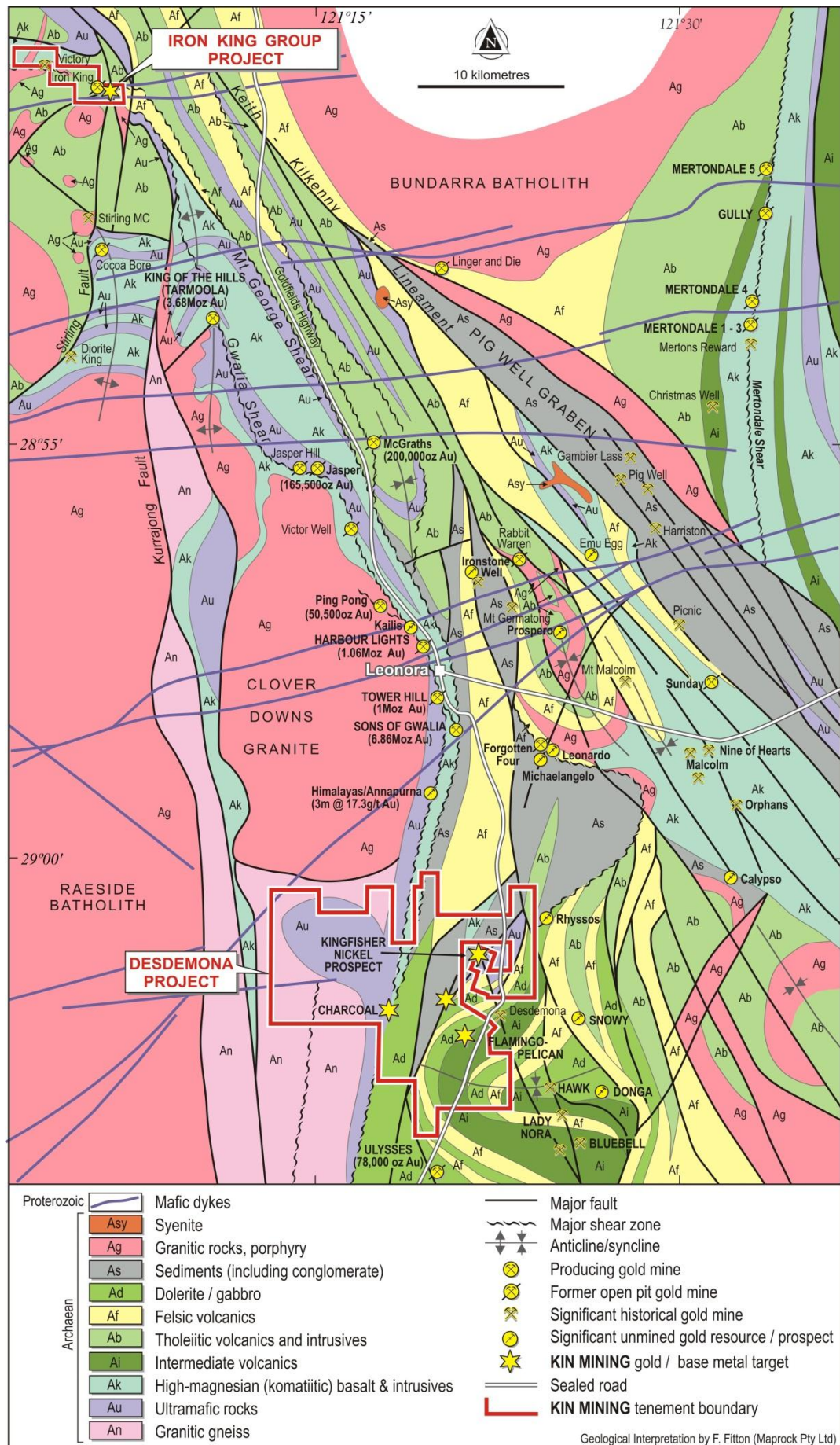


Figure 2: Regional Geology and KIN's Leonora Project Areas.

2.2 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 (Fig. 2). There are five operating gold treatment plants within the same area as well as the 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 company's 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 Independence Group (ASX: IGO).

2.3. Exploration Targets

KIN's exploration philosophy for its project areas is to initially gain an understanding of the structural controls which created the known mineral deposits of the region. Priority will be given to understanding the geological setting of the largest deposits in the region but it is considered that smaller, higher-grade gold and nickel deposits could also be developed profitably and possibly more quickly.

A preliminary structural geological appraisal of the district has already been conducted and a number of high-quality targets identified 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 by geologist Fritz Fitton (now a Director of KIN). Many of the major targets identified occur below cover in areas of deeply buried Archaean bedrock, for example Desdemona.

Most of these targets 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 (Fig. 3). 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 2m at 15.3g/t Au from 20m including 1m at 23.6g/t Au from 20m). 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 KIN’s 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.

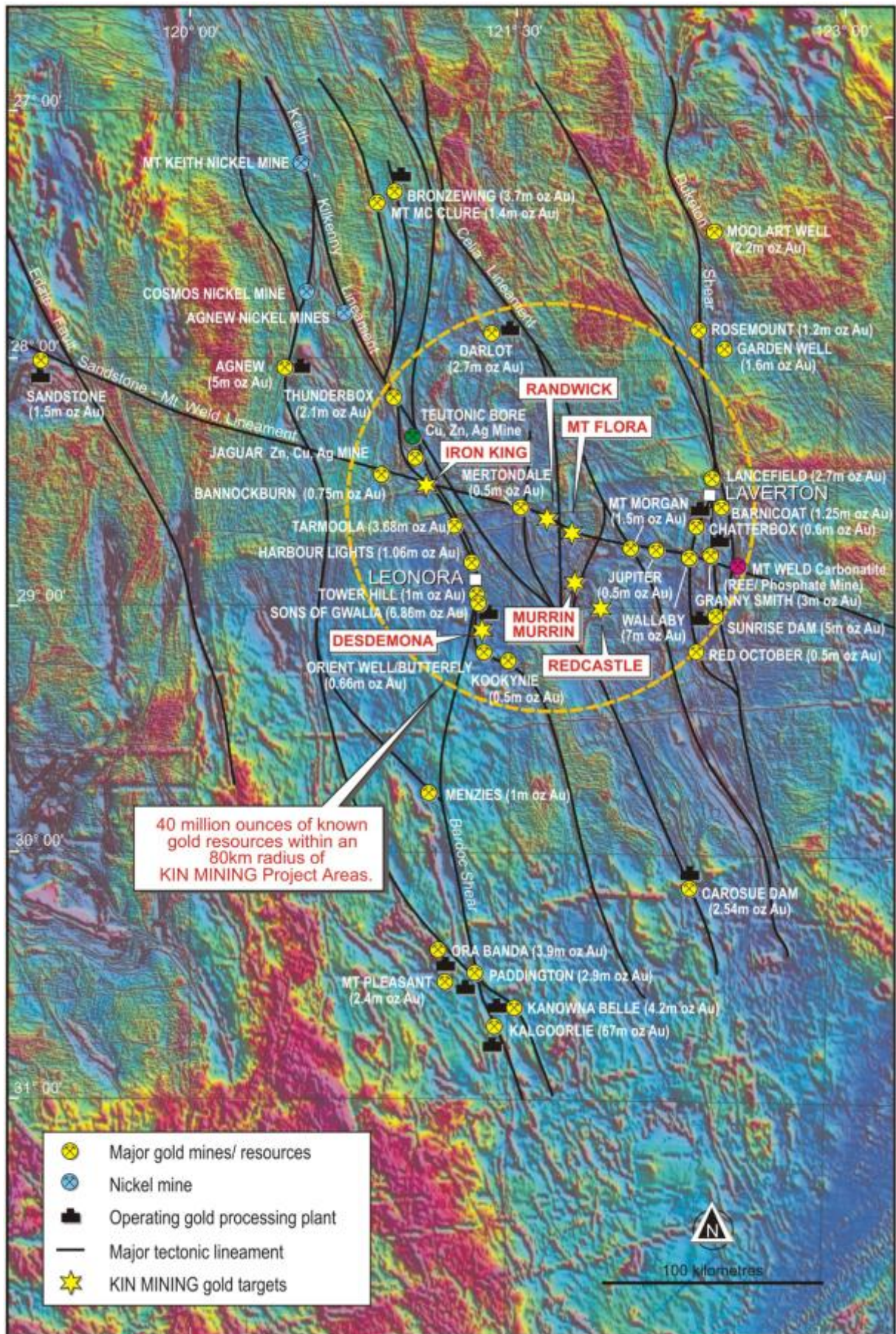


Figure 3: Total Magnetic Intensity Map showing KIN Project Areas with Major Gold and Nickel Deposits and Lineaments.

3.0 Desdemona

3.1 Introduction

The 179.7km² Desdemona Project comprises one ELA, two ELs, one ML, one PLA and five PLs. Most of the project area falls within the North Coolgardie Mineral Field of the Niagara District. Only the extreme northernmost portions of E40/283 and E40/320 fall within the Mt Margaret Mineral Field of the Mt Malcolm District.

Significant gold mineralisation has been identified over an area of 1,600x200m at the Pelican Prospect where shallow aircore drilling returned a best result in HWA037 with 8m at 22.48g/t Au from 60m in E40/283 (Fig. 7). Two wide 1000x200m and 2000x200m gold in soil-geochemical anomalies in the adjacent P40/1263 are yet to be drill tested (Fig. 6).

In M40/330 previous RAB, RC and diamond drilling intersected significant Ni sulphide-Cu-PGE-Au mineralisation at the Kingfisher Prospect with up to 1.83m at 1.14% Ni, 0.77% Cu, 7.96g/t PGEs and 1.22g/t Au (Fig. 5). Further drilling is required to delineate the full extent of massive magmatic sulphides along a basal ultramafic contact with brecciated felsic volcanics.

RAB drilling by previous explorers identified anomalous gold at the Charcoal Prospect with up to 10m at 0.35g/t Au and at the nearby Charcoal West Prospect with 9m at 0.29g/t Au and these require follow-up drilling to test the full extent of the mineralisation.

Previous exploration of the project area was hindered by the presence of widespread transported cover and deep clay overburden. Many former RAB drilling programs 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. Different drilling techniques such as Air Core drilling will hopefully overcome this problem in future.

At the Hotspot Prospect in the east of E40/283, a rock chip sample from an old prospecting pit at the end of a low chert ridge assayed 16.6g/t Au. In the north of E40/283 several old prospecting pits have recently been identified on Google Earth Imagery. These have yet to be field inspected and sampled. This area has been named the “Paradise” Gold Target. A magnetic anomaly co-incident with an outcropping peridotite unit in the southeast of E40/283 has been identified as a potential nickel sulphide prospect and named the “Coronation Well” Nickel Target.

A large strong, elliptical shaped magnetic anomaly about 12km northwest of the historic Desdemona Mining Centre was identified on recent imagery by KIN and found to be over free ground. This anomaly measures around 8x6km under soil cover and appears never to have been drill tested. KIN has accordingly recently applied for an Exploration Licence (ELA 40/320) over this target which has been named the “Mary Bore Magnetic Complex”. It is unclear whether this anomaly represents a buried mafic-ultramafic igneous intrusion with nickel sulphide potential or is a discrete magnetic granitoids, however it constitutes a prime early exploration target for KIN post listing.

The anomalous gold in drillholes at the Charcoal West Prospect is close to the eastern side of this anomaly along the interpreted position of the GSZ under cover.

3.2 Location and Access

The Desdemona Project is approximately 800km NE of Perth and between 14km and 34km south of Leonora. It is located on the GSWA 1:250,000 Menzies Geological Map sheet (SH51-5) and the GSWA 1:100,000 Melita Geological Map sheet (3139). The project area is situated on the Melita pastoral lease in the Shire of Leonora.

The lease boundaries on the eastern side of the project area are in close proximity to Heron Well (Fig. 4). The sealed Goldfields Highway passes through the eastern side of the tenements providing excellent access to the area. Thick mulga scrub covers much of the project area.

3.3 Tenure

The Desdemona project area comprises three ELs, one ML and six PLs covering a total area of 179.7km² with details presented in Table 1 (Fig. 4).

TENEMENT ID	STATUS	HOLDER(S)	AREA (ha)	LODGEMENT DATE	GRANTED	EXPIRY DATE
E40/320	Pending	KIN Mining NL	5996	9/02/2012		
E40/283	LIVE	Trevor Dixon	9888	15/02/2010	23/03/2011	22/03/2016
E40/285	LIVE	Trevor Dixon	576.3	10/03/2010	11/11/2010	10/11/2015
M40/330	LIVE	W.Van Blitterswyk, W. Halloran and T. Dixon,	321	2/10/2009	17/06/2010	16/06/2031
P40/1263	LIVE	Trevor Dixon	198	21/10/2009	5/10/2010	4/10/2014
P40/1283	Pending	KIN Mining NL	145.9	23/09/2011		
P40/1284	LIVE	KIN Mining NL	199.2	23/09/2011	16/07/2012	15/07/2016
P40/1285	LIVE	KIN Mining NL	199.9	23/09/2011	16/07/2012	15/07/2016
P40/1286	LIVE	KIN Mining NL	199.9	23/09/2011	16/07/2012	15/07/2016
P40/1287	LIVE	KIN Mining NL	153.6	23/09/2011	16/07/2012	15/07/2016

Table 1: Desdemona Project Tenement Details.

3.4 Geology

The project area covers a sequence of typical Archaean greenstone lithologies intruded by numerous sill-like bodies of basic and ultrabasic rock on the western side of the Melita Greenstone Belt (Fig. 4). Basic lavas, rhyolites and dacites predominate in the sequence, with dolerites and gabbros being the dominant intrusives. The sequence forms part of a large, open, easterly plunging syncline with a NE trending axis. The contact between the base of the ultramafic sequence and a rhyolite footwall is highly prospective for Cu, Ni, PGE and Au.

The stratigraphy generally strikes NE-SW and is offset by several strike-slip faults. The GSZ forms the margin between the granitoids (granitic gneiss) to the west and the greenstones to the east. This major structural feature runs along the western side of

E40/283. The GSZ is a sinistral strike-slip shear zone which dips moderately to gently eastwards, before flattening out beneath the base of the greenstones at around 17km below surface.

In the Leonora region the GSZ strikes sub-parallel to the Mt George Shear Zone (“MGSZ”). The two shear zones converge north of the Desdemona Project area. A number of major gold mines in the Leonora district are located west of the MGSZ including King of the Hills where major gold mineralisation is hosted in granitoids.

Much of the Desdemona Project area is overlain by alluvium or aeolian sands. This transported cover has reduced the effectiveness of previous traditional exploration methods. In addition previous RAB drilling conducted in the project area encountered deep clay overburden ranging from 45-70m in depth. Many RAB drill programs in the region were unsuccessful, as target depths could not be achieved to effectively test bedrock due to swelling clays. High water flows from palaeo-channels also caused drilling problems. The solid geology of the area has mainly been interpreted from limited outcrop, drillhole geology and aeromagnetic data.

RAB drilling conducted by Bindea Pty Ltd in 1987 confirmed that the area immediately east of Charcoal Well on E40/283 is underlain by a metamorphosed mafic/ultramafic unit which may be associated with the MGSZ. Further east E40/283 is underlain by felsic volcanoclastics with footwall units comprised mainly of interbedded quartz-muscovite-feldspar-chlorite schists and tuffaceous shale/phyllite with minor banded chert. Approximately 4km SE of Charcoal Well a ridge dipping at 45° to the east is comprised of outcropping quartzitic schists, phyllite and banded chert. These banded cherts are the dominant topographical feature outcropping as north-south trending ridges towards the eastern side of E40/283.

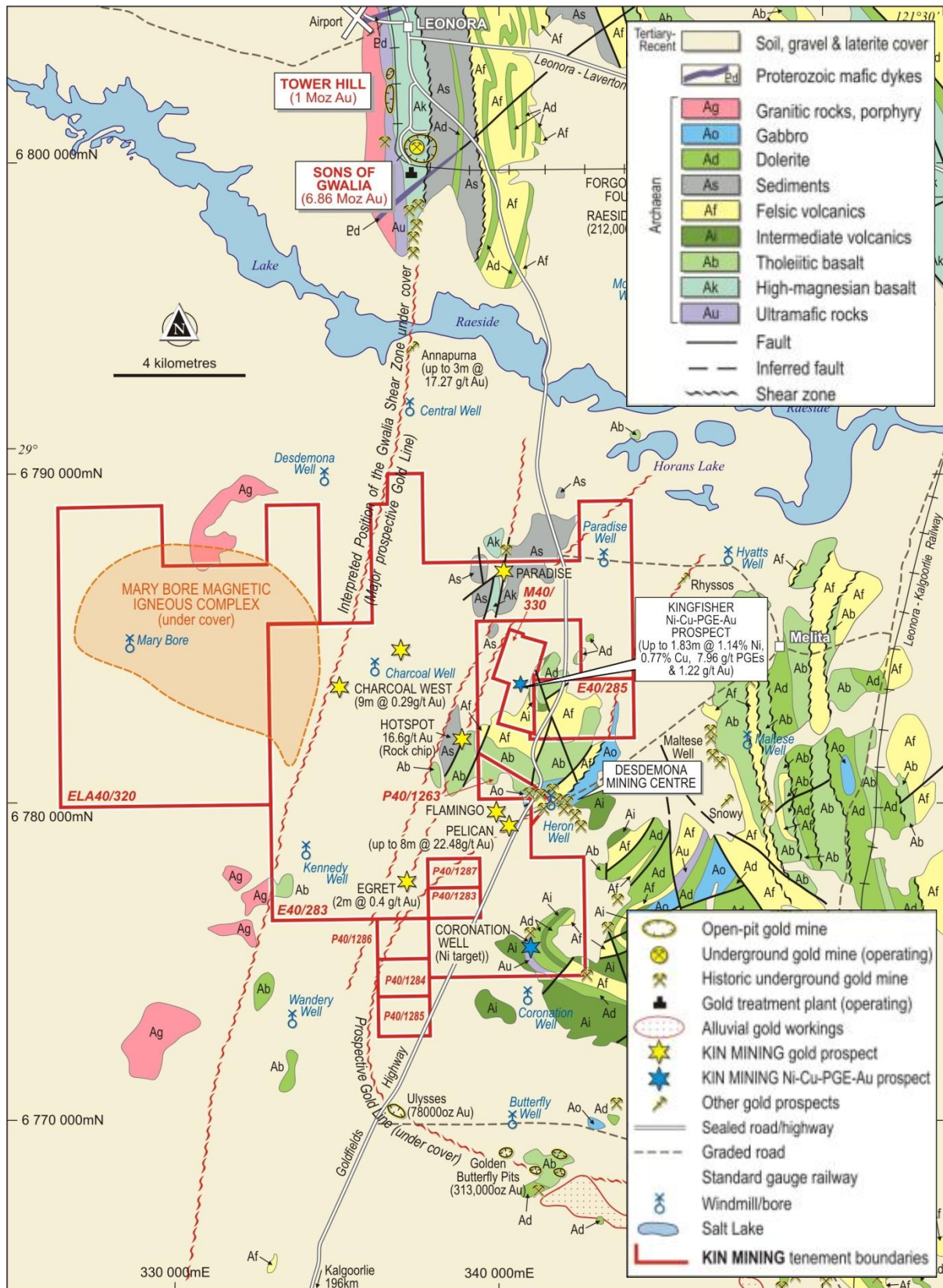


Figure 4: Desdemona Tenements, Local Geology and KIN Prospects.

3.5 Previous Mining and Exploration

Many companies have conducted exploration in the project area during the past 40 years. These include Mount Isa Mines, Western Mining Corporation (“WMC”), Kulim Ltd, BHP Minerals, Glomex Mines NL (“Glomex”), Carpentaria Exploration Company, Helix Resources, Bindea, Noble Resources, Dalrymple Resources NL (“Dalrymple”), Kookynie Resources NL (“Kookynie”), MPI Pty Ltd and Drake Resources (“Drake”). The work conducted included geological mapping, geochemical and aeromagnetic surveys and limited drilling. The early exploration focused mainly on the geochemical sampling of targets identified from magnetic anomalism. Most of the early exploration programs had only limited success in identifying either gold or base metal mineralisation. Auger and RAB drillholes frequently ended in unrecognisable, very weathered rock usually logged as leached and ferruginised saprolitic clays.

No modern mining has occurred in the vicinity of the historic Desdemona Mining Centre but historic gold production in the period 1907-1936 was reported to be 7,559oz from 9763t of treated ore (Kelly, 1954). Several significant historic mining centres occur to the southeast of this project area and all have seen a resurgence of gold mining within the last 20 years. These include the Orient Well (“Tampa”), Golden Butterfly, Kookynie and Niagara Mining Centres which together have produced a total of approximately 1.5Moz Au. The Butterfly pit some 11km south of Desdemona is currently being mined by NEX Metals Ltd with the ore being trucked to a treatment plant near Laverton.

The Ulysses open pit is located approximately 4km south of E40/283 and 2km east of the MGSZ. BLEG sampling and RAB drilling by Dalrymple in the middle 1990s identified gold mineralisation in stacked quartz veins which dip at 30° to the NE. Economic gold grades occur primarily where shears coalesce to form ore shoots. A mining campaign carried out in 2002 recovered 25,000oz Au from a total resource of 78,000oz.

Previous exploration around Heron Well has identified strong magnetic features representing ultramafic units interpreted to be differentiated layered complexes with basal contacts prospective for Cu-Ni-PGE deposits (Fig. 5).

An aeromagnetic high ‘bullseye’ target on M40/330 known as the Kingfisher Prospect is associated with Ni, Cu, PGE, Co and Au mineralisation. This target was initially explored by Glomex during 1970-71 for Ni-Cu mineralisation. Glomex conducted geological mapping, geophysical and geochemical surveys, as well as auger, RAB and a seven hole diamond drilling program. The latter returned a best intersection of 0.90m at 2% Ni and 1.5% Cu from hole HWDD 2 at the basal contact of a peridotite.

The footwall contact of the layered mafic-ultramafic sill has not been tested beyond a vertical depth of 130m. Subsequent drill programs along the arcuate ultramafic contact delineated a central mineralised zone with a strike length of 800m with sporadic mineralisation. Deeper drilling will be required to test this contact for more extensive massive sulphide Ni-Cu-Co-PGE-Au mineralisation.

Drillhole Number	Copper (ppm)	Nickel (ppm)	Platinum (ppm)	Palladium (ppm)	Interval (m)	Intersection (m)
G22	3,720	5,000			15.3	21.3-36.6
G23	7,375	7,500			12.2	21.3-33.5
G25	1,980	7,000			6.0	22.9-28.9
G39	1,920	10,500			1.7	18.1-19.8
G39	800	10,000			1.6	21.3-22.9
HWD2	15,000	20,000			1.0	101.1-102.1
HWDD3	2,500	13,300			0.2	111.9-112.1
HWDD4	6,300	7,000			1.5	68.9-70.4
HWDD6	48,000	7,500			0.3	152.7-153.0
HW1	5,300	5,500			2.0	96.0-98.0
HW2	5,000	7,000			3.0	23.0-25.0
HWD9	9,900	6,550	0.45	0.63	2.0	78.0-80.0
<i>HHD5</i>	<i>140</i>	<i>5,700</i>			<i>8.0</i>	<i>20.0-28.0</i>

Table 2: Kingfisher Prospect, Significant Historic Drillhole Intersections.

(**Bold** indicates intersections are in fresh rock. *Italic* indicates significant widths of shallow Ni and Cu mineralisation)

During 1987, Bindea conducted geological reconnaissance mapping, aeromagnetic interpretation and RAB drilling over the sequence of thick felsic volcanoclastics on four PLs east of Charcoal Well in E40/283 and returned no anomalous gold values.

This RAB drilling confirmed that the east dipping ultramafic unit east of Charcoal Well on E40/283 has only low order anomalous gold values over wide drill intervals ,however, this unit may have the potential to host significant gold mineralisation within cross-cutting structures.

Dalrymple subsequently tested structural gold targets east of Charcoal Well interpreted from aeromagnetic data in 1998. The 62 auger drillholes completed to test the hanging-wall of the MGSZ identified only weak gold anomalies and six RAB drillholes failed to reach bedrock.

Two prospects have previously been identified in the south-east corner of E40/283. These east-west gold BLEG soil anomalies have been named Pelican and Flamingo. Kookynie conducted aircore drilling on these anomalies and followed up with RC drilling and 2 diamond drillholes at Pelican (Fig. 6 & 7).

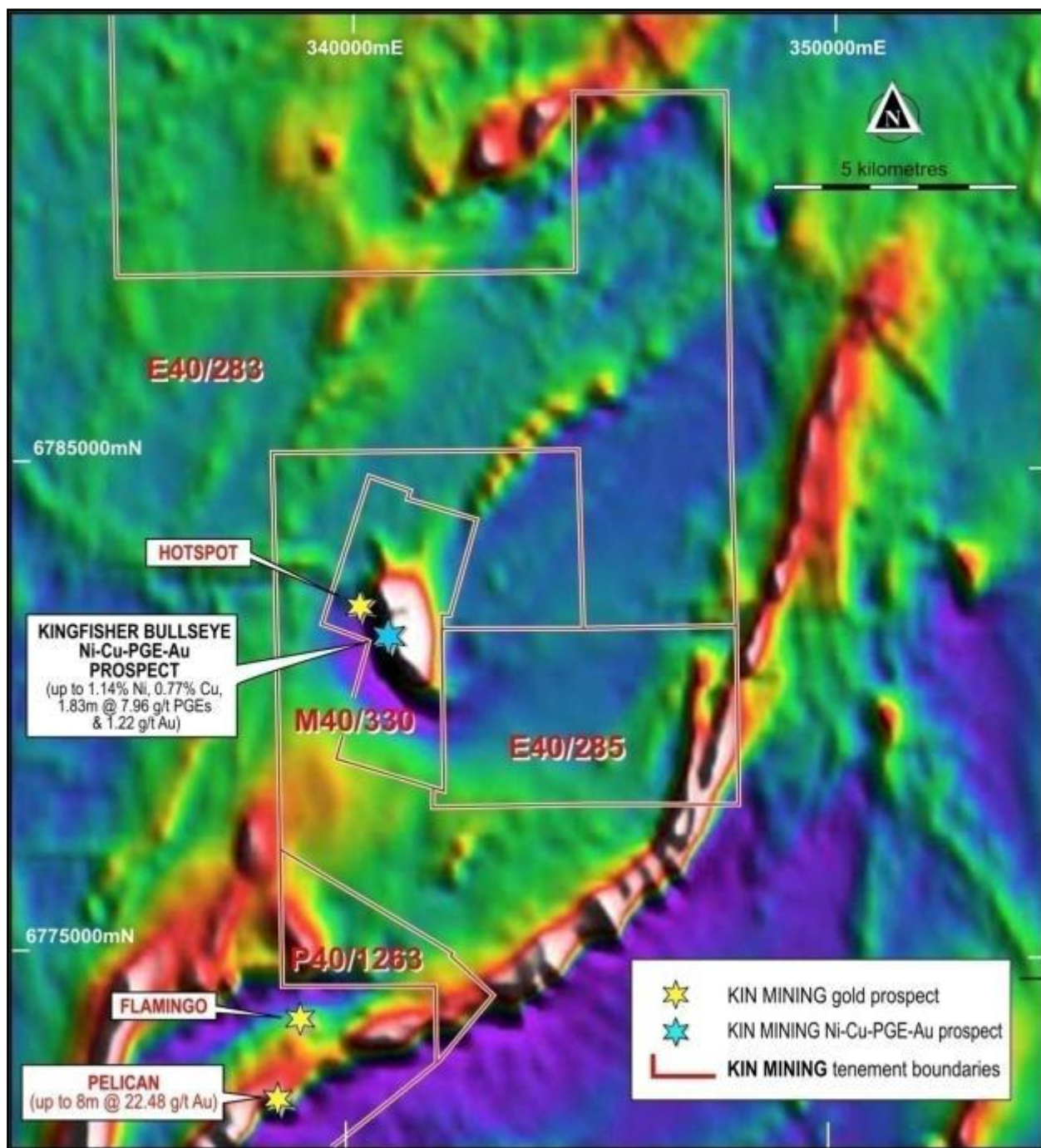


Figure 5: Aeromagnetic Image of the Kingfisher and Flamingo-Pelican Prospects.

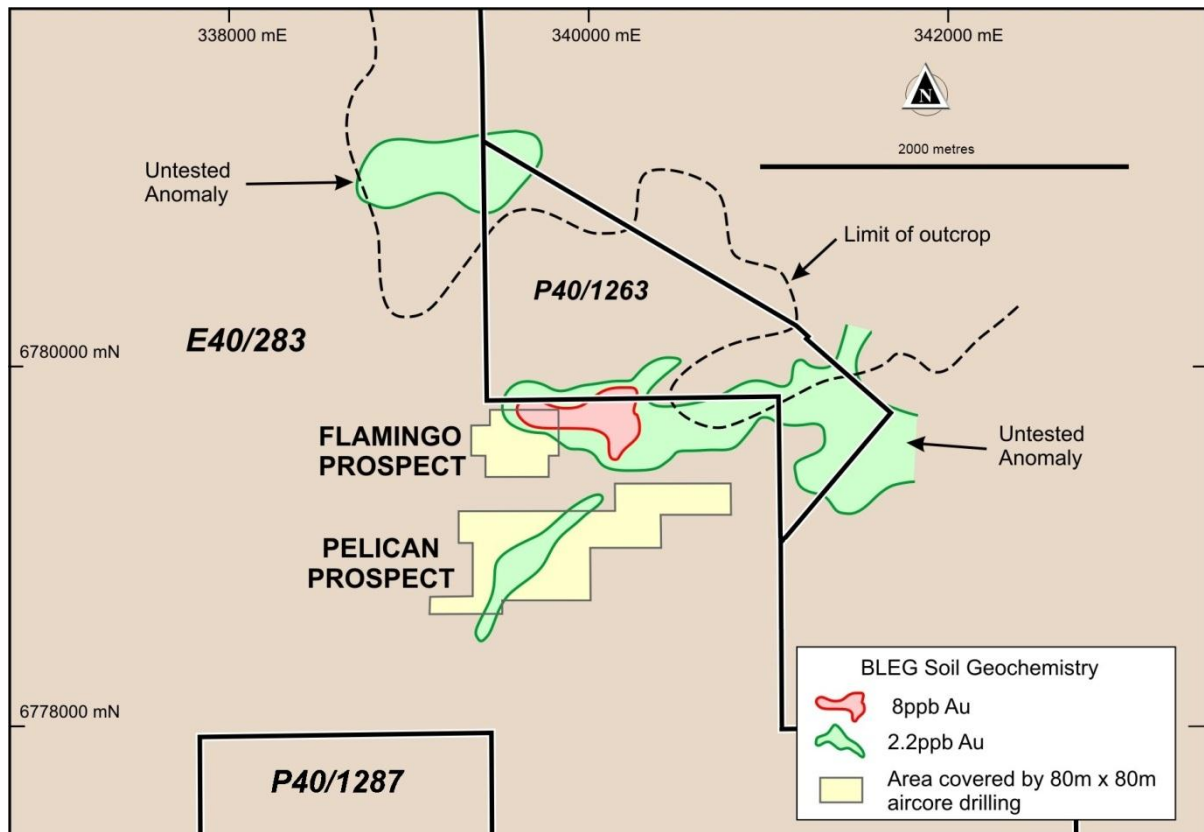


Figure 6: Flamingo-Pelican Prospects with BLEG Sampling Anomalies.

Gold mineralisation at the Pelican Prospect occurs within a broad, NE trending zone of quartz veining and sericite-pyrite-arsenopyrite alteration hosted by a felsic volcanic unit (quartz-feldspar porphyry). The mineralisation has been traced over a strike length of nearly 1.5km and the zone remains open along strike in both directions. The mineralised structure trends parallel to the strike of the stratigraphy and dips at a shallow angle, approximately 30° to the SE.

A zone of supergene/oxide gold occurs at around 40-50m depth, and has been traced over a strike length of approximately 1.5km (Fig. 7). Supergene/oxide aircore drilling intersections in the weathered profile in excess of 1g/t Au at the Pelican Prospect are listed below:

- HWA037 – **8m at 22.48g/t Au from 60m**
- HWA038 – **8m at 2.09g/t Au from 52m**
- HWA115 – **1m at 9.23g/t Au from 47m**
- HWA117 – **1m at 3.01g/t Au from 44m**
- HWA124 – **3m at 8.05g/t Au from 45m**
- HWA125 – 3m at 2.11g/t Au from 47m
- HWA166 – 1m at 2.56g/t Au from 35m

(**Bold** indicates significant grade/width of Au mineralisation)

Deeper RC and diamond drilling has tested the mineralised structures below the supergene mineralisation and several narrow, high grade intersections were reported:

- HWRC001 – 1m at 5.64g/t Au from 104
- HWRC002 – 1m at 9.29g/t Au from 111m
- HWRC003 – 3m at 2.11g/t Au from 51m
- HWRC005 – 1m at 5.60g/t Au from 110m
- HWRC010 – 1m at 2.66g/t Au from 94m

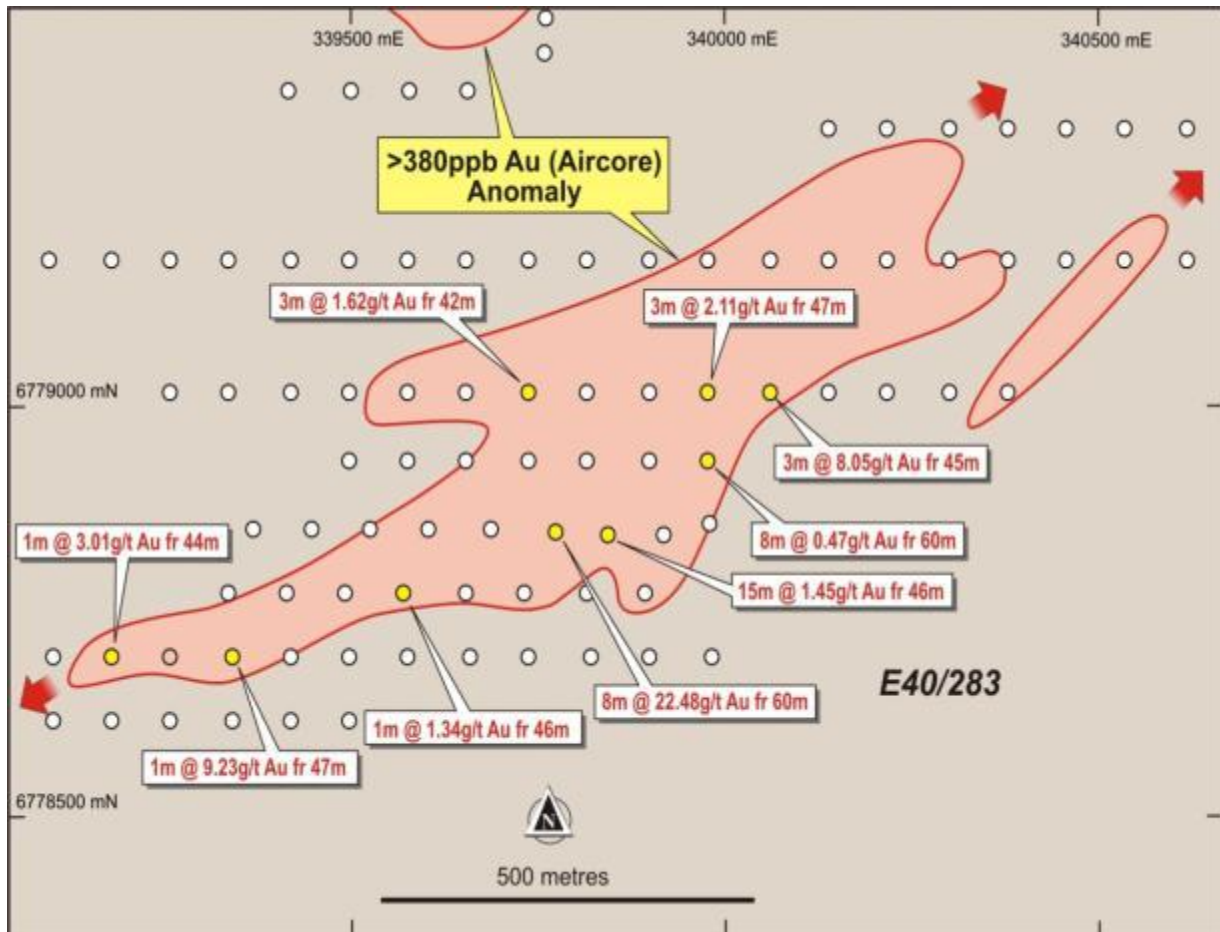


Figure 7: Pelican Prospect with Aircore Drill Intersections.

The bedrock geochemical anomaly defined by aircore drilling remains open along strike in both directions and aeromagnetic data suggests the felsic host rocks also continue in both directions (Fig. 5). Geochemical and magnetic data suggest that the host rocks may be offset to the east at the north-eastern end of the zone. The cover thins to the NE and there is a broad gold geochemical anomaly located approximately 1km along strike to the northeast.

Four zones around the Pelican anomaly that returned the strongest end-of-hole gold geochemical values have not been further drill tested. These include the zone at the NE end of the Pelican anomaly where four consecutive aircore holes returned end-of-hole assays exceeding 100ppb Au. This zone coincides with an offset of the host rock to the east and therefore represents an interesting structural target.

The mineralised structures at Pelican are interpreted to strike NE and dip to the SE, whereas the host rocks with the same NE strike dip to the NW.

Most of the mineralisation identified to date occurs within the felsic rocks but no drillholes have been drilled deep enough to test the down-dip extension of the zone where it is interpreted to cross-cut the strongly magnetic dolerite and basalt unit to the SE.

This structure may be of significance, since iron-rich quartz-dolerite is a major host rock for gold mineralisation throughout the Eastern Goldfields. Hence this zone represents a highly prospective target.

The Flamingo Prospect occurs at the western end of a broad, east-west trending soil geochemical anomaly. Aircore drilling outlined a 200x400m bedrock anomaly and this is open to the west and north. The extensive east-west soil geochemical anomaly extends over more than 2km and the major part of this anomaly has not been tested by drilling.

Untested gold in soil geochemical anomalies near the southern and south-eastern boundaries of P40/1263 are of similar magnitude to the soil anomalies at Pelican and Flamingo (Fig. 6). These anomalies straddle a significant north-south trending shear zone. The cover in this area is very thin and the soils are mostly residual. A rock chip sample collected from a small prospecting pit in chert along a shear zone which occurs 500m north of KIN's P40/1263, assayed 16.64g/t Au. This has been named the "Hotspot" Prospect.

Gold mineralisation with up to 9m at 0.29g/t Au was reported from an aircore drillhole DMA279 at the Charcoal West Prospect which is located about 2.5km SW of Charcoal Well. This mineralisation is associated with the interpreted position of the convergence of the GSZ and MGSZ on the western side of E40/283 (Fig. 4).

3.6 Potential

The highlights of the project area are listed below:

- A 1.5km long gold anomaly target zone has been identified beneath surface cover at the Pelican Prospect which is associated with a NE striking shear zone. Aircore drilling has identified significant widths of shallow gold mineralisation up to 8m at 22.8g/t Au from 60m.
- An untested gold in soil geochemical anomaly in the SW corner of E40/283 and an untested shear zone hosted gold anomaly in the north of P40/1263. Both need to be drilled
- The Flamingo anomaly remains open to the north, east and west.
- Deep transported cover which overlies most of the southern section of E40/283 and also most of P40/1263 has hindered previous exploration and can now be evaluated by use of the MMI soil geochemical technique.

- A magnetic high target representing ultramafic units that have been interpreted as layered sequences with basal contacts for prospective Cu-Ni-PGE deposit at the Kingfisher Prospect has not been fully drill tested. Significant widths of shallow nickel and copper mineralisation previously identified require further drilling and present the opportunity for resources to be established quickly (Table 2).
- The newly identified Mary Bore Magnetic Complex occurs under cover and has never been drill tested. This will be a high priority exploration target for KIN as it could either be a layered mafic ultramafic complex with magmatic nickel sulphide potential or a magnetic granitoid with gold potential.

3.7 Proposed Exploration Program

The Pelican and Flamingo Prospects on E40/283 require further field work to advance their status. Intersecting structures interpreted from aeromagnetic data, particularly where those structures intersect the mafic unit south of Pelican require drilling. Untested soil geochemical anomalies near the southern and SE boundaries of P40/1263 also require drilling. The southern strike extension of an untested shear zone exposed north of P40/1263 requires MMI soil sampling and follow-up drilling.

The Pelican and Flamingo Prospects have been fairly well explored by surficial geochemical techniques and several gold anomalies have been identified by this work. The untested gold soil anomaly to the NW of the Flamingo Prospect requires drilling.

A major drill program is required to test the Flamingo anomaly which remains open to the north, east and west. Aeromagnetic data strongly indicates that there is particularly good potential to extend the strike-length to the SW. The Pelican anomaly should be drilled along its present western and eastern margins to fully test its strike extent. In addition, infill and deeper drilling are required on the Pelican Prospect to identify further gold mineralisation within the shear zone.

Previous exploration of the ground west of the Flamingo and Pelican Prospects has been hindered by transported cover which overlies most of the southern section of E40/283 and also on P40/1263. Use of the MMI method could negate the effect of the deep regolith cover and assist in the detection of gold mineralisation at depth. MMI sampling surveys can produce sharp responses for anomalies, not only pinpointing the position of buried mineral resources, but also indicating the dip direction of mineralisation as well as providing sub-surface rock types.

The anomalous magnetic bullseye target at the Kingfisher Prospect has not been fully drill tested. Deeper drilling is required at this prospect to test the ultramafic-rhyolite contact for prospective massive sulphide Cu-Ni-PGE-Co-Au mineralisation as magmatic sulphides may occur at depth. Drilling could be carried out to assess the down dip potential and continuity and confirm the strike extent of this mineralisation. Any cross cutting structures associated with the magnetic ultramafic units, which have been interpreted as layered sequences with basal contacts, should also be drilled.

The “Hotspot Prospect” located southwest of Kingfisher is also considered to be a high priority drill target. Surface rock chip sampling at this location returned a very encouraging assay of 16.6g/t Au from a small prospecting pit in chert.

Shallow RAB drilling at the Charcoal and Charcoal West Prospects has failed to adequately test the gold anomaly previously identified by aircore drilling and this mineralisation will require deeper drilling to test the bedrock.

Desdemona Project	Minimum Subscription			Maximum Subscription		
Item	Year 1 \$000s	Year 2 \$000s	Total \$000s	Year 1 \$000s	Year 2 \$00's	Total \$000s
<i>Wages/Salaries/Contractors</i>	38	44	82	60	100	160
<i>Data Acquisition/Processing</i>	5	0	5	10	12	22
<i>Drilling - Auger/RAB/AC/RC/DD</i>	30	80	110	68	150	218
<i>Assays</i>	35	51	86	66	100	166
<i>MMI Sampling</i>	10	0	10	15	5	20
<i>Tenement Costs</i>	11	11	22	11	11	22
<i>Equipment & Consumables</i>	8	12	20	10	10	20
<i>Heritage/Environment/Rehabilitation</i>	6	9	15	10	12	22
TOTAL	143	207	350	250	400	650

Table 3: Proposed Budget for the Desdemona Project.

4.0 Iron King Group Gold-Base Metal Project

4.1 Introduction

The 11.84km² Iron King Group comprises eight contiguous PLs located 45km NNW of Leonora and is located approximately 14km NW of the 3.68Moz Au King of the Hills Gold Mine. The project area encompasses the historic high-grade Iron King Mine, Blue Spec Mine and part of the excised Victory Mine licence.

There have been three major episodes of tectonic deformation in the Leonora District each of which produced distinctive structures and regional features. The earliest episode produced horizontal, 'nappe-like' folds, with gently dipping mylonite, orthogneiss and schist in discrete zones of deformation. The second episode resulted in a widespread N to NW striking crenulation of the early schistosity and long wavelength, open, upright regional folds. The third episode of deformation produced NW striking strike-slip faults, dominated by the sinistral MGSZ. Mineral deposits are invariably associated with deformational structures in the district. The larger deposits like the 6.86Moz Sons of Gwalia Gold Mine occur within early shear zones up to 0.5km wide which can be traced through a number of prospects to the north. Younger large shear zones rarely host economic gold mineralisation.

The leases overlie a highly deformed and complex Archaean greenstone sequence intruded by numerous granitic and porphyry intrusions and Proterozoic mafic dykes (Fig. 8).

A number of companies explored the Iron King leases between 1984-1995. The generally encouraging results require follow-up drilling. Much of the early RAB drilling was vertical and failed to satisfactorily test for steeply dipping lodes that characterise the project area.

A small open-cut gold mine operated at Iron King during 1981-1985 produced 253.85oz of gold from 1161t of ore grading 6.8g/t Au. Geological mapping of the region by F. Fitton during the 1980s identified the presence of a major gossan in the east of P37/7195. This gossan at Little Pete represents a potential major base metal or gold target that has never been effectively drill tested.

4.2 Location and Access

The Iron King/Victory project area is situated in the Mt Margaret Mineral Field in the Mt Malcolm District of the NE Goldfields of Western Australia. The project area is approximately 880km NE of Perth and 45km NNW of Leonora. It is located on the GSWA Leonora 1:250,000 Geological Map Sheet (SH51-1) and the GSWA Leonora 1:100,000 Geological Map Sheet (3140) and is on the Tarmoola pastoral lease. Mining and station tracks provide a reasonable network of secondary access within the project area.

4.3 Tenure

The tenements held by KIN comprise eight PLs covering an area of 11.84km² (Fig. 8).

TENEMENT ID	STATUS	HOLDER(S)	AREA (ha)	LODGEMENT DATE	GRANTED	EXPIRY DATE
P37/7175	LIVE	Trevor Dixon	120	29/01/2007	29/01/2009	28/01/2013
P37/7176	LIVE	Trevor Dixon	130	29/01/2007	29/01/2009	28/01/2013
P37/7177	LIVE	Trevor Dixon	120	29/01/2007	29/01/2009	28/01/2013
P37/7194	LIVE	C.Crew, R. Crew &T.Dixon	14	29/01/2007	29/01/2009	28/01/2013
P37/7195	LIVE	C.Crew, R. Crew &T.Dixon	200	29/01/2007	29/01/2009	28/01/2013
P37/7196	LIVE	C.Crew, R. Crew &T.Dixon	200	29/01/2007	29/01/2009	28/01/2013
P37/7197	LIVE	C.Crew, R. Crew &T.Dixon	200	29/01/2007	29/01/2009	28/01/2013
P37/7198	LIVE	C.Crew, R. Crew &T.Dixon	200	29/01/2007	29/01/2009	28/01/2013

Table 4: Iron King Group Tenement Details.

4.4 Geology

The Iron King Group overlies a sequence of NW to WNW trending Archaean greenstones that form part of the Norseman-Wiluna Greenstone Belt. This is a highly mineralised, 1,000km long by 50-100km wide, NW to WNW trending belt of metamorphosed and deformed volcanics, intrusive rocks and sediments. The rocks of the Norseman-Wiluna Greenstone Belt host the majority of Australia's largest gold and nickel-sulphide deposits, including Kalgoorlie, Kambalda, Agnew, Sons of Gwalia and Mt Keith.

The project area is on the eastern flank of the Tarmoola Anticline. The greenstone sequence in the project area comprises tholeiitic and high-magnesian basalts, felsic volcanics, interflow sediments, including shale, chert and iron-formation, mafic intrusives and ultramafic rocks. This layered succession is intruded by numerous stocks, dykes and sills of granitic rocks (commonly magnetic), felsic porphyry and also by two E-W trending Proterozoic mafic dykes (Fig. 8).

The structure of the Iron-King Group is extremely complex due to a combination of faulting, shearing and tight folding; coupled with granitic intrusion (Fig. 8). Three major shear zones trending E-W to WNW have been identified within the project area. From north to south these are known as the Victory, Crystal Ridge and Iron King Shears and they are all associated with historic gold workings. These shear zones are splays off the regional NNW trending GSZ and MGSZ which coalesce in P37/7195 in the east of the project area.

Hallberg (1988) observed that gold geochemical anomalies are coincident with a complex structural disruption of the MGSZ system. Granite intrusives coincident with NW to west trending shear systems provide a favourable geological setting for the emplacement of gold mineralisation between blocks of massive mafic and ultra-mafic rocks. Gold mineralisation within the project area is controlled by late-stage, quartz-filled, normal faults.

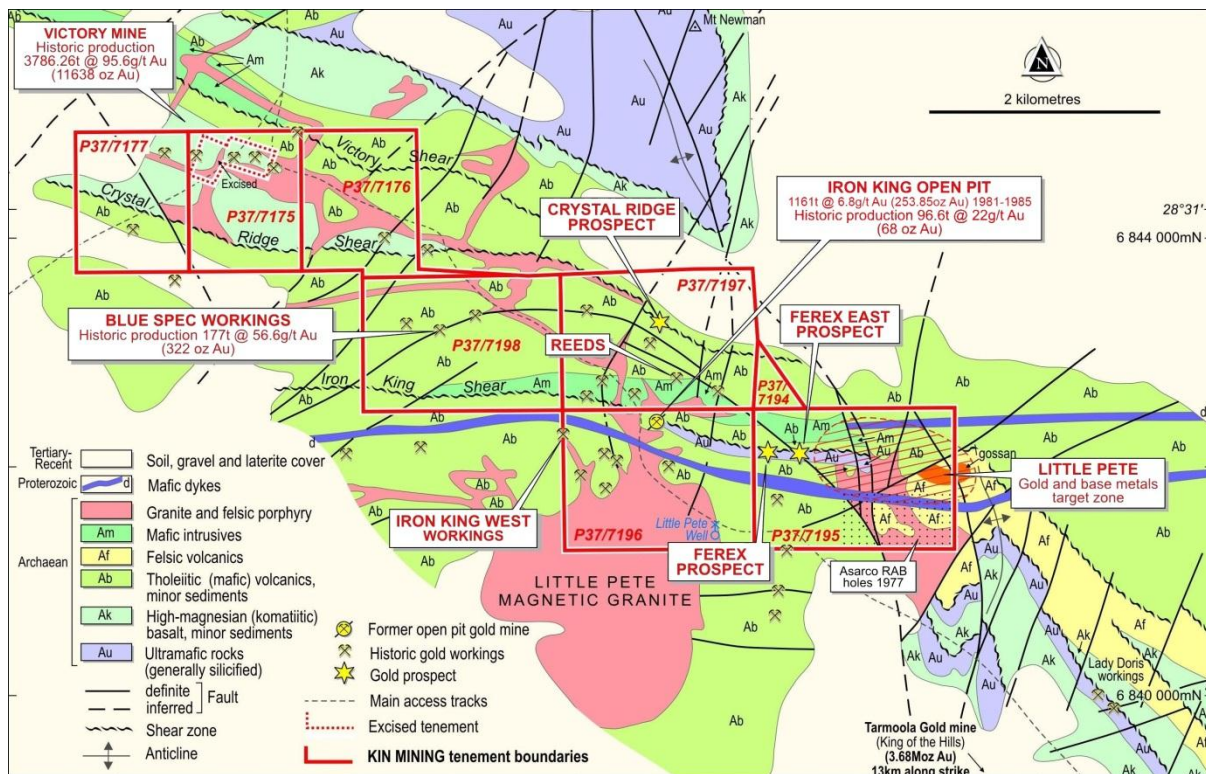


Figure 8: Iron King Group Tenements showing Outcrop Geology and KIN Prospects.

4.5 Previous Mining and Exploration

The Iron King project area is 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). During the period 1981-85, a small open-cut gold mine at Iron King produced 253.85oz Au from 1161t of ore grading 6.8g/t Au (Fitton, 1987).

A major gossan occurs on the eastern side of P37/7195 at Little Pete. This gossan represents a potential major base metal or gold target and has never been effectively evaluated by drilling. This target is located at the intersection of the GSZ and the SMWL and is associated with a major untested gossanous zone in felsic volcanics. In 1977 Asarco Exploration Pty Ltd “Asarco” conducted a major RAB drilling program on the area south of the Little Pete gossan but the shallow drillholes failed to identify any significant anomalous base metals or gold mineralisation.

Exploration at Iron King by Dakota Gold Mines Pty Ltd during the period 1988-1990 and Dominion Gold Mines in 1993-94 led to the discovery of a number of promising gold prospects and drill targets. Drilling of several of these was carried out but generally only to very shallow depths and a small gold resource was identified at the Crystal Ridge Prospect. Several zones of gold mineralisation remain open at depth and along strike and require follow-up drilling.

Surface rock chip and historical mine dump sampling by Fitton (1987) and Ryan (1995) returned strongly anomalous gold values of up to 33.2g/t Au. Many of these anomalies have never been tested by follow-up drilling.

4.6 Potential

- No effective modern exploration has been carried out along strike from the historic Victory Mine area which produced 11,638oz Au from 3,786.26t of ore, at a grade of 95.6g/t Au (Kelly, 1954).
- The project area covers the historic high-grade Iron King, Blue Spec and part of the Victory Gold Mines.
- Historic gold production graded between 22.0 and 95.6g/t Au.
- The project area covers five major gold target zones associated with old workings, which include Iron King, Victory, Blue Spec, Reeds and Iron King West.
- The project also covers gold targets discovered by recent prospecting or drilling (e.g. Ferex, Ferex East, Crystal Ridge and Little Pete).
- The Little Pete Prospect is associated with a large untested gossan that may represent a major base-metal or gold target.
- The project area covers a large zone of extreme and complex crustal dislocation, shearing and fault intersections.
- The project area is close to the large King of the Hills Gold Mine located 13km SE along strike.

4.7 Proposed Exploration Program

The five major gold target zones associated with old workings at Iron King, Victory, Blue Spec, Reeds and Iron King West, plus the more recently discovered secondary gold targets at Ferex, Ferex East, Crystal Ridge and Little Pete are regarded by KIN as immediate 'walk up' drill targets within the project area. Deeper drilling will be necessary to test for possible higher grade, primary gold mineralisation below the base of oxidation, particularly at Crystal Ridge. The eastern strike extension of the Crystal Ridge shear continues into the northern part of P37/7194 and its potential should initially be assessed by surface geochemical sampling.

Some further geological and structural mapping is required to assist in the identification of additional drill targets. A MMI soil geochemical sampling program is recommended over known structural targets including the Iron King, Victory and Crystal Ridge shear zones and around the numerous historic gold mine workings to delineate zones of anomalous gold in the regolith and hence identify possible strike extensions of known gold mineralisation.

Rock chip sampling of the auriferous quartz veins and the gossan at Little Pete should be conducted to assist in the understanding of the structural controls for the mineralisation and to identify additional drill targets. Multi-element MMI sampling should be conducted over the NE quadrant of P37/7195 to evaluate the relationship between the gold and the base metals mineralisation. If the gold and base metals mineralisation are not closely associated, then modelling of the mineralisation will assist in the more effective design of the proposed drilling program. Any targets identified by geochemical sampling programs can then be assessed by drilling.

Iron King Group Project	Minimum Subscription			Maximum Subscription		
	Year 1 \$000s	Year 2 \$000s	Total \$000s	Year 1 \$000s	Year 2 \$000s	Total \$000s
<i>Wages/Salaries/Contractors</i>	9	10	19	16	20	36
<i>Data Acquisition/Processing</i>	3	2	5	5	8	13
<i>Drilling - Auger/RAB/AC/RC/DD</i>	15	28	43	25	57	82
<i>Assays</i>	16	15	31	22	43	65
<i>Geochemical Sampling</i>	3	2	5	5	5	10
<i>Tenement Costs</i>	5	5	10	5	5	10
<i>Equipment & Consumables</i>	2	6	8	4	6	10
<i>Heritage/Environment/Rehabilitation</i>	2	2	4	3	6	9
TOTAL	55	70	125	85	150	235

Table 5: Proposed Budget for the Iron King Group.

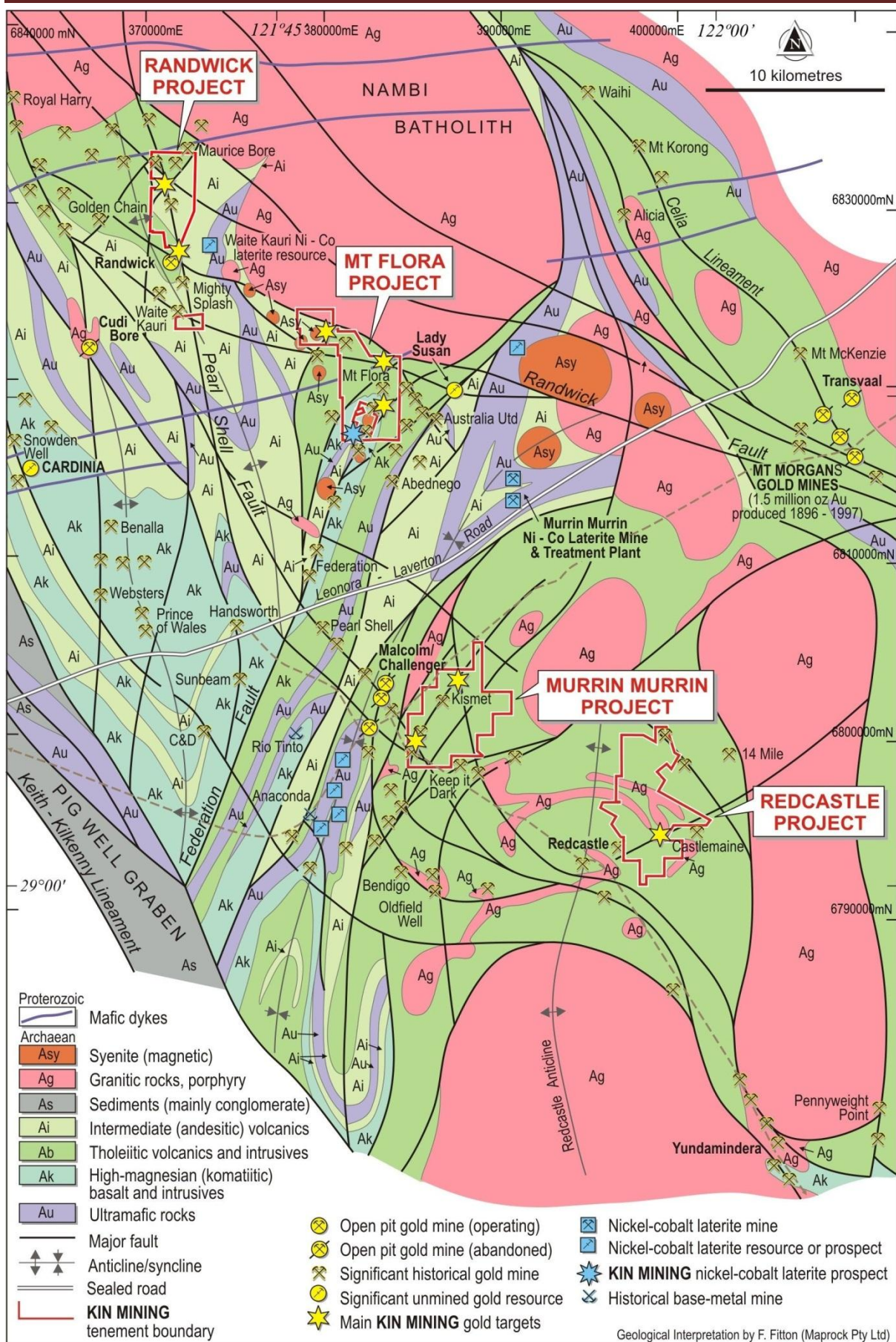


Figure 9: KIN Eastern Project Areas Regional Geological Map.

5.0 Murrin Murrin Gold-Nickel-Base Metal Project

5.1 Introduction

The project area comprises a contiguous package of 14 PLs and one small ML covering 21.96 km² within the Mt Morgans District of the Mt Margaret Mineral Field of W.A. The leases are strategically located adjacent to the historic Murrin Murrin gold mining centre and former Anaconda, Rio Tinto and Nangeroo base metal mines, as well as being close to several of the Glencore Ni-Co lateritic resources.

Gold was first mined in the region south of the Company's Murrin Murrin project area in the mid to late 1890s. Most of these mines were small and exploited rich, narrow quartz veins within a large variety of rock types. The average historic grade mined in the Murrin Murrin district up to 1954 is reported in official WA Mines Department records to have been 22.14g/t (Kelly, 1954). Higher grades from south of the project area, (e.g. 38.75g/t Au at the Oldfield Well Mine) were common. Mines located around Windsor Well, which is located 3km south of KIN's southernmost tenements P39/5177 and P39/5178 supported a battery and produced 781oz Au at a grade of approximately 30.0 g/t Au.

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.

Intensive exploration for base-metals was undertaken in the Murrin Murrin area by Australian Selection between 1965-1975 and Anaconda Nickel later carried out extensive drilling over weathered ultramafic rocks for lateritic Ni-Co throughout the region.

The historic Murrin Murrin gold mining centre lies adjacent to and west of the project area. Total gold production at Murrin Murrin up to 1954 is reported to have been 97,199oz Au from 136,512t of ore at an average grade of 22.14g/t Au, (Kelly, 1954). A further 31,177oz Au from of lower grade material were produced from open pit operations from 1988-94 at the Hills Proprietary, Malcolm and Challenger Mines which are also situated west of the project area (Fig.10).

5.2 Location and Access

The project area is located roughly 45km east of Leonora and 79km west of Laverton in the Mt Morgans District of the Mt Margaret Mineral Field. It is approximately 15km south of the Murrin Murrin lateritic Ni-Co mine and lies within a 15-20km radius of the Company's Mt Flora and Redcastle Project areas.

The project area is located south of the Old Leonora-Laverton Road, which lies parallel to the NW boundary of the project area. The Company's P39/5178 lease also covers Mt Nangeroo. A major structural gold target located south of Mt Nangeroo within P39/5177 at the intersection of the NE trending Nangeroo Fault and NW trending Pearl Shell Fault, presents a highly prospective target.

5.3 Tenure

The 21.96km² Murrin Murrin project area comprises a contiguous block of 14 PLs and one small ML detailed in Table 6 (Fig. 10).

TENEMENT ID	STATUS	HOLDER(S)	AREA (ha)	LODGEMENT DATE	GRANTED	EXPIRY DATE
M39/279	LIVE	Trevor Dixon/Russell McKnight	28	13/08/1992	15/01/1993	14/01/2014
P39/4913	LIVE	Trevor Dixon	200	7/01/2008	29/01/2009	28/01/2013
P39/4914	LIVE	Trevor Dixon	200	7/01/2008	29/01/2009	28/01/2013
P39/4915	LIVE	Trevor Dixon	200	7/01/2008	29/01/2009	28/01/2013
P39/4916	LIVE	Trevor Dixon	140	7/01/2008	29/01/2009	28/01/2013
P39/5112	LIVE	Trevor Dixon	180	10/05/2010	12/04/2011	11/04/2015
P39/5113	LIVE	Trevor Dixon	175	10/05/2010	12/04/2011	11/04/2015
P39/5164	LIVE	Robert Griffiths	144.2	6/12/2010	16/08/2011	15/08/2015
P39/5165	LIVE	Robert Griffiths	191.9	6/12/2010	16/08/2011	15/08/2015
P39/5176	LIVE	Robert Griffiths	121	31/12/2010	21/02/2012	20/02/2016
P39/5177	LIVE	Robert Griffiths	121	31/12/2010	21/02/2012	20/02/2016
P39/5178	LIVE	Robert Griffiths	120.8	31/12/2010	21/02/2012	20/02/2016
P39/5179	LIVE	Robert Griffiths	95.4	31/12/2010	21/02/2012	20/02/2016
P39/5180	LIVE	Kazoo Nominees Pty Ltd	121	3/02/2011	02/03/2012	01/03/2016
P39/4980	LIVE	S.C.Caporn	158	19/12/2008	24/09/2009	23/09/2013

Table 6: Murrin Murrin Project Tenement Details.

5.4 Geology

The tenements cover a suite of NNE trending tholeiitic mafic volcanics, dolerites and minor sedimentary units, including BIF and chert (Fig. 10). Outcrop of these rocks is reasonably good south of Mt Nangeroo in the SW leases. Elsewhere extensive lateritic caprock and associated iron-rich gravels and soils obscure the Archaean lithologies in the NW of the project area between Mt Nangeroo and the historic Kismet gold workings. Extensive laterite cover also overlies much of the western side of the project area. Weathering is generally moderate to intense throughout the leases.

Several major NW and NNE trending faults and shear-zones have been interpreted within the project area. Most of these structures are mineralised, particularly where sulphidic quartz veins are present. The NE striking Nangeroo Fault line passes through several of the leases. Small granitic stocks and sills have intruded the greenstone sequence at several locations in the Murrin Murrin- Redcastle region and may well have had an important influence in the introduction of gold-bearing fluids during the main phase of tectonic deformation and metamorphism of the layered greenstone sequence.

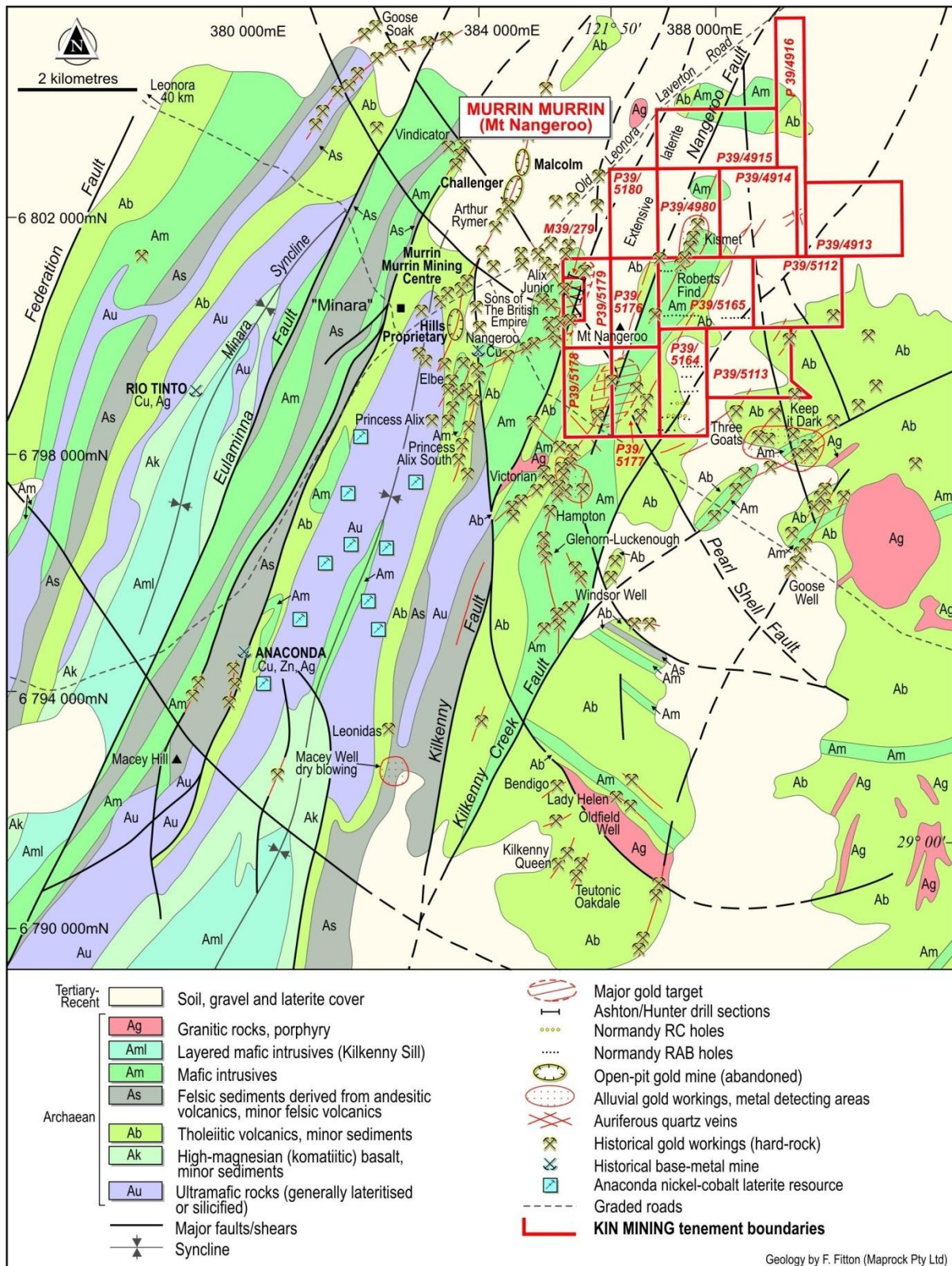


Figure 10: Murrin Murrin Tenements showing Outcrop Geology & Target Areas.

5.5 Previous Mining and Exploration

Gold was first discovered in the Murrin Murrin district during the mid-1890s and a sizeable mining township became established approximately 3km west of what is now the KIN Project area around the turn of the 20th century. Most of the old mines were abandoned by the early 1950s due to the low gold price. Following the resurgence in the bullion price after 1980 several lower-grade open pit operations were developed in the area during 1988-94. The famous, historic Mt Morgans Mine which lies 20km NE of Murrin Murrin, first operated in the late 1890s and was decommissioned in 1998 by Homestake Gold of Australia, after producing more than 1.25Moz Au.

The Murrin Murrin District was also well known for its copper-zinc mines during the early 1900s. The major mines were known as Anaconda, Rio Tinto and Nangeroo and are located between 1.0-5km west and SW of the project area. The base-metal deposits are hosted in intermediate (andesitic) volcanic tuffs and sediments and have been regarded as typical, though small, Archaean volcanogenic massive sulphide (“VMS”) deposits.

Australian Selection Ltd (later renamed Seltrust) carried out extensive exploration for VMS mineralisation during the period 1965-1975 and reported widespread stratiform chalcopyrite-sphalerite-pyrite intersections associated with altered felsic volcanics. Although Seltrust did not exploit any economic base metal deposits around Murrin Murrin, they did discover and mine the small, rich Teutonic Bore Cu-Zn-Ag Deposit 50km north of Leonora between 1976-1985.

Glencore’s lateritic nickel-cobalt mine and processing plant is located approximately 10km NNE of the Company’s northernmost Murrin Murrin leases. Several of the lateritic resources occur within a weathered and lateritised, tightly folded ultramafic unit. The same rock units occur immediately SW of the tenements and are reported to be of higher grade than the ore-bodies currently being mined by Glencore.

Previous modern day exploration over the project area has been confined mainly to two of the 15 individual tenements, namely M39/279 and P39/5179. The best results were obtained from P39/5179 on the western side of the tenement block where exploration was conducted by Ashton Gold (“Ashton”) in 1990-92 and Hunter Exploration NL (“Hunter”) in 1996.

The Ashton work consisted of:

- BLEG stream sediment sampling.
- Rock chip sampling of the old workings.
- Shallow geochemical RAB drilling (52 drillholes for a total of 1436m)
- 30 line km of detailed magnetometry.
- 1.05 line km of IP Survey
- 0.35 line km of TEM survey
- drilling 12 RC drillholes for a total of 610m

This work, reported by Lockett, 1991-92, delineated numerous shallow zones of anomalous gold, mainly associated with shallowly easterly dipping quartz veins

within massive gabbro. In addition Ashton obtained a large IP anomaly which remains untested. This has been modelled as a massive sulphide body at a depth of around 200m and is considered to be a prime copper-zinc target. Hunter reviewed Ashton's earlier work in 1996 and carried out follow up drilling comprising:

- 35 RAB drillholes for a total of 795m and
- 2 RC drillholes for 130m

All holes were drilled along a grid oriented 030° on the AMG grid with dips of 60° at an azimuth of 300°. The majority of this drilling was very shallow (average down-hole depth of around 20m) with the deepest drillhole only drilled to 50m for a vertical depth of 40m.

Considering the shallow nature of Ashton's and Hunter's drilling, the results are considered highly encouraging and demonstrate the existence of stacked veins, shallowly dipping at 15-30°E, with a dip direction of 055°. These auriferous quartz veins are similar in style to the mineralisation reported from the world-class Sunrise Dam and Wallaby Deposits near Laverton.

Figure 11 shows two RC drillhole cross-sections from P39/5179. The highlights of Ashton's drilling are summarised below:

- WMRC4 **9m at 3.95g/t Au from 25m (inc 4m at 7.76g/t from 30m)**
- WMRC12 **10m at 2.34g/t Au from 35m**
- WMRC9 2m at 2.95g/t Au from 37m
- WMRC11 5m at 1.87g/t Au from 10m
- WMRC5 9m at 1.39g/t Au from 14m
- WMRC13 2m at 3.1g/t Au from 17m and **6m at 3.42g/t Au from 24m** and
5m at 1.05g/t Au from 31m

(**Bold** indicates significant grade/width of Au mineralisation)

These results are considered to be highly significant considering the shallow depth of the drilling and the stacked nature of the mineralised lodes. The Company considers this area to be a prime target for further and deeper drilling both for gold and base metals associated with the 200m deep IP anomaly previously described.

Normandy Exploration Ltd ("Normandy") during the period 1993-96 carried out exploration over P39/5164 and P39/5165 which is east of P39/5177. Reported by Moody, 1996 this work consisted of:

- BLEG Sampling utilising 2kg bulk soils.
- -80 mesh soil sampling
- RAB drilling 61 drillholes for 2,556m
- RC drilling 14 drillholes for 1,052m

The bulk of this work was designed to test the inferred position of the NE trending Kilkenny Creek Fault and the southerly extension of the historic Kismet gold workings (Fig. 10).

The results were generally low grade with the best drill intersections as follows:

- Drill-hole MNR59 3m at 0.7g/t Au
- Drill-hole MNC5 3m at 0.63g/t Au and
- Drill-hole MNR24 1m at 0.96g/t Au

This mineralisation is hosted by sulphidic quartz veins within sheared mafic volcanics and intrusives. The drillholes were drilled at an angle of 60° on an azimuth of 270° along six drill fences spaced at 200m. Although Normandy intersected laterite during their drilling program, no samples were submitted for nickel or cobalt analysis, despite green and brown clays being logged.

The Normandy work was generally inconclusive and their exploration did not cover what the Company believes could be a major structural gold target located south of Mt Nangeroo within P39/5177 at the intersection of the NE trending Nangeroo Fault and NW trending Pearl Shell Fault. This target is associated with a group of historic gold workings along a NE trending sulphidic quartz vein and has not been tested by modern exploration techniques.

Auger drilling by Normandy in 1992 identified a gold anomaly which peaked at 78ppb in P39/4914. RAB drilling during 1994 was completed on four 200m spaced traverses on P39/4914 to test the anomaly with a best intersection returned of 4m at 95ppb Au in RCB68 from 40m. Follow up RC drilling conducted by Normandy during 1995 to assess this RAB gold anomaly intersected siliceous dolerite with minor quartz veining in the bedrock. The drill results were not considered encouraging since the peak value returned was only 2m at 54ppb Au from 68m in RCC13. All of the RAB and RC drilling was conducted at 60°/210° and was designed to test NW trending structures. Since quartz veining in P39/4914 has been mapped trending NE, it would appear that the drillholes completed were drilled sub-parallel to the gold mineralisation and hence failed to fully evaluate the anomaly.

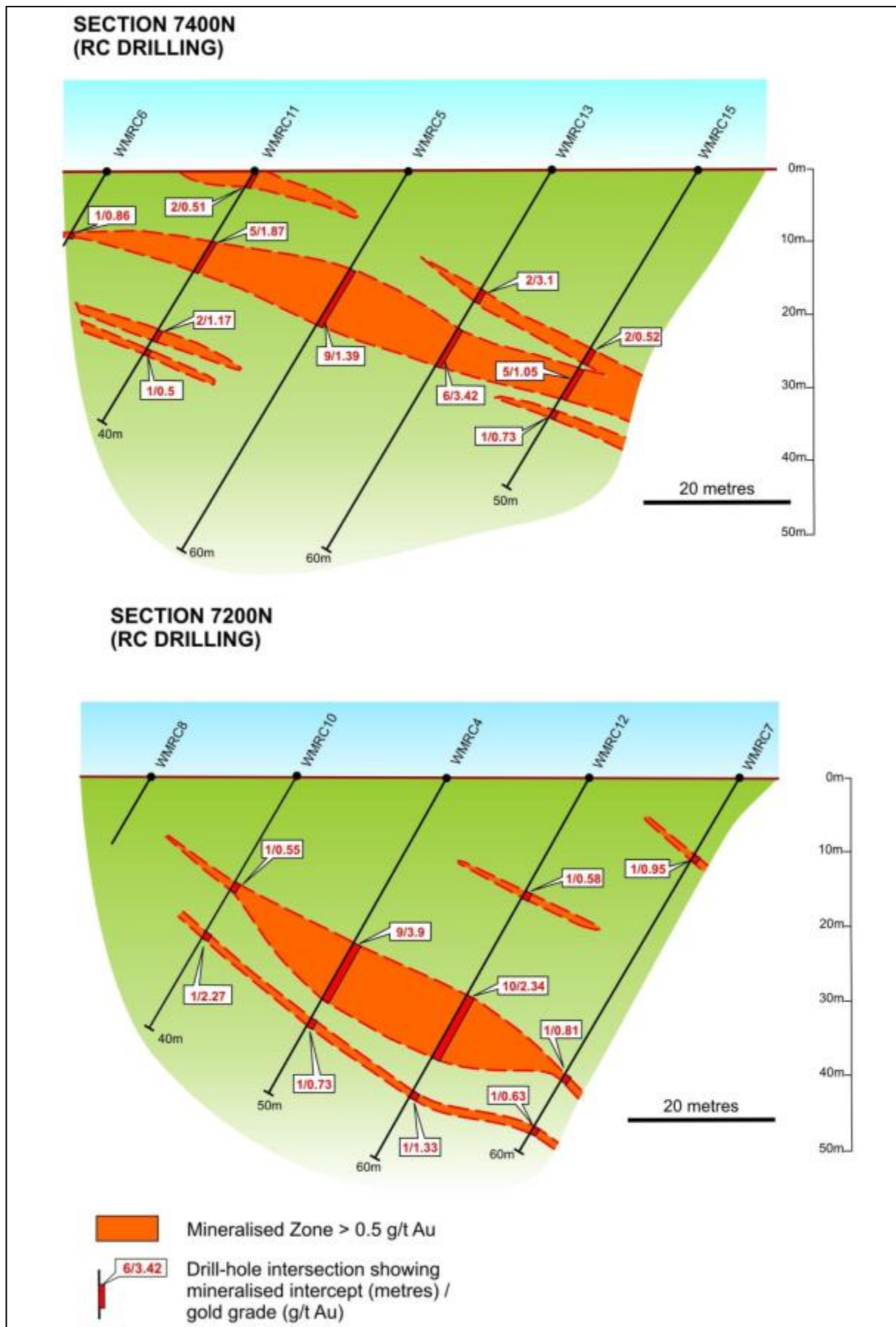


Figure 11: Murrin Murrin Drill Intersections and Cross-Sections.

5.6 Potential

- A number of other old workings within the Murrin Murrin Project area remain untested by drilling and represent prime targets for early investigation by the Company. Despite being in such a well mineralised district, little modern systematic exploration has been carried out over the majority of the tenement blocks.
- Previous exploration of the main Murrin Murrin Mt Nangeroo tenement block during the 1990s has been very encouraging, particularly within Mining Lease M39/279 where shallow RAB and RC drilling conducted by Ashton in 1992 intersected several “stacked”, shallowly dipping mineralised quartz veins in weathered quartz gabbro.
- The results from the shallow RAB drillholes were quite encouraging. Significantly the assays returned from the subsequent deeper RC drilling were better. Nevertheless the additional drilling indicates that the strongest gold mineralisation is above 37m vertical depth. (Fig. 11).
- These intersections are coincident with a strong deep IP anomaly yet to be drilled that may be due to base-metal rich massive sulphides. Numerous historic gold workings occur throughout the various leases that have not been drilled. Other prime gold targets occur at the intersection of major faults and shear zones. The Company considers the project area to be prospective for a wide variety of commodities and mineralisation styles including gold, lateritic nickel-cobalt, nickel sulphides and base metals.
- The drilling carried out by Normandy on P39/4914 was incorrectly orientated and the gold anomaly requires re-drilling in a SE direction to properly test the NE trending auriferous quartz veins.

5.7 Proposed Exploration Program

The Kilkenny Fault which trends through M39/279 and P39/5179 is considered to be a major structural target for deeper drilling. Target depths of up to 200m will be required to test potential extensions of mineralisation hosted by shallowly dipping auriferous quartz veins below the supergene zone. It could also establish whether the IP coincident anomaly is related to base metal mineralisation.

There are historic mines associated with the Pearl Shell Fault within P39/5177 and also in P39/5178 where old workings are in close proximity to the Nangeroo Fault. Both these major structures represent immediate ‘walk up’ drill targets. The intersection of these two faults towards the western boundary of P39/5177 represents an even more promising drill target that has not been tested by modern day exploration methods.

The Nangeroo Fault also trends through P39/4980 where its potential requires evaluation utilizing MMI sampling. Gold mineralisation on this lease is associated with auriferous quartz veins outcropping less than 0.5km to the east of the Nangeroo

Fault around the Kismet Mining Centre. The strike potential of the auriferous quartz veins trending NNE of Kismet and SSW onto the western side of P39/5165 require evaluation by surface rock chip sampling. The potential for gold mineralisation buried beneath regolith along the Kismet trend could also be evaluated by use of a MMI sampling program. This latter method could also be employed to test the extensive laterite cover which overlies most of the Murrin Murrin leases, with the exception of the two southernmost tenements P39/5177 and P39/5178 where outcrop is good.

The Kilkenny Creek Fault passes through four of the easternmost leases (P39/4913, P39/5112, P39/5164 and P39/5165) and presents an additional target for geochemical sampling and drilling. Similarly the NNW trending fault associated with the gold mineralisation at the 'Keep It Dark' workings, 1km south of P39/5113, trends through P39/5113, P39/5112, P39/4914 and P39/4915 before converging with the Nangeroo Fault. This fault should be drill tested to assess if the gold mineralisation continues onto KIN ground.

Auriferous quartz veins outcrop on P39/5176, P39/4980, P39/4914, P39/5112 and P39/5113 and also should be evaluated by rock chip sampling. The gold anomaly identified on P39/4914 will be drilled on a SE azimuth to intersect the gold mineralisation at an optimum orientation.

Murrin Murrin Project	Minimum Subscription			Maximum Subscription		
	Year 1 \$000s	Year 2 \$000s	Total \$000s	Year 1 \$000s	Year 2 \$000s	Total \$000s
<i>Wages/Salaries/Contractors</i>	15	17	32	22	30	52
<i>Data Acquisition/Processing</i>	5	4	9	8	10	18
<i>Drilling - Auger/RAB/AC/RC/DD</i>	30	52	82	62	115	177
<i>Assays</i>	38	35.5	73.5	68	85	153
<i>MMI Sampling</i>	5	2	7	6	2	8
<i>Tenement Costs</i>	10	10	20	10	10	20
<i>Equipment & Consumables</i>	4	4	8	5	8	13
<i>Heritage/Environment/Rehabilitation</i>	3	3	6	4	5	9
TOTAL	110	127	237.5	185	265	450

Table 7: Proposed Budget for the Murrin Murrin Project.

6.0 Redcastle Gold Project

6.1 Introduction

The Redcastle Project is situated NE of the historic Redcastle Mining Centre and is located about 64km east of Leonora and 60km west of Laverton. The 24.80km² project area comprises 15 contiguous PLs over sections of the Glenorn and Minara pastoral leases, within the Murrin Murrin District of the Mt Margaret Mineral Field of WA..

A number of historic gold workings dating back to the mid-1890s occur to the SW of the project area. Most of these are located along the east-west trending “Redcastle Reef”, a 1-5m wide auriferous quartz vein that was famous for producing high-grade shoots, averaging 20-40g/t Au from most of the old workings (Fig. 12).

The Redcastle Reef occurs on the axial plane of the Redcastle Anticline. This is a major regional fold axis trending north-south to the west of the Company’s leases. P39/5098 is situated less than 0.5km east of the Redcastle Anticline fold axis. Numerous world class gold deposits in the Yilgarn Craton of Western Australia, as well as in other important gold producing regions of the world, occur on or close to similar anticlinal crests.

Only shallow test drilling of the Redcastle Gold Reef has been conducted previously. This drilling rarely penetrated the zone of oxidation and geochemical depletion because the vertical drillholes only reached a maximum depth of 40m. Several extensive dry-blowing areas and metal detecting patches occur within the project area. Metal detecting by prospectors in the Redcastle District during the past 30 years has produced a considerable amount of alluvial gold, including some spectacular nuggets (Plate 1).

Alluvial gold production for the Redcastle area from 1970-2004 has been estimated to exceed 3,000oz.

6.2 Location and Access

The project area is situated approximately 65km SW of Laverton and can be accessed via the sealed Leonora-Laverton road and thence via graded gravel roads past Minara Station homestead and the historic Murrin Murrin gold mining centre. Glencore’s lateritic nickel-cobalt mine and processing plant are located approximately 20km NW of the project area.

6.3 Tenure

The Redcastle Project comprises 15 PLs covering an area of 24.80km² (Fig. 12).

TENEMENT ID	STATUS	HOLDER	AREA (ha)	LODGEMENT DATE	GRANTED	EXPIRY DATE
P39/5267	PENDING	Trevor Dixon	200	25/01/2012	N/A	N/A
P39/4528	LIVE	Trevor Dixon	198	06/06/2006	28/09/2007	27/09/2015
P39/4593	LIVE	Trevor Dixon	200	22/01/2007	30/12/2008	29/12/2012
P39/4839	LIVE	Trevor Dixon	155	30/04/2007	30/12/2008	29/12/2012
P39/4834	LIVE	Trevor Dixon	150	19/03/2007	30/12/2008	29/12/2012
P39/5097	LIVE	Trevor Dixon	200	11/02/2010	02/12/2010	01/12/2014
P39/5098	LIVE	Trevor Dixon	87	11/02/2010	02/12/2010	01/12/2014
P39/5099	LIVE	Trevor Dixon	190	11/02/2010	02/12/2010	01/12/2014
P39/5100	LIVE	Trevor Dixon	198	11/02/2010	02/12/2010	01/12/2014
P39/5101	LIVE	Trevor Dixon	198	11/02/2010	02/12/2010	01/12/2014
P39/5102	LIVE	Trevor Dixon	165	11/02/2010	02/12/2010	01/12/2014
P39/5103	LIVE	Trevor Dixon	129	15/02/2010	02/12/2010	01/12/2014
P39/5105	LIVE	Trevor Dixon	200	26/03/2010	12/04/2011	11/04/2015
P39/4930	LIVE	ODS Pty Ltd.	200	20/02/2008	27/03/2009	26/03/2013
P39/4550	LIVE	Ross Crew	10	02/08/2006	23/10/2008	22/10/2012

Table 8: Redcastle Project Tenement Details.

6.4 Geology

The Redcastle Project covers a NW trending sequence of Archaean tholeiitic mafic volcanics, dolerites and gabbros which are intruded by porphyritic intrusions (Fig. 12).

In common with many other mineralised regions in the Yilgarn Craton, deep weathering and oxidation have affected most of the rocks in the Redcastle District.

The base of oxidation generally extends down to a vertical depth of 30-50m and may be accompanied by geochemical depletion or leaching of many elements including gold, base metals and iron, forming a surficial zone of pale coloured clays or highly weathered rock.

Iron-rich lateritic caprock is common around Redcastle and frequently contains secondary or placer gold. Metal detecting has been widespread in the district since the early 1980s and has revealed some large and spectacular gold nuggets.

Major EW to WNW trending faults and thrusts traverse the Redcastle area and these may have caused repetition of the stratigraphic sequence. Numerous quartz veins follow the main fault trends and host the majority of the gold mineralisation in the area.

Broad, large-scale regional folding has affected all rock types in the project area. The NS trending axis of the northerly plunging Redcastle Anticline lies just west of P39/5098. This regional anticline has probably been produced by the intrusion of the Burra Rocks monzogranite batholith to the SW of the project area and is believed to be an important control for gold mineralisation in the Redcastle region.

The 7.5km long Redcastle Reef which hosted most of the historic gold production from the Redcastle Mining Centre, trends EW through the southernmost section of P39/4834. The Redcastle Reef appears to be a large-scale dilational feature caused by folding and subsequent brittle fracturing of mafic rocks along intrusive granitic contacts.

These dilation zones can be interpreted from aeromagnetic surveys. Numerous other EW and NE trending quartz reefs occur throughout the Redcastle District, many of which are known to be mineralised.



Plate 1: Spectacular Gold Nuggets from the Redcastle Project Area.

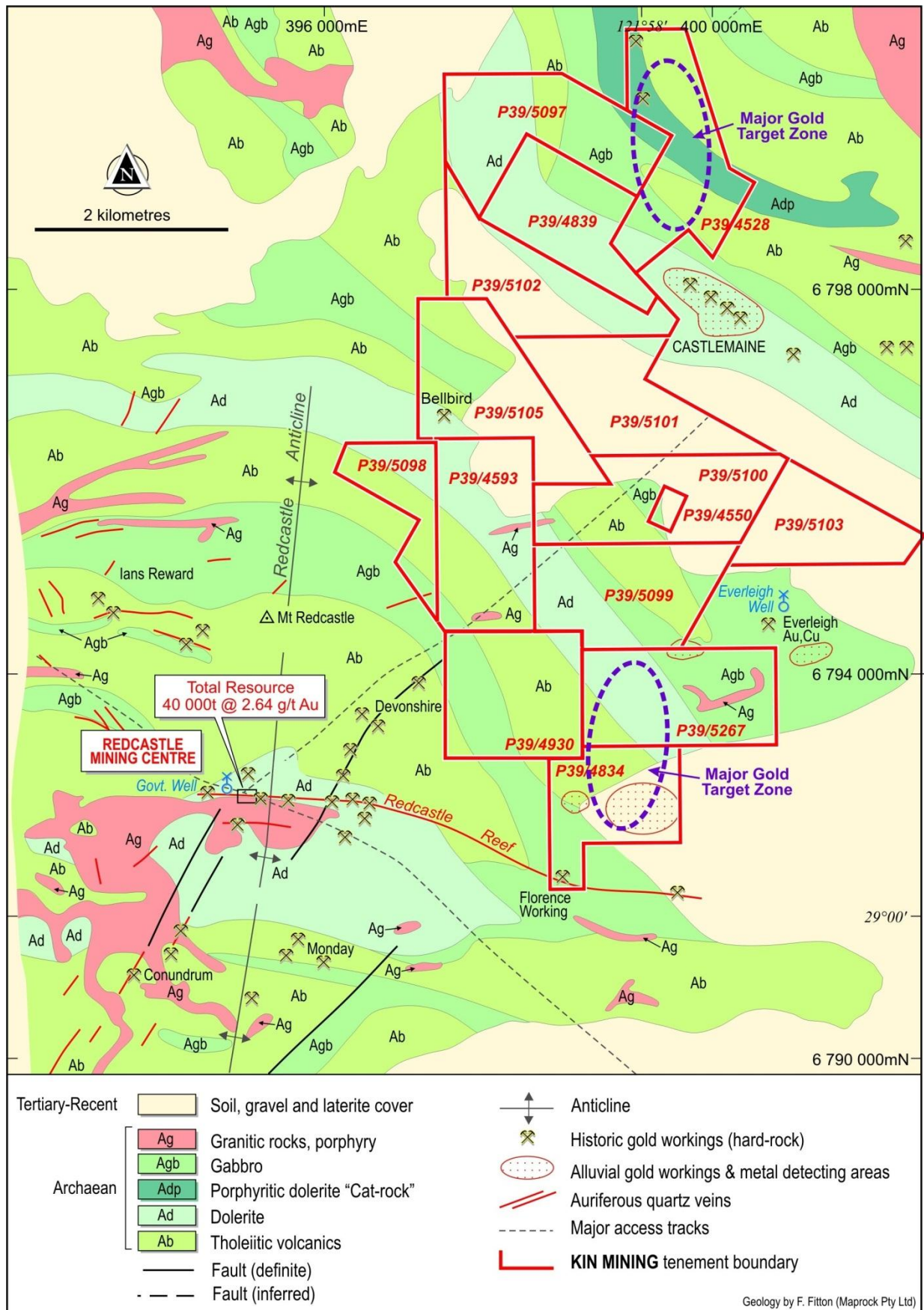


Figure 12: Redcastle Tenements Showing Outcrop Geology, Detecting Patches and Gold Targets.

6.5 Previous Mining and Exploration

Gold was first discovered at Redcastle in 1894 and official historical production figures prior to 1954 totalled 571.2kg of gold from 2,400t of ore with an average grade of 23.8g/t Au. Since the early 1980s, significant amounts of alluvial gold have been discovered by metal detecting carried out by individual prospectors or small prospecting syndicates but absolute production figures are unavailable. Most of the historic gold production came from small, though numerous, shallow workings along the EW trending Redcastle Reef. The eastern end of this reef runs through the Company's southernmost lease (P39/4834).

Minimal modern day exploration has been conducted in the Redcastle district. BHP Minerals Ltd ("BHP") identified gold RAB anomalies coincident with structural targets south of P39/4528, in what became known as the 'Tatong Prospect'. A further aircore drilling program confirmed a 400x100m anomaly which is still open to the NNW. This anomaly could well extend onto the southernmost section of P39/4528 and possibly into P39/5097.

The results from subsequent RC drilling by BHP on the Tatong Prospect were stated to be inconclusive, with a best result of 4m at 1.0g/t Au reported. The RC drill program confirmed that the transported cover is up to 40m deep overlying bedrock composed of dolerite and andesitic tuff. The low grade gold mineralisation dips at 20° towards the NNE in narrow shear zones with alteration and quartz stringers. Silicification and high sericite content appear to be the best indicators for primary gold mineralisation in this section of the project area. The major gold anomaly for the Tatong Prospect still remains unexplained.

Numerous metal detecting patches and small old gold workings occur on P39/4834. Local prospectors discovered at least 700oz of alluvial gold on the lease prior to 1997. Additional alluvial gold was identified on P39/4834 during 1997 to the north, west and east of the main laterite ridge area. The lateritic caprock in this area yielded 140oz Au from a ripping and subsequent metal detecting program, with one nugget of 41oz recovered from 1.5m below surface. The lease had yielded an estimated grand total of 470oz by the end of 1998 (Steele, 2001).

In 1998 Gudda Resources NL ("Gudda") conducted a minor RC drill program on behalf of Questar Australia Pty Ltd ("Questar") to test the bedrock beneath the main laterite ridge. The best intersection returned was 6m at 0.41g/t Au in RRC103 from 44m. The unexpectedly low assays from the drilling seem to be as a consequence of the drillholes being designed to intersect the NW trending ridge perpendicularly. Consequently they were drilled along strike and obliquely to the NE trending sub-vertical auriferous quartz veins and hence failed to test the mineralisation in a satisfactory manner.

In 2008 Terrain Minerals Ltd ("Terrain") conducted RAB drilling on P39/4467 which has become P39/5267. The earliest RAB drilling conducted by Terrain was generally too shallow and returned only a few significant intersections. A follow up RAB program returned a best result of 2m at 15.3g/t Au from 20m in drillhole RR205. The mineralisation is associated with a 3m wide quartz vein in an unaltered mafic. Terrain

did not follow-up with further drilling so the strike and depth potential of this anomaly remains untested.

Terrain also drilled a line of nine drillholes on the western side of P39/4834. These RAB drillholes from a depth of 4m-29m were too shallow to test for any gold mineralisation and no significant intersections were returned. If deeper gold mineralisation does exist, it may well be the western strike extension of the Florence mineralisation which requires drilling.

6.6 Potential

- Most mineralised zones within the Redcastle Project are open along strike and at depth and have not been tested below 40-50m vertical depth, beneath the zone of oxidation and weathering. The Redcastle Reef provides the most obvious exploration target but gold mineralisation associated with the NE trending Devonshire Fault and the RAB intersection of 2m at 15.3g/t Au from 20m in RR205 on P39/5267 also warrants further investigation.
- There is a target associated with alluvial workings south of P39/4528 which could be associated with a strike extension trending on to the SW corner of P39/4528. RAB geochemical anomalies identified by BHP require deeper drilling to clarify previous inconclusive results.
- Three of the most easterly tenements, P39/5103, P39/5099 and P39/5267 surround the small Everleigh Au-Cu working which is located SW of Everleigh Well. The strike extent of this mineralisation and a possible continuation of the alluvial patch 600m south-SSE of Everleigh Well have not undergone modern day exploration.
- The source of the gold for the alluvial workings on P39/4834 may well be the Redcastle Reef which lies approximately 1km south. Nevertheless the gold mineralisation could be sitting directly above an 'undiscovered reef' concealed beneath regolith which sub-parallel the Redcastle Reef. Alternatively the small 'Florence' working, which is located south of the westernmost dry-blowing area on P39/4834, could be the source of the alluvial gold.
- A belt of regolith overlies the central leases of the project area. This area covers a section of Archaean Greenstone Belt which has not had any geochemical surveys conducted over it.

6.7 Proposed Exploration Program

Recent interpretation by KIN, combined with information derived from other gold discoveries in the region, highlights the high prospectivity of the Redcastle project area. The Company has identified several high priority exploration targets on the basis of strong alteration associated with favourable structural intersections and granitic intrusion. KIN plans to commence a detailed exploration program to fully investigate the true potential of the Redcastle Project. This work will include detailed

multi-element geochemical surveys, further structural and geological mapping and systematic drilling to greater depths than has previously been undertaken.

A widespread MMI sampling program over the undisturbed ground on the leases could be the most cost effective way to delineate drill targets. Rock chip sampling would then be employed in areas with outcrop where the sampling identifies anomalous gold geochemistry. This approach could be most effective for the central leases, P39/5100, P39/5101, P39/5102 and P39/5103, where minimal dry-blowing and metal detecting has taken place and the regolith is essentially undisturbed (Fig. 12).

Similarly, the MMI sampling technique could also be employed to assess the undisturbed ground adjacent to known alluvial patches which occur south of P39/4528, SE of the Everleigh mine working and on P39/4834.

MMI programs could also assist in identifying any gold mineralisation associated with the NE strike extension of the Devonshire Fault on to P39/4593. The method could help to explain the source of the alluvial gold on P39/4834 and assess if the gold mineralisation associated with the Redcastle Reef and at Florence warrants drilling.

Drilling should be carried out over all the structural targets and gold anomalies identified by the proposed MMI sampling program. The high grade RAB intersection on P39/5267 also requires testing along strike and down-dip.

Redcastle Project	Minimum Subscription			Maximum Subscription		
	Year 1 \$000s	Year 2 \$000s	Total \$000s	Year 1 \$000s	Year 2 \$000s	Total \$000s
<i>Wages/Salaries/Contractors</i>	15	15	30	22	30	52
<i>Data Acquisition/Processing</i>	5	3	8	8	10	18
<i>Drilling - Auger/RAB/AC/RC/DD</i>	30	52	82	62	111	173
<i>Assays</i>	35	35.5	70.5	68	89	157
<i>MMI Sampling</i>	5	2	7	6	2	8
<i>Tenement Costs</i>	10	10	20	10	10	20
<i>Equipment & Consumables</i>	6	5	11	5	8	13
<i>Heritage/Environment/Rehabilitation</i>	4	5	9	4	5	9
TOTAL \$	110	127	237.5	185	265	450

Table 9: Proposed Budget for the Redcastle Project.

7.0 Mt Flora Gold-Nickel Project

7.1 Introduction

The project area comprises 12 PLs covering 21.35km² within the Mt Morgans District of the Mt Margaret Mineral Field of WA. It is located on the GSWA Laverton 1:250,000 Geological Map Sheet (SH51-2) and the GSWA 1:100,000 Minerie Geological Map sheet (3240). The project area is approximately 15km SE of KIN's Randwick Project.

The Mt Flora Project covers numerous historic gold workings associated with the intersection of the NNE trending Federation and Sligo Creek Faults with the WNW trending Randwick Fault (Fig. 13).

7.2 Location and Access

The Mt Flora Project is located 45km ENE of Leonora and approximately 7km NW of Glencore's Murrin Murrin Ni-Co laterite mine and processing plant. Access is via the sealed Leonora-Laverton road and thence via good graded tracks past the historic Federation and Abednego Gold Mines (Fig. 13).

7.3 Tenure

The Mt Flora project area comprises 12 PLs which cover 21.35km² (Fig. 13).

TENEMENT ID	STATUS	HOLDER	AREA (ha)	LODGEMENT DATE	GRANTED	EXPIRY DATE
P39/4617	LIVE	Trevor Dixon	11	25/01/2007	30/12/2008	29/12/2012
P39/4618	LIVE	Trevor Dixon	200	25/01/2007	30/12/2008	29/12/2012
P39/4619	LIVE	Trevor Dixon	192	25/01/2007	30/12/2008	29/12/2012
P39/4620	LIVE	Trevor Dixon	165	25/01/2007	30/12/2008	29/12/2012
P39/4621	LIVE	Trevor Dixon	196	25/01/2007	30/12/2008	29/12/2012
P39/4912	LIVE	Trevor Dixon	200	7/01/2008	7/01/2010	6/01/2014
P39/4960	LIVE	Trevor Dixon	187	12/08/2008	17/04/2009	16/04/2013
P39/4961	LIVE	Trevor Dixon	190	12/08/2008	17/04/2009	16/04/2013
P39/5181	LIVE	Trevor Dixon	198	11/02/2011	18/10/2011	17/10/2015
P39/5182	LIVE	Trevor Dixon	199	11/02/2011	18/10/2011	17/10/2015
P39/5183	LIVE	Trevor Dixon	199	11/02/2011	18/10/2011	17/10/2015
P39/5185	LIVE	Trevor Dixon	198	11/02/2011	16/12/2011	15/12/2015

Table 10: Mt Flora Tenement Details.

7.4 Geology

The Mt Flora Project covers a sequence of tightly folded NNE trending greenstones in contact to the north with a large granitic body known as the Nambi Batholith (Fig. 13). The greenstones comprise a succession of tholeiitic mafic volcanics, high-magnesian basalt, BIF, ultramafic rocks and a variety of mafic intrusives. The latter units include a distinctive porphyritic dolerite known locally as “Catrock”.

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. The WNW striking Randwick Fault and several sub-parallel faults cut across the northern half of the project area and are regarded as important gold targets particularly where they intersect NNE trending structures.

The Randwick Fault and the geology of the greenstones towards the NE corner of the project area have been offset approximately 500m by a sinistral strike-slip fault. This faulting post-dates the Randwick Fault and is paralleled by a major ENE trending Proterozoic dolerite dyke.

Independent Geological Report - KIN Mining NL

7.5 Previous Mining and Exploration

Gold mining in the Mt Flora district dates back to 1895 (Sligo, 1980) but no hard rock mining has taken place within the project area since the 1950s. Numerous historic gold workings occur within or just outside the Company's ground and include the Mt Flora, United Bore, Australia United and Abednego Mining Centres (Fig13). Historic high gold grades greater than 1.0oz/tonne Au were obtained from the Spion Kop mine immediately south of P39/4619.

The Murrin Murrin Ni-Co laterite mine and processing plant are located around 7km SE of the Company's project area and the Randwick open-pit gold mine and heap-leach operation is approximately 8km to the NW.

Significant shallow lateritic gold was discovered during the mid-1980s at the Lady Susan Prospect 3km east of Mt Flora but was never exploited.

Exploration along the Federation Fault was carried out in the late 1980s by Sons of Gwalia N.L. ("SOG") who discovered significant gold resources just north of the historic Federation mine (Fig. 13). Surface rock chip sampling and shallow RAB drilling was also carried out by SOG on what is now P39/5149. The southern strike extent of the mineralisation on this excised lease is overlain by the SW corner of P39/4619. Numerous gold anomalies of up to 25.6g/t Au in dumps and up to 2m at 2.58g/t Au in a RAB drillhole were obtained from a large area associated with swarms of often sulphidic quartz veins near the axis of the SSW plunging Mt Flora Syncline (Payne, 1988).

RAB drilling also intersected a poorly exposed, lateritised ultramafic unit just east of United Bore that represents a Ni-Co laterite target. A similar target exists within P39/4961 in the west of the project area where a buried, NW trending ultramafic unit has been identified near Christmas Well. This is also regarded as a high priority gold target as it is associated with a zone of strong carbonate alteration lying at the intersection of the Randwick and Christmas Well Faults and it is also coincident with two discrete bullseye magnetic anomalies interpreted to be buried syenite or alkali-granite intrusives (Fig. 13). This alteration is similar to that associated with the conglomerate hosted 7.1Moz Wallaby Deposit 50km along the strike of the Randwick Fault that is part of SMWL to the ESE and the 0.5Moz Jupiter Deposit just east of Mt Morgans (Fig. 3).

7.6 Potential

The Mt Flora Project covers numerous historic gold workings associated with the intersection of the NNE trending Federation and Sligo Creek Faults with the WNW trending Randwick Fault.

- The Randwick Fault forms part of the SMWL (Fig. 3). This lineament, which has been identified by F. Fitton from a study of aeromagnetic data, is a 15km-25km wide craton-scale feature along which occur several world-class gold deposits such as Granny Smith, Wallaby and Mt Morgans; as well as many other smaller mines and deposits.

- Many of these gold deposits are associated with discrete “bullseye” magnetic anomalies that are usually due to small syenitic or alkali-granite intrusive bodies. Alteration within and around these bodies is commonly magnetite-rich giving rise to the aeromagnetic anomalies observed. Several ‘bullseye’ magnetic anomalies occur within or close to the Company’s Mt Flora Project and represent immediate exploration drill targets especially where associated with old gold workings (Fig. 13).
- High-grade gold >1oz/t Au was historically mined at the Spion Kop mine on P39/4619. The Spion Kop mine occurs within a swarm of NNE trending quartz-veins associated with the Federation Fault and a discrete buried bullseye magnetic anomaly which is a priority target.
- Ni-Co laterite targets have been identified at two locations within the Mt Flora Project within poorly exposed, lateritised ultramafic units (Fig. 13).
- Other gold targets have been identified within BIF at Mt Flora and also within the magnetic granites to the NE. The latter have similarities to the setting of the million ounce plus gold deposits at Golden Cities/Federal, near Kalgoorlie.

7.7 Proposed Exploration Program

KIN propose to explore the Mt Flora Project mainly for gold mineralisation associated with the intersection of the NNE trending Federation and Sligo Creek Faults and with the WNW trending Randwick Fault.

There are also a number of gold targets spatially associated with circular syenite stocks. Although the carbonate alteration accompanying the gold mineralisation associated with these intrusions has been demonstrated to be slightly younger than the age of the syenites, these bullseye magnetic anomalies nevertheless present prospective targets.

The Company will conduct additional geological and structural mapping to gain a greater understanding of the structural controls for mineralisation in the project area. Multi-element MMI geochemical surveys will be utilized to delineate anomalies prior to exploration drilling. A systematic drilling program will be carried out on the gold targets identified.

There are also lateritic nickel-cobalt targets at the northern and southern ends of the project area. The lateritic Ni-Co targets could be initially test drilled using vacuum drilling. In recent times these types of deposits have been shown to often sit directly above primary magmatic nickel mineralisation and hence a few deeper drillholes will be planned to test this possibility.

Mt Flora Project	Minimum Subscription			Maximum Subscription		
Item	Year 1 \$000's	Year 2 \$000's	Total \$000s	Year 1 \$000's	Year 2 \$000's	Total \$000s
<i>Wages/Salaries/Contractors</i>	12	15	27	20	22	42
<i>Data Acquisition/Processing</i>	4	2	6	4	8	12
<i>Drilling - Auger/RAB/AC/RC/DD</i>	28	41	69	50	88	138
<i>Assays</i>	30	30	60	55	82	137
<i>MMI Sampling</i>	5	2	7	5	3	8
<i>Tenement Costs</i>	8	8	16	8	8	16
<i>Equipment & Consumables</i>	5	4	9	5	5	10
<i>Heritage/Environment/Rehabilitation</i>	3	3	6	3	4	7
TOTAL \$	95	105	200	150	220	370

Table 11: Proposed Budget for the Mt Flora Project.

8.0 Randwick Gold Project

8.1 Introduction

The project area comprises 10 PLs covering 12.12km² within the Malcolm District of the Mt Margaret Mineral Field of WA. The Randwick Project covers the Randwick Fault Zone which forms part of the SMWL (Figs. 3 & 14). It is located on the GSWA1:250,000 Laverton Geological Map Sheet (SH51-2) and the GSWA 1:100,000 Minerie Geological Map Sheet (3240).

Randwick is situated between the Mertondale1-4 Gold Mines and Mt Flora which also lie along this major lineament. The SMWL constitutes an important structural control for gold mineralisation in the region. A number of major gold deposits in the Leonora-Laverton district occur along this craton-scale tectonic feature.

8.2 Location and Access

The Randwick Gold Project is located just north of the historic Randwick Mining Centre, approximately 45km NE of Leonora and 75km west of Laverton. Access is via the sealed Leonora-Laverton road. The Randwick Mining Centre is located on the GSWA Minerie 1:100, 000 Geological Map Sheet (3240).

The project area is located just 7km NW of the Company's Mt Flora Project (Fig. 14). The tenements form a semi-contiguous block, with the exception of isolated lease P37/8000, which lies south of Kauri Bore. The Randwick Gold Hill Mine and heap-leach operation are situated approximately 1.5km south of P37/8001.

8.3 Tenure

The Randwick project area comprises 10 PLs which cover an area of 12.12km² (Fig.14).

TENEMENT ID	STATUS	HOLDER	AREA (ha)	LODGEMENT DATE	GRANTED	EXPIRY DATE
P37/7806	LIVE	Ronald Woods	121	20/08/2009	24/06/2010	23/06/2014
P37/7995	LIVE	Lachlan Forsyth	122	26/10/2010	01/07/2011	30/06/2015
P37/7996	LIVE	Lachlan Forsyth	122	26/10/2010	01/07/2011	30/06/2015
P37/7997	LIVE	Lachlan Forsyth	80	26/10/2010	01/07/2011	30/06/2015
P37/7998	LIVE	Lachlan Forsyth	122	26/10/2010	01/07/2011	30/06/2015
P37/7999	LIVE	Lachlan Forsyth	122	26/10/2010	01/07/2011	30/06/2015
P37/8000	LIVE	Lachlan Forsyth	112	26/10/2010	01/07/2011	30/06/2015
P37/8001	LIVE	Lachlan Forsyth	171	26/10/2010	01/07/2011	30/06/2015
P37/7284	LIVE	Ross Crew	121	05/02/2007	30/10/2008	29/10/2012
P37/7283	LIVE	Ross Crew	121	05/02/2007	30/10/2008	29/10/2012

Table 12: Randwick Project Tenement Details.

8.4 Geology

The Randwick Project covers a sequence of folded and faulted Archaean greenstones close to the contact with granitic rocks of the intrusive Nambi Batholith to the north (Fig. 14). The greenstones comprise tholeiitic mafic volcanics and intrusives overlain by a suite of intermediate (andesitic) volcanics and volcanogenic sediments. The whole sequence is tightly folded about the north-NW trending Randwick Anticline and has been dissected by a number of major NS to NW trending regional faults.

Granitic rocks of the Nambi Batholith are in fault contact with the greenstones at the NE corner of the project area. An ENE trending Proterozoic dyke has intruded the greenstones in the north of the lease block and represents the latest tectonic event in the Randwick district.

Outcrop is quite good in the north of the project area but it is obscured by thick alluvial cover in the south. Laterisation has affected both greenstones and granite in the NW of the project area.

The southernmost lease, P37/8000, overlies the sheared axis of an anticline. The local geology is comprised of a sub to outcropping sequence of intermediate volcanics, with inter-layered mafic and ultramafic units that are partially overlain by either alluvium or colluvium. Pervasive carbonate and sericitic alteration is associated with the shearing along the anticlinal axis. The gold mineralisation occurs in quartz veins within the most strongly altered zones.

Gold mineralisation in the general Randwick area is mainly hosted by quartz veins that occur within a variety of rock types. The mineralisation is interpreted to be predominately structurally controlled and independent of rock-type. Detailed geological mapping of the Randwick and surrounding district indicates the major controls on gold mineralisation to be:

- Major fault or shear zone intersections.
- Proximity to the axis of the Randwick Anticline (e.g. Randwick Gold Hill deposit).
- Proximity to ENE trending Proterozoic dykes.
- Along the NS to NNW trending Pearl Shell Fault (e.g. the historic Golden Chain mine).

On the basis of the above considerations the Company has identified a number of significant gold targets within the Randwick Project (Fig. 14).

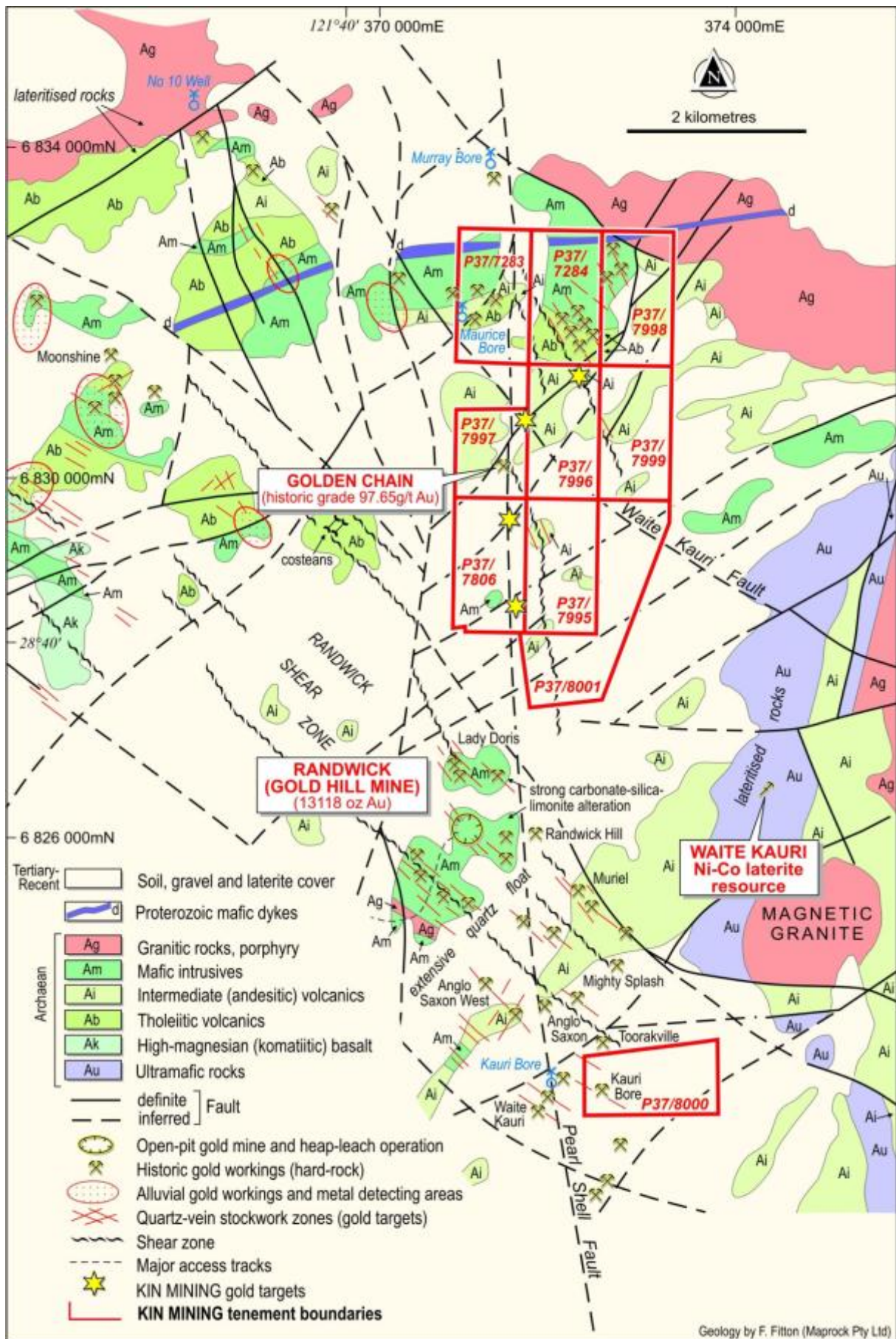


Figure 14: Randwick Project Tenements Showing Outcrop Geology and Gold Targets.

8.5 Previous Mining and Exploration

Gold was first discovered and mined in the Randwick District in the late 1890s. Most historic mines exploited shallow, thin high-grade quartz veins. The Randwick Shear Zone hosts the high grade gold mineralisation striking NW at the Randwick-Anglo Saxon Mine.

A larger lower grade gold resource was discovered at Randwick in the early 1980s and resulted in the development of the Gold Hill open-cut just south of P37/8001. This open-cut has been worked intermittently since then and formerly supported a heap-leach operation.

Numerous metal detecting patches and dry-blowing areas occur in the Randwick-Maurice Bore area, attesting to the abundance of alluvial gold and widespread mineralisation throughout the district.

Despite the discovery of large gold nuggets in the Randwick area, virtually no modern day exploration has been carried out in the district; except for the area around the Randwick Gold Hill Mine and the Waite Kauri Ni-Co laterite resource immediately to the SE of P37/8001. Field inspection showed that a small number of historic workings have had single drillholes directed towards them but all such drillholes appear to be around 15-30 years old and no records of them have yet been found.

The Kauri Bore Gold Mine is overlain by P37/8000. Gold mineralisation occurs in NW trending quartz veins in andesite. These vein systems parallel the auriferous quartz veins which were mined 0.7km WSW at the historic Waite Kauri Gold Mine. Lag sampling conducted by Cornwall Resources Ltd (“Cornwall”) in 1994 returned values of up to 145ppb Au along the northernmost line. The anomalous gold values identified from the three east-west traverses for the program correlated poorly and the company conducted no follow-up work on the lease. The occurrence of alluvial gold on the western side of P37/8000 indicates that further exploration is warranted on these quartz veins.

More recent exploration by GME Resources Ltd around the Waite Kauri Ni-Co Laterite Mine indicates that there is strong potential for both nickel oxide and nickel sulphide mineralisation along strike. The NW trending Waite Kauri Fault that is part of the SMWL extends through P37/7996 and P37/8001.

The tenements are considered to have good potential to host previously unknown gold and possibly nickel mineralisation based on favourable structure and lithology.

8.6 Potential

The priority targets of the project area are listed below:

- The leases cover numerous historic gold workings at the intersection of the NS trending Pearl Shell Fault and the NW trending Waite Kauri Fault that is part of the SMWL.
- The project covers a flexure zone along the contact of prospective greenstones with magnetic granitic rocks of the Nambi Batholith.
- The historic high-grade 97.65g/t Au Golden Chain mine occurs in the centre of the project area within P37/7997.
- A highly prospective auriferous palaeo-channel has been identified south of the Golden Chain Mine.
- Only limited modern day exploration has been carried out within the project area.

8.7 Proposed Exploration Program

The fact that the project area has never undergone systematic, coordinated modern day exploration to assess the potential of the leases, presents an excellent opportunity for the discovery of major new finds on the tenements.

The Company believes that the close proximity of gold and nickel mines to the project area offers reasonable scope for the discovery of further mineralisation of a similar type and style occurring elsewhere in the Randwick Region in what is effectively a 'greenfields' area.

Additional geological and structural mapping are required to assist in the identification of drill targets. Close spaced MMI geochemical sampling programs are recommended over known structural targets and around the few mine workings in the project area to delineate zones of anomalous gold or nickel in the regolith and hence identify possible strike extensions of known gold or nickel deposits.

MMI sampling along the trend of the Golden Chain gold mineralisation on P37/7997, P37/7995 and P37/8001 should be given priority. The method will negate the effect of the regolith cover overlying the Golden Chain Shear Zone and determine if drilling is warranted.

The auriferous palaeo-channel identified south of the Golden Chain Mine could be tested using vacuum or aircore drilling. Such deposits can be quite extensive and often have significant grades and their economic importance should not be underestimated.

Any areas rich in alluvial gold will also be sampled using the MMI method, as this would ensure that the sampling could not give false positives which are often associated with conventional soil sampling methods and analysis. The method could establish if the gold or nickel mineralisation is in situ and not related to a transported source and it could also determine which way the mineralisation is dipping.

Any targets identified by geochemical sampling programs can then be assessed by drilling.

Randwick Project	Minimum Subscription			Maximum Subscription		
	Year 1 \$000's	Year 2 \$000's	Total \$000s	Year 1 \$000's	Year 2 \$000's	Total \$000s
<i>Wages/Salaries/Contractors</i>	10	8	18	14	15	29
<i>Data Acquisition/Processing</i>	2	3	5	4	5	9
<i>Drilling - Auger/RAB/AC/RC/DD</i>	12	16	28	21	50	71
<i>Assays</i>	14	12	26	23	34	57
<i>MMI Sampling</i>	3	1	4	3	2	5
<i>Tenement Costs</i>	5	5	10	5	5	10
<i>Equipment & Consumables</i>	2	3	5	3	5	8
<i>Heritage/Environment/Rehabilitation</i>	2	2	4	2	4	6
TOTAL \$	50	50	100	75	120	195

Table 13: Proposed Budget for the Randwick Project.

9.0 Conclusions

All the projects are located in close proximity to operating mines and historic mining centres in the Leonora-Laverton region. Some of the tenements in the project areas have not previously undergone systematic, modern day exploration and hence their potential has never been fully evaluated.

The leases cover sections of Archaean Greenstone Belts which are of a favourable age and lithology type to host gold, nickel and base metal mineralisation. Major lineaments, faults and shear systems dissect the project areas and are the structural controls for the primary mineralisation on the tenements.

A number of project areas have 'walk up' drill targets which have been delineated from the presence of historic gold workings and previously identified soil geochemical anomalies and shallow drilling intersections. Several of these more favourable prospects represent immediate drilling targets during the first year of the proposed exploration program.

The presence of deep regolith covering parts of several of the project areas has hitherto hindered the discovery of economic mineralisation. Many of the current targets have been identified from a combination of aeromagnetic survey and aerial imagery interpretation. These 'greenfield' areas are largely unexplored and present important targets for the identification of 'blind' mineralisation.

All of the project areas require MMI soil geochemical surveys conducted on some of the leases during the first year of exploration to identify new anomalies. These will provide additional drill targets for assessment during the second year of exploration.

All six of the project areas are considered to have reasonable potential for hosting economic gold mineralisation. In addition some leases also have potential for nickel or base metal mineralisation.

The Desdemona, Iron King Group and Murrin Murrin Projects are considered to have the strongest potential to host significant economic mineralisation and hence are considered priority target areas.

Combined Two Year Exploration Budget	Minimum Subscription			Maximum Subscription		
	Year 1	Year 2	Total	Year 1	Year 2	Total
Project						
<i>Desdemona</i>	143,000	207,000	350,000	250,000	400,000	650,000
<i>Iron King Group</i>	55,000	70,000	125,000	85,000	150,000	235,000
<i>Murrin Murrin</i>	110,000	127,500	237,500	185,000	265,000	450,000
<i>Redcastle</i>	110,000	127,500	237,500	185,000	265,000	450,000
<i>Mt Flora</i>	95,000	105,000	200,000	150,000	220,000	370,000
<i>Randwick</i>	50,000	50,000	100,000	75,000	120,000	195,000
TOTAL \$	563,000	687,000	1,250,000	930,000	1,420,000	2,350,000

Table 14: Proposed Combined Two Year Exploration Budget.

10.0 References

This report contains statements attributable to third persons. These statements are made in, or based on statements made in previous geological reports that are publicly available from either a government department or the ASX. The authors of these previous reports have not consented to the statements' use in this report, and these statements are included in accordance with ASIC Class Order [CO 07/428] Consent to quote: Citing trading data and geological reports in disclosure documents and PDS.

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11.0 Glossary of Technical Terms and Abbreviations

Aeromagnetic Survey	A survey made from the air for the purpose of recording magnetic characteristics of rocks.
Alluvium	Gravel and other sediment found along rivers and creeks.
Alteration	A process whereby rocks or minerals have been changed
Alteration Zone	Zone within which rock-forming minerals have been chemically changed.
Anomaly	A value that is higher or lower than the expected.
Anomalous	Outlining a zone of potential exploration interest but not necessarily of economic significance
Archaean	The oldest rocks of the Precambrian Era, prior to 2500 million years.
Auriferous	Gold bearing
Banded Iron Formation	A chemical sedimentary rock composed of silica and iron oxide rich layers. Abbreviated to BIF
Basement	A term usually synonymous with Archaean and Proterozoic terrain
Batholith	A very large, (usually granitic) intrusion
Bedrock	Any solid rock underlying unconsolidated material
Block	Structural area of the continental landmass.
Complex	An assemblage of rocks or minerals intricately mixed or folded together
Craton	A relatively immobile part of the earth, generally of large size. Synonymous with shield area
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.
Fault splay	A series of minor faults at the extremities of a major fault or a secondary shear or fault divergent from the principal structure
Ferruginous	Containing iron.
Fold	A bend in the rock strata or planar structure.
Geochemical	The systematic study of the variation of chemical elements in survey rocks and soil.
Geophysical	A systematic study of the variation of physical properties in surveying rocks and soils.

Gossan	Rock composed of hydrated oxides of iron, forming a superficial cap overlying sulphides.
Grade	The average quality of ore or metal in a specified quantity of rock.
Granite	A coarse-grained igneous rock consisting essentially of quartz with more alkali feldspar than plagioclase.
Granitoid	A general field term for coarse grained rocks containing quartz and feldspars
Greenstone Belt	Elongate belts in Precambrian terrains characterised by major zones of altered or metamorphosed basic igneous rocks.
Hydrothermal	The mineralising process associated with igneous activity which involves heated or superheated water which has usually originated from a vent above or below the earth's surface.
Igneous	A rock formed by the solidification of magma from a molten state
Indicated Resource	A resource sampled by drillholes, underground openings, or other sampling procedures at locations too widely spaced to confirm the continuity of a resource where geoscientific data is known with a reasonable level of reliability.
Inferred Resource	A resource inferred from geoscientific evidence, drill-holes, underground openings or other sampling procedures where lack of data is such that continuity cannot be predicted with confidence and where geoscientific data may not be known with a reasonable level of reliability.
Intercept	The length of rock or mineralisation traversed by a drill-hole.
Intrusive	Rock formed from magma which has been injected into the earth's crust and has solidified before reaching the surface.
Joint Ore Reserves Committee (JORC)	Australasian Code for Reporting of Identified Resources and Ore Reserves
Lag	A residual accumulation of coarser material, from which finer particles have been removed
Lag sampling	Another name for soil sampling (qv).
Laterite	A red, residual soil, cemented in place, containing iron and aluminium oxides but leached of quartz.
Ma	An abbreviation for million years ago

Mafic	A loosely used group name for silicate minerals that are rich in iron and magnesium and for rocks in which these minerals are abundant.
Magnetic Survey	The systematic collection of readings of the earth's magnetic field.
Measured Resource	A resource intersected by drillholes, underground openings or other sampling procedures at locations which are spaced closely enough to confirm continuity and where geoscientific data is reliably known
Mineral Resource	A tonnage or volume of rock or mineralisation of economic value
Mineralisation	In economic geology, the presence of valuable elements in a body of rock.
MMI	The Mobile Metal Ion method is a geochemical soil sampling technique developed to assist in the detection of mineralisation at depth. The procedure only strips mobile metal ions from the surface of soil particles which have migrated upwards from the earth . The technique uses a partial dissolution, without digesting the soil itself, to measure the metal ion concentrations in ppb.
Ore	A mixture of minerals, host rock and waste material which is expected to be mineable at a profit.
Ore-body	A continuous, well defined mass of ore.
Outcrop	The surface expression of a rock layer (verb: to crop-out).
Palaeo-channel	The remnants of a surface drainage system that was active in the geological past
Porphyritic	A term describing igneous rocks containing relatively large crystals set in a finer grained groundmass (called a porphyry qv).
Porphyry	A rock with conspicuous crystals in a fine-grained ground mass
Primary Mineralisation	Is mineralisation which has not been affected by near surface oxidising processes
Proterozoic	The geological age after Archaean, approximately 570 to 2400 million years ago.
Quartz	A common rock forming 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 pneumatic drilling technique in which dry 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)

Regolith	The mantle of loose, incoherent rock material, regardless of its origin; that usually forms the land surface and rests on bedrock
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.
Shear (Zone)	Zone in which shearing has occurred on a large scale so that the rock is crushed and brecciated upwards or downwards in a vein
Silica	Silicon dioxide, SiO ₂ (c.f. QUARTZ)
Silicified	Containing a high proportion of silicon dioxide
Sill	A 'sheet' like body of igneous rock that is conformable with the intruded layers of rock
Soil sampling	Systematic collection of soil samples at a series of different locations, in order to study the distribution of soil geochemical values and so identify geochemical anomalies
Strike-Slip Faulting	Faults parallel to the strike of the rock strata
Supergene	Descriptive of a mineral deposit or enrichment formed near the Earth's surface, generally by descending groundwater
Enrichment	
Surficial	Superficial, characteristic of, pertaining to, formed on, situated at or occurring on the Earth's surface
Syenite	Coarse-grained intermediate igneous rock with major alkali feldspar content
Tholeiite	A fine-grained variety of basalt containing high silica and iron, with labradorite feldspar and low sodium
Thrust	A low-angle reverse fault.
Tuff (Tuffaceous)	A pyroclastic rock of cemented volcanic ash
Ultramafic	Synonymous with ultrabasic
Vein	A narrow, intrusive mineral body.
VMS	Volcanic massive sulphide deposits are created by volcanic-associated hydrothermal events in submarine environments.

Chemical Symbols

Ag	Silver	As	Arsenic
Au	Gold	Bi	Bismuth
Ca	Calcium	Ce	Cerium
Co	Cobalt	Cr	Chromium
Cu	Copper	F	Fluorine
Fe	Iron	Mg	Magnesium
Mn	Manganese	Mo	Molybdenum
Ni	Nickel	Pb	Lead
Pd	Palladium	Pt	Platinum
Sn	Tin	U	Uranium
W	Tungsten	Zn	Zinc

Abbreviations

g	Gram	kg	Kilogram
km	Kilometre	km ²	Square Kilometre
m	Metre	m ²	Square Metre
m ³	Cubic Metre	mm	Millimetre
M	Million	oz	Troy ounce
t	Tonne	M	Million (31.103477g)

Units of Concentration

ppb	Parts per Billion	ppm	Parts per Million
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12 ADDITIONAL INFORMATION

12.1 No prospective financial forecasts

The Directors have considered the matters outlined in ASIC Regulatory Guide 170 and believe that they do not have a reasonable basis to forecast future earnings because the proposed future operations of the Company do not have an operating history from which reliable forecasts can be made. Accordingly, any forecast or projection information would contain such a broad range of potential outcomes and possibilities that it is not possible to prepare a reliable best estimate forecast or projection.

Notwithstanding the above, this Prospectus includes, or may include, forward looking statements including, without limitation, forward looking statements regarding the Company's financial position, business strategy, and plans and objectives for its business and future operations (including development plans and objectives), which have been based on the Company's current expectations. These forward-looking statements are, however, subject to known and unknown risks, uncertainties and assumptions that could cause actual results, performance or achievements to differ materially from future results, performance or achievements expressed or implied by such forward-looking statements. Such forward looking statements are based on numerous assumptions regarding the Company's present and future business strategies and environment in which the Company will operate in the future.

Matters not yet known to the Company or not currently considered material to the Company may impact on these forward looking statements. These statements reflect views held only as at the date of this Prospectus. In light of these risks, uncertainties and assumptions, the forward-looking statements in this Prospectus might not occur. Investors are therefore cautioned not to place undue reliance on these statements.

12.2 Privacy

The Company collects information about each Applicant provided on an Application Form for the purposes of processing the Application and, if the Application is successful, to administer the Applicant's security holding in the Company.

By submitting an Application Form, each Applicant agrees that the Company may use the information provided by an Applicant on the Application Form for the purposes set out in this privacy disclosure statement and may disclose it for those purposes to the Share Registry, the Company's related body corporates, agents, contractors and third party service providers, including mailing houses and professional advisors, and to ASX and regulatory authorities.

If an Applicant becomes a Shareholder, the Corporations Act requires the Company to include information about the Shareholder (including name, address and details of the Shares held) in its public register. The information contained in the Company's public register must remain there even if that person ceases to be a Shareholder. Information contained in the Company's register is also used to facilitate distribution payments and corporate communications (including the Company's financial results, annual reports and other information that the Company may wish to communicate to its security holders) and compliance by the Company with legal and regulatory requirements.

If you do not provide the information required on the Application Form, the Company may not be able to accept or process your Application. An Applicant has the right to gain access to the information that the Company holds about that person subject to certain exceptions under law. A fee may be charged for access. Such requests must be made in writing to the Company's registered office.

12.3 Taxation

The acquisition and disposal of Shares will have tax consequences, which will differ depending on the individual financial affairs of each investor. All prospective investors in the Company are urged to take independent financial advice about the taxation and any other consequences of investing in the Company.

To the maximum extent permitted by law, the Company, its officers and each of their respective advisors accept no liability or responsibility with respect to taxation and any other consequences of investing in the Company.

12.4 Interests of experts and advisors

Except as disclosed in this Prospectus, no expert, promoter or any other person named in this Prospectus as performing a function in a professional advisory or other capacity in connection with the preparation or distribution of the Prospectus, nor any firm in which any of those persons is or was a partner nor any company in which any of those persons is or was associated with, has now, or has had, in the 2 year period ending on the date of this Prospectus, any interest in:

- (a) the formation or promotion of the Company; or
- (b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offer; or
- (c) the Offer.

Kings Park Corporate Lawyers has acted as Australian legal adviser to the Company in connection with its application to list on ASX. The Company will pay approximately \$37,000 to Kings Park Corporate Lawyers for these services. Kings Park Corporate Lawyers has not provided other professional services to the Company during the last 2 years.

HLB Mann Judd has prepared the Investigating Accountant's Report in this Prospectus. In respect of this work, the Company will pay approximately \$10,000. HLB Mann Judd has not received any other fees for services to the Company in the 2 years prior to the date of this Prospectus.

Al Maynard & Associates Pty Ltd has prepared the Independent Geologist's Report in this Prospectus. In respect of this work, the Company will pay approximately \$39,300. Al Maynard & Associates Pty Ltd has not received any other fees for services to the Company in the 2 years prior to the date of this Prospectus.

12.5 Consents

Each of the persons referred to in this section:

- (a) has given and has not, before the date of lodgment of this Prospectus with ASIC withdrawn their written consent:
 - (i) to be named in the Prospectus in the form and context which it is named; and
 - (ii) where applicable, to the inclusion in this Prospectus of the statement(s) and/or reports (if any) by that person in the form and context in which it appears in this Prospectus;
- (b) has not caused or authorised the issue of this Prospectus;
- (c) has not made any statement in this Prospectus or any statement on which a statement in this Prospectus is based, other than specified below; and
- (d) to the maximum extent permitted by law, expressly disclaims all liability in respect of, makes no representation regarding, and takes no responsibility for, any part of this Prospectus, other than the references to their name and the statement(s) and/or report(s) (if any) specified below and included in this Prospectus with the consent of that person.

Name	Role	Statement/Report
HLB Mann Judd	Investigating Accountant	Investigating Accountants' Report section 9
Al Maynard & Associates Pty Ltd	Independent Geologist	Independent Geologist's Report, section 11
Kings Park Corporate Lawyers	Solicitors to the Offer	Solicitors' Report, section 9

Name	Role	Statement/Report
Advanced Share Registry Services	Share Registry	Nil

13 DIRECTORS' RESPONSIBILITY AND CONSENT

The Directors state that they have made all reasonable enquiries and on that basis have reasonable grounds to believe that any statements made by the Directors in this Prospectus are not misleading or deceptive and that in respect to any other statements made in the Prospectus by persons other than Directors, the Directors have made reasonable enquiries and on that basis have reasonable grounds to believe that persons making the statement or statements were competent to make such statements, those persons have given their consent to the statements being included in this Prospectus in the form and context in which they are included and have not withdrawn that consent before lodgment of this Prospectus with the ASIC, or to the Directors knowledge, before any issue of the Shares pursuant to this Prospectus.

Each Director has consented to the lodgment of this Prospectus with the ASIC and has not withdrawn that consent.

Dated: 15 August 2012



Signed for and on behalf of
KIN Mining NL by
Terry Grammer

14 GLOSSARY

Where the following terms are used in this Prospectus they have the following meanings:

Applicant	A person who submits a valid Application Form pursuant to this Prospectus.
Application	A valid application made on an Application Form to subscribe for Shares pursuant to this Prospectus.
Application Form	The application form attached to this Prospectus.
ASIC	The Australian Securities & Investments Commission.
ASX	The ASX Limited ACN 008 624 691 and where the context permits the Australian Securities Exchange operated by ASX Limited.
Board	The board of Directors.
Closing Date	The closing date for receipt of Application Forms under this Prospectus, estimated to be 5.00pm WST on 24 September 2012 or an amended time as set by the Board.
Company or KIN	KIN Mining NL (ABN 30 150 597 541).
Constitution	The constitution of the Company.
Corporations Act	The Corporations Act (Cth) 2001.
Director	A director of the Company and, where the context requires, the proposed Directors.
Listing Rules	The listing rules of the ASX.
PGE	Platinum group elements.
Projects	The projects held by the Company being Desdemona, Iron King Group, Murrin Murrin, Redcastle, Mt Flora and Randwick.
Prospectus	This prospectus and includes the electronic prospectus.
Offer	The offer for Shares made under this Prospectus.
Official List	The official list of the ASX.
Opening Date	23 August 2012.

Option	An option to purchase a Share.
Option Agreements	The option agreements pursuant to which the Company has acquired its interest in the Projects and Option Agreement means one of them.
Share	A fully paid ordinary share in the Company.
Shareholder	The registered holder of Shares in the Company.
Share Registry	Advanced Share Registry Services.
Vendor Shares	The Shares issued pursuant to the Option Agreements.
VMS	Archaean volcanogenic massive sulphide.
WST	Western Standard Time, Perth, Western Australia.
\$	Australian dollars unless otherwise stated.

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