

Kin Mining NL

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Kin Mining finds more high-grade gold as Leonora expansion awaits

Kin Mining (ASX:KIN) has quickly followed up high-grade gold drilling at the Mertondale prospect on its Leonora project in Western Australia with two additional targets delivering significant intersections and expanding development options at the site.

The latest results from the prospect's maiden drilling campaign have included a wide intersection of 29 metres at 1.34g/t gold from 155 metres, including 10 metres at 1.73g/t gold and 7 metres at 1.83g/t gold.

This area is considered an extension of the interpreted shallow north-plunging ore shoot that was the main ore feed during production of the historic Merton's Reward mine in the early 1900s, where output totalled 90,000 tonnes at 21 g/t gold for 60,524 ounces of gold, making it one of the highest grade deposits in WA's Eastern Goldfields.

Kin's newly defined broad zone of mineralisation in this area occurs below the current Merton's Reward resource of 1.08 million tonnes at 2.6 g/t gold for 91,000 ounces and is open along strike and down plunge.

The broad nature of the mineralisation also suggests that the Merton's Reward ore shoot may widen at depth.

Parallel drilling at another Mertondale target returned 5 metres at 5.47g/t gold, including a high-grade 2-metre intercept at 11.95g/t gold from 208 metres and 6 metres at 1.91g/t gold from 195 metres.

This target lies adjacent to the southern end of the Mertondale 3 pit underneath the existing 2012 resource of 1.53 million tonnes at 2.2g/t gold for 110,000 ounces. The mineralisation appears to kink around at this point and is strongest in an area interpreted to host a northeast trending fault.

Kin will incorporate the recent drill data into a refined geological model at the project with the intention of pursuing future drill programs aimed at a resource increase.

Leonora momentum

The latest drilling success follows immediately on the delivery of grades up to 24.7 g/t gold in the area adjacent to an historic Mertondale intersection of 9 metres at 3.65 g/t gold from 61 metres.

Merton's Reward assays reported earlier this week marked 5 metres at 7.99 g/t gold from 59 metres, including a higher grade interval of 1 metre at 24.7 g/t gold.

Price: 0.037

Market Cap: \$21.13 m

1 Year Share Price Graph



Share Information

Code: KIN

Listing: ASX

52 week High Low
0.086 0.033

Sector: Gold & silver

Website: www.kinmining.com.au

Company Synopsis:

Kin Mining Ltd (ASX:KIN) wholly-owns the Leonora Gold Project in the Eastern Goldfields region of Western Australia.

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This exploration success has built on a recent show of investor support for the project in the form of a A\$1.2 million capital raising from the shortfall of a share purchase plan launched earlier this year.

Funds will be used in part to advance Leonora.

Kin has realised positive trial mining progress and a mining approval at Leonora with optimisation and mine scheduling having been revised.

The new mine design generates a more economically robust mining schedule incorporating more than 30% less waste.

The operation is seen as a low cost entry to gold production via vat leaching.

Analysis

To record consistent, high-grade gold readings in all the targeted areas of the important Mertondale prospect is an encouraging sign for Leonora, which seems primed for a resource revision which could add significantly to the value of Kin.

The new results at Merton's Reward, in particular, are highly encouraging because they demonstrates that the ore body is persistent at depths below the historic underground workings where drilling is very limited.

Meanwhile, drilling at the southern end of Leonora's Mertondale 3 pit is also beginning to demonstrate a contiguous zone of high-grade mineralisation that may lend itself to an underground development.

The latest intersections again sit outside the current resource and will be followed up with future exploration.

Further drilling is planned early next year to define the extent of the open mineralisation, setting up strong newsflow for Kin which could translate into price catalysts.

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