

Kin Mining NL

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Kin Mining repays credit facility with Sprott as it advances the Leonora Gold Project

Kin Mining NL (ASX:KIN) has repaid all but US\$1 of the senior secured credit facility with Sprott as it moves towards a development decision at the Leonora Gold Project (LGP) in Western Australia.

Background

The credit facility was formalised on December 23, 2017 with the first drawdown of US\$5 million occurring on December 27, 2017.

Kin repaid US\$2 million in August 2018 and a further US\$1.3 million in November 2018.

The final repayment of US\$1.7 million (minus US\$1) has now been made.

READ: Kin Mining shores up potential of Leonora Gold Project with broad gold intersections at Lewis prospect

Repaying the facility in tranches has allowed Kin to utilise its cash in the most effective manner to progress its work programs at the LGP.

This includes drilling and metallurgical work programs at the Helens and Lewis Deposits, water exploration and production bore drilling programs at Bummer Creek/Cardinia Creek and advancing the project approvals required to restart the construction phase of the LGP.

Sprott has expressed a desire to remain involved in the LGP and has agreed to leave the credit facility structure in place while Kin completes its LGP work programs.

Progress on those programs is ongoing with management confident of satisfactory resolutions to the items being investigated or reviewed.

Importantly, following this payment, all credit facility covenants and the majority of secured positions have been removed.

The general security and covenants will be reinstated in the event that Kin seeks to recommence drawdowns on the credit facility (subject to further due diligence by Sprott).

The royalty of 1.5% on the first 100,000 ounces of gold produced from the LGP remains in place and is secured by mortgages over a reduced set of tenements.

READ: Kin Mining resumes drilling at Lewis Prospect

Price: 0.039

Market Cap: \$21.33 m

1 Year Share Price Graph



Share Information

Code: KIN

Listing: ASX

52 week High Low
0.095 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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Kin managing director Andrew Munckton said: "Finalising the repayment of the credit facility removes the interest costs associated with servicing the debt from Kin.

"The security and mortgage over LGP tenure associated with the facility has been reduced to reflect the reduced obligations of Kin to Sprott.

"We are pleased with the outcome of our discussions and negotiations with Sprott and look forward to further discussions with them as the revised scope of the LGP project development becomes more certain during 2019."

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