

ASX Announcement

30 April 2019

ASX Code: KSN

Share Price: A\$0.018

Shares Outstanding: 1,223,198,383

Market Capitalisation: A\$22m

Cash: A\$1.9m (31 Mar 2019)

Board and Management

Anthony Wehby

Chairman

Andrew Corbett

Managing Director

Mick Wilkes

Non-Executive Director

Andrew Paterson

Technical Director

Stuart Rechner

Non-Executive Director

Chris Drew

Chief Financial Officer

Contact Details

205/283 Alfred Street North,
North Sydney,
NSW 2060
+61 2 8021 7492

info@kingstonresources.com.au

www.kingstonresources.com.au

[@KSNresources](https://www.twitter.com/KSNresources)

ABN 44 009 148 529

Further encouraging drilling and trenching results at Misima

- First-pass drilling completed at Ginamwamwa
- Surface mineralisation intersected in several holes:
 - 10m @ 1.20g/t Au in GDD026 from 8m
 - 8m @ 1.35g/t Au in GDD023 from 2m
- High grade surface trench assays at Misima North
 - 3.76g/t Au over 12m
 - 1.98g/t Au over 15m
 - Individual rock chip samples up to 44.6g/t Au
- Drilling now progressing well at Ewatinona
- Structural and geochemical technical reviews confirm further targets

Kingston Resources Limited (**Kingston** or the **Company**) is pleased to provide an update on current exploration activity at its flagship 2.8Moz Misima Gold Project in PNG.

Ginamwamwa Drilling

Between December 2018 and March 2019, the Company drilled 10 diamond holes across Ginamwamwa for a total of 1,627m. Holes were designed to test a range of structural and geochemical targets across the prospect, primarily testing shallower or near-surface mineralisation beneath geochemical anomalies and on mineralised structures.

Highlights from the drilling include:

- 10m @ 1.20g/t Au from surface in GDD026, including 1.4m @ 4.06g/t Au from 8.6m;
- 3m @ 1.13g/t Au from surface, and 1.7m @ 1.99g/t Au from 4.3m in GDD020, separated by 1.3m of void or core loss;
- 8m @ 1.35g/t Au from 2m in GDD023;
- 2.6m @ 2.43g/t Au from 14.1m in GDD024; and
- 1m @ 6.18g/t Au from 65m in GDD027.

Hole depths ranged from 102m to 340m, giving Kingston valuable new information about the stratigraphic and structural setting of the area and helping establish the position of Ginamwamwa in the context of the Company's mineralisation model. Hole GDD023 was pushed deeper, to 340m, to test the full thickness of the Halibu Marble carbonate unit and establish the depth to the top of the Ara Greenstone. Building a 3-dimensional understanding of the Halibu Marble and Ara Greenstone, and any structures offsetting their positions within Ginamwamwa, will be the key to targeting primary mineralisation at depth.

At the end of March, the rig was moved to Ewatinona to drill a short program on the east side of the pit area.

Misima North – Ara Creek

During recent field exploration at Misima North, three short trenches were dug within the prospective Kumauwe area. Kumauwe includes a number of historic underground workings that were active prior to World War 2. The trenches were designed to test lithological contacts adjacent to the Umuna Fault Zone, specifically contacts between prospective outcropping greenstone and breccia.

The trenches successfully intersected significant gold grades in two contact areas:

- **12m @ 3.76g/t Au**, including grades up to 6.87g/t Au; and
- **15m @ 1.98g/t Au**, including grades up to 4.01g/t Au.¹

In addition, rock chip samples were taken from prospective outcrop in the area, yielding individual spot grades as high as **44.6g/t Au** from brecciated material displaying coarse euhedral galena (lead sulphide). Historically, gold mineralisation at Misima has a close association with elevated lead values.

The Company is currently awaiting final assay results from auger sampling extending southeast from the previous auger program completed in 2018.

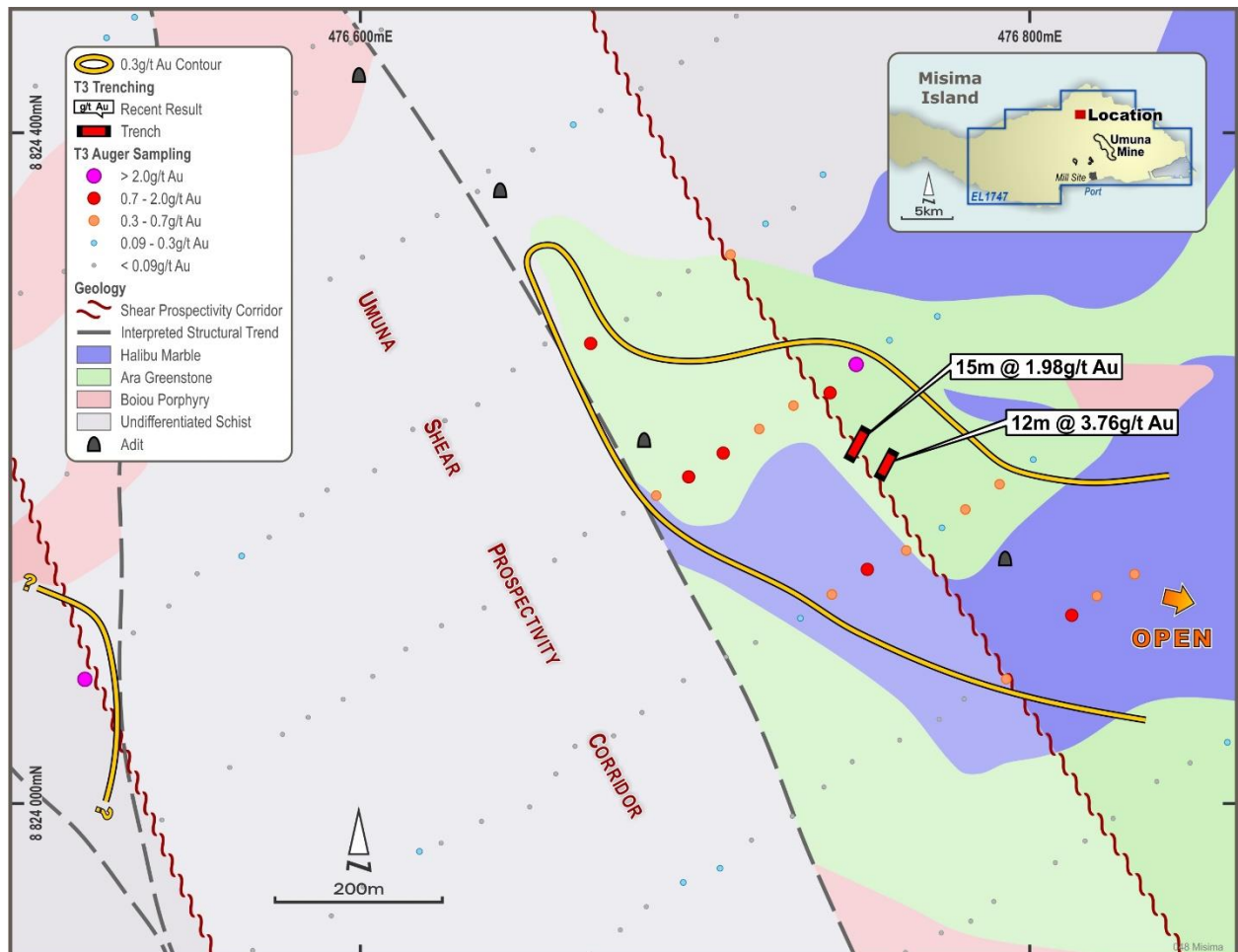


Figure 1: Location of significant trench assays within the Ara Creek auger anomaly²

¹ Grades calculated as arithmetic mean of trench samples within each interval. Trench intersection lengths are based on handheld GPS sample locations. Samples were taken on consistent sample intervals.

² For details of the auger program at Misima North, investors are referred to the KSN ASX announcement of 18/9/2019.

Kingston Resources Limited Managing Director, Andrew Corbett said: “The Misima North assays are additional confirmation of high grades at surface east of the shear, building on earlier work in that area. Seeing such high grades in coarse breccia zones with visible base metal sulphides is very encouraging at this early stage. At Ginamwamwa, this first-pass program was intended to test shallow mineralisation. It is encouraging to see grade from surface, particularly being located almost adjacent to the site of the historic mill. We’ll take this information, build it into our 3D model of the area and plan further drilling based on these learnings.”

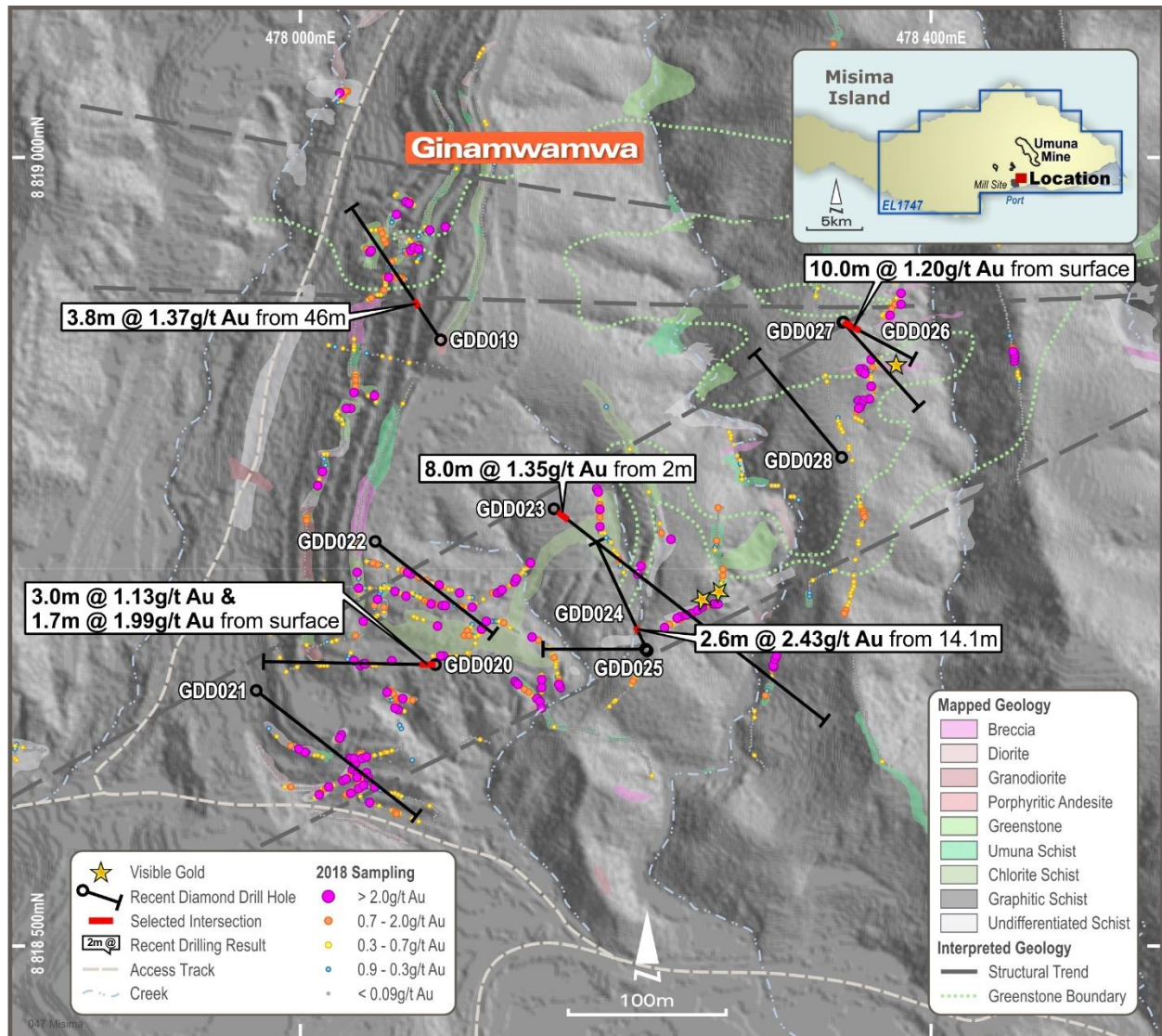


Figure 2: Collar plan showing Ginamwamwa mapped geology and surface geochemistry.

Structural and Geochemical Technical Reviews

Two expert consultants visited Misima during the March quarter to conduct technical reviews which have now been completed. Structural Consultant Dr Greg Cameron was on site during February to review the drilling completed to date at Umuna and Ginamwamwa. This allowed him to fine-tune the Misima exploration targeting framework developed during his previous visit in 2017. This framework, which also builds upon earlier work completed by Placer geologists during the Umuna mining phase, confirms the importance of the contact between the Ara Greenstone and Halibu Marble with the overlying Umuna Schist, which is interpreted to have been the impermeable boundary necessary to allow sufficient pressure build-up during the epithermal event for accumulation of large volumes of mineralising fluids prior to rupture. According to this model the Ara and Halibu units provide the chemistry and competency contrasts

necessary for accumulation and deposition of mineralisation, with pre-existing antiformal structures focussing fluid pressure in specific areas prior to rupture. Wherever these conditions exist in association with steep structures acting as conduits for epithermal fluids, such as the Umuna Fault Zone, is a high-priority exploration target. This is the exact scenario at Misima North.

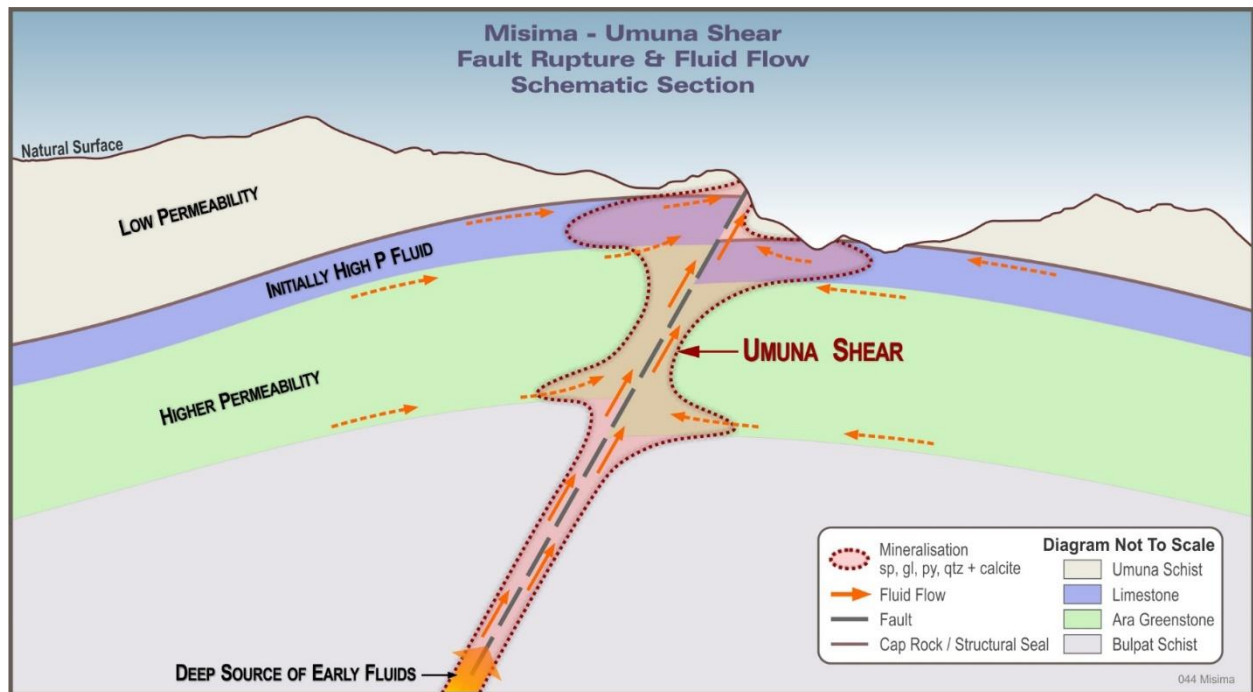


Figure 3: Misima epithermal mineralisation model (schematic only; not to scale) after Cameron, 2019. The contact between the relatively impermeable Umuna Schist over the more permeable Halibu Marble and Ara Greenstone is thought to be the barrier that causes upwelling mineralising fluids to pool prior to rupture. Any significant extensional movement on the Umuna Fault would be sufficient to cause catastrophic rupture of the high pressure, high temperature fluid catchment, causing rapid P-T drop and subsequent deposition of mineralisation.

Consulting Geochemist Glenn Whalan visited Misima in January and February to review recent and historical multi-element geochemical data. During his review, Glenn completed Principal Component Analysis on available data to determine the most appropriate multi-element pathfinder associations for identifying gold anomalies, and then used these associations to validate previous and current anomalies on Misima. In doing so, he validated the current exploration priorities on which work is currently being undertaken, and also identified a number of new areas which require further work. Among these is the Waipuna Lineament, a narrow alignment of anomalous soil and trench sampling which runs for over 2km from the west side of Ginamwamwa, in a north-westerly direction sub-parallel to the main Umuna trend. This lineament, which coincides with features apparent in the magnetic geophysics, will be tested by mapping and additional field sampling during the year.

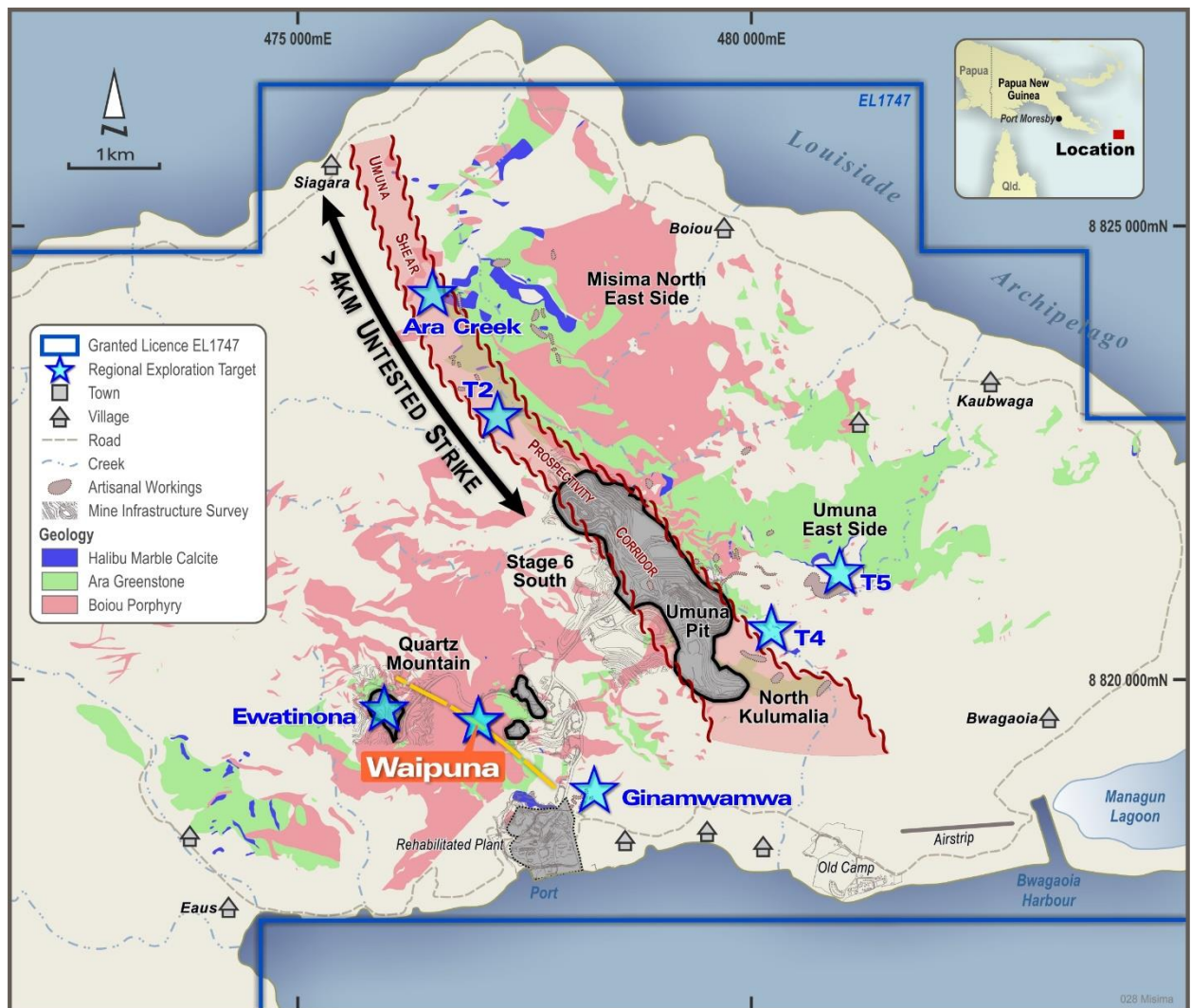


Figure 3: Misima prospect map showing the location of the Waipuna Lineament (depicted as a yellow line).

Hole ID	Easting	Northing	RL	Depth	Dip	Azimuth
GDD019	478089	8818884	125.2	201.4	-60	326
GDD020	478086	8818678	98.5	154.8	-45	271
GDD021	477972	8818662	124.0	182.6	-45	128
GDD022	478047	8818757	103.8	134.3	-45	128
GDD023	478161	8818777	99.0	339.6	-50	128
GDD024	478220	8818687	73.8	118.4	-50	335
GDD025	478219	8818688	73.8	130.6	-60	270
GDD026	478345	8818896	144.0	141.6	-60	118
GDD027	478344	8818896	95.0	102.5	-45	138
GDD028	478343	8818810	85.0	121.2	-45	320

Table 1: Collar details, holes GDD019 to GDD028. Datum is GDA94 Zone 56.

Hole ID	From	To	Interval	Au (ppm)	Ag (ppm)	Cu (ppm)	Pb (ppm)	Zn (ppm)
GDD019	35.8	36.8	1	0.48	1.4	85	423	598
	46	49.8	3.8	1.37	1.7	151	559	519
	178.1	179.2	1.1	0.97	<0.5	52	10	183
	182	183	1	0.41	1.9	209	<5	277
GDD020	0	3	3	1.13	0.5	83	875	223
	4.3	6	1.7	1.99	8.3	39	330	86
	115	116.4	1.4	0.65	113.0	306	4145	10607
GDD021	38.7	41	2.3	0.52	2.8	232	478	444
	177.3	178.1	0.8	0.74	0.9	106	6	151
GDD022	14	16	2	0.43	2.5	145	501	786
	50	52	2	0.50	4.9	48	94	154
GDD023	2	10	8	1.35	0.6	174	369	229
	26	28	2	0.57	12.0	558	6129	358
	323.8	324.9	1.1	1.01	0.8	101	6	124
GDD024	2.17	4	1.83	0.42	0.5	18	25	147
	14.1	16.7	2.6	2.43	5.1	237	1556	1088
<i>Including</i>	14.1	14.7	0.6	9.14	17.0	902	6368	2959
	24.15	24.7	0.55	1.78	0.7	11	29	178
	63.8	67	3.2	0.73	1.2	126	543	732
<i>Including</i>	63.8	64.8	1	1.30	5.1	483	1723	4086
GDD025	1.1	4.2	3.1	0.42	TBA			
	14	21	7	0.90				
GDD026	0	10	10	1.20	TBA			
<i>Including</i>	0	4	4	1.53				
	8.6	10	1.4	4.06				
	64.2	66	1.8	0.76				
GDD027	32.2	33.9	1.7	0.41	TBA			
	42.2	44	1.8	0.70				
	65	66	1	6.18				
GDD028	16	17	1	3.85	TBA			
	22.7	23.7	1	1.22				

Table 2: Significant intersections. Intersections are calculated at a minimum cut-off of 0.4g/t Au with a maximum 2.2m of internal dilution.

The Company will incorporate all information from these ten holes into a 3-dimensional Leapfrog model of mineralisation and stratigraphy before planning further drilling.



Sample ID	Trench	Easting	Northing	RL	Type	Au (ppm)	Lithology
GG1095		476696	8824209	193	Rock Chip	6.99	Breccia
GG1097		476712	8824198	193	Rock Chip	3.96	Breccia
GG1098		476716	8824203	192	Rock Chip	44.60	Breccia
GG1099		476715	8824201	193	Rock Chip	11.10	Breccia
GG1100	T1	476700	8824220	192	Channel	1.29	Greenstone
GG1101	T1	476700	8824219	192	Channel	1.80	Greenstone
GG1102	T1	476699	8824217	192	Channel	1.05	Greenstone
GG1103	T1	476698	8824216	193	Channel	1.63	Greenstone
GG1104	T1	476697	8824214	193	Channel	2.15	Greenstone
GG1105	T1	476696	8824213	193	Channel	0.98	Breccia
GG1106	T1	476695	8824211	193	Channel	1.86	Breccia
GG1107	T1	476695	8824210	193	Channel	4.01	Breccia
GG1108	T1	476694	8824208	193	Channel	3.06	Breccia
GG1120	T2	476720	8824212	192	Channel	0.44	Saprock
GG1121	T2	476719	8824210	193	Channel	0.41	Saprock
GG1122	T2	476718	8824209	193	Channel	0.16	Saprock
GG1123	T2	476717	8824207	193	Channel	4.80	Greenstone
GG1124	T2	476716	8824205	193	Channel	0.67	Greenstone
GG1125	T2	476715	8824204	193	Channel	3.11	Greenstone
GG1126	T2	476714	8824202	193	Channel	6.87	Greenstone
GG1127	T2	476714	8824201	193	Channel	5.23	Greenstone
GG1128	T2	476713	8824199	193	Channel	2.65	Greenstone
GG1129	T2	476712	8824197	193	Channel	2.96	Greenstone

Table 3: Sample details for significant trench and rock chip sampling at Misima North. Sample coordinates are in GDA94 projection, Zone 56.

Misima Mineral Resource

The Misima mineral resource estimate shown in Table A1 below was released in an ASX announcement on 27 November 2017. The resource estimate was compiled by Mr Scott McManus, who is an independent consultant to the Company. Further information relating to the resource is included within the original announcement.

Deposit	Material	Resource Category	Cutoff (g/t Au)	Tonnes (Mt)	Gold (g/t Au)	Silver (g/t Ag)	Au Moz	Ag Moz
Umuna	Oxide	Indicated	0.5	3.2	0.9	11.7	0.1	1.2
		Inferred	0.5	5.7	1.0	13.6	0.2	2.5
	Primary	Indicated	0.5	34.0	1.1	4.2	1.2	4.6
		Inferred	0.5	32.7	1.1	4.7	1.1	5.0
	Sub-total	Indicated		37.2	1.1	4.9	1.3	5.8
		Inferred		38.4	1.0	6.1	1.3	7.5
	Total	Combined		75.7	1.1	5.5	2.6	13.3
Ewatinona (Qtz Mtn)	Oxide	Inferred	0.5	1.0	0.9	3.4	0.03	0.1
	Primary	Inferred	0.5	5.6	1.0	3.1	0.2	0.6
	Sub-total	Inferred		6.6	1.0	3.2	0.22	0.7
Misima Total		Indicated		37.2	1.1	4.9	1.3	5.8
		Inferred		45.0	1.0	5.6	1.5	8.1
Total Mineral Resource				82.3	1.1	5.3	2.8	13.9

Table A1. Misima JORC2012 mineral resource estimate summary table.

Competent Persons Statement and Disclaimer

The information in this report that relates to Exploration Targets, Exploration Results, Mineral Resources or Reserves is based on information compiled by Mr Andrew Paterson, who is a member of the Australian Institute of Geoscientists. Mr Paterson is a full-time employee of the Company and 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 2012 Edition of the "Australasian Code for reporting of Exploration Results, Mineral Resources and Ore Reserves" (JORC Code). Mr Paterson consents to the inclusion in this report of the matters based upon the information in the form and context in which it appears.

Kingston confirms that it is not aware of any new information or data that materially affects the information included in all ASX announcements referenced in this release, and that all material assumptions and technical parameters underpinning the estimates in these announcements continue to apply and have not materially changed.

About Kingston Resources

Kingston Resources is a metals exploration company. Currently the Company's priority is the world-class Misima Gold Project in PNG, which contains a JORC resource of 2.8Moz Au, a production history of over 3.7Moz and outstanding potential for additional resource growth through exploration success. Kingston currently owns 70% of the Misima Gold Project.

In addition, Kingston owns 75% of the Livingstone Gold Project in Western Australia.



KSN project locations.

JORC Code, 2012 Edition – Table 1 Umuna Gold Deposit, Misima Island

Section 1.01 Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	Commentary
<i>Sampling techniques</i>	Drilling - Samples are core from diamond drilling of PQ and HQ size. - Core is sampled in 2m intervals away from the ore zone or to lithological contacts, whichever is shorter. In mineralised areas core is sampled in 1m lengths or to lithological contacts. - Samples are flown to Intertek in Lae where they are dried and crushed to 95% passing 3mm. The crushed sample is then pulverised and a 50g charge is taken for gold analysis by fire assay. - A 100g pulp from each sample is flown to Townsville where they are analysed using Intertek's Four Acid 33 Element package. An OES finish is provided for Ag, Pb, Zn and Cu values that report over-range assays. Surface Sampling - The samples were channel samples, sampled by hand using geo-picks along 2m intervals after soil, vegetation and debris had been cleared away with shovels. - Sample prep and analysis is the same scheme as that used for core sampling
<i>Drilling techniques</i>	PQ and HQ triple-tube diamond drilling. All core is oriented using a Reflex digital orientation tool.
<i>Drill sample recovery</i>	- Core recovery is measured as the difference between core recovered in a drill run and the down-hole run shown on the driller's core blocks. - The driller modifies drilling pressure to optimise core recovery as much as possible, particularly in areas of softer lithologies. - There is no observed relationship or bias between sample recovery and grade.
<i>Logging</i>	- Core samples are logged for lithology, structure, alteration, rock quality and magnetic susceptibility. Structure, RQD and mag sus are quantitative measurements. - All core is photographed by tray. - Channel samples are logged for lithology and any visible mineralogy and alteration.
<i>Sub-sampling techniques and sample preparation</i>	- PQ core is cut and sampled as quarter core. HQ core is cut as half core. The orientation line is used as a cutting guide to ensure consistency in sampling. - The sampling interval and technique is considered appropriate for the style of mineralisation, and it is consistent with the techniques used by Misima Mines Ltd (Placer) during the previous exploration and mining phase of the project. - The sample size is appropriate to the observed mineralisation style and historical geostatistical distribution of gold values
<i>Quality of assay data and laboratory tests</i>	- Standard reference materials are inserted at a frequency of one per 20 samples. - Field duplicates were inserted at a frequency of one per 20 samples. - Blanks are inserted at a frequency of one per 50 samples. - QAQC performance is tracked using acQuire database software. - Acceptable levels of accuracy have been achieved using these techniques. - Gold values are also verified by assaying batches of pulps at an independent assay lab in Perth.
<i>Verification of sampling and assaying</i>	- No independent data verification procedures were undertaken other than the QA/QC mentioned above. - Primary data is recorded on site either digitally or on paper logs before being transferred to Perth for loading into an acQuire database. Assay data is provided digitally as CSV and PDF files

Criteria	Commentary
<i>Location of data points</i>	- Hole collar locations are recorded using a hand-held Garmin GPS, recording X,Y,Z positions in GDA94 datum (Zone 56). - Down-hole orientation is recorded using a Reflex survey camera taking a shot every 30m. - Channel samples are located using a handheld Garmin GPS to record the centre of each 2m channel interval in GDA94 datum Zone 56.
<i>Data spacing and distribution</i>	- Sample intervals are shown in the table of significant intersections in the body of this announcement. - No compositing has been applied.
<i>Orientation of data in relation to geological structure</i>	- Holes are drilled approximately orthogonal to the interpreted trend of mineralisation; in this case dipping at -45 to -60 degrees to the ENE. - This orientation is considered to avoid sample bias relative to the angle of mineralised structures. - The channels mentioned in the body of this announcement were dug approximately perpendicular to the strike of observed lithological contacts.
<i>Sample security</i>	Samples were submitted to Air PNG by Gallipoli Exploration (PNG) personnel for freight from Misima to Lae, and collected from Lae airport by Intertek staff. There were no other specific sample security protocols in place.
<i>Audits or reviews</i>	Not applicable

Section 1.02 Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	Commentary
<i>Mineral tenement and land tenure status</i>	- Misima Island is part of the Louisiade Archipelago within Milne Bay Province of PNG. It is situated in the Solomon Sea about 625 km east of Port Moresby, the capital of PNG. The site is located at an approximate latitude of 10° 40' South and longitude of 152° 47' E. - The Property consists of a single Exploration Licence, (EL) 1747, comprising 53 sub blocks, covering a total area of 180 km². This EL is valid and is current to 20 March 2019. All conditions pertaining to compliance of the title have been met. The Property is located on the eastern portion of the island and includes the historic mining areas of Umuna and Quartz Mountain. There are no known impediments. KSN holds title via a farm in agreement between WCB Resources Ltd and WCB Pacific Pty Ltd, Pan Pacific Copper Ltd and Gallipoli Exploration Ltd. Gallipoli is the legal entity and tenement holder and is responsible for performing its obligations under the <i>Mining Act</i> 1992.
<i>Exploration done by other parties</i>	- The project area has been subject to mineral exploration by a number of previous parties, most notably Placer Pacific between 1987 to 2004. - For a detailed summary of previous explorers' work readers are recommended to read the JORC Table 1 released with the November 2017 Misima resource update (ASX:KSN announcement 27 November 2017).
<i>Geology</i>	Misima Island forms part of the Louisiade Archipelago which is a continuation of the Papuan Fold Belt of the Papuan Peninsula offshore eastwards through the Papuan Plateau. The oldest

Criteria	Commentary
	rocks on Misima are Cretaceous to Paleogene metamorphic rocks, which can be subdivided into the western Awaibi Association and the younger overthrust eastern Sisa Association that is host to the gold and copper mineralization. The two associations are separated by an original thrust fault with later extensional activation. - Mineralisation deposit style on Misima Island is best described as Intermediate Sulphidation Epithermal due to the strong association with porphyry Cu Au style alteration, veining and characteristics, the dominance of Ag Zn Pb Au Cu Mn geochemistry as well as complex alteration styles and geometry. - Styles of mineralisation observed include multiphase hydrothermal breccia, stockworks both sheeted and three-dimensional, skarn, jasperoidal replacement, and poorly banded vein infill of quartz and carbonate with associated pyrite, galena, sphalerite, barite and minor tetrahedrite. This mineralisation can be classified as Intermediate Sulphidation Epithermal Style and appears to be laterally zoned from a well-developed complex base metal skarn style affiliation outwards to a base metal fracture stockwork vein breccia style of mineralisation. - Surrounding the Umuna lode, and most widely developed on the eastern (footwall) side, is a broad peripheral zone of lower grade mineralisation in quartz veins, often occupying shears, and of linear and irregularly shaped volumes of strongly jointed to brecciated rocks. The schists tend to carry shear or breccia mineralisation with a higher frequency of strong jointing and brecciation in the more compact intrusives and Ara Greenschist. Intrusive contacts are commonly brecciated and mineralised which, with their frequent shallow dips, has the effect of spreading mineralisation laterally in contrast to the steep attitude of Umuna lode mineralisation. - Structurally the Umuna geometry is typical of a complex fault array with a large major fault hosting the majority of the precious metal mineralisation with numerous ancillary splays developed in the footwall to the main structure. The intersection of the splays and the dominant Umuna Fault are loci for zones of well-developed mineralisation. Mineralisation has a dominant structural control however strong secondary stratigraphic controls are also observed in particular where skarn style mineralisation is developed in Halibu Limestone – Ara Schist contacts. A series of north west trending splays intersect and control the loci of the higher-grade material within the Umuna fault zone.
<i>Drill hole Information</i>	Hole locations and orientations are displayed in the table within the body of the announcement.
<i>Data aggregation methods</i>	- Where significant intersection results are used, the average grades are weighted by the sample width of each assay within the intersection. - No metal equivalence calculations are used in reporting.
<i>Relationship between mineralisation widths and intercept lengths</i>	Drill orientation is as close to perpendicular as possible given the limitations of the rig used. True widths vary from approximately 85% to approximately 100% of the down-hole width based on the current interpretation.
<i>Diagrams</i>	See figures in release
<i>Balanced reporting</i>	The cut-off grade used in determining significant intersections is shown in the table within the body of this announcement. Lower grade or unmineralised sections of the hole are not reported.
<i>Other substantive</i>	Mapping and structural data is not available at this stage

Criteria	Commentary
<i>exploration data</i>	Other relevant exploration data is released to the market on an ongoing basis.
<i>Further work</i>	- Exploration drilling is planned to continue for the remainder of 2019 and into 2020. - Further work may also involve structural mapping and interpretation, channel sampling orthogonal to mineralised structures, and possibly drilling.