

Further excellent results from Ewatinona Resource definition drilling

Updated Mineral Resource estimate for the Misima Gold Project expected in June Quarter

- Further significant results from recent drilling at the Ewatinona deposit, with highlights including:
 - 16.0m @ 2.16g/t Au, incl 7m @ 3.83g/t Au from 37m in GDD073
 - 13.5m @ 1.26g/t Au, incl 10.5m @ 1.43g/t Au from 146m in GDD072
 - 5.0m @ 1.35g/t Au from 42m in GDD076
- Assays pending for several additional holes testing the eastern extension of the Resource.
- Results from the drilling program will contribute to an updated Mineral Resource, ahead of the commencement of feasibility studies for the Misima Gold Project.

Kingston Resources Limited (ASX: **KSN**) (**Kingston** or the **Company**) is pleased to advise that latest diamond drill core assays from Resource definition drilling at the Ewatinona deposit, part of the 2.8Moz Misima Gold Project in PNG, have returned significant zones of mineralisation. Results include:

- 16.0m @ 2.16g/t Au, including 7m @ 3.83g/t Au in GDD073;
- 13.5m @ 1.26g/t Au, including 10.5m @ 1.43g/t Au from 146m in GDD072;
- 5.0m @ 1.35g/t Au from 42m in GDD076;
- 4.0m @ 1.19g/t Au, including 2m @ 1.70g/t Au from 40m in GDD072;
- 2.4m @ 1.27g/t Au from 96m in GDD077; and
- 2.1m @ 2.47g/t Au from 55m in GDD075.

These latest results complement the previously-reported positive assays from the three initial holes in the drilling program (see ASX release 12 February 2020), which returned high-grade intersections including:

- 10.2m @ 3.68g/t Au from 10m, including 4.2m @ 2.03g/t Au; and 4m @ 7.15g/t Au, including 1.4m @ 18.58g/t Au (GDD068);
- 11.6m @ 1.44g/t Au from 111.6m (GDD066); and
- 15.6m @ 1.18g/t Au from 49.6m (GDD070).



ASX: KSN
Shares on Issue: 177M
Market Cap: A\$21M
Cash: A\$4.1M (31 Dec 2019)



201/110 Pacific Hwy,
North Sydney, NSW 2060
+61 2 8021 7492
info@kingstonresources.com.au
www.kingstonresources.com.au



@KSNResources

The recently completed Resource definition drilling campaign at Misima (see ASX release 30th of March 2020) was designed to define potential shallow starter pit mineralisation to provide mill feed in the early stages of the proposed Misima mining operation. Starter-pit ore offers the opportunity to generate early cash-flow for Kingston while it establishes access to the larger-scale 2.6Moz Umuna Resource.

The diamond drill holes reported in this announcement were situated within the existing 220koz Ewatinona Inferred Mineral Resource area (see Figure 1), with drilling designed to confirm existing mineralisation and test the revised structural interpretation as well as potential depth extension. It is anticipated that the results from the drilling program will provide increased confidence in Resource modelling, while also highlighting the potential for additional ounces given the limited density of historical drilling.

A recent structural study of historical data and pit mapping has also delineated two main trends of mineralisation at the existing Ewatinona pit (see Figure 1). Grade distribution in 3D blast hole datasets supports the mineralisation model of gold-rich quartz-carbonate-base metal sulphide breccias and veining within ESE and NW-to-NNW trending structures with crackle breccia haloes.

A 0.2g/t Au to 0.4g/t Au mineralisation envelope broadly mirrors the NNW and ESE orientations (Figure 2). Higher-grade 1.0g/t Au mineralisation envelope trends predominantly ESE with the highest grade (>2.5g/t Au) mineralisation occurring within local zones of greater dilation and steep-plunging shoots and at the intersection of these two structural trends (Figure 3).

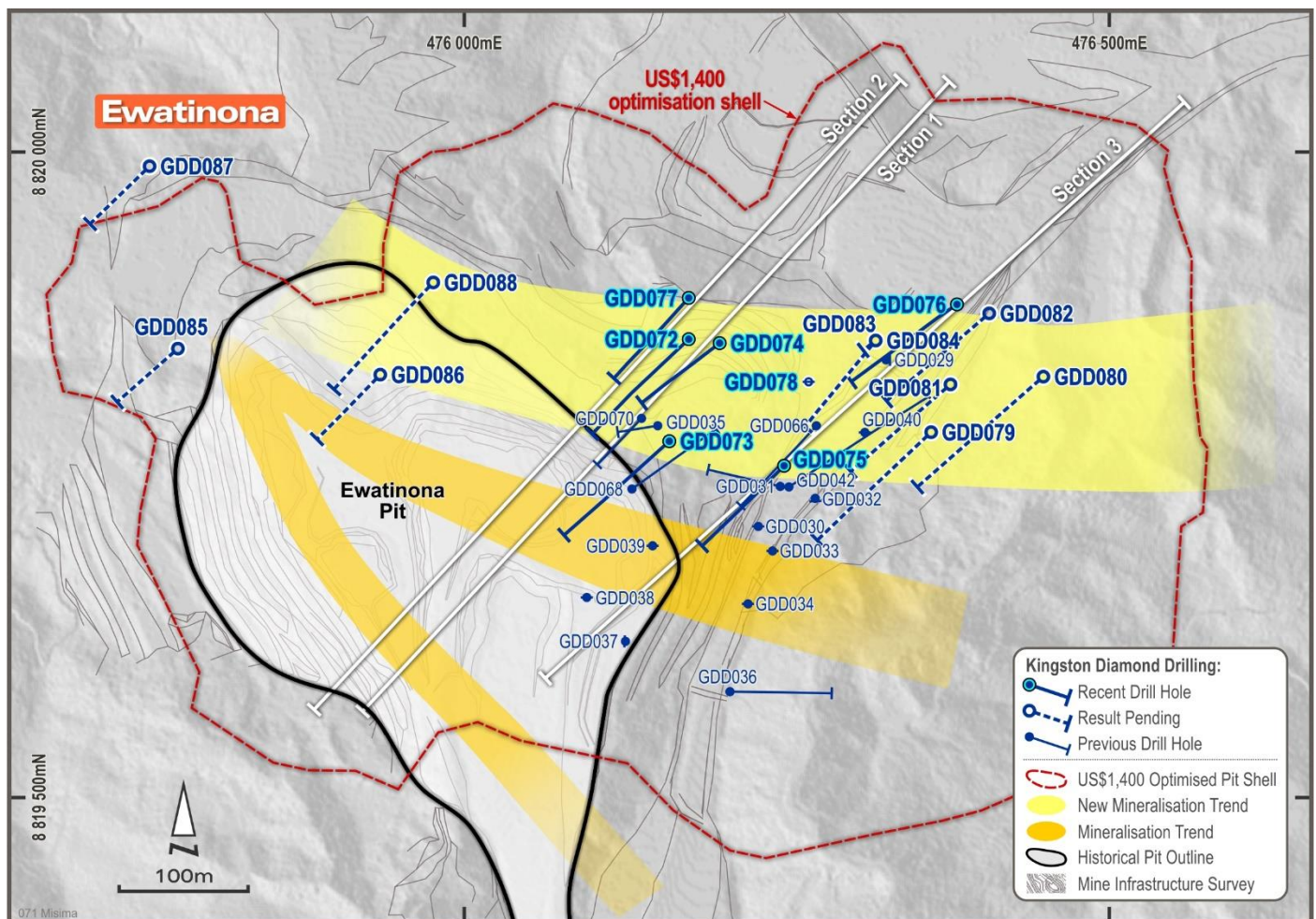


Figure 1: Updated mineralisation trends at Ewatinona, Quartz Mountain

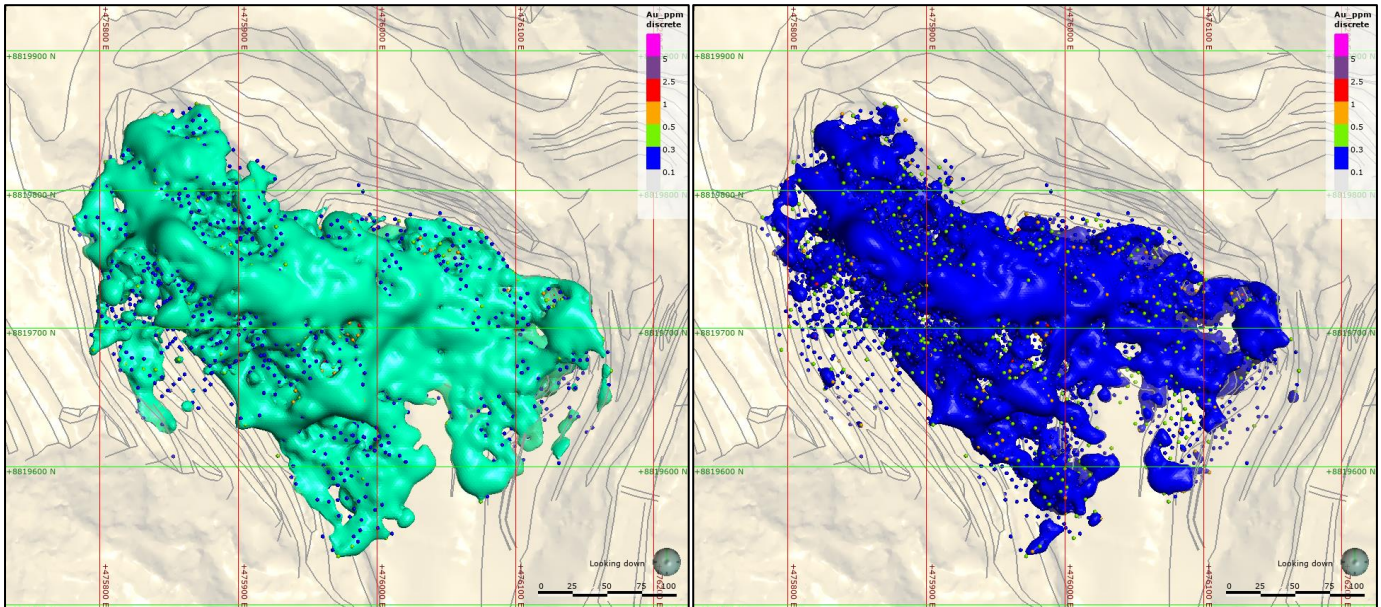


Figure 2: Mineralisation domains in historical grade control data at Ewatinona (Green ≥ 0.2 g/t Au; Blue ≥ 0.4 g/t Au)

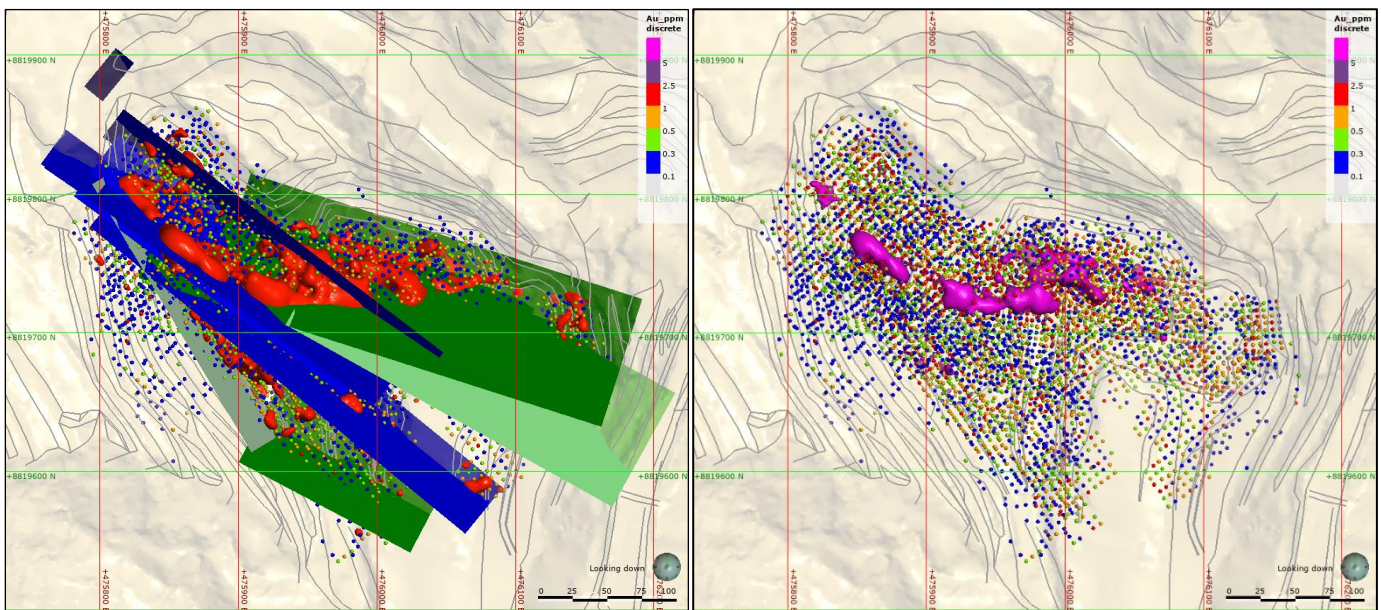


Figure 3: Mineralisation trends in historical grade control data at Ewatinona (Red ≥ 1 g/t Au; Cyan ≥ 2.5 g/t Au)

The Resource definition drilling has focused on in-filling mineralisation below the Ewatinona open pit and extensions of the modelled mineralisation trends to depth and to the ESE. The remaining Phase 2 diamond drill holes lie along strike to the east and north-west and down-dip below the Ewatinona pit. Assays are pending for several holes testing the potential eastern extension of the Ewatinona Resource.

Results from this drilling will be incorporated into the pending Resource update, which is expected to be delivered in the June 2020 Quarter.

In addition to the potential to expand the current Resource, the Resource update will also be focused on converting the existing 220koz Ewatinona Inferred Resource to the higher-confidence Measured and Indicated categories, making it available for conversion to Ore Reserves following the completion of a Pre-Feasibility Study (PFS) for the Misima mining operation.

Kingston also anticipates an opportunity to review the underlying gold price assumption of US\$1200/oz which was used to inform the “reasonable prospects for eventual economic extraction” requirement for the estimation of the existing 2.6Moz Umuna Resource.

Kingston Resources Limited Managing Director, Andrew Corbett, said: “Resource definition drilling at Ewatinona continues to deliver excellent drilling results that are expected to have a positive impact on the impending Resource update.

“As announced on 30 March 2020, the Resource definition program within the Quartz Mountain area is now complete, with a number of final assays still awaited. These will all be incorporated into the broader Misima Mineral Resource update due in the June Quarter.

“The Company has made excellent progress with its development strategy over the last six months, identifying and drill-testing a number of potential starter pit targets. Ewatinona is now clearly emerging as an ideal opportunity for a starter pit, with an existing 220koz Resource, strong potential for growth, and proximity to infrastructure. The impending Resource update will help us to validate this concept ahead of the transition to mining studies over the balance of 2020.”

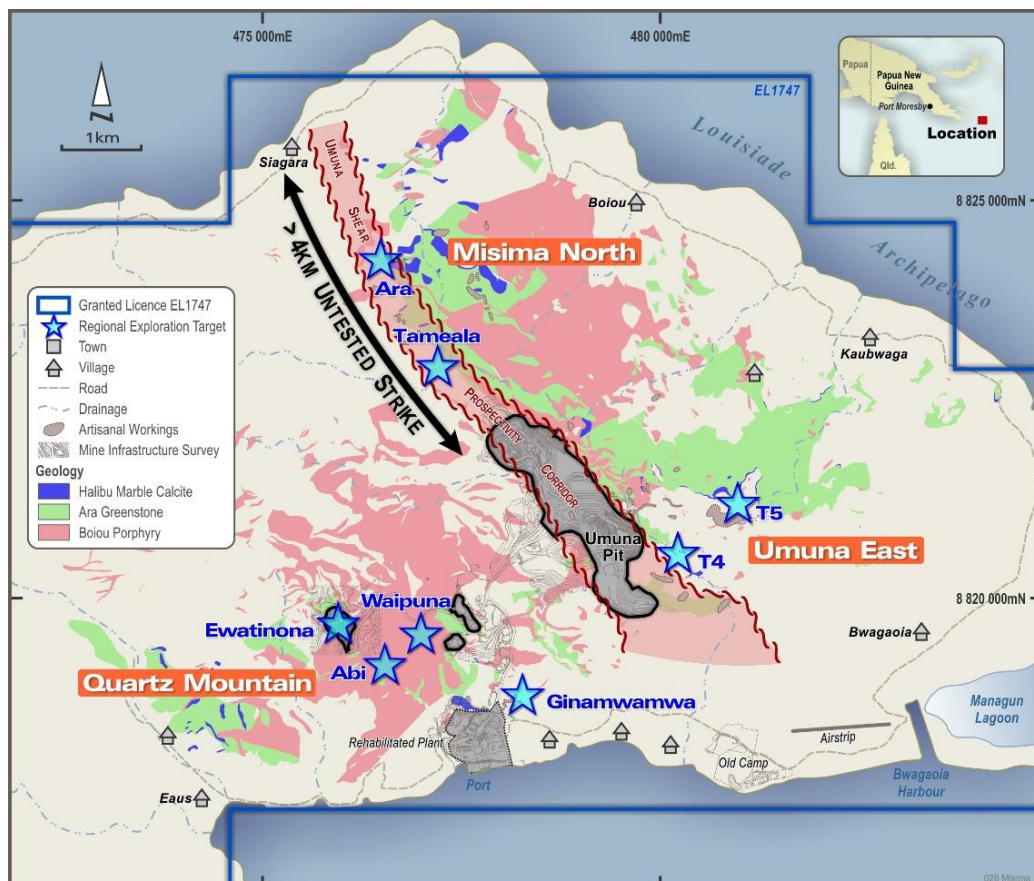


Figure 4: Misima Gold Project – Regional target map

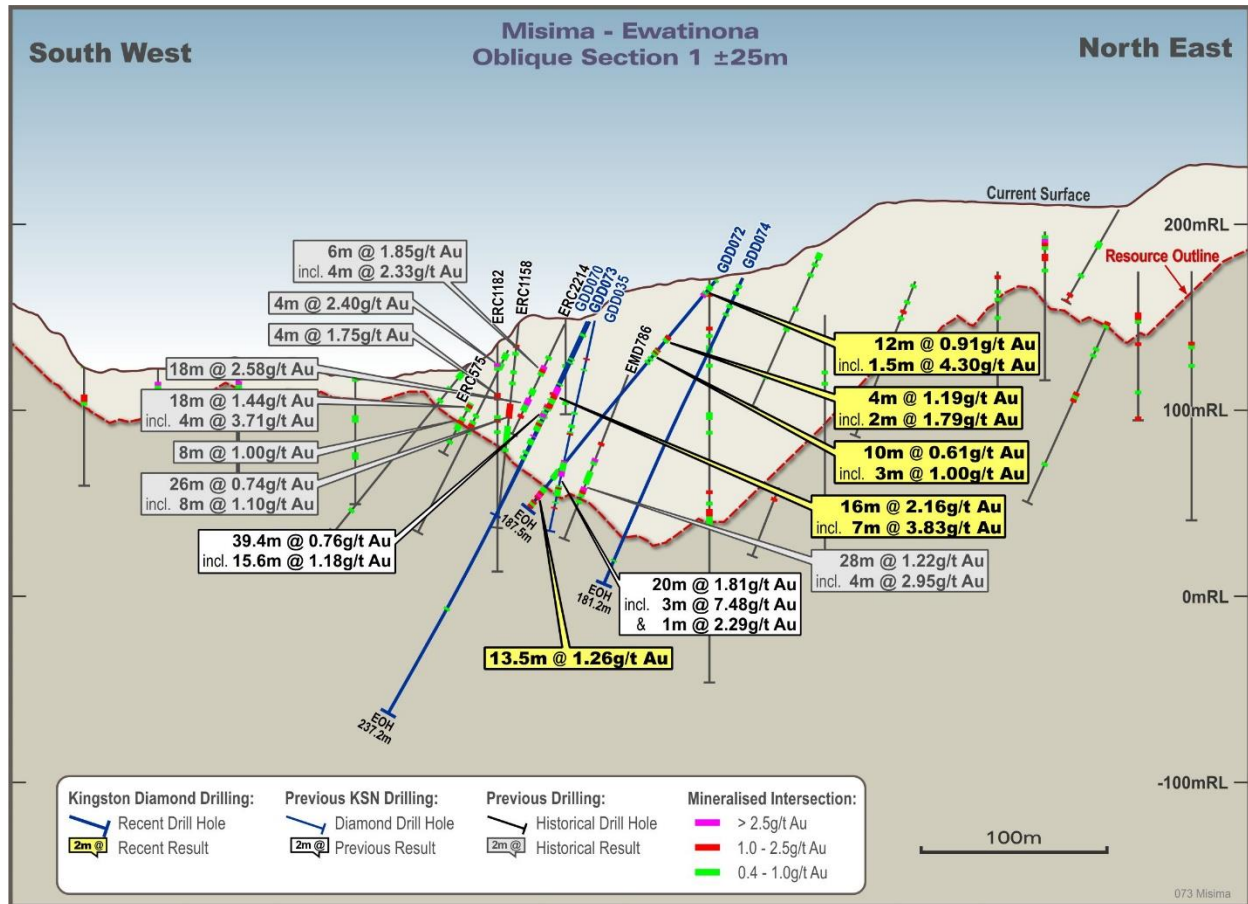


Figure 5: Section 1 highlighting multiple zones of new infill mineralisation

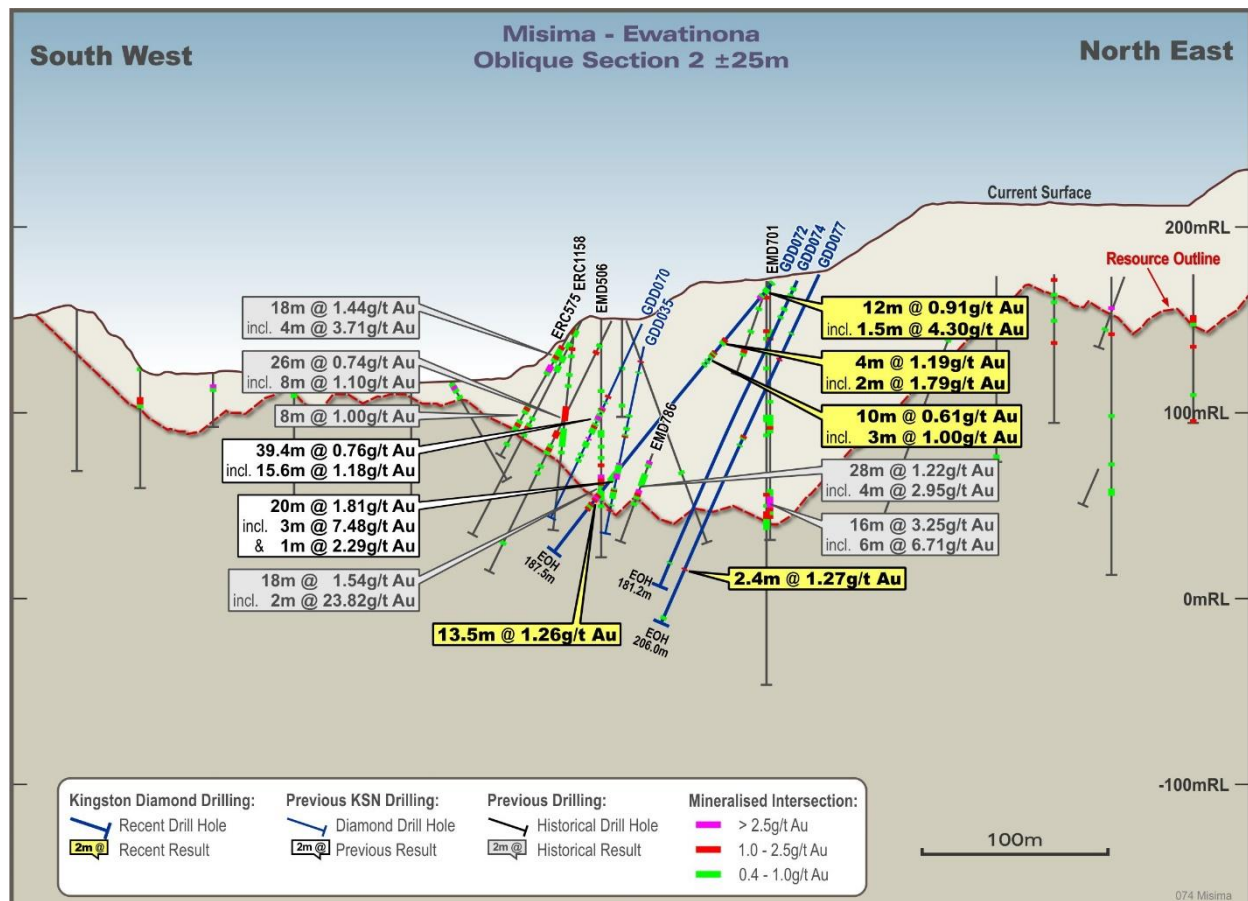


Figure 6: Section 2 highlighting multiple zones of infill mineralisation

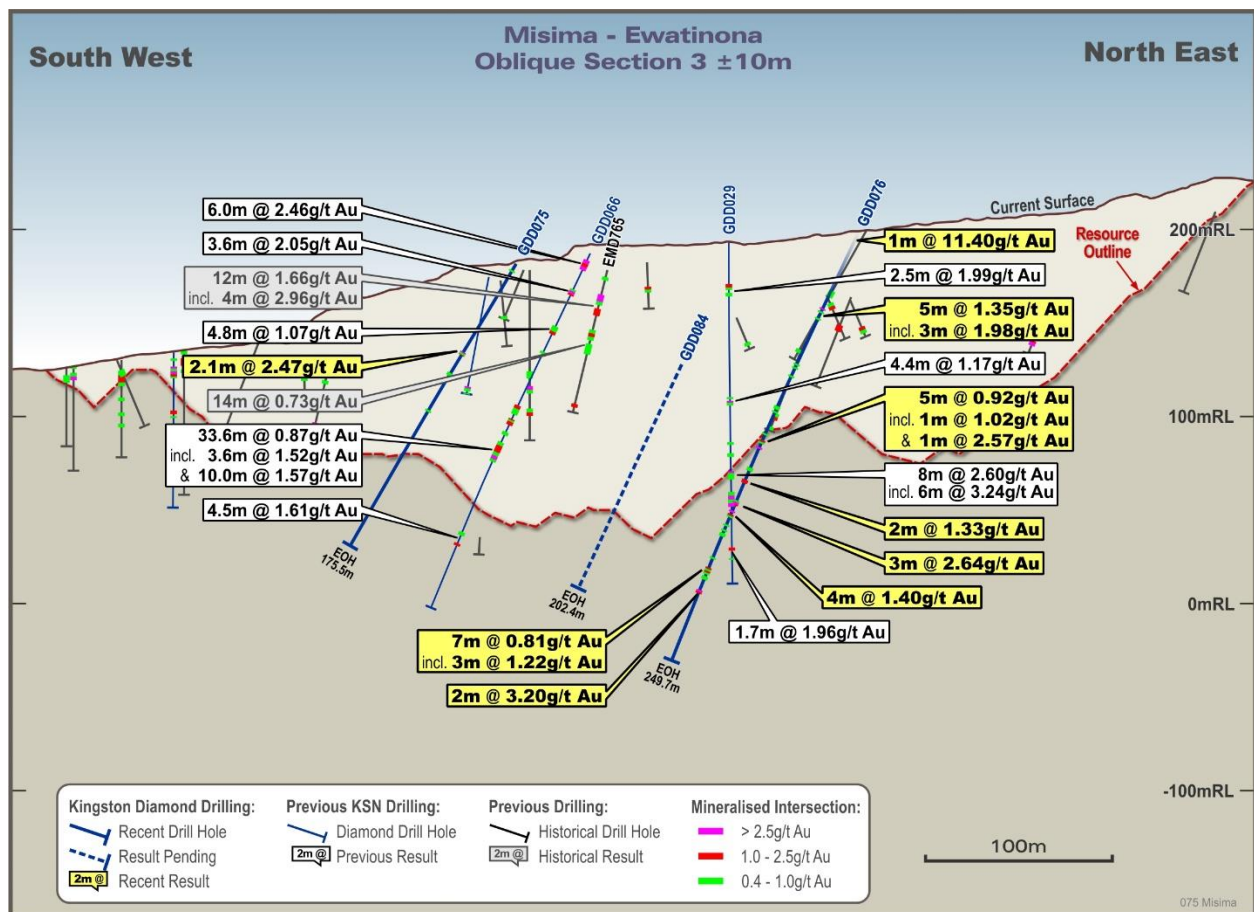


Figure 7: Section 3 highlighting new mineralisation beneath existing resource

Results from Phase 2 Resource definition drilling received to date indicates the drilling has intersected veins and structures characteristic of the ore historically mined at Ewatinona. Commonly, mineralised intervals contain a higher grade core within the broader mineralised zone. These intercepts confirm the geometry and location of interpreted moderate to steep-dipping structures and mineralised zones within the Mineral Resource.

Gold mineralisation at Ewatinona occurs within carbonate base metal style mineralisation assemblages as veins and breccias and infill within micro diorite that has been pervasively altered by silica, sericite, clay and pyrite. Typically, gold intervals coincide with zones that host sphalerite, galena, pyrite and silica mineralisation. Geological logging and orientated veins and breccias in drill core reflect the broader-scale interpretation of mineralisation hosted by a series of moderate to steep-dipping, stacked structures with WNW to NW trends.

Next Steps

The Resource definition drilling program has been completed and work on the Resource update is underway. External consultants have been engaged to assist with the technical work related to producing the new Mineral Resource.

Table 1: New significant intercepts Intersections are calculated at a minimum cut-off of 0.4g/t Au with a maximum continuous interval of 2m internal dilution. Grades are weighted by sample length and averaged over the interval

Hole ID	Status	From	To	Interval	Au	Ag	Cu	Pb	Zn
GDD072	Final	0	12	12	0.91	2.1	41	110	213
				1.5	4.30	13.2	72	36	89
		40	44	4	1.19	3.2	34	224	168
				2	1.79	5.2	36	430	249
		49	59	10	0.61	1.9	175	1506	3403
				3	1.00	3.7	119	4345	10446
GDD073	Final	133.4	139.4	6	0.63	1.1	36	500	1679
		145.4	158.9	13.5	1.26	0.9	11	320	429
				10.5	1.43	1.1	6	394	420
		7.5	9	1.5	0.52	1.2	39	177	102
		22	25	3	0.46	0.8	16	587	198
		37	53	16	2.16	2.0	112	2110	4502
GDD074	Final			7	3.83	3.5	196	3731	7146
				5	4.64	3.9	211	4104	7962
				2.5	1.12	0.6	3	29	110
		56	57.5	1.5	0.52	0.6	24	137	45
		172	173.5	1.5	0.43	2.2	0	48	60
GDD075	Final	4	10	6	0.44	1.5	76	463	NA
		16	18	2	0.52	1.1	131	1109	NA
		21	22.5	1.5	0.76	9.6	67	366	NA
		167	168	1	0.40	1.4	2	24	48
GDD076	Final	4	5	1	0.69	0.0	38	691	183
		55	57.1	2.1	2.47	2.9	226	9716	18722
		68.1	70	1.9	0.43	0.3	34	12	121
		91.1	92.2	1.1	0.44	0.0	5	339	93
GDD077	Final	4	5	1	11.40	0.8	1	8	91
		27.5	29	1.5	0.74	3.4	43	781	424
		42	47	5	1.35	7.8	118	723	394
				3	1.98	12.6	147	965	337
		50	51	1	0.42	3.6	43	702	583
		77	80	3	0.46	0.0	43	126	178
		84	85	1	0.42	10.9	41	774	1402
		102	106	4	0.57	1.2	69	3436	3399
		118	119	1	0.55	0.9	33	204	326
		122	127	5	0.92	3.1	67	1321	1523
				1	1.02	1.0	55	381	454
				1	2.57	12.1	72	1764	4684
		138	140	2	0.59	1.1	34	799	1038
		145	147	2	1.33	6.2	39	983	2231
		157	160	3	2.64	10.0	105	1776	4171
				2	3.73	14.7	134	2427	5754
		163	167	4	1.40	3.2	20	618	1094
				3	1.57	3.9	20	660	1044
		171	172	1	0.67	0.7	2	97	32
		174	178	4	0.40	1.1	2	610	166
		190	191	1	0.91	4.0	25	569	1944
		196	203	7	0.81	1.4	42	510	1048
				3	1.22	2.7	90	978	2151
		209	211	2	3.20	12.1	13	3848	4684
GDD078	Final	34.6	35.6	1	0.41	1.2	89	45	610
		50	51	1	1.62	2.3	11	56	345
		95.6	98	2.4	1.27	3.1	68	5950	9253
		101	102	1	0.64	1.1	101	79	464
		174	175	1	2.08	0.0	0	15	63
		204	206	2	0.47	1.1	10	330	89

Table 2: Drill hole collar details in GDA1994

Hole ID	Easting	Northing	RL	Azimuth	Dip	Depth
GDD072	476174	8819855	171	228	-50	187.5
GDD073	476159	8819776	147	227	-65	237.2
GDD074	476198	8819852	185	232	-65	181.2
GDD075	476248	8819757	175	225	-60	175.0
GDD076	476382	8819882	212	232	-65	249.7
GDD077	476174	8819887	190	224	-65	206.0

This release has been authorised by the Kingston Resources Limited Managing Director, Andrew Corbett. For all enquiries please contact Managing Director, Andrew Corbett, on +61 2 8021 7492.

About Kingston Resources

Kingston Resources is a metals exploration company which is focused on exploring and developing the world-class Misima Gold Project in PNG. Misima hosts a JORC resource of 2.8Moz Au. Misima was operated as a profitable open pit mine by Placer Pacific between 1989 and 2001, producing over 3.7Moz before it was closed when the gold price was below US\$300/oz. The Misima Project offers outstanding potential for additional resource growth through exploration success targeting extensions and additions to the current 2.8Moz Resource base. Kingston currently owns 77% of the Misima Gold Project where active exploration programs are underway.

In addition, Kingston owns 75% of the high-grade Livingstone Gold Project in Western Australia where active exploration programs are also in progress.



Kingston project locations

The Misima Mineral Resource estimate outlined below was released in an ASX announcement on 27 November 2017. Further information relating to the resource is included within the original announcement.

Resource Category	Cutoff (g/t Au)	Tonnes (Mt)	Gold Grade (g/t Au)	Silver Grade (g/t Ag)	Au (Moz)	Ag (Moz)
Indicated	0.5	37.2	1.1	4.9	1.3	5.8
Inferred	0.5	45.0	1.0	5.6	1.5	8.1
Total	0.5	82.3	1.1	5.3	2.8	13.9

Table 3: Misima JORC 2012 Mineral Resource Estimate summary table

Competent Persons Statement and Disclaimer

The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by Mr Stuart Rechner BSc (Geology) MAIG, a Competent Person who is a member of the Australian Institute of Geoscientists. Mr Rechner is a Director of the Company. Mr Rechner has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken 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". Mr Rechner 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.

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

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 1 to 2m lengths or to lithological contacts. Surface Sampling - The samples were channel samples and rock chips, sampled by hand using geo-picks to geological boundaries after soil, vegetation and debris had been cleared away with shovels.
<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, Rock Quality Designation (RQD) and magnetic susceptibility are quantitative measurements. - All core is photographed by tray. - Channel samples and rock chips are logged for lithology and any visible mineralogy and alteration.
<i>Sub-sampling techniques and sample preparation</i>	Drilling - Up to Sept. 2019, PQ3 core is cut and sampled as quarter core. From Oct. 2019, PQ3 core is cut and sampled as half core. - HQ3 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 is consistent with the techniques used by Misima Mines Ltd (Placer) during previous exploration and mining of the project. - The sample size is appropriate to the observed mineralisation style and historical geostatistical distribution of gold values. All Samples - Samples are transported 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.
<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. - Intertek conducts periodic laboratory QAQC including sizing tests and crushate / pulp duplicate tests. - 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.
<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). Z positions are later adjusted to fit LiDAR values. - Down-hole orientation is recorded using a Reflex survey camera taking a shot every 30m. - Channel samples and rock chips 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.

Criteria	Commentary
<i>Orientation of data in relation to geological structure</i>	- Holes are drilled approximately orthogonal to the interpreted trend of mineralisation - This orientation is considered to avoid sample bias relative to the angle of mineralised structures. - Channels are dug approximately perpendicular to the strike of observed lithological contacts.
<i>Sample security</i>	Samples were submitted by air or sea freight by Gallipoli Exploration (PNG), a subsidiary of Kingston, personnel for freight from Misima to Lae, and collected from Lae by Intertek staff. There were no other specific sample security protocols in place.
<i>Audits or reviews</i>	Not applicable

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 until 20 March 2021. 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 its subsidiary 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 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. - 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</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

Criteria	Commentary
<i>mineralisation widths and intercept lengths</i>	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 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 during 2020. - Further work will involve structural mapping and interpretation, channel sampling orthogonal to mineralised structures, and drilling.