

26 May 2014

Company Announcements Office
Australian Securities Exchange

Exploration Update- May 2014

Geophysical review completed with positive results for Kingston projects.

Highlights:

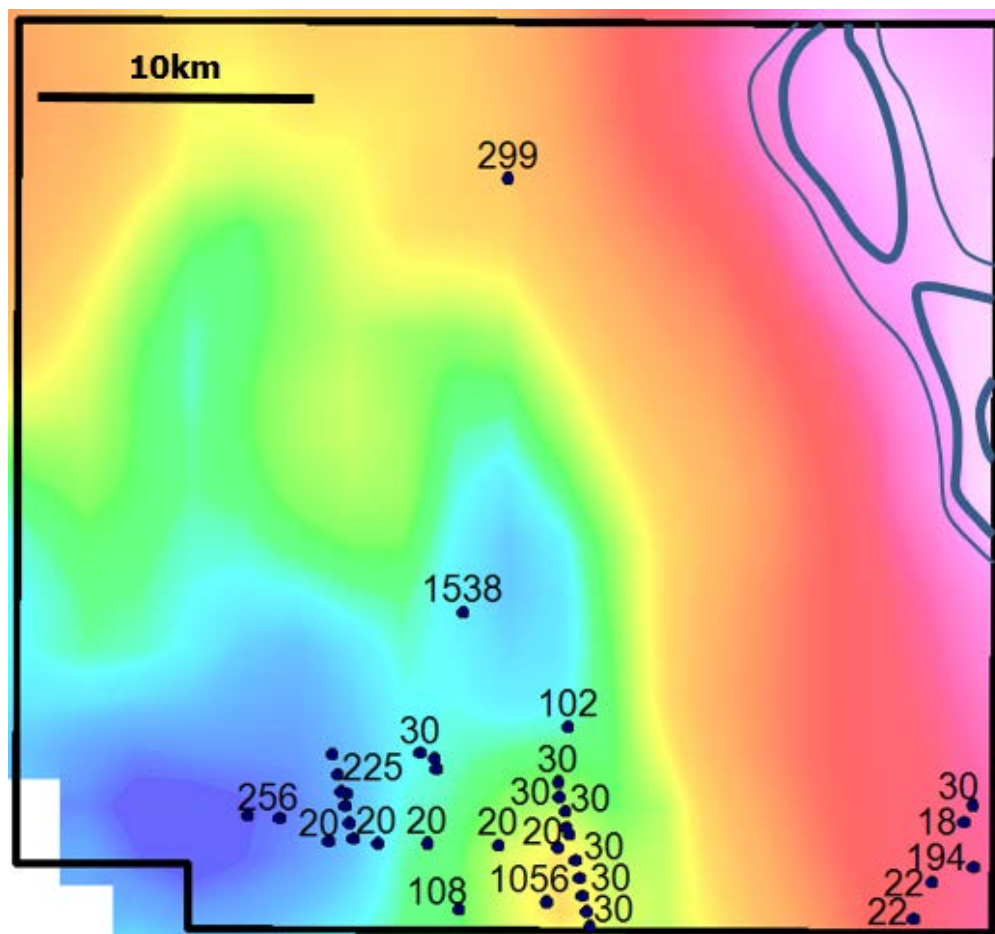
- Geophysical review of Kingston projects completed.
- Cootanoorina density anomaly at 0.40 g/cc on 1.5 km x 1.5 km spaced regional gravity data.
- Infill gravity survey recommended at Six Mile Hill and Cootanoorina projects.
- ERA0326 application in SA successfully granted to Kingston Resources.

Kingston Resources Limited ("Kingston" or "the Company") (ASX:KSN) has recently completed the initial stages of a geophysical study of the majority of the Company's projects. Kingston has engaged Consultant Geophysicist Mr Barry Bourne of Terra Resources Pty Ltd ("Terra"), who has completed a geophysical review over the Company's 100% owned Cootanoorina (EL 4462), Mount Morgan (EL 5101) and Six Mile Hill (EL 4494) projects. Mr Bourne comes to the Company highly credentialed, his previous work experience including Chief Geophysicist – Global Exploration at Barrick Gold Corporation.

The initial scope of work for the review centered on the targeting of possible IOCG mineralization throughout Kingston's tenement package targeting both gravity and magnetic highs in association with a strong structural geology address. The review looked at all open file data sets including gravity and magnetic data from the South Australian (SA) Government Geological data sets via SARIG. Modeling carried out by Terra was completed using Geosoft's Voxi Earth Modeling Software.

The best outcome was at Cootanoorina where the gravity inversion yielded a density of 0.40 g/cc in excess of the background values.. The anomaly indicates the emplacement of a denser body into the surrounding geology and at this stage the anomaly is thought to be associated with IOCG style alteration.

The gravity anomalies at Mt Morgan and Six Mile Hill had density contrasts of 0.1g/cc. Whilst these density contrasts are of lower magnitude, they are currently based on 1km x1km and 2km x 2km spaced SARIG gravity stations respectively. Decrease in station spacing by infill gravity will better resolve the depth and density of the targets.



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Whilst still in the initial stages of geophysical understanding there have been encouraging results which warrant follow up geophysical survey to further define the depth and magnitude of the anomaly within the Kingston's project areas. As such the Company is now progressing to the design and access phases for geophysical survey at the Cootanoorina, Mount Morgan and Six Mile Hill projects.

Kingston Chairman, Jonathan Davies said that "the Company is very pleased with the outcomes of the review and can now take the next positive step in the evaluation of its tenement package in this exciting Gawler Craton region in South Australia".

Kingston is also pleased to announce the successful award of its application for ERA 0326. The ERA is immediately adjacent to the Company's Mount Morgan tenement and enhances the Company's land holding within the area. A review of this ERA is now planned in conjunction with the Mount Morgan project evaluation.

Ends

Competent Persons Statements:

The information in this report that relates to Geophysical Exploration Results is based on information compiled by Mr Barry Bourne, who is employed as a Consultant to the Company through geophysical consultancy Terra Resources Pty Ltd. Mr Bourne is a fellow of the Australian Institute of Geoscientists and a member of the Australian Society of Exploration Geophysicists and has sufficient experience of relevance to the styles of mineralisation and the types of deposits under consideration, and activities undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Bourne consents to the inclusion in the report of matters based on information in the form and context in which it appears

The information in this report that relates to exploration is based on information compiled by Mr Adrian Dellar, who is a member of the Australasian Institute of Mining and Metallurgy. Mr Dellar is working as a consultant to the Company in the role of Geologist. Mr Dellar has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which 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. Mr Dellar consents to the inclusion in the report of the matters based on his information in the form and context in which it appears

1. JORC Code, 2012 Edition – Table 1

1.1 Section 1 Sampling Techniques and Data

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

Criteria	JORC Code explanation	Commentary
Sampling techniques	- Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. - Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. - Aspects of the determination of mineralisation that are Material to the Public Report. - In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.	Not applicable, no drilling conducted.
Drilling techniques	Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).	Not applicable, no drilling conducted.
Drill sample recovery	- Method of recording and assessing core and chip sample recoveries and results assessed. - Measures taken to maximise sample recovery and ensure representative nature of the samples. - Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	Not applicable, no drilling conducted.

Criteria	JORC Code explanation	Commentary
Logging	- Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. - Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. - The total length and percentage of the relevant intersections logged.	Not applicable, no drilling conducted.
Sub-sampling techniques and sample preparation	- If core, whether cut or sawn and whether quarter, half or all core taken. - If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. - For all sample types, the nature, quality and appropriateness of the sample preparation technique. - Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. - Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. - Whether sample sizes are appropriate to the grain size of the material being sampled.	Not applicable, no drilling conducted.
Quality of assay data and laboratory tests	- The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. - For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. - Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.	Not applicable, no drilling conducted.
Verification of sampling and assaying	- The verification of significant intersections by either independent or alternative company personnel. - The use of twinned holes. - Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. - Discuss any adjustment to assay data.	Not applicable, no drilling conducted.

Criteria	JORC Code explanation	Commentary
<i>Location of data points</i>	• <i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i> • <i>Specification of the grid system used.</i> • <i>Quality and adequacy of topographic control.</i>	• All recent gravity surveys (>1995) in South Australia are controlled by fast static/ RTK GPS methods with a horizontal and vertical accuracy of +/- 5cm. Data that is <1995 was removed when a reasonable spread of recent data exists due to elevation data largely acquired barometrically. • The coordinates and gravity readings were supplied in GDA Datum, coordinates MGA94 Zone 53, height in Australian Height Datum and Observed gravity Isogal 84 (IGSN-71).
<i>Data spacing and distribution</i>	• <i>Data spacing for reporting of Exploration Results.</i> • <i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i> • <i>Whether sample compositing has been applied.</i>	• Gravity stations were acquired at ~1000m (Mt Morgan), ~1500m (Cootanoornia, Mt Morgan), ~2000m (Six Mile Hill) on regular spaced grids with some irregular spaced infill stations. • Gravity stations were read to ~0.01mGals and reduced to Bouguer Anomalies at 2.67 g/cc density.
<i>Orientation of data in relation to geological structure</i>	• <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i> • <i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i>	• Regular spaced gravity data has been deemed to suitable to identify and model IOCG type targets.
<i>Sample security</i>	• <i>The measures taken to ensure sample security.</i>	• Not applicable, no sampling conducted.
<i>Audits or reviews</i>	• <i>The results of any audits or reviews of sampling techniques and data.</i>	• Geophysical data were downloaded via the GADDs and SARAG data delivery services and reviewed by Kingston's Consultant Geophysicist.

1.2 Section 2 Reporting of Exploration Results

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

Criteria	JORC Code explanation	Commentary
<i>Mineral tenement and land tenure status</i>	<i>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</i> <i>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</i>	- Cootanoorina (EL 4462) is 100% owned by WesternX Pty Ltd (a wholly owned subsidiary of Kingston). The tenement is subject of a Native title claim by the Arabana People. There are no known impediments to obtaining a licence to operate in the area. - Six Mile Hill (EL 4494) is 100% owned by WesternX Pty Ltd (a wholly owned subsidiary of Kingston). The tenement is subject of a Native title claim by the Barngala People. There are no known impediments to obtaining a licence to operate in the area. - Mount Morgan (EL 5101) is 100% owned by Fleurieu Mines Pty Ltd (a wholly owned subsidiary of Kingston). The tenement is subject of a Native title claim by the Arabana People. The Company will require a Deed of Access with the Commonwealth as the EL lies within the Defence Infrequent Zone (Green) of the Woomera Prohibited Area. There are no known impediments to obtaining a licence to operate in the area. - ERA0036 has now progressed to ELA 2014/00058 status within the SA Dept Mineral Resources (DMITRE) and was awarded to Fleurieu Mines on or about 19 May 2014. Fleurieu Mines Pty Ltd (a wholly owned subsidiary of Kingston). The tenement is subject of a Native title claim by the Arabana People. There are no known impediments to obtaining a licence to operate in the area.

Criteria	JORC Code explanation	Commentary
<i>Exploration done by other parties</i>	<i>Acknowledgment and appraisal of exploration by other parties.</i>	Previous work within the Cootanoorina Tenement is restricted to a series of seismic lines and historic drill holes centered around the mid 1980's. Previous work on the Six Mile Hill tenement indicated approximately 50 drill holes all of which predate 1983 the average depth is approximately 40m (excluding three holes to holes to 558m, and 240m). Previous drilling within the Mount Morgan project indicates 14 Air Core holes with a maximum depth of 43m and one deeper hole to a depth of 889.55m Note that all previous holes on all the above projects have failed to drill to sufficient depths to test the current gravity targets discussed in this announcement.
<i>Geology</i>	<i>Deposit type, geological setting and style of mineralisation.</i>	Targeted mineralization style centres around a IOCG style of mineralization
<i>Drill hole Information</i>	<i>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:</i> <i>easting and northing of the drill hole collar</i> <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i> <i>dip and azimuth of the hole</i> <i>down hole length and interception depth</i> <i>hole length.</i> <i>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</i>	Not applicable, no drilling conducted.
<i>Data aggregation methods</i>	<i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</i>	Not applicable, no drilling conducted.

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Criteria	JORC Code explanation	Commentary
	- Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. - The assumptions used for any reporting of metal equivalent values should be clearly stated.	
Relationship between mineralisation widths and intercept lengths	- These relationships are particularly important in the reporting of Exploration Results. - If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. - If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').	Not applicable, no drilling conducted.
Diagrams	Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.	Refer to Figure 1 in Announcement.
Balanced reporting	Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.	Known Geophysical results for target areas in tenements mentioned in this Announcement are reported.
Other substantive exploration data	Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.	Known Geophysical results for target areas in tenements mentioned in this Announcement are reported.
Further work	- The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling). - Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	Company is now progressing to the design phases for geophysical surveying for the Cootanoorina, Mount Morgan and Six Mile Hill projects.