

More drilling success at Misima with positive results at Umuna East

Third area yields shallow gold mineralisation as part of strategy to define early mill feed

- 13-hole, 1,373m diamond drill program completed in the Umuna East area.
- Initial results are very encouraging, with a number of shallow intersections reported. Highlights include:
 - 12m @ 1.31g/t Au from 2m
 - 14.6m @ 0.96g/t Au from 11.4m including 3.6m @ 1.59g/t and 3m @ 1.11g/t Au
 - 6m @ 2.32g/t Au from 80m
 - 4m @ 1.11g/t Au from 37m
 - 10m @ 0.96g/t Au including 4m @ 1.5g/t Au from 28m
- Following recent positive drilling results at Misima North and Quartz Mountain, Umuna East represents a third success in the Company's ongoing campaign to identify areas of shallow mineralisation for potential early stage, starter pit ore.

Kingston Resources Limited (ASX: **KSN**) (**Kingston** or the **Company**) is pleased to report significant intersections of gold mineralisation from the recent drilling campaign at Umuna East, part of its **2.8Moz Misima Gold Project** in PNG.

Highlights from the initial assays received from Umuna East include:

- 12m @ 1.31g/t Au from 2m in GDD050
- 14.6m @ 0.96g/t Au from 11.4m including 3.6m @ 1.59g/t Au and 3m @ 1.11g/t Au in GDD052
- 4m @ 0.97g/t Au including 2m @ 1.49g/t Au from surface in GDD053
- 10m @ 0.96g/t Au including 4m @ 1.5g/t Au from 28m in GDD053
- 6m @ 2.32g/t Au from 80m in GDD054
- 4m @ 1.11g/t Au from 37m in GDD056
- 7m @ 0.98g/t Au from 42m in GDD062
- 3.3m @ 1.04g/t Au from 59.6m in GDD052
- 2.3m @ 2.54g/t Au from 125.3m in GDD052

The results confirm the presence of significant gold mineralisation close to surface and continuing at depth at Umuna East, which is located just 500m east of the historical Umuna pit and within the existing Inferred Resource. The results are expected to contribute towards a potential upgrade and extension of the Resource.



ASX: KSN
Shares on Issue: 177M
Market Cap: A\$28M
Cash: A\$4.1M (31 Dec 2019)



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Kingston Resources Managing Director, Andrew Corbett, said: “This is another important step towards our objective of delineating multiple areas of shallow mineralisation which can underpin potential starter pits at Misima. Coming on the back of the great results delivered recently at both Quartz Mountain and Misima North, Umuna East is now also showing excellent potential to host the shallow, low strip mineralisation that our exploration strategy is focused on delivering.

“It is a credit to the Kingston exploration team that we now have three areas each with strong potential to provide early mill feed as part of our Misima development strategy. The exploration success in each of these areas also demonstrates the under-explored nature of Misima Island despite the extensive mining history and large-scale resource we already have in place.

“Looking ahead, drilling activity is now focused on the Stage 2 drilling program back in the Quartz Mountain area, in particular Ewatinona and Abi as we look to upgrade and potentially expand the Inferred Resource in that area. Following that program, we then plan to return to Misima North and Umuna East for Stage 2 drilling.”

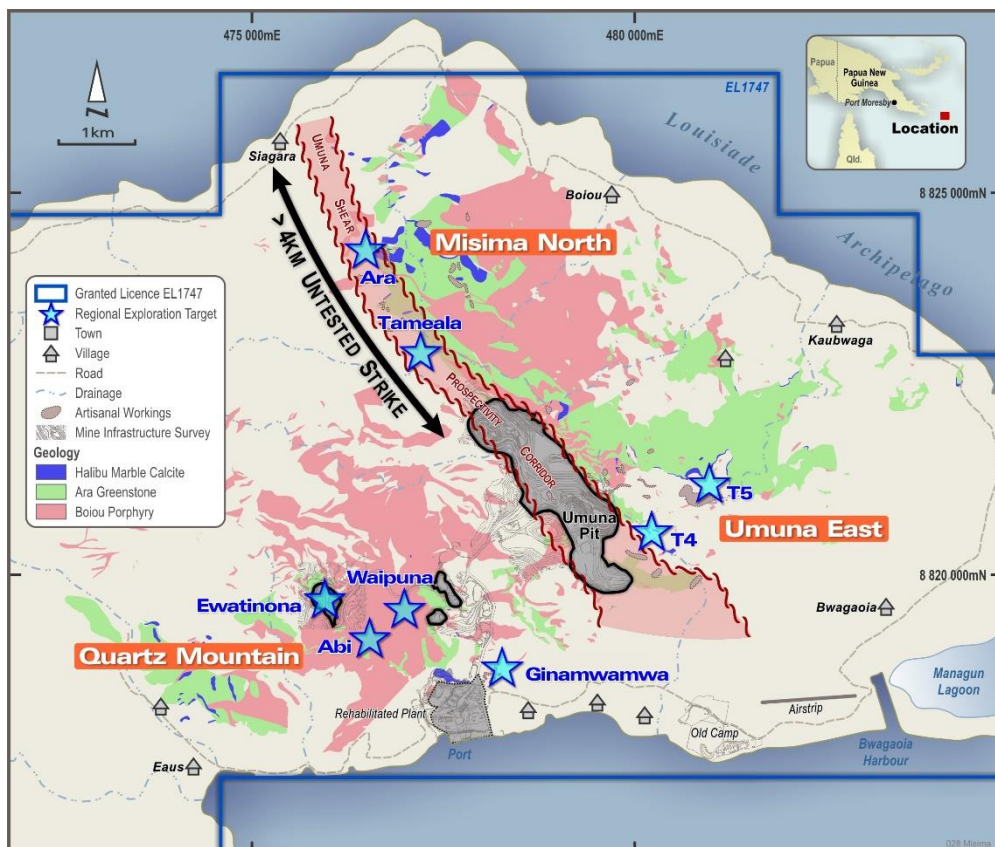


Figure 1. Misima Gold Project – Regional target map

Umuna East

The Umuna East drilling was completed approximately 500m from the Umuna Pit and within the Umuna Inferred Resource, targeting potential near-surface oxide mineralisation. The results have confirmed the existing mineralisation within the Resource and are expected to contribute towards upgrading and potentially expanding the Resource in the Umuna East area.

The results are highly encouraging as they are consistent with the Company's strategy of delineating near-surface mineralisation for potential starter pits which would materially enhance the economics of accessing the main Umuna Resource.

Geological mapping has demonstrated that the geology of the Umuna East area is complex, with multiple sets of structures and small-scale variation between different lithologies influencing the distribution of mineralisation.

Steep to moderate dipping structures and associated brecciation is common and is correlated with the elevated gold grades throughout the area. The high concentration of faults, fractures and breccias combined with supergene upgrade has created a large, near-surface, medium grade gold “halo” with high grade pods and structures contained within.

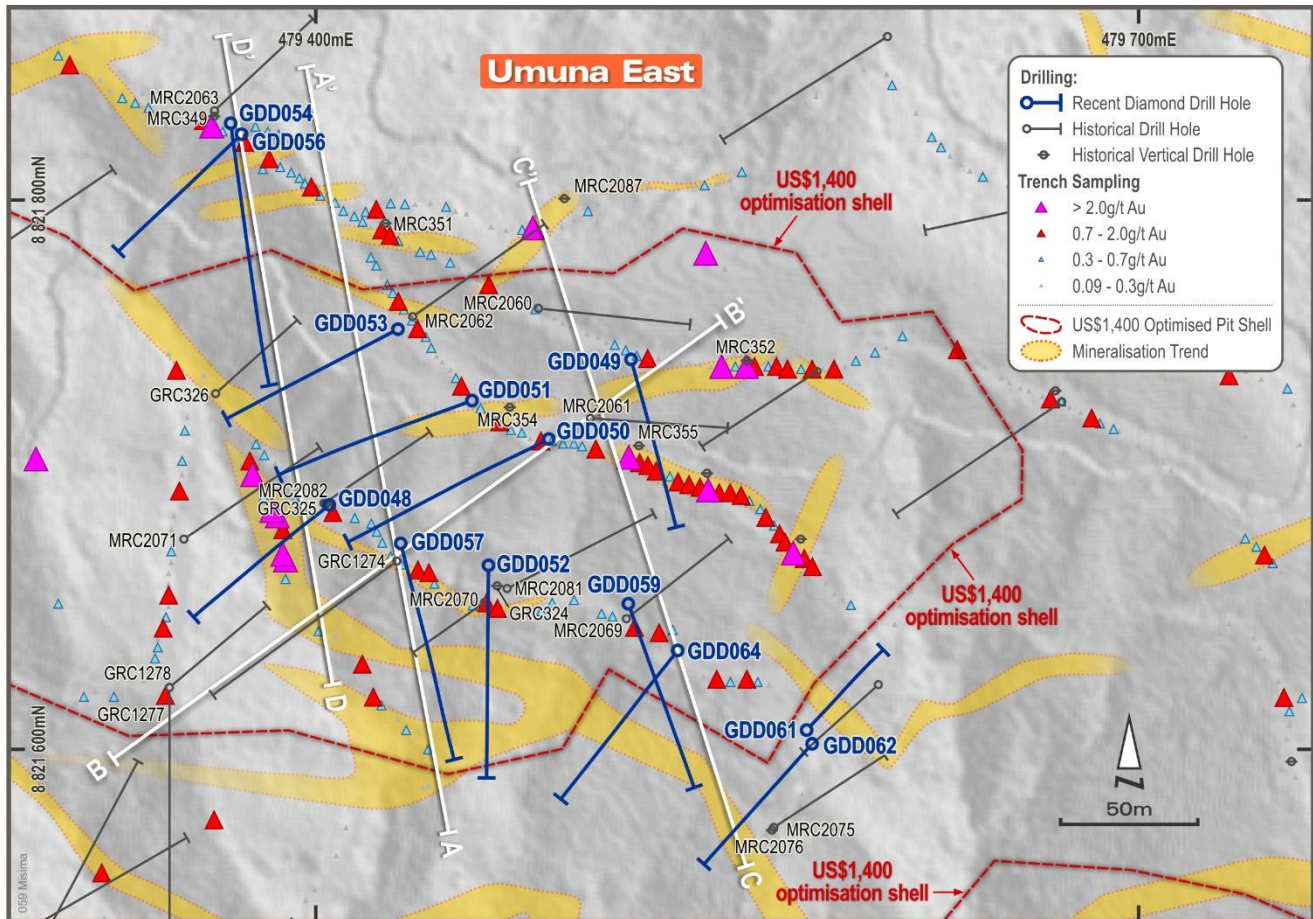


Figure 2. Umuna East: Recent and historic drill holes and regional surface geochemistry

Mineralisation is either at or close to surface with multiple holes displaying mineralisation from surface or directly below surface from depths as shallow as 2m. Oxide and sulphide mineralisation has been drill tested and confirmed as extending to at least 100m below surface. Consistent with the current exploration strategy, drilling at Umuna East has been designed to target shallower mineralisation; however, results have identified the presence of mineralisation in deeper zones or at the bottom of several holes, opening up the potential for depth extensions in the area.

The combination of shallow dispersed oxide material with high-grade structures and pods extending to depth presents as a “bulk tonnage” style target.

Earlier reconnaissance mapping of the area has shown that mineralisation in drilled areas is potentially laterally continuous with hand specimens retrieved from float material in the area displaying brecciation with base metal mineralisation (galena, sphalerite & chalcopyrite) known to be associated with gold mineralisation. These encouraging results from mapping and diamond drilling has prompted the Company to undertake a

program of further trenching in multiple undrilled areas. Two trenches are currently being excavated with both trenches intersecting zones of brecciation. It is expected that these trenches will provide additional information on the geometry and trend of the mineralised breccias at Umuna East.

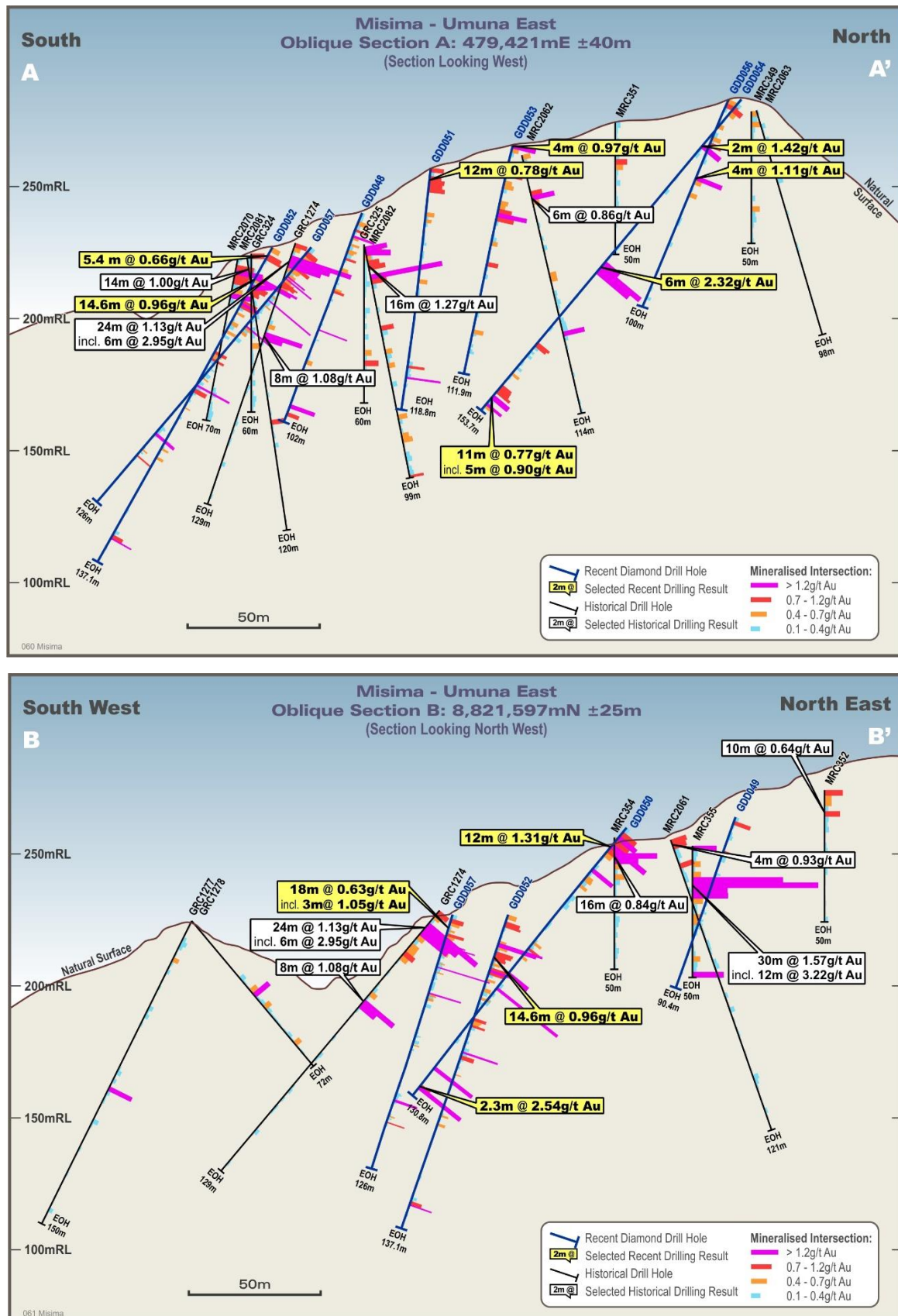


Figure 3. Umuna East cross sections incorporating current and historic drilling results

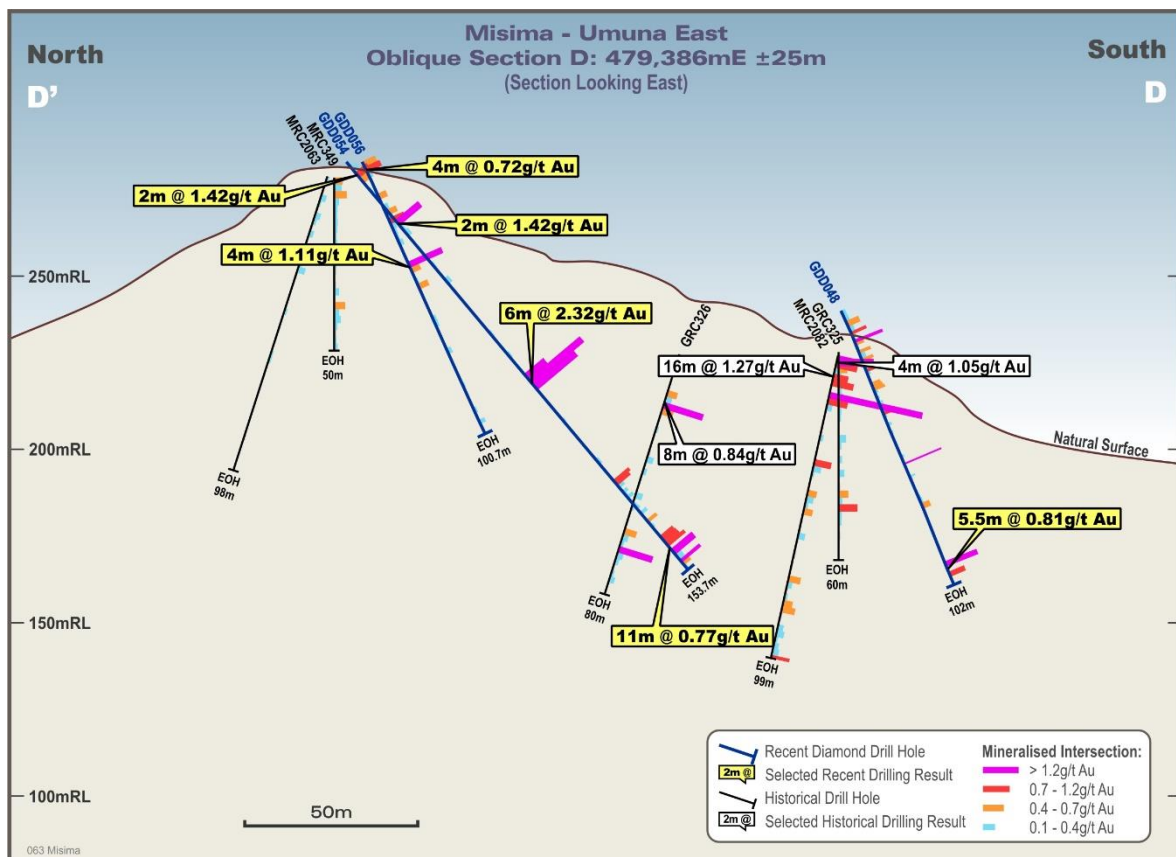
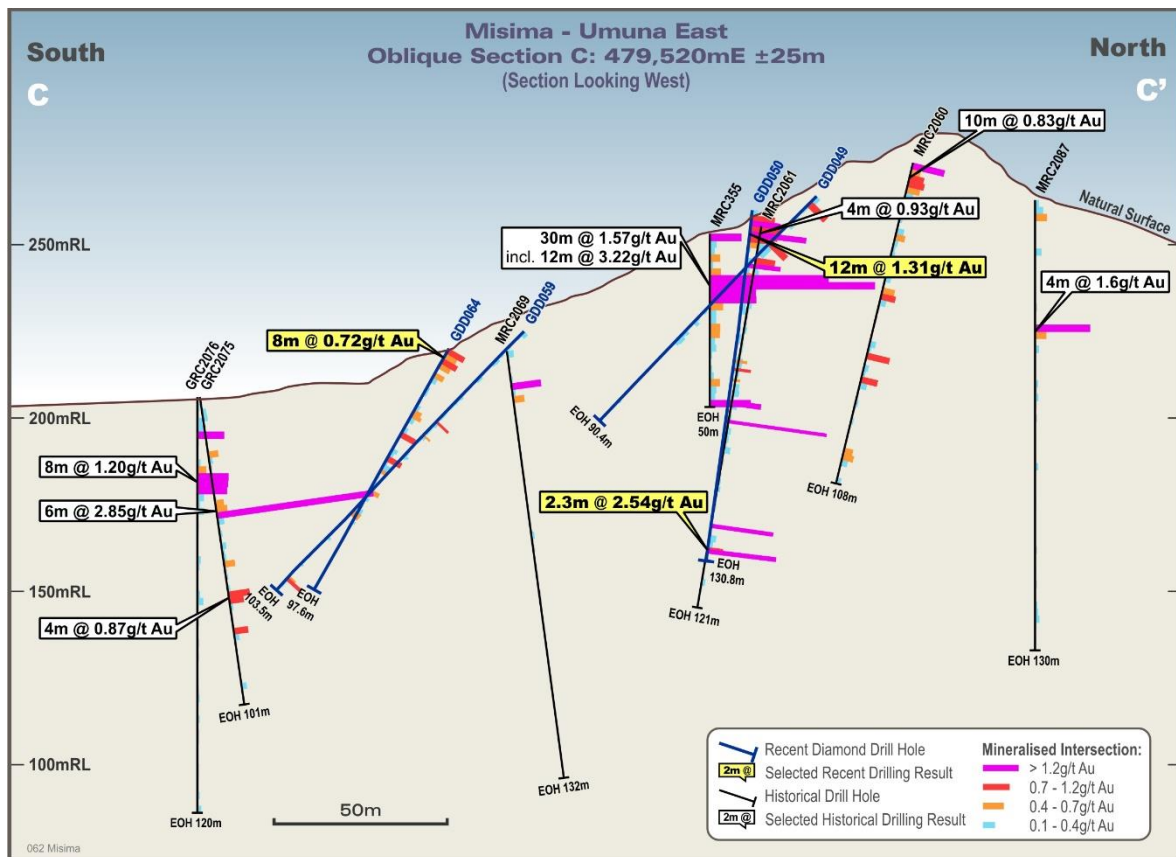


Figure 4. Umuna East cross sections incorporating current and historic drilling results

Next Steps

Kingston is currently drilling the Ewatinona and Abi prospects within the Quartz Mountain area. Drilling here is expected to contribute to a potential upgrade and possible expansion of the existing 220koz Inferred Resource at Ewatinona. At the conclusion of this program it is anticipated that follow-up drilling will be undertaken at both Misima North and Umuna East.

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

Hole ID	Status	From	To	Interval	Au (ppm)	Ag (ppm)	Cu (ppm)	Pb (ppm)	Zn (ppm)
GDD048	Final	4	23	19	0.45	6.1	215	212	1197
		27	30	3	0.51	2.5	105	174	504
		37	39	2	0.62	1.6	107	887	730
		57	57.5	0.5	1.93	7.3	6	152	250
		72	74	2	0.41	1.6	28	19	217
		93.5	99	5.5	0.81	2.4	67	22	151
				1.8	1.65	0.9	37	17	189
GDD049	Final	2	4	2	1.12	2.7	188	513	1081
		18	20	2	1.08	0.7	82	372	255
		32.7	34	1.3	0.58	0.7	33	29	315
GDD050	Final	2	14	12	1.31	0.8	284	1371	432
		20	29	9	0.61	1.6	206	236	610
		56	57	1	0.44	0.8	0	13	923
		59	60	1	0.862	1.00	4	27	1347
		71	72.9	1.9	1.58	0.0	106	656	1096
		78.3	79.4	1.1	2.80	0.5	73	928	1087
		116.7	118.1	1.4	3.02	0.0	205	41	249
		125.3	127.6	2.3	2.54	0.6	69	12	219
GDD051 incl	Final	0	12	12	0.78	1.9	573	861	390
				8	0.90	2.7	655	808	441
		22	27.1	5.1	0.40	0.3	160	417	1605
		55	58	3	0.56	0.0	163	545	1628
		97	98.1	1.1	1.07	0.0	97	224	590
		102.5	103.3	0.8	2.19	1.2	443	926	2227
GDD052 incl & incl & incl	Final	0	5.4	5.4	0.66	0.5	356	1274	1409
		11.4	26	14.6	0.96	1.1	223	897	1389
				3.6	1.59	0.5	224	243	1301
				4	0.94	2.1	267	1784	1556
				3	1.11	1.6	176	811	1427
		28	29	1	0.569	0.0	344	103	409
		32	33.5	1.5	0.488	0.0	170	636	798
		36	37	1	0.65	0.0	169	407	795
		45	48.8	3.8	0.69	0.4	24	26	392
		59.6	62.9	3.3	1.04	1.6	77	883	831
		69.4	69.8	0.4	0.41	0.5	4	48	446
		87.3	88	0.7	0.50	0.9	5	38	195
		91	92	1	0.49	1.3	7	33	131
		125.1	127	1.9	0.93	1.6	723	1340	3768

GDD053	Final	0	4	4	0.97	1.2	317	856	436
		14	22	8	0.58	0.7	426	601	407
		28	38	10	0.96	1.5	556	182	1825
				4	1.51	2.6	404	336	2545
		48	50	2	0.41	1.2	123	268	906
		58	60	2	0.72	0.0	46	32	575
		90.6	92.6	2	0.67	0.9	15	607	1009
GDD054	Final	4	8	4	0.56	4.9	153	440	1012
		22	24	2	1.42	0.9	200	699	1103
		80	86	6	2.32	2.1	495	1945	2687
		120	122	2	0.89	0.0	6	31	639
		135	136	1	0.56	0.7	132	1136	2799
		141	152	11	0.77	1.7	294	1536	2664
				4	0.87	3.2	455	2713	4327
GDD056	Final	0	4	4	0.72	0.7	149	423	1058
		12	14	2	0.43	4.3	540	1358	2427
		18.1	20	1.9	0.57	1.6	236	219	1952
		21	23.07	2.07	0.80	2.8	431	1107	920
		37	41	4	1.11	2.7	164	646	1179
		45	47	2	0.51	0.8	165	228	750
GDD057	Final	2	20	18	0.63	0.5	258	1000	423
				3	1.05	0.6	510	942	142
				1.2	1.36	0.0	229	1685	1158
		23.5	28.5	5	0.66	0.8	226	904	58
		38.4	42.1	3.7	0.71	2.0	346	418	57
		64	64.5	0.5	0.44	1.5	84	75	559
		91.4	92.5	1.1	1.54	0.3	374	9615	1676
GDD059	Final	99.5	100	0.5	0.41	0.0	2	27	178
		102.5	103	0.5	1.19	0.0	44	9	128
		36	36.7	0.7	0.78	0.0	33	117	1325
		41.5	42	0.5	0.43	0.0	23	378	338
		71	73	2	0.44	0.0	46	9	173
		97.9	99.5	1.6	0.72	0.0	7	258	39
GDD061	Final	14.5	15.5	1	1.04	0.6	70	30	575
		35.2	36	0.8	0.97	0.0	6	23	225
GDD062	Final	33	34.5	1.5	0.42	0.0	0	0	319
		42	49	7	0.98	0.8	63	373	715
		58	60	2	0.58	0.0	45	26	235
GDD064	Final	0	8	8	0.72	0.5	117	546	355
		8	9.7	1.7					
		9.7	11.7	2	0.51	13.0	127	504	660
		25	28	3	0.46	2.2	9	564	22
		34	36	2	0.77	1.3	14	8	272
		43.7	45.7	2	0.76	0.0	11	102	500
		49	50.4	1.4	0.40	0.0	8	220	649
GDD064	No Core	57.1	58.7	1.6	0.52	0.0	40	77	409

Table 2: Drill hole collar details

Hole ID	Easting	Northing	RL	Azimuth	Dip	Depth
GDD048	479405	8821689	240	230	-50	102.0
GDD049	479515	8821742	264	165	-45	90.4
GDD050	479485	8821713	260	242	-50	130.8
GDD051	479457	8821727	257	250	-50	118.0
GDD052	479463	8821667	227	180	-60	90.8
GDD053	479430	8821753	266	242	-50	111.9
GDD054	479369	8821828	283	173	-50	153.7
GDD056	479373	8821824	283	228	-50	100.7
GDD057	479431	8821675	227	165	-50	126.0
GDD059	479514	8821653	225	160	-45	103.5
GDD061	479579	8821607	213	42	-50	63.3
GDD062	479581	8821602	213	221	-45	84.1
GDD064	479532	8821636	220	218	-45	97.6

This release has been authorised by the Kingston Resources Limited Board. 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

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.