ASX Announcement

19 December 2018

ASX Code: KSN

Share Price: A$0.015

Shares Outstanding: 1,223,198,383

Market Capitalisation: A$18m

Cash: A$5m (30 Sept 2018)

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14m at 17g/t Au in Ginamwamwa trenching

Highlights

- **Trenching at east Ginamwamwa extends large area of high-grade shallow gold:**
  - **14m @ 17.0g/t Au with fine visible gold**
  - **2m @ 140.0g/t Au**
  - **12m @ 9.68g/t Au**
- **Structural mapping ongoing in preparation for drill testing in early 2019**

Kingston Resources Limited (**Kingston** or the **Company**) is pleased to announce further high-grade gold assays in surface geochemistry at the Company's Misima Gold Project (KSN 70%).

Sampling on recent trenches on the eastern side of the Ginamwamwa prospect has encountered grades as high as 140.0g/t Au along strike from visible gold in artisanal workings, as announced in September 2018[1]. In the same trench, fine visible gold in quartz was observed in high-grade samples within a 14m zone of mineralisation averaging 17.0g/t Au. Further east of this occurrence and on the same trend, a second trench intersected a zone of 12m @ 9.68g/t Au. Highlights include:

- 14m @ 17.0g/t Au, at surface
  - *Including 6m @ 33.27g/t Au*
- 2m @ 140.0g/t Au, at surface
- 12m @ 9.68g/t Au, at surface
  - *Incl. 8m @ 14.2g/t Au*

Surface mapping is ongoing over the eastern area of Ginamwamwa, and the field team is completing a program of auger sampling over the main mineralised trend to add definition to the surface mineralisation. The Company intends to undertake drill testing in early 2019.

Kingston Resources Limited Managing Director, Andrew Corbett said: "Ginamwamwa is continuing to deliver some amazing gold grades near surface. We are seeing bonanza gold grades immediately west of some artisanal workings where we identified gold in veins in September, and 100m further east of that, on the other side of the creek we are seeing more high grades in an intersection of 8m @ 14.2g/t with individual samples up to 39g/t. We are really looking forward to drilling Ginamwamwa in the New Year."

[1] ASX announcement 26/09/2018 "Visible gold at Ginamwamwa"

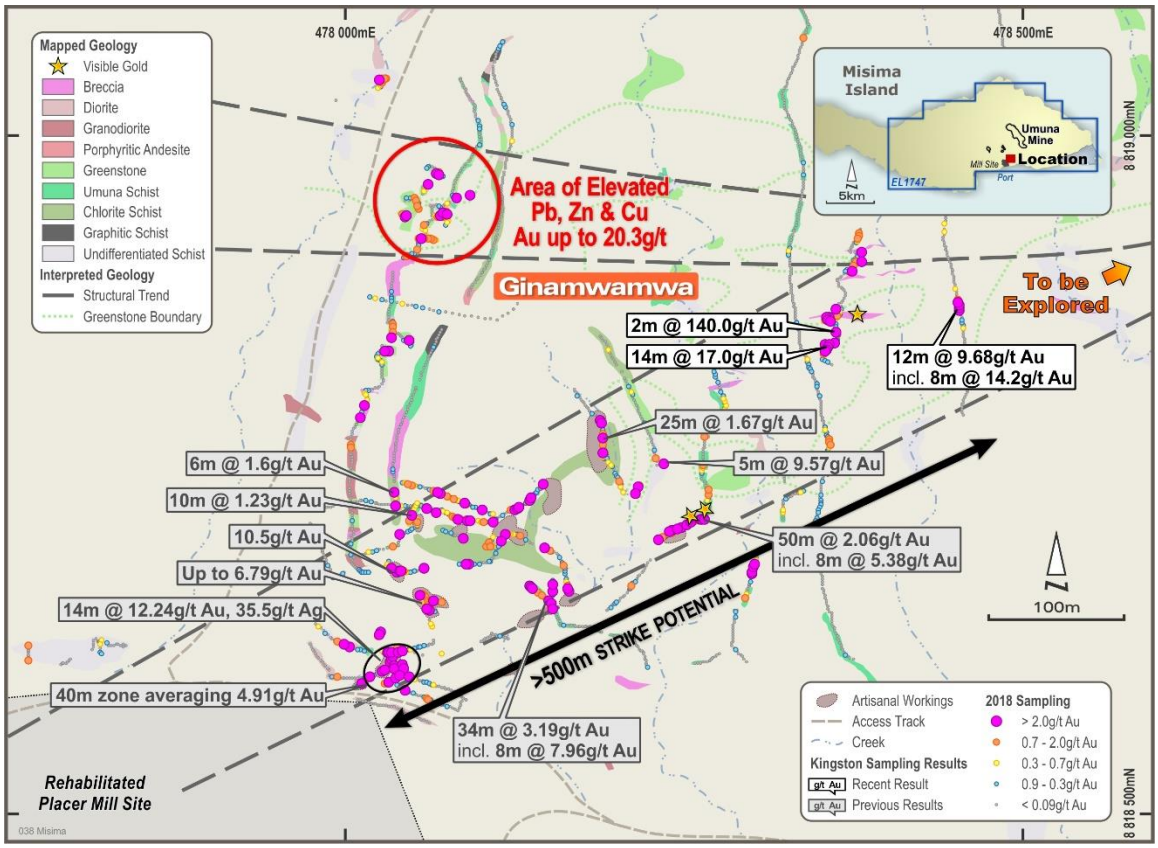

Figure 1: Ginamwamwa prospect with highlighted recent trench results

Figure 2: Fine gold in quartz 478354.6mE, 8818842.4mN, GDA94 zone 56.

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Table 1: Sample details for surface channel samples assaying >0.5g/t Au including lower grade values within selected intersections. Coordinates are in GDA94 Zone 56 projection.

Sample No	Easting	Northing	RL	Width (m)	g/t Au
798956	478044	8818591	43	2.0	2.09
798966	478060	8818585	39	2.0	0.89
798967	478061	8818584	38	2.0	0.96
798992	478037	8818727	109	2.0	4.12
818529	478017	8818693	99	2.0	0.56
818612	478454	8818870	95	2.0	0.55
818613	478453	8818871	95	2.0	3.10
818614	478453	8818873	95	2.0	9.92
818615	478453	8818875	96	2.0	39.10
818616	478452	8818877	96	2.0	4.64
818617	478452	8818879	96	2.0	0.81
821613	478379	8818928	69	2.0	1.57
821614	478379	8818926	69	2.0	1.24
821615	478378	8818924	69	2.0	1.66
821617	478378	8818922	72	2.0	0.59
821634	478377	8818907	74	2.0	0.95
821636	478375	8818904	73	2.0	1.10
821666	478363	8818867	64	2.0	1.88
821667	478362	8818865	63	2.0	0.34
821668	478359	8818866	63	2.0	0.68
821669	478357	8818866	63	2.0	4.97
821670	478355	8818866	63	2.0	2.07
821671	478354	8818864	63	2.0	1.10
821672	478356	8818864	62	2.0	3.73
821673	478358	8818863	61	2.0	3.84
821678	478362	8818857	56	2.0	0.50
821679	478362	8818855	55	2.0	6.02
821681	478362	8818855	55	2.0	140.00
821682	478363	8818854	54	2.0	1.71
821686	478363	8818849	49	2.0	0.19
821687	478361	8818847	48	2.0	12.90
821688	478359	8818847	47	2.0	0.07
821689	478357	8818846	46	2.0	5.02
821690	478356	8818844	46	2.0	10.10
821691	478355	8818842	45	2.0	32.80
821692	478354	8818841	44	2.0	56.90
821693	478353	8818839	44	2.0	1.25
821694	478353	8818837	43	2.0	0.08

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Competent Persons Statement and Disclaimer
The information in this report that relates to 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 which holds a 50koz resource and is the site of a number of high grade historic intersections.

KSN project locations.

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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	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.

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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	JORC Code explanation	Commentary
Sampling techniques	• Nature and quality of sampling (e.g. 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 (e.g. '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 (e.g. submarine nodules) may warrant disclosure of detailed information.	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. • Samples were air-dried before being sent to Intertek, where gold fire assays were performed using a 50g charge. The sample pulps were assayed for a 33-element suite using a 4-acid digest followed by OES and MS analysis.
Drilling techniques	• Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. 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.).	• N/A
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.	• N/A
Logging	• Whether core and chip samples have been geologically and geotechnically logged to a	Surface Sampling

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Criteria	JORC Code explanation	Commentary
	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.	• Samples were logged for lithology as far as possible given the weathered conditions of most samples. • Measurements were also recorded for any structures present within each sampled interval. •
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.	• 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
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 (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.	Surface Sampling • Standard reference materials were inserted at a frequency of one per 20 samples • Field duplicates were inserted at a frequency of one per 20 samples • No blank materials were used. • QAQC performance is tracked using acQuire database software. • Acceptable levels of accuracy have been achieved using these techniques. •
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.	• 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
Location of data points	• 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	Surface Sampling • Sample locations were recorded using a hand-held Garmin GPS, recording X,Y,Z positions in GDA94 datum (Zone 56).

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Criteria	JORC Code explanation	Commentary
	estimation. • Specification of the grid system used. • Quality and adequacy of topographic control.	
Data spacing and distribution	• Data spacing for reporting of Exploration Results. • 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. • Whether sample compositing has been applied.	Surface Sampling • Each channel sample represents an interval of approximately 2m. Some variances occur due to gradients (apparent horizontal sample width less than down-slope measured width). • No compositing has been applied.
Orientation of data in relation to geological structure	• Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. • 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.	Surface Sampling • This set of channel sampling was conducted within artisanal workings and in pre-planned trench alignment. As such, there is no set orientation with respect to local geology or structure for the artisanal workings. Some samples are taken along the strike of mineralisation. • Contiguous samples are not intended to reflect true widths of mineralisation. There is insufficient data to estimate the true or apparent widths of mineralised structures. • The significance of these samples is in their assay values that demonstrate high-grade gold mineralisation in the area, and they have no implication on potential size or tonnages of material present.
Sample security	• The measures taken to ensure sample security.	• 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.
Audits or reviews	• The results of any audits or reviews of sampling techniques and data.	• Not applicable

Section 2 Reporting of Exploration Results

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

Criteria	JORC Code explanation	Commentary
Mineral tenement and	• Type, reference name/number, location and ownership including agreements or	• Misima Island is part of the Louisiade Archipelago within Milne Bay Province of

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Criteria	JORC Code explanation	Commentary
land tenure status	material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. • 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.	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 *Mining Act* 1992.
Exploration done by other parties	• Acknowledgment and appraisal of exploration by other parties.	• 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).
Geology	• Deposit type, geological setting and style of mineralisation.	• 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.

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Criteria	JORC Code explanation	Commentary
		• 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.
Drill hole Information	• 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: o easting and northing of the drill hole collar	• Hole locations and orientations are displayed in the table within the body of the announcement.

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Criteria	JORC Code explanation	Commentary
	○ elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar ○ dip and azimuth of the hole ○ down hole length and interception depth ○ hole length. • 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.	
Data aggregation methods	• In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated. • 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.	• 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.
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 (e.g. 'down hole length, true width not known').	• 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.
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.	• See figures in release
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.	• 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.

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Criteria	JORC Code explanation	Commentary
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.	• Mapping and structural data is not available at this stage • Other relevant exploration data is released to the market on an ongoing basis.
Further work	• The nature and scale of planned further work (e.g. 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.	• Exploration drilling is planned to continue for the remainder of 2018 and into 2019. • Further work may also involve structural mapping and interpretation, channel sampling orthogonal to mineralised structures, and possibly drilling.

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