



Notice of Extraordinary General Meeting

This is an important document. Please read it carefully.

If you are unable to attend the Extraordinary General Meeting, please complete the proxy form enclosed and return it in accordance with the instructions set out on that form.

The Extraordinary General Meeting of the Company will be held at the offices of Hall Chadwick, Level 40, 2 Park Street, Sydney, NSW 2000 at 2 pm on 7 June 2018.

Kingston Resources Limited

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is hereby given that the Extraordinary General Meeting of Shareholders of Kingston Resources Limited (Kingston or Company) will be held at the office of Hall Chadwick, Level 40, 2 Park Street, Sydney, NSW 2000 at 2 pm (Sydney Time) on 7 June 2018. The Explanatory Statement to this Notice of Meeting provides additional information on matters to be considered at the Extraordinary General Meeting. The Explanatory Statement and the Proxy Form are part of this Notice of Meeting.

Pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth), the persons eligible to vote at the General Meeting are those who are registered Shareholders of the Company at 7.00 pm (Sydney Time) on 5 June 2018.

The terms and abbreviations used in this Notice and Explanatory Statement are defined in the attached Glossary.

AGENDA

BUSINESS

Resolution 1 – Ratification of Prior Issue of Misima Transaction Shares (WCB Liabilities and Advisor Fees)

To consider and, if thought fit, to pass the following Resolution as an ordinary resolution:

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the Shareholders ratify the allotment and prior issue of 21,272,386 fully paid ordinary Shares (Misima Transaction Shares) on terms and conditions all of which are described in the Explanatory Statement which accompanies and forms part of the Notice of Meeting.”

Resolution 2 – Ratification of Prior Issues of Placement Shares

To consider and, if thought fit, to pass the following separate Resolutions as ordinary resolutions:

(a) *“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the Shareholders ratify the allotment and prior issue of 97,507,877 fully paid ordinary Shares (Placement Shares) on terms and conditions all of which are described in the Explanatory Statement which accompanies and forms part of the Notice of Meeting.”*

(b) *“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the Shareholders ratify the allotment and prior issue of 96,492,123 fully paid ordinary Shares (Placement Shares) on terms and conditions all of which are described in the Explanatory Statement which accompanies and forms part of the Notice of Meeting.”*

Resolution 3 – Ratification of Prior Issue of Livingstone Shares

To consider and, if thought fit, to pass the following Resolution as an ordinary resolution:

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the Shareholders ratify the allotment and prior issue of 16,413,039 fully paid ordinary Shares (Livingstone Shares) on terms and conditions all of which are described in the Explanatory Statement which accompanies and forms part of the Notice of Meeting.”

Resolution 4 - Approval to correct the terms and conditions of the Short Term Incentive Performance Rights granted to Mr Andrew Corbett

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an ordinary resolution:

“That Shareholders approve the correction of the terms and conditions attaching to 6,399,266 Short Term Incentive Performance Rights granted to Mr Andrew Corbett (or his nominee), the Managing Director of the Company, as set out in the Explanatory Statement.”

Resolution 5 - Approval to correct the terms and conditions of the Short Term Incentive Performance Rights granted to Mr Andrew Paterson

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an ordinary resolution:

“That Shareholders approve the correction of the terms and conditions attaching to 5,446,184 Short Term Incentive Performance Rights granted to Mr Andrew Paterson (or his nominee), as set out in the Explanatory Statement.”

Voting Exclusion Statement

The following voting exclusion statement applies to the Resolutions under the Listing Rules or, where applicable, the provisions of the *Corporations Act*, to the following persons (“**Excluded Persons**”). The Company will disregard any votes cast in favour of the following Resolutions by or on behalf of the following Excluded Persons:

Resolution No.	Title	Excluded Persons
1 - 3	Ratification of the Prior Issue of Misima Transaction Shares, the Prior Issues of Placement Shares and the Prior Issue of Livingstone Shares	Any person or entity who participated in the issue or an Associate of those persons or entities.
4	Approval to correct the terms and conditions of the Short Term Incentive Performance Rights granted to Mr Andrew Corbett	Mr Andrew Corbett or any of his Associates, or a KMP or Closely Related Party of a KMP.
5	Approval to correct the terms and conditions of the Short Term Incentive Performance Rights granted to Mr Andrew Paterson	Mr Andrew Paterson or any of his Associates, or a KMP or Closely Related Party of a KMP.

However, the Company need not disregard a vote on any of the Resolutions if it is cast by:

1. a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
2. the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

A vote may be cast on Resolutions 4 and 5 by a KMP or a Closely Related Party of a KMP if:

1. the KMP is acting as proxy and the proxy form specifies how the proxy is to vote, and the vote is not cast on behalf of a person who is otherwise excluded from voting on these Resolutions as described above; or
2. the KMP is the Chair voting an undirected proxy which expressly authorises the Chair to vote the proxy on a resolution connected with the remuneration of a member of the KMP.

Voting by Proxy

The *Corporations Act* places certain restrictions on the ability of KMP and their Closely Related Parties to vote on resolutions connected directly or indirectly with the remuneration of the Company’s KMP. For those reasons, Shareholders who intend to vote by proxy should carefully consider the identity of their proxy and consider appointing someone other than one of the Company’s KMP as such proxies may not be able to vote undirected proxies.

If you appoint the Chairman as your proxy by marking the box at **STEP 1** on the Proxy Form, then you are providing express authorisation for the Chairman to vote on all Resolutions in accordance with his intentions as set out in this Notice and the Proxy Form (except where you have indicated a different voting intention by marking the voting boxes at **STEP 2** on the Proxy Form).

This express authorisation acknowledges that the Chairman may exercise your proxy in relation to Resolutions 4 and 5 even though it is connected with remuneration of a member of KMP and is a Resolution in respect of which the Chairman of the meeting has an interest. Votes cast by the Chairman on Resolutions 4 and 5 other than as an authorised proxy holder will be disregarded because of his interest in the outcome of the Resolutions.

The Chairman intends to vote available proxies in favour of all Resolutions.

Dated this 1st day of May 2018.

By Order of the Board



Anthony Wehby
Non-Executive Chairman

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of the Shareholders of the Company in connection with the business to be conducted at the Extraordinary General Meeting to be held at the offices of Hall Chadwick, Level 40, 2 Park Street, Sydney, NSW 2000 at 2 pm (Sydney Time) on 7 June 2018.

The purpose of this Explanatory Statement is to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions in the Notice of Meeting.

Background to Resolutions 1, 2(a) and 2(b) and 3 (to refresh capital raising capacity)

Listing Rule 7.1 allows the board of an ASX listed company to issue up to 15% of the company's issued capital in any 12-month period without shareholder approval.

Listing Rule 7.1A allows the board of an ASX listed company to seek shareholder approval for a special resolution to be passed at an Annual General Meeting in advance, that would provide the Company with the placement capacity to issue up to 10% (in addition to the 15% placement capacity already afforded to the company under Listing Rule 7.1) of the company's issued capital in a 12-month period.

Listing Rule 7.4 sets out an exception to Listing Rules 7.1 and 7.1A, which provides that where a company in a general meeting ratifies the previous issue of securities made pursuant to Listing Rules 7.1 and 7.1A (and provided that the previous issue did not breach the Listing Rules), those securities will be deemed to have been made with shareholder approval for the purposes of Listing Rules 7.1 and 7.1A.

Merger with WCB Resources Ltd

On 1 September 2017, WCB Resources Ltd (WCB) and Kingston announced the execution of a binding Heads of Agreement to merge the two companies by way of a Canadian Plan of Arrangement (Plan) under Canadian law. Each WCB shareholder would receive 4.5 ordinary shares of KSN for each common share of WCB they held in consideration for the transfer of those WCB shares to KSN (Merger).

Kingston was granted a waiver from Listing Rule 7.1 which confirmed prior in principle advice received from ASX Limited that it was not necessary for Kingston to obtain the approval of its shareholders for the issue of up to 302,601,974 shares to WCB shareholders and 1,350,000 options to WCB warrant holders as Plan consideration pursuant to the Plan (refer ASX Announcement on 7 September 2017).

On 17 November 2017, Kingston concluded the Merger with WCB, securing an interest in the 2.8Moz Misima Gold Project in Papua New Guinea. This brought a significantly more advanced exploration and development asset into the portfolio to complement Kingston's existing pipeline of earlier stage exploration assets.

Following completion of the Merger, Kingston issued 302,601,974 shares to WCB shareholders and 1,350,000 options to WCB warrant holders as referred to above, without utilising any Listing Rule 7.1 or 7.1A placement capacity. In addition, Kingston issued 15,220,351 ordinary shares to settle WCB liabilities for management compensation (6,862,645 subject to voluntary escrow for 12 months) and 6,052,035 ordinary shares issued as advisor fees pursuant to the Plan (Misima Transaction Shares), which utilised a portion of the Company's placement capacity to issue shares under Listing Rule 7.1.

Capital Raising

On 6 February 2018, Kingston announced the successful completion of an oversubscribed \$4.3m placement of 194m shares at a price of \$0.022 per share (Placement).

Placement funds raised would be primarily used to advance exploration activities at the Company's Misima Gold Project and Livingstone Gold Project in WA, including:

- Re-establishing the on-island presence and logistics support at Misima
- Continuing geochemical surveys at Misima
- Phase 1 drilling program at Misima on priority exploration targets
- Extensional and infill drilling at the known Misima resource
- Exploration drilling at Livingstone Gold Project
- General working capital

The Placement was undertaken pursuant to ASX Listing Rule 7.1 and 7.1A, with 97,507,877 shares being allotted under Listing Rule 7.1 and 96,492,123 shares allotted under Listing Rule 7.1A. The shares were issued on 12 February 2018.

In addition to the Placement, Kingston offered existing eligible shareholders the opportunity to participate in a Share Purchase Plan (SPP) to raise up to \$1,000,000 at the same issue price as the Placement, being \$0.022 per share. The SPP closed on 2 March 2018 with proceeds raised through the SPP providing the Company with additional working capital to progress its exploration and drilling activities at the Misima Gold Project and the Livingstone Gold Project.

Acquisition of Livingstone Gold Project

On 21 December 2016, Kingston announced the completion of the acquisition of an option over the Livingstone Gold Project. The Company advised that it had reached agreement with Trillbar Resources Pty Ltd (Vendors) on all terms relating to the exploration option and potential future development of the Livingstone Gold Project.

Kingston entered into a 12-month option agreement with the Vendors to purchase a 75% interest in the tenement E52/3403. The main terms of the option agreement were:

- The 12-month option period commenced from the date of grant of E52/3403 (21 December 2016);
- To purchase the option, Kingston would pay the Vendors 5.5 million shares (restricted) in KSN and 5 million options in KSN, exercisable at \$0.025 within three years of issue (refer ASX Announcement on 22 December 2016);
- Kingston would commit to a minimum \$200,000 exploration expenditure on the tenement;
- If it chooses to exercise the option, Kingston would pay the Vendors \$300,000 in Kingston shares, issued at a 10% discount to the 20-day VWAP prior to exercise; and
- The Vendors would retain a 25% interest in E52/3403 which will be free carried until a decision to mine is made over a defined mining area. If the Vendors choose not to contribute to expenditure beyond the decision to mine they will be diluted according to standard dilution practices. If the Vendors dilute to a less than 5% interest, then a 1.25% gross royalty is to be paid.

On 13 December 2017, Kingston announced that the Livingstone Gold Project in Western Australia received Exploration Incentive Scheme funding under the State Government's co-funded drilling program. Under this scheme Kingston was awarded co-funding of \$75,500 towards its planned drilling in 2018.

Following the successful exploration program conducted during the 12-month option period, Kingston confirmed that it had exercised the option to acquire 75% of the project and, in accordance with the terms of the option agreement, had issued 16,413,039 shares (Livingstone Shares) on 8 December 2017 to the Vendors which utilised a portion of the Company's placement capacity to issue shares under Listing Rule 7.1.

RESOLUTIONS

1. Resolution 1 – Ratification of Prior Issue of Misima Transaction Shares (WCB Liabilities and Advisor Fees)

Resolution 1 proposes that shareholders of the Company approve and ratify the issue and allotment of 21,272,386 Misima Transaction Shares which was made on 17 November 2017 as part of the completed Merger with WCB.

As noted above, the Company, as an ASX listed company is entitled to the 15% placement capacity pursuant to Listing Rule 7.1. The Company, at the 2017 Annual General Meeting held on 29 November 2017, obtained shareholder approval for the additional 10% placement capacity pursuant to Listing Rule 7.1A. As further noted above, the Company utilised a portion of its placement capacity Under Listing Rule 7.1 to issue and allot 21,272,386 Misima Transaction Shares.

The effect of approval of this Resolution 1 is to allow the Board of the Company to rely on Listing Rule 7.4, insofar as it relates to the issue of the 21,372,386 Misima Transaction Shares, which will allow the Company to issue additional securities utilising its placement capacity under Listing Rules 7.1 and 7.1A after this Resolution is adopted, instead of having to wait until 12 months after the issue (insofar as it relates to the issue of Misima Transaction Shares under Listing Rule 7.1) and until the next Annual General Meeting (which is when the placement capacity under Listing Rule 7.1A needs to be annually renewed).

Information Required by Listing Rule 7.5

The following information in relation to the Misima Transaction Shares is provided to shareholders for the purposes of Listing Rule 7.5:

- (a) The Company issued 21,272,386 Misima Transaction Shares utilising placement capacity under Listing Rule 7.1.
- (b) The Misima Transaction Shares were issued at the following prices:
 - 15,220,351 Misima Transaction Shares issued at \$0.015 per share; and
 - 6,052,035 Misima Transaction Shares issued at \$0.019 per share.

- (c) Misima Transaction Shares were fully paid on issue and rank equally in all aspects with all existing fully paid shares previously issued by the Company.
- (d) Misima Transaction Shares were issued to former WCB management and advisors to the Merger as part of the Plan announced by the Company on 1 September 2017.
- (e) No funds were raised as a result of the issue of Misima Transaction Shares. Issuing the Misima Transaction Shares allowed the Company to preserve its cash reserves.

The Chairman intends to vote all available proxies in favour of Resolution 1.

Directors' Recommendation

The Directors recommend that Shareholders vote **in favour** of Resolution 1.

2. Resolution 2(a) and 2(b)– Ratification of Prior Issues of Placement Shares

Resolutions 2(a) and 2(b) propose that shareholders of the Company approve and ratify the issue and allotment of a total number of 194,000,000 Placement Shares which was made on 12 February 2018 as part of the capital raising announced by the Company on 6 February 2018.

As noted above, the Company, as an ASX listed company is entitled to the 15% placement capacity pursuant to Listing Rule 7.1. The Company, at the 2017 Annual General Meeting held on 29 November 2017, obtained shareholder approval for the additional 10% placement capacity pursuant to Listing Rule 7.1A. As further noted above, the Company utilised a portion of its placement capacity Under Listing Rules 7.1 and 7.1A to issue and allot 194,000,000 Placement Shares.

The effect of approval of these Resolutions 2(a) and 2(b) is to allow the Board of the Company to rely on Listing Rule 7.4, and in effect, reset the placement capacity under both Listing Rules 7.1 and 7.1A, insofar as it relates to the issue of a total number of 194,000,000 Placement Shares, which will allow the Company to issue additional securities utilising its placement capacity under Listing Rules 7.1 and 7.1A after these Resolutions are adopted, instead of having to wait until 12 months after the issue (insofar as it relates to the issue of Placement Shares under Listing Rule 7.1) and until the next Annual General Meeting (which is when the placement capacity under Listing Rule 7.1A needs to be annually renewed).

Information Required by Listing Rule 7.5

The following information in relation to the Placement Shares is provided to shareholders for the purposes of Listing Rule 7.5:

- (a) The Company issued 97,507,877 Placement Shares utilising placement capacity under Listing Rule 7.1 and 96,492,123 Placement Shares utilising its placement capacity under Listing Rule 7.1A. In total, the Company issued 194,000,000 Placement Shares.
- (b) The Placement Shares were issued at \$0.022 per Placement Share.
- (c) Placement Shares were fully paid on issue and rank equally in all aspects with all existing fully paid shares previously issued by the Company.
- (d) Placement Shares were issued to institutional and sophisticated investors invited by the Company to subscribe for Placement Shares as part of the capital raising announced by the Company on 6 February 2018.
- (e) Funds raised from the issue will be primarily used to advance exploration activities at the Company's Misima Gold Project and Livingstone Gold Project in WA, including:
 - Re-establishing the on-island presence and logistics support at Misima
 - Continuing geochemical surveys at Misima
 - Phase 1 drilling program at Misima on priority exploration targets
 - Extensional and infill drilling at the known Misima resource
 - Exploration drilling at Livingstone Gold Project
 - General working capital

The Chairman intends to vote all available proxies in favour of Resolution 2(a) and Resolution 2(b).

Directors' Recommendation

The Directors recommend that Shareholders vote **in favour** of Resolutions 2(a) and 2(b).

3. Resolution 3 - Ratification of Prior Issue of Livingstone Shares

Resolution 3 proposes that shareholders of the Company approve and ratify the issue and allotment of 16,413,039 Livingstone Shares which was made on 8 December 2017 following the exercise of the option agreement with Trillbar Resources Pty Ltd.

As noted above, the Company, as an ASX listed company is entitled to the 15% placement capacity pursuant to Listing Rule 7.1. The Company, at the 2017 Annual General Meeting held on 29 November 2017, obtained shareholder approval for the additional 10% placement capacity pursuant to Listing Rule 7.1A. As further noted above, the Company utilised a portion of its placement capacity Under Listing Rule 7.1 to issue and allot 16,413,039 Livingstone Shares.

The effect of approval of this Resolution 3 is to allow the Board of the Company to rely on Listing Rule 7.4, insofar as it relates to the issue of the 16,413,039 Shares, which will allow the Company to issue additional securities utilising its placement capacity under Listing Rules 7.1 and 7.1A after this Resolution is adopted, instead of having to wait until 12 months after the issue (insofar as it relates to the issue of Livingstone Shares under Listing Rule 7.1) and until the next Annual General Meeting (which is when the placement capacity under Listing Rule 7.1A needs to be annually renewed).

Information Required by Listing Rule 7.5

The following information in relation to the Livingstone Shares is provided to shareholders for the purposes of Listing Rule 7.5:

- (a) The Company issued 16,413,039 Livingstone Shares utilising placement capacity under Listing Rule 7.1.
- (b) The Livingstone Shares were issued at \$0.02 per Livingstone Share.
- (c) Livingstone Shares were fully paid on issue and rank equally in all aspects with all existing fully paid shares previously issued by the Company.
- (d) Livingstone Shares were issued to Trillbar Resources Pty Ltd in accordance with the terms of the option agreement announced by the Company on 20 December 2016.
- (e) No funds were raised as a result of the issue of Livingstone Shares. Issuing the Livingstone Shares allowed the Company to preserve its cash reserves.

The Chairman intends to vote all available proxies in favour of Resolution 3.

Directors' Recommendation

The Directors recommend that Shareholders vote **in favour** of Resolution 3.

4. Resolutions 4 and 5 – Approval to correct the terms and conditions of the Short Term Incentive Performance Rights granted to Mr Andrew Corbett and Mr Andrew Paterson.

Background

At the Company's Annual General Meeting held on 29 November 2017, the Company obtained shareholder approval for the grant of:

- (a) up to 6,399,266 Short Term Incentive Performance Rights (**STI Performance Rights**) to Mr Andrew Corbett; and
- (b) up to 5,446,184 Short Term Incentive Performance Rights (**STI Performance Rights**) to Mr Andrew Paterson.

The grant of STI Performance Rights formed part of the FY18 remuneration packages for Mr Corbett and Mr Paterson and is intended to:

- (a) provide an appropriate and adequate incentive for Mr Corbett and Mr Paterson;
- (b) ensure the Company retains the services of Mr Corbett and Mr Paterson; and
- (c) reinforce the commitment of both Mr Corbett and Mr Paterson as Executive Directors.

The STI Performance Rights were issued to Mr Corbett and Mr Paterson on 8 December 2017. The Company is seeking shareholder approval to correct the terms and conditions of the STI Performance Rights as set out below.

In the explanatory statement to Resolutions 6 and 7 of the Notice of Meeting held on 29 November 2017, the key terms of the STI Performance Rights issued to Mr Corbett and Mr Paterson were outlined as follows:

"The STI Performance Rights will be issued for nil consideration.

The performance and vesting conditions for the STI Performance Rights are as follows:

- (a) *Up to 50% of the STI Performance Rights will automatically vest if, the 30-day VWAP at 30 June 2018 is between 150% and 200% greater than \$0.019 per Share*
 - (b) *Up to 25% of the STI Performance Rights will vest, at the Board's discretion, upon the achievement of business development measures, including the delivery of the Company's Business Development Plan for 30 June 2018.*
 - (c) *Up to 25% of the STI Performance Rights will vest, at the Boards discretion, upon the achievement of operational and management objectives measured against the Company's Operational Plan by 30 June 2018.*
- All STI Performance Rights that have not vested by 31 July 2018 will automatically lapse and be forfeited.*

The unvested STI Performance Rights of Mr Corbett and Mr Paterson will automatically lapse and be forfeited if either Mr Corbett or Mr Paterson voluntarily resigns otherwise than to take up employment with a Related Body Corporate of the Company or if either Mr Corbett or Mr Paterson are dismissed from employment for a material breach of his contract of employment, gross negligence or other conduct justifying termination without notice. STI Performance Rights will not lapse if either Mr Corbett or Mr Paterson ceases employment due to death, permanent disablement, or any other circumstance in which the Board determines the STI Performance Rights should not lapse.

Each STI Performance Right entitles Mr Corbett and Mr Paterson to receive, upon vesting, one Share. The STI Performance Rights will be unquoted and may not be sold, transferred, mortgaged, pledged, charged, encumbered with a security interest in or over them, or otherwise disposed of without the prior consent of the Board or where such assignment or transfer occurs by force of law. The STI Performance Rights will not entitle Mr Corbett or Mr Paterson to receive dividends on Shares before vesting nor will they carry any voting rights."

On 8 December 2017, the Company issued a clarification to shareholders that the wording in paragraph (a) of the above performance and vesting conditions for the STI Performance Rights (Explanatory Statement to Resolutions 6 and 7 – Notice of 2017 Annual General Meeting) was incorrect and should have read (with the change marked up):

"(a) Up to 50% of the STI Performance Rights will automatically vest if, the 30-day VWAP at 30 June 2018 is between 150% and 200% of greater than ~~\$0.019~~ per Share".

The corrected full terms and conditions of the STI Performance Rights issued to Mr Corbett and Mr Paterson are set out in Schedule 3 to this Explanatory Statement.

The Board has previously indicated that it considers that shareholder approval for the amendment should be obtained. There is no Listing Rule or Corporations Act requirement to obtain shareholder approval for the amendment.

Directors' recommendation

The Directors other than Mr Corbett and Mr Paterson (as appropriate) recommend Shareholders vote in favour of Resolutions 4 and 5.

KINGSTON RESOURCES LIMITED**ACN 009 148 529****Instructions for Completing 'Appointment of Proxy' Form**

1. A member entitled to attend and vote at a General Meeting is entitled to appoint not more than two proxies to attend and vote on their behalf. Where more than one proxy is appointed, each proxy must be allocated a proportion of the member's voting rights. If the shareholder appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half the votes.
2. A duly appointed proxy need not be a member of the Company. In the case of joint holders, both holders must sign.
3. Corporate shareholders should comply with the execution requirements set out on the Proxy Form or otherwise with the provisions of Section 127 of the *Corporations Act*. Section 127 of the *Corporations Act* provides that a company may execute a document without using its common seal if the document is signed by:
 - 3.1. 2 directors of the company;
 - 3.2. a director and a company secretary of the company; or
 - 3.3. for a proprietary company that has a sole director who is also the sole company secretary – that director.

For the Company to rely on the assumptions set out in Section 129(5) and (6) of the *Corporations Act*, a document must appear to have been executed in accordance with Section 127(1) or (2). This effectively means that the status of the persons signing the document or witnessing the affixing of the seal must be set out and conform to the requirements of Section 127(1) or (2) as applicable. In particular, a person who signs the document or witnesses the affixing of a common seal and who is the sole director and sole company secretary of the company must state that next to his or her signature.

4. Completion of a Proxy Form will not prevent individual shareholders from attending the meeting in person if they wish. Where a shareholder completes and lodges a valid Proxy Form and attends the meeting in person, then the proxy's authority to speak and vote for that shareholder is suspended while the shareholder is present at the meeting
5. Where a Proxy Form or form of appointment of corporate representative is lodged and is executed under power of attorney, the power of attorney must be lodged in like manner as the Proxy Form.
6. You can direct your proxy how to vote on each Resolution by completing **STEP 2** on the Proxy Form.
7. If you appoint the Chairman as your proxy by marking the box in **STEP 1** on the Proxy Form then you are providing express authorisation for the Chairman to vote on all Resolutions in accordance with his intentions as set out in this Notice and the Proxy Form (except where you have indicated a different voting intention by marking the voting boxes in **STEP 2** on the Proxy Form).

This express authorisation acknowledges that the Chairman may exercise your proxy in relation to Resolution 1 even though this Resolution is connected with remuneration of a member of KMP is a Resolution in respect of which the Chairman of the meeting has an interest.

Votes cast by the Chairman on Resolution 1 other than as authorised proxy holder will be disregarded because of his interest in the outcome of the Resolution.

The Chairman intends to vote available proxies in favour of all Resolutions.

8. If you appoint a KMP other than the Chairman at **STEP 1**, and do not complete **STEP 2**, your vote will not be counted in respect of Resolution 1.
9. To vote by proxy please sign the enclosed Proxy Form and return:
 - (a) by mail to Link Market Services Limited, Locked Bag A14, Sydney South NSW 1235 Australia;
 - (b) by facsimile to Link Market Services Limited on facsimile number +61 2 9287 0309;
 - (c) by hand to Link Market Services Limited, 1A Homebush Bay Drive, Rhodes NSW 2138; or
 - (d) online by visiting www.linkmarketservices.com.au, Select 'Investor Login' and in the "Single Holding" section enter Kingston Resources Limited or the ASX code KSN in the Issuer name field, your Security Reference Number (SRN) or Holder Identification Number (HIN) (which is shown on the front of your proxy form), postcode and security code which is shown on the screen and click 'Login'. Select the 'Voting' tab and then follow the prompts. You will be taken to have signed your Proxy Form if you lodge it in accordance with the instructions given on the website;

so that it is received not later than 2 pm (Sydney Time) on 5 June 2018.

Proxy Forms received later than this time will be invalid.

GLOSSARY

In this Notice of Meeting:

\$ means Australian Dollars

10% Placement Capacity means the Company's ability under Listing Rule 7.1A to issue Equity Securities up to 10% of its issued share capital by way of placements over a 12-month period after the AGM.

AGM, General Meeting or Meeting means the General Meeting of Shareholders convened for the purposes of considering the Resolutions.

ASIC means the Australian Securities and Investments Commission.

Associate has the same meaning as in the *Corporations Act*.

ASX means ASX Limited ACN 008 624 691 or the market it operates known as the Australian Securities Exchange, as applicable.

Board or Board of Directors means the board of Directors of the Company.

Business Development Plan means the Company's business development plan for FY18.

Chair or Chairman means the person appointed the chair of the Meeting convened by this Notice.

Closely Related Party has the meaning given in section 9 of the *Corporations Act*.

Company or Kingston means Kingston Resources Limited ACN 009 148 529.

Control has the same meaning as in the *Corporations Act*.

Constitution means the constitution of the Company.

Corporations Act means *the Corporations Act 2001* (Cth).

Director means a director of the Company.

Equity Securities has the same meaning as in the Listing Rules.

Explanatory Statement means the Explanatory Statement accompanying the Notice of Meeting.

Key Management Personnel or KMP means key management personnel as identified in the Remuneration Report for the financial year ended 30 June 2017.

Listing Rules means the Listing Rules of the ASX.

Notice of Meeting or Notice means the notice convening the Extraordinary General Meeting accompanying this Explanatory Statement.

Operational Plan means the Company's operational plan for FY18.

Proxy Form means a proxy form accompanying this Notice of Meeting.

Related Party has the same meaning as in the *Corporations Act*.

Relevant Interest has the same meaning as in the *Corporations Act*.

Resolution means a resolution to be considered at the Extraordinary General Meeting as contained in the Notice of Meeting.

Share means a fully paid ordinary share in the Company.

Shareholder means a person registered as a holder of a Share.

Sydney Time means Australian Eastern Daylight Time.

Voting Power has the same meaning as in the *Corporations Act*.

VWAP means volume weighted average price.

In this Notice and the Explanatory Statement words importing the singular include the plural and vice versa

Schedule 1

Terms and Conditions of Short Term Incentive Performance Rights

1. Each STI Performance Right entitles Mr Corbett and Mr Paterson to acquire one (1) Share, by way of issue of new Shares or transfer of existing Shares.
2. The 6,399,266 STI Performance Rights issued to Mr Corbett will convert into up to 6,399,266 Shares, subject to satisfaction of the Performance Hurdles and Vesting Conditions described below.
3. The 5,446,184 STI Performance Rights issued to Mr Paterson will convert into up to 5,446,184 Shares, subject to satisfaction of the Performance Hurdles and Vesting Conditions described below.
4. The Vesting Conditions in respect of the STI Performance Rights are as follows:

- (a) Up to 50% of the STI Performance Rights will automatically vest if, the 30-day VWAP at 30 June 2018 is between 150% and 200% of \$0.019 per Share in accordance with the below scale:


Share Price	\$0.0285	\$0.0304	\$0.0323	\$0.0342	\$0.0361	\$0.0380
STI Level 1 Hurdle - Performance Rights proportion vested	17%	33%	50%	67%	83%	100%

- (b) Up to 25% of the STI Performance Rights will vest, at the Board's discretion, upon the achievement of business development measures, including the delivery of the Company's Business Development Plan for 30 June 2018.
 - (c) Up to 25% of the STI Performance Rights will vest, at the Boards discretion, upon the achievement of operational and management objectives measured against the Company's Operational Plan by 30 June 2018.
5. The Company's determination as to whether a Vesting Condition has been achieved shall be final.
 6. If the Vesting Conditions for Performance Rights are satisfied during the period of a Recipient's employment with or directorship of the Company or any Related Body Corporate, those Performance Rights will vest and will not be subject to forfeiture.
 7. The Performance Rights proposed to be issued to Mr Corbett and Mr Paterson will automatically lapse and be forfeited if Mr Corbett or Mr Paterson voluntarily resigns otherwise than to take up employment with a Related Body Corporate of the Company or if either individual is dismissed from employment for a material breach of his contract of employment, gross negligence or other conduct justifying termination without notice. The Performance Rights proposed to be issued to Mr Corbett and Mr Paterson will not lapse and be forfeited if Mr Corbett or Mr Paterson ceases employment due to death, permanent disablement, or any other circumstance in which the Board determines the Performance Rights should not lapse and be forfeited.
 8. Any Shares that are acquired on the vesting of Performance will be issued or transferred to Mr Corbett and Mr Paterson free of any holding lock or other restriction on dealing, subject to any restriction on trading by reason of the provisions of the Corporations Act applicable to secondary trading in securities.
 9. All Performance Rights that have not vested by 31 July 2018 will automatically lapse and be forfeited.


LODGE YOUR VOTE

 **ONLINE**
www.linkmarketservices.com.au

 **BY MAIL**
Kingston Resources Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia

 **BY FAX**
+61 2 9287 0309

 **BY HAND**
Link Market Services Limited
1A Homebush Bay Drive, Rhodes NSW 2138

 **ALL ENQUIRIES TO**
Telephone: +61 1300 554 474



X99999999999

PROXY FORM

I/We being a member(s) of Kingston Resources Limited and entitled to attend and vote hereby appoint:

APPOINT A PROXY

the Chairman of the Meeting (mark box)

OR if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Extraordinary General Meeting of the Company to be held at **2:00pm (Sydney time) on Thursday, 7 June 2018 at the offices of Hall Chadwick, Level 40, 2 Park Street, Sydney, NSW 2000** (the **Meeting**) and at any postponement or adjournment of the Meeting.

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

STEP 1

VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting. Please read the voting instructions overleaf before marking any boxes with an

Resolutions

- 1 Ratification of Prior Issue of Misima Transaction Shares (WCB Liabilities and Advisor Fees)
- 2(a) Ratification of Prior Issue of Placement Shares
- 2(b) Ratification of Prior Issue of Placement Shares
- 3 Ratification of Prior Issue of Livingstone Shares


For Against Abstain*

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

- 4 Approval to correct the terms and conditions of the Short Term Incentive Performance Rights granted to Mr Andrew Corbett
- 5 Approval to correct the terms and conditions of the Short Term Incentive Performance Rights granted to Mr Andrew Paterson

For Against Abstain*

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

 * If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).

STEP 3



HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. A proxy need not be a shareholder of the Company.

DEFAULT TO CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Form.

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- return both forms together.

SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either shareholder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's share registry or online at www.linkmarketservices.com.au.

LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **2:00pm (Sydney time) on Tuesday, 5 June 2018**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:



ONLINE

www.linkmarketservices.com.au

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the Proxy Form).



BY MAIL

Kingston Resources Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia



BY FAX

+61 2 9287 0309



BY HAND

delivering it to Link Market Services Limited*
1A Homebush Bay Drive
Rhodes NSW 2138

* During business hours (Monday to Friday, 9:00am–5:00pm)



COMMUNICATIONS PREFERENCE

We encourage you to receive all your shareholder communication via email. This communication method allows us to keep you informed without delay, is environmentally friendly and reduces print and mail costs.



ONLINE

www.linkmarketservices.com.au

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Communications' and click the first button to receive all communications electronically and enter your email address. To use the online facility, securityholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the Proxy Form).

**IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE EXTRAORDINARY GENERAL MEETING, PLEASE BRING THIS FORM WITH YOU.
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**