

1 August 2018

REVISION TO JUNE 2018 QUARTERLY ACTIVITIES REPORT

Kingston Resources Limited advises that the June 2018 quarterly activities report, lodged with the ASX on 31 July 2018, has been revised to include the Competent Person's Statement. An amended version is attached.

Ends



ASX Announcement

31 July 2018

ASX Code: KSN

Share Price: A\$0.024

Shares Outstanding: 1,214,961,029

Market Capitalisation: A\$29.2m

Cash: A\$4.4m (30 June 2018)

Board and Management

Anthony Wehby
Chairman

Andrew Corbett
Managing Director

Andrew Paterson
Technical Director

Stuart Rechner
Non-Executive Director

Mick Wilkes
Non-Executive Director

Chris Drew
Chief Financial Officer

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Quarterly Activities Report

For the quarter ending 30 June 2018

Highlights

- **Drilling underway on Misima Gold Project**
- **Sale process for lithium portfolio successfully concluded raising \$2.4m**
- **6,000m drilling program completed at Livingstone**
- **Experienced industry veteran, Mick Wilkes appointed to the Board**

Kingston Resources Limited (Kingston or the Company) is pleased to provide an update on its June quarter activities. The quarter heralded several significant events for the Company:

- Commencement of exploration drilling on Misima Island marked an important milestone for the Company, commencing less than six months after acquisition.
- Sale of Kingston's lithium assets ensures greater focus can be applied to the opportunity at Misima and also materially boosting the Company's cash reserves.
- Completion of a 6,000m drilling program at the Livingstone Gold Project, with results highlighting the potential for further value creation.
- Following the conclusion of the quarter Kingston also appointed OceanaGold CEO Mick Wilkes to the Board of Directors.

Kingston MD Andrew Corbett said *"The June quarter has been a transitional one for Kingston as drilling commences at Misima and the Company concludes the sale process over the majority of its Lithium holdings. We are excited to now shift our focus to the significant task ahead at Misima. Our onsite operations team continues to progress the drilling campaign and we are looking forward to reporting results in coming weeks. In Australia, Livingstone adds great optionality for the Company and we look forward to unlocking value for shareholders."*

Kingston concluded the quarter with \$4.7m in cash and liquid securities. The Company also anticipates an additional \$1.8m from the NT lithium asset sale in the September quarter. These funds are currently held in escrow and will be released upon completion of the transaction.

Drilling will continue at Misima over the current quarter. At the end of June, Kingston has approximately \$750,000 remaining to spend under the Misima earn-in. This is anticipated to be completed this quarter at which point Kingston's interest in the project will lift to 70%. At Livingstone a follow up drill program is also planned for commencement by quarter end.

Exploration Update

Misima Gold Project

Following successful mobilisation during April, diamond drilling commenced at Misima in early May. Progress has been positive, with consistent performance by the predominantly Misiman drilling crew.

The initial holes are designed to intersect down-dip extensions of shear-hosted mineralisation at Kulumalia North, which sits towards the southern end of the old Umuna mining area. At the end of June, the onsite crew had completed approximately two and a half holes for 765.9m of diamond drilling, with productivity increasing as ground conditions improve moving north along the Kulumalia area. Assay results are pending as the Company awaits final multi-element results for the first two holes.

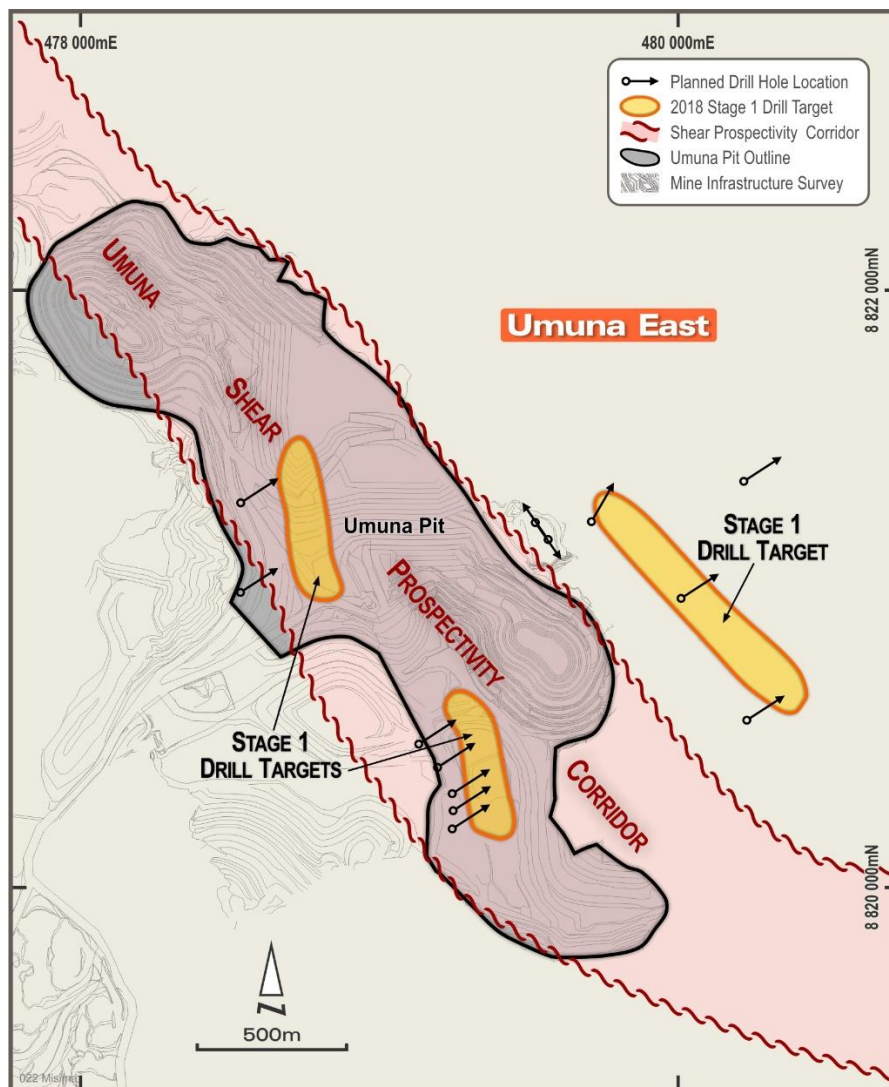


Figure 1: Initial Misima drill target areas

As drilling progresses during Q3 2018, the rig will move north to drill deeper holes into targets beneath the central Umuna Shear, where a slight flexure in the shear's orientation has resulted in thicker and high-grade mineralisation at depth.

Misima regional exploration

Regional work also continued on other high-priority targets around Umuna (Figure 2). This included taking hand-auger samples over a grid at the Welala prospect north of Bwagaia, and ongoing mapping and channel sampling to define the newly discovered mineralisation at Ginamwamwa. At the end of June, auger sampling commenced at Misima North, testing a right-hand flexure in the Umuna Shear approximately 900m north of the Stage 6 Umuna pit.

During the September quarter, Kingston's field team will continue working up these targets and other priority areas based on the structural and targeting analysis completed earlier in the year by Dr Greg Cameron, with a view to generating additional near-surface targets for drill testing. A high-resolution LiDAR survey is also scheduled for completion during the quarter, which will provide accurate topographic control for interpretation and drill planning over the entire project area. This will also allow more detailed analysis of the Quartz Mountain area prior to planning future exploration drilling with the goal of upgrading the mineral resources in that area.

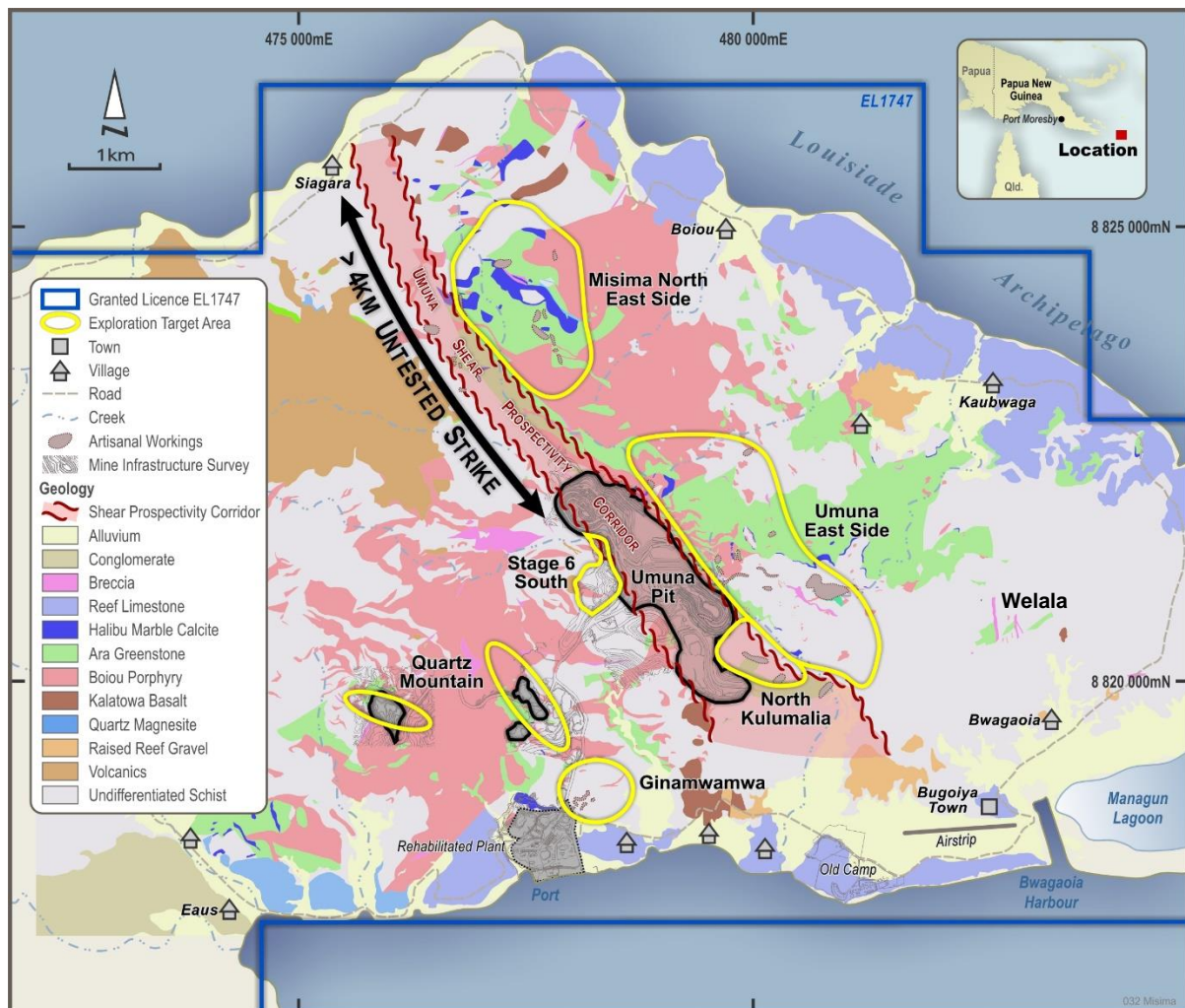


Figure 2: Misima Regional geology map – 2.8Moz resource

Livingstone Gold Project

The second drill program at Livingstone (Figure 3) was also completed in the quarter, targeting the large, previously untested soil anomaly in the Livingstone's Find – Stanley area. 152 air-core holes were drilled for a total of 5,836m during April and May 2018, targeting mineralisation beneath geochemical anomalies identified by auger sampling in 2017. Holes were mainly drilled to blade refusal to test mineralisation in the weathered zone, with all 4m composite samples assayed for gold plus a bottom-of-hole sample on each hole assayed for a 33-element suite of metals. 77 holes intersected grades in excess of 100ppb Au, of which 18 holes intersected 0.5g/t or more.

Holes were designed on a nominal pattern of 40m hole spacing and 160m line spacing, with drill lines orientated north-south. Drilling was designed to achieve a quick, first-pass test for primary mineralisation beneath the strongest soil anomaly areas. Several areas could not be effectively drilled due to hard outcrop and steep terrain, so the full Livingstone's Find project area requires further testing with a more versatile rig.

Drilling has highlighted the potential of the main line of historic workings, with mineralisation defined over a strike length of 2.2km and composite assay grades as high as 7.01g/t Au¹. Importantly, gold has been identified up to 850m west of the historic shafts and the prospect remains open along strike, greatly increasing the possible size of the mineralised zone. Surface sampling by Kingston around the old workings in late 2016 returned individual assays of up to 75g/t², further highlighting the high-grade potential of the area. This prospect area, which was previously known as Mt Seabrook 1 and 2, has been renamed Kingsley.

Northwest of Kingsley, a new area of gold mineralisation has been confirmed by drilling at the Dampier prospect. Dampier, first identified in auger sampling by Kingston, is now approximately 500m long with mineralisation open along strike to the west and east.

Kingsley prospect over 2km long, intersections include:

- 4m @ 7.01g/t Au from 8m in KLAC006
- 24m @ 1.40 g/t Au from 32m, including 4m @ 6.60g/t Au in KLAC008
- 8m @ 2.04g/t Au from 12m in KLAC030

New prospect "Dampier" identified, intersections include:

- 4m @ 2.61g/t Au from 16m in KLAC152
- 4m @ 1.76g/t Au from 24m in KLAC143

Subsequent to the end of the June quarter, Kingston's technical personnel have returned to Livingstone to re-sample all composites greater than 150ppb Au in single metres. The results of the detailed sampling are expected to be received in the current quarter.

¹ ASX announcement 3 July 2017, Preliminary assays are mainly 4m composite samples which will be re-assayed as 1m intervals during July.

² ASX announcement 21 December 2016

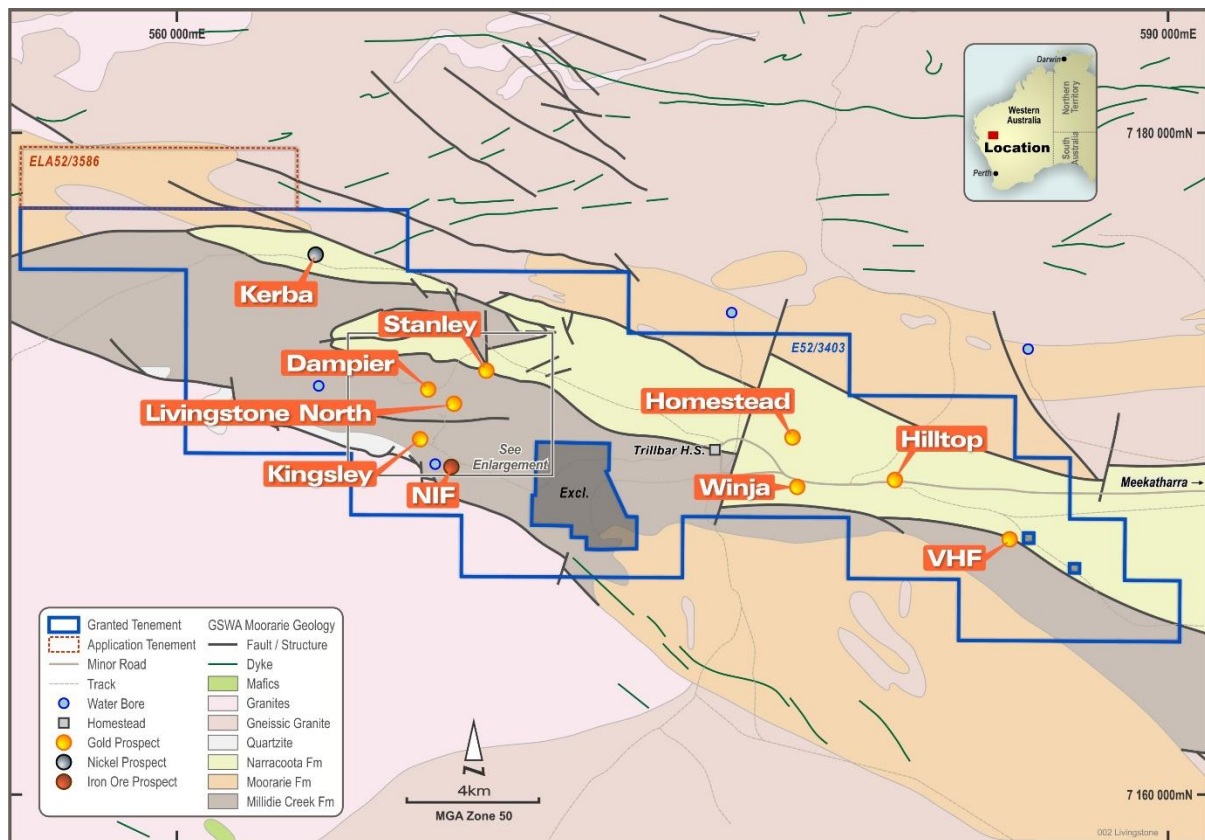


Figure 3: Livingstone prospects occur along a prospective strike length of over 30km.

Corporate Update

Following the November 2017 acquisition of the Misima Gold Project, Kingston's focus has shifted towards this large-scale opportunity. As a result, the Board decided a strategic review of the lithium assets was appropriate. This process successfully concluded in June with the sale of the majority of the Company's lithium tenements. Kingston's Mt Cattlin tenements were sold to Galaxy Resources Limited for \$600,000 in late June. The NT tenements were also sold to a private Australian Company for \$1.8m. Funds for this sale are currently being held in escrow and will be released at completion, expected during the current quarter.

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 49% of the Misima Gold Project and is earning in to 70%.

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.

Competent Persons Statement

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 project locations.