

ACN 009 148 529



Notice of Annual General Meeting

This is an important document. Please read it carefully.

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

The Annual General Meeting of the Company will be held at the offices of Hall Chadwick, Level 40, 2 Park Street, Sydney, NSW 2000 at 4 pm (AEDT Time) on Thursday, 8 November 2018.

Kingston Resources Limited

NOTICE OF 2018 ANNUAL GENERAL MEETING

Notice is given that the Annual General Meeting of Shareholders of Kingston Resources Limited for 2018 will be held at the office of Hall Chadwick, Level 40, 2 Park Street, Sydney, NSW 2000 at 4 pm (Sydney AEDT Time) on Thursday, 8 November 2018. The Explanatory Statement to this Notice of Meeting provides additional information on matters to be considered at the Annual 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 Annual General Meeting are those who are registered Shareholders of the Company at 7.00 pm (Sydney Time) on 6 November 2018.

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

AGENDA

BUSINESS

Consideration of Financial Reports of the Directors and Auditors

To receive and consider the Financial Report together with the Directors' Report and the Auditor's Report for the Company and its controlled entities for the year ended 30 June 2018.

Shareholders will be given reasonable opportunity to ask questions about or make comments on the management of the Company.

Resolution 1 – Adoption of Remuneration Report

To consider, and if thought fit, to pass the following Resolution as a non-binding resolution:

"To adopt the Remuneration Report as contained in the Company's Annual Financial Report for the financial year ended 30 June 2018."

Resolution 2 – Election of Director – Mr Mick Wilkes

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

"That Mr Mick Wilkes, who having been appointed as a Director of the Company on 6 July 2018 in accordance with clause 7.2 of the Company's Constitution, and being eligible for election, be elected as a Director of the Company."

Resolution 3 – Approval of LTI Plan

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

"That for the purposes of Listing Rule 7.2, Exception 9 and for all other purposes, the Company approves the issue of Securities under the Company's LTI Plan, as an exception to Listing Rule 7.1."

Resolution 4 – Approval to grant Long Term Incentive Options and Performance Rights to Mr Andrew Corbett

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

"That, subject to the approval of Resolution 3, for the purposes of Listing Rule 10.14 and for all other purposes, Shareholders approve the grant of up to 7,500,000 Long Term Incentive Options and up to 6,719,318 Performance Rights to Mr Andrew Corbett (or his nominee), the Company's Managing Director, under the LTI Plan on the terms and conditions set out in the Explanatory Statement."

Resolution 5 – Approval to grant Long Term Incentive Options and Performance Rights to Mr Andrew Paterson

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

"That, subject to the approval of Resolution 3, for the purposes of Listing Rule 10.14 and for all other purposes, Shareholders approve the grant of up to 6,500,000 Long Term Incentive Options and 6,146,932 Performance Rights to Mr Andrew Paterson (or his nominee), an Executive Director of the Company, under the LTI Plan on the terms and conditions set out in the Explanatory Statement."

Resolution 6 – Approval to grant Long Term Incentive Options and Performance Rights to Mr Anthony Wehby

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

“That, subject to the approval of Resolution 3, for the purposes of Listing Rule 10.14 and for all other purposes, Shareholders approve the grant of up to 3,000,000 Long Term Incentive Options and 1,742,045 Performance Rights to Mr Anthony Wehby (or his nominee), Non-Executive Chairman of the Company, under the LTI Plan on the terms and conditions set out in the Explanatory Statement.”

Resolution 7 - Approval to grant Long Term Incentive Options and Performance Rights to Mr Stuart Rechner

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

“That, subject to the approval of Resolution 3, for the purposes of Listing Rule 10.14 and for all other purposes, Shareholders approve the grant of up to 3,000,000 Long Term Incentive Options and 1,368,750 Performance Rights to Mr Stuart Rechner (or his nominee), a Non-Executive Director of the Company, under the LTI Plan on the terms and conditions set out in the Explanatory Statement.”

Resolution 8 - Approval to grant Long Term Incentive Options and Performance Rights to Mr Mick Wilkes

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

“That, subject to the approval of Resolutions 2 and 3, for the purposes of Listing Rule 10.14 and for all other purposes, Shareholders approve the grant of up to 3,000,000 Long Term Incentive Options and 1,368,750 Performance Rights to Mr Mick Wilkes (or his nominee), a Non-Executive Director of the Company, under the LTI Plan on the terms and conditions set out in the Explanatory Statement.”

Resolution 9 - Approval to grant Short Term Incentive Performance Rights to Mr Andrew Corbett

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

“That, for the purposes of Listing Rule 10.11 and for all other purposes, Shareholders approve the grant of up to 6,719,318 Short Term Performance Rights to Mr Andrew Corbett (or his nominee), the Managing Director of the Company, on the terms and conditions set out in the Explanatory Statement.”

Resolution 10 – Approval to grant Short Term Incentive Performance Rights to Mr Andrew Paterson

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

“That, for the purposes of Listing Rule 10.11 and for all other purposes, Shareholders approve the grant of up to 6,146,932 Performance Rights to Mr Andrew Paterson (or his nominee), an Executive Director of the Company, on the terms and conditions set out in the Explanatory Statement.”

Resolution 11 – Non-Executive Remuneration

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

“That, for the purposes of clause 7.5(a) of the Company’s Constitution and Listing Rule 10.17, the aggregate maximum remuneration that may be paid or provided to the Non-Executive Directors of the Company as a whole in any financial year be increased to \$350,000 per annum, with the increase to take effect on and from the date this resolution is passed and to apply pro rata to the financial year ending 30 June 2019.”

Resolution 12 - Approval of Issue of Equity Securities for the Purpose of ASX Listing Rule 7.1A

To consider, and if thought fit, to pass the following Resolution as a special resolution:

“That for the purposes of Listing Rule 7.1A and for all other purposes, the issue of Equity Securities up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with the prescribed formula in Listing Rule 7.1A.2, be approved on the terms 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 excluded from voting; or
- an Associate of that person:

Resolution No.	Title	Excluded Persons
1	Adoption of Remuneration Report	A member of the KMP, or a Closely Related Party of the KMP, whose remuneration details are included in the remuneration report for the year ended 30 June 2018.
3	Approval of LTI Plan	Any Director or nominee, and Associates of those persons (except a Director who is ineligible to participate in the Company's LTI Plan).
4 - 8	Approval to grant Long Term Incentive Options and Performance Rights to Directors	Any Director (or his nominee) who is eligible to participate in the Company's LTI Plan and Associates of those persons.
9	Approval to grant Short Term Incentive Performance Rights to Mr Andrew Corbett	Mr Andrew Corbett (or his nominee) and any of his Associates.
10	Approval to grant Short Term Incentive Performance Rights to Mr Andrew Paterson	Mr Andrew Paterson (or his nominee) and any of his Associates.
11	Non-Executive Remuneration	Any Director of the Board and any of their Associates.
12	Approval of issue of Equity Securities for the purpose of ASX Listing Rule 7.1A	<p>A person (and any Associates of such person) who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue under the 10% Placement Capacity (except a benefit solely by reason of being a holder of ordinary securities in the Company).</p> <p>As at the date of this Notice, the Company does not yet know, nor has it formed an intention in relation to how it will decide, which parties it may approach to participate in any issue that may ultimately be made.</p>

However, the Company need not disregard a vote in relation to Resolutions 1 and 3-12 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.

Voting by Proxy

The *Corporations Act* now 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 Resolution 1 and 3-11 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 1 and 3-11 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 3rd day of October 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 Annual General Meeting to be held at the offices of Hall Chadwick, Level 40, 2 Park Street, Sydney, NSW 2000 at 4 pm (Sydney Time) on Thursday, 8 November 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.

Financial Statements and Reports

The *Corporations Act* requires the Company to place its Financial Report, Directors' Report and Auditor's Report for the last financial year before the Annual General Meeting. No resolution is required for this Item, but Shareholders will be given a reasonable opportunity to ask questions and to make comments on the reports and the management and performance of the Company.

The Company's Auditor, Hall Chadwick, will be present at the meeting and Shareholders will be given the opportunity to ask the Auditor questions about the conduct of the audit, the preparation and content of the Auditor's Report, the accounting policies adopted by the Company and the independence of the Auditor.

The Company's 2018 Annual Report is available on the Company's website at www.kingstonresources.com.au.

1. Resolution 1 – Adoption of Remuneration Report

In accordance with Section 250R(2) of the *Corporations Act*, the Board is presenting the Company's Remuneration Report to shareholders for consideration and adoption by a non-binding vote.

The Remuneration Report was first published on 10 September 2018 in the Company's 2018 Annual Report and has been available on the Company's website since then. The Remuneration Report includes all of the information required by Section 300A of the *Corporations Act*, including:

- (i) board policy for determining, or in relation to, the nature and amount (or value, as appropriate) of remuneration of Directors, secretaries and senior managers of the Company;
- (ii) discussion of the relationship between such policy and the Company's performance; and
- (iii) the prescribed details in relation to the remuneration of each Director and certain executives.

Under the *Corporations Act*, the vote on this Resolution is advisory only and does not bind the Board or the Company. However, the Board will consider the outcome of the vote when considering future remuneration for Directors and KMP. Shareholders should note that if 25% or more of the votes cast on this Resolution are against adoption of the Remuneration Report, then the first element in the Board spill provisions introduced in 2011 (known generally as the "two strikes rule") will be triggered. This would require a Resolution on whether to hold a further meeting to spill the Board ("spill resolution") to be put to Shareholders at the 2019 Annual General Meeting if a "second strike" were to occur at the 2019 Annual General Meeting.

The Remuneration Report forms part of the Directors' Report which has unanimously been adopted by resolution of the Board. An opportunity will be provided for discussion of the Remuneration Report at the meeting. In relation to the approval of the Remuneration Report of the Company for 2017, less than 25% of the votes cast on that resolution were against it.

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

Directors' Recommendation

The Directors recommend that Shareholders vote **in favour** of the adoption of the Remuneration Report.

2. Resolution 2 – Election of Director – Mr Mick Wilkes

Mr Mick Wilkes having been appointed as Non-Executive Director of the Company on 6 July 2018 in accordance with clause 7.2 of the Company's Constitution is standing for election in accordance with Listing Rule 14.4, and being eligible, offers himself for election as a Director of the Company.

Resolution 2 seeks Shareholder approval for the election of Mr Wilkes as Non-Executive Director of the Company.

Biography of Mr Wilkes: Mr Wilkes is a mining engineer with 35 years of broad international experience with a strong emphasis on operations management and new mine development, predominantly in precious and base metals across Asia and Australia. He has been the President and CEO of OceanaGold Corporation since 2011. In previous roles he was the Executive General Manager of Operations at OZ Minerals responsible for the development of the Prominent Hill

copper/gold project in South Australia and General Manager of the Sepon gold/copper project for Oxiana based in Laos. His earlier experience included 10 years in various project development roles in Papua New Guinea. Mr Wilkes holds a Bachelor of Engineering from the University of Queensland, a Master of Business Administration from Deakin University, and is a member of both the Australian Institute of Mining and Metallurgy, and the Australian Institute of Company Directors

The Board recognised that at this stage of the Company's growth, the appointment of an experienced and well-respected mining executive as an additional Non-Executive Director to the Board reflected its need for the skills and attributes Mr Wilkes possesses.

Directors' Recommendation

The Directors (other than Mr Wilkes who abstains given his personal interest in the Resolution) recommend that Shareholders vote **in favour** of the re-election of Mr Wilkes.

Resolution 3 – Approval of LTI Plan

Background

The remuneration policy of the Company aligns Key Management Personnel objectives with Shareholder and business objectives by combining a fixed remuneration component with specific short-term incentives based on key performance areas affecting the Company's financial results. The Board considers the remuneration policy to be appropriate and effective in its ability to attract and retain the best Key Management Personnel to run and manage the Company.

As part of its incentive arrangements for Directors and senior employees, the Company implemented a long term incentive plan in July 2016 (which was approved by Shareholders on 4 July 2016 for a period of 3 years), described as the Kingston Resources Limited Long Term Incentive Plan (LTI Plan), pursuant to which the Board is able to issue rights to acquire Shares (to be granted in the form of Performance Rights or Options) to Directors and full time and part time employees of the Company or a Related Body Corporate of the Company as determined by the Board from time to time.

Resolution 3 seeks Shareholder approval of the LTI Plan, as amended in August 2018, in the interests of good corporate governance practice and for the purposes of Listing Rule 7.2 (Exception 9). If Shareholder approval for Resolution 3 is obtained, all Securities issued by the Company under the LTI Plan for a further period of three (3) years from the date of approval will be excluded from calculation of the 15% limit on the number of Securities which may be issued in any 12-month period without requiring Shareholder approval in advance.

If approved, the LTI Plan will govern all offers, acceptances and issues of Securities and rights made under the LTI Plan following the Meeting. The LTI Plan was last approved by Shareholders at the Shareholder Meeting held on 4 July 2016 and to date, the following Securities or rights have been issued or granted under the Company's LTI Plan:

Date of Grant	Type of securities	Number Grants
	Options	
8 July 2016	Long Term Incentive Options	11,000,000
26 October 2016	Long Term Incentive Options	2,500,000
23 August 2018	Long Term Incentive Options	7,375,909
	Performance Rights	
15 July 2016	Long Term Performance Rights	24,000,000
20 November 2016	Long Term Performance Rights	5,000,000
19 December 2016	Long Term Performance Rights	5,520,625
1 December 2017	Long Term Performance Rights	12,813,661
23 August 2018	Long Term Performance Rights	5,350,568

Terms of the LTI Plan

The terms of the LTI Plan are summarised below.

The terms and conditions on which any Options and Performance Rights are granted to Directors or employees, including any vesting and performance criteria, will be governed by the terms set out in an offer or invitation to participate in the LTI Plan made to Directors or employees from time to time.

i) Eligible Participants

The LTI Plan is open to directors and to full time and part time employees of the Company and Related Bodies Corporate of the Company, other than such persons who have given notice of resignation, or who have been given notice of termination, of his or her employment, or removed from his or her position (Eligible Participants).

Options and Performance Rights may not be offered to a Director or his or her Associates except where approval is given by the Shareholders in general meeting in accordance with the requirements of the Listing Rules.

Purpose of the LTI Plan

The purpose of the LTI Plan is to:

- a) establish a method by which Eligible Participants can participate in the future growth and profitability of the Company;
- b) provide an incentive and reward for Eligible Participants for their contributions to the Company;
- c) attract and retain a high standard of managerial and technical personnel for the benefit of the Company; and
- d) align the interests of Eligible Participants more closely with the interests of Shareholders, by providing an opportunity for Eligible Participants to hold an equity interest in the Company.

Board discretions

The Board has broad discretions under the LTI Plan, including (without limitation) as to:

- a) identifying persons eligible to participate in the LTI Plan;
- b) the timing of making an offer to participate in the LTI Plan;
- c) the terms of issue of Options and Performance Rights;
- d) subject to the requirements of the Listing Rules, particularly Listing Rule 6.23.2, the cancellation of Performance Rights for no consideration, subject to agreement with the participant;
- e) the periods during which Options and Performance Rights may be exercised or vest; and
- f) the exercise price of Options.

Options and Performance Rights not to be quoted

Options and Performance Rights granted under the LTI Plan will not be quoted on ASX. However, application will be made to ASX for official quotation of Shares issued or transferred on the exercise of an Option or vesting of a Performance Right provided the Shares are listed on ASX at that time.

Shares issued on exercise of Options and Performance Rights

Subject to the terms of the Options or Performance Rights, each Option or Performance Right entitles its holder to subscribe for and be issued with one Share in the Company.

Shares issued pursuant to the exercise of Options and Performance Rights will in all respects rank equally and carry the same rights and entitlements as other Shares on issue in the Company.

Holders of Options and Performance Rights will not be entitled to notice of, or to vote or attend at meetings of the Company or receive dividends until Shares are issued on the exercise of the Options or vesting of the Performance Rights.

Lapse of Options and Performance Rights

Unless the Directors in their absolute discretion determine otherwise, Options and Performance Rights shall lapse:

- i) if not exercised or vested prior to their expiry date; or
- ii) if any Performance Hurdle(s), Vesting Conditions or Exercise Conditions are not satisfied.

Unless the Directors in their absolute discretion determine otherwise, Performance Rights shall also lapse:

- i) if the holder voluntarily resigns otherwise than to take up employment with a Related Body Corporate of the Company or is dismissed from employment for a material breach of contract of employment, negligence or other conduct justifying termination of employment without notice, except that:
 - A) the Performance Rights will not lapse if the cessation of employment was due to death, permanent disablement (for example, illness or incapacity necessitating the permanent withdrawal of the employee from the work force), retirement, redundancy or any other circumstance in which the Board determines the Performance Rights should not lapse;
 - B) Performance Rights may vest, within 12 months after the holder ceases to be a participant where that cessation was by reason of permanent disablement or any other circumstance deemed by the Board to necessitate the permanent withdrawal of the participant from the workforce; and
- ii) if, in the opinion of the Board, the holder has acted fraudulently or dishonestly or is in material breach of his or her obligations to the Company or any of its Related Bodies Corporate, and the Board determines (at its sole and absolute discretion) the Performance Rights held by that holder to have lapsed.

Restrictions on transfer

Performance Rights and Options granted under the LTI Plan may not be sold, transferred, mortgaged, pledged, charged, encumbered with a security interest in or over them, or otherwise disposed of by a participant without the prior consent of the Board or where such assignment or transfer occurs by force of law.

Participation rights of Option and Performance Right holders

Holders of Options and Performance Rights will only be permitted to participate in a pro rata issue of Shares by the Company if they exercise their Options or if their Performance Rights vest before the record date for the relevant issue. The Company must ensure that it notifies holders of Options of the proposed issue at least 7 Business Days before the record date to determine entitlements to the pro rata issue.

Adjustment of Options and Performance Rights

If the Company makes a pro rata bonus issue, and an Option or Performance Right is not exercised before the record date for that bonus issue, then on exercise of the Option or Performance Right, the holder is entitled to receive the number of bonus shares which would have been issued if the Option or Performance Right had been exercised before the record date.

In the event of a reorganisation (including a consolidation, subdivision, reduction or return) of the issued capital of the Company, the number of Options and Performance Rights to which each Option and Performance Right holder is entitled or the exercise price or both will be changed in the manner required by the Listing Rules and, in any case, in a manner which will not result in any benefits being conferred on holders of Options and Performance Rights which are not conferred on Shareholders.

Takeovers

In the event of a takeover bid, certain capital reorganisations or transactions occurring that give rise to certain changes of control of the Company, restrictions on the exercise or vesting of an Option or Performance Right will lapse so that Option or Performance Right holders are able to participate in the relevant transaction.

Amending the LTI Plan

Subject to any applicable Listing Rules or laws, the LTI Plan may be suspended, terminated or amended at any time by resolution of the Board.

Directors' Recommendation

The Directors consider Resolution 3 to be in the best interests of the Company and its Shareholders and unanimously recommend that Shareholders vote **in favour** of the resolution in order for the Company to maintain a long-term incentive plan for Directors and employees for the overall benefit of the Company

Resolutions 4-8 – Approval to grant Long Term Incentive Options and Performance Rights to Mr Andrew Corbett, Mr Andrew Paterson, Mr Anthony Wehby, Mr Stuart Rechner and Mr Mick Wilkes.

Background

The Company seeks Shareholder approval for the grant of:

- (a) up to 7,500,000 Long Term Incentive Options (**LTI Options**) and up to 6,719,318 Performance Rights (**LTI Performance Rights**) to Mr Andrew Corbett (or his Nominee) under the Company's long-term incentive plan (**LTI Plan**) (Resolution 4);
- (b) up to 6,500,000 Long Term Incentive Options (**LTI Options**) and up to 6,146,932 Performance Rights (**LTI Performance Rights**) to Mr Andrew Paterson (or his Nominee) under the Company's long-term incentive plan (**LTI Plan**) (Resolution 5),
- (c) up to 3,000,000 Long Term Incentive Options (**LTI Options**) and up to 1,742,045 Performance Rights (**LTI Performance Rights**) to Mr Anthony Wehby (or his Nominee) under the Company's long-term incentive plan (**LTI Plan**) (Resolution 6),
- (d) up to 3,000,000 Long Term Incentive Options (**LTI Options**) and up to 1,368,750 Performance Rights (**LTI Performance Rights**) to Mr Stuart Rechner (or his Nominee) under the Company's long-term incentive plan (**LTI Plan**) (Resolution 7),
- (e) up to 3,000,000 Long Term Incentive Options (**LTI Options**) and up to 1,368,750 Performance Rights (**LTI Performance Rights**) to Mr Mick Wilkes (or his Nominee) under the Company's long-term incentive plan (**LTI Plan**) (Resolution 8),

The proposed grants of LTI Options and LTI Performance Rights form part of the FY19 remuneration packages for Mr Andrew Corbett, Mr Andrew Paterson, Mr Anthony Wehby, Mr Stuart Rechner and Mr Mick Wilkes (**KSN Directors**) and are intended to:

- (a) provide an appropriate and adequate incentives for the KSN Directors;
- (b) ensure the Company retains the services of the KSN Directors; and
- (c) reinforce the commitment of the KSN Directors.

Long Term Incentive Options and Performance Rights

The terms of the LTI Performance Rights proposed to be granted to the KSN Directors, including the conditions on which the Performance Rights may vest, and the terms of the LTI Options proposed to be granted to the KSN Directors are set out in Schedules 1 and 2. The LTI Performance Rights and LTI Options will otherwise be subject to the rules of the LTI Plan.

The key terms of the LTI Options and LTI Performance Rights proposed to be issued to the KSN Directors are as follows:

- i) LTI Options exercisable at \$0.027 (2.7cents) each, expiry 30 June 2021;
- ii) LTI Performance Rights will automatically vest if the Company achieves a Market Capitalisation greater than \$70 million on or before 30 June 2022.

The LTI Options and LTI Performance Rights will be issued for nil consideration.

All LTI Options that have not been exercised by 30 June 2021 will expire. All LTI Performance Rights that have not vested by 30 June 2022 will automatically lapse and be forfeited.

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

Each LTI Performance Right entitles the KSN Directors to receive, upon vesting, one Share, and each LTI Option entitles the KSN Directors to receive, upon its exercise, one Share. The LTI Performance Rights and LTI Options 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. Neither the LTI Performance Rights nor the LTI Options will entitle the KSN Directors to receive dividends on Shares before vesting or exercise (as applicable) and neither carry any voting rights.

Regulatory requirements – Resolutions 4-8

Listing Rule 10.14 generally provides that the approval of shareholders is required before a director of a company can acquire securities issued under an employee incentive scheme. Accordingly, in order for the KSN Directors to acquire a beneficial interest in the LTI Options and LTI Performance Rights and any Shares which may be issued on the exercise of LTI Options or the vesting of LTI Performance Rights, the Company must first obtain Shareholder approval pursuant to Listing Rule 10.14.

If approval for Resolutions 4-8 is given for the purpose of Listing Rule 10.14, then approval is not required for Listing Rule 7.1.

Listing Rule 10.15 sets out a number of matters which must be included in a notice of meeting requesting Shareholder approval under Listing Rule 10.14. In accordance with Listing Rule 10.15, the following further information is provided with respect to Resolutions 4-8:

- (a) The LTI Options and LTI Performance Rights will be issued to the KSN Directors or their nominees.
- (b) The maximum number of securities that may be acquired by Mr Corbett (pursuant to Resolution 4) is 7,500,000 LTI Options, which may be exercised upon payment of the relevant exercise price, whereupon Mr Corbett would be entitled to 7,500,000 Shares, and 6,719,318 LTI Performance Rights which may then convert into 6,719,318 Shares if the Vesting Hurdle is met.
- (c) The maximum number of securities that may be acquired by Mr Paterson (pursuant to Resolution 5) is 6,500,000 LTI Options, which may be exercised upon payment of the relevant exercise price, whereupon Mr Paterson would be entitled to 6,500,000 Shares and 6,146,932 LTI Performance Rights which may then convert into 6,146,932 Shares if the Performance Vesting Hurdle is met.
- (d) The maximum number of securities that may be acquired by Mr Wehby (pursuant to Resolution 6) is 3,000,000 LTI Options, which may be exercised upon payment of the relevant exercise price, whereupon Mr Wehby would be entitled to 3,000,000 Shares and 1,742,045 LTI Performance Rights which may then convert into 1,742,045 Shares if the Performance Vesting Hurdle is met.
- (e) The maximum number of securities that may be acquired by Mr Rechner (pursuant to Resolution 7) is 3,000,000 LTI Options, which may be exercised upon payment of the relevant exercise price, whereupon Mr Rechner would be entitled to 3,000,000 Shares and 1,368,750 LTI Performance Rights which may then convert into 1,368,750 Shares if the Performance Vesting Hurdle is met.
- (f) The maximum number of securities that may be acquired by Mr Wilkes (pursuant to Resolution 8) is 3,000,000 LTI Options, which may be exercised upon payment of the relevant exercise price, whereupon Mr Wilkes would be entitled to 3,000,000 Shares and 1,368,750 LTI Performance Rights which may then convert into 1,368,750 Shares if the Performance Vesting Hurdle is met.
- (g) The LTI Options and LTI Performance Rights will be granted for no cash consideration.
- (h) The following directors have received securities under the LTI Plan since it was first approved by Shareholders on 4 July 2016:

Name of Director	Number of and type of securities	Acquisition price
Mr Andrew Corbett	5 million Long Term Incentive Options	Nil
	10 million Long Term Incentive Performance Rights	Nil
	2,144,375 Long Term Incentive Performance Rights (FY17)	Nil
	4,977,207 Long Term Incentive Performance Rights (FY18)	Nil
Mr Anthony Wehby	2 million Long Term Incentive Options	Nil

	6 million Long Term Incentive Performance Rights	Nil
Mr Andrew Paterson	4 million Long Term Incentive Options	Nil
	8 million Long Term Incentive Performance Rights	Nil
	1,825,000 Long Term Incentive Performance Rights (FY17)	Nil
	4,235,921 Long Term Incentive Performance Rights (FY18)	Nil

- (i) The persons entitled to participate in the LTI Plan are Directors and employees of the Company and its Related Bodies Corporate.
- (j) A voting exclusion statement for Resolutions 4-8 is on page 3 of the Notice of Meeting.
- (k) There are no loans proposed to be granted to the KSN Directors for either the grant of the LTI Options or the LTI Performance Rights.
- (l) The LTI Options and LTI Performance Rights will be granted as soon as practicable after the Meeting and in any event within 12 months of the Meeting.

The grant of the LTI Options and LTI Performance Rights will confer a financial benefit on the KSN Directors.

Under section 208 of the *Corporations Act*, for a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- a) obtain the approval of the public company's members; and
- b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the *Corporations Act*.

Shareholder approval is **not** being sought for the purposes of section 208 of the *Corporations Act* on the basis that the benefit is considered by each of the Directors to constitute reasonable remuneration and, therefore, the exception in section 211 of the *Corporations Act* applies. Section 211 provides that Shareholder approval is not required for the purposes of section 208 in circumstances where the benefit constitutes remuneration which would be reasonable given the Company's and the related party's circumstances.

Having considered the Company's circumstances and each of the KSN Directors' position with the Company, the Board considers that the financial benefit conferred by the grant of the LTI Options and LTI Performance Rights to each KSN Director is reasonable and therefore the exception in section 211 applies.

Resolutions 9 and 10 – Approval to grant Short Term Incentive Performance Rights to Mr Andrew Corbett and Mr Andrew Paterson

Background

The Company seeks Shareholder approval for the grant of:

- (a) up to 6,719,318 Short Term Performance Rights (**STI Performance Rights**) to Mr Andrew Corbett (Resolution 9) and
- (b) up to 6,146,932 Short Term Performance Rights (**STI Performance Rights**) to Mr Andrew Paterson (Resolution 10).

Short Term Incentive Performance Rights

The Company proposes to grant up to 6,719,318 STI Performance Rights to Mr Andrew Corbett and up to 6,146,932 STI Performance Rights to Mr Andrew Paterson.

The key terms of the STI Performance Rights proposed to be issued to Mr Corbett and Mr Paterson are 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 STI Performance Rights will automatically vest if the Company's June 2019 VWAP is between 120% to 150% of the Company's June 2018 VWAP; and
- (b) Up to 50% of the STI Performance Rights will vest, at the Board's discretion, upon the achievement of operational performance measures before 30 June 2019.

All STI Performance Rights that have not vested by 31 July 2019 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.

Regulatory requirements – Resolution 9 and 10

Listing Rule 10.11 generally provides that Directors may not be issued any securities in the Company without the approval of Shareholders.

If approval for Resolutions 9 and 10 is given for the purposes of Listing Rule 10.11 then approval is not required under Listing Rule 7.1.

In accordance with the requirements of Listing Rule 10.11 and 10.13, the following further information is provided to Shareholders to allow them to assess the proposed grant of STI Performance Rights to Mr Corbett and Mr Paterson:

- i) The STI Performance Rights will be issued to Mr Andrew Corbett and Mr Paterson or their nominees.
- ii) The maximum number of securities that may be acquired by Mr Corbett (pursuant to Resolution 9) is 6,719,318 STI Performance Rights which may then convert into 6,719,318 Shares if the Performance Hurdles and Vesting Conditions are met.
- iii) The maximum number of securities that may be acquired by Mr Paterson (pursuant to Resolution 10) is 6,146,932 STI Performance Rights which may then convert into 6,146,932 Shares if the Performance Hurdles and Vesting Conditions are met.
- iv) The STI Performance Rights will be granted for nil consideration and no funds will be raised from the grant of STI Performance Rights, or issue of Share upon the vesting of STI Performance Rights.
- v) The full terms and conditions of the STI Performance Rights to be issued to Mr Corbett and Mr Paterson are set out in Schedule 3 to this Explanatory Statement.
- vi) The STI Performance Rights will be granted as soon as practicable after the Meeting and in any event within 1 month of the Meeting.
- vii) A voting exclusion statement in respect of Resolutions 9 and 10 is set out on page 3 of the Notice of Meeting.

The grant of the STI Performance Rights will confer a financial benefit on Mr Corbett and Mr Paterson.

Under section 208 of the *Corporations Act*, for a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- a) obtain the approval of the public company's members; and
- b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the *Corporations Act*.

Shareholder approval is not being sought for the purposes of section 208 of the *Corporations Act* on the basis that the benefit is considered by the other Directors to constitute reasonable remuneration and, therefore, the exception in section 211 of the *Corporations Act* applies. Section 211 provides that shareholder approval is not required for the purposes of section 208 in circumstances where the benefit constitutes remuneration which would be reasonable given the Company's and the related party's circumstances.

Having considered the Company's circumstances and Mr Corbett's and Mr Paterson's executive positions with the Company, the Board other than Mr Corbett and Mr Paterson considers that the financial benefit conferred by the grant of STI Performance Rights to both Mr Corbett and Mr Paterson is reasonable and therefore, the exception in section 211 applies.

Directors' recommendation

The Directors other than Mr Corbett and Mr Paterson recommend Shareholders vote in favour of Resolutions 9 and 10.

Resolution 11 – Non-Executive Remuneration

In accordance with clause 7.5(a) of the Company's Constitution, and subject to the Listing Rules 10.17 and 10.17A, the Company may pay to the Non-Executive Directors a maximum total amount of director's fees determined by the Company in general meeting. The current maximum total amount is \$250,000.

The Board seeks shareholder approval to increase the maximum total amount by \$100,000 to \$350,000, with the increase to take effect on and from the date of this resolution passed and to apply pro rata to the financial year ending 30 June 2019.

The Board confirms, for the purposes of ASX Listing Rule 10.17, that the following securities were issued to Non-Executive Directors under ASX Listing Rule 10.11 or 10.14 with the approval of the Company's shareholders during the last 3 years:

Number of Equity Securities Issued	Class of Equity Securities Issued	Name of Person to Whom Equity Securities were Issued	Date of Approval of Shareholders
2,088,981	Ordinary Shares	Anthony Wehby, Non-Executive Chairman	4 July 2016
2,000,000	Unquoted Options	Anthony Wehby, Non-Executive Chairman	4 July 2016
520,813	Ordinary Shares	Jonathan Davies, former Non-Executive Chairman	20 November 2015
530,813	Ordinary Shares	Yafeng Cai, former Non-Executive Director	20 November 2015
Total: 5,140,607			

The current limit of \$250,000 was approved by the Company's shareholders at the 2017 Annual General Meeting, with the majority of shareholders voting in favour of the resolution to increase the maximum limit to \$250,000.

Details of remuneration paid to Non-Executive Directors for the financial year ending 30 June 2018 are set out in the Company's Remuneration Report. The Company considers that the increase in the maximum limit will provide the Company with greater flexibility in providing remuneration for Non-Executive Directors that is consistent with current market-based payments.

The Company notes that its Constitution permits the Company to appoint additional Directors, which represents a possible increase in the number of Non-Executive Directors. This opportunity, together with the flexibility that an increased maximum fee limit will provide, is consistent with the Company's focus on strategic growth.

A voting exclusion statement for Resolution 11 is set out on page 3 of this Notice.

Directors' recommendation

The Directors, other than the Non-Executive Directors, recommend Shareholders vote in favour of Resolution 11.

Resolution 12 – Approval of issue of Equity Securities for the purpose of ASX Listing Rule 7.1A

Resolution 12 seeks Shareholder approval by way of special resolution for the Company to have the ability to issue Equity Securities pursuant to the 10% Placement Capacity available under ASX Listing Rule 7.1A.

Overview

Listing Rule 7.1A was introduced on 1 August 2012 and allows mid to small cap listed entities to seek Shareholder approval to issue Equity Securities equivalent to an additional 10% of the number of ordinary securities on issue by way of placements over a 12-month period (**10% Placement Capacity**). This is in addition to the 15% permitted under listing rule 7.1.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a Market Capitalisation of \$300 million or less at the time of the AGM. The Company is currently an eligible entity for the purpose of Listing Rule 7.1A. The Board expects that the Company will be an eligible entity as at the date of the AGM. However, if the Company is not eligible, Resolution 12 will be withdrawn.

Shareholder Approval

The ability to issue Equity Securities under Listing Rule 7.1A is subject to Shareholder approval by way of special resolution at AGM. Approval cannot be sought at any other Shareholder's meeting and Equity Securities issued under the approval (if obtained) must be issued within 12 months after the date of the AGM.

No Equity Securities can be issued under Listing Rule 7.1A before the special resolution is passed. However, if a Listing Rule 7.1A approval has been obtained, securities issued under that rule may be subsequently ratified by Shareholders in accordance with Listing Rule 7.4 to "refresh" an entity's Listing Rule 7.1A additional 10% placement capacity.

Equity Securities

Any Equity Securities issued by the Company under the 10% Placement Capacity must be in the same class as an existing quoted class of Equity Securities of the Company.

As at the date of the Notice the Company has only one quoted class of Equity Securities on issue being Shares.

Formula for calculating the 10% Placement Capacity

The Company may issue Equity Securities during the 12-month period after the date of approval calculated in accordance with the following formula as contained in ASX Listing Rule 7.1A.2:

$(A \times D) - E$

A is the number of fully paid ordinary Shares on issue 12 months before the date of issue or agreement to issue:

- plus the number of fully ordinary Shares issued in the 12 months under an exception in Listing Rule 7.2;
- plus the number of partly paid ordinary Shares that became fully paid in the 12 months;
- plus the number of fully paid ordinary Shares issued in the 12 months with approval of Shareholders under Listing Rule 7.1 or 7.4;
- less the number of fully paid ordinary Shares cancelled in the 12 months.

D is 10%

E is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with approval of Shareholders under Listing Rule 7.1 or 7.4.

Additional Disclosure

For the purpose of Listing Rule 7.3A, the following information is provided in relation to the approval of the 10% Placement Capacity:

▪ Minimum issue price

The Equity Securities will be issued at an issue price of not less than 75% of the VWAP for the Company's Equity Securities calculated over the 15 Trading Days on which trades in that class were recorded immediately before:

- the date on which the Equity Securities are to be issued; or
- the date on which the price of the Equity Securities is agreed, provided that the issue is then completed within 5 Business Days.

▪ Risk of dilution

If the Company issues Equity Securities under the 10% Placement Capacity, there is a risk that the economic and voting power of existing Shareholders will be diluted.

There is also a risk that:

- the market price for the Company's Equity Securities may be significantly lower on the issue date than the date of approval at the AGM; and
- the Equity Securities may be issued at a price that is at a discount to the market price for those Equity Securities on the issue date.

The below table shows the risk of dilution to existing Shareholders if the Company issues Equity Securities under the 10% Placement Capacity on the basis of:

- the current market price of Shares and the current number of Shares calculated in accordance with Listing Rule 7.1A.2 variable "A";
- a 50% decrease in the current market price of Shares and a 50% increase in the current number of Shares calculated in accordance with Listing Rule 7.1A.2 variable "A"; and
- a 100% increase in the current market price of Shares and a 100% increase in the current number of Shares calculated in accordance with Listing Rule 7.1A.2 variable "A".

Variable "A" in Listing Rule 7.1A.2		Dilution / Effect		
		\$0.011	\$0.022	\$0.044
		50% decrease in Issue Price	Issue Price	100% increase in Issue Price
Current Issued Capital Variable A=	Shares Issued under LR 7.1A (10%)	122,319,839	122,319,839	122,319,839
1,223,198,383 Shares	Funds Raised	\$1,345,518	\$2,691,036	\$5,382,073
50% increase in Current Issued Capital Variable A=	Shares Issued under LR 7.1A (10%)	183,479,757	183,479,757	183,479,757
1,834,797,575 Shares	Funds Raised	\$2,018,277	\$4,036,555	\$8,073,109
100% increase Current Issued Capital Variable A=	Shares Issued under LR 7.1A (10%)	244,639,677	244,639,677	244,639,677
2,446,396,766 Shares	Funds Raised	\$2,691,036	\$5,382,073	\$10,764,146

The table has been prepared on the following assumptions:

- The Company issues the maximum number of Equity Securities available under the 10% Placement Capacity.
- The table does not show any examples of the dilution that may be caused to a specific Shareholder based on that Shareholder's holding at the date of the AGM.
- The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue.
- The table only shows the effect of issues under Listing Rule 7.1A and does not consider the effect of any issues under the 15% placement capacity under Listing Rule 7.1 during the 12-month period or any other issues.
- The Issue Price of the Shares is \$0.022, being the closing price of the Shares on ASX on 1 October 2018.

- **Final issue date**

The final date that the Company can issue Equity Securities under the 10% Placement Capacity is 12 months from the date of the AGM, being 7 November 2019.

The approval under Resolution 12 will cease to be valid in the event that Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or Listing Rule 11.2 (disposal of main undertaking).

- **Purpose of the issue**

The Company may seek to issue the Equity Securities for the following purposes:

- cash consideration to be applied to the acquisition of new investments, expenditure associated with exploration, drilling, development of the Company's existing asset base in Western Australia and PNG; or
- non-cash consideration for the acquisition of new resources, assets or investments.

If the Equity Securities are issued for non-cash consideration, the Company will release to the market a valuation of the non-cash consideration which demonstrates that the issue price of the securities complies with Listing Rule 7.1A.3.

- **Allocation policy**

The Company's allocation policy for the issue of Equity Securities pursuant to the 10% Placement Capacity is largely dependent on the prevailing market conditions and the circumstances of the Company at the time of any proposed issue. The time frame over the 12-month period which the Company expects to make placements under the Resolution 12 approval therefore cannot yet be accurately determined.

As at the date of the Notice the Company has not formed an intention to issue securities under a placement pursuant to Listing Rule 7.1A to any particular party. The Company may approach existing Shareholders, a class or group of existing Shareholders, or new investors who have not previously been Shareholders to participate in a placement of Equity Securities.

When determining to issue the 10% Placement Capacity securities the Company will have regard to a range of factors including but not limited to:

- the effect of the issue of Equity Securities on the control of the Company;
- the financial circumstances of the Company;
- whether the raising of funds could be carried out by means of a pro-rata entitlements offer or other similar issue to allow existing Shareholders to participate;
- advice from the Company's corporate, financial and professional advisors;
- whether a placement of Equity Securities to a vendor(s) as non-cash consideration for the acquisition of new resources, assets or investments is the best alternative for the Company.

- **Previous approval**

For the purposes of Listing Rule 7.3A.6 the following information is provided.

The Company obtained Shareholder approval for the 10% Placement Capacity at its 2017 Annual General Meeting.

During the 12 months prior to the date of this Notice, the Company issued 601,481,060 equity securities representing approximately 90% of the total number of equity securities on issue 12 months ago. 669,082,736 equity securities were on issue at the commencement of that 12 month period.

Of those equity securities issued during the 12 months prior to the date of this Notice, 96,492,123 shares were issued under the 10% Placement Capacity pursuant to Listing Rule 7.1A. The issue was subsequently ratified under Listing Rule 7.4 by Shareholders at the EGM held on 7 June 2018 (refer Resolution 2(b) of the EGM notice of meeting).

The details of the equity securities issued are as follows:

Number of Equity Securities Issued	Class of Equity Securities Issued	Name of Persons to Whom Equity Securities were Issued	Issue Price	Cash or non-cash Consideration	Discount
302,601,971	Ordinary Shares ⁸	WCB Shareholders ¹	4.5 KSN shares for 1 WCB share	67,244,833 WCB shares (current valuation \$6,657,243) ⁹	-
15,220,351	Ordinary Shares	Former WCB Management and advisors ¹	\$0.02	\$225,000 (non-cash) (current valuation \$334,847) ⁹	-
6,052,035	Ordinary Shares	Former WCB Management and advisors ¹	\$0.02	\$114,989 (non-cash) (current valuation \$133,145) ⁹	-
¹ Ordinary Shares issued on 17 November 2017 as part of the completed merger with WCB Resources Ltd as announced by the Company on 1 September 2017 (waiver granted from ASX – no shareholder approval required for said issue – refer ASX Announcement on 7 September 2017) to: i) WCB Shareholders as Scheme consideration. 4.5 Ordinary Shares in the Company were issued for every 1 common share in WCB; ii) former WCB Management as management compensation for value of \$225,000 pursuant to the Scheme; and iii) advisor fees for value of \$114,989.					
194,000,000	Ordinary Shares	Institutional and sophisticated investors ²	\$0.02	\$4,268,888	-
² Ordinary Shares issued on 12 February 2018 as part of a capital raising announced by the Company on 6 February 2018. 97,507,877 shares were issued under the Company's placement capacity pursuant to Listing Rule 7.1 and 96,492,123 shares were issued under the Company's 10% Placement Capacity pursuant to Listing Rule 7.1A (issue subsequently ratified by shareholders on 7 June 2018). The Company has utilised approximately \$2m on Misima Gold Project including ongoing drilling activities. The remainder of the funds raised from the issue will be used to continue to advance exploration activities at the Company's Misima Gold Project and Livingstone Gold Project in WA, as well as general working capital.					
16,413,039	Ordinary Shares	Trillbar Resources Pty Ltd ³	\$0.02	\$300,000 (non-cash) (current value \$361,067) ⁹	-
³ Ordinary Shares issued on 8 December 2017 following the exercise of the option agreement with Trillbar Resources Pty Ltd announced by the Company on 20 December 2016 (issue subsequently ratified by shareholders on 7 June 2018). The shares were issued to Trillbar Resources Pty Ltd as non-cash consideration to acquire 75% of the Livingstone Gold Project for value of \$300,000.					
11,590,897	Ordinary Shares	Existing Shareholders ⁴	\$0.02	\$255,000	-
⁴ Ordinary Shares issued on 8 March 2018 to existing Shareholders under a SPP as announced by the Company on 6 February 2018. Funds raised from the issue were used for additional working capital to progress exploration and drilling activities at the Misima Gold Project and the Livingstone Gold Project.					
8,237,354	Ordinary Shares	Executive Directors and CFO ⁵	Nil	Nil (current value \$181,222) ⁹	-
⁵ Ordinary Shares issued on 18 July 2018 to Executive Directors and Employee upon partial vesting of FY18 STI Performance Rights – remainder have lapsed. Shareholder approval was obtained at the 2017 AGM pursuant to Listing Rule 10.11 for the issue of STI Performance Rights to Andrew Corbett and Andrew Paterson. No funds were raised from the issue of shares as they were issued as part of the STI Plan for the FY18 financial year.					
7,375,909	Unlisted Options (FY19) ⁶	Employees	Nil	Nil (current value \$74,306) ¹⁰	-
10,701,136	LTI and STI Performance Rights (FY19) ⁶	Employees	Nil	Nil (current value \$38,948) ¹⁰	-
⁶ FY19 Unlisted LTI Options, LTI and STI Performance Rights issued on 23 August 2018 to employees. No funds were raised from the issues of Options and Performance Rights as they were issued as part of FY19 Remuneration.					
12,813,661	LTI Performance Rights (FY18) ⁷	Executive Directors and CFO	Nil	Nil	-

				(current value \$33,828) ¹⁰	
16,474,707	STI Performance Rights (FY18) ⁷	Executive Directors and CFO	Nil	Nil (current value Nil)	-
⁷ FY18 STI and LTI Performance Rights issued on 8 December 2017 to executive directors and CFO. Shareholder approval was obtained at the 2017 AGM pursuant to Listing Rule 10.11 for the issue of STI and LTI Performance Rights to Director Andrew Corbett and Andrew Paterson. No funds were raised from the issue of STI and LTI Performance Rights as they were issued as part of the LTI Plan for the FY18 financial year. FY18 STI Performance Rights partially vested in July 2018.					
Total: 601,481,060					

⁸Ordinary Shares are fully paid ordinary shares in the capital of the Company with full entitlements to participate in dividends and to vote in meetings.

⁹Current value based on the Company's share price of 2.2 cents on 1 October 2018

¹⁰Options valued at 1 October 2018 using the Black Scholes Valuation Model and Performance Rights valued at 1 October 2018 using the Monte Carlo Simulation

▪ **Voting exclusion statement**

A voting exclusion statement is set out on page 3 of this Notice. As at the date of this Notice, the Company does not yet know, nor has it formed an intention in relation to how it will decide, which parties it may approach to participate in any issue that may ultimately be made.

Directors' Recommendation

The Directors recommend that Shareholders vote **in favour** of the 10% Placement Capacity.

KINGSTON RESOURCES LIMITED

ACN 009 148 529

Instructions for Completing 'Appointment of Proxy' Form

1. A member entitled to attend and vote at an Annual 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 4pm (Sydney Time) on 6 November 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 Annual General Meeting of Shareholders convened for the purposes of considering the Resolutions.

Annual Financial Report or Financial Report means the annual financial report prepared under chapter 2M of the *Corporations Act* for the Company and its controlled entities.

Annual Report means the Directors Report, the Financial Report and the Auditors Report in respect to the financial year ended 30 June 2018.

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.

Auditor means the auditor of the Company.

Auditor's Report means the auditor's report on the Financial Report.

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

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.

Directors' Report means the annual directors report.

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

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

Hall Chadwick means Hall Chadwick Chartered Accountants

Key Management Personnel or KMP means key management personnel as identified in the Remuneration Report for the financial year ended 30 June 2018.

Listing Rules means the Listing Rules of the ASX.

LTI Plan means the Company's Long-Term Incentive Plan as approved by Shareholders on 4 July 2016, amended in August 2018, and for which approval is being sought again at this Annual General Meeting.

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

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*.

Remuneration Report means the remuneration report of the Company contained in the Directors' report.

Resolution means a resolution to be considered at the Annual 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 Long Term Incentive Performance Rights

1. Mr Andrew Corbett, Mr Andrew Paterson, Mr Anthony Wehby, Mr Stuart Rechner and Mr Mick Wilkes (**Recipients**) have been offered Performance Rights pursuant to the LTI Plan (**Rights Offers**).
2. The Rights Offers have been made pursuant to the terms and conditions of the Rules of the LTI Plan (**LTI Plan Rules**) and the terms of the Offers must be read in conjunction with the LTI Plan Rules. The Performance Rights will be governed by the LTI Plan Rules and the terms of the Rights Offers.
3. To the extent of any inconsistency between the terms of the Rights Offers and the LTI Plan Rules, the terms of the Rights Offers will prevail.
4. Each Performance Right entitles the Recipient to acquire one (1) Share, by way of issue of new Shares or transfer of existing Shares.
5. The 6,719,318 Performance Rights issued to Mr Corbett will convert into up to 6,719,318 Shares, subject to satisfaction of the Performance Hurdles and Vesting Conditions described below and otherwise in accordance with the LTI Plan Rules.
6. The 6,146,932 Performance Rights issued to Mr Paterson will convert into up to 6,146,932 Shares, subject to satisfaction of the Performance Hurdles and Vesting Conditions described below and otherwise in accordance with the LTI Plan Rules.
7. The 1,742,045 Performance Rights issued to Mr Wehby will convert into up to 1,742,045 Shares, subject to satisfaction of the Performance Hurdles and Vesting Conditions described below and otherwise in accordance with the LTI Plan Rules.
8. The 1,368,750 Performance Rights issued to Mr Rechner will convert into up to 1,368,751 Shares, subject to satisfaction of the Performance Hurdles and Vesting Conditions described below and otherwise in accordance with the LTI Plan Rules.
9. The 1,368,750 Performance Rights issued to Mr Wilkes will convert into up to 1,368,750 Shares, subject to satisfaction of the Performance Hurdles and Vesting Conditions described below and otherwise in accordance with the LTI Plan Rules.
10. The Performance Rights will automatically vest if the Company achieves a Market Capitalisation greater than \$70 million on or before 30 June 2022 (**Vesting Condition**). Market Capitalisation means the price of the Company's Shares as quoted on ASX multiplied by the total number of Shares on issue.
11. The Company's determination as to whether a Vesting Condition has been achieved shall be final.
12. The Performance Rights may also vest in the circumstances set out in the LTI Plan Rules.
13. The Vesting Date in respect of Performance Rights is the earlier of:
 - (a) the date specified in paragraph 10 above;
 - (b) the date a Change in Control Event (as defined in the LTI Plan Rules) occurs; and
 - (c) the date the Company makes an announcement to the effect that the Board recommends that Shareholders accept a takeover bid for the Company.
14. 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.
15. The Performance Rights proposed to be issued to each of the Recipients will automatically lapse and be forfeited if any of the Recipients 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 each of the Recipients will not lapse and be forfeited if any of the Recipients 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.
16. Any Shares that are acquired on the vesting of Performance Rights in accordance with the Rights Offers will be issued or transferred to the Recipient 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.
17. All Performance Rights that have not vested by 30 June 2022 will automatically lapse and be forfeited.

18. In the event of a bonus issue of securities, the number of Shares over which the Performance Rights are exercisable may be increased by the number of Shares that the Recipients would have received if the Performance Rights had been exercised before the record date for the bonus issue.
19. In the event of a reorganisation (including a consolidation, subdivision, reduction or return) of the issued capital of the Company, all rights of a Recipient are to be changed in the manner consistent with the Listing Rules.

Schedule 2

TERMS AND CONDITIONS OF LONG TERM INCENTIVE OPTIONS

1. Mr Andrew Corbett, Mr Andrew Paterson, Mr Anthony Wehby, Mr Stuart Rechner and Mr Mick Wilkes (**Recipients**) have been offered Long-Term Incentive Options pursuant to the LTI Plan (**Option Offers**).
2. The Option Offers have been made pursuant to the terms and conditions of the Rules of the LTI Plan (**LTI Plan Rules**) and the terms of the Option Offers must be read in conjunction with the LTI Plan Rules. The Long -Term Incentive Options will be governed by the LTI Plan Rules and the terms of the Option Offers.
3. To the extent of any inconsistency between the terms of the Option Offers and the LTI Plan Rules, the terms of the Option Offers will prevail.
4. The issues are as follows:
 - a. Mr Corbett is to be issued 7,500,000 Long Term Incentive Options;
 - b. Mr Paterson is to be issued 6,500,000 Long Term Incentive Options;
 - c. Mr Wehby, Mr Rechner and Mr Wilkes are each to be issued 3,000,000 Long Term Incentive Options;
5. Each Long-Term Incentive Option entitles the holder (**Option Holder**) to subscribe for one fully paid ordinary share in the Company.
6. No amount is payable on grant of the Long-Term Incentive Options.
7. The exercise price of the Long-Term Incentive Options is 2.7 cents each, and will be payable in full on exercise.
8. Each Long-Term Incentive Option may be exercised at any time before 5.00pm (Sydney) on 30 June 2021 (**Expiry Date**). Any Long-Term Incentive Option not exercised by the Expiry Date will automatically expire.
9. No certificate will be issued for the Long-Term Incentive Options.
10. An Option Holder may not, except with the approval of the Board (in its sole and absolute discretion), sell, transfer, assign, give or otherwise dispose of, in equity or in law, the benefit of the Long-Term Incentive Options. The approval of the Board may be given subject to satisfaction of certain conditions in which event such approval will be deemed not to occur until any such conditions have been satisfied, including without limitation a covenant with the Company pursuant to which the proposed new holder acknowledges and agrees to be bound by these terms of Long Term Incentive Options.
11. An instrument of transfer of a Long-Term Incentive Option must be:
 - (a) in writing;
 - (b) in any usual form or in any other form approved by the Directors that is otherwise permitted by law;
 - (c) subject to the *Corporations Act*, executed by or on behalf of the transferor, and if required by the Company, the transferee; and
 - (d) delivered to the Company, at the place where the Company's register of Option Holders is kept, together with the certificate (if any) of the Long-Term Incentive Options to be transferred and any other evidence as the Directors require to prove the title of the transferor to that Long-Term Incentive Options, the right of the transferor to transfer those Long-Term Incentive Options and the proper execution of the instrument of transfer.
12. The Long-Term Incentive Options will not be listed for quotation on any stock exchange including the ASX.
13. If the Company is admitted to the Official List of the ASX, the Company will apply for Official Quotation of all Shares allotted pursuant to an exercise of the Long-Term Incentive Options in accordance with the Listing Rules.
14. The Long-Term Incentive Options will not give any right to participate in dividends until Shares are allotted pursuant to the exercise of the relevant Long-Term Incentive Options.
15. There will be no participating entitlements inherent in the Long-Term Incentive Options to participate in new issues of capital that may be offered to Shareholders during the currency of the Long-Term Incentive Option. If the Company is admitted to the ASX, Option Holders will be notified by the Company prior to any new pro-rata issue of securities to Shareholders in accordance with the Listing Rules.
16. In the event of a bonus issue of securities, the number of Shares over which the Long-Term Incentive Options are exercisable may be increased by the number of Shares that the Option holders would have received if the Options had been exercised before the record date for the bonus issue.
17. If the Company is admitted to the ASX, in the event of a reconstruction, including the consolidation, subdivision, reduction or return of issue capital of the Company prior to the Expiry Date, all rights of an Option Holder are to be changed in a manner consistent with the Listing Rules.

18. There is no right to a change in the exercise price of the Long-Term Incentive Options or to the number of Shares over which the Long-Term Incentive Options are exercisable in the event of a new issue of capital (other than a bonus issue or a pro rata issue) during the currency of the Long-Term Incentive Options.
19. The Company will notify each Option Holder and if required by the Listing Rules, ASX, within one month after the record date for a bonus issue or a pro rata issue of the adjustment to the number of Shares over which a Long-Term Incentive Option exists.
20. Long-Term Incentive Options are exercisable by the delivery to the registered office of the Company of a notice in writing stating the intention of the Option Holder to exercise all or a specified number of the Long-Term Incentive Options held by the Option Holder accompanied by a cheque made payable to the Company for the subscription price for the exercise of the specified Long-Term Incentive Options. An exercise of only some of the Long-Term Incentive Options will not affect the rights of the Option Holder to the balance of the Long-Term Incentive Options held by him.
21. Long-Term Incentive Options will be deemed to have been exercised on the date the exercise notice is received by the Company.
22. The Company will allot the resultant Shares and deliver the holding statement within five business days after the exercise of the Long-Term Incentive Option.
23. Shares allotted pursuant to an exercise of Long-Term Incentive Options will rank, from the date of allotment, in all respects equally with existing fully paid ordinary Shares of the Company. For the avoidance of doubt, subject to the application of the Listing Rules, all Shares allotted pursuant to an exercise of Long-Term Incentive Options will be transferrable.
24. These terms and the rights and obligations of the Option Holder are governed by the laws of Western Australia. The Option Holder irrevocably and unconditionally submits to the jurisdiction of the courts of Western Australia.
25. The grant of the Long-Term Incentive Options is subject to the approval of the LTI Plan by Shareholders at the Meeting.

Schedule 3

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 6,719,659 Performance Rights issued to Mr Corbett will convert into up to 6,719,659 Shares, subject to satisfaction of the Performance Hurdles and Vesting Conditions described below.
3. The 6,146,932 STI Performance Rights issued to Mr Paterson will convert into up to 6,146,932 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 STI Performance Rights will automatically vest if the Company's June 2019 VWAP is between 120% to 150% of the Company's June 2018 VWAP; and
 - (b) Up to 50% of the STI Performance Rights will vest, at the Board's discretion, upon the achievement of operational performance measures before 30 June 2019.
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 2019 will automatically lapse and be forfeited.
10. In the event of a bonus issue of securities, the number of Shares over which the Short Term Incentive Performance Rights are exercisable may be increased by the number of Shares that Mr Corbett and Mr Paterson would have received if the Short Term Incentive Performance Rights had been exercised before the record date for the bonus issue.
11. In the event of a reorganisation (including a consolidation, subdivision, reduction or return) of the issued capital of the Company, all rights of Mr Corbett and Mr Paterson are to be changed in the manner consistent with the Listing Rules.

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

LODGE A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given above by **4:00pm (AEDT) on Tuesday, 6 November 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 reverse of this Proxy Form).

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, including where the Resolutions are connected directly or indirectly with the remuneration of KMP.

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.

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

NAME SURNAME
ADDRESS LINE 1
ADDRESS LINE 2
ADDRESS LINE 3
ADDRESS LINE 4
ADDRESS LINE 5
ADDRESS LINE 6



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 Annual General Meeting of the Company to be held at **4:00pm (AEDT) on Thursday, 8 November 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.

Important for Resolutions 1 and 3-11: If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolutions 1 and 3-11, even though the Resolutions are connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (**KMP**).

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

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

	For	Against	Abstain*		For	Against	Abstain*
1 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	9 Approval to grant Short Term Incentive Performance Rights to Mr Andrew Corbett	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Election of Director – Mr Mick Wilkes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	10 Approval to grant Short Term Incentive Performance Rights to Mr Andrew Paterson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Approval of LTI Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	11 Non-Executive Remuneration	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Approval to grant Long Term Incentive Options and Performance Rights to Mr Andrew Corbett	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	12 Approval of Issue of Equity Securities for the Purpose of ASX Listing Rule 7.1A	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5 Approval to grant Long Term Incentive Options and Performance Rights to Mr Andrew Paterson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
6 Approval to grant Long Term Incentive Options and Performance Rights to Mr Anthony Wehby	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
7 Approval to grant Long Term Incentive Options and Performance Rights to Mr Stuart Rechner	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
8 Approval to grant Long Term Incentive Options and Performance Rights to Mr Mick Wilkes	<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).

KSN PRX1802D