



ASX Announcement  
30 October 2018

ASX Code: KSN

Share Price: A\$0.022

Shares Outstanding: 1,223,198,383

Market Capitalisation: A\$26.9m

Cash: A\$5.0m (30 Sept 2018)

## Board and Management

**Anthony Wehby**  
*Chairman*

**Andrew Corbett**  
*Managing Director*

**Andrew Paterson**  
*Technical Director*

**Stuart Rechner**  
*Non-Executive Director*

**Mick Wilkes**  
*Non-Executive Director*

**Chris Drew**  
*Chief Financial Officer*

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## Quarterly Activities Report

For the quarter ending 30 September 2018

### Highlights

- **Misima earn-in completed; KSN now owns 70% of Misima Gold Project**
- **Misima regional exploration program delivers further success at Ginamwamwa and Ara Creek**
- **Excellent results from second round of Livingstone drilling**

Kingston Resources Limited (Kingston or the Company) is pleased to provide an update on its September quarter activities. The quarter saw the completion of the Joint Venture earn-in at Misima with the Company now holding 70% of the project. Exploration work was also ongoing at both the Company's gold projects:

- Following the successful reconnaissance drilling at Livingstone in Western Australia, Kingston commissioned a second round of approximately 7,000m of air-core drilling in the Livingstone's Find area. This program was concluded early October.
- Ongoing field work at the Ginamwamwa discovery at Misima resulted in the identification of coarse visible gold at surface, while mapping continued to increase the scale of the discovery further east. During the quarter the Kingston team completed 1,793m of trenching.
- Diamond drilling has been ongoing at Misima throughout the quarter, continuing to test extensional targets along the Umuna Shear. Drilling through the quarter was impacted by mechanical issues. The drilling contractor has worked to resolve the issues and more recent drilling performance has improved.

Kingston MD Andrew Corbett said "The September quarter has seen strong progress made at Livingstone with early results received from the latest drilling looking very encouraging, we expect to report more results shortly. At Misima, the KSN team on the ground has continued its great work at Ginamwamwa and Ara Creek. As more work is done on these prospects they are both looking increasingly exciting. The drill program is ongoing with the focus on extending the already significant 2.8Moz resource<sup>^</sup>."

Kingston concluded the quarter with \$5.0m cash. During the quarter the completion of the lithium asset sale saw Kingston's cash balance boosted by \$1.8m.

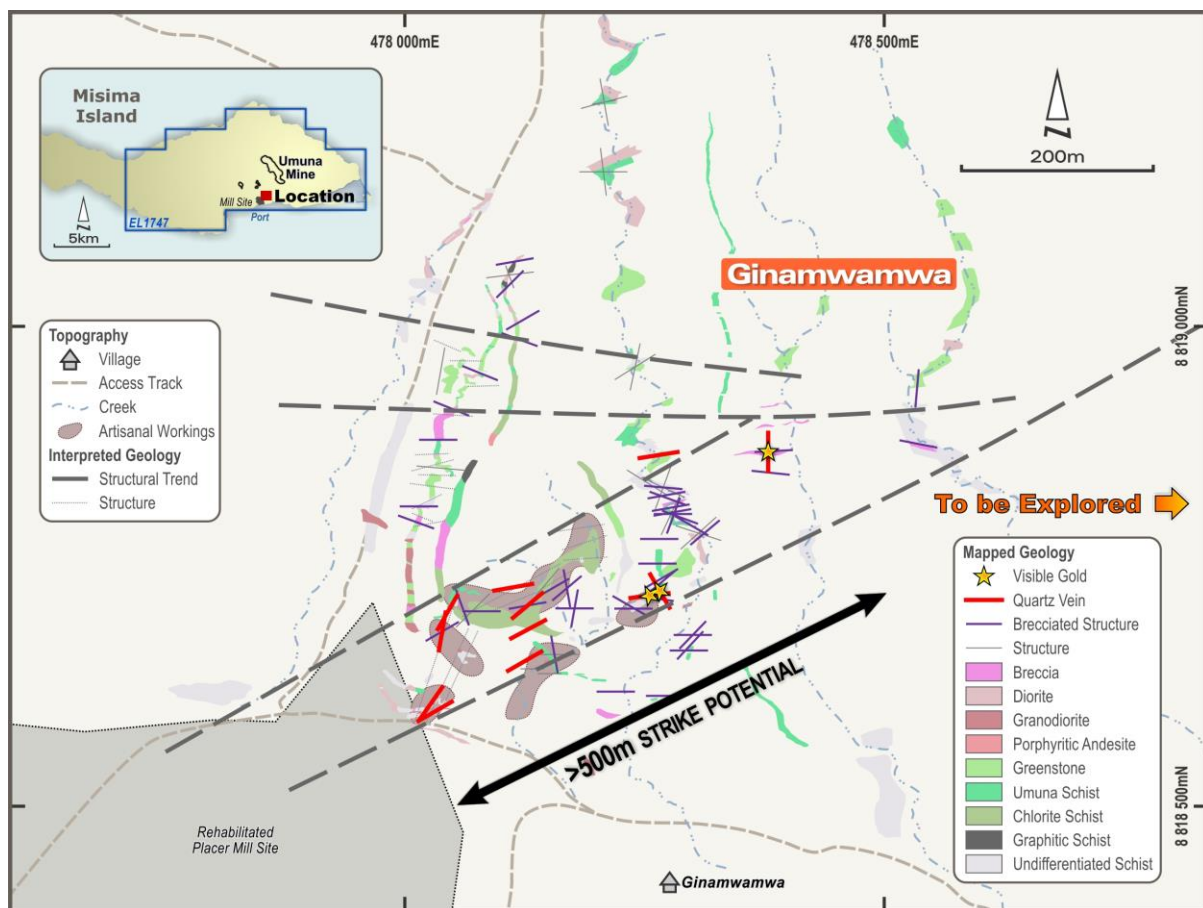
<sup>^</sup> Refer Table 1

## Exploration Update

### Misima Gold Project

The September quarter saw a significant increase in the amount of regional field work at Misima, with auger sampling completed over two targets on the Misima North trend as well as extensive trenching, sampling and mapping over Ginamwamwa.

At Ginamwamwa field work included ongoing excavation of trenches as well as sampling and mapping of trenches, creek exposures and artisanal mine workings. A significant discovery during the quarter was the identification of coarse visible gold mineralisation in quartz veining in two areas in the central and eastern part of the prospect; one intersected in the Company's trenching activities and the other uncovered by artisanal miners<sup>1</sup>. Coarse gold is unusual at Misima, and this style of coarse gold in quartz may be a new mineralisation style for the project.



**Figure 1: Ginamwamwa fact mapping of geology and structure showing the locations of visible gold occurrences.**

The channel sampling carried out during the quarter delivered further outstanding results including:<sup>2</sup>

- 34m @ 3.19 g/t, at surface
  - Incl. 8m @ 7.96 g/t
- 50m @ 2.06 g/t Au, at surface
  - Incl. 8m @ 5.38

<sup>1</sup> ASX Announcement 26 September 2018

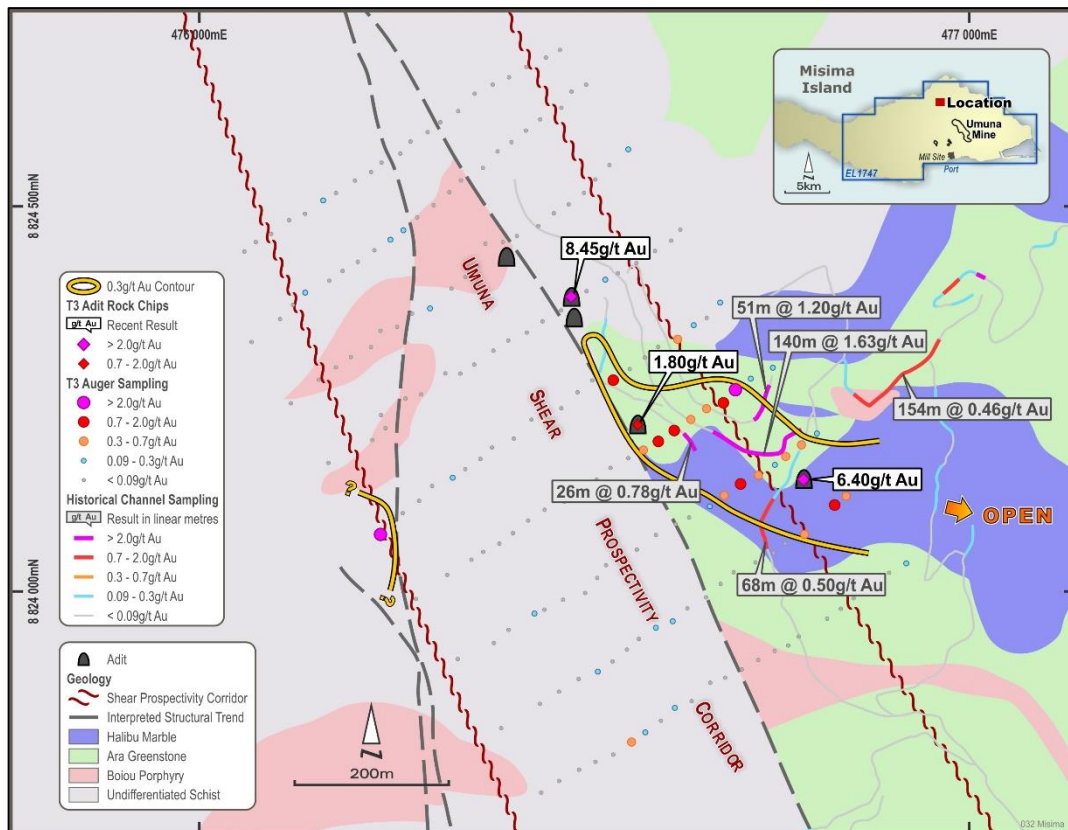
<sup>2</sup> ASX Announcement 29 October 2018

- 5m @ 9.57 g/t Au, at surface
- 6m @ 1.6 g/t Au, at surface
- 10m @ 1.23 g/t Au, at surface
  - Incl. 2m @ 3.99 g/t

These results follow up previously reported channel sampling results<sup>3</sup> such as 14m @12.2g/t Au and 35.5g/t Ag. Over 500m of strike has already been identified at Ginamwamwa, at the end of the quarter exploration was continuing to push the prospect further east.

The Company is very excited to be delivering on its near-mine exploration strategy at such an early stage with the discovery of Ginamwamwa. Further targets, including Ara Creek, T4, and T5 will continue to be developed all with a view to drilling in 2019.

At Ara Creek, approximately 2.5km north of the Umuna Pit, auger sampling defined a coincident gold, zinc and lead anomaly more than 400m long and open to the southeast<sup>4</sup>. Exploration also resulted in the rediscovery of five historic mine adits dating to the pre-war era, and rock chip samples from the mouths of these adits returned assay values as high as 8.45g/t Au. Further work is planned in this area to extend the auger pattern further east, followed by trenching to add structural and assay data across the strike of the anomaly.

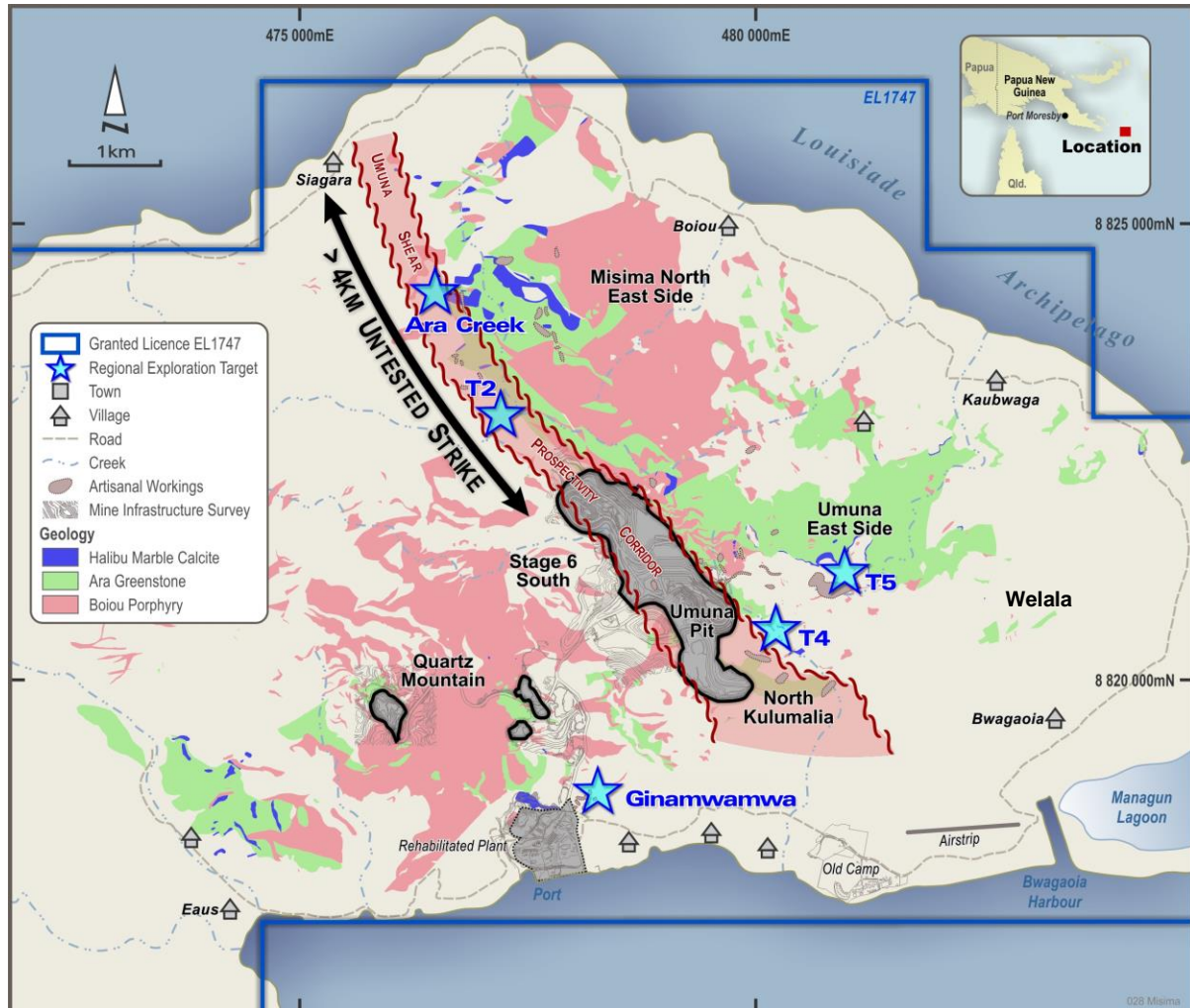


**Figure 2: Auger sampling results at Ara Creek, showing highlighted channel sampling from Placer Mines' work in the early 1990's.**

<sup>3</sup> ASX Announcement 4 April 2018

<sup>4</sup> ASX Announcement 18 September 2018

At the T2 prospect auger sampling returned weak gold anomalism, with one isolated sample of 7.59g/t Au in the northern section of the program. Because of the structural setting of this target even these lower-level anomalies warrant follow-up, and trenching is planned in the area prior to considering drilling in 2019.



**Figure 3: Misima regional exploration targets**

During the quarter assays were received for the first two holes at Misima, results included<sup>5</sup>:

- 4m @ 2.32g/t Au, 3.30g/t Ag from 33m; and
- 5m @ 2.38g/t Au, 8.16g/t Ag from 136m in GDD007
- 3m @ 1.44g/t Au, 9.03g/t Ag from 115m; and
- 27m @ 1.08g/t Au, 4.09g/t Ag from 129m in GDD008, including
  - 4m @ 2.11g/t Au and 2.60g/t Ag from 130m; and
  - 8m @ 2.04g/t Au and 6.50g/t Ag from 148m

The holes were drilled in an area known as North Kulumalia, targeting down-dip extensions of the southern end of the main Umuna Shear beneath the existing 2.8Moz Au resource. Drilling is now advancing along the west side of

<sup>5</sup> ASX announcement 23 August 2018



the Umuna Shear, targeting a variety of extensional and infill positions around the Inferred mineral resource near the Central Umuna area.

Drilling at Misima slowed during the quarter as a result of mechanical issues with the rig. Following remedial work carried out by the drilling contractor performance has seen an improvement in October.

Subsequent to the end of the quarter the LiDAR survey over Misima was completed. This is anticipated to benefit the ongoing exploration program through providing highly accurate and detailed models of the surface terrain while also identifying historical mining topography, current and historic artisanal mining, and potential geological features, as well as determining water drainage patterns.

### **Livingstone Gold Project**

Air core drilling conducted in the June quarter identified significant mineralisation in a number of areas, particularly the Kingsley Prospect. Subsequent re-assays of the initial composites confirmed the Kingsley discovery<sup>6</sup>. Results such as 5m @ 6.56g/t Au in KLAC008 and 3m @ 5.82g/t Au in KLAC006 formed part of a broader picture of mineralisation open along 2km of strike at Kingsley, with at least two parallel structures identified. These results also confirmed that mineralisation has been identified to the south of, and parallel to, historic workings and as such the second lode is a new discovery.

Following the success of this initial program Kingston immediately commissioned a second round of drilling at the Kingsley, Drake and Dampier prospects, intended to infill and extend mineralisation at Kingsley as well as adding definition to initial hits at the latter two prospects. Drilling commenced in early September with the 7,000m program concluded early October. Initial 4m composite results reported<sup>7</sup> from the first 30 of 106 holes include

- 20m @ 2.94g/t Au from 4m in KLAC159
- 16m @ 1.25g/t Au from 128m in KLAC153
- 8m @ 3.03g/t Au from 12m in KLAC174
- 12m @ 1.65g/t Au from 48m in KLAC160
- 8m @ 1.58g/t Au from 36m & 8m @ 1.63g/t Au from 68m in KLAC164
- 16m @ 1.33g/t Au from 32m, including 4m @ 2.36g/t Au in KLAC168

Further results are expected to be reported shortly.

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<sup>6</sup> ASX announcement 21 August 2018.

<sup>7</sup> ASX announcement 11 October 2018.

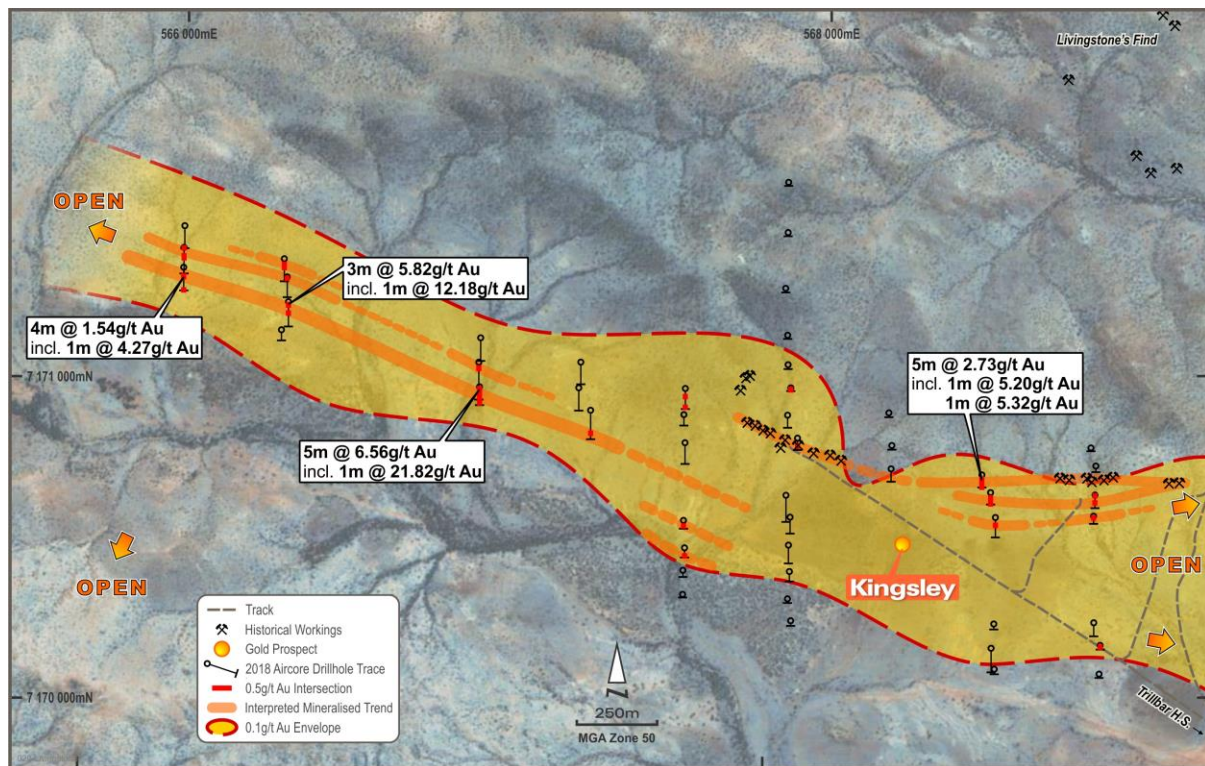


Figure 4: Highlights from first-pass air-core drilling at Kingsley.

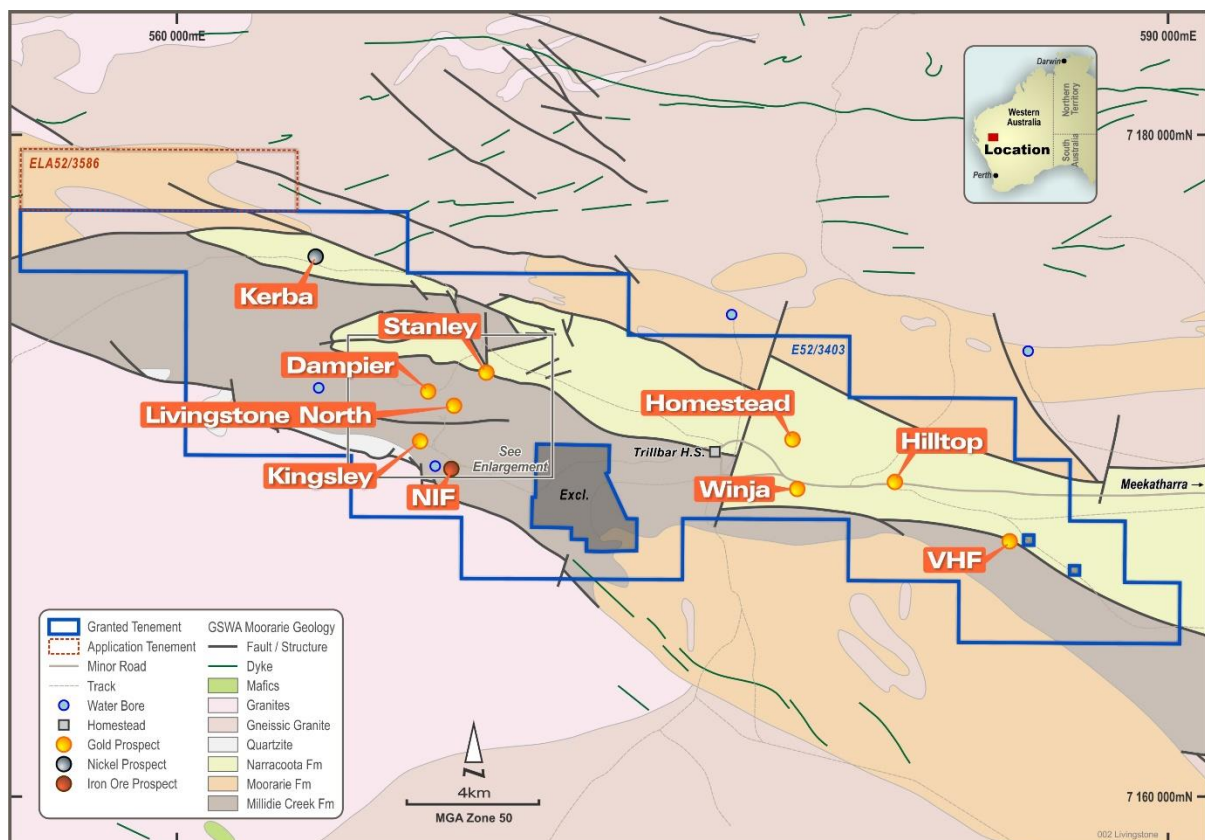


Figure 5: Livingstone prospects occur along a prospective strike length of over 30km.

### **About Kingston Resources**

Kingston Resources is a metals exploration company. Currently the Company's priority is the world-class Misima Gold Project in PNG, which contains a JORC resource of 2.8Moz Au, a production history of over 3.7Moz and outstanding potential for additional resource growth through exploration success. Kingston owns 70% of the Misima Gold Project in Joint Venture with Pan Pacific Copper Ltd.

In addition, Kingston owns 75% of the Livingstone Gold Project which holds a 50koz resource and is the site of a number of high grade historic intersections.

### **Competent Persons Statement**

The information in this report that relates to Exploration Results, Mineral Resources or Reserves is based on information compiled by Mr Andrew Paterson, who is a member of the Australian Institute of Geoscientists. Mr Paterson is a full-time employee of the Company and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking to qualify as a competent person as defined in the 2012 Edition of the "Australasian Code for reporting of Exploration Results, Mineral Resources and Ore Reserves" (JORC Code). Mr Paterson consents to the inclusion in this report of the matters based upon the information in the form and context in which it appears.

Kingston confirms that it is not aware of any new information or data that materially affects the information included in all ASX announcements referenced in this release, and that all material assumptions and technical parameters underpinning the estimates in these announcements continue to apply and have not materially changed.



**Kingston project locations.**

**Misima Mineral Resource**

The Misima mineral resource estimate shown in Table 1 below was released in an ASX announcement on 27 November 2017. The resource estimate was compiled by Mr Scott McManus, who is an independent consultant to the Company. Further information relating to the resource is included within the original announcement.

Deposit	Material	Resource Category	Cutoff (g/t Au)	Tonnes (Mt)	Gold (g/t Au)	Silver (g/t Ag)	Au Moz	Ag Moz
Umuna	Oxide	Indicated	0.5	3.2	0.9	11.7	0.1	1.2
		Inferred	0.5	5.7	1.0	13.6	0.2	2.5
	Primary	Indicated	0.5	34.0	1.1	4.2	1.2	4.6
		Inferred	0.5	32.7	1.1	4.7	1.1	5.0
	Sub-total	Indicated		37.2	1.1	4.9	1.3	5.8
		Inferred		38.4	1.0	6.1	1.3	7.5
	Total	Combined		75.7	1.1	5.5	2.6	13.3
Ewatinona	Oxide	Inferred	0.5	1.0	0.9	3.4	0.03	0.1
	Primary	Inferred	0.5	5.6	1.0	3.1	0.2	0.6
	Sub-total	Inferred		6.6	1.0	3.2	0.22	0.7
Misima Total		Indicated		37.2	1.1	4.9	1.3	5.8
		Inferred		45.0	1.0	5.6	1.5	8.1
Total Mineral Resource				82.3	1.1	5.3	2.8	13.9

Table 1: Misima JORC2012 mineral resource estimate summary table.