Drilling confirms thick gold zones beneath old Misima pit

- **Results received from five recent diamond holes, including:**
  - **56m @ 1.01g/t Au, 7.1g/t Ag in GDD014**
  - **10.1m @ 1.76g/t Au, 1.5g/t Ag in GDD016**
- **Drilling continues at new discovery Ginamwamwa**

Kingston Resources Limited (**Kingston** or the **Company**) is pleased to report the results of further exploration drilling at its flagship 2.8Moz Misima Gold Project in PNG.

Assay results from another five diamond holes drilled into the main Umuna Lode up to December 2018 have now been received. These results are subsequent to the intersection of 40m @ 3.17g/t Au in hole GDD013 announced in November 2018[1].

Highlights from the drilling include:

- **56m @ 1.01g/t Au, 7.1g/t Ag** from 110m in GDD014 (Figure 2), including
  - 4m @ 4.81g/t Au and 17.9g/t Ag from 158m;
- 10m @ 1.25g/t Au, 1.4g/t Ag from 92m in GDD015; and
- 10m @ 1.76g/t Au, 1.5g/t Ag from 151m in GDD016.

Following the success of drilling targeting the Umuna Lode at depth, the Company decided to use these five holes to target shallower mineralisation beneath the Umuna Pit and within the existing 2.8Moz Misima mineral resource to test the interpreted continuity of grade and structure. Pleasingly, all results were in line with expectations.

Kingston Resources Limited Managing Director, Andrew Corbett said: "These five holes into the northern section of the Umuna resource have confirmed what we had interpreted to be in that area. The result in GDD014 in particular demonstrates the potential for increased thickness and grade within the shear, including a high-grade zone of 4.8g/t Au near the footwall contact. We've now moved the rig down to our Ginamwamwa prospect, where a range of holes are being drilled to test underneath the high-grade supergene gold we identified at surface through the successful 2018 geochemistry program. After completion of the Ginamwamwa program the rig will move to Quartz Mountain."

Having tested a range of locations along the Umuna Shear beneath the old pit, the Company's exploration strategy is now firmly focused on discovering and defining near-surface satellite mineralisation at prospects including Ginamwamwa, Quartz Mountain, and Ara Creek. Adding near-surface resources is likely to be important in the early stages of any potential future mining operation.

[1] ASX Announcement 8 November 2018: "Kingston hits 40m at 3.17g/t gold at Misima"

ASX Announcement

18 February 2019

ASX Code: KSN

Share Price: A$0.018

Shares Outstanding: 1,223,198,383

Market Capitalisation: A$22m

Cash: A$3.3m (31 Dec 2018)

Contact Details

205/283 Alfred Street North,
North Sydney,
NSW 2060
+61 2 8021 7492

info@kingstonresources.com.au
www.kingstonresources.com.au
www.twitter.com/KSNresources
@KSNResources

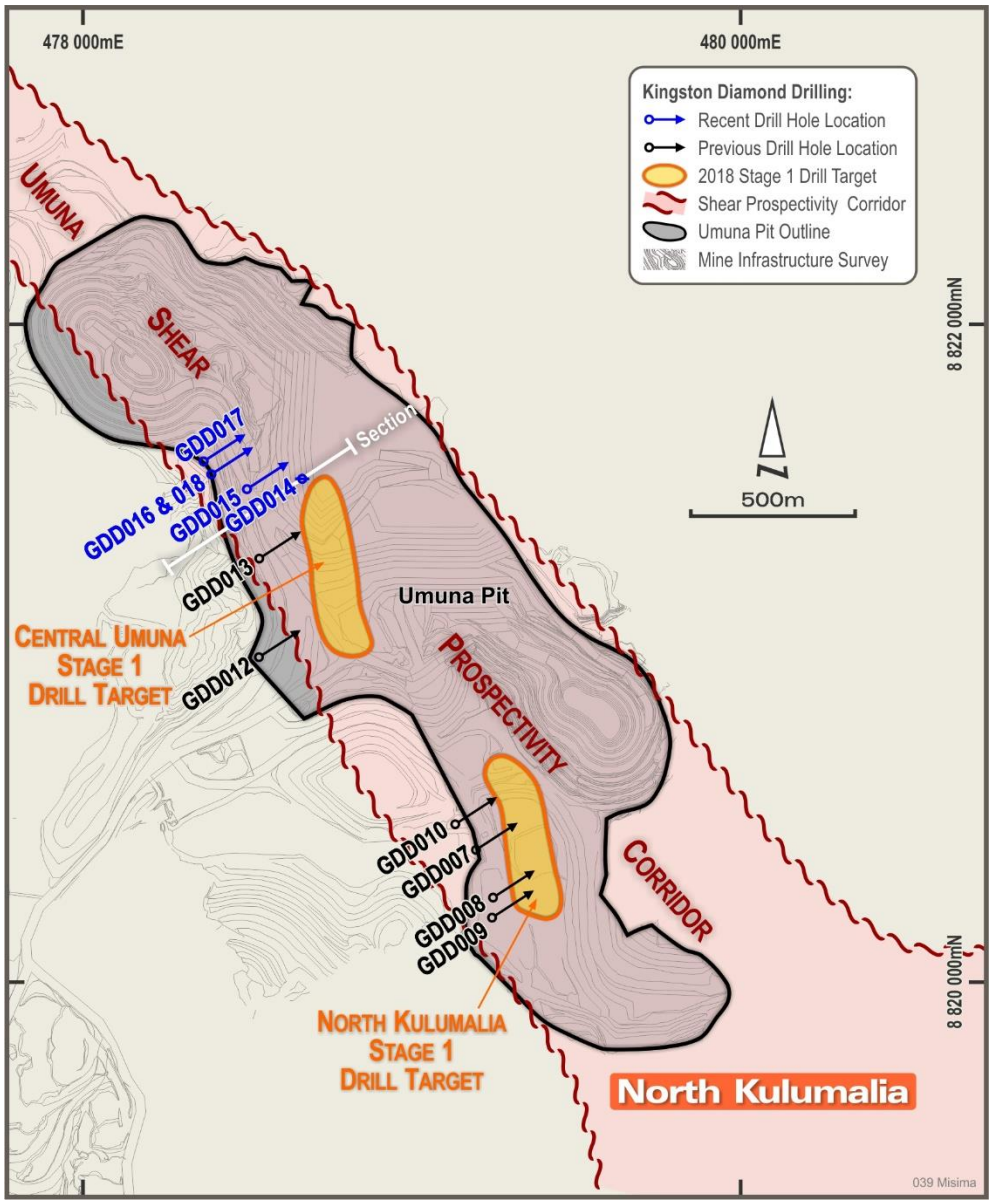

Figure 1: Collar plan. Recent drilling has targeted the Umuna Shear towards the northern end of the pit.

Hole ID	Easting	Northing	RL	Depth	Dip	Azimuth
GDD014	478476	8821535	176	214.1	-90	0
GDD015	478488	8821502	172	164.6	-60	57
GDD016	478395	8821547	212	221.7	-54	57
GDD017	478371	8821586	208	173.6	-60	57
GDD018	478381	8821543	212	221.9	-70	57

Table 1: Collar details, holes GDD013 to GDD018.

205/283 Alfred Street North, North Sydney, NSW 2060, +61 2 8021 7492, info@kingstonresources.com.au

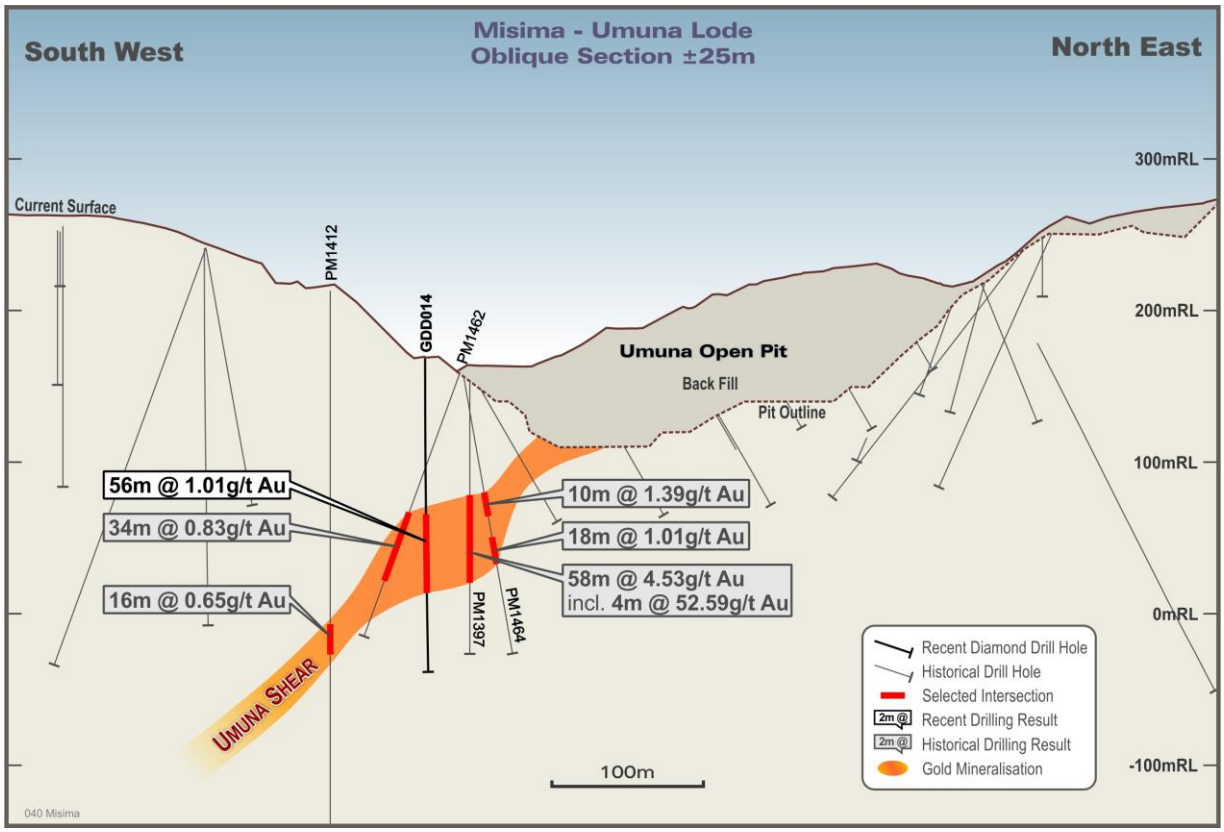

Figure 2: Oblique section showing GDD014 (56m @ 1.01g/t Au) in relation to historic drilling by Misima Mines Ltd.

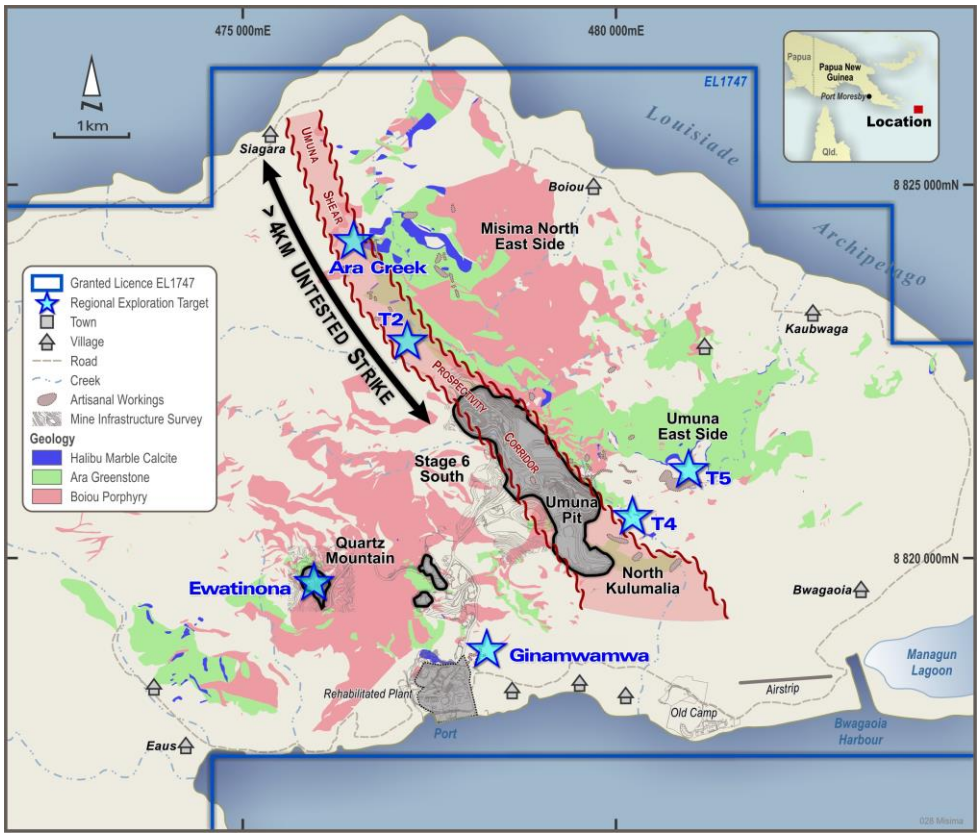

Figure 3: Misima Gold Project: simplified geology and exploration targets.

205/283 Alfred Street North, North Sydney, NSW 2060, +61 2 8021 7492, info@kingstonresources.com.au

Hole ID	From	To	Interval	Au (ppm)	Ag (ppm)	Cu (ppm)	Pb (ppm)	Zn (ppm)
GDD014	9.6	14	4.4	0.75	0.5	26	770	1370
	30	32	2	0.58	0.3	17	66	156
	94	96	2	0.50	1.3	86	207	2011
	110	166	56	1.01	7.1	809	867	7213
Including	158	162	4	4.81	17.9	2248	5171	13477
GDD015	28	30	2	0.92	1.5	22	287	995
	92	116	24	0.86	3.0	267	1688	3881
Including	92	102	10	1.25	1.4	205	1866	5000
	164	164.6	0.6	0.46	9.7	136	111	213
GDD016	102	103	1	0.42	0.6	66	557	792
	129	131	2	0.76	0.7	88	1401	1966
	151	161.1	10.1	1.76	1.5	409	2233	3923
	197.3	199.3	2	2.38	0.5	58	9	76
GDD017	85.9	87.7	1.8	0.74	1.4	69	1587	1911
	100	103.9	3.9	0.48	0.2	23	349	1099
	119.6	124.8	5.2	0.46	3.0	1135	563	1259
	136	141	5	0.67	1.4	788	953	3232
Including	139.2	141	1.8	1.32	3.3	2028	1298	4372
	148	152	4	1.79	1.2	461	734	1958
GDD018	60.8	61.9	1.1	0.73	8.8	629	219	7497
	78	78.6	0.6	0.42	1.5	64	3290	5298
	106.3	108	1.7	0.68	BD	37	721	1009
	111	112	1	0.71	1.6	216	1687	4837
	121	121.7	0.7	0.72	0.9	150	837	1843
	132.9	134	1.1	0.58	1.4	102	4390	3741
	140.7	147.1	6.4	0.61	0.6	102	817	2281
	155.6	163.6	8	0.65	2.9	1363	637	1207
	170	171.5	1.5	1.66	8.6	2319	7351	10977
	177.6	179.5	1.9	0.82	2.9	969	710	1947

Table 2: Significant intersections. Intersections are calculated at a minimum cut-off of 0.4g/t Au with a maximum 2.2m of internal dilution.

205/283 Alfred Street North, North Sydney, NSW 2060, +61 2 8021 7492, info@kingstonresources.com.au

Misima Mineral Resource

The Misima mineral resource estimate shown in Table A1 below was released in an ASX announcement on 27 November 2017. The resource estimate was compiled by Mr Scott McManus, who is an independent consultant to the Company. Further information relating to the resource is included within the original announcement.

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

Table A1. Misima JORC2012 mineral resource estimate summary table.

Competent Persons Statement and Disclaimer

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

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

205/283 Alfred Street North, North Sydney, NSW 2060, +61 2 8021 7492, info@kingstonresources.com.au

About Kingston Resources

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

In addition, Kingston owns 75% of the Livingstone Gold Project in Western Australia.

KSN project locations.

205/283 Alfred Street North, North Sydney, NSW 2060, +61 2 8021 7492, info@kingstonresources.com.au

JORC Code, 2012 Edition – Table 1 Umuna Gold Deposit, Misima Island

Section 1.01 Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling. • Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. • Aspects of the determination of mineralisation that are Material to the Public Report. • In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.	Drilling • Samples are core from diamond drilling of PQ and HQ size. • Core is sampled in 2m intervals away from the ore zone or to lithological contacts, whichever is shorter. In mineralised areas core is sampled in 1m lengths or to lithological contacts. • Samples are flown to Intertek in Lae where they are dried and crushed to 95% passing 3mm. The crushed sample is then pulverised and a 50g charge is taken for gold analysis by fire assay. • A 100g pulp from each sample is flown to Townsville where they are analysed using Intertek's Four Acid 33 Element package. An OES finish is provided for Ag, Pb, Zn and Cu values that report over-range assays.
Drilling techniques	• Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc.).	• PQ and HQ triple-tube diamond drilling. All core is oriented using a Reflex digital orientation tool.
Drill sample recovery	• Method of recording and assessing core and chip sample recoveries and results assessed. • Measures taken to maximise sample recovery and ensure representative nature of the samples. • Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	• Core recovery is measured as the difference between core recovered in a drill run and the down-hole run shown on the driller's core blocks. • The driller modifies drilling pressure to optimise core recovery as much as possible, particularly in areas of softer lithologies. • There is no observed relationship or bias between sample recovery and grade.
Logging	• Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate	• Samples are logged for lithology, structure, alteration, rock quality and magnetic

205/283 Alfred Street North, North Sydney, NSW 2060, +61 2 8021 7492, info@kingstonresources.com.au

Criteria	JORC Code explanation	Commentary
	Mineral Resource estimation, mining studies and metallurgical studies. • Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography. • The total length and percentage of the relevant intersections logged.	susceptibility. Structure, RQD and mag sus are quantitative measurements. • All core is photographed by tray.
Sub-sampling techniques and sample preparation	• If core, whether cut or sawn and whether quarter, half or all core taken. • If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry. • For all sample types, the nature, quality and appropriateness of the sample preparation technique. • Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. • Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. • Whether sample sizes are appropriate to the grain size of the material being sampled.	• PQ core is cut and sampled as quarter core. HQ core is cut as half core. The orientation line is used as a cutting guide to ensure consistency in sampling. • The sampling interval and technique is considered appropriate for the style of mineralisation, and it is consistent with the techniques used by Misima Mines Ltd (Placer) during the previous exploration and mining phase of the project. • The sample size is appropriate to the observed mineralisation style and historical geostatistical distribution of gold values
Quality of assay data and laboratory tests	• The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. • For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. • Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.	• Standard reference materials are inserted at a frequency of one per 20 samples. • Field duplicates were inserted at a frequency of one per 20 samples. • Blanks are inserted at a frequency of one per 50 samples. • QAQC performance is tracked using acQuire database software. • Acceptable levels of accuracy have been achieved using these techniques. • Gold values are also verified by assaying batches of pulps at an independent assay lab in Perth.
Verification of sampling and assaying	• The verification of significant intersections by either independent or alternative company personnel. • The use of twinned holes. • Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. • Discuss any adjustment to assay data.	• No independent data verification procedures were undertaken other than the QA/QC mentioned above. • Primary data is recorded on site either digitally or on paper logs before being transferred to Perth for loading into an acQuire database. Assay data is provided digitally as CSV and PDF files
Location of data points	• Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource	• Hole collar locations are recorded using a hand-held Garmin GPS, recording X,Y,Z positions in GDA94 datum (Zone 56).

205/283 Alfred Street North, North Sydney, NSW 2060, +61 2 8021 7492, info@kingstonresources.com.au

Criteria	JORC Code explanation	Commentary
	estimation. • Specification of the grid system used. • Quality and adequacy of topographic control.	• Down-hole orientation is recorded using a Reflex survey camera taking a shot every 30m.
Data spacing and distribution	• Data spacing for reporting of Exploration Results. • Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. • Whether sample compositing has been applied.	• Sample intervals are shown in the table of significant intersections in the body of this announcement. • No compositing has been applied.
Orientation of data in relation to geological structure	• Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. • If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	• Holes are drilled approximately orthogonal to the interpreted trend of mineralisation; in this case dipping at -45 to -60 degrees to the ENE. • This orientation is considered to avoid sample bias relative to the angle of mineralised structures.
Sample security	• The measures taken to ensure sample security.	• Samples were submitted to Air PNG by Gallipoli Exploration (PNG) personnel for freight from Misima to Lae, and collected from Lae airport by Intertek staff. There were no other specific sample security protocols in place.
Audits or reviews	• The results of any audits or reviews of sampling techniques and data.	• Not applicable

Section 1.02 Section 2 Reporting of Exploration Results

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

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. • The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to	• Misima Island is part of the Louisiade Archipelago within Milne Bay Province of PNG. It is situated in the Solomon Sea about 625 km east of Port Moresby, the capital of PNG. The site is located at an approximate latitude of 10° 40′ South and longitude of 152° 47′ E. • The Property consists of a single Exploration Licence, (EL) 1747, comprising

205/283 Alfred Street North, North Sydney, NSW 2060, +61 2 8021 7492, info@kingstonresources.com.au

Criteria	JORC Code explanation	Commentary
	operate in the area.	53 sub blocks, covering a total area of 180 km². This EL is valid and is current to 20 March 2019. All conditions pertaining to compliance of the title have been met. The Property is located on the eastern portion of the island and includes the historic mining areas of Umuna and Quartz Mountain. There are no known impediments. KSN holds title via a farm in agreement between WCB Resources Ltd and WCB Pacific Pty Ltd, Pan Pacific Copper Ltd and Gallipoli Exploration Ltd. Gallipoli is the legal entity and tenement holder and is responsible for performing its obligations under the *Mining Act* 1992.
Exploration done by other parties	• Acknowledgment and appraisal of exploration by other parties.	• The project area has been subject to mineral exploration by a number of previous parties, most notably Placer Pacific between 1987 to 2004. • For a detailed summary of previous explorers' work readers are recommended to read the JORC Table 1 released with the November 2017 Misima resource update (ASX:KSN announcement 27 November 2017).
Geology	• Deposit type, geological setting and style of mineralisation.	• Misima Island forms part of the Louisiade Archipelago which is a continuation of the Papuan Fold Belt of the Papuan Peninsula offshore eastwards through the Papuan Plateau. The oldest rocks on Misima are Cretaceous to Paleogene metamorphic rocks, which can be subdivided into the western Awaibi Association and the younger overthrust eastern Sisa Association that is host to the gold and copper mineralization. The two associations are separated by an original thrust fault with later extensional activation. • Mineralisation deposit style on Misima Island is best described as Intermediate Sulphidation Epithermal due to the strong association with porphyry Cu Au style alteration, veining and characteristics, the dominance of Ag Zn Pb Au Cu Mn geochemistry as well as complex alteration styles and geometry.

205/283 Alfred Street North, North Sydney, NSW 2060, +61 2 8021 7492, info@kingstonresources.com.au

Criteria	JORC Code explanation	Commentary
		• Styles of mineralisation observed include multiphase hydrothermal breccia, stockworks both sheeted and three-dimensional, skarn, jasperoidal replacement, and poorly banded vein infill of quartz and carbonate with associated pyrite, galena, sphalerite, barite and minor tetrahedrite. This mineralisation can be classified as Intermediate Sulphidation Epithermal Style and appears to be laterally zoned from a well-developed complex base metal skarn style affiliation outwards to a base metal fracture stockwork vein breccia style of mineralisation. • Surrounding the Umuna lode, and most widely developed on the eastern (footwall) side, is a broad peripheral zone of lower grade mineralisation in quartz veins, often occupying shears, and of linear and irregularly shaped volumes of strongly jointed to brecciated rocks. The schists tend to carry shear or breccia mineralisation with a higher frequency of strong jointing and brecciation in the more compact intrusives and Ara Greenschist. Intrusive contacts are commonly brecciated and mineralised which, with their frequent shallow dips, has the effect of spreading mineralisation laterally in contrast to the steep attitude of Umuna lode mineralisation. • Structurally the Umuna geometry is typical of a complex fault array with a large major fault hosting the majority of the precious metal mineralisation with numerous ancillary splays developed in the footwall to the main structure. The intersection of the splays and the dominant Umuna Fault are loci for zones of well-developed mineralisation. Mineralisation has a dominant structural control however strong secondary stratigraphic controls are also observed in particular where skarn style mineralisation is developed in Halibu Limestone – Ara Schist contacts. A series of north west trending splays intersect and control the loci of the higher-grade material within the Umuna fault zone.

205/283 Alfred Street North, North Sydney, NSW 2060, +61 2 8021 7492, info@kingstonresources.com.au

Criteria	JORC Code explanation	Commentary
Drill hole Information	• A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: o easting and northing of the drill hole collar o elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar o dip and azimuth of the hole o down hole length and interception depth o hole length. • If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.	• Hole locations and orientations are displayed in the table within the body of the announcement.
Data aggregation methods	• In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated. • Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. • The assumptions used for any reporting of metal equivalent values should be clearly stated.	• Where significant intersection results are used, the average grades are weighted by the sample width of each assay within the intersection. • No metal equivalence calculations are used in reporting.
Relationship between mineralisation widths and intercept lengths	• These relationships are particularly important in the reporting of Exploration Results. • If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. • If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').	• Drill orientation is as close to perpendicular as possible given the limitations of the rig used. True widths vary from approximately 85% to approximately 100% of the down-hole width based on the current interpretation.
Diagrams	• Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.	• See figures in release

205/283 Alfred Street North, North Sydney, NSW 2060, +61 2 8021 7492, info@kingstonresources.com.au

Criteria	JORC Code explanation	Commentary
Balanced reporting	• Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.	• The cut-off grade used in determining significant intersections is shown in the table within the body of this announcement. Lower grade or unmineralised sections of the hole are not reported.
Other substantive exploration data	• Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.	• Mapping and structural data is not available at this stage • Other relevant exploration data is released to the market on an ongoing basis.
Further work	• The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling). • Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	• Exploration drilling is planned to continue for the remainder of 2019 and into 2020. • Further work may also involve structural mapping and interpretation, channel sampling orthogonal to mineralised structures, and possibly drilling.

205/283 Alfred Street North, North Sydney, NSW 2060, +61 2 8021 7492, info@kingstonresources.com.au