30 October 2014
Company Announcements Office
Australian Securities Exchange

Exploration Update - October 2014

Highlights:

- Detailed ground gravity surveys completed at Six Mile Hill and Cootanoorina projects
- Native Title Mining Agreements for exploration executed for both projects
- New Exploration Licences granted for ground adjacent to Six Mile Hill, Cootanoorina and Mt Morgan projects
- Application for government funded drilling grant submitted to SA Department of State Development

Kingston Resources Limited ("Kingston" or "the Company") (ASX:KSN) is pleased to announce significant progress in our exploration activities in South Australia.

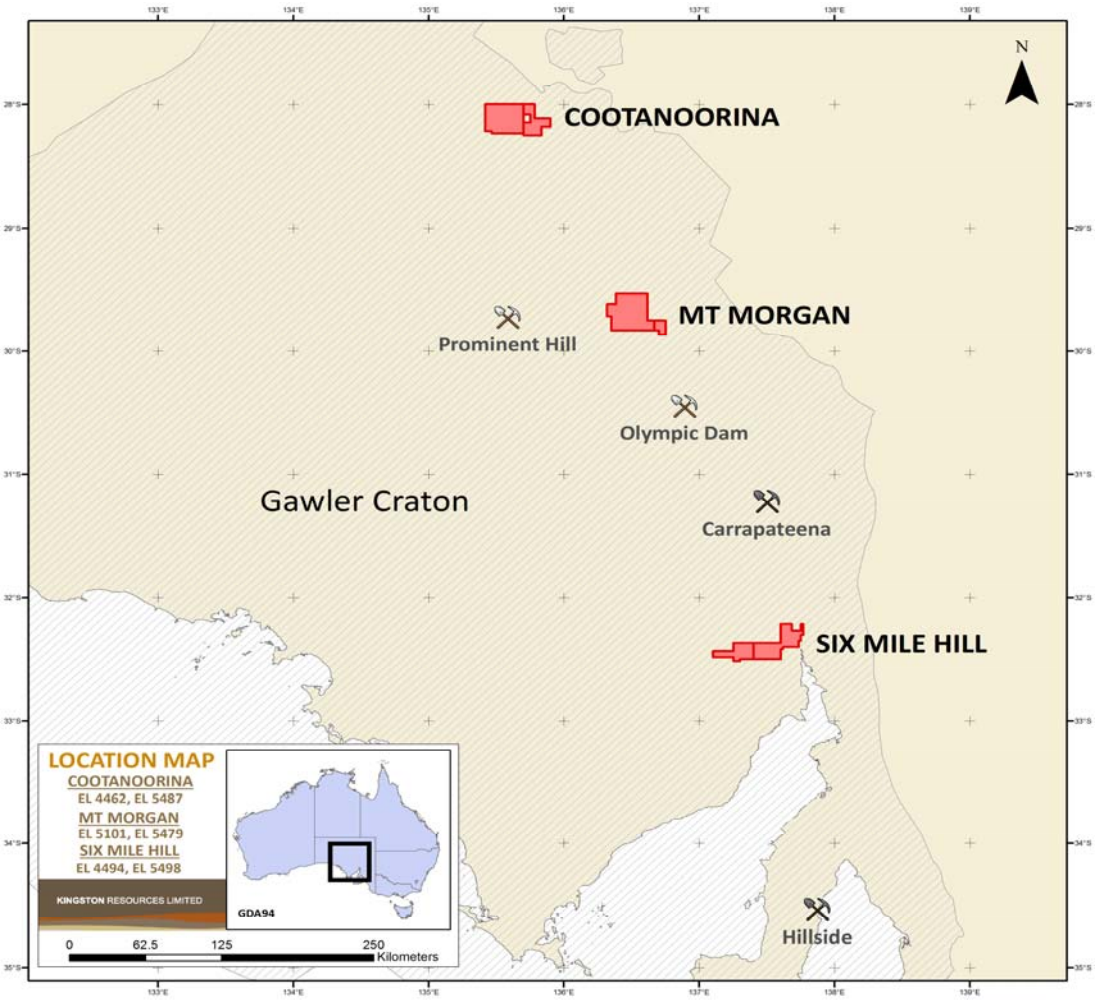

Figure 1: Cootanoorina, Mt Morgan and Six Mile Hill location map

Gravity Surveys: Six Mile Hill (KSN 100%) and Cootanoorina (KSN 100%)

Detailed ground gravity surveys have been completed at the Company's Six Mile Hill and Cootanoorina projects. Over 2700 gravity stations were acquired over the two project areas. This work in-filled the existing regional grid to 500m station spacing, with 250m station spacing over key target areas. The gravity survey contractor is undertaking post-survey processing and quality control. Kingston expects to receive final data in the coming weeks.

Interpretation of preliminary data has commenced using Geosoft's Voxi Earth Modeling Software with several quality drill targets emerging. Initial results suggest targets are denser and at shallower depths than originally modeled. The task of target definition is being undertaken by Kingston's Consulting Geophysicist, Mr Barry Bourne of Terra Resources, previously Chief Geophysicist (Global Exploration) at Barrick Gold.

Native Title Mining Agreements for Exploration

Kingston is pleased to announce signing Native Title Mining Agreements for Exploration ("NTMA") with both the Barngarla and Arabana Aboriginal Corporations. These agreements cover Kingston's Six Mile Hill and Cootanoorina projects respectively. Both have been submitted for registration with the relevant authorities.

Kingston Chairman Jonathan Davies said: "the Native Title Mining Agreements for Exploration reached with the Barngarla People and the Arabana People are not only an important legal foundation but also the moral foundation of our exploration ethos."

Grant of Additional Exploration Licences

During the geophysical review conducted earlier this year, several prospective areas were identified just outside our existing tenements. These areas have been secured with two year Exploration Licences, granted to Kingston, EL 5498 (immediately east of Six Mile Hill); EL 4462 (immediately east of Cootanoorina); and EL 5479 (immediately east of Mount Morgan).

Application for Co-funded Drilling

Kingston has submitted an application to the South Australian Department of State Development under the PACE Frontiers Mineral Systems Drilling Program 2015, for the Six Mile Hill project. If our application is successful, the Department would provide exploration assistance and expertise to compliment the Company's proposed exploration program. There is no assurance that the application will be successful.

Geology of Six Mile Hill

The Six Mile Hill project comprises two tenements, EL 4494 and EL 5498. These total 836km^2, located to the northwest of Port Augusta. The project area lies on the eastern edge of the Gawler Craton, within the Olympic Copper-Gold Province. This region is long recognised as highly prospective for Iron Oxide Copper-Gold (Uranium) – IOCG(U) – mineralisation, hosted in hematite-magnetite breccia complexes. IOCG(U) mineralisation on the Gawler Craton is related to the Mesoproterozoic Hiltaba Suite magmatic event (~1590 Ma) and co-magmatic Gawler Range Volcanics.

Upper-Gawler Range Volcanics outcrop in the southwest part of the Six Mile Hill project area. Shallow drilling conducted in the 1970s and early 1980s establish that the Gawler Range Volcanics sub-crop throughout the project area beneath Neoproterozoic (Adelaidean) and younger sedimentary cover.

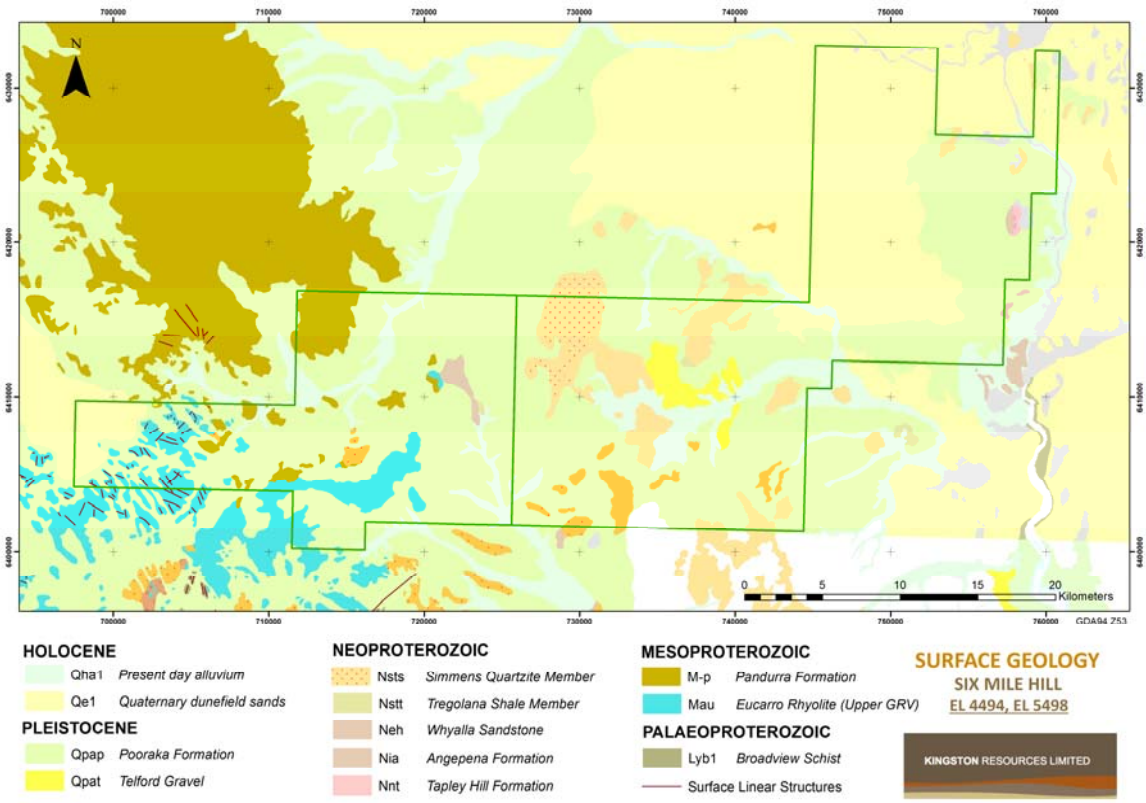

Figure 2: Six Mile Hill Surface Geology with Gawler Range Volcanics (blue) outcropping in the Southwest

Kingston's interpretation of existing geophysical datasets (primarily magnetics and gravity) show that the Six Mile Hill project area occupies a prime structural location between NE/NW trending regional structures and subordinate fault arrays. Preliminary geophysical modelling indicates possible presence of granitic bodies. These are thought related to the Hiltaba Granite Suite, host to Olympic Dam and Prominent Hill mineralisation.

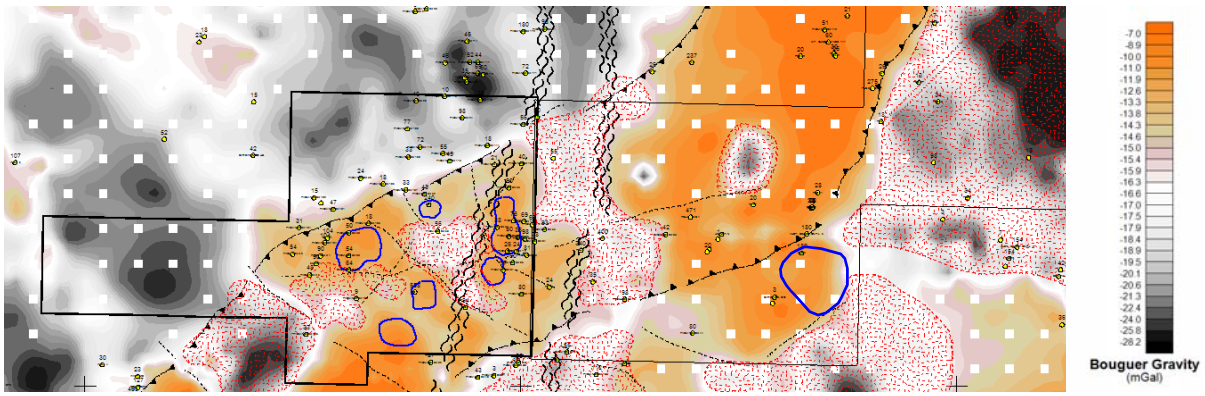

Figure 3: Residual Regional Bouguer gravity (2.67g/cc) with regional structure (black), interpreted felsic intrusives (pink) and gravity features (blue). Note dominate NE/NW trending fault arrays.

The recently completed ground gravity survey will further define the identified gravity features with a view to generating high priority drill targets.

Geology of Cootanoorina

Cootanoorina comprises two tenements (EL 4462 and EL 5487) totaling 1021km^2 to the south of Oodnadatta. The project area lies on the eastern edge of the Gawler Craton within the Peake-Denison Domain, an area dominated by the Palaeoproterozoic Peake Metamorphics which outcrop in the far east of the project area. The Peake Metamorphics are predominately metasedimentary and meta-igneous rocks composed of interlayered quartz-feldspar-biotite gneisses, meta-volcanics and quartzites.

Numerous historic mines and mineral occurrences appear within the outcropping basement rocks, known as the Peake Denison Inliers. Mineralisation appears related to NNW trending structures.

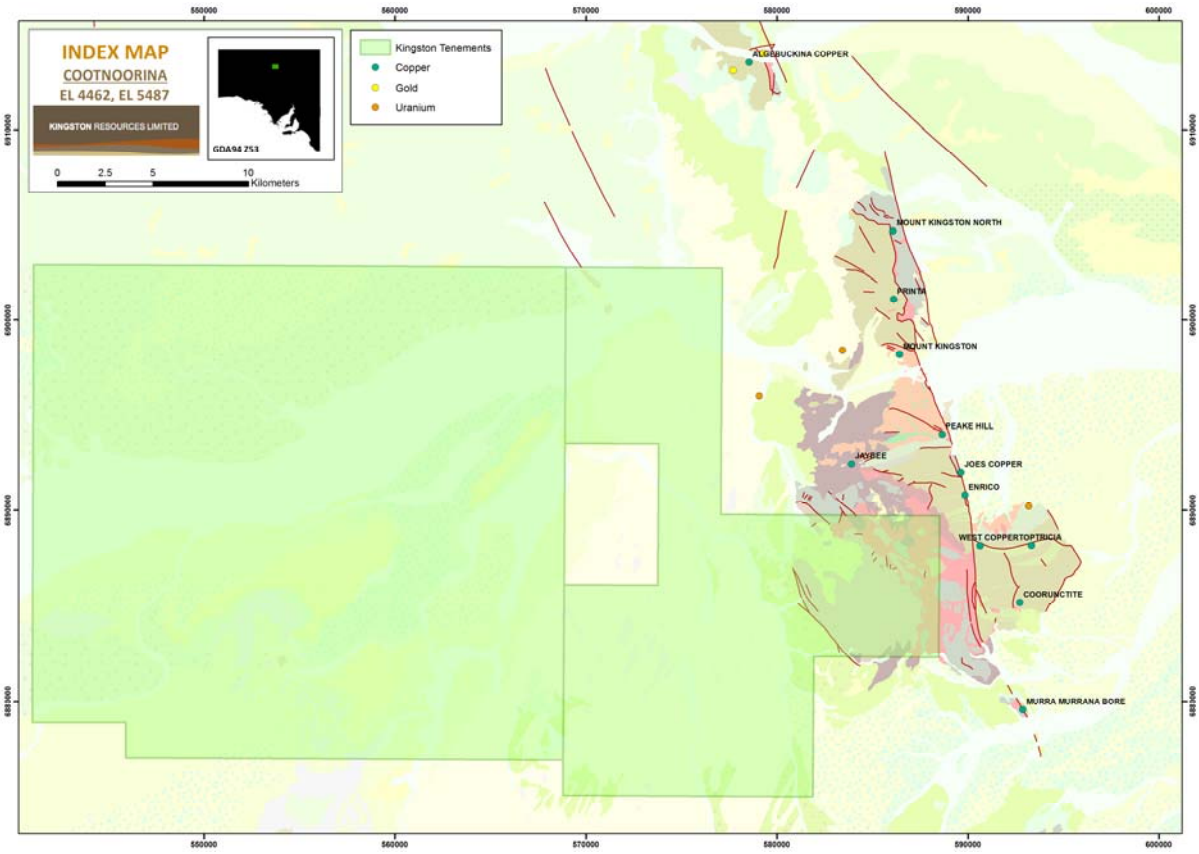

Figure 4: Cootanoorina Surface Geology showing historic occurrences of Copper, Gold and Uranium

Preliminary geophysical modeling by Kingston has identified a NNW trending gravity feature with a magnetic shell (see Figure 5) lying to the west of the Peake Denison Inliers, beneath younger sedimentary cover. The recently completed ground gravity survey has focused on the further definition of this feature. Initial analysis of historic drilling suggest this feature has not yet been sufficiently drill tested.

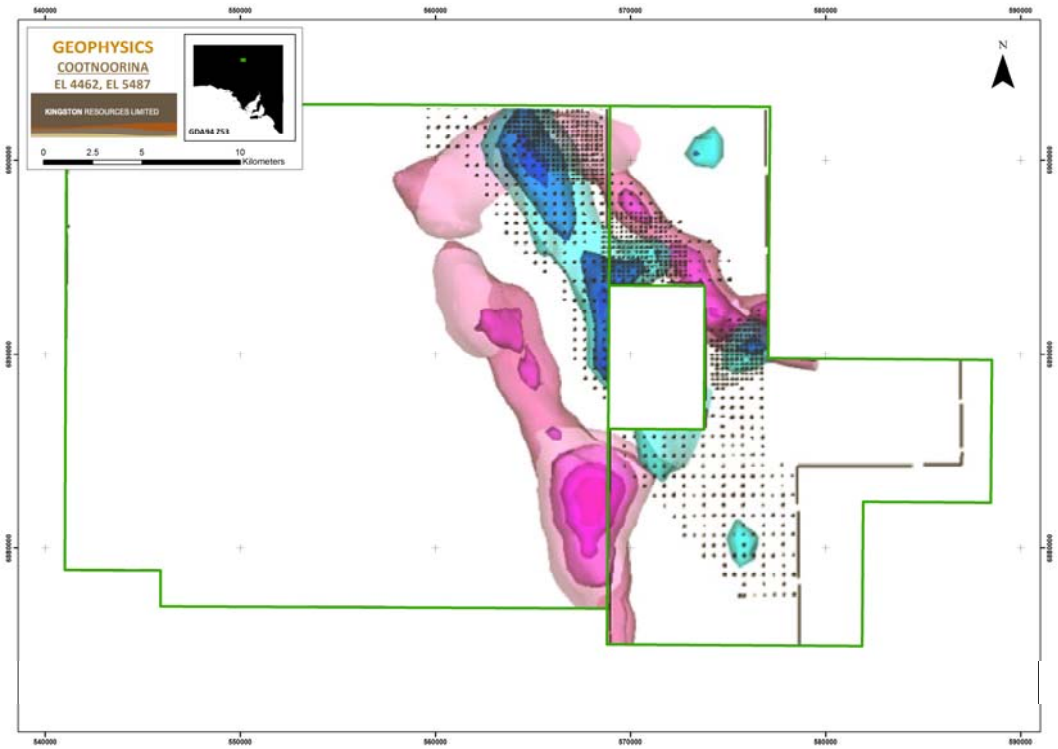

Figure 5: Cootanoorina project area with 0.15g/cc (outer light blue) and +0.4g/cc (inner dark blue) density shells from gravity inversion of 1.5km x 1.5km regional grid. Recently acquired gravity stations in black.

Next Steps

The next exploration steps will include receipt of the final gravity data, its three dimensional modelling and the proposal and costing of a drilling program. The Company looks forward to updating shareholders as our exploration program progresses.

Competent Persons Statement

The information in this report that relates to Exploration Results is based on information compiled by Mr Barry Bourne, who is employed as a Consultant to the Company through geophysical / geological consultancy Terra Resources Pty Ltd. Mr Bourne is a fellow of the Australian Institute of Geoscientists and a member of the Australian Society of Exploration Geophysicists and has sufficient experience of relevance to the styles of mineralisation and the types of deposits under consideration, and activities undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Bourne consents to the inclusion in the report of matters based on information in the form and context in which it appears.

JORC Code, 2012 Edition – Table 1 report template

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 (eg 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 (eg '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 (eg submarine nodules) may warrant disclosure of detailed information.*	• Not applicable. Kingston Resources Ltd (KSN) has not collected any surface samples or undertaken any drilling on the project areas to date.
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg 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).*	• Not applicable. KSN has not undertaken any drilling on the project areas to date.
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.*	• Not applicable. KSN has not undertaken any drilling on the project areas to date.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate 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.*	• Not applicable. KSN has not undertaken any drilling on the project areas to date.
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.*	• Not applicable. KSN has not undertaken any drilling on the project areas to date.
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 (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• Not applicable. KSN has not undertaken any assaying or laboratory procedures related to the project areas to date.
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.*	• Not applicable. KSN has not undertaken any drilling, sampling or assaying on the project areas to date.

Criteria	JORC Code explanation	Commentary
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 estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• All recent gravity surveys (>1995) in South Australia are controlled by fast static / RTK GPS methods with a horizontal and vertical accuracy of +/- 5cm. Data that is <1995 was removed when a reasonable spread of recent data exists (due to elevation data largely acquired barometrically). • The coordinates and gravity readings were supplied in GDA Datum, coordinates MGA94 Zone 53, height in Australian Height Datum and Observed gravity Isogal 84 (IGSN-71).
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.*	• Existing gravity stations were acquired at ~1000m, ~1500m, ~2000m on regular spaced grids with some irregular spaced infill stations. Recent collection in-filled the existing grid to 500m station spacing, with 250m station spacing over key target areas. • Gravity stations were read to ~0.01mGals and reduced to Bouguer Anomalies at 2.67 g/cc density. • Magnetic data consists of merged datasets sourced from Geoscience Australia's Geophysical Archive Data Delivery System (GADDS). • Not applicable. Data not used for resource estimation. • Not applicable. KSN has not undertaken any sampling on the project areas to date.
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.*	• Regular spaced gravity data has been deemed suitable to identify and model IOCG type targets.
Sample security	• *The measures taken to ensure sample security.*	• Not applicable. KSN has not undertaken any sampling on the project areas to date.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• Geophysical data were downloaded via the GADDS and SARAG data delivery services and reviewed by Kingston's Consultant Geophysicist. • Pre 1995 gravity data was excluded as experience has shown this data is unreliable.

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 operate in the area.*	• Six Mile Hill (EL4494 granted 17 May 2000, EL5498 granted 13 October 2014) ▪ 100% held by Westernx Pty Ltd (a wholly owned subsidiary of KSN) ▪ Location: NW of Port Augusta ▪ Registered Native Title claimant: Barngala People ▪ Tenements in good standing with no known impediments • Cootanoorina (EL4462 granted 6 April 2010, EL5487 granted 1 October 2014) ▪ 100% held by Westernx Pty Ltd (a wholly owned subsidiary of KSN) ▪ Location: South of Oodnadatta ▪ Determined Native Title holder: Arabana People ▪ Great Artesian Basin springs and Lake Eyre mound springs may exist within the project area ▪ Tenement in good standing with no known impediments • Mt Morgan (EL5101 granted 16 November 2012, EL5479 granted 29 September 2014) ▪ 100% held by Fleurieu Mines Pty Ltd (a wholly owned subsidiary of KSN). ▪ Location: NW of Roxby Downs ▪ Determined Native Title holder: Arabana People ▪ Tenements in good standing with no known impediments
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Six Mile Hill ▪ Previous work on the Six Mile Hill tenement includes ~70 material drill holes from the 1970s and early 1980s (plus 5 shallow 1996 holes targeting diamonds) with an average depth of ~78m. There has been little advanced IOCG exploration. • Cootanoorina ▪ Previous exploration in the Cootanoorina project area has targeted coal, sedimentary uranium and IOCG mineralisation with ~42 drill holes within the project area. • Mt Morgan ▪ Previous drilling within the Mt Morgan project area includes 14 Air Core holes with a maximum depth of 43m and one deeper hole to a depth of 890m.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• Olympic Dam or Prominent Hill iron-oxide copper-gold (uranium) deposit style on the eastern margin of the Gawler Craton.
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:* ▪ *easting and northing of the drill hole collar* ▪ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* ▪ *dip and azimuth of the hole* ▪ *down hole length and interception depth* ▪ *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.*	• Not applicable. KSN has not undertaken any drilling on the project areas to date.

Criteria	JORC Code explanation	Commentary
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg 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.*	• Not applicable. KSN has not undertaken any drilling on the project areas to date.
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 (eg 'down hole length, true width not known').*	• Not applicable. KSN has not undertaken any drilling on the project areas to date.
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.*	• Not applicable. KSN has not undertaken any drilling on the project areas to date.
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.*	• Not applicable. KSN has not undertaken any drilling on the project areas to date.
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.*	• All relevant finalised KSN exploration data has been included. Details of geophysical data sets are contained in Table 1 above.
Further work	• *The nature and scale of planned further work (eg 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.*	• Further work is outlined under "Next Steps"