

Exploration Drilling Underway At Mineral Hill

Drilling contractor and exploration geologists have commenced work on site

- Exploration program comprising over 15,000 drill metres underway at the newly-acquired Mineral Hill Project in NSW.
- The immediate exploration strategy is to focus on near-mine or brownfields targets within the existing Mining Leases (ML).
- Drilling to target:
 - Near-surface mineralisation adjacent to the existing Resources and Reserves at the Pearse and Pearse North open pits.
 - SOZ Underground will be drilled from surface to in-fill and extend known Resources within the A Lode.
 - Historical drilling at Jacks Hut, GD140 and Missing Link will be followed up with the aim of defining the geological models and identifying potential open pit Resources.
- A program is also underway to rank a pipeline of greenfields exploration targets on both EL1999 and EL8334.

Kingston Resources Limited (ASX: **KSN**) (**Kingston** or **the Company**) is pleased to advise that an initial exploration drilling program has commenced at its recently-acquired Mineral Hill Project in NSW, targeting Resource and Reserve growth in the near-mine environment.

Kingston has engaged Resolution Drilling Pty Ltd (Resolution) to undertake the drilling program. Resolution is a local Condobolin-based drilling contractor that provides drilling services to a number of exploration and development companies in the Cobar Basin.

A **diamond rig** will initially conduct a Resource drilling program at the Pearse North deposit, before moving to the Southern Ore Zone (SOZ) for Resource/Reserve in-fill drilling of the upper A Lode mineralisation.

A **Reverse Circulation (RC) rig** will initially undertake extensional drilling at Pearse North, followed by Resource definition drilling at Jacks Hut, GD140 and Missing Link.

The commencement of exploration drilling at Mineral Hill is an important step for Kingston on the pathway to establishing production beyond the existing Gold Tailings Project. Initial targets at Pearse, Pearse North and SOZ all host existing Reserves and/or Resources with significant mine development in place, making them the primary focus for initial mining studies targeting the re-commencement of mining operations.



Kingston Resources Managing Director, Andrew Corbett, said:

“Following the completion of the Mineral Hill Project acquisition on 18 January, we are delighted to now be in a position to commence exploration drilling to support our ambition of re-commencing mining operations at Mineral Hill.

“The Kingston team completed a significant amount of preparatory work and due diligence leading up to the completion of the transaction to ensure we could hit the ground running, with an initial focus on drilling existing Resource and Reserve areas to extend the current mining inventory.

“We are particularly pleased to have partnered with a locally-based drilling contractor, Resolution Drilling. Kingston is committed to supporting local businesses and contributing positively to the local community, and we look forward to continuing to foster positive relationships with local stakeholders as we complete the tailings reprocessing project and restart mining operations.

“The Pearse deposits are an attractive place to start when planning mine life extension activities. With a relatively small investment, we believe additional drilling at these deposits has the potential to underpin the first year of ore feed following completion of the tailings reprocessing project. Additionally, the significant potential evident at the Southern Ore Zone, Jacks Hut, Parkers Hill and the broader exploration package as a whole provides an outstanding base for us to extend the mine life at Mineral Hill.

“We’re looking forward to reporting results from this upcoming drilling and extending the mine life at Mineral Hill so that it can positively contribute to the local region and create value for Kingston’s shareholders.

“The timing of the Mineral Hill acquisition could not be better, with our flagship Misima Gold Project in PNG now entering the final stages of the Definitive Feasibility Study – which remains on track to be completed in Q1 2022. Mineral Hill will provide important cash flow and an enhanced development platform for Kingston as we transition from mining studies to a permitting and approvals phase at Misima.”

Exploration

In terms of modern exploration, Mineral Hill is considered to be highly under-explored and, while subject to extensive historical drilling, the recent discoveries of Pearse and Red Terror have highlighted the Project’s significant potential, with just 2% of drill-holes testing beyond 350m below surface. The average drill-hole depth is just 90m.

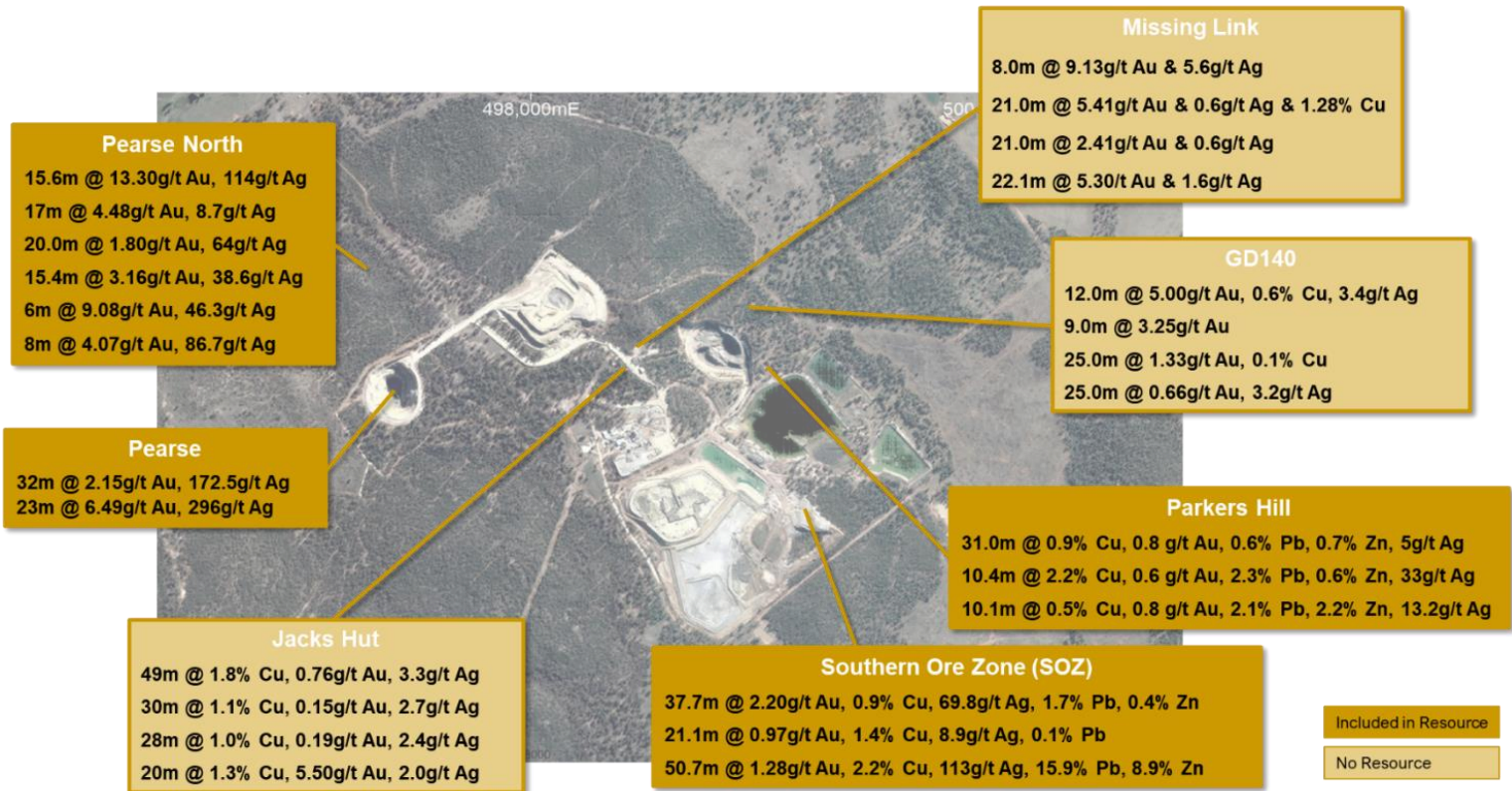


Figure 1. Mineral Hill Mine – Outstanding exploration potential from near-mine exploration targets and the existing resource base all located with the current Mining Leases (see ASX Announcement 18 November 2021 for details).



Figure 2. Drilling underway at Pearse North

Pearse and Pearse North (Au, Ag)

The Pearse North deposit hosts a Resource of 300kt @ 2.7g/t Au for 26,000oz Au including a Reserve of 180kt @ 2.5g/t Au for 15,000oz Au (see ASX announcement 18 November 2021). At the existing Pearse open pit, historical mining did not reach planned depth and approximately 140kt of ore at 4.82g/t Au for 22,000oz Au remains in the Mineral Resource (see ASX announcement 18 November 2021).

Kingston plans to update the Pearse Mineral Resource estimates in 2022 to incorporate new geological inputs derived from the upcoming confirmatory and extensional drilling as well as associated technical studies and current commodity market conditions.

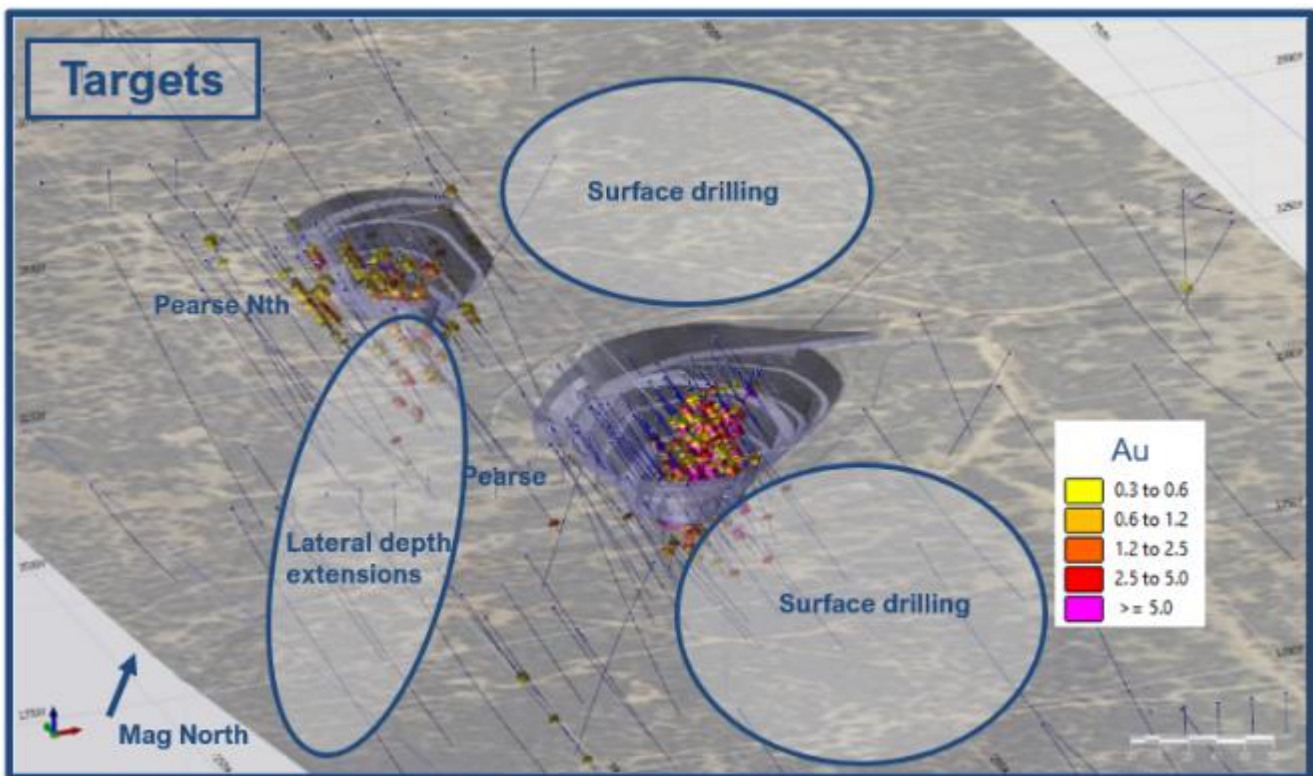


Figure 3. Pearse Corridor (Au, Ag) Oblique view of Pearse Corridor showing potential drill target zones.

Southern Ore Zone (Cu-Au-Zn-Pb-Ag)

The Southern Ore Zone (SOZ) (Figure 4) represents a potential underground mine that will leverage the existing decline development and infrastructure. The SOZ mineralisation was previously mined from underground utilising long-hole open stoping. The current Mineral Resource base is 1.78Mt @ 1.79g/t Au, 18g/t Ag, 1.2% Cu, 1.2% Pb, 1.0% Zn (see ASX announcement 18 November 2021).

Initial resource drilling at A Lode is to be conducted from surface to maximise the angle of intersection with the known A Lode mineralisation, with future drilling of the B to H Lodes to be carried out from existing underground development.

Importantly, underground access is already in place at SOZ with the decline largely developed. This is a significant benefit in terms of reducing the time and cost of exploration and development of the Resource.

Mineralisation at SOZ is comprised of a series of stacked polymetallic lodes. General metal zonation reflects lead-zinc at higher levels grading to high gold-copper at lower levels, while each lode has a distinct sulphide mineral assemblage.

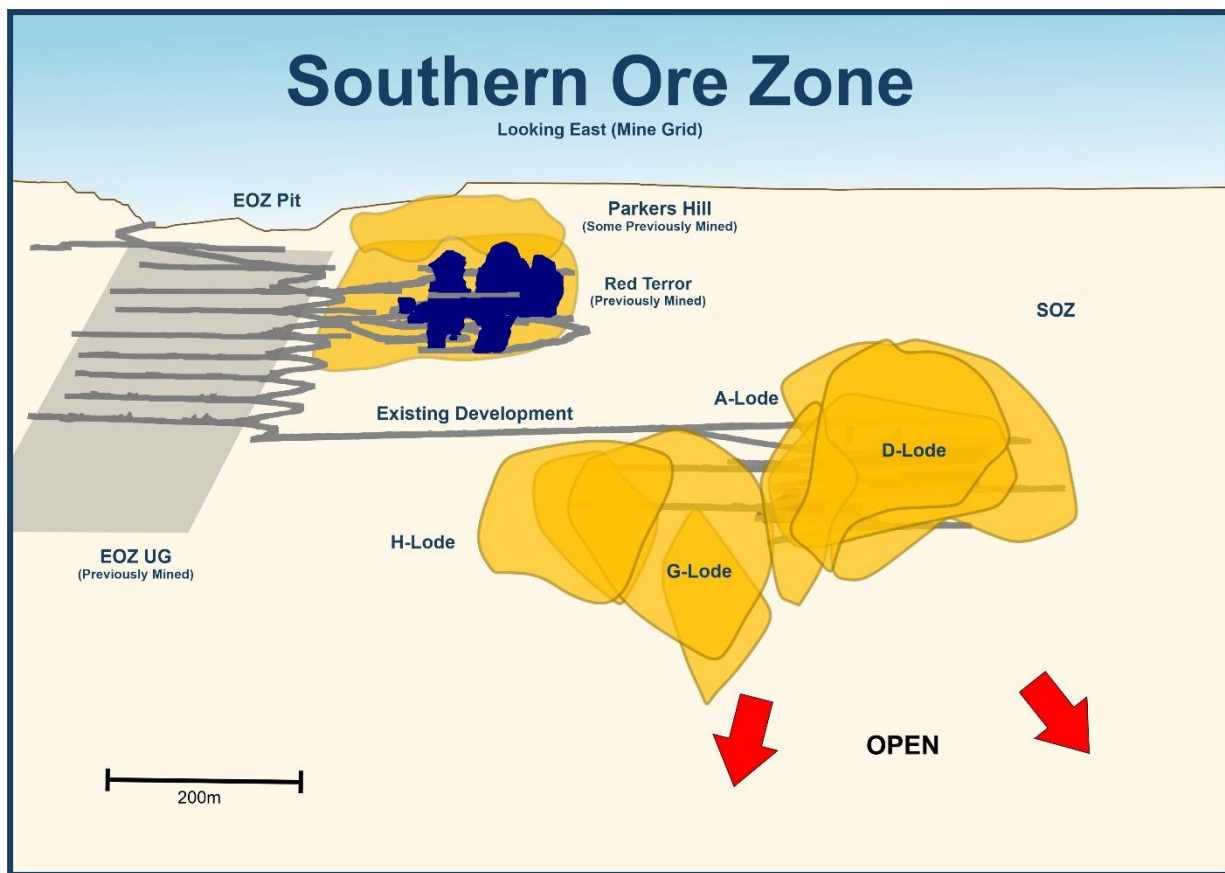


Figure 4. Southern Ore Zone (Cu-Au-Zn-Pb-Ag) – long section demonstrates the infrastructure advantage of the SOZ with existing decline and level development.

Regional Exploration

Mineral Exploration Licences EL1999 and EL8334 represent a first-class exploration footprint in the Cobar Basin (Figure 5).

The geological setting is summarised below:

- Mineral Hill lies within a north to north-west trending regional fault zone along the eastern margin of the Cobar Basin which hosts a number of gold and copper-gold occurrences and operating mines.
- The Cobar Basin was established during a period of extensional tectonics
- Mineral Hill is proximal to intrusions driving fluid/heat flow on or adjacent to major crustal-scale structures.
- The majority of the tenement package is categorised as prospective to highly prospective by NSW Government mineral systems prospectivity modelling.

The initial regional exploration work has focused on historical geophysical Induced Polarisation (IP – electrical chargeability) data, which had not been processed and modelled until recently.

The mineralisation styles at Mineral Hill are known to coincide with IP highs. Initial results indicate that the new geophysical interpretation has identified a number of previously unidentified targets that fit with the current mineralisation/geophysical interpretation. Kingston is actively advancing this work and will report on the outcomes once they progress past indicative results.

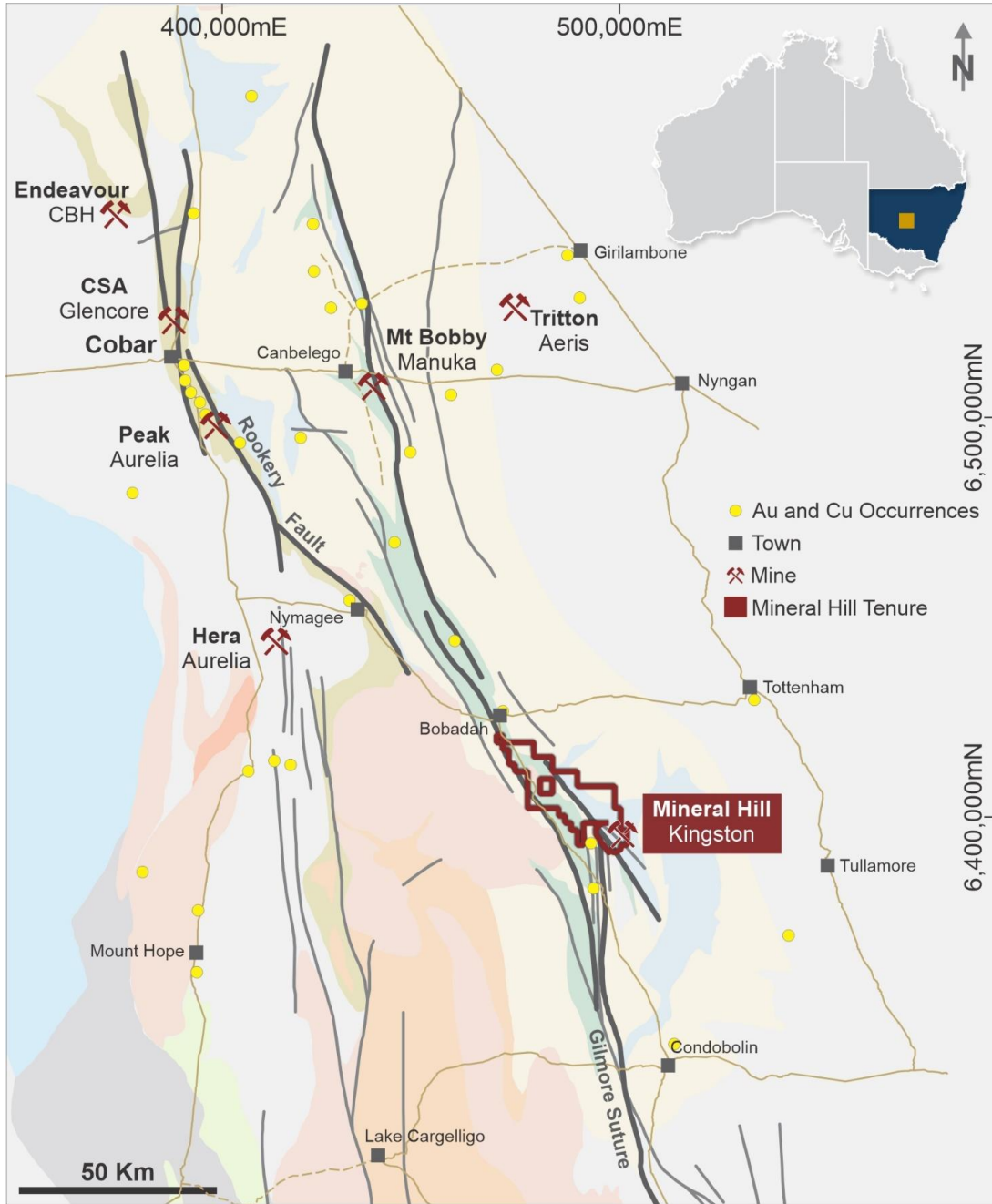


Figure 5. Kingston Resources – Mineral Hill Mine location and regional geology.

This release has been authorised by the Kingston Resources Limited Board. For all enquiries please contact Managing Director, Andrew Corbett, on +61 2 8021 7492.

About Kingston Resources

Kingston Resources is a gold producer, focused on building a mid-tier gold and base metals company, with current production from the Mineral Hill gold and copper mine in NSW, and advancing its flagship development asset, the 3.8Moz Misima Gold Project in PNG.

Mineral Hill is a gold and copper mine located in the Cobar Basin of NSW. Alongside current production, exploration is focusing on near mine production opportunities from both open pit and underground targets located on the existing MLs. The aim will be to expand and update the existing Resource base to underpin mine feasibility work and approvals to ensure an immediate transition to open pit and/or underground feed at the completion of the tailings reprocessing.

Misima hosts a JORC Resource of 3.8Moz Au and an Ore Reserve of 1.35Moz, Kingston is completing a Definitive Feasibility Study (DFS) in H1 2022. Misima was operated as a profitable open pit mine by Placer Pacific between 1989 and 2001, producing over 3.7Moz before it was closed when the gold price was below US\$300/oz. The Misima Project also offers outstanding potential for additional resource growth through exploration success targeting extensions and additions to the current Resource base. Kingston’s interest in Misima is held through its PNG subsidiary Gallipoli Exploration (PNG) Limited.



The Misima Mineral Resource and Ore Reserve estimate outlined below was released in ASX announcements on 24 November 2020 and 15 September 2021. Further information is included within the original announcements.

Resource Category	Cut-off (g/t Au)	Tonnes (Mt)	Gold Grade (g/t Au)	Silver Grade (g/t Ag)	Au (Moz)	Ag (Moz)
Indicated	0.3	97.7	0.79	4.3	2.5	13.4
Inferred	0.3	71.3	0.59	3.8	1.4	8.7
Total	0.3	169	0.71	4.1	3.8	22.1
Reserve	Cut-off (g/t Au)	Tonnes (Mt)	Gold Grade (g/t Au)	Silver Grade (g/t Ag)	Au (Moz)	Ag (Moz)
Probable	0.3	48.3	0.87	4.2	1.35	6.48

Misima JORC 2012 Mineral Resource & Ore Reserve summary table

Competent Persons Statement and Disclaimer

The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by Mr. Stuart Hayward BAppSc (Geology) MAIG, a Competent Person who is a member of the Australian Institute of Geoscientists. Mr. Hayward is an employee of the Company. Mr. Hayward has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken 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”. Mr. Hayward confirms that the information in the market announcement provided is an accurate representation of the available data and studies for the material mining project and consents to the inclusion in this report of the matters based upon the information in the form and context in which it appears.

The Competent Person signing off on the overall Ore Reserves Estimate is Mr John Wyche BE (Min Hon), of Australian Mine Design and Development Pty Ltd, who is a Fellow of the Australasian Institute of Mining and Metallurgy and who has sufficient relevant experience in operations and consulting for open pit metalliferous mines. Mr Wyche 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.