

\$8.4 Million Equity Raising

Firm commitments to accelerate exploration with a view to expanding Mineral Hill production

Kingston Resources Limited (ASX: KSN) ('Kingston' or 'The Company') has received firm commitments under a Placement Offer to raise \$6.4 million (before costs) by issuing 85.33 million shares ("New Shares") (the "Placement") at \$0.075 per New Share. Kingston will also be conducting a Share Purchase Plan ("SPP") to raise \$2.0 million, also at \$0.075 per share. Delphi Unternehmensberatung Akteingesellschaft ("Delphi"), who own 15% of the Company, will fully underwrite the \$2.0 million SPP.

Highlights

- **\$8.4 million Equity Raising:** Comprising of a Placement of \$6.4 million and an SPP to raise \$2.0 million.
- **Strong support from existing major shareholders.**
- **SPP fully underwritten:** the SPP is fully underwritten by Delphi, an existing major shareholder and sophisticated investor.
- **Accelerating Growth:** Funds will be used to accelerate surface exploration, drill underground resource extension targets and expand resources for production growth at Mineral Hill.
- **Building value on multiple fronts:**
 - Free cash flow from the Pearse open pits to fund growth capital projects as part of the recently announced 6-year mine life at Mineral Hill.
 - Value realisation from the Company's 100% owned Misima Gold Project in PNG via the recently initiated Strategic Process¹.
 - Near-mine and regional exploration at Mineral Hill.
 - Mineral Hill processing plant has approvals in place to operate at 700ktpa, providing optionality to expand from the existing 350-400ktpa.

Equity Raising

- The Placement comprises the issue of 85.33 million New Shares at \$0.075 per share ("Offer Price") to raise \$6.4 million (before costs).
- The Offer Price represents:
 - a 16.7% discount to the last closing price of \$0.09 per share on 5 December 2024 and
 - a 17.1% discount to the 15-day VWAP of \$0.09 per share.

¹ See ASX announcement dated 20 Nov 2024 "Argonaut PCF Appointed for Misima Strategic Process".



ASX: KSN
Shares on Issue: 707M
Market Cap: A\$64M
Cash: (30 Nov 2024) A\$5m

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- 85,333,334 New Shares will be issued on an unconditional basis, utilising the Company's placement capacity, under the ASX Listing Rules 7.1 and 7.1A.
- Eligible shareholders will also be able to subscribe for the KSN shares between \$2,000 and \$30,000 through an SPP, which will raise a further \$2.0 million. Shares issued pursuant to the SPP will also be at the Offer Price of \$0.075 per share. The SPP is scheduled to open on Monday, 16 December 2024 and close at 5:00pm (AEDT) on Wednesday, 15 January 2025.

The SPP will be undertaken in accordance with ASIC Corporations (Share and Interest Purchase Plans) *Instrument 2019/547*. The Company expects that the issue of the shares under the SPP (other than the shares issued to the Underwriter, which will utilise the Company's placement capacity under Listing Rules 7.1 and 7.1A), will fall within Listing Rule 7.2 Exception 5 or, in respect of director participation in the offer, Listing Rule 10.12, Exception 4. Shareholders who have registered address in Australia, New Zealand or in limited circumstances, Germany as at 5:00pm (AEDT) on 6 December 2024 (**Record Date**) will be eligible to participate in the SPP.

Full details of the SPP will be contained in the SPP booklet which is scheduled to be despatched on or around Monday, 16 December 2024.

Timetable

Event	Date
Trading Halt	6 December 2024
Record date for the SPP offer	6 December 2024
Trading Halt lifted, trading resumes	9 December 2024
Settlement of New Shares issued under the Placement	13 December 2024
Allotment of New Shares issued under the Placement	16 December 2024
SPP offer Opening Date	16 December 2024
SPP offer Closing Date	15 January 2025
Allotment of securities issued under SPP offer	22 January 2025
Trading of securities issued under SPP offer	23 January 2025

These dates are indicative only. The Company may vary the dates and times without notice.

Sources and Uses of Proceeds

- The Equity Raising will accelerate the exploration strategy at Mineral Hill to grow the resource base and underpin Kingston's target to double Mineral Hill production.
- Along with the Equity Raising proceeds, production from the Pearse open pits is expected to generate material free cash flow in CY2025.
- Value realisation from a successful Misima transaction provides the opportunity to further transform the Kingston balance sheet.
- The Mineral Hill plant is currently operating at 350-400ktpa with approval to produce at 700ktpa. Exploration drilling from Equity Raising proceeds will aim to provide the mineral inventory to underpin the near doubling of the plant throughput.

Sources of Funds (excluding Operating Cash Flow from Pearse open pits)	A\$m
Placement proceeds	~\$6.4
SPP Proceeds	\$2.0
Cash estimated as at 30 Nov 2024	\$5.0
Total Sources of Funds (excluding Op. Cash Flow from Pearse open pits)	~\$13.4

Uses of Funds (excluding Operating Cash Flow from Pearse open pits)	A\$m
Underground resource development drilling	\$2.0
Underground exploration drilling	\$2.0
Regional surface drilling	~\$3.0
Working capital	\$6.4
Total Uses of Funds	~\$13.4

Kingston Resources Managing Director & CEO, Andrew Corbett, comments:

"2024 has been a transformative year for Kingston. We have successfully completed the Mineral Hill tailings retreatment, finalised the refurbishment of the Mineral Hill polymetallic processing plant and commenced open pit mining at Mineral Hill.

We are very excited for the year ahead in the Cobar Basin, with expected free cash flow from mining the Pearse open pits as we transition to long-term mining of the high-grade polymetallic underground resources. The recently commenced strategic process on the Misima asset has the potential to both unlock shareholder value and materially strengthen the Company's balance sheet.

We are delighted with the broad investor interest in this raising. Our ownership of quality processing infrastructure sets Kingston apart, especially given the regulatory hurdles and capital cost risks associated with permitting and building new mineral processing plants. Kingston has the option to increase Mineral Hill processing capacity from 350-400ktpa to 700ktpa under current approvals. New funds from this equity raising will allow Kingston to accelerate exploration drilling at both underground and regional targets. We are working to build our mineral inventory through successful drilling on our under-explored ground - a crucial step in our plan to double production at Mineral Hill.

Kingston looks confidently to 2025 and beyond as a growing Cobar Basin gold and copper producer."

Blue Ocean Equities Pty Ltd is the Lead Manager for the Placement.

No Material Changes

The Company confirms it is not aware of any new information or data that materially affects the information included in this announcement and that all material assumptions and technical parameters underpinning the exploration activities in this market announcements continue to apply and have not materially changed.

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.