

ASX Announcement

29 November 2016

ASX Code: KSN

Share Price: A\$0.022

Shares Outstanding: 660,269,985

Market Capitalisation: A\$14.5m

Cash: A\$5.4m (30 September)

ACN 009 148 529

Board and Management

Anthony Wehby
Chairman

Andrew Corbett
Managing Director

Andrew Paterson
Chief Geological Director

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Non-Executive Director

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Corporate Strategy: Building a new mining company

Highlights

- **Kingston's strategic direction is to create shareholder value by building a successful mining company with a focus on lithium, gold and copper.**
- **Immediate priorities for Kingston include:**
 - **Drilling the Mt Cattlin WA lithium project.**
 - **Drilling the Bynoe NT lithium project.**
 - **Advancing exploration work at the Arunta NT lithium project.**
- **Other opportunities:**
 - **The low cost entry into Livingstone provides a potential fast track gold development option.**
 - **Kingston will continue to assess new opportunities that are of appropriate scale and fit within the company strategy.**

Kingston's (ASX:KSN) (the Company or Kingston) primary objective is to advance its lithium projects as outlined in this release. The Company will continue to assess further opportunities in lithium, bringing a disciplined approach seeking low risk and advanced projects which can be rapidly progressed to take advantage of the strong lithium market outlook.

Kingston's gold strategy is focused on appropriately scaled opportunities which can be brought into development quickly with minimal capital outlay to provide an earlier stage cash flow opportunity.

Within copper, Kingston has reviewed its South Australian copper tenements and has made the decision that deep greenfields IOCG copper tenements are outside of the company strategy.

The Company holds a \$5.4m cash balance (30 September, 2016), allowing it to progress work simultaneously on all of its primary exploration targets and continue to assess opportunities to grow shareholder value.

Kingston MD Andrew Corbett says *"The Company is strongly positioned for an exciting period of activity. We are well resourced with key management in place and a healthy cash balance. This enables us to advance our portfolio of opportunities, each of which have a clearly delineated strategy for the 12 months ahead. We believe the combination of an exciting lithium portfolio which is well positioned to take advantage of the supportive lithium market dynamics, alongside a potentially low cost, rapid start-up, gold opportunity reflects a compelling combination and a sound base upon which Kingston expects to continue to grow."*

Kingston is pleased to present this outline of its corporate strategy and work program over the next 12 months.

Lithium exploration program

Kingston's portfolio of lithium exploration assets each hold unique infrastructure and location advantages, and the Company intends to advance both its WA and NT lithium prospects over the next twelve months. Its primary focus and most advanced projects are Deep Purple South at Mt Cattlin in WA, and the Bynoe Lithium Project in the NT. Approvals at Mt Cattlin are pending, and the Company expects to be drilling its identified targets immediately after drilling approvals are granted. Alongside this, drilling applications have been submitted for the NT based Bynoe project, and earlier stage exploration work is underway at the Arunta project.

Below is a summary of the anticipated work across the lithium portfolio

Deep Purple South and Mt Cattlin regional tenements: Kingston concluded infill soil sampling work to further refine targets following its initially successful programme as reported to the ASX on 24 August 2016. Approvals for drilling at Deep Purple South (Figure 1) are anticipated in the coming months which will allow drilling to commence during Q1 2017. The company has adopted a best practice approach and has received excellent support from the appropriate government departments Phase 1 drilling will be in order of 1500-2000 drill metres.

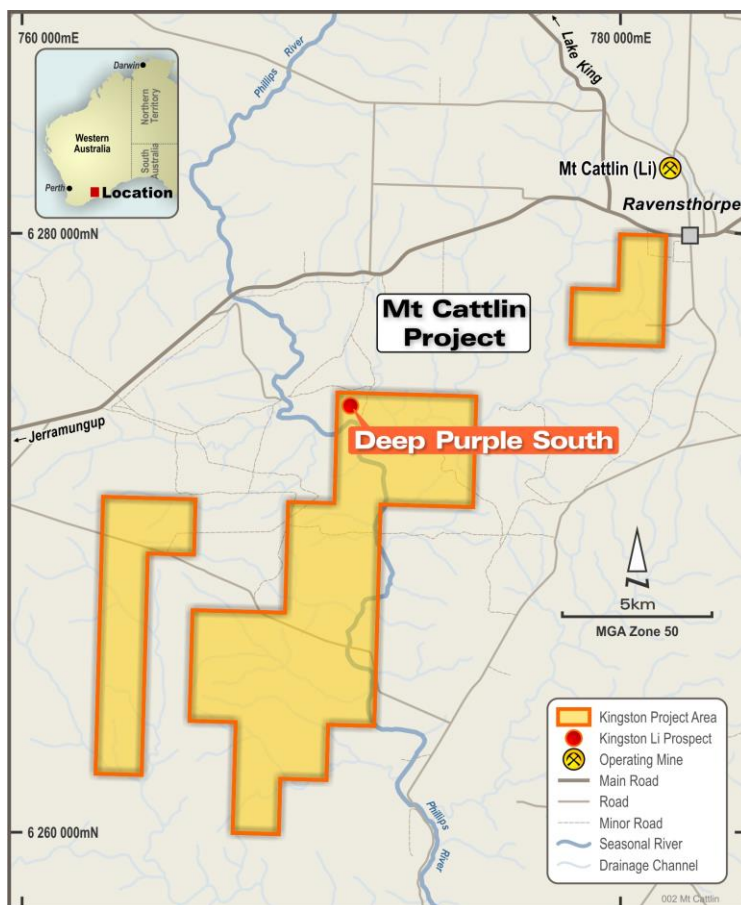


Figure 1: Kingston's Mt Cattlin Lithium Project

Concurrent with this first stage of drilling, Kingston expects to seek approvals for a second stage drilling program which, dependent on the ongoing fieldwork, may extend beyond the initial Deep Purple South targets.

The Company's Mt Cattlin tenements and the Deep Purple South prospect are highly prospective lithium targets located within 14km of the operating Mt Cattlin Lithium Mine owned and operated by Galaxy Resources (ASX.GXY). The Company has identified multiple target areas including a soil anomaly at Deep Purple South, where detailed soil sampling highlighted a north-south-trending lithium anomaly approximately 650m long, with a parallel anomaly 350m long. (Refer ASX Announcement, Mt Cattlin Exploration Update, 23 August 2016)

Bynoe: Bynoe represents a strategically important project for the company due its significant infrastructure advantage combined with the geological potential within the Bynoe Pegmatite field. The company notes there are currently two peers, Lione Resources (ASX:LTR) and Core Exploration (ASX:CXO) both drilling on neighbouring tenements delivering significant success.

Kingston was granted its initial two Bynoe tenements in late August, with a further six granted and an additional application made through September. Initial fieldwork and geochemical programs have commenced on four of the tenements with drilling applications now submitted for approval. The priority of current work is to refine targets for drilling, as part of this Kingston expects to conduct an aeromagnetic survey over its Bynoe tenements before year end. Drilling in the Bynoe pegmatite field is anticipated by Q2 2017 following the conclusion of the on-coming wet season and approval of stage 1 drilling.

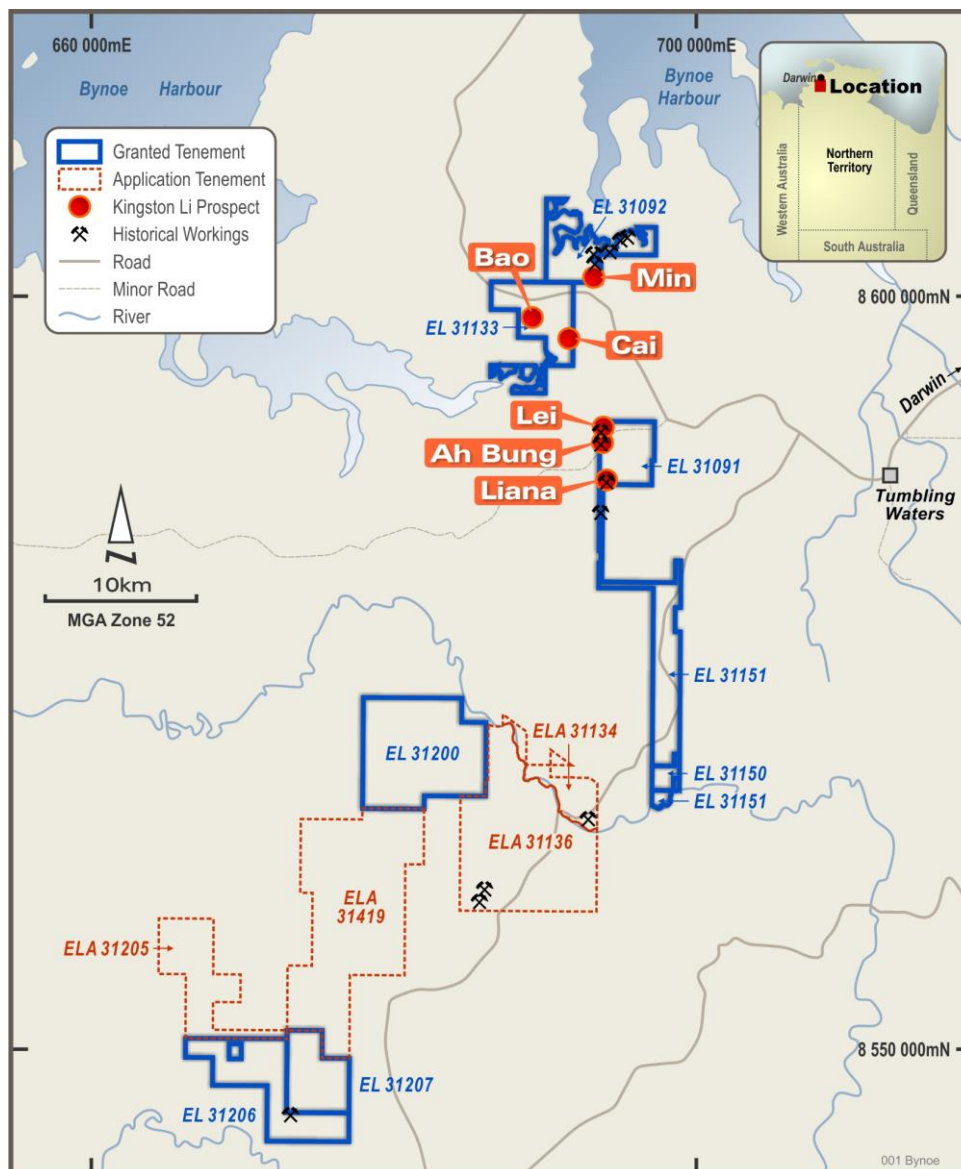


Figure 2: Kingston's Bynoe Lithium Project

Arunta: The Northern Territory's Arunta region reflects an exciting greenfield prospect for lithium exploration in Australia within which Kingston holds a significant land package. Five Arunta tenements have now been granted, this will allow initial geochemical fieldwork including rock chip analysis and soil sampling to take place in Q1 2017 after the wet season. Following this Kingston expects to submit its drilling program for approval with drilling to commence by Q2 2017.

Greenbushes: Exploration work will not commence on the Greenbushes project until the tenement progresses from exploration application to granting, which is expected to be H1 2017.

Gold exploration

The Livingston Gold Project provides an attractive opportunity with potential for near term production and cash flow while Kingston continues to advance its lithium exploration pipeline. (Refer ASX announcement, Acquisition of Livingstone Gold Project, 11 November 2016). Granting of this tenement is expected to occur this quarter with drilling to commence in Q1 2017.

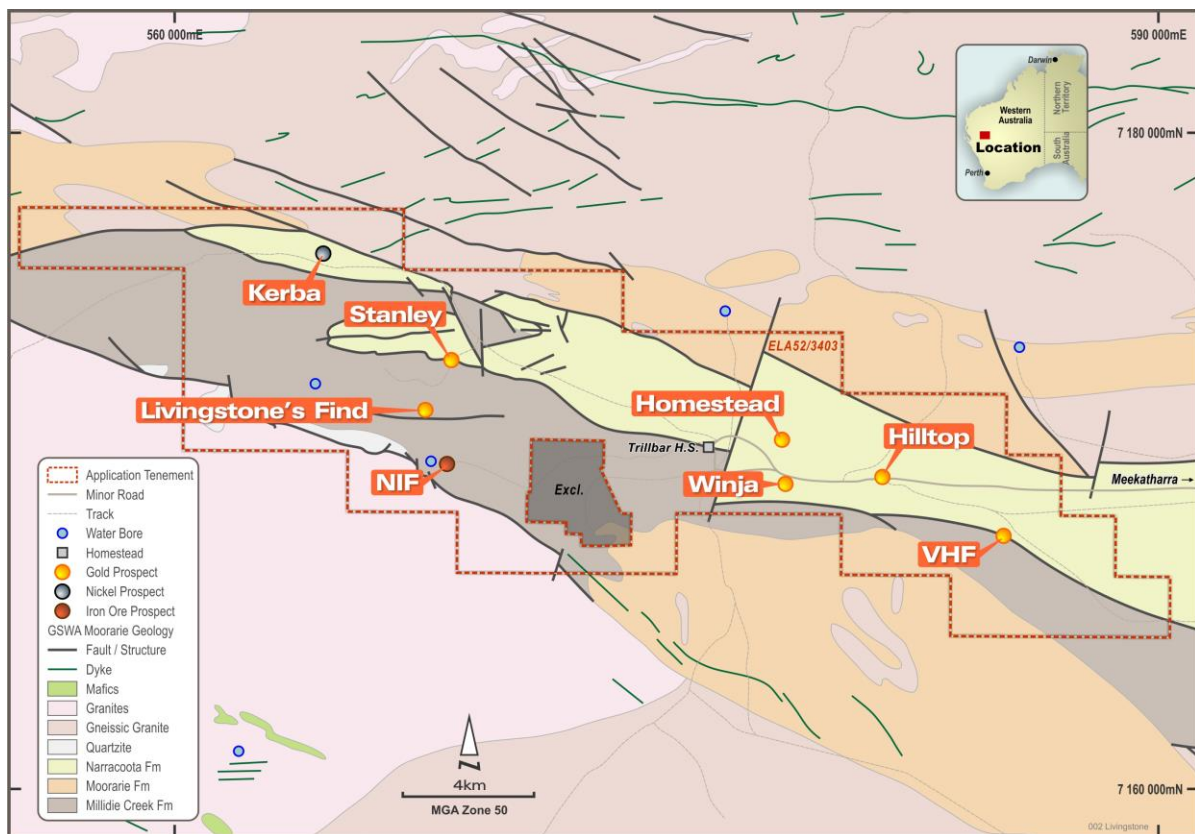


Figure 3: Livingston project geology and prospect locations.

Kingston is excited to have concluded an option agreement over the Livingston prospect with Trillbar Resources and now looks forward to rapidly progressing its exploration work. Kingston's initial focus will be further defining a shallow high grade zone of mineralisation at Homestead (which hosts a JORC2004 inferred resource of 989kt @ 1.6g/t for 49,900 ounces of gold*). Nearby Homestead, at the Winja prospect, Kingston expects to rapidly follow up on the limited historic drilling which saw intersections such as 18m @7.65g/t returned.

The third prospect, Livingstone's Find, is the largest geochemical anomaly across the tenement and the site of historic mining, nevertheless exploration work has been extremely limited. Historical drilling returned intercepts including 14m @ 2.71g/t and a single fence drilled by Livingstone Resources in 1997 returned 4m @ 2.29g/t and 1m @ 4.1g/t all near surface.

In Summary

Kingston is strongly positioned to leverage its current greenfields lithium exploration projects and pursue other opportunities in its preferred commodities of lithium, gold and copper. It will bring a disciplined approach seeking low risk and advanced lithium projects which can be rapidly progressed to take advantage of the strong lithium market outlook.

Kingston's gold strategy is focused on appropriately scaled opportunities which can be brought into development rapidly at relatively low cost to provide an earlier stage cash flow opportunity, complementary to its attractive medium term opportunities in lithium.

Within copper, Kingston has reviewed its South Australian tenements and has made the decision that deep greenfields IOCG copper tenements are outside of the company strategy. Copper firmly remains a preferred commodity however the focus will be on brownfields or smaller advanced projects.

About Kingston Resources

Kingston Resources is a metals exploration company. The company holds an attractive portfolio of lithium exploration tenements covering four key project areas. In Western Australia, the Mt Cattlin and Greenbushes projects are adjacent or near existing lithium mines. In the Northern Territory, the Bynoe project area is home to some exciting new discoveries and the Arunta project lies within a significant pegmatite field. In addition, the Livingstone Gold Project holds a 50koz JORC2004 resource and is the site of a number of high grade historic intersections. The company is well funded to rapidly advance its exploration projects, with the initial focus being the Mt Cattlin, Bynoe, and Arunta lithium projects, alongside commencement of work on the Livingstone Gold Project.

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.

* ASX announcement, Acquisition of Livingstone Gold Project, 29 November 2016)