ASX Announcement

19 July 2017

ASX Code: KSN

Share Price: A$0.018
Shares Outstanding: 665,769,985
Market Capitalisation: A$12.0m
Cash: A$4.5m (Mar 31, 2017)

ACN 009 148 529

Contact Details

205/283 Alfred St,
North Sydney,
NSW 2060
+61 2 8249 4968

info@kingstonresources.com.au

www.kingstonresources.com.au

Bynoe Phase 1 drilling results highlight lithium potential at Lei

Highlights

- **Significant lithium mineralisation intersected at Lei**
  - **12m @ 1.43% Li_2O from 121m, including 9m @ 1.69%**
  - **1m @ 1.80% Li_2O from 142m, and**
  - **5m @ 1.07% Li_2O from 152m**
- **Deep Ground Penetrating Radar (DGPR) indicates a possible second large pegmatite 180m east, untested by drilling**
- **Additional DGPR surveys, soil sampling and RC drilling to follow**

Kingston Resources Ltd (ASX:KSN) (Kingston or the Company) is pleased to announce the results of the first phase of RC drilling at Bynoe. A small program at the Lei prospect intersected lithium mineralisation, with a best result of **12m @ 1.43% Li_2O** in hole KBRC024 (Figure 1). Subsequent surveys using Deep Ground Penetrating Radar technology (DGPR) indicate that this pegmatite has a north-easterly strike, and a second large pegmatite may be located approximately 180m further east. Follow up drilling is now being planned to continue testing the Lei area.

Further north at the Cai prospect, drill testing beneath a north-south soil anomaly intersected pegmatites, returning assays of up to 0.3% Li_2O. These results, as well as high tantalum values of up to 915ppm Ta, support the Company's view that Cai remains a prospective area, however further work remains to identify additional drill targets.

The program comprised 45 holes for a total of 4,507m: nine at Lei (924m); 29 at Cai (2,938m); five at Bao (493m); and two at Liana (152m). This program has tested prospects on only two of the Company's nine granted tenements at Bynoe, with the majority of the work focussed on EL31133. As such, the drilling has only tested a small portion of the overall potential of Kingston's Bynoe project.

During the drilling program, the Company also successfully tested the potential of DPGR to augment identification and interpretation of drill targets.

The use of DGPR surveys at Bynoe is showing potential to deliver significant value as a targeting tool that will allow better precision in positioning drill holes. DGPR may be one of the only geophysical techniques that can accurately distinguish pegmatites from the surrounding country rock under cover, as their lack of contrasting density, magnetic susceptibility or conductivity makes them difficult to identify using conventional geophysical techniques. This is of particular benefit at Bynoe where a veneer of shallow cover makes pegmatites difficult to detect. The DGPR data will allow holes to target specific pegmatites, reducing drill metres and accelerating the exploration process.

"The initial drill program has identified lithium bearing pegmatites within Kingston's Bynoe Project at the Lei Prospect, which is an encouraging start to our exploration

program at Bynoe", commented Kingston's Managing Director Andrew Corbett. "We will build on these early results at Lei as soon as possible, and will also develop other drill targets within the Bynoe region using surface geochemistry and ground geophysics to be drill tested in the next program."

Work is already underway to obtain the necessary approvals to recommence drilling at Bynoe.

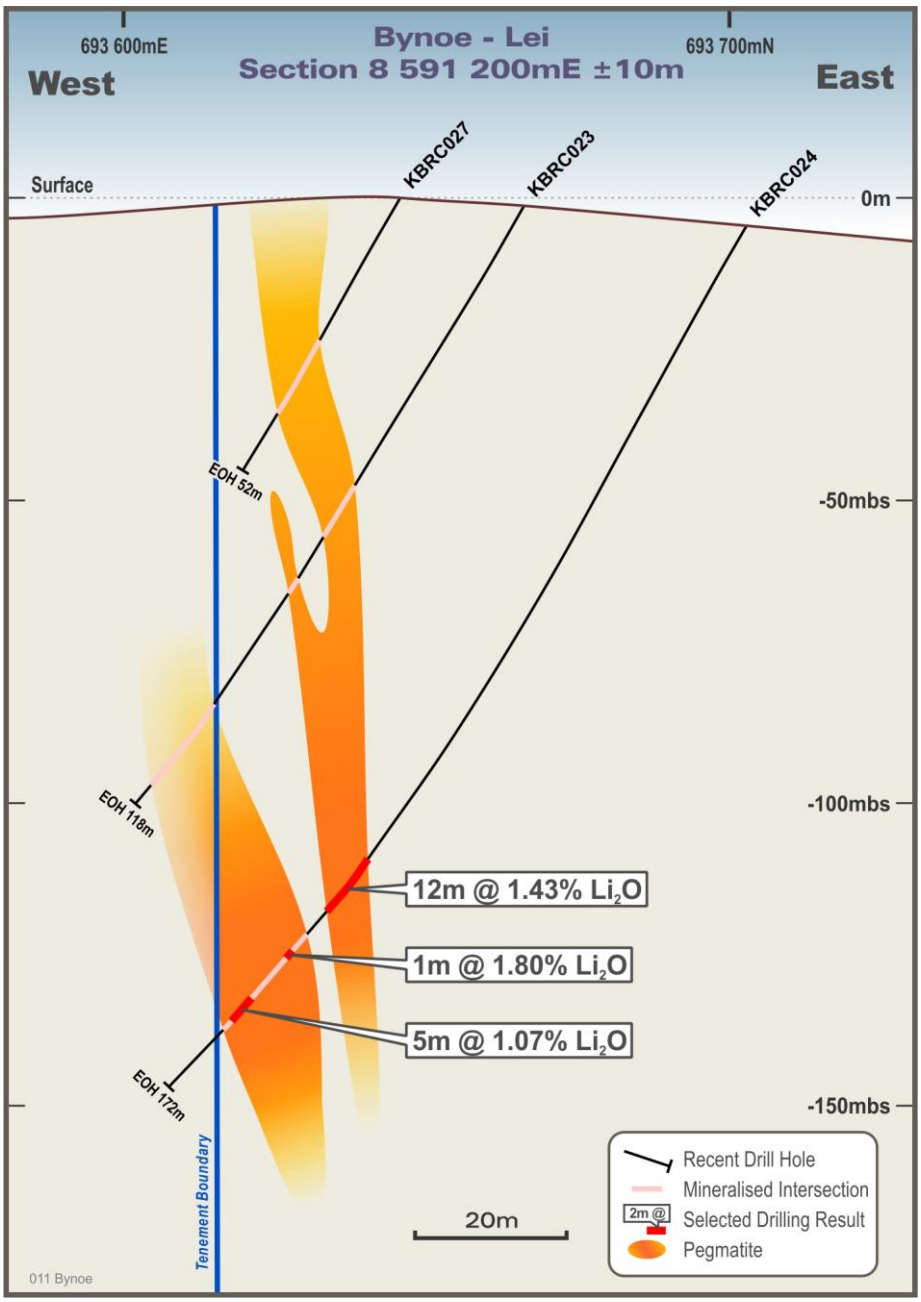

Figure 1: Lei section 8591200E, looking north.

The Company is also finalising approvals for an RC program testing two targets at the Spotted Wonder project within the Arunta region, Delmore and Tank Hill, where soil and rock chip sampling and mapping have identified lithium enrichment.

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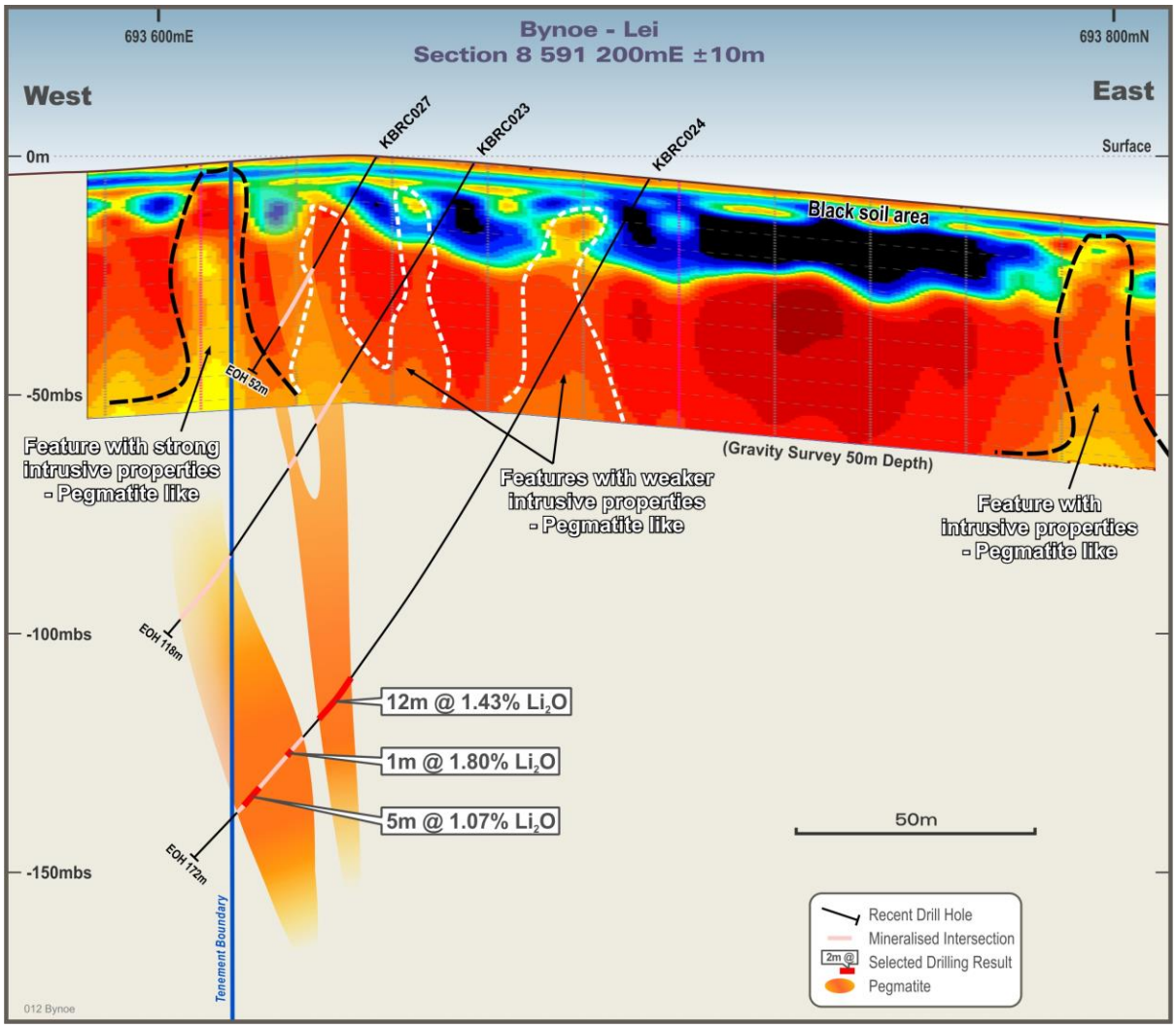

Figure 2: DGPR section 8591200E with drilling results superimposed. The large interpreted eastern pegmatite-like structure will be tested in the next round of drilling.

Hole ID	Northing	Easting	RL	Depth	Dip	Azimuth	From (m)	To (m)	Width (m)	Li2O (%)
KBRC023	693666	8591199	20	118	-60	270	60	61	1	0.44
						And	65	66	1	0.44
KBRC024	693703	8591200	21	172	-60	270	121	134	13	1.36
						Including	121	133	12	1.43
						Including	121	130	9	1.69
						And	142	158	16	0.69
						Including	142	143	1	1.80
						Including	152	157	5	1.07

Table 1: Significant intersections. Calculated at a 0.4% Li_2O cut-off with a maximum of 2m internal dilution.

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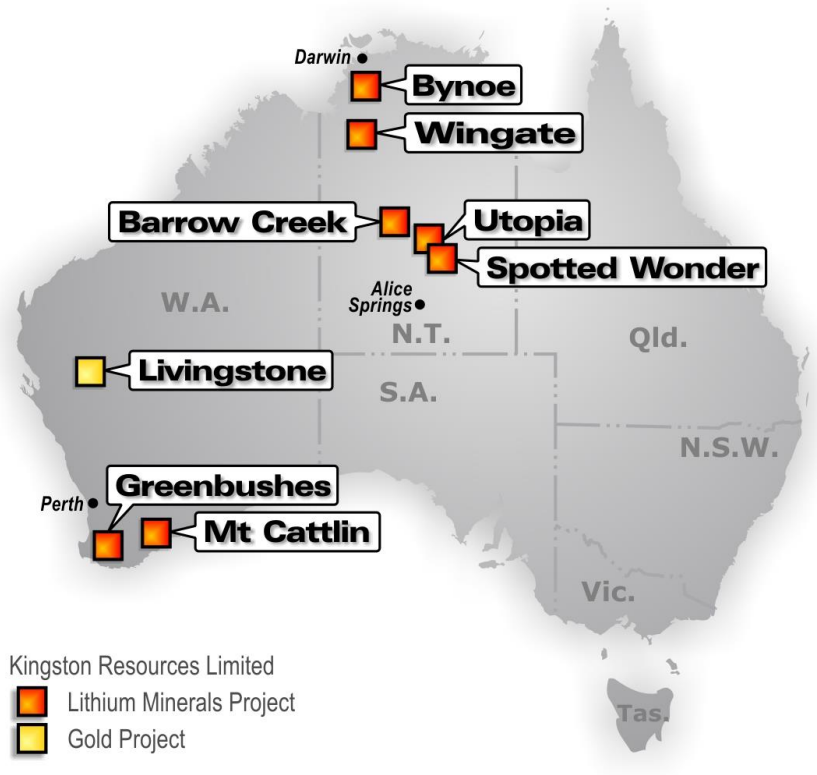
About Kingston Resources

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 inferred resource and is the site of a number of high grade historic intersections. The Company is well funded to rapidly advance its exploration projects.

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.



Kingston Resources Project Locations

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Hole ID	Easting	Northing	RL	Prospect	Dip	Azimuth	Depth	From	To	Li_2O %	Ta ppm
KBRC001	691707	8598045	47	Cai	-60	90	100	No significant intersection			
KBRC002	691667	8598051	44	Cai	-60	90	118	No significant intersection			
KBRC003	691740	8598048	35	Cai	-60	90	88	No significant intersection			
KBRC004	691727	8597928	48	Cai	-60	90	100	47	48	0.06	100
KBRC005	691686	8597919	38	Cai	-60	90	76	No significant intersection			
KBRC006	691735	8597790	22	Cai	-60	90	100	No significant intersection			
KBRC007	691687	8597796	47	Cai	-60	90	82	No significant intersection			
KBRC008	691569	8597902	29	Cai	-60	90	100	No significant intersection			
KBRC009	691656	8597438	33	Cai	-60	90	100	32	33	0.03	137
KBRC010	691622	8597437	34	Cai	-60	90	118	15	18	0.02	193
							And	73	74	0.03	118
KBRC011	691564	8598053	29	Cai	-60	90	118	No significant intersection			
KBRC012	691607	8598055	48	Cai	-60	90	88	14	18	0.03	140
KBRC013	688876	8597912	31	Bao	-60	45	88	No significant intersection			
KBRC014	693981	8587689	47	Liana	-60	215	88	33	34	0.02	234
							And	39	42	0.07	243
KBRC015	694019	8587715	47	Liana	-60	215	64	20	26	0.05	130
KBRC016	688941	8597789	35	Bao	-60	45	99	No significant intersection			
KBRC017	688916	8597761	28	Bao	-60	45	118	No significant intersection			
KBRC018	688944	8597821	27	Bao	-60	45	88	No significant intersection			
KBRC019	688916	8597938	31	Bao	-60	45	100	No significant intersection			
KBRC020	693667	8591157	24	Lei	-60	270	100	No significant intersection			
KBRC021	693700	8591160	22	Lei	-60	270	100	No significant intersection			
KBRC022	693665	8591240	25	Lei	-60	270	88	0	11	0.02	236
KBRC023	693666	8591199	20	Lei	-60	270	118	56	57	0.04	103
							And	62	63	0.10	101
KBRC024	693703	8591200	21	Lei	-60	270	172	121	134	1.36	47
							And	142	158	0.69	58
KBRC025	693737	8591158	20	Lei	-60	270	100	No significant intersection			
KBRC026	693780	8591158	21	Lei	-60	270	112	No significant intersection			
KBRC027	693646	8591196	26	Lei	-60	270	52	28	30	0.04	169
							And	33	34	0.04	170
							And	40	41	0.03	116
KBRC028	693823	8591147	37	Lei	-60	270	82	No significant intersection			
KBRC029	691685	8597151	25	Cai	-60	135	100	No significant intersection			
KBRC030	691655	8597178	28	Cai	-60	135	100	20	22	0.04	210
KBRC031	691633	8597200	22	Cai	-60	135	100	51	53	0.01	122
KBRC032	691606	8597228	33	Cai	-60	135	100	82	83	0.05	215
KBRC033	691745	8597206	25	Cai	-60	135	100	No significant intersection			
KBRC034	691714	8597225	34	Cai	-60	135	100	No significant intersection			
KBRC035	691574	8597006	33	Cai	-60	135	100	41	44	0.01	249
KBRC036	691552	8597034	30	Cai	-60	135	100	65	67	0.01	180

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KBRC037	691533	8597056	30	Cai	-60	135	94	83	85	0.02	132
KBRC038	691659	8597361	30	Cai	-60	90	100	No significant intersection			
KBRC039	691621	8597363	30	Cai	-60	90	100	74	76	0.05	370
KBRC040	691662	8597524	30	Cai	-60	90	84	38	40	0.02	254
							And	44	45	0.02	202
							And	49	50	0.02	187
KBRC041	691620	8597485	30	Cai	-60	90	112	29	31	0.01	750
							And	78	79	0.09	104
KBRC042	691580	8597440	30	Cai	-60	90	136	113	114	0.03	161
							And	120	121	0.01	105
KBRC043	691619	8597523	30	Cai	-60	90	106	33	36	0.01	104
							And	88	89	0.02	103
KBRC044	691529	8597902	30	Cai	-60	90	118	No significant intersection			
KBRC045	691605	8597900	30	Cai	-60	90	100	No significant intersection			

Table 2: Hole collar details. Coordinates are GDA94 Zone 52. Intersections are calculated at 0.4% Li_2O or 100ppm Ta cut-off, with a maximum 2m of internal dilution.

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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.*	• RC chips were sampled in 1m intervals from a rig-mounted cone splitter. The splitter was levelled at the start of each hole using a bullseye-type spirit level. A sample of approximately 3kg was produced. • Pegmatite intersections were submitted for assay plus a buffer zone of 3m on either side of the pegmatite, based on the lithology log. • The splitter reject material was collected in green plastic bags and put aside.
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).*	• Reverse Circulation (RC)
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.*	• Sample recovery was visually assessed by comparing bag size (sample plus reject split). Very little variation was observed. • The cone splitter was regularly cleaned with compressed air
Logging	• *Whether core and chip samples have been*	• All samples were geologically logged.

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Criteria	JORC Code explanation	Commentary
	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.*	Logging is qualitative in nature.
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.*	• Samples were split using a static cone splitter. Material sampled can be dry or wet from ground water intersected in the drilling, the sample wetness is recorded in the logging. The sample size is considered to be appropriate to the style of mineralisation. • A separate sample is sieved from the splitter reject material into chip trays and used for geological logging.
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.*	• Samples were submitted to Intertek Darwin, where they were processed then sent to Intertek Perth for mineral processors for analysis by peroxide fusion with ICP finish. • Deep Ground Penetrating Radar trials were conducted by Derek Reeves of Loza Radar Australia using his DGPR unit with a 6m antenna, testing 50m and 250m-deep profiles.
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 geologists were engaged to verified results. • Kingston's project geologists are supervised by Kingston's Chief Geological Officer.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and*	• All coordinate information was collected using hand held GPS utilising GDA 94, Zone 52.

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Criteria	JORC Code explanation	Commentary
	other locations used in Mineral Resource estimation. • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Collar RL's show large variations in GPS readings, indicating errors of +/- 10m. The collar points were draped over SRTM 1m topographic data to better approximate Z accuracy. These will be updated later using a more accurate survey technique. • RC holes were surveyed by down hole tool to measure any deviation
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.*	• RC holes were drilled generally on ~E/W traverses. The collar locations are recorded in Table 2 in this release. • No sample compositing has been applied to the data. .
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.*	• Angled holes were drilled approximately orthogonal to the dip of the target lithologies. There was no sampling bias due to hole orientation.
Sample security	• *The measures taken to ensure sample security.*	• Standard QA/QC protocols (Geostats standards and field duplicates).
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• Not applicable as no audits or reviews of sampling techniques have been undertaken.

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.*	• These results are from within Kingston Resources Ltd's Bynoe Project. These results are from the Cai Prospect location on EL31133, which is owned 100% by Kingston Resources Ltd through a 100% owned subsidiary.

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Criteria	JORC Code explanation	Commentary
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Previous exploration of pegmatite hosted mineralization has occurred in the Bynoe region predominantly through historical small scale mine workings targeting Sn ± Ta and through regional recent RC drilling programs by Core Exploration and Liontown Resources. Within KSN's target areas only historical workings and sparsely selected rock chip samples (pegmatite + host rock) have previously been undertaken.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• KSN is targeting any potential mineralization within the outcropping pegmatites within the Bynoe Project. The mineralization style is expected to be pegmatite hosted hard rock Sn + W + Ta + Li. The age and sources of the different pegmatite bodies in the area is thought to be Palaeoproterozoic.
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.*	• Drilling data is supplied in Table 2.
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*	• As all samples are 1m intervals there is no weighting applied. Intervals are reported as a simple arithmetic mean grade.

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Criteria	JORC Code explanation	Commentary
	metal equivalent values should be clearly stated.	
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').*	• For the holes drilled at -60° the true thickness is approximately equal to 90% of the interval thickness.
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. Collar details are published as Table 2.
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.*	• All currently received results have been 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.*	• See release details
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.*	• KSN plans to continue its planned 4000m initial RC program at its Bynoe Project testing 5 prospects Cai, Bao, Lei, Liana and Min (see Figure 1)

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