



ASX Announcement

6 February 2018

ASX Code: KSN

Share Price: A\$0.025

Shares Outstanding: 1,009,370,132

Market Capitalisation: A\$25.2m

Cash: A\$2.1m (31 December, 2017)

Pro forma (post Placement)

Shares Outstanding: 1,203,370,132

Cash: A\$6.1m

ACN 009 148 529

Board and Management

Anthony Wehby
Chairman

Andrew Corbett
Managing Director

Andrew Paterson
Chief Geological Officer

Stuart Rechner
Non-Executive Director

Chris Drew
Business and Commercial Manager

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\$4.3m Institutional Placement and \$1m Share Purchase Plan

Highlights

- Kingston has successfully completed an oversubscribed placement of \$4.3m to institutional and sophisticated investors
- The funds will be primarily used to advance exploration at the Misima Gold Project, a 2.8Moz JORC resource located on Misima Island, PNG
- Kingston is now offering a Share Purchase Plan (SPP) to existing shareholders to raise up to an additional \$1m
- Kingston is now well-funded, with cash of over \$6m (prior to SPP), to pursue its 2018 drilling programs at Misima and Livingstone Gold Projects

Kingston Resources Limited (**Company** or **KSN**) is pleased to announce that it has successfully completed an oversubscribed \$4.3m placement of 194m shares at a price of \$0.022 per share (**Placement**).

The Placement received strong support from recognised Australian and international institutional investors alongside sophisticated investors. Kingston welcomes its new shareholders and thanks its existing shareholders for their ongoing support.

Funds raised will be primarily used to advance exploration activities at the Company's Misima Gold Project and Livingstone Gold Project in WA, including:

- Re-establishing the on-island presence and logistics support at Misima
- Continuing geochemical surveys at Misima
- Phase 1 drilling program at Misima on priority exploration targets
- Extensional and infill drilling at the known Misima resource
- Exploration drilling at Livingstone Gold Project
- General working capital

Kingston MD Andrew Corbett said *"We would like to welcome our new shareholders and thank our existing shareholders for their ongoing support. The strong demand for the Placement and quality of the investors that have taken up the offering is a great vote of confidence in the Misima Gold Project. Kingston is now well funded to rapidly advance exploration on the island. With funding now in place, we anticipate signing the initial drilling contract and mobilising the drill rig very shortly."*

The Placement was undertaken pursuant to ASX Listing Rule 7.1 and 7.1A. It is anticipated that 97,507,877 shares will be allotted under Listing Rule 7.1 and 96,492,123 shares will be allotted under Listing Rule 7.1A. The shares are expected to be issued on or around 12 February 2018, with an Appendix 3B to be issued confirming exact allotments.

Bridge Street Capital Partners and Curran & Co. acted as Joint Lead Managers for the Placement.

Share Purchase Plan

Kingston is also pleased to offer existing eligible shareholders the opportunity to participate in a Share Purchase Plan (**SPP**) to raise up to \$1,000,000 at the same issue price as the Placement, being \$0.022 per share. The SPP is designed to allow our smaller shareholders to participate on the same terms as the larger institutional investors. The pricing represents a discount of 9.5% to the 5-day VWAP and 10.6% to the 20-day VWAP.

Proceeds raised through the SPP will provide the Company with additional working capital to progress its exploration and drilling activities at the Misima Gold Project and the Livingstone Gold Project.

The SPP is scheduled to open on 9 February 2018 and to close at 5:00pm (AEST) on 2 March 2018.

Key Terms

All eligible shareholders registered on the Company's share register at 7:00pm on Monday, 5 February 2018 are entitled to participate in the SPP. The issue of shares under the SPP will be limited to approximately 45,454,545 new fully paid ordinary shares (**Share**) at \$0.022 (2.2 cents) per Share to raise a maximum of \$1,000,000.

The SPP will be on a 'first come, first accepted' basis and the Directors will reserve the right to close the offer early or scale-back if applications are received for more than the permitted issue number. Under the terms of the SPP, eligible shareholders may participate by selecting one of the following Offers to purchase shares:

	Amount	Number of Shares
Offer A	\$15,000	681,818
Offer B	\$10,000	454,545
Offer C	\$5,000	227,272
Offer D	\$2,000	90,909

Participation in the SPP is entirely optional and will be open to all shareholders other than shareholders who have registered addresses in countries outside Australia or New Zealand where regulatory requirements make participation by the shareholder unlawful or impracticable. The complete terms and conditions of the SPP will be distributed to eligible shareholders on or around 9 February 2018.

Indicative SPP Timetable*

Event	Date
SPP Record Date	5 February 2018
SPP Offer Documents Despatched	9 February 2018
SPP Opening Date	9 February 2018
SPP Closing Date	2 March 2018
Issue of New Shares	8 March 2018
Holding Statements Despatched	9 March 2018
Quotation of Shares on ASX	9 March 2018

**The timetable above is indicative only and may be subject to change. The commencement of trading of new shares is subject to confirmation from the ASX.*