

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12

Name of entity

KINGSTON RESOURCES LIMITED

ABN

44 009 148 529

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|--|--|
| 1 | +Class of +securities issued or to be issued | Ordinary shares |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | <p>Placement – 164,062,500 fully paid ordinary shares (including fees)</p> <p>Entitlement Offer – up to 251,460,147 fully paid ordinary shares under a pro rate non-renounceable rights issue on the basis of 1 fully paid ordinary share for every 6 fully paid existing shares held (refer ASX Announcement on 3 May 2019)</p> |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | Fully paid ordinary shares |

+ See chapter 19 for defined terms.

4	Do the ⁺securities rank equally in all respects from the date of allotment with an existing ⁺class of quoted ⁺securities? If the additional securities do not rank equally, please state: • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	Yes – equally with all issued fully paid ordinary shares
5	Issue price or consideration	Placement - \$0.016 per fully paid ordinary share Rights Issue - \$0.016 per fully paid ordinary share
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	The funds for the Placement and Rights Issue will be used to advance exploration activities at the Company's Misima Gold Project and Livingstone Gold Project in WA (refer ASX Announcement on 3 May 2019)
6a	Is the entity an ⁺eligible entity that has obtained security holder approval under rule 7.1A? If Yes, complete sections 6b – 6h <i>in relation to the ⁺securities the subject of this Appendix 3B</i>, and comply with section 6i	Yes.
6b	The date the security holder resolution under rule 7.1A was passed	8 November 2018
6c	Number of ⁺ securities issued without security holder approval under rule 7.1	164,062,500
6d	Number of ⁺ securities issued without security holder approval under rule 7.1A	Nil

6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	N/A	
6f	Number of securities issued under an exception in rule 7.2	Up to 251,460,147 fully paid ordinary shares under a pro rate non-renounceable rights issue on the basis of 1 fully paid ordinary share for every 6 fully paid existing shares held	
6g	If securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the issue date and both values. Include the source of the VWAP calculation.	N/A	
6h	If securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	N/A	
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	See Annexure 1	
7	Dates of entering +securities into uncertificated holdings or despatch of certificates	Placement - 1 May 2019 Rights Issue – anticipated to be 5 June 2019	
8	Number and +class of all +securities quoted on ASX (including the securities in section 2 if applicable)	Number Ordinary Shares 1,638,721,030	+Class KSN

+ See chapter 19 for defined terms.

	Number	+Class
9	Number and +class of all +securities not quoted on ASX (including the securities in section 2 if applicable)	<i>Existing</i>
	7,058,823 Options (Expiry 30/6/2019, EX 3c)	KSNLTUO1
	13,500,000 Options (Expiry 30/06/2019, EX 7c)	KSNLTUO2
	5,000,000 Options (Expiry 22/12/19, Ex 2.5 cents)	KSNLTUO4
	29,000,000 Performance Rights (Expiry 30/06/2019 - subject to Performance and Vesting Conditions)	KSNLITHPER
	5,520,625 Performance Rights (Expiry 30/06/2020 - subject to Performance and Vesting Conditions)	KSNLTPR2
	12,813,661 Performance Rights (Expiry 30/06/2021 – subject to Performance and Vesting Conditions)	KSNLTPR3
	22,696,363 Performance Rights (Expiry 30/6/2022 – subject to Performance and Vesting Conditions)	KSNLTPR4
	18,216,818 Performance Rights (Expiry 31/7/2019 – subject to Performance and Vesting Conditions)	KSNSTPR4
	30,375,909 Options (Expiry 30/6/2021, Ex 2.7 cents)	KSNLTUO6
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	N/A

Part 2 - Bonus issue or pro rata issue

11	Is security holder approval required?	No
12	Is the issue renounceable or non- renounceable?	Non-renounceable

13	Ratio in which the ⁺ securities will be offered	1 for 6 fully paid ordinary shares
14	⁺ Class of ⁺ securities to which the offer relates	Fully paid ordinary shares
15	⁺ Record date to determine entitlements	15 May 2019
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	Yes
17	Policy for deciding entitlements in relation to fractions	Rounding up
18	Names of countries in which the entity has ⁺ security holders who will not be sent new issue documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	All countries except Australia and New Zealand
19	Closing date for receipt of acceptances or renunciations	29 May 2019
20	Names of any underwriters	N/A
21	Amount of any underwriting fee or commission	N/A
22	Names of any brokers to the issue	N/A
23	Fee or commission payable to the broker to the issue	N/A
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of ⁺ security holders	N/A
25	If the issue is contingent on ⁺ security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	N/A

⁺ See chapter 19 for defined terms.

27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	3 May 2019
28	Date rights trading will begin (if applicable)	N/A
29	Date rights trading will end (if applicable)	N/A
30	How do ⁺ security holders sell their entitlements <i>in full</i> through a broker?	N/A
31	How do ⁺ security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	N/A
32	How do ⁺ security holders dispose of their entitlements (except by sale through a broker)?	N/A
33	⁺ Despatch date	20 May 2019

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of securities
(tick one)

(a) ☒ Securities described in Part 1

(b) ☐ All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 ☐ If the ⁺securities are ⁺equity securities, the names of the 20 largest holders of the additional ⁺securities, and the number and percentage of additional ⁺securities held by those holders

To be provided.

- 36 ☐ If the ⁺securities are ⁺equity securities, a distribution schedule of the additional ⁺securities setting out the number of holders in the categories
- 1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over
- To be provided.
- 37 ☐ A copy of any trust deed for the additional ⁺securities

Entities that have ticked box 34(b)

38	Number of securities for which ⁺ quotation is sought	N/A	
39	Class of ⁺ securities for which quotation is sought	N/A	
40	Do the ⁺ securities rank equally in all respects from the date of allotment with an existing ⁺ class of quoted ⁺ securities? If the additional securities do not rank equally, please state: • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	N/A	
41	Reason for request for quotation now Example: In the case of restricted securities, end of restriction period (if issued upon conversion of another security, clearly identify that other security)	N/A	
42	Number and ⁺ class of all ⁺ securities quoted on ASX (including the securities in clause 38)	Number	⁺ Class

⁺ See chapter 19 for defined terms.

Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Sign here: Date: 3 May 2019
(Company secretary)

Print name: Rozanna Lee

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Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for +eligible entities

Introduced 01/08/12

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
Insert number of fully paid ordinary securities on issue 12 months before date of issue or agreement to issue	1,214,961,029
Add the following: - Number of fully paid ordinary securities issued in that 12 month period under an exception in rule 7.2 - Number of fully paid ordinary securities issued in that 12 month period with shareholder approval - Number of partly paid ordinary securities that became fully paid in that 12 month period <i>Note:</i> - Include only ordinary securities here – other classes of equity securities cannot be added - Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed - It may be useful to set out issues of securities on different dates as separate line items	5,922,725 ordinary shares issued on 18/7/18 upon partial vesting of STI Performance Rights (KSNST3) issued to Executive Directors on 8/12/17 – approval by shareholders at AGM on 29/11/17) – remainder have lapsed 251,460,147 ordinary shares to be issued on or about 5/6/19 (pro rata non-renounceable rights issue announced to shareholders on 3/5/19)
Subtract the number of fully paid ordinary securities cancelled during that 12-month period	N/A
“A”	1,472,343,901

Step 2: Calculate 15% of “A”	
“B”	0.15
	<i>[Note: this value cannot be changed]</i>

+ See chapter 19 for defined terms.

Multiply “A” by 0.15	220,851,585						
Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used							
Insert number of equity securities issued or agreed to be issued in that 12-month period <i>not counting</i> those issued: - Under an exception in rule 7.2 - Under rule 7.1A - With security holder approval under rule 7.1 or rule 7.4 <i>Note:</i> <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> <i>It may be useful to set out issues of securities on different dates as separate line items</i>	<table> <tr> <td>2,314,629</td><td>(Ordinary Shares issued on 18/7/18 upon partial vesting of FY18 STI Performance Rights (KSNST3) issued to employee on 6/12/17 – remainder have lapsed)</td></tr> <tr> <td>5,350,568</td><td>FY19 STI Performance Rights issued to employee on 23/8/18 (Expiry 31/7/2019 – subject to Performance and Vesting Conditions)</td></tr> <tr> <td>164,062,500</td><td>Placement of ordinary shares 1/5/19</td></tr> </table>	2,314,629	(Ordinary Shares issued on 18/7/18 upon partial vesting of FY18 STI Performance Rights (KSNST3) issued to employee on 6/12/17 – remainder have lapsed)	5,350,568	FY19 STI Performance Rights issued to employee on 23/8/18 (Expiry 31/7/2019 – subject to Performance and Vesting Conditions)	164,062,500	Placement of ordinary shares 1/5/19
2,314,629	(Ordinary Shares issued on 18/7/18 upon partial vesting of FY18 STI Performance Rights (KSNST3) issued to employee on 6/12/17 – remainder have lapsed)						
5,350,568	FY19 STI Performance Rights issued to employee on 23/8/18 (Expiry 31/7/2019 – subject to Performance and Vesting Conditions)						
164,062,500	Placement of ordinary shares 1/5/19						
“C”	171,727,697						
Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1							
“A” x 0.15 <i>Note: number must be same as shown in Step 2</i>	220,851,585						
Subtract “C” <i>Note: number must be same as shown in Step 3</i>	171,727,697						
Total [“A” x 0.15] – “C”	49,123,888 <i>[Note: this is the remaining placement capacity under rule 7.1]</i>						

Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
“A” <i>Note: number must be same as shown in Step 1 of Part 1</i>	1,472,343,901
Step 2: Calculate 10% of “A”	
“D”	0.10 <i>Note: this value cannot be changed</i>
Multiply “A” by 0.10	147,234,390
Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used	
Insert number of equity securities issued or agreed to be issued in that 12-month period under rule 7.1A <i>Notes:</i> • This applies to equity securities – not just ordinary securities • Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed • Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained • It may be useful to set out issues of securities on different dates as separate line items	Nil
“E”	0

Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A	
“A” x 0.10 <i>Note: number must be same as shown in Step 2</i>	147,234,390
Subtract “E” <i>Note: number must be same as shown in Step 3</i>	0
Total [“A” x 0.10] – “E”	147,234,390 <i>Note: this is the remaining placement capacity under rule 7.1A</i>

+ See chapter 19 for defined terms.