

ASX/Media Announcement

**12 November 2019** 

## Kingston agrees to key terms to become 100% owner of **Misima Gold Project**

Landmark transaction will give Kingston full ownership of world-class 2.8Moz gold project as it advances expansionary drilling programs and commences mining studies in 2020

- Kingston has executed a non-binding term sheet with Pan Pacific Copper Co., Ltd. to move to 100% ownership of the Misima Gold Project, PNG.
- Kingston to pay A\$2.8m in staged payments to acquire PPC's interest in the JV company and all other rights in the project.
- Transaction documentation is expected to be finalised in early 2020.

Kingston Resources Limited (ASX: KSN) (Kingston or the Company) is pleased to advise that it has taken an important step towards its objective of becoming a substantial new gold producer in the Asia-Pacific region after executing a non-binding term sheet with its joint venture partner, Pan Pacific Copper Co., Ltd. (PPC), regarding key commercial terms to purchase PPC's interest in the Misima Gold Project PNG.

As a result of the transaction, Kingston will move to 100% ownership of Misima – increasing its exposure to a world-scale gold resource base and high-quality development opportunity in the international gold sector.

Kingston is currently undertaking an exploration and resource expansion drilling program, targeting nearsurface mineralisation to define early mill feed, ahead of the commencement of mining studies in 2020.

A non-binding term sheet has been executed with PPC, with the transaction now subject to finalisation of documentation.

Following execution of final documentation an initial payment of \$0.5m will be paid by 31 January 2020, with the balance to be paid by 30 April 2020.

Commenting on the agreement, Kingston's Managing Director, Andrew Corbett, said: "We would like to thank PPC for their partnership at Misima and their collaborative approach to this transaction. It has been a pleasure dealing with the PPC team since we acquired our initial interest in the project in November 2017. We are now delighted to take the next step forward for Kingston, with a transaction that delivers 100% ownership of this outstanding gold development opportunity to the Company."



ASX: KSN









PPC commented: "PPC considers the Misima Gold Project to be a prospective exploration project, however, as a result of an internal review of our global exploration activities, PPC has concluded that it is outside our Company focus and PPC has made the decision to exit the project. We wish the Kingston team all the best in advancing the Misima Gold Project towards production."

## **Next Steps**

Kingston and PPC will now finalise the Share Purchase Agreement, with execution of a binding agreement anticipated in early 2020.



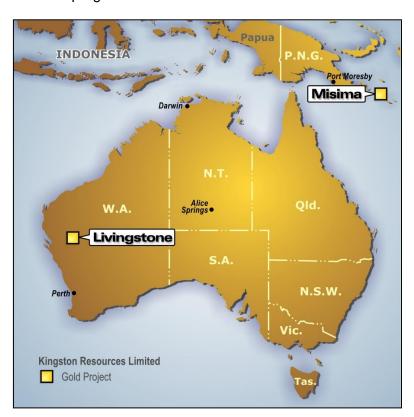
Misima Gold project, located within the Louisiade Archipelago in Milne Bay Province, PNG



## **About Kingston Resources**

Kingston Resources is a metals exploration company which is focused on exploring and developing the world-class Misima Gold Project in PNG. Misima hosts a JORC resource of 2.8Moz Au. Misima was operated as a profitable open pit mine by Placer Pacific between 1989 and 2001, producing over 3.7Moz before it was closed when the gold price was below US\$300/oz. The Misima Project offers outstanding potential for additional resource growth through exploration success targeting extensions and additions to the current 2.8Moz Resource base. Kingston currently owns 70% of the Misima Gold Project where active exploration programs are underway.

In addition, Kingston owns 75% of the high-grade Livingstone Gold Project in Western Australia where active exploration programs are also in progress.



Kingston project locations

The Misima Mineral Resource estimate outlined below was released in an ASX announcement on 27 November 2017. Further information relating to the resource is included within the original announcement.

Resource Category	Cutoff (g/t Au)	Tonnes (Mt)	Gold Grade (g/t Au)	Silver Grade (g/t Ag)	Au (Moz)	Ag (Moz)
Indicated	0.5	37.2	1.1	4.9	1.3	5.8
Inferred	0.5	45.0	1.0	5.6	1.5	8.1
Total	0.5	82.3	1.1	5.3	2.8	13.9

Table 1: Misima JORC 2012 Mineral Resource Estimate summary table

## **Competent Persons Statement and Disclaimer**

The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by Mr Stuart Rechner BSc (Geology) MAIG, a Competent Person who is a member of the Australian Institute of Geoscientists. Mr Rechner is a Director of the Company. Mr Rechner has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken 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". Mr Rechner consents to the inclusion in this report of the matters based upon the information in the form and context in which it appears.

Kingston confirms that it is not aware of any new information or data that materially affects the information included in all ASX announcements referenced in this release, and that all material assumptions and technical parameters underpinning the estimates in these announcements continue to apply and have not materially changed.

