ASX/Media Announcement

5 February 2020

Structural review highlights potential for large primary gold system at Livingstone Project, WA

New geological interpretation and mineralisation model for the Kingsley Prospect and wider project area paves way for next phase of drilling

- **Structural review completed enhancing the prospectivity of known prospects and highlighting new target areas.**
- **Controls on gold mineralisation at Kingsley established, with near-surface mineralisation likely to be derived from underlying primary gold system within bedrock.**
- **Geological and structural mapping has identified a new mineralised corridor.**
- **Follow-up Reverse Circulation drill program planned at Kingsley.**

Kingston Resources Limited (Kingston or the Company) is pleased to advise that it has further enhanced the prospectivity of its **Livingstone Gold Project**, located 140km north-west of Meekatharra within the Bryah Basin in WA, following the completion of a structural geological review and targeted diamond drilling program late last year.

This multi-faceted program incorporated structural mapping over the western portion of the Livingstone Project, an 848m, 5-hole diamond drill program co-funded through the WA Government Exploration Incentive Scheme (EIS), and an extensive structural study.

The controls on gold mineralisation at Kingsley have now been established with the mineralisation believed to be related to a late-stage mineralising event that reactivated earlier vein sets. Supergene mineralisation is derived from underlying primary gold mineralisation/anomalism within the bedrock. This new understanding has further increased the prospectivity of the area which the Company has been actively exploring, including the Kingsley, Livingstone North and Stanley prospects (Figure 1).

Further to this, recent work undertaken by the Geological Survey of Western Australia (GSWA) has now interpreted the Trillbar Complex to be exotic to, and ~40 million years older than, the Bryah Sub-basin[1]. This work positions the Livingstone Project along a major tectonic suture juxtaposing two Archean terranes. These sutures are considered zones of enhanced gold prospectivity and have become new targets for Kingston.

Kingston Resources Managing Director, Andrew Corbett, said: "*We have significantly advanced our geological understanding of the Livingstone Project. The structural study, incorporating the diamond drill program, has delivered a better understanding of controls on Kingsley mineralisation which will help us progress this prospect towards a maiden JORC compliant Mineral Resource. The work shows that we potentially have a large, high-grade gold system sourced from depth at Kingsley, which is very exciting.*"

ASX: KSN
Shares on Issue: 177M
Market Cap: A$32M
Cash: A$4.1M (31 Dec 2019)

201/110 Pacific Hwy,
North Sydney, NSW 2060
+61 2 8021 7492
info@kingstonresources.com.au
www.kingstonresources.com.au

@KSNResources

"Complementing the work at Kingsley was the wider structural mapping program undertaken by Dr Greg Cameron. This work has increased the prospectivity of an area we were already actively exploring which encompasses the Kingsley, Livingstone North and Stanley prospects.

"Regionally, the work has also identified a number of new prospective areas which have yet to be fully explored. The next stage of exploration at Livingstone will be an RC program at Kingsley which will aim to progress this prospect to a maiden Resource. This will be run concurrently with the multi-faceted exploration program that is ongoing at our flagship 2.8Moz Misima Gold Project in Papua New Guinea."

Geological Mapping

A regional structural mapping program was conducted by Dr Greg Cameron over the western portion of the Livingstone Project area including the Kingsley, Livingstone North and Stanley prospects. The mapping determined that the area is underlain by a relatively small group of rock types of the Trillbar Complex with the dominant foliation striking west-northwest (290°) and dipping steeply north and south.

The dominant rock type observed during surface mapping was mafic to ultramafic "talcose" schist, with psammitic metasediment and local arenitic sandstone interbeds. The only other rock types are the basement granitoids which bound the Trillbar Complex to the north and south.

The mafic-ultramafic sequence is underlain by a central early antiformal closure which is cored by dolomite in the south-east (Figure 1). Continuity of the antiform is interpretive and it is possible the fold axis has been offset near Stanley by a shear sub-parallel to the major east-west to west-northwest trending mafic dyke.

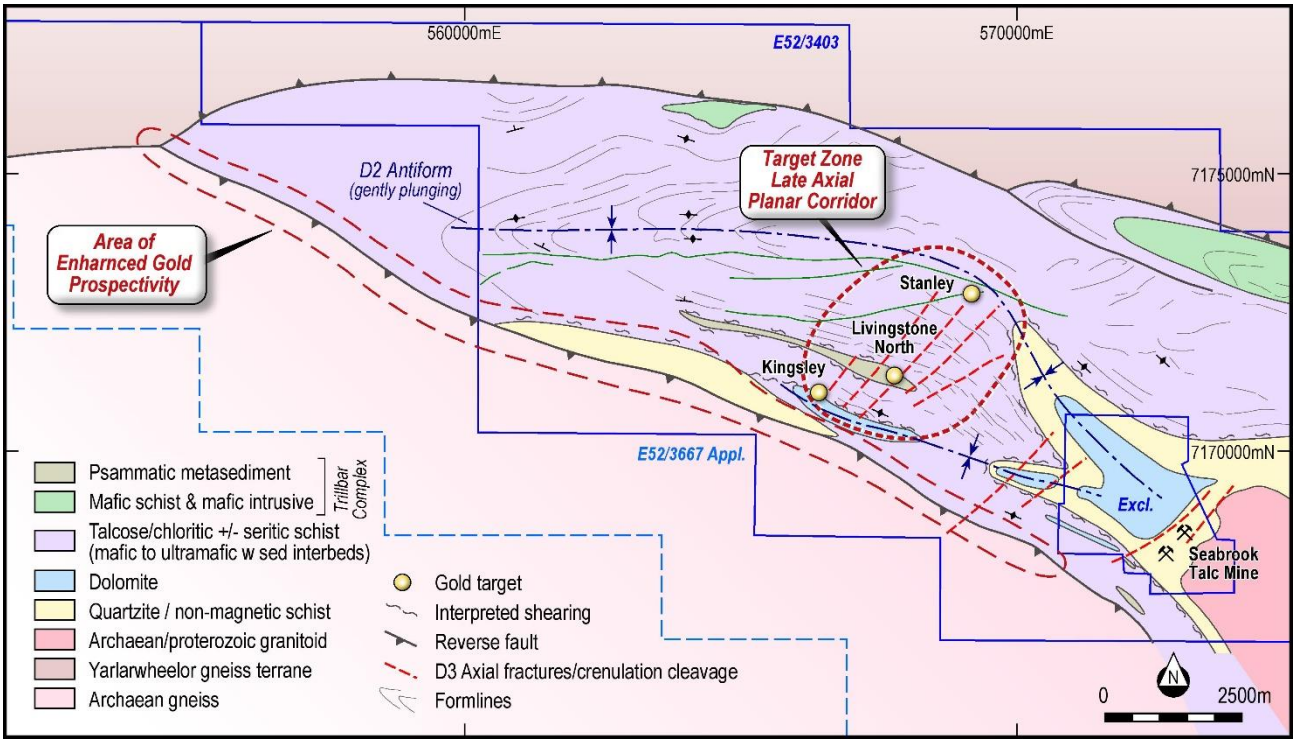

Figure 1: Surface geology map showing the Late Axial Planar Corridor Target & zone of enhanced gold prospectivity.

The distribution of known gold mineralisation – which includes Kingsley, Livingstone North, Stanley and the historical workings of Mt Seabrook I & II – suggests that the mineralisation is related to the geometry of a late fold flexure "D3 axial planar corridor" (Figure 1).

This is supported by diamond drill core, with logging indicating that gold mineralisation is related to a later set of quartz-carbonate-pyrite (+/- sericite) veinlets and alteration which reactivate and mineralize the early deformed quartz veins.

The central antiformal closure is interpreted to pass through the Stanley prospect and could provide a stratigraphic seal for high pressure fluids to accumulate. The interpreted fold closure through the area is unclear and it is possible that the fold axis has been disrupted by movement along the interpreted west-northwest striking shear zone (Figure 2).

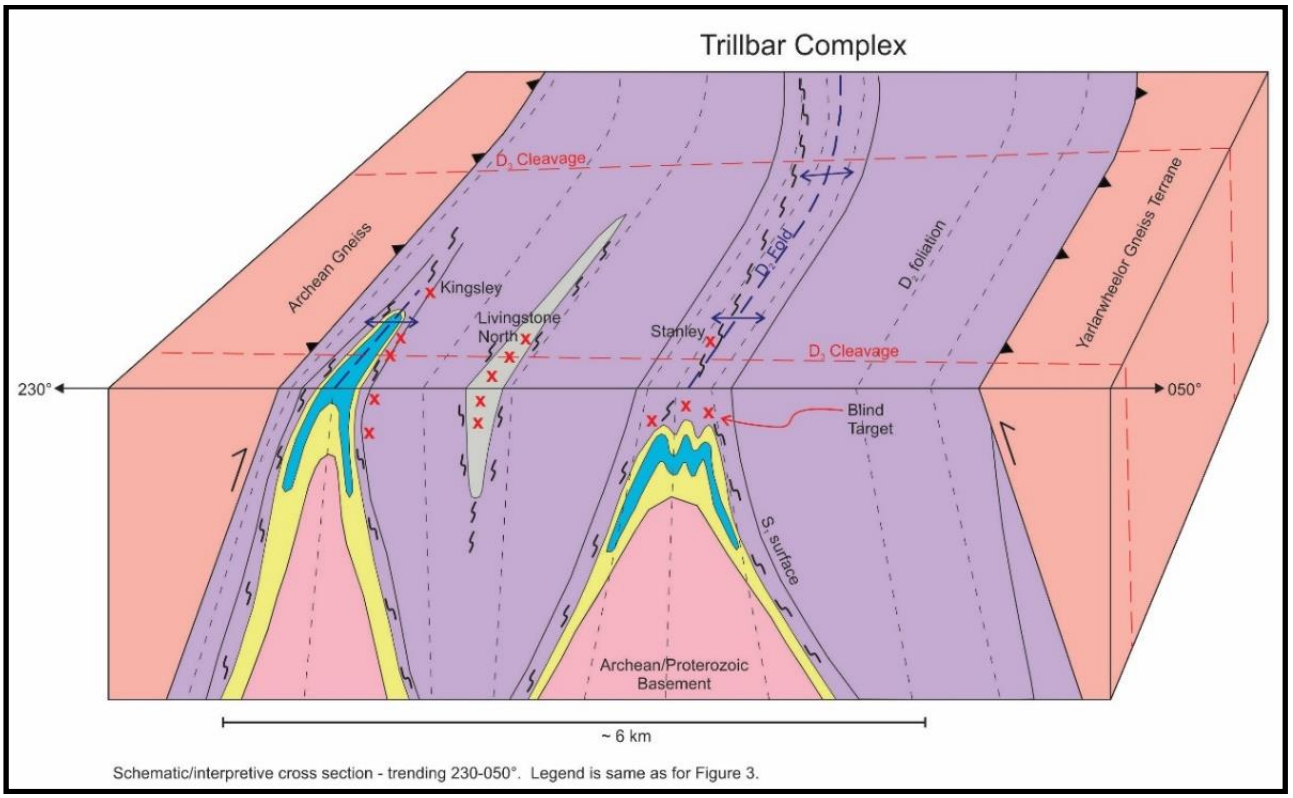

Figure 2: Interpretive cross section across Trillbar Complex by Dr Greg Cameron showing gold mineralisation related to later "D3" reactivation of earlier 'D2" veins. An interpreted shear between the contact of Trillbar Complex and the underlying basal sediments has potential to host gold mineralisation.

At Stanley, a 2.4km long west-northwest trending linear gold-in-soil anomaly (see KSN ASX Announcement 17 July 2017) forms along and adjacent to this interpreted shear zone. It is now believed drilling to date has failed to test Stanley prospect sufficiently and further work will be undertaken.

The mapping additionally highlighted a dolomite layer that forms a distinctive unit south of Kingsley prospect. This unit is over 2km in strike prior to going under cover (Figure 1). It has been demonstrated within drill holes KLDD003, KLDD004 and KLDD005 that the contact between this dolomite/quartzite and talcose schist can be mineralised.

Regional Geology

The Livingstone Gold project underlying geology has to date been interpreted as that of the Trillbar Complex which formed part of the Naracoota Formation (Padbury Group).

Recent work undertaken by the GSWA has now interpreted the Trillbar Complex to be exotic to the Bryah Sub-basin and ~40 Ma years older. With the Trillbar Complex essentially being a sliver of oceanic crust wedged between the Yilgarn craton to the south and the Yarlarwheelor Gneiss Complex to the north[1].

This re-interpretation and recognition of the Trillbar Complex as a separate from the Narracoota Volcanics puts the entire area within a dynamic tectonic framework, emphasizing the position of the Livingstone project along a major tectonic suture juxta posing two different Archean terranes along a Paleoproterozoic collision zone.

If the Trillbar complex is an obducted ophiolite sequence, then the lower contact with basement is probably sheared and this basal horizon represents a zone of enhanced gold prospectivity.

Structural Diamond Drill Program

The 848m, 5-hole maiden diamond program, which was co-funded through the WA Government Exploration Incentive Scheme, was designed to provide further understanding of the geology, structure and controls on the mineralisation at the Kingsley prospect.

The program has helped establish the controls on gold mineralisation at Kingsley, with mineralisation believed to be derived from the underlying primary gold mineralisation/anomalism within the bedrock. Results from the drilling include:

- **1m @ 3.85 g/t Au from 22m** in KLDD002, and **3m @ 2.83 g/t Au from 24m** including **1m @ 6.27 g/t Au from 26m**
- **5m @ 2.80 g/t from 79m** in KLDD005, including **1m @ 5.41 g/t Au from 82m**
- **2m @ 3.16 g/t Au from 73m** in KLDD001 including **1m @ 5.51 g/t Au from 74m**
- Core loss occurred in a mineralised section between 72.4m and 74.9m of KLDD005. Kingston believes this 2.4m section may represent a continuously mineralised zone.

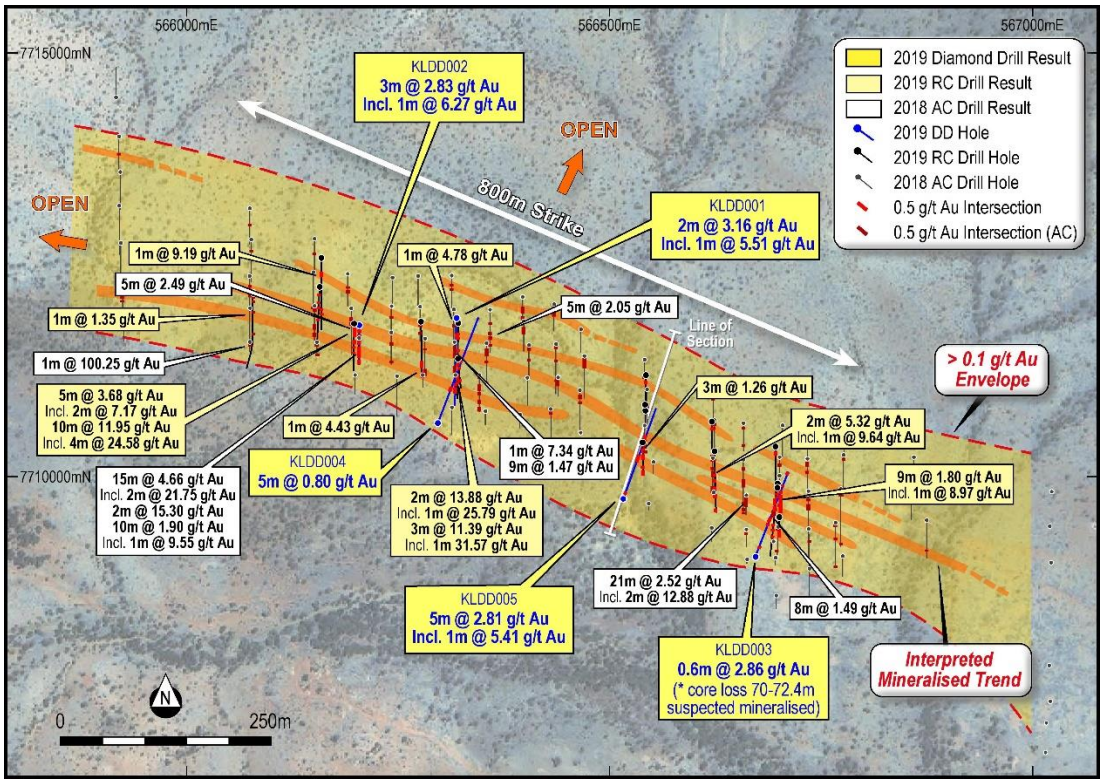

Figure 3: Kingsley Prospect showing drilling with significant intercepts, interpreted mineralised trends.

The encouraging results from the diamond drilling have linked the gold mineralisation at Kingsley to a set of late quartz-carbonate-sericite-pyrite veinlets that have reactivated older abundant deformed quartz veins within a mafic to ultramafic “talcose” schist. This late paragenetic position of gold mineralisation is consistent with conclusions from surface mapping which relate mineralisation to the formation of a late fold flexure.

Primary gold mineralisation identified appears to be associated with the contact between the dolomite and quartzite to the south, and talcose schist to the north. The majority of ore grade mineralisation identified to date is believed to be supergene in origin, derived from underlying primary gold mineralisation/anomalism in the bedrock.

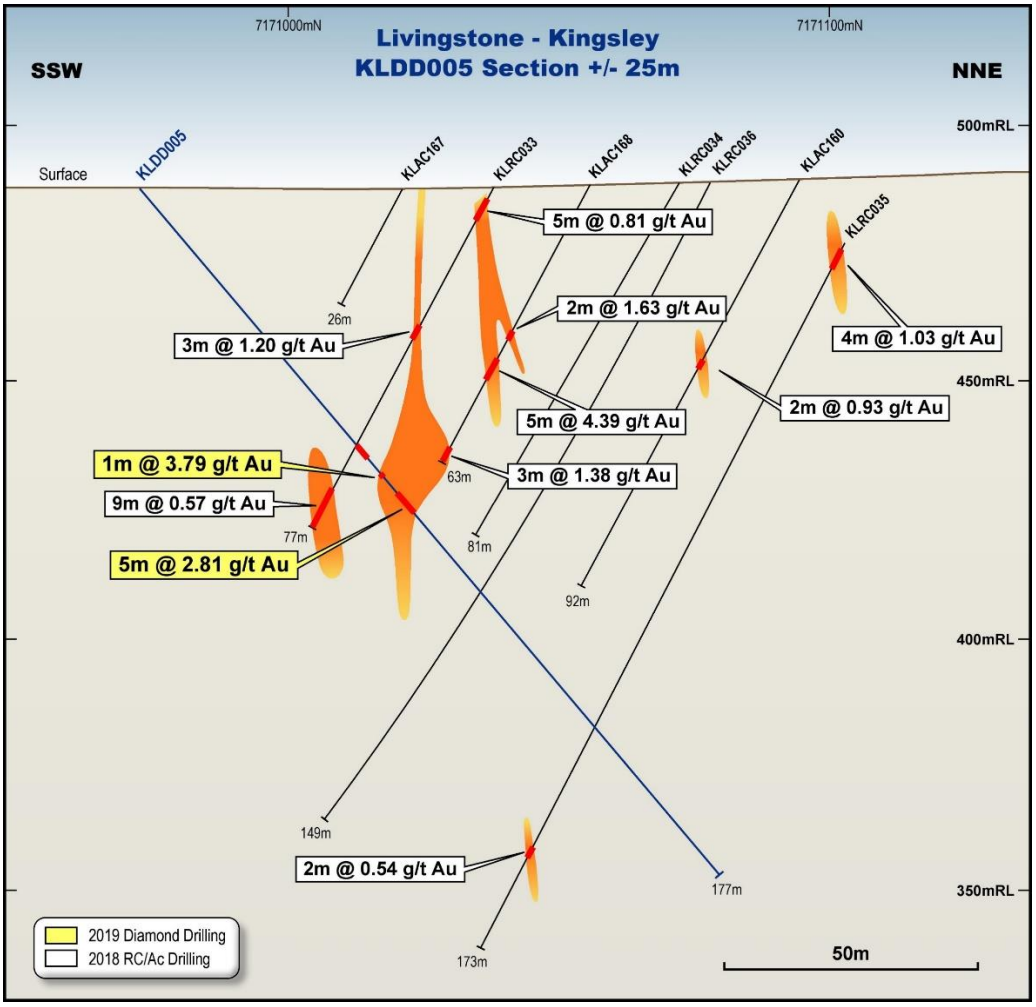

Figure 4: Kingsley Prospect KDD005 Section

Next Steps

A second round of RC drilling is now being planned for Kingsley which will contribute towards reporting a maiden JORC compliant resource estimation. The geological mapping area is to be extended to the east to incorporate the Homestead Deposit and Winja Prospect.

[1] *(Olierook, H.K.H., Sheppard, S., Johnson, S.P., Occhipiniti, S.A., Reddy, S.M., Clark, C., Fletcher, I.R., Rasmussen, B., Zi, J-W, Pirajno, F.,LaFlamme, C., Do, T., Ware, B., Blandthorn, E., Lindsay, M, Lu, Y-J, Crossley, R.J., Erickson, T.M., 2018. Extensional episodes in the Paleoproterozoic Capricorn Orogen, Western Australia, revealed by petrogenesis and geochronology of mafic-ultramafic rocks, Precambrian Research v. 306, p. 22)*

Table 1: Kingsley Significant intersections 1m samples >0.5g/t Au including a maximum of 2m internal dilution

Hole Id	North	East	Rl	Depth	Dip	Azimuth	From (m)	To (m)	Width (m)	Au g/t
KLDD001	7171186	566319	498	204.5	-60	180	39.0	40.0	1.00	0.76
						and	73.0	75.0	2.00	3.16
						including	**74.0**	**75.0**	**1.00**	**5.51**
						and	89.0	90.0	1.00	0.63
						and	127.0	128.0	1.00	0.96
						and	151.0	152.0	1.00	0.52
						and	159.0	160.0	1.00	3.68
KLDD002	7171177	566204	500	84.5	-60	180	12.0	16.0	4.00	1.22
						and	22.0	23.0	1.00	3.85
						**Core loss*	*23.0*	*24.0*	*1.00*	-
						and	24.0	27.0	3.00	2.83
						including	**26.0**	**27.0**	**1.00**	**6.27**
						and	40.0	41.0	1.00	0.82
						and	55.0	56.0	1.00	0.53
KLDD003	7170903	566673	486	177.4	-50	020	19.0	20.0	1.00	0.78
						and	63.4	64.0	0.60	1.11
						and	69.4	70.0	0.60	2.86
						**Core loss*	*70.0*	*72.4*	*2.40*	-
							73.0	74.1	1.10	0.59
						**Core loss*	*74.10*	*75.40*	*1.30*	-
						and	75.4	76.0	0.60	0.59
						and	139.0	140.0	1.00	0.75
						and	163.0	165.0	2.00	1.70
KLDD004	7171062	566298	491	204.4	-50	020	63.0	68.0	5.00	0.80
						and	119.0	120.0	1.00	1.14
KLDD005	7170972	566516	479	177.4	-50	020	11.0	12.0	1.00	0.77
						and	74.0	74.9	0.90	3.79
						**Core loss*	*74.90*	*77.40*	*2.50*	-
						and	79.0	84.0	5.00	2.80
						including	**82.0**	**83.0**	**1.00**	**5.41**
						and	118.0	119.0	1.00	0.70

This release has been authorised by the Kingston Resources Limited Board. For all enquiries please contact Managing Director, Andrew Corbett, on +61 2 8021 7492.

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 77% 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: 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.

JORC Code, 2012 Edition – Table 1 Kingsley Prospect, Livingstone Project

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	Commentary
Sampling techniques	Drilling • HQ Diamond Drill Core was orientated and half cut on site. Top half of HQ core was sampled in 1m intervals, with bottom half retained on site.
Drilling techniques	• HQ3 triple-tube diamond drilling. • All core orientated using Acer Reflex tool.
Drill sample recovery	• Core recovery is measured as the difference between core recovered in a drill run and the down-hole run shown on the driller's core blocks. • The driller modifies drilling pressure to optimise core recovery as much as possible, particularly in areas of softer lithologies. • There is no observed relationship or bias between sample recovery and grade.
Logging	• Core samples are logged for lithology, structure, alteration, rock quality and magnetic susceptibility. • Structure, Rock Quality Designation (RQD) and magnetic susceptibility are quantitative measurements. • All core is photographed Wet/Dry by tray.
Sub-sampling techniques and sample preparation	• The sample size is appropriate to the observed mineralisation style. • Sample preparation was conducted by Intertek Genalysis in Perth. Samples were dried at approximately 120°C with the sample then crushed using a Boyd crusher which crushes the samples to –2mm. The resulting material is then passed to a series LM5 pulverisers and ground to a nominal 85% passing of 75µm. The milled pulps were weighed out (50g) for analysis. •
Quality of assay data and laboratory tests	• Samples were analysed at Intertek Genalysis in Perth by fire assay (method FA50/OE04). • Kingston submitted standards and blanks. These were inserted at a ratio of approximately 1-in-40 samples into the sampling sequence as part of the QAQC process. QAQC analysis of assay results indicates an acceptable level of accuracy and precision
Verification of sampling and assaying	• No independent data verification procedures were undertaken other than the QA/QC mentioned above. • Field data is entered into spreadsheets and copies sent to head office each day and imported into the Kingston main externally managed access database. • Assessment of reported significant assays are verified by review of core photography
Location of data points	• Kingston drill hole location coordinate information was collected by Kingston nominated personal withhandheld Garmin 64S GPS utilising GDA 94 Zone 50. Positions are accurate to +/- 3m horizonatal and +/- 10m vertical. • Locations are reported in metres in GDA94 MGA Zone 50
Data spacing and distribution	• Significant intervals are reported as indicated in the relevant figure(s) and table(s) in the body of the announcement, note downhole intervals quoted. • Drill hole and sample spacing is appropriate for the purpose and context in which the exploration results are reported.
Orientation of data in relation to geological structure	• Mineralisation is interpreted to be on west-northwest-trending sub-vertical structures and as such, the primary drill direction of 180° is appropriate to achieve practical intersection angles.
Sample security	• Samples were collected, sealed and delivered to Intertek laboratory by Kingston personnel • All samples were received as expected by the laboratory with no mislabelled samples
Audits or reviews	• No audits have been undertaken.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	Commentary
Mineral tenement and land tenure status	• Kingston Resources Limited owns 75% interest in the Livingstone Gold Project from Trillbar Resources Pty Ltd. Livingstone (E52/3403) is located northwest of Meekatharra in Western Australia, is an advanced exploration project with an existing JORC2004 Inferred Au resource of 49,900 ounces and a number of high-grade drilling intersections that indicate excellent potential for additional discoveries. • E52/3667 is an Exploration Licence Application.
Exploration done by other parties	• The project has been subject to exploration by several companies over the past 30 years. This work has been built upon by successive explorers, culminating most recently in the work done by Talisman Mining Ltd pursuant to the resource estimation at the Boundary prospect.
Geology	• The Livingstone Gold project underlying geology has to date been interpreted as that of the Trillbar Complex which formed member of the Naracoota Formation (Padbury Group). Recent work undertaken by the GSWA has now interpreted the Trillbar Complex to be exotic to the Bryah Sub-basin and ~40 Ma years older. The Trillbar Complex is interpreted as a sliver of oceanic crust wedged between the Yilgarn craton to the south and the Yarlarwheelor Gneiss Complex to the north (Olierook, et al., 2018).
Drill hole Information	• Hole locations and orientations are displayed in the table within the body of the announcement.
Data aggregation methods	• Samples are 1m, there is no weighting applied. Intervals are reported as a simple arithmetic mean grade.
Relationship between mineralisation widths and intercept lengths	• Only down hole lengths are reported. All drill holes are angled to be approximately perpendicular to the orientation of the mineralised trend.
Diagrams	• See figures in release
Balanced reporting	• The cut-off grade used in determining significant intersections is shown in the table within the body of this announcement. Lower grade or unmineralised sections of the hole are not reported.
Other substantive exploration data	• Other relevant exploration data is released to the market on an ongoing basis.
Further work	• Exploration drilling is planned for 2020. • Further work will involve drilling, structural mapping and interpretation.