

Misima Resource definition drilling program complete

Updated Resource estimate anticipated in the June 2020 Quarter

- Resource drilling program at the Ewatinona deposit, part of the Misima Gold Project in PNG, is now complete, with an updated Mineral Resource estimate anticipated for the June 2020 Quarter.
- Drilling was designed to upgrade the current 220koz Inferred Resource at Ewatinona to Measured/Indicated status, to facilitate inclusion in an Ore Reserve following the completion of the Misima Pre-Feasibility Study (PFS) later in 2020.
- Review of the underlying gold price assumptions and an associated re-optimisation of the existing 2.6Moz Mineral Resource at the Umuna deposit is also planned as part of the Mineral Resource update.
- With the current Resource drilling program now complete, drilling at Misima has been suspended to comply with Australian and PNG international and domestic travel restrictions to curtail the spread of the COVID-19 virus.
- Cost reduction measures have been enacted in response to ongoing uncertainty regarding the potential impact of COVID-19 on the market.

Kingston Resources Limited (ASX: **KSN**) (**Kingston** or the **Company**) is pleased to advise that Resource definition drilling has now been completed at the Ewatinona deposit, part of its **2.8Moz Misima Gold Project** in PNG, paving the way for an updated Mineral Resource estimate in the June 2020 Quarter.

The Resource drilling program was designed to expand and upgrade the existing 220koz Inferred Resource estimate at Ewatinona, which represents a key target to deliver near-surface gold mineralisation for a potential starter-pit for the proposed Misima mining operation. Starter-pit ore offers the opportunity to generate early cash flow for Kingston while it establishes access to the larger-scale 2.6Moz Umuna Resource.

The recent drilling at Ewatinona has delivered encouraging results (see ASX Announcement 12 February 2020) and has also confirmed the Company's updated structural interpretation, with strong potential to both expand and upgrade the existing Resource.

Independent consultants have now been engaged to commence work on the updated JORC Resource, which Kingston anticipates will be completed in the June 2020 Quarter.



ASX: KSN
Shares on Issue: 177M
Market Cap: A\$18M
Cash: A\$4.1M (31 Dec 2019)



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Alongside potential Resource expansion, the Resource update will be focused on converting the existing 220koz Ewatinona Inferred Resource to the higher-confidence Measured and Indicated categories, making it available for conversion to Ore Reserves following the completion of a Pre-Feasibility Study (PFS) for the Misima mining operation.

In addition, Kingston also anticipates an opportunity to review the underlying gold price assumption of US\$1200/oz which was used to inform the “reasonable prospects for eventual economic extraction” requirement for the estimation of the existing 2.6Moz Umuna Resource.

Kingston aims to commence the Misima PFS shortly after the completion of the Resource update and anticipates appointing a Study Manager in the June Quarter.

Operational Update

In light of the current market uncertainty relating to the global spread of the COVID-19 virus, together with logistics constraints imposed by international travel restrictions, as well as the State of Emergency declaration in PNG which has resulted in heavy domestic travel restrictions, Kingston and its drilling contractor have agreed to suspend drilling at Misima from the conclusion of the Resource drilling program.

This decision will not impact Kingston’s ability to deliver on its key strategic objectives for 2020, namely, to deliver the Misima Mineral Resource update, complete a Pre-Feasibility Study and release an Ore Reserve estimate by the end of the year.

In addition, given the current market climate, the Kingston Board and Management have considered it appropriate to adopt a number of cost reduction measures. These include:

- Kingston Non-Executive Directors will be waiving fees for April, May and June;
- Kingston senior management salaries will be reduced by 25%;
- The Misima exploration team will be scaled down, including a reduction in the FIFO and residential workforce; and
- Reductions in Administration staffing levels.

Kingston Resources Limited Managing Director, Andrew Corbett, said: *“I would like to take this opportunity to thank all our employees, contractors, and stakeholders for their support during this difficult time as we respond to the global COVID-19 pandemic.*

“The Misima people have been extremely understanding and supportive following our decision to suspend drilling and we look forward to recommencing exploration work in the near term when conditions allow.

“Our recent exploration strategy has been an outstanding success, putting us on track to announce an updated Resource in the coming months.

“Kingston Resources is very confident in the development pathway we have mapped out for the Misima Gold Project with multiple advanced stage exploration prospects in the pipeline while the future of the project remains securely underpinned by the 2.8Moz Resource already in place.

“We look forward to delivering on a number of important project milestones at Misima over the remainder of 2020, as we move this exciting project towards development.”

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

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.