

## Ewatinona continues to deliver positive results ahead of Misima Resource update

*More thick zones of strong gold mineralisation in latest drilling with assays to be included in upcoming Resource update; assays still pending for extensional drilling*

- Further significant results from recent resource definition drilling at the Ewatinona deposit, with highlights including:
  - 14m @ 1.64g/t Au from 163m including 4m @ 2.95g/t Au from 168m in GDD081
  - 12m @ 1.33g/t Au from 22m including 4m @ 3.33g/t Au from 22m in GDD080
  - 10m @ 1.06g/t Au from 188m in GDD081
  - 9m @ 1.25g/t Au from 79m in GDD082
  - 4m @ 2.51g/t Au from 144m in GDD082
  - 14m @ 0.92g/t Au from 150m incl 8m @ 1.23g/t Au from 155m in GDD079
- Assays pending for several additional holes testing the western extension of the Resource.
- Results from the drilling program will contribute to an updated Mineral Resource, ahead of the commencement of feasibility studies for the Misima Gold Project.

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Further to its announcement of 2 April, Kingston Resources Limited (ASX: **KSN**) (**Kingston** or the **Company**) is pleased to report further significant assay results from Resource definition diamond drilling at the Ewatinona deposit, part of the 2.8Moz Misima Gold Project in PNG. Latest results include:

- 2m @ 4.67g/t Au from 95m in GDD078
- 6m @ 1.2g/t Au from 175m in GDD078
- 14m @ 0.92g/t Au from 150m including 8m @ 1.23g/t Au from 155m in GDD079
- 12m @ 1.33g/t Au from 22m including 4m @ 3.33g/t Au from 22m in GDD080
- 14m @ 1.64g/t Au from 163m including 4m @ 2.95g/t Au from 168m in GDD081
- 10m @ 1.06g/t Au from 188m in GDD081
- 4m @ 2.27g/t Au from 117m in GDD081
- 9m @ 1.25g/t Au from 79m in GDD082
- 4m @ 2.51g/t Au from 144m in GDD082

**Kingston Resources Limited Managing Director, Andrew Corbett, said:** “I am very pleased to be able to report excellent results from each of the five latest diamond holes received for Ewatinona.



ASX: KSN  
Shares on Issue: 177M  
Market Cap: A\$25M  
Cash: A\$4.1M (31 Dec 2019)



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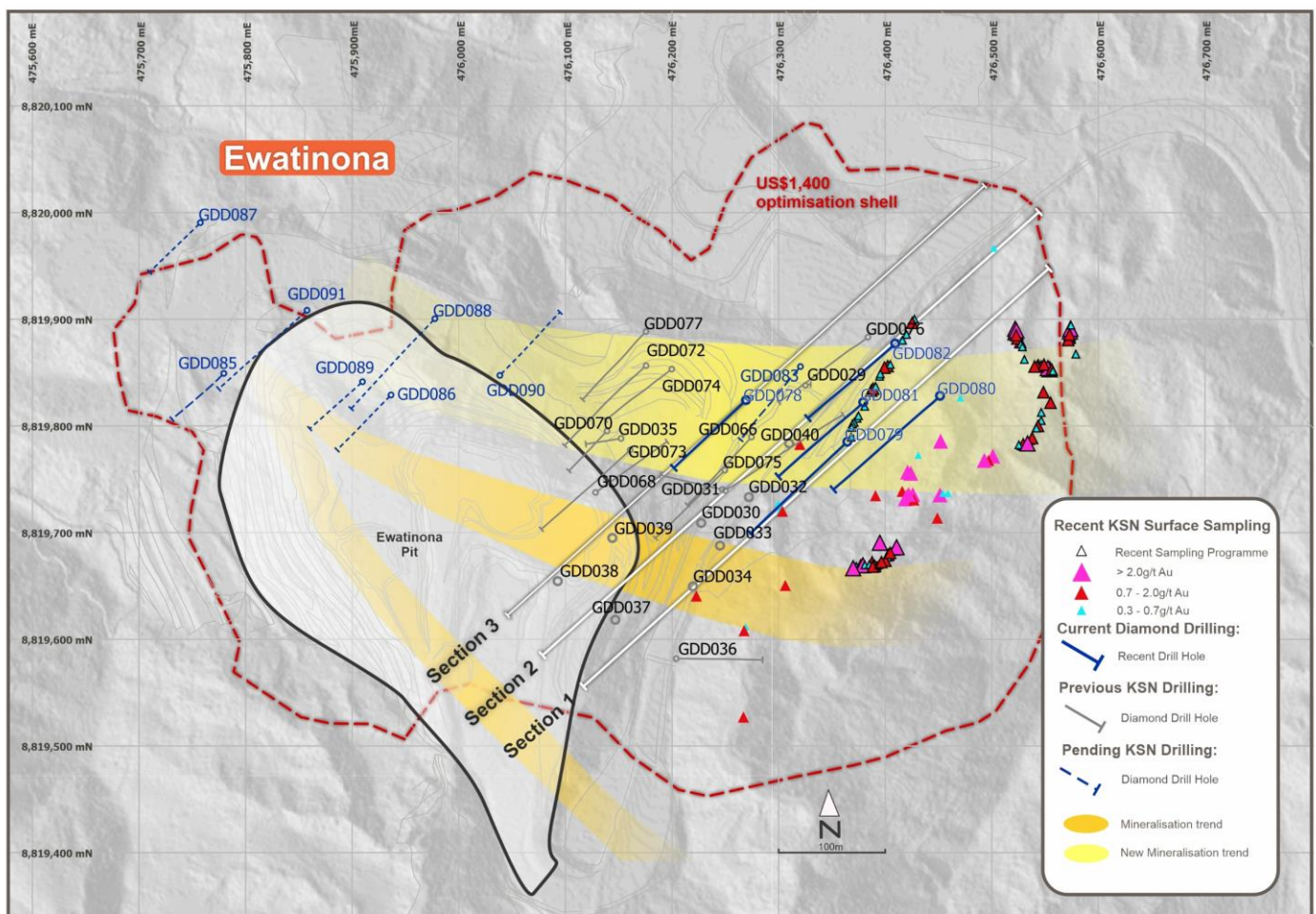
@KSNResources

*“All five holes intersected mineralized structures that confirm the grade tenor and continuity of the Resource in the East Ewatinona area. These are the final holes that will be included in the upcoming Resource update for Ewatinona, with the remaining holes for which assays are awaited primarily testing the interpreted western extension of Ewatinona.*

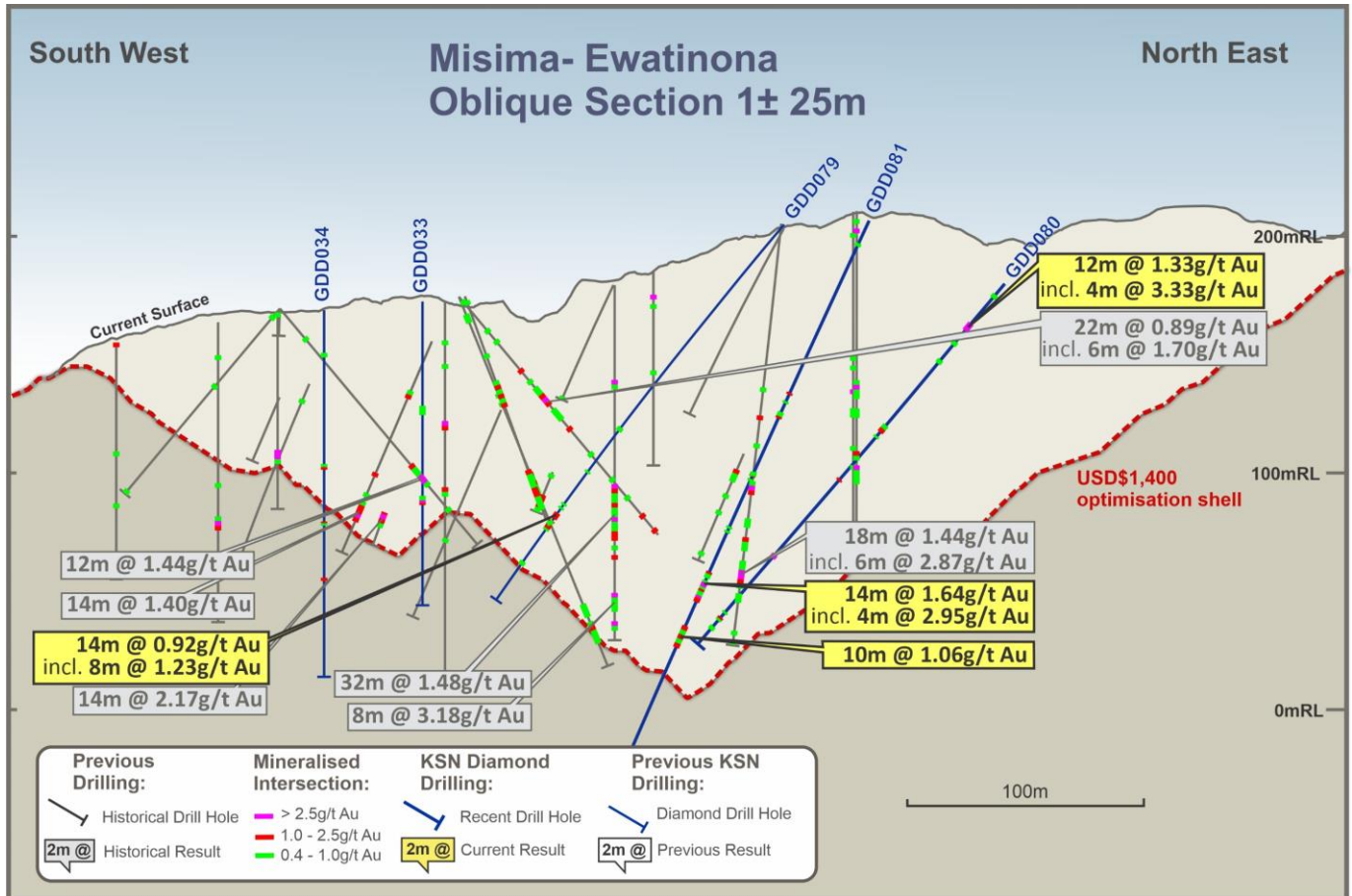
*“The ongoing success at Ewatinona represents another step towards achieving our goal of defining starter pit ore to generate early cash-flow and ultimately bring the main 2.6Moz Umuna pit back online.*

*“Work on the updated Resource estimate is well underway and on track for completion this quarter. This will be an exciting milestone in our journey to bring Misima, one of the premier gold mines in the Asia-Pacific in the 1990s and early 2000’s, back into production.*

*“In the context of the current gold price environment it is worth remembering that Placer made its decision to close Misima back when gold was below US\$300/oz and Kingston is fortunate to be the first company to have the opportunity to bring Misima back into production since their departure.”*



**Figure 1: Mineralisation trends, recent drilling and trench samples at Ewatinona.**



**Figure 2: Section 1 highlighting new zones of infill mineralisation**

The diamond drill holes reported in this announcement are situated within the existing 220koz Ewatinona Inferred Mineral Resource footprint (see Figure 1), with drilling designed to confirm existing geology and mineralisation, and test the revised structural interpretation as well as potential depth and strike extensions.

The drill holes in the East Ewatinona area are in the newly defined mineralisation trend that is stacked above the existing trends in the historical Ewatinona pit. The new trend was first identified through structural mapping of outcrop and has been confirmed by the new geochemistry results that were released to the ASX on the 8<sup>th</sup> of April 2020.

In Figure 1, the recent surface trench assays (see ASX release 8<sup>th</sup> of April 2020) are superimposed on the mineralisation trends defined by structural mapping. As previously reported, outstanding surface trenching results within the mineralisation trends include:

- 22m @ 3.90g/t Au incl 6m @ 12.65g/t Au, incl 4m @ 18.33g/t Au
- 44m @ 1.18g/t Au incl 10m @ 1.83g/t Au
- 12m @ 4.51g/t incl 4m @ 11.76g/t Au

It is evident that the mineralised trench samples are situated within the interpreted structural corridor trends.



Holes GDD079, GDD080 and GDD081 were drilled before results of the trench sampling were received as they were testing structural extensions of mineralisation in that area. These holes all intersected gold mineralisation, increasing confidence in and confirming the continuity and tenor of gold grades in that area.

Hole GDD080 appears to have not fully tested the high-grade gold intersection in GDD081. Follow-up holes have therefore been designed to confirm the continuity of the high-grade gold mineralisation toward the end of GDD081 and high-grade trench samples to the north-east.

Kingston has greater confidence in the geology and structure and mineralisation controls at Ewatinona as the data from historical blast hole sampling, regional structural and geological mapping as well as targeted trench sampling converge to confirm the spatial distribution of the mineralisation trends. These observations link back into the conceptual geology model that Kingston's geology team has developed.

The conceptual model is based on quartz-carbonate-base metal mineralisation in multiple stacked steep dipping structures, where mineralisation is not only confined to greenstone but all other competent units brittle enough to fracture during deformation stresses to form continuous vein sets and breccias.

The components of this geological interpretation that have been "ground-truthed" in the field and reviewed against historical production mapping and reporting, and are being fed into the updated Resource model. It is anticipated that the enhanced understanding of the Ewatinona deposit (compared to the previous Resource model) will help increase confidence in the Resource model as well as assist in the classification of indicated and inferred material.

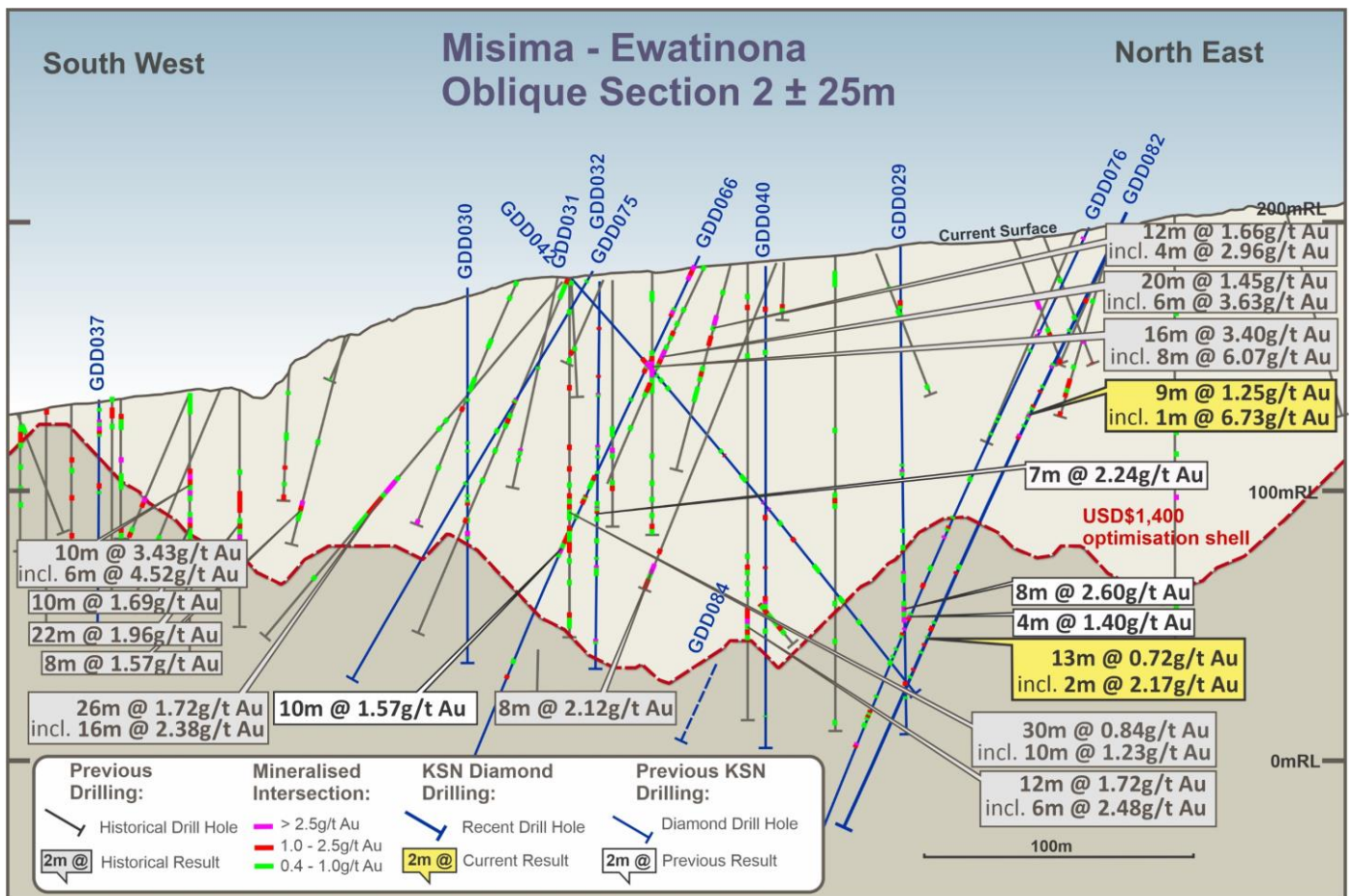


Figure 3: Section 2 highlighting new zones of infill mineralisation and mineralisation outside the current Resource shell

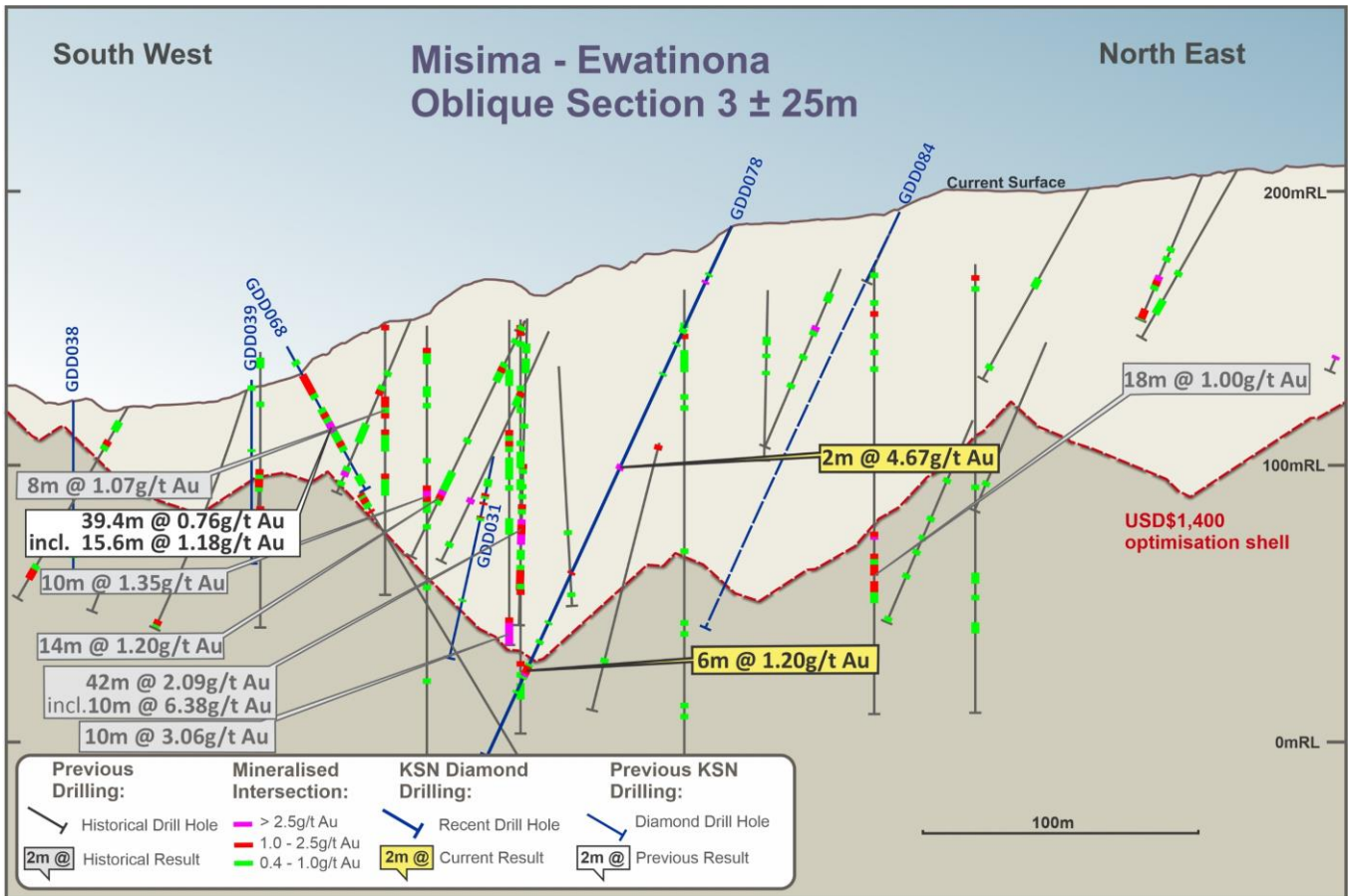


Figure 4: Section 3 highlighting new zones of infill mineralisation and mineralisation outside the current Resource shell

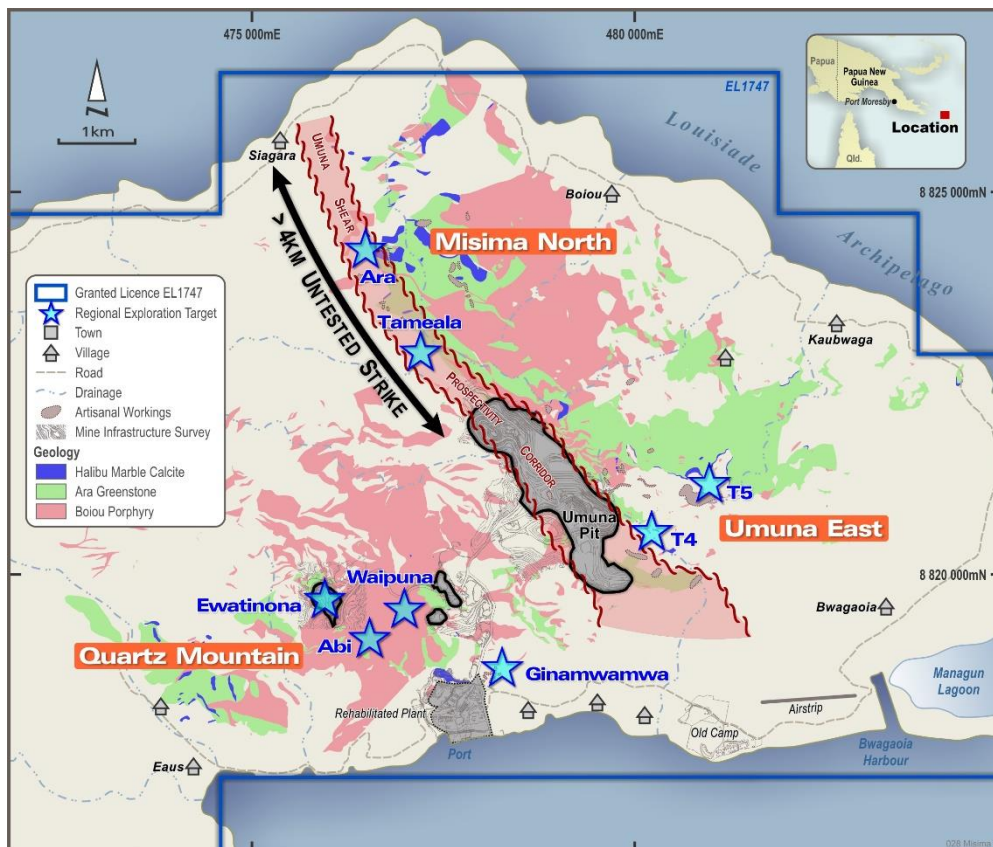


Figure 5: Misima Gold Project – Regional target map

## Next Steps

All holes in the Ewatinona drilling program have been completed with the final holes currently pending assay results. The same process of integrating geological and structural mapping with trench sampling is currently being undertaken on the western side of Ewatinona. The Company will report on the results from these activities in the coming weeks.

The Resource update is well underway, and the Company remains on track to complete this work and release the updated Mineral Resource in the June Quarter.

**Table 1: New significant intercepts. Intersections are calculated at a minimum cut-off of 0.4g/t Au with a maximum continuous interval of 2m internal dilution. Grades are weighted by sample length and averaged over the interval**

Hole ID	From	To	Interval	Au (ppm)
GDD078	18	19	1	0.54
	21	22	1	3.36
	40	42	2	0.46
	46	47	1	0.47
	58	59	1	0.52
	95	97	2	4.67
	138	139	1	1.26
	158	159	1	0.84
	165.5	167	1.5	0.81
	175	181	6	1.20
	incl 176	180	4	1.52
	incl 179	180	1	2.57
	186	187	1	0.50
GDD079	110	112	2	0.82
	133	134	1	0.82
	150	164	14	0.92
	incl 155	163	8	1.23
	180	182	2	0.82
GDD080	6	8	2	0.53
	22	34	12	1.33
	incl 22	26	4	3.33
	42	44	2	0.66
	78	85	7	0.69
	incl 80	82	2	1.25
	108	109	1	1.99
	150	152	2	2.97
	182	187	5	0.72
	incl 185	186	1	2.30
	190	192	2	0.78
GDD081	10.5	12	1.5	0.75
	80	81	1	1.53
	84	85	1	0.60
	89	92	3	0.97
	incl 91	92	1	1.87
	117	121	4	2.27
	incl 117	119	2	4.27
	incl 117	118	1	7.21
	142	145	3	0.38
	163	177	14	1.64
	incl 163	164	1	1.26
	& incl 168	172	4	2.95
	incl 168	170	2	4.99
	& incl 174	177	3	1.93
	incl 174	175	1	2.55
	188	198	10	1.06

GDD082	48	49	1	0.43
	62	64	2	1.47
incl	63	64	1	2.53
	71	74	3	0.65
incl	73	74	1	1.01
	79	88	9	1.25
incl	79	80	1	1.18
	& incl	84	1	6.73
	91	93	2	3.73
	incl	92	1	6.16
	144	148	4	2.51
	incl	148	1	1.21
	167	180	13	0.72
	incl	171	2	2.17
& incl	176	177	1	1.60
	186	187	1	1.42
	189	190	1	0.66

Table 2: Drill hole collar details in GDA1994

Hole ID	Easting	Northing	RL	Azimuth	Dip	Depth
GDD078	476267.00	8819822.00	187	226	-65	213
GDD079	476362.00	8819783.00	205	226	-50	200
GDD080	476449.00	8819826.00	197	225	-50	200
GDD081	476377.00	8819820.00	215	225	-65	250
GDD082	476407.00	8819875.00	215	225	-65	250



This release has been authorised by the Kingston Resources Limited Managing Director, Andrew Corbett. 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
<b>Total</b>	<b>0.5</b>	<b>82.3</b>	<b>1.1</b>	<b>5.3</b>	<b>2.8</b>	<b>13.9</b>

**Table 3: 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 Umuna Gold Deposit, Misima Island

### Section 1 Sampling Techniques and Data

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

Criteria	Commentary
<i>Sampling techniques</i>	<p>Drilling</p> <ul style="list-style-type: none"> <li>Samples are core from diamond drilling of PQ and HQ size.</li> <li>Core is sampled in 2m intervals away from the ore zone or to lithological contacts, whichever is shorter. In mineralised areas core is sampled in 1 to 2m lengths or to lithological contacts.</li> </ul> <p>Surface Sampling</p> <ul style="list-style-type: none"> <li>The samples were channel samples and rock chips, sampled by hand using geo-picks to geological boundaries after soil, vegetation and debris had been cleared away with shovels.</li> </ul>
<i>Drilling techniques</i>	<ul style="list-style-type: none"> <li>PQ and HQ triple-tube diamond drilling. All core is oriented using a Reflex digital orientation tool.</li> </ul>
<i>Drill sample recovery</i>	<ul style="list-style-type: none"> <li>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.</li> <li>The driller modifies drilling pressure to optimise core recovery as much as possible, particularly in areas of softer lithologies.</li> <li>There is no observed relationship or bias between sample recovery and grade.</li> </ul>
<i>Logging</i>	<ul style="list-style-type: none"> <li>Core samples are logged for lithology, structure, alteration, rock quality and magnetic susceptibility. Structure, Rock Quality Designation (RQD) and magnetic susceptibility are quantitative measurements.</li> <li>All core is photographed by tray.</li> <li>Channel samples and rock chips are logged for lithology and any visible mineralogy and alteration.</li> </ul>
<i>Sub-sampling techniques and sample preparation</i>	<p>Drilling</p> <ul style="list-style-type: none"> <li>Up to Sept. 2019, PQ3 core is cut and sampled as quarter core. From Oct. 2019, PQ3 core is cut and sampled as half core.</li> <li>HQ3 core is cut as half core. The orientation line is used as a cutting guide to ensure consistency in sampling.</li> <li>The sampling interval and technique is considered appropriate for the style of mineralisation and is consistent with the techniques used by Misima Mines Ltd (Placer) during previous exploration and mining of the project.</li> <li>The sample size is appropriate to the observed mineralisation style and historical geostatistical distribution of gold values.</li> </ul> <p>All Samples</p> <ul style="list-style-type: none"> <li>Samples are transported to Intertek in Lae where they are dried and crushed to 95% passing 3mm. The crushed sample is then pulverised and a 50g charge is taken for gold analysis by fire assay.</li> <li>A 100g pulp from each sample is flown to Townsville where they are analysed using Intertek's Four Acid 33 Element package. An OES finish is provided for Ag, Pb, Zn and Cu values that report over-range assays.</li> </ul>
<i>Quality of assay data and laboratory tests</i>	<ul style="list-style-type: none"> <li>Standard reference materials are inserted at a frequency of one per 20 samples.</li> <li>Field duplicates were inserted at a frequency of one per 20 samples.</li> <li>Blanks are inserted at a frequency of one per 50 samples.</li> <li>QAQC performance is tracked using acQuire database software.</li> <li>Acceptable levels of accuracy have been achieved using these techniques.</li> <li>Intertek conducts periodic laboratory QAQC including sizing tests and crushate / pulp duplicate tests.</li> <li>Gold values are also verified by assaying batches of pulps at an independent assay lab in Perth.</li> </ul>
<i>Verification of sampling and assaying</i>	<ul style="list-style-type: none"> <li>No independent data verification procedures were undertaken other than the QA/QC mentioned above.</li> <li>Primary data is recorded on site either digitally or on paper logs before being transferred to Perth for loading into an acQuire database. Assay data is provided digitally as CSV and PDF files.</li> </ul>
<i>Location of data points</i>	<ul style="list-style-type: none"> <li>Hole collar locations are recorded using a hand-held Garmin GPS, recording X,Y,Z positions in GDA94 datum (Zone 56). Z positions are later adjusted to fit LiDAR values.</li> <li>Down-hole orientation is recorded using a Reflex survey camera taking a shot every 30m.</li> <li>Channel samples and rock chips are located using a handheld Garmin GPS to record the centre of each 2m channel interval in GDA94 datum Zone 56.</li> </ul>
<i>Data spacing and distribution</i>	<ul style="list-style-type: none"> <li>Sample intervals are shown in the table of significant intersections in the body of this announcement.</li> <li>No compositing has been applied.</li> </ul>

Criteria	Commentary
<i>Orientation of data in relation to geological structure</i>	<ul style="list-style-type: none"> <li>Holes are drilled approximately orthogonal to the interpreted trend of mineralisation</li> <li>This orientation is considered to avoid sample bias relative to the angle of mineralised structures.</li> <li>Channels are dug approximately perpendicular to the strike of observed lithological contacts.</li> </ul>
<i>Sample security</i>	<ul style="list-style-type: none"> <li>Samples were submitted by air or sea freight by Gallipoli Exploration (PNG), a subsidiary of Kingston, personnel for freight from Misima to Lae, and collected from Lae by Intertek staff. There were no other specific sample security protocols in place.</li> </ul>
<i>Audits or reviews</i>	<ul style="list-style-type: none"> <li>Not applicable</li> </ul>

## Section 2 Reporting of Exploration Results

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

Criteria	Commentary
<i>Mineral tenement and land tenure status</i>	<ul style="list-style-type: none"> <li>Misima Island is part of the Louisiade Archipelago within Milne Bay Province of PNG. It is situated in the Solomon Sea about 625 km east of Port Moresby, the capital of PNG. The site is located at an approximate latitude of 10° 40' South and longitude of 152° 47' E.</li> <li>The Property consists of a single Exploration Licence, (EL) 1747, comprising 53 sub blocks, covering a total area of 180 km<sup>2</sup>. This EL is valid until 20 March 2021. All conditions pertaining to compliance of the title have been met. The Property is located on the eastern portion of the island and includes the historic mining areas of Umuna and Quartz Mountain. There are no known impediments. KSN holds title via its subsidiary Gallipoli Exploration Ltd. Gallipoli is the legal entity and tenement holder and is responsible for performing its obligations under the <i>Mining Act</i> 1992.</li> </ul>
<i>Exploration done by other parties</i>	<ul style="list-style-type: none"> <li>The project area has been subject to mineral exploration by a number of previous parties, most notably Placer Pacific between 1987 to 2004.</li> <li>For a detailed summary of previous explorers' work readers are recommended to read the JORC Table 1 released with the November 2017 Misima resource update (ASX:KSN announcement 27 November 2017).</li> </ul>
<i>Geology</i>	<ul style="list-style-type: none"> <li>Misima Island forms part of the Louisiade Archipelago which is a continuation of the Papuan Fold Belt of the Papuan Peninsula offshore eastwards through the Papuan Plateau. The oldest rocks on Misima are Cretaceous to Paleogene metamorphic rocks, which can be subdivided into the western Awaibi Association and the younger overthrust eastern Sisa Association that is host to the gold and copper mineralization. The two associations are separated by an original thrust fault with later extensional activation.</li> <li>Mineralisation deposit style on Misima Island is best described as Intermediate Sulphidation Epithermal due to the strong association with porphyry Cu Au style alteration, veining and characteristics, the dominance of Ag Zn Pb Au Cu Mn geochemistry as well as complex alteration styles and geometry.</li> <li>Styles of mineralisation observed include multiphase hydrothermal breccia, stockworks both sheeted and three-dimensional, skarn, jasperoidal replacement, and poorly banded vein infill of quartz and carbonate with associated pyrite, galena, sphalerite, barite and minor tetrahedrite.</li> <li>Structurally the Umuna geometry is typical of a complex fault array with a large major fault hosting the majority of the precious metal mineralisation with numerous ancillary splays developed in the footwall to the main structure. The intersection of the splays and the dominant Umuna Fault are loci for zones of well-developed mineralisation. Mineralisation has a dominant structural control however strong secondary stratigraphic controls are also observed in particular where skarn style mineralisation is developed in Halibu Limestone – Ara Schist contacts. A series of north west trending splays intersect and control the loci of the higher-grade material within the Umuna fault zone.</li> </ul>
<i>Drill hole Information</i>	<ul style="list-style-type: none"> <li>Hole locations and orientations are displayed in the table within the body of the announcement.</li> </ul>
<i>Data aggregation methods</i>	<ul style="list-style-type: none"> <li>Where significant intersection results are used, the average grades are weighted by the sample width of each assay within the intersection.</li> <li>No metal equivalence calculations are used in reporting.</li> </ul>
<i>Relationship between</i>	<ul style="list-style-type: none"> <li>Drill orientation is as close to perpendicular as possible given the limitations of the rig used. True widths vary from approximately 85% to approximately 100% of the down-hole width based on the current</li> </ul>

Criteria	Commentary
<i>mineralisation widths and intercept lengths</i>	interpretation.
<i>Diagrams</i>	<ul style="list-style-type: none"> <li>• See figures in release</li> </ul>
<i>Balanced reporting</i>	<ul style="list-style-type: none"> <li>• 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.</li> </ul>
<i>Other substantive exploration data</i>	<ul style="list-style-type: none"> <li>• Other relevant exploration data is released to the market on an ongoing basis.</li> </ul>
<i>Further work</i>	<ul style="list-style-type: none"> <li>• Exploration drilling is planned to continue during 2020.</li> <li>• Further work will involve structural mapping and interpretation, channel sampling orthogonal to mineralised structures, and drilling.</li> </ul>