

## \$8.4m capital raising to advance PNG and WA gold projects

*Oversubscribed \$6.4m institutional placement with \$2.0m SPP offer underway*

### Key Points:

- Binding commitments received for an institutional share placement to raise \$6.4m.
- Existing shareholders can participate via a Share Purchase Plan (SPP) to raise an additional \$2.0m on the same terms as the institutional placement.
- Funds to be used to progress a Pre-Feasibility Study, approvals and resource expansion drilling at the 3.2Moz Misima Gold Project and advance exploration at the Livingstone Gold Project in WA.
- Kingston has also agreed the sale of a historic royalty established in 1992 over tenements within the Higginsville Gold Operations to Vox Royalty Corp. for a total consideration of \$650,000.

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Kingston Resources Limited (**Kingston** or the **Company**) (ASX:KSN) is pleased to announce a capital raising of up to **\$8.4 million** to progress its key gold projects in Papua New Guinea (**PNG**) and Western Australia, including the completion of a Pre-Feasibility Study (**PFS**) on its flagship **3.2Moz Misima Gold Project** in PNG.

The Company has received binding commitments for a share placement comprising the issue of 40 million shares at an issue price of \$0.16 per share (**Placement**) to institutional and sophisticated investors, raising gross proceeds of \$6.4 million.

Kingston will also launch a Share Purchase Plan providing existing eligible shareholders with the opportunity to participate in this milestone capital raising on the same terms as the share placement.

The Company is delighted to welcome a number of new institutional shareholders to its register as part of the Placement, and would like to thank its existing shareholders for their ongoing support.

Funds raised will be used to advance the Company's Misima Gold Project in PNG and to accelerate exploration at the Livingstone Gold Project in WA. Specifically, proceeds will be applied to:

- The Misima PFS;
- Advancing the Misima approvals process;
- Exploration and Resource expansion drilling at Misima;
- Exploration drilling at the Livingstone Gold Project; and
- General working capital.



Kingston Managing Director Andrew Corbett said the strong response from investors during the bookbuild reflected the quality of the Company's gold assets and the potential for a significant value uplift as the 3.2Moz Misima Gold Project advances through PFS and mining studies towards a maiden Ore Reserve which is targeted by the end of 2020.

*"We are pleased to welcome a number of new investors to our register as part of the Placement and would like to thank our major shareholders for their ongoing support. We are very encouraged by the support we are receiving for Misima as we transition towards mining studies and development," Mr Corbett said.*

*"The rest of 2020 will be exciting for Kingston shareholders as we work towards the completion of the PFS and reporting a maiden Ore Reserve at Misima. Following the significant structural work completed earlier in 2020 we are also excited to get back into drilling the Livingstone Project in WA, with the objective of delineating a maiden JORC Mineral Resource at Kingsley."*

*"We look forward to updating shareholders on these developments in the coming months."*

The Placement is being undertaken pursuant to ASX Listing Rule 7.1 and 7.1A. It is anticipated that 22,367,547 shares will be allotted under Listing Rule 7.1, and 17,632,453 will be allotted under Listing Rule 7.1A. The shares will be issued as a single tranche and are expected to be issued on or around 1 June 2020. Details of the proposed share issue are set out in the Appendix 3B lodged by the Company today.

Canaccord Genuity (Australia) Limited acted as Lead Manager to the Placement.

### **Share Purchase Plan**

Kingston is also pleased to offer existing eligible shareholders the opportunity to participate in a Share Purchase Plan to raise up to \$2,000,000 at the same issue price as the Placement, being \$0.16 per share. The SPP is designed to allow our smaller shareholders to participate on the same terms as the larger institutional investors. The pricing represents a discount of 13.5% to the last closing price, and 10.6% to the 5-day VWAP prior to announcement of the SPP.

Proceeds raised through the SPP will provide the Company with additional working capital to progress its exploration and drilling activities at the Misima Gold Project and the Livingstone Gold Project.

The SPP is scheduled to open on 1 June 2020 and to close at 5:00pm (AEST) on 19 June 2020.

### **Share Purchase Plan Key Terms**

All eligible Australian, New Zealand and German shareholders registered on the Company's share register at 7:00pm (AEST) on Tuesday, 26 May 2020, being the record date, are entitled to participate in the SPP. The issue of shares under the SPP will be limited to approximately 12,500,000 new fully-paid ordinary shares at \$0.16 per share to raise a maximum of \$2,000,000.

The SPP will be on a 'first come, first accepted' basis and the Directors will reserve the right to close the offer early or scale-back if applications are received for more than the permitted issue number.

Under the terms of the SPP, eligible shareholders may participate by selecting one of the following Offers to purchase shares:

	Amount	Number of Shares
Offer A	\$30,000	187,500
Offer B	\$25,000	156,250
Offer C	\$20,000	125,000
Offer D	\$15,000	93,750
Offer E	\$10,000	62,500
Offer F	\$5,000	31,250
Offer G	\$2,000	12,500

Participation in the SPP is entirely voluntary. The offer is open to all shareholders registered as holders of the fully paid ordinary shares of the Company as at 7.00pm (AEST) on 26 May 2020 and whose address on the Company's share register is in Australia or New Zealand. Certain shareholders who reside in Germany may also be eligible to participate in the offer. The complete terms and conditions of the SPP will be distributed to eligible shareholders on or around 1 June 2020.

#### Indicative SPP Timetable\*

Event	Date
SPP Record Date	26 May 2020
SPP Offer Documents Dispatched	1 June 2020
SPP Opening Date	1 June 2020
SPP Closing Date	19 June 2020
Announcement of results	24 June 2020
Issue of New Shares and lodgment of Appendix 2A	30 June 2020

\*The timetable above is indicative only and may be subject to change. The commencement of trading of new shares is subject to confirmation from the ASX.

#### Sale of Dry Creek Royalty

Kingston has also agreed to the sale of an historical gold royalty established in 1992 over a number of tenements held by RNC Minerals (TSX.RNC) within the Higginsville Gold Operations to Vox Royalty Corp (**VOX Royalty**) (TSXV: VOX) for a total consideration of \$650,000, of which \$350,000 will be settled in cash and \$300,000 in Vox Royalty shares.

Vox Royalty Corp. is a growth and precious metals focused mining royalty and streaming company that holds a portfolio of 36 royalties and streaming assets and 1 royalty option. Vox has been the fastest growing royalty & streaming acquisition company since January 2019, announcing 12 separate royalty transactions.

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 3.2Moz 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 3.2Moz Resource base. Kingston currently owns 80% 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 21 May 2020. 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	0.4	49.9	0.95	5.7	1.52	8.9
Inferred	0.4 & 0.8	55.6	0.92	7.7	1.64	13
<b>Total</b>	<b>0.4</b>	<b>105.5</b>	<b>0.93</b>	<b>6.5</b>	<b>3.21</b>	<b>21.9</b>

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 Hayward (BSc (Geology)) MAIG, a Competent Person who is a member of the Australian Institute of Geoscientists. Mr. Hayward is an employee of the Company and 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. Hayward 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