

## June 2020 Quarterly Activities Report

*15% increase in Misima Resource to 3.21Moz set the stage for successful \$8.4M capital raising as Kingston secured 100% ownership and embarked on Misima Pre-Feasibility Study*

### Misima Gold Project, PNG

- Updated JORC 2012 Mineral Resource of 105Mt @ 0.93g/t Au for 3.21Moz (Indicated and Inferred) – representing a 15% increase in contained gold and 30% increase in contained silver.
- 17% increase in total Indicated ounces available for conversion to Ore Reserves to 49.9Mt @ 0.95g/t Au for 1.52Moz.
- 100% ownership of the Misima Project secured following the execution of an agreement to acquire Pan Pacific Copper's 19% interest for \$2.0m.
- Pre-Feasibility Study commenced with appointment of Study Manager and key consultants, with PFS and Ore Reserve targeted for completion by year-end.
- Further excellent results from channel sampling of rock outcropping in the existing Ewatinona pit walls, with highlights including:
  - 70m @ 4.99g/t Au, incl. 28m @ 8.08g/t Au and 6m @ 15.58g/t Au
  - 12m @ 3.67g/t Au
  - 4m @ 10.96g/t Au
- Final assays received from drilling at Ewatinona, with highlights including:
  - 13m @ 2.9g/t Au from 25m, incl. 2m @ 4.12g/t and 1m @ 25g/t Au in GDD084

### Livingstone Gold Project, WA

- ~5,000m Resource definition RC drilling commenced in July at Kingsley Prospect.
- Co-funding secured for a further ~1,000m of deep RC drilling at the Stanley Deeps prospect, through R21 of the WA Government Exploration Incentive Scheme.

### Corporate

- \$8.4m capital raising completed to advance PNG and WA gold projects, comprising a \$6.4m institutional share placement and a \$2.0m Share Purchase Plan (SPP).
- Kingston executed the sale of its historical Dry Creek Royalty over tenements within the Higginsville Gold Operations to Vox Royalty Corp. for total consideration of \$650,000.



ASX: KSN  
Shares on Issue: 231M  
Market Cap: A\$55M  
Cash: A\$6.5M (30 June 2020)



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## **Corporate**

### **Secured 100% of Misima Gold Project**

In June Kingston executed final terms with its joint venture partner, Pan Pacific Copper Co., Ltd. (PPC), to acquire PPC's 19% interest in the Misima Gold Project. On completion, Kingston will move to 100% ownership of the Project. Under the terms of the Share Purchase Agreement (SPA), Kingston will pay a total consideration of \$2 million for the acquisition in two tranches. The first tranche of \$0.35 million was paid in June, with the second tranche of \$1.65 million due on or before 28 February 2021, subject to PNG regulatory approval.

The final purchase price represents approximately A\$3.30/oz for the additional ounces acquired, and the price is \$800,000 less than initially anticipated under the Heads of Agreements announced to the ASX on 12 November 2019. The move to 100% ownership will not add to Kingston's near-term expenditure requirements as Kingston has been earning an increased interest in the Project by funding 100% of costs.

### **\$8.4 Million Capital Raising**

Kingston successfully completed an \$8.4m capital raising, comprising a \$6.4 million institutional placement during the quarter and a 51% oversubscribed \$2.0 million Share Purchase Plan (SPP) for which funds were received in July. Funds are to be used to progress the 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.

### **Sale of Dry Creek Royalty**

Kingston executed an agreement with Vox Royalty Corp to sell its interest in its historical Higginsville Dry Creek Royalty that was established in 1992, for a total consideration of \$650,000 comprised of a cash payment of \$300,000, received during June, and \$350,000 of equity in Vox Royalty Corp, expected to be received shortly.

### **June Quarter Expenditure**

Total exploration expenditure during the Quarter was \$1.4m. During the Quarter, the Company made payments totaling \$105,000 to associates or related parties, reflecting fees, wages and superannuation paid primarily to Executive Directors as Non-Executive Directors elected to waive fees during the quarter.

## **Misima Gold Project, PNG**

### **PFS Commenced**

During the Quarter, Kingston commenced work on the Pre-Feasibility Study (PFS) for its 3.2Moz Misima Gold Project in PNG. A dedicated Study Manager was appointed in early June together with mining, geotechnical, metallurgical and environmental consultants. Engineering consultants were short-listed in June, with an appointment made in July. Kingston anticipates concluding the PFS by year end.

### **Resource Update**

Following the completion of Resource diamond drilling at Ewatinona during the March 2020 Quarter, an updated Mineral Resource Estimate was delivered for the Ewatinona and Umuna deposits ahead of schedule on the 21<sup>st</sup> of May 2020. The Resource update focused on updating the geological model at Ewatinona while also revising project assumptions around cut-off grade and gold price inputs.

The updated Misima Resource delivered a **15% increase in total gold ounces and 30% increase in total silver ounces** and now comprises an Indicated and Inferred Mineral Resource of **105.5Mt @ 0.93g/t Au and 5.4g/t Ag for 3.2Moz Au and 18.2Moz Ag** (see Table 1), confirming the Project's status as one of the most significant mid-tier gold development opportunities in the Asia-Pacific region.

Early work highlighted that a starter pit would considerably enhance project economics. With this in mind, the Company's exploration strategy has focused on defining near-surface mining opportunities. The updated Resource estimate has confirmed Ewatinona as the intended starter pit for Misima.

The updated Resource will now underpin the PFS, which is expected to be completed by the end of 2020. The PFS will be enhanced by the 17% increase in Indicated ounces to 1.52Moz, of which 97% sits within a US\$1,400 pit shell. The Umuna deposit currently contains 94% of the total Resource ounces and is expected to underpin the Pre-Feasibility work focusing on a large-scale, long-life open pit mining project.

**Table 1. Misima Resource Summary**

Deposit	Classification	Cutoff g/t Au	Tonnes Mt	Gold g/t Au	Silver g/t Ag	Au Moz	Ag Moz
Umuna Within USD\$1700 Pit Shell	Indicated	0.4	48.2	0.95	4.7	1.47	7.3
	Inferred	0.4	46.3	0.90	6.5	1.34	9.7
	Combined		94.5	0.93	5.6	2.81	17.0
Umuna Extension outside USD\$1700 Pit	Inferred	0.8	3.4	1.40	4.1	0.20	0.5
Umuna Total	Indicated		48.2	0.95	4.7	1.47	7.3
	Inferred		46.3	0.90	6.5	1.34	10.2
<b>Umuna TOTAL</b>			<b>97.9</b>	<b>0.94</b>	<b>5.6</b>	<b>3.01</b>	<b>17.5</b>
Ewatinona Total Within USD\$1700 Pit Shell	Indicated	0.4	1.7	0.90	2.8	0.05	0.2
	Inferred	0.4	5.8	0.80	3.1	0.15	0.6
<b>Ewatinona TOTAL</b>			<b>7.5</b>	<b>0.83</b>	<b>3.0</b>	<b>0.20</b>	<b>0.7</b>
MISIMA	Indicated		49.9	0.95	4.6	1.52	7.5
	Inferred		55.6	0.92	6.0	1.64	10.3
<b>MISIMA TOTAL</b>			<b>105.5</b>	<b>0.93</b>	<b>5.4</b>	<b>3.21</b>	<b>18.2</b>

Notes: JORC 2012 definitions are used for the Mineral Resources.

Rounding may cause apparent computational errors

Reported at US\$1,700/oz gold price

Cut-off grades are based on reasonable expectation of extraction and historical production performance

Pit shells derived based on historical mining parameters from Placer operations

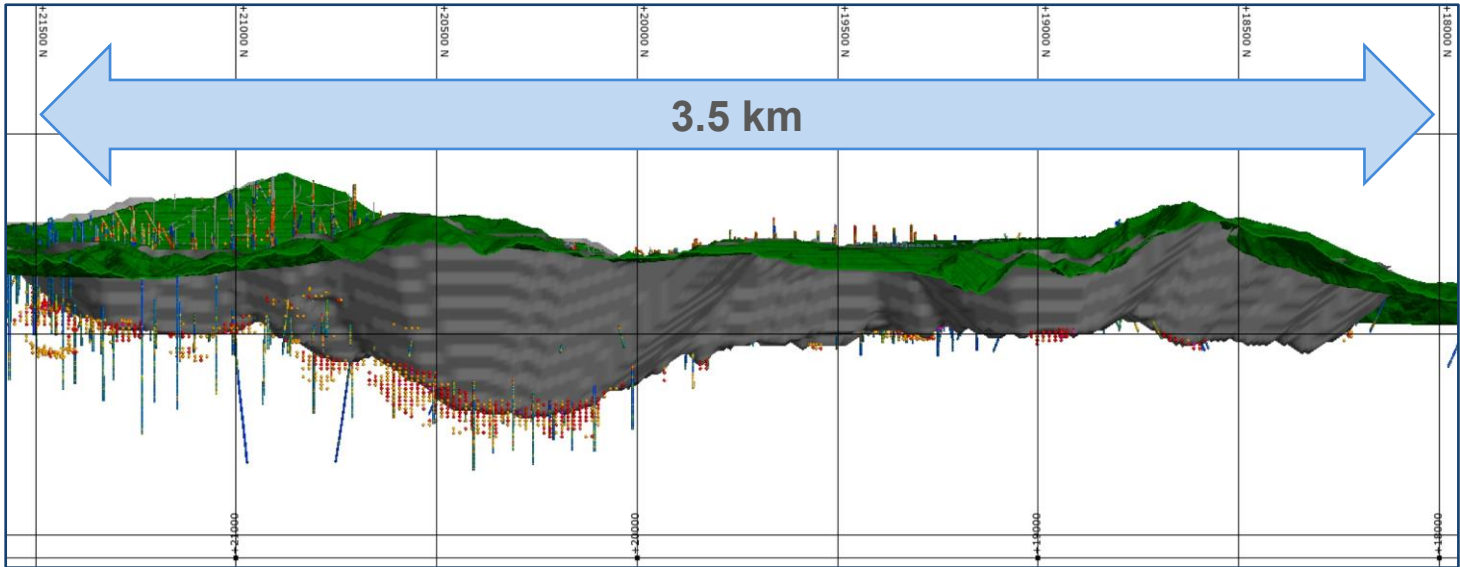


Figure 1. Umuna long section showing limited drilling outside current Resource shell (US\$1700/oz pit shell in grey)

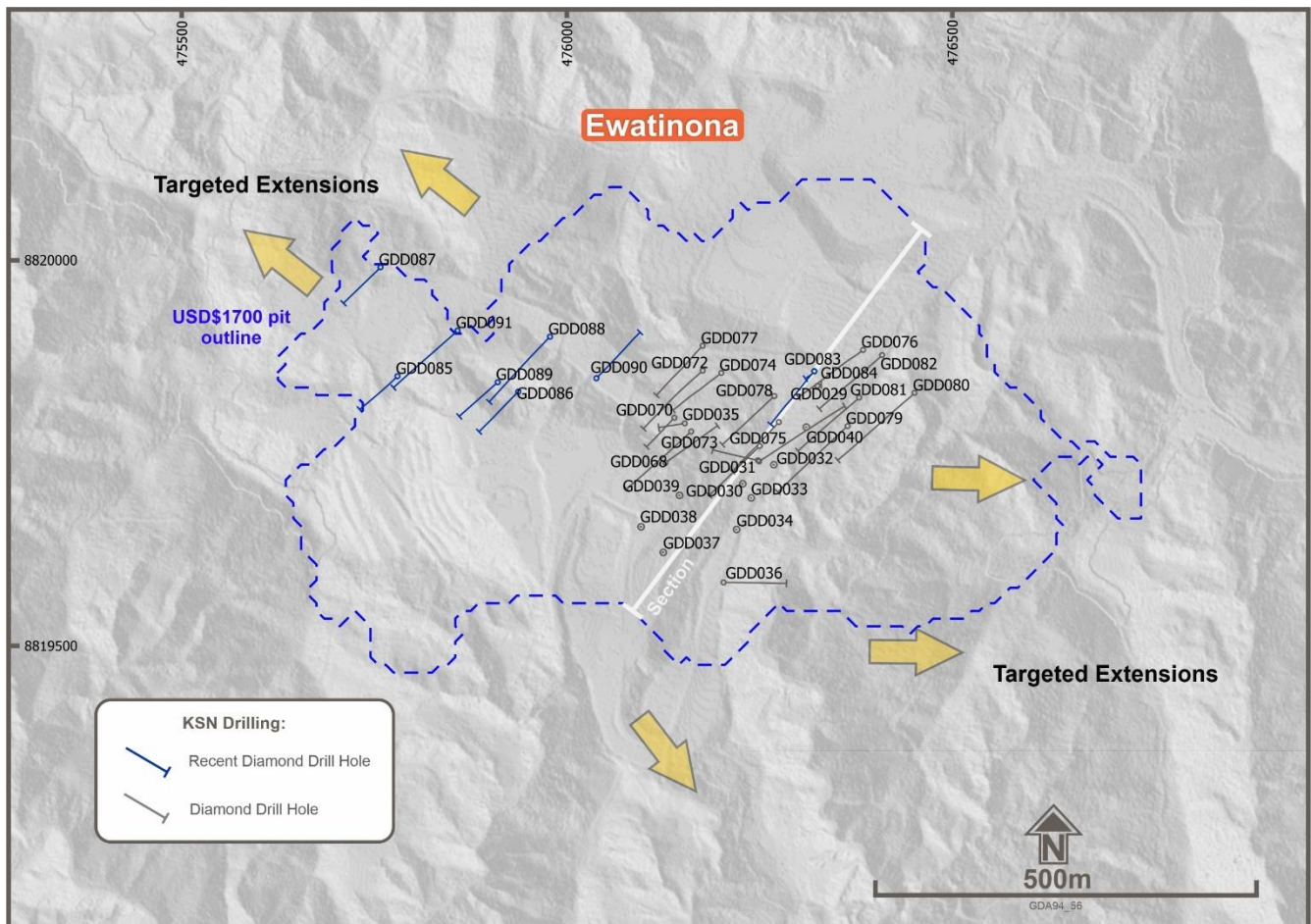


Figure 2. Ewatinona plan view showing Resource outline and KSN drilling

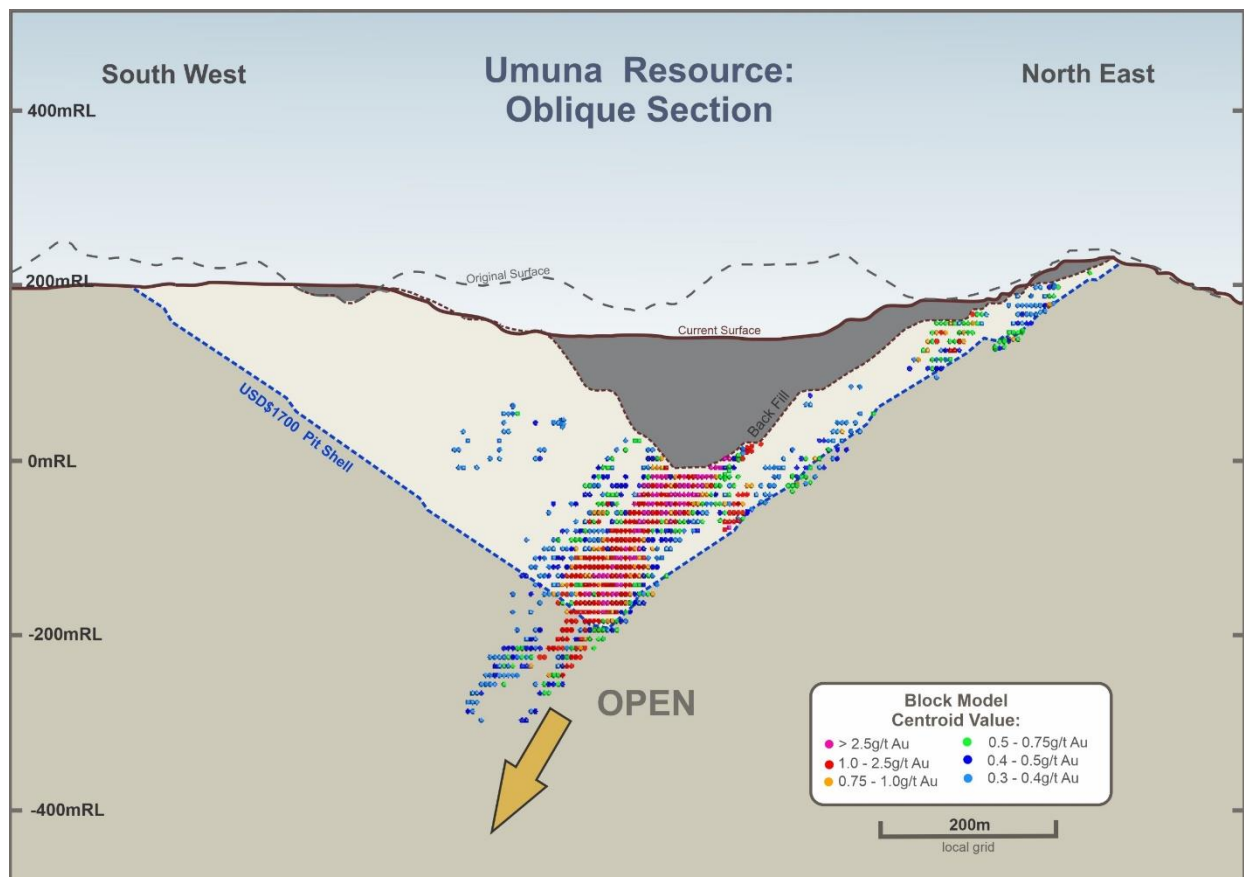
The new Misima Resource of 105.5Mt @ 0.93g/t Au for 3.21Moz Au builds on successful historical Placer production at Misima of 3.7Moz Au before mining ceased in 2001 in a sub-US\$300/oz gold price environment.

The Umuna Resource update has increased the Umuna Resource tonnes by 29% and overall ounces by 7% to 97.9Mt @ 0.94g/t for 3.01Moz Au and 18.2Moz of Ag. A significant proportion of the current Indicated

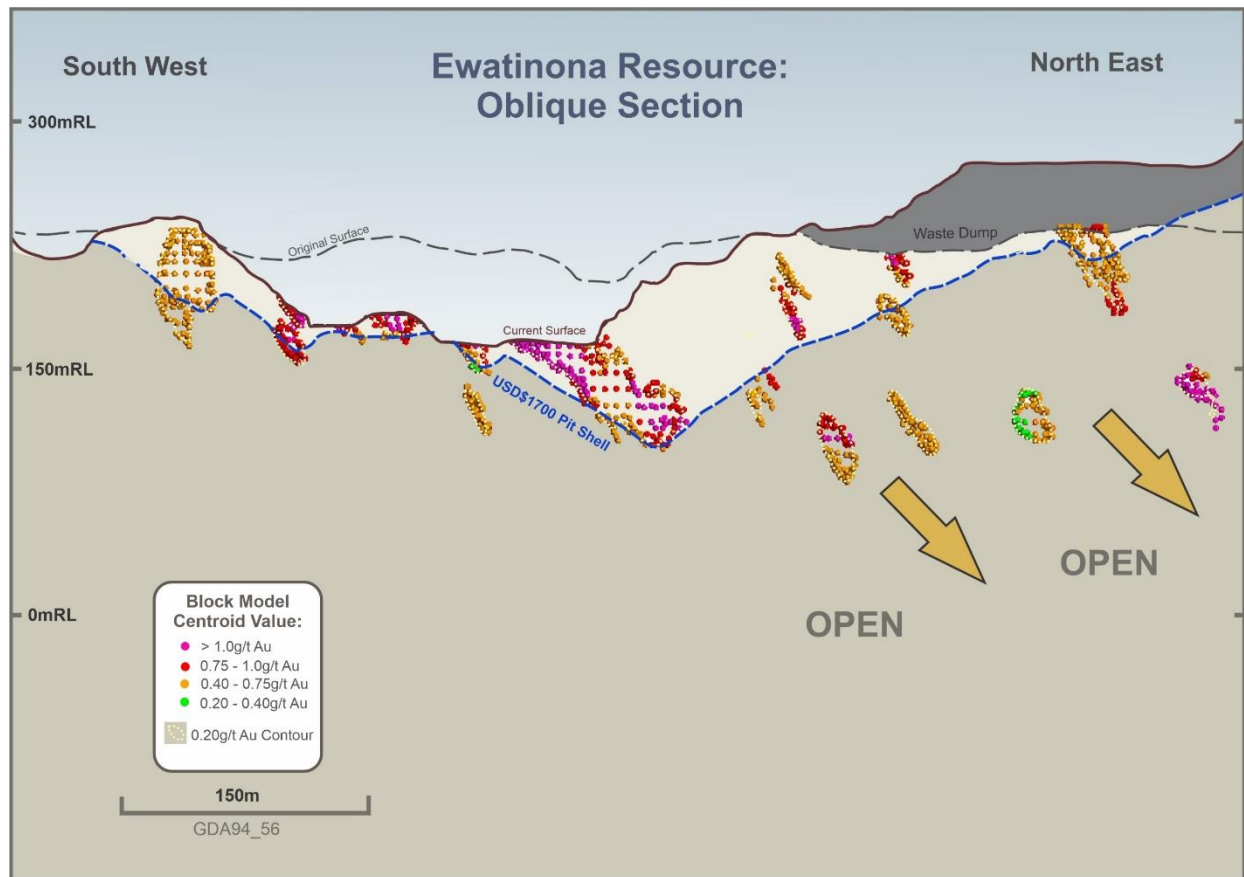
Resource ounces reports within moderately priced pit shells, as shown in Table 2 below. Having a high component of Indicated ounces inside relatively conservatively priced pit shells is encouraging as the Company makes the transition to mining studies and targets the establishment of an Ore Reserve by the end of this year.

**Table 2: Umuna Resource within pit-shells shows high component of Indicated Ounces inside US\$1400/oz shell**

At 0.4 g/t cut off	Total In-pit Ounces (Moz)	Indicated Ounces (Moz)	Inferred Ounces (Moz)
Umuna US\$1400/oz	2.49	1.43	1.09
Umuna US\$1500/oz	2.62	1.44	1.20
Umuna US\$1600/oz	2.75	1.46	1.29
Umuna US\$1700/oz	2.81	1.47	1.34
Umuna US\$1800/oz	2.87	1.48	1.40



**Figure 3. Umuna Resource cross section**



**Figure 4. Ewatinona Resource cross section**

### Ewatinona Pit Wall Channel Sampling

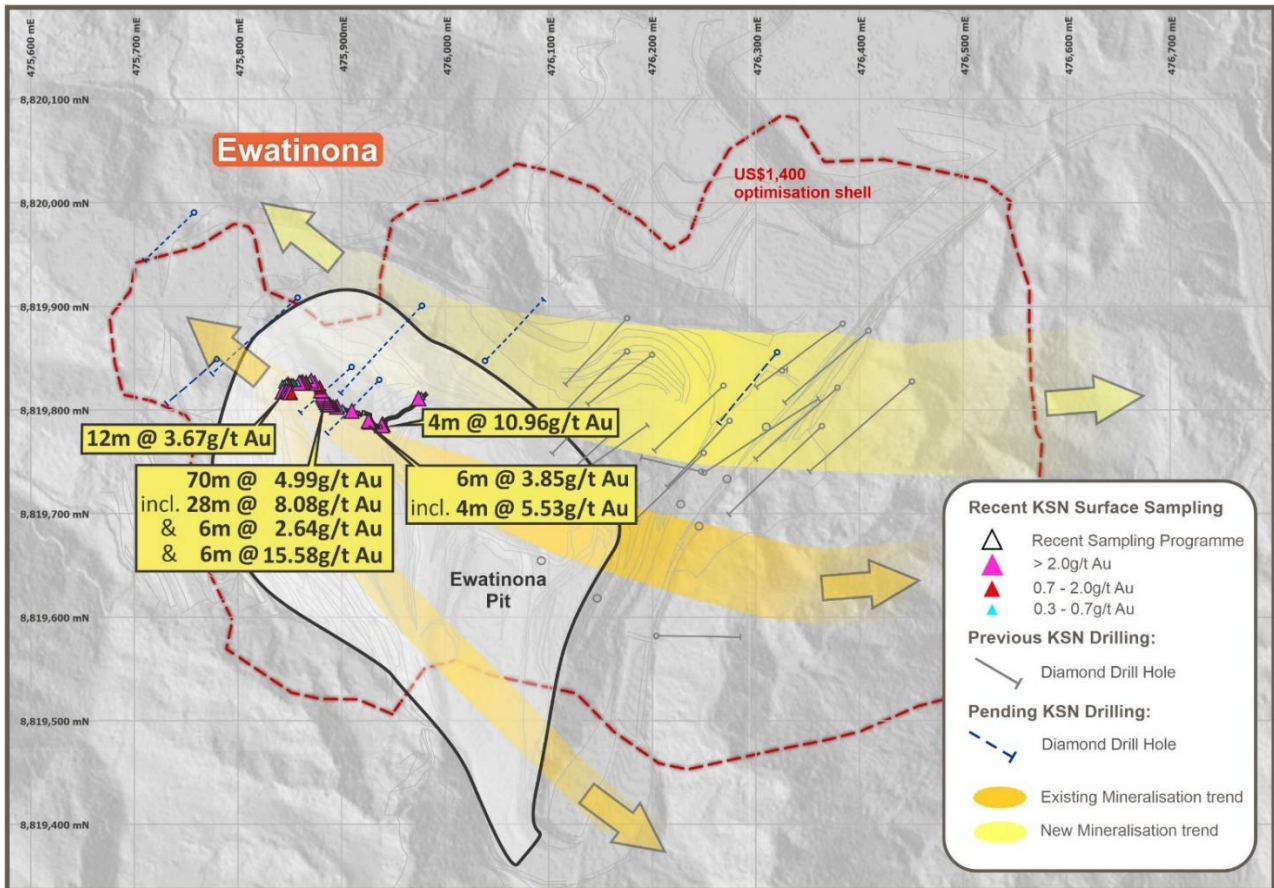
During the Quarter, outstanding high-grade channel sampling results were reported from the Ewatinona deposit, with results including:

- **70m @ 4.99g/t Au**, including **28m @ 8.08g/t Au** and **6m @ 15.58g/t Au**
- **12m @ 3.67g/t Au**
- **4m @ 10.96g/t Au**
- **6m @ 3.85g/t Au**

The outstanding results came from one 200m long continuous channel situated in the north-west corner of the existing Ewatinona Pit which followed the contour of the bench wall (see Figure 5). The geology of the channel alternates between:

1. Cataclastic greenstone breccia that hosts base metal sulphides (galena, sphalerite and pyrite) along with drusy quartz; and
2. Densely fractured and brecciated base metal veining and open space fill base metal mineralisation outcropping in the pit walls.

These channel samples were designed to confirm the location of the mineralised structures that trend NNW-NW through the pit. The high-grade results are extremely encouraging and confirm the geometry of the interpreted mineralised trends, as well as the tenor of gold mineralisation in the western section of the Resource.



**Figure 5: Mineralisation trends, recent drilling and new channel samples at Ewatinona.**

## Diamond Drilling

Assay results for all diamond drilling included in the updated Ewatinona Resource were reported during the Quarter. Final assays were also received for the remaining diamond drill holes in the drilling program in the June Quarter. Highlights included:

- **13m @ 2.9g/t Au from 25m, including 2m @ 4.12g/t and 1m @ 25g/t Au in GDD084**

Importantly, these results have confirmed the spatial extent and continuity of the mineralised structures through the Ewatinona area. The additional diamond drill hole data will provide increased confidence in the geology model and will assist in the reclassification of Inferred, Indicated and Measured ounces in a Resource model re-estimation to be undertaken as part of the PFS.

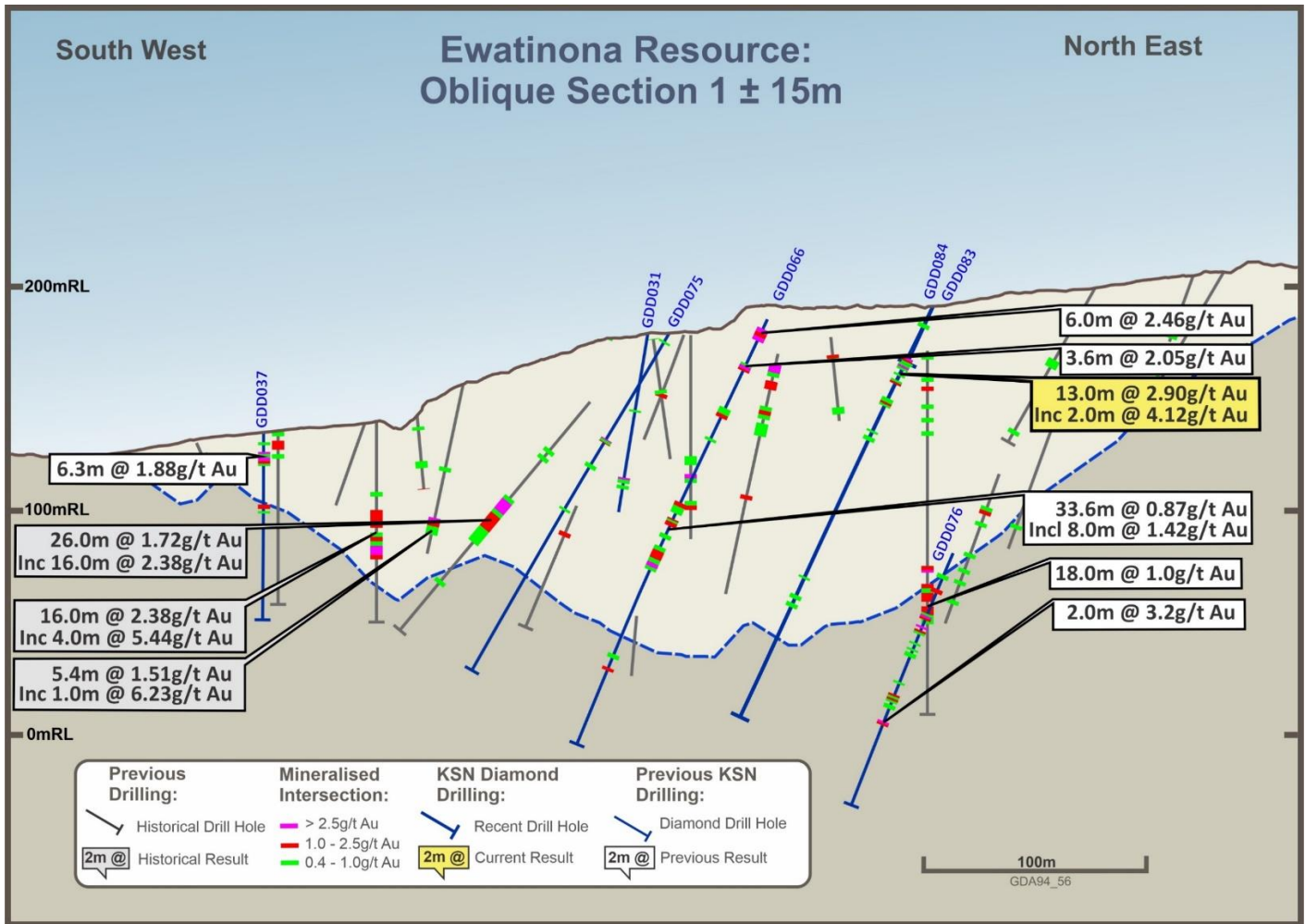


Figure 6: Cross section through GDD084 from recent drilling, see plan view Figure 2



**Table 3. Recent diamond drill hole collar information in GDA94 zone 56**

Hole ID	Easting	Northing	RL	Depth	Dip	Azimuth	Prospect	Comment
GDD083	476315	8819851	191	28.1	-65	28.1	Ewatinona	Aborted
GDD084	476316	8819851	191	220	-65	202.4	Ewatinona	Redrill GDD083
GDD085	475770	8819845	187	227	-69	172.1	Ewatinona	
GDD086	475928	8819824	156	224.3	-65	164.7	Ewatinona	
GDD087	475757	8819987	201	224.3	-50	98.1	Ewatinona	
GDD088	475973	8819901	164	223	-55	203.9	Ewatinona	
GDD089	475906	8819841	160	227.3	-70	172	Ewatinona	
GDD090	476038	8819848	156	44.3	-60	159.8	Ewatinona	
GDD091	475856	8819907	172	227.3	-60	208.9	Ewatinona	

**Table 4. Recent diamond drill hole significant intercepts, maximum internal dilution of 2m**

HOLEID	Incl_text	From	To	Interval	Au (ppm)	Ag (ppm)	Cu (ppm)	Pb (ppm)	Zn (ppm)	Au COG
GDD083		27.00	28.10	1.1	0.42	12.40	177	1315	404	0.40
GDD084		8.00	10.00	2	0.42	3.70	88	656	350	0.40
GDD084		25.00	38.00	13	2.90	4.57	85	554	476	0.40
GDD084	incl	25.00	27.00	2	4.12	7.65	89	1621	408	1.00
GDD084	incl	25.00	26.00	1	6.17	6.40	79	2180	194	2.50
GDD084	&incl	29.00	30.00	1	25.00	7.90	114	1603	377	2.50
GDD084	&incl	37.00	38.00	1	1.83	5.00	57	60	399	1.00
GDD084		45.00	49.00	4	0.73	6.63	22	72	203	0.40
GDD084	incl	47.00	48.00	1	1.12	22.30	18	199	134	1.00
GDD084		61.00	66.00	5	0.36	-0.50	23	16	100	0.40
GDD084		133.00	134.00	1	0.52	0.80	40	380	646	0.40
GDD084		142.00	146.00	6	0.38	0.57	44	449	228	0.40
GDD085		4.00	8.00	4	0.91	1.30	130	1408	521	0.40
GDD085		19.00	24.00	5	0.97	3.72	389	2598	4699	0.40
GDD085	incl	20.00	22.00	2	1.34	6.85	695	4142	7294	1.00
GDD085		38.00	40.40	2.4	0.53	2.40	137	1519	2047	0.40
GDD085		53.00	62.00	9	0.40	1.29	61	1035	1556	0.40
GDD085		80.70	81.50	0.8	0.55	2.60	7	692	165	0.40
GDD085		102.00	108.20	6.2	0.65	1.28	27	146	146	0.40
GDD085	incl	105.00	106.00	1	2.29	2.00	11	204	139	1.00
GDD085		128.40	129.00	0.6	0.43	0.60	14	801	1675	0.40
GDD086		51.00	63.00	12	0.58	2.39	99	552	1990	0.40
GDD086	incl	51.00	52.10	1.1	2.35	3.60	219	1294	11224	1.00
GDD086	&incl	59.00	59.80	0.8	1.09	3.00	101	404	118	1.00
GDD086		71.00	72.00	1	1.02	1.40	19	1840	2696	1.00
GDD086		87.00	88.00	1	1.05	46.30	271	4091	788	1.00
GDD087		13.00	15.00	2	0.72	2.30	67	1659	265	0.40
GDD087		49.00	57.00	8	0.59	7.19	101	194	360	0.40
GDD087	incl	56.00	57.00	1	1.51	3.40	79	21	271	1.00
GDD088		137.00	139.00	2	0.65	2.40	61	271	1139	0.40
GDD088		162.00	163.00	1	0.53	2.70	12	60	164	0.40
GDD089		18.20	20.20	2	1.89	1.40	2	690	1112	1.00
GDD089		43.50	45.50	2	0.47	2.10	58	2552	1627	0.40
GDD089		51.30	55.00	3.7	0.53	1.19	78	538	1367	0.40
GDD089	incl	51.30	52.30	1	1.04	2.00	142	498	1193	1.00
GDD089		68.50	69.20	0.7	0.76	1.70	10	495	632	0.40
GDD089		71.50	75.70	4.2	0.44	2.58	25	3626	4009	0.40

GDD090		85.00	86.00	1	2.16	2.70	126	1006	8544	1.00
GDD090		107.10	108.60	1.5	0.67	2.30	163	230	127	0.40
GDD090		129.00	131.70	2.7	0.50	1.19	47	176	209	0.40
GDD090		137.00	140.50	3.5	1.39	2.07	42	81	325	0.40
GDD090	incl	137.00	139.00	2	1.97	2.80	66	76	431	1.00
GDD090		158.80	159.80	1	0.53	1.00	5	404	368	0.40
GDD091		7.90	9.40	1.5	0.45	1.30	59	858	2217	0.40
GDD091		28.30	30.30	2	0.72	4.50	46	351	482	0.40
GDD091		34.30	36.30	2	0.57	2.40	88	759	646	0.40
GDD091		44.30	46.30	2	0.44	2.40	34	419	539	0.40
GDD091		84.30	85.30	1	0.55	1.10	66	947	1526	0.40
GDD091		116.50	117.10	0.6	3.94	-0.50	0	0	45	2.50

**Table 5: Tenement Schedule (ASX LR 5.3.3)**

Tenement	Project/Name	Status	Ownership	Change Since Last Quarter	Area km <sup>2</sup>
EL1747	Misima	Live	81% <sup>1</sup>	Increased interest from 77%	180
<b>Subtotals PNG</b>					<b>180</b>
Tenement	Project/Name	Status	Ownership	Change Since Last Quarter	Area km <sup>2</sup>
E 52/3403	Livingstone	Live	75%	No change	203
E 52/3667	Livingstone	Live	75%	No change	170
<b>Subtotals WA</b>					<b>373</b>
<b>Total KSN tenure</b>					<b>553</b>

1. KSN has executed a binding agreement to purchase the remaining 19% of the Misima Gold Project from its JV partner (see ASX announcement 24 June 2020)

## JORC Code, 2012 Edition – Table 1 Misima Gold Project, 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> <li>Significant intersections were inspected in the field by staff geologists to confirm nature of mineralisation and verify integrity of sampled intervals.</li> </ul>
<i>Location of data points</i>	<ul style="list-style-type: none"> <li>All Kingston 2019-2020 drill holes have been surveyed by PNG Land Surveys using high accuracy RTK GPS in PNG94 zone 56, with XYZ locations updated in the database. PNG94 is the same datum as GDA94. 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</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> </ul>

Criteria	Commentary
<i>and distribution</i>	<ul style="list-style-type: none"> <li>No compositing has been applied.</li> </ul>
<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 May 2020 Misima resource update (see KSN ASX announcement 2020.05.21).</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>

## Section 3 Estimation and Reporting of Mineral Resources

(Criteria listed in section 1, and where relevant in section 2, also apply to this section.)

Refer to Table 1 in Kingston ASX release 2020.05.21 for detail

No new or updated Mineral Resources are reported in this release.

Criteria	Commentary
<i>Database integrity</i>	<ul style="list-style-type: none"> <li>Drilling on Misima was conducted between 1989 and 2000 by Placer and Placer. Barrick acquired Placer in 2006. Barrick provided the drillhole data to WCB which was used for the current Mineral Resource estimate. The data was provided in a software format called GEOLOG, and the data was converted to a Microsoft Access format by Mr R F Williams of WIZTECH Information Services, (WIZTECH). WIZTECH personnel had a long history with Placer and were familiar with the data. The assay data loaded from the supplied GEOLOG files was checked for quality using standard statistical analysis.</li> <li>Drilling data by Kingston in 2019 and 2020 was uploaded into the acQuire database via CSV files.</li> <li>Kingston have completed a review of the 2019-2020 geological data that is stored and managed in acQuire via a process of cross-checking manual log sheets with CSV files for upload, and core photography, with the data stored in the database. No significant errors were identified. Most errors comprised typographic errors that were corrected.</li> </ul>
<i>Site visits</i>	<ul style="list-style-type: none"> <li>Stuart Hayward in the role of FIFO Exploration Manager and Chief Geologist was in regular attendance on site overseeing and managing geology and drilling and sampling activities since April 2019. Mr. Hayward is familiar with carbonate-base metal-Au mineral systems and the Umuna and Ewatinona deposits, having spent significant time reviewing data sets and completing on ground traverses of all prospect and work areas within the Misima Gold Project.</li> <li>Mr De-Vitry has not made any site visits and completed the Ewatinona Resource estimation under guidance and in cooperation with Mr. Hayward.</li> <li>The Umuna mineral resource model has not been modified and is reported using updated economic factors</li> </ul>
<i>Geological interpretation</i>	<ul style="list-style-type: none"> <li>No changes to geology models have been made and no new or updated resources are reported in this release</li> <li>Refer Kingston ASX release 2020.05.21</li> </ul>
<i>Dimensions</i>	<ul style="list-style-type: none"> <li>Refer Kingston ASX release 2020.05.21</li> </ul>

Criteria	Commentary
<i>Estimation and modelling techniques</i>	<ul style="list-style-type: none"> <li>No changes to geology models have been made and no new or updated resources are reported in this release</li> <li>Refer Kingston ASX release 2020.05.21</li> </ul>
<i>Moisture</i>	<ul style="list-style-type: none"> <li>Tonnages are estimated on a dry weight basis; moisture has not been determined.</li> </ul>
<i>Cut-off parameters</i>	<ul style="list-style-type: none"> <li>A 0.40 g/t gold cut off was used for oxide and transitional and for fresh material.</li> <li>At Umuna 0.8g/t Au gold cut off is used for material that extends 50-75 below the optimised pit shell</li> <li>Oxide and transitional material are combined for the external reporting of resource.</li> <li>The cut-off grade at which the resource is quoted reflects an intended mining approach by KSN and is consistent with initial pit optimisation work on the 2013 (Just Umuna), 2015 model (Both Ewatinona and Umuna) as well as the 2017 model.</li> </ul>
<i>Mining factors or assumptions</i>	<ul style="list-style-type: none"> <li>The mining scenario for Ewatinona is consistent with that used to evaluate the deposit in 2017.</li> <li>Both cut-off grade and reporting pit shell (USD\$1700) has been modified for the 2020 Mineral Resource update.</li> <li>Refer Kingston ASX release 2020.05.21</li> </ul>
<i>Metallurgical factors or assumptions</i>	<ul style="list-style-type: none"> <li>There are no changes or modifications to metallurgical factors or assumptions from the 2017 update.</li> <li>Metallurgical amenability is based on information from the past operation by Placer. WCB did not carry out any new studies.</li> <li>Refer Kingston ASX release 2020.05.21</li> </ul>
<i>Environmental factors or assumptions</i>	<ul style="list-style-type: none"> <li>Environmental factors and assumptions have not been changed or modification for the 2020 Mineral Resource update.</li> <li>Ongoing base line water and sediment sampling and testing on a monthly basis show no degradation of water quality or anomalous geochemistry or pH due to Kingston exploration and drilling or the rehabilitated mine workings and operational areas.</li> <li>Refer Kingston ASX release 2020.05.21</li> </ul>
<i>Bulk density</i>	<ul style="list-style-type: none"> <li>Bulk density at Misima is affected more by weathering than by rock type.</li> <li>Bulk density determinations are based on measurements on large pieces of PQ and HQ drill core (measured volume and dry weight).</li> <li>Refer Kingston ASX release 2020.05.21 for specific application of bulk density to Ewatinona and Umuna resource models</li> </ul>
<i>Classification</i>	<ul style="list-style-type: none"> <li>Mineral resources have been classified on geological understanding and continuity, and a contiguous assessment of quantitative variable including sample spacing, grade continuity, QA/QC, slope of regression, block variance, the average distance to samples used to estimate a block, and sensible mining depths.</li> <li>Due to a greater degree of confidence in the current geological model and 3D continuity of mineralisation, both Inferred and indicated resources have been classified.</li> <li>The classification appropriately reflects the Competent Person's knowledge and view of the deposit.</li> </ul>
<i>Audits or reviews</i>	<ul style="list-style-type: none"> <li>No new audits or reviews completed.</li> </ul>
<i>Discussion of relative accuracy/ confidence</i>	<ul style="list-style-type: none"> <li>The relative accuracy and confidence level in the Mineral Resource estimates are in line with the generally accepted accuracy and confidence of the nominated Mineral Resource categories. This has been determined on a qualitative, and semi-quantitative, basis, and is based on the Competent Person's experience with similar deposits.</li> <li>The geological nature of the deposit, the modelling method and the composite/block grade comparison lend themselves to a reasonable level of confidence in the resource estimates.</li> <li>The Mineral Resource estimates are reasonably accurate globally, but there is some uncertainty in the local estimates due to the current drill hole spacing and uncertainty in the interpretation.</li> <li>Local production data is available for local comparison but not completed at this stage.</li> <li>Refer Kingston ASX release 2020.05.21</li> </ul>

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 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.

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 BAppSc (Geology) MAIG, a Competent Person who is a member of the Australian Institute of Geoscientists. Mr Hayward is an employee of the Company. Mr Hayward 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 to apply and have not materially changed.