

www.kinastonresources.com.au

3 August 2015

└ 000001 000 KSN
MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Dear Optionholder

Participation in Entitlement Offer

On 30 July 2015, Kingston Resources Limited (**Company**) announced a proposed non-renounceable pro rata entitlement offer of four (4) fully paid ordinary shares in the Company (**Shares**) for every five (5) Shares held by Shareholders registered at 5.00pm Perth time on the Record Date at an issue price of 2.0 cents per Share, with one (1) free attaching option exercisable at 4.0 cents each on or before 30 June 2019 for every two (2) Shares issued to raise approximately \$2,349,783 before expenses (**Offer**).

Full details of the Offer are in the prospectus setting out the Offer (**Prospectus**) and the Appendix 3B lodged with ASX on 30 July 2015.

Eligibility to participate

The Offer is based on the number of Shares held by a shareholder at 5.00pm Perth time on Monday, 10 August 2015 (**Record Date**).

The Offer does not apply to your holding of Kingston options exercisable at \$0.20 per option (**Options**).

To be eligible to participate in the Offer in respect of your Options, you will need to exercise those Options and be registered (with a registered address in Australia or New Zealand) as the holder of the underlying Kingston shares as at the Record Date being 10 August 2015.

We note the exercise price of your Options is significantly greater than the most recent sale price for Shares traded on ASX.

If you do not wish to participate in the Offer (in respect of your Options) you do not need to take any action.

To exercise some or all of your Options you will need to give notice in writing to Kingston in accordance with the terms and conditions of the issue of your Options together with payment of the exercise price for each Option exercised.

If you do not exercise your Options, then after the Closing Date of the Offer an adjustment may be made to the exercise price of your Kingston options in accordance with any formula set out in the terms and conditions of Options.

The anticipated timetable for the Offer is as follows:

Event	Date
Announcement of Offer	Thursday, 30 July 2015
Prospectus lodged with ASIC and ASX (Appendix 3B lodged with ASX)	Thursday, 30 July 2015
Notices sent to Securityholders	Monday, 3 August 2015
Ex-date (date from which Shares begin trading without the Rights to participate in the Offer)	Thursday, 6 August 2015
Record Date (to identify Shareholders entitled to participate in the Offer)	Monday, 10 August 2015
Prospectus and Entitlement and Acceptance Forms sent to Eligible Shareholders	Wednesday, 12 August 2015
Offer opens (Opening Date)	Wednesday, 12 August 2015
Last day to extend the Closing Date	Wednesday, 19 August 2015
Offer closes (Closing Date)*	3.00pm Perth time Monday, 24 August 2015
New Shares quoted on a deferred settlement basis	Tuesday, 25 August 2015
Notice to ASX of Shortfall	Wednesday, 26 August 2015
New Securities issued	Monday, 31 August 2015
Quotation of New Securities on ASX commences	Wednesday, 2 September 2015

You are encouraged to consult your stockbroker or other professional adviser before exercising any of your Options.

If you have any questions in relation to any of the above matters, please contact the Company Shareholder's Shareholder Information line on 1300 850 505 or +61 3 9415 4000.

On behalf of the Board and management of the Company, thank you for your continued support.

Yours faithfully

Kingston Resources Limited

Mathew Whyte
Company Secretary