

10 August 2015

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Dear Optionholder

Participation in Entitlement Offer

Further to our letter of 3 August 2015, Kingston Resources Limited (**Company**) has issued a replacement prospectus dated 6 August 2015 (**Prospectus**) to replace the prospectus dated 30 July 2015. The original prospectus was replaced in order to extend the Record Date from Monday, 10 August 2015 to Thursday, 13 August 2015, and to include information with respect to the securing of sub-underwriting positions.

Pursuant to the Prospectus the Company is conducting a four (4) for five (5) non-renounceable pro rata entitlement offer 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 lodged with ASX on 6 August 2015.

Eligibility to participate

The Offer is based on the number of Shares held by a shareholder at 5.00pm Perth time on Thursday, 13 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 13 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, 6 August 2015
Notices sent to Securityholders	Monday, 10 August 2015
Ex-date (date from which Shares begin trading without the Rights to participate in the Offer)	Tuesday, 11 August 2015
Record Date (to identify Shareholders entitled to participate in the Offer)	Thursday, 13 August 2015
Prospectus and Entitlement and Acceptance Forms sent to Eligible Shareholders	Friday, 14 August 2015
Offer opens (Opening Date)	Friday, 14 August 2015
Last day to extend the Closing Date	Thursday, 20 August 2015
Offer closes (Closing Date)*	3.00pm Perth time Tuesday, 25 August 2015
New Securities quoted on a deferred settlement basis	Wednesday, 26 August 2015
Notice to ASX of Shortfall	Thursday, 27 August 2015
New Securities issued and despatch of holding statements	Tuesday, 1 September 2015
Quotation of New Securities on ASX commences	Thursday, 3 September 2015

* The above dates are indicative only and may be subject to change. The Directors may vary these dates subject to any applicable requirements of the *Corporations Act* or the Listing Rules. The Directors may extend the Closing Date by giving at least three Business Days notice to ASX before the Closing Date.

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 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