

28 August 2015

Company Announcements Office  
Australian Securities Exchange

## **CLEANSING NOTICE AND APPENDIX 3B – NEW ISSUE OF SECURITIES**

Kingston Resources Limited (The Company) has today issued 21,176,472 ordinary fully paid shares (Shares) and 7,058,823 Unlisted Options exercisable at \$0.03 and expiring on 30 June 2019 (Options) pursuant to a placement to sophisticated investors (**Issue**):

The Company gives the following cleansing notice under section 708 A(5)(e) of the Corporations Act 2001(Cth) (the Corporations Act) that:

1. The Issue was made without disclosure to investors under Part 6D.2 of the Corporations Act;
2. As at the date of this notice, the Company has complied with;
  - 2.1 the provisions of Chapter 2M of the Corporations Act as they apply to the Company; and
  - 2.2 section 674 of the Corporations Act; and
3. As at the date of this notice, there is no information to be disclosed which is 'excluded information', as defined in sections 708A (7) or 708 A(8) of the Corporations Act.

An Appendix 3B new issue announcement in relation to the Issue is now attached.

Yours Sincerely  
KINGSTON RESOURCES LIMITED

Mathew Whyte  
Company Secretary

# Appendix 3B

## New issue announcement, application for quotation of additional securities and agreement

*Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.*

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12

Name of entity

**KINGSTON RESOURCES LIMITED**

ABN

**44 009 148 529**

We (the entity) give ASX the following information.

### Part 1 - All issues

*You must complete the relevant sections (attach sheets if there is not enough space).*

- |   |  |   |
|---|--|---|
| 1 | +Class of +securities issued or to be issued   | 1. Ordinary Fully Paid Shares<br>2. Unlisted Options  |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued  | 1. 21,176,472<br>2. 7,058,823   |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | Unlisted Options*:<br>-Exercise Price \$0.03<br>-Expiry date 30/6/2019<br><br>*Refer to Attached Options terms and conditions |

+ See chapter 19 for defined terms.

**Appendix 3B**  
**New issue announcement**

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4	<p>Do the <sup>+</sup>securities rank equally in all respects from the date of allotment with an existing <sup>+</sup>class of quoted <sup>+</sup>securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> <li>• the date from which they do</li> <li>• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment</li> <li>• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment</li> </ul>	<p>1. Shares -Yes</p> <p>2. Options - upon exercise of the Options the shares will rank pari passu with existing ordinary fully paid shares.</p>
5	Issue price or consideration	<p>1. Shares - \$0.017 per share</p> <p>2. Options – Nil. 1 for 3 attaching option</p>
6	<p>Purpose of the issue</p> <p>(If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>Issued pursuant to a placement to sophisticated investors.</p>
6a	<p>Is the entity an <sup>+</sup>eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h in relation to the <sup>+</sup>securities the subject of this Appendix 3B, and comply with section 6i</p>	<p>Yes.</p>
6b	The date the security holder resolution under rule 7.1A was passed	31 October 2014
6c	Number of <sup>+</sup> securities issued without security holder approval under rule 7.1	<p>1. Shares 6,631,472</p> <p>2. Options 7,058,823</p>
6d	Number of <sup>+</sup> securities issued without security holder approval under rule 7.1A	<p>1. Shares 14,545,000</p>

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<sup>+</sup> See chapter 19 for defined terms.

6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	Nil						
6f	Number of securities issued under an exception in rule 7.2	Nil						
6g	If securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the issue date and both values. Include the source of the VWAP calculation.	Yes Issue Date 28/8/2015 15 day trading VWAP = \$0.0223 75% of this VWAP = \$0.0167 Issue Price = \$0.017 Company calculated :www.tradingroom.com						
6h	If securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	N/A						
6i	Calculate the entity’s remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	Rule 7.1 - 6,719,334 equity securities Rule 7.1A - 308 shares						
7	Dates of entering +securities into uncertificated holdings or despatch of certificates	28 August 2015						
8	Number and +class of all +securities quoted on ASX (including the securities in section 2 if applicable)	<table><tr><th>Number</th><th>+Class</th></tr><tr><td><b>Ordinary Shares</b> 168,037,883</td><td>KSN</td></tr><tr><td><b>Options</b> 25,702,500 28,624,769</td><td>KSNO KSNOA</td></tr></table>	Number	+Class	<b>Ordinary Shares</b> 168,037,883	KSN	<b>Options</b> 25,702,500 28,624,769	KSNO KSNOA
Number	+Class							
<b>Ordinary Shares</b> 168,037,883	KSN							
<b>Options</b> 25,702,500 28,624,769	KSNO KSNOA							

+ See chapter 19 for defined terms.

**Appendix 3B**  
**New issue announcement**

	Number	+Class
9 Number and +class of all +securities not quoted on ASX (including the securities in section 2 if applicable)	7,058,823	Unlisted Options
10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	N/A	

**Part 2 - Bonus issue or pro rata issue**

11 Is security holder approval required?	N/A
12 Is the issue renounceable or non-renounceable?	N/A
13 Ratio in which the +securities will be offered	N/A
14 +Class of +securities to which the offer relates	N/A
15 +Record date to determine entitlements	N/A
16 Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	N/A
17 Policy for deciding entitlements in relation to fractions	N/A
18 Names of countries in which the entity has +security holders who will not be sent new issue documents  Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	N/A
19 Closing date for receipt of acceptances or renunciations	N/A

+ See chapter 19 for defined terms.

20	Names of any underwriters	N/A
21	Amount of any underwriting fee or commission	N/A
22	Names of any brokers to the issue	N/A
23	Fee or commission payable to the broker to the issue	N/A
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of <sup>+</sup> security holders	N/A
25	If the issue is contingent on <sup>+</sup> security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	N/A
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	N/A
28	Date rights trading will begin (if applicable)	N/A
29	Date rights trading will end (if applicable)	N/A
30	How do <sup>+</sup> security holders sell their entitlements <i>in full</i> through a broker?	N/A
31	How do <sup>+</sup> security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	N/A
32	How do <sup>+</sup> security holders dispose of their entitlements (except by sale through a broker)?	N/A

+ See chapter 19 for defined terms.

33    <sup>+</sup>Despatch date

N/A

## Part 3 - Quotation of securities

*You need only complete this section if you are applying for quotation of securities*

34    Type of securities  
(tick one)

(a)    ☒ Securities described in Part 1

(b)    ☐ All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

### Entities that have ticked box 34(a)

#### Additional securities forming a new class of securities

*Tick to indicate you are providing the information or documents*

35    ☐ If the <sup>+</sup>securities are <sup>+</sup>equity securities, the names of the 20 largest holders of the additional <sup>+</sup>securities, and the number and percentage of additional <sup>+</sup>securities held by those holders

To be provided.

36    ☐ If the <sup>+</sup>securities are <sup>+</sup>equity securities, a distribution schedule of the additional <sup>+</sup>securities setting out the number of holders in the categories  
1 - 1,000  
1,001 - 5,000  
5,001 - 10,000  
10,001 - 100,000  
100,001 and over

To be provided.

37    ☐ A copy of any trust deed for the additional <sup>+</sup>securities

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<sup>+</sup> See chapter 19 for defined terms.

**Entities that have ticked box 34(b)**

38	Number of securities for which +quotation is sought	N/A				
39	Class of +securities for which quotation is sought	N/A				
40	<p>Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> <li>• the date from which they do</li> <li>• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment</li> <li>• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment</li> </ul>	N/A				
41	<p>Reason for request for quotation now</p> <p>Example: In the case of restricted securities, end of restriction period</p> <p>(if issued upon conversion of another security, clearly identify that other security)</p>	N/A				
42	Number and +class of all +securities quoted on ASX ( <i>including</i> the securities in clause 38)	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 50%; padding: 5px;">Number</th> <th style="width: 50%; padding: 5px;">+Class</th> </tr> </thead> <tbody> <tr> <td style="height: 80px;"></td> <td></td> </tr> </tbody> </table>	Number	+Class		
Number	+Class					

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+ See chapter 19 for defined terms.



**Quotation agreement**

1        +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2        We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3        We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4        We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Sign here: ..... Date: 28/08/2015  
(Company secretary)

Print name:        Mathew Whyte

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+ See chapter 19 for defined terms.

## Appendix 3B – Annexure 1

### Calculation of placement capacity under rule 7.1 and rule 7.1A for<sup>+</sup>eligible entities

Introduced 01/08/12

#### Part 1

Rule 7.1 – Issues exceeding 15% of capital	
<b>Step 1: Calculate “A”, the base figure from which the placement capacity is calculated</b>	
<b>Insert</b> number of fully paid ordinary securities on issue 12 months before date of issue or agreement to issue	89,780,828 shares
<b>Add</b> the following: <ul style="list-style-type: none"> <li>Number of fully paid ordinary securities issued in that 12 month period under an exception in rule 7.2</li> <li>Number of fully paid ordinary securities issued in that 12 month period with shareholder approval</li> <li>Number of partly paid ordinary securities that became fully paid in that 12 month period</li> </ul> <p><i>Note:</i></p> <ul style="list-style-type: none"> <li>Include only ordinary securities here – other classes of equity securities cannot be added</li> <li>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</li> <li>It may be useful to set out issues of securities on different dates as separate line items</li> </ul>	53,868,497 shares  1,803,753 shares
<b>Subtract</b> the number of fully paid ordinary securities cancelled during that 12 month period	N/A
<b>“A”</b>	<b>145,453,078</b>

<sup>+</sup> See chapter 19 for defined terms.

<b>Step 2: Calculate 15% of “A”</b>	
<b>“B”</b>	0.15 <i>[Note: this value cannot be changed]</i>
<b>Multiply “A” by 0.15</b>	<b>21,817,962</b>
<b>Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used</b>	
<p><b>Insert</b> number of equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> <li>Under an exception in rule 7.2</li> <li>Under rule 7.1A</li> <li>With security holder approval under rule 7.1 or rule 7.4</li> </ul> <p><i>Note:</i></p> <ul style="list-style-type: none"> <li><i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i></li> <li><i>Include here (if applicable ) the securities the subject of the Appendix 3B to which this form is annexed</i></li> <li><i>It may be useful to set out issues of securities on different dates as separate line items</i></li> </ul>	<p>15,098,628 Being :</p> <ul style="list-style-type: none"> <li>8,039,805 Shares</li> <li>7,058,823 Options</li> </ul>
<b>“C”</b>	<b>15,098,628</b>
<b>Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1</b>	
<p><b>“A” x 0.15</b></p> <p><i>Note: number must be same as shown in Step 2</i></p>	<b>21,817,962</b>
<p><b>Subtract “C”</b></p> <p><i>Note: number must be same as shown in Step 3</i></p>	<b>15,098,628</b>
<b>Total [“A” x 0.15] – “C”</b>	<p><b>6,719,334</b></p> <p><i>[Note: this is the remaining placement capacity under rule 7.1]</i></p>

+ See chapter 19 for defined terms.

## Part 2

<b>Rule 7.1A – Additional placement capacity for eligible entities</b>	
<b>Step 1: Calculate “A”, the base figure from which the placement capacity is calculated</b>	
<b>“A”</b>  <i>Note: number must be same as shown in Step 1 of Part 1</i>	<b>145,453,078 shares</b>
<b>Step 2: Calculate 10% of “A”</b>	
<b>“D”</b>	0.10  <i>Note: this value cannot be changed</i>
<b>Multiply “A” by 0.10</b>	<b>14,545,308</b>
<b>Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used</b>	
<b>Insert</b> number of equity securities issued or agreed to be issued in that 12 month period under rule 7.1A  <i>Notes:</i> <ul style="list-style-type: none"> <li><i>This applies to equity securities – not just ordinary securities</i></li> <li><i>Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed</i></li> <li><i>Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained</i></li> <li><i>It may be useful to set out issues of securities on different dates as separate line items</i></li> </ul>	<b>14,545,000 shares</b>
<b>“E”</b>	<b>14,545,000</b>

+ See chapter 19 for defined terms.

<b>Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A</b>	
<b>“A” x 0.10</b>  <i>Note: number must be same as shown in Step 2</i>	<b>14,545,308 shares</b>
<b>Subtract “E”</b>  <i>Note: number must be same as shown in Step 3</i>	14,545,000 shares
<b>Total</b> [“A” x 0.10] – “E”	<b>308 shares</b>  <i>Note: this is the remaining placement capacity under rule 7.1A</i>

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+ See chapter 19 for defined terms.

**Options – Terms and Conditions\***

- (a) **Entitlement:** Each Option entitles the holder to subscribe for one (1) Share.
- (b) **Exercise Price:** Each Option has an exercise price of \$0.03 (**Exercise Price**).
- (c) **Expiry Date:** Each Option may be exercised at any time before 5.00pm (Perth time) on 30 June 2019 (**Expiry Date**). Any Underwriter Option not exercised by the Expiry Date will automatically expire.
- (d) **Transferability:** Subject to the holder of an Option (**Option Holder**) complying with any applicable provisions of the Corporations Act, the Options are transferable.
- (e) **Future Quotation of Options:** The Options are not quoted on ASX. Subject to the number of Options of the same class as the Options and the number of holders of those Options complying with Condition 6 of Listing Rule 2.5, the Company will apply for quotation of the Options on ASX.
- (f) **Quotation of Shares issued on exercise:** If admitted to the official list of ASX at the time, the Company will apply for official quotation of the Shares issued on the exercise of the Options.
- (g) **Participation in new issues:** The Option Holder is not entitled to participate in any new issue to existing Shareholders unless they have exercised their Options before the eligibility date for determining entitlements to the new issue of securities and participate as a result of holding Shares. The Company must give the Option Holder notice of the proposed terms of the issue or offer in accordance with the Listing Rules.
- (h) **Participation in bonus issues :** If the Company makes a bonus issue of Shares or other securities to Shareholders (except an issue in lieu of dividends or by way of dividend reinvestment) and a Share has not been issued in respect of an Option before the record date for determining entitlements to the issue, then the number of underlying Shares over which the Option is exercisable is increased by the number of Shares which the Option Holder would have received if the Option Holder had exercised the Option before the record date for determining entitlements to the issue.
- (i) **Reconstruction of capital:** If there is a reorganisation (including consolidation, sub-division, reduction or return) of the share capital of the Company, then the rights of the Option Holder (including the number of Options to which the Option Holder is entitled to and the Exercise Price) is changed to the extent necessary

to comply with the Listing Rules applying to a reorganisation of capital at the time of the reorganisation.

- (j) **Change in exercise price:** Any calculations or adjustments which are required to be made will be made by the Company's Board of Directors and will, in the absence of manifest error, be final and conclusive and binding on the Company and the Option Holder. The Company will, within a reasonable period, give to the Option Holder notice of any change to the Exercise Price of any Options held by the Option Holder or the number of Shares which the Option Holder is entitled to subscribe for on exercise of an Option.
- (k) **Exercise Notice:** To exercise a Option, the Option Holder must give the Company or its share registry, at the same time:
  - (i) a written exercise notice (in the form approved by the Board of the Company from time to time) specifying the number of Options being exercised and Shares to be issued ( **Exercise Notice** ); and
  - (ii) payment of the Exercise Price for the Options the subject of the Exercise Notice, by way of bank cheque or by other means of payment approved by the Company.
- (l) **Timing of issue of Shares on exercise:** Within ten (10) days after receiving an Exercise Notice for exercise of Options and payment by the Option Holder of the Exercise Price, the Company will issue the Option Holder the number of Shares specified in the Exercise Notice.
- (m) **Shares issued on exercise:** Subject to the Company's Constitution, all Shares issued on the exercise of Options will rank in all respects (including rights relating to dividends) pari passu with the existing Shares at the date of issue.