



Kingston Resources Limited

ACN 009 148 529

Notice of Annual General Meeting and Explanatory Statement

**Annual General Meeting to be held at
25-27 Jewell Parade, North Fremantle, WA
on Friday, 20 November 2015
commencing at 11:00am (WST)**

The Notice of Annual General Meeting, Explanatory Statement and Proxy Form should be read in their entirety. If you are in doubt as to how you should vote, you should seek advice from your accountant, solicitor or other professional adviser prior to voting.

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Notice of Annual General Meeting

Notice is given that the Annual General Meeting of Kingston Resources Limited ACN 009 148 529 (**Company**) will be held at 25-27 Jewell Parade, North Fremantle, WA on Friday, 20 November 2015 commencing at 11.00am (WST).

AGENDA

Financial statements and report

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2015 together with the directors' report and the auditor's report.

Resolution 1 – Adoption of Remuneration Report

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, the Remuneration Report contained in the Company's annual financial report for the financial year ended 30 June 2015 be adopted by the Company.

Note: the vote on this Resolution is advisory only and does not bind the Directors or the Company.

Resolution 2 – Re-election of Director – Stuart Rechner

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

That for the purposes of Listing Rule 14.4 and rule 7.3 of the Constitution and for all other purposes, Mr Stuart Rechner, having been appointed as a Director and who retires in accordance with rule 7.3(c) of the Constitution, and being eligible offers himself for re-election, is elected as a Director.

Resolution 3 – Re-election of Director – Jonathan Davies

To consider, and if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

That for the purposes of Listing Rule 14.4 and rule 7.3 of the Constitution and for all other purposes, Jonathan Davies, being a Director of the Company who retires by rotation, and being eligible offers himself for re-election, is re-elected as a Director of the Company.

Resolution 4 – Approval and ratification of prior issue of Shares for Joint Venture Agreement

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the issue of 833,333 Shares on the terms and conditions set out in the Explanatory Statement.

Resolution 5 – Approval and ratification of prior issue of Shares to consultants

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the issue of 575,000 of Shares on the terms and conditions set out in the Explanatory Statement.

Resolution 6 – Approval and ratification of prior issue of Shares and Options pursuant to a Placement

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the issue of 6,631,472 Shares, and 7,058,823 unlisted Options on the terms and conditions set out in the Explanatory Statement.

Resolution 7 – Approval to issue Shares to Mr Jonathan Davies

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

That, for the purposes of Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of 520,813 Shares at an issue price of \$0.016 per Share to Mr Jonathan Davies (or his nominee), in lieu of payment for services on the terms and conditions set out in the Explanatory Statement.

Resolution 8 – Approval to issue Shares to Mr Yafeng Cai

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

That, for the purposes of Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of 520,813 Shares at an issue price of \$0.016 per Share to Mr Yafeng Cai (or his nominee), in lieu of payment for services on the terms and conditions set out in the Explanatory Statement.

Resolution 9 – Approval for Additional Placement Facility

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **special resolution**:

That, for the purposes of Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of equity securities up to 10% of the number of fully paid ordinary securities of the Company on issue (at the time of issue) calculated in accordance with the formula set out in Listing Rule 7.1A.2 for a period of 12 months from the date of this Meeting on the terms and conditions set out in the Explanatory Statement.

Voting Exclusions

For the purposes of the Corporations Act and Listing Rule 14.11, the following voting exclusion statements apply to the resolutions. The Company will disregard any votes on the following resolutions cast by or on behalf of the following persons:

Resolution	Excluded Parties
Resolution 1	Members of the Key Management Personnel whose remuneration is detailed in the Remuneration Report and their closely related parties (which includes spouse, child, dependent, other family members and any controlled company).
Resolution 2	n/a
Resolution 3	n/a
Resolution 4	A person who participated in the issue and an Associate of that person.
Resolution 5	A person who participated in the issue and an Associate of that person.
Resolution 6	A person who participated in the issue and an Associate of that person.
Resolution 7	A person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a Shareholder if the resolution is passed, and any of their Associates.
Resolution 8	A person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a Shareholder if the resolution is passed, and any of their Associates.
Resolution 9	A person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a Shareholder if the resolution is passed, and any of their Associates.

However, the Company need not disregard a vote on Resolutions 1, 4, 5, 6, 7, 8 and 9 if it is cast by:

- the person as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- the Chairman of the Meeting as proxy for a person who is entitled to vote, in accordance a direction on the proxy form to vote as the proxy decides.

In relation to Resolutions 1, 7 and 8, members of Key Management Personnel and their closely related parties (other than the Chairman of the Meeting) may not vote as proxy if the appointment does not specify how the proxy is to vote. The Chairman of the Meeting may vote as proxy in accordance with an express authorisation on the Proxy Form.

By order of the Board of Directors

Mathew Whyte

Company Secretary
21 October 2015

Proxy appointment and voting instructions

Voting eligibility – snapshot date

The Directors have determined that the persons eligible to attend and vote at the Annual General Meeting are those persons who are registered Shareholders at 11.00am on Wednesday, 18 November 2015. Transactions registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

Proxy Form

The Proxy Form (and any power of attorney or other authority, if any, under which it is signed) or a copy or facsimile which appears on its face to be an authentic copy of the proxy form (and the power of attorney or other authority) must be lodged no later than 11.00am on Wednesday, 18 November 2015. Proxy Forms may be lodged:

By hand: 25-27 Jewell Parade, North Fremantle, WA

By mail: 25-27 Jewell Parade, North Fremantle, 6159, WA

By fax: +61 8 9335 3565

Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Appointment of a proxy

A Shareholder entitled to attend and vote at the Meeting is entitled to appoint a proxy. The proxy may, but need not be, a Shareholder.

Please write the name of the person you wish to appoint as your proxy in the Proxy Form. If you leave this section blank, or your named proxy does not attend the Meeting, the Chairman will be appointed as your proxy.

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company on +61 8 9336 6619 or you may photocopy the Proxy Form.

To appoint a second proxy you must state on each Proxy Form (in the appropriate box) the percentage of your voting rights which are the subject of the relevant proxy. If both Proxy Forms do not specify that percentage, each proxy may exercise half your votes. Fractions of votes will be disregarded.

Directing your proxy to vote on Resolutions

You may direct your proxy how to vote by marking For, Against or Abstain for each resolution. All your shareholding will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on the resolutions by inserting the percentage or number of Shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the resolutions, your proxy may vote as he or she chooses (except where a voting exclusion applies). If you mark more than one box on a resolution your vote on will be invalid on that resolution.

Voting restrictions that may affect your proxy appointment

Members of the Key Management Personnel (except for the Chairman) and their closely related parties are not able to vote your proxy on Resolutions 1 (Adoption of Remuneration Report), 7 (Approval to issue Shares to Mr Jonathan Davies) and 8 (Approval to issue Shares to Mr Yafeng Cai) unless you have directed them how to vote. This exclusion does not apply to the Chairman if his appointment as proxy expressly authorises him to vote on matters of Key Management Personnel remuneration.

If you intend to appoint the Chairman, a Director or any other member of Key Management Personnel or any of their closely related parties as your proxy, you are encouraged to direct them how to vote on Resolutions 1, 7 and 8.

How the Chairman will vote undirected proxies

At the date of this Notice, the Chairman intends to vote all undirected proxies FOR each of the Resolutions. In exceptional cases the Chairman's intentions may change subsequently and in this event, the Company will make an announcement to the market.

The Proxy Form expressly authorises the Chairman to exercise undirected proxies on all resolutions including Resolutions 1, 7 and 8 even though these resolutions are connected directly or indirectly with the remuneration of a member of Key Management Personnel.

Corporate Shareholders

Corporate Shareholders should comply with the execution requirements set out on the Proxy Form or otherwise with the provisions of section 127 of the Corporations Act. Section 127 of the Corporations Act provides that a company may execute a document without using its common seal if the document is signed by:

- two directors of the company;
- a director and a company secretary of the company; or
- for a proprietary company that has a sole director who is also the sole company secretary – that director.

Corporate Representatives

A corporation may elect to appoint an individual to act as its representative in accordance with section 250D of the Corporations Act, in which case the Company will require a certificate of appointment of the corporate representative executed in accordance with the Corporations Act. The certificate of appointment must be lodged with the Company, before the Meeting or at the registration desk on the day of the Meeting.

Defined terms

Capitalised terms used in the Notice and the Explanatory Statement are defined in the Glossary.

Questions from Shareholders

At the Meeting the Chairman will allow a reasonable opportunity for Shareholders to ask questions or make comments on the management of the Company and the Remuneration Report.

The Company's auditor or a representative of the auditor will attend the Meeting. The Chairman will also allow a reasonable opportunity for Shareholders to ask the auditor or the auditor's representative questions relevant to:

- the conduct of the audit;
- the preparation and content of the auditor's report;
- the accounting policies adopted by the Company in relation to the preparation of financial statements; and
- the independence of the auditor in relation to the conduct of the audit.

In addition to asking questions at the Meeting, written questions to the Board about the management of the Company or the Remuneration Report, or to the Company's auditor about the content of the auditor's report or the conduct of the audit, may be submitted by no later than 11.00am on Thursday, 12 November 2015:

By hand: 25-27 Jewell Parade, North Fremantle, 6159, WA

By mail: 25-27 Jewell Parade, North Fremantle, 6159, WA

By fax: +61 8 9335 3565

Copies of written questions will be available at the Meeting.

Explanatory Statement

This Explanatory Statement has been prepared to provide information to Shareholders about the business to be conducted at the Meeting.

1. Annual Financial Report

The Directors' report, auditor's report and the financial statements of the Company for the year ended 30 June 2015 will be tabled at the Meeting.

There is no requirement for Shareholders to approve these reports. However, the Chairman will allow a reasonable opportunity for Shareholders to ask questions about, or make comments on, the reports and the management of the Company.

2. Resolution 1 – Adoption of Remuneration Report

2.1 Remuneration Report available

The Remuneration Report of the Company for the financial year ended 30 June 2015 is set out in the Company's Annual Report which is available at www.kingstonresources.com.au. The Remuneration Report sets out the remuneration arrangements for Directors and Key Management Personnel of the Company. The Chairman will allow a reasonable opportunity for Shareholders to ask questions about, or make comments on, the Remuneration Report.

2.2 Voting on Remuneration

Shareholders will be asked to vote for the adoption of the Remuneration Report at the Meeting. The vote on this resolution is advisory only and does not bind the Directors or the Company. The Board will consider the outcome of the vote and comments made by Shareholders on the Remuneration Report at the Meeting when reviewing the Company's remuneration policies.

If 25% or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive annual general meetings Shareholders will be required to vote at the second of those annual general meetings on a resolution (a "spill resolution") to determine whether another meeting be held within 90 days at which all of the Directors (other than the managing director) must go up for re-election.

At the Company's previous annual general meeting the votes against the remuneration report was less than 25% of the votes cast on the resolution. As such, Shareholders do not need to consider a spill resolution at this Meeting.

The Company encourages all Shareholders to cast their votes on Resolution 1 (Adoption of Remuneration Report).

2.3 Voting exclusions

The Company will disregard any votes cast on this resolution by or on behalf of members of Key Management Personnel whose remuneration details are included in the Remuneration Report and any closely related parties of those persons.

Key Management Personnel of the Company are the Directors and those other persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. The Remuneration Report identifies the Company's Key Management Personnel for the financial year ended 30 June 2015. Their closely related parties are defined by the Corporations Act and include certain of their family members, dependants and companies they control.

If you appoint the Chairman as your proxy and have not directed him how to vote, you are expressly authorising the Chairman to cast your undirected proxy on this resolution in accordance with his stated intentions. The Chairman intends to vote all undirected proxies for this resolution.

If you appoint any other member of the Board, a member of senior management who is named in the Remuneration Report, or their closely related parties as your proxy, they will not be able to vote your proxy on this resolution unless you have directed them how to vote.

3. Resolution 2 – Re-election of Director – Stuart Rechner

Mr Stuart Rechner was appointed as a Director on 23 February 2015.

Rule 7.2(b) of the Constitution provides that the Directors may appoint any person as a Director. Mr Rechner, having consented by notice in writing to act as a Director, was appointed by the Board as a Director pursuant to Rule 7.2(b) of the Constitution.

Rule 7.3(b) of the Constitution provides that a Director appointed by the Board may retire at the next meeting of Shareholders and is eligible for re-election at that meeting.

Mr Rechner, being eligible, offers himself for election.

Mr Rechner holds degrees in both Geology and Law from the University of Western Australia and is a graduate of the Australian Institute of Company Directors. For the past three years, Mr Rechner has been working as a project generation geologist focusing on exploration opportunities in Australia and overseas. Mr Rechner was previously an Australian Diplomat with postings to Beijing and Jakarta where his duties included reporting on the resource sector. Mr Rechner is currently a director of GB Energy Limited (ASX:GBX) since 20 November 2013 and an alternate director of Strategic Energy Limited (ASX:SER) since 12 September 2014.

3.1 Directors' recommendation

The Directors (apart from Mr Rechner) recommend that Shareholders vote in favour of the re-election of Mr Rechner.

4. Resolution 3 - Re-election of Director – Jonathan Davies

Under Listing Rule 14.4 and rule 7.3(d) of the Constitution there must be an election of directors at each annual general meeting. A director is required to retire from office and is then eligible for re-election. The director to retire is the one who has held office the longest since the last election to that office, and if two or more directors have held office for the same period of time, the director determined by agreement.

Mr Jonathan Davies retires by rotation at this Meeting and, being eligible, offers himself for re-election.

Mr Davies was appointed as a non-executive Director on 7 December 2012.

Mr Davies is a Barrister who has been practising for 28 years. He has extensive legal experience in matters that include commercial, mining and corporate law. Mr Davies was awarded the Law Society of Western Australia Community Service Award in 2006 and, together with Thomas Percy QC and Malcolm McCusker QC, was awarded the Australian Lawyers Alliance Civil Justice Award in 2007.

4.1 Directors' recommendation

The Directors (apart from Mr Davies) recommend that Shareholders vote in favour of the re-election of Jonathan Davies.

5. Resolution 4 – Approval and ratification of prior issue of Shares for Joint Venture Agreement

5.1 Background

On 13 July 2015, the Company announced it had entered into a joint venture agreement with Mr Matthew Hutchens over Exploration Licence 5309 in the centre of its 100% owned Cootanoorina project in South Australia (**Joint Venture Agreement**). The Company seeks Shareholder approval under this resolution to approve and ratify the issue of 833,333 Shares to Mr Hutchens in lieu of cash payment of \$20,000 as part consideration pursuant to the Joint Venture Agreement.

5.2 Listing Rules 7.1 and 7.4

Listing Rule 7.1 permits entities to issue equity securities up to 15% of its issued capital over a 12 month period without shareholder approval.

Listing Rule 7.4 states that an issue of Equity Securities by a company made without approval under Listing Rule 7.1 is treated as having been made with approval for the purpose of Listing Rule 7.1 if the issue did not breach Listing Rule 7.1 and the company's members subsequently approve it. Accordingly, if Resolution 5 is approved, the 833,333 Shares issued to Mr Hutchens will not be included in calculating the Company's 15% issuing capacity for the purposes of Listing Rule 7.1.

5.3 Technical information required by Listing Rule 7.4

In accordance with Listing Rule 7.5, the following information is provided to enable Shareholders to assess the merits of Resolution 5 for the purposes of Listing Rule 7.4:

(a) *Details of issue of securities*

Name	Date of issue	No. of Shares issued	Issue price	Value of Shares when issued
Matthew Hutchens	13/07/2015	833,333	\$0.024	\$20,000

(b) *Terms of the securities*

All Shares issued rank equally with the existing Shares on issue.

(c) *Use of (or intended use of) the funds raised*

The Company did not raise any funds from the issue of the Shares as the Shares were issued in lieu of monies owed to Mr Hutchens pursuant to the Farm In Agreement.

5.4 Directors' recommendation.

The Directors unanimously recommend that Shareholders vote in favour of Resolution 4.

6. Resolution 5 – Approval and ratification of prior issue of Shares to consultants

6.1 Background

The Company engages consultants from time to time to provide geophysics and other services to further the Company's projects and corporate profile. The Company seeks Shareholder approval under this resolution to approve and ratify the issue of 575,000 Shares to the consultants for services provided in lieu of cash.

6.2 Listing Rules 7.1 and 7.4

Listing Rule 7.1 permits entities to issue equity securities up to 15% of its issued capital over a 12 month period without shareholder approval.

Listing Rule 7.4 states that an issue of Equity Securities by a company made without approval under Listing Rule 7.1 is treated as having been made with approval for the purpose of Listing Rule 7.1 if the issue did not breach Listing Rule 7.1 and the company's members subsequently approve it. Accordingly, if Resolution 6 is approved, the Shares issued to consultants will not be included in calculating the Company's 15% issuing capacity for the purposes of Listing Rule 7.1.

6.3 Technical information required by Listing Rule 7.4

In accordance with Listing Rule 7.5, the following information is provided in to enable Shareholders to assess the merits of Resolution 5 for the purposes of Listing Rule 7.4:

(a) Details of issue of securities

Consultant	Services Provided	Date of issue	No. of Shares issued	Issue price	Value of Shares when issued
Terra Resources Pty Ltd *	Geophysicist services	28/05/2015	491,667	\$0.015	\$7,375
Corporate Writers (Mr R Gordon)	Public relations services	13/07/2015	83,333	\$0.024	\$2,000

*Terra Resources Pty Ltd is a related party of Mr Barry Bourne. Mr Bourne was not a Director of the Company at the time the services were provided or the Shares issued.

(b) Terms of the securities

All Shares issued rank equally with the existing Shares on issue.

(c) Use of (or intended use of) the funds raised

The Company did not raise any funds from the issue of the Shares as the Shares were issued in lieu of monies owed to the Consultants.

6.4 Directors' recommendation.

The Directors unanimously recommend that Shareholders vote in favour of Resolution 5.

7. Resolution 6 – Approval of ratification of prior issue of Shares and Options pursuant to a Placement

7.1 Background

On 28 August 2015 the Company completed a placement of 21,176,472 Shares at a price of \$0.017 each to raise \$360,000, and also issued 7,058,823 free-attaching Options exercisable at \$0.03 and expiring on 30 June 2019 (**Placement**). The purpose of the Placement was to raise funds for exploration activities on the Company's projects and for working capital.

7.2 Requirements of the Listing Rules

Listing Rule 7.1 permits entities to issue equity securities up to 15% of its issued capital over a 12 month period without shareholder approval. Listing rule 7.4 provides that where shareholders subsequently approve securities that were issued under Listing Rule 7.1 then those securities will be treated as having been made with shareholder approval. The effect of this rule is to refresh the 15% placement capacity under Listing Rule 7.1 and enables entities to retain the flexibility to issue equity securities in the future without prior shareholder approval.

This resolution seeks Shareholder approval to approve and ratify the Shares and Options issued on 28 August 2015.

For the purposes of this resolution the following information is provided to Shareholders:

- (a) The total number of shares issued was 21,176,472 shares. Of those shares, 6,631,472 shares were issued using the Company's capacity under Listing Rule 7.1 and accordingly shareholder approval and ratification under ASX Listing Rule 7.4 is sought for 6,631,472 Shares.
- (b) All of the 7,058,823 Options were issued using the Company's capacity under Listing Rule 7.1 and accordingly shareholder approval and ratification under ASX Listing Rule 7.4 is sought for 7,058,823 Options.
- (c) The Shares were issued at a price of \$0.017 per Share.
- (d) The Options were issued for nil consideration.
- (e) The Shares are fully paid ordinary shares that rank equally with all other existing Shares. The Shares are quoted on ASX.
- (f) The Options were issued on the terms and conditions set out in Schedule 1.
- (g) The Shares and Options were issued to sophisticated investors including the following substantial shareholders in the Company:
 - (i) EERC Australasia Pty Ltd <Super Fund A/C>. EERC Australasia Pty Ltd <Super Fund A/C> is not a related party of the Company.
 - (ii) Soaraway Development Pty Ltd. Soaraway Development Pty Ltd is not a related party of the Company.
- (h) The funds will be used for exploration activities on the Company's projects and for working capital.

7.3 Directors' recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 6.

8. Resolutions 7 and 8 – Approval to issue Shares to Directors

8.1 Background

The Board has determined that remuneration for the remainder of the 2016 financial year (effective from 1 September 2015) be adjusted to allow a component of the remuneration of non-executive Directors be made via the issue of Shares in lieu of cash payment for services. This is deemed by the Board as an appropriate and responsible measure to reduce the cash-burn rate of the Company given the difficult market conditions in the junior mining sector.

Non- executive Directors; Mr Jonathan Davies and Mr Yafeng Cai have each agreed to reduce their remuneration for non-executive Director services to an annualised amount of \$20,000 per annum effective from 1 September 2015. Therefore for the remainder of the 2016 financial year they will be entitled to \$16,666 each which they have agreed to receive as \$8,333 in cash and 520,813 Shares in lieu of cash.

Resolutions 7 and 8 seek Shareholder approval pursuant to Listing Rule 10.11 for the issue of 1,041,626 Shares to Messrs Davies and Cai (together the **Directors Shares**).

No funds will be raised from the issue of the Directors Shares as they are being issued as consideration for the services to be provided by the Directors during the current financial year.

8.2 Section 208 of the Corporations Act

Section 208 of the Corporations Act provides that a public company cannot give a “financial benefit” (including an issue of securities) to a “related party” company unless one of the exceptions set out in sections 210 to 216 of the Corporations Act apply or the holders of ordinary securities have approved the giving of the financial benefit to the related party at a general meeting.

The issue of Shares to a Director or their nominee constitutes the giving of a financial benefit to the related parties of the Company for the purposes of section 208 of the Corporations Act.

However, the Board has formed the view that Shareholder approval under section 208 of the Corporations Act is not required for the proposed issue of the Directors Shares as the Director Shares are being issued in lieu of services or directors’ fees payable to Messrs Davies and Cai and is considered to be reasonable remuneration for the purposes of the exception in section 211 of the Corporations Act.

8.3 Listing Rule 10.11

Listing Rule 10.11 restricts the Company from issuing securities to a related party of the Company, unless approval is obtained from Shareholders.

A “related party” for the purposes of the Corporations Act is defined widely and includes a director of a public company and former directors of a public company. Messrs Davies and Cai are Directors and as such are related parties of the Company.

The effect of passing Resolutions 7 and 8 will be to allow the Company to issue 1,041,626 Director Shares to Messrs Davies and Cai (or their nominees) without using up the Company’s 15 % placement capacity under Listing Rule 7.1.

If Shareholders approval is not received under Resolution 7 and 8 the Company will not issue the Director Shares to Messrs Davies and Cai and instead will pay the full amount of the Directors remuneration (without reduction) in cash.

8.4 Information required by Listing Rule 10.13

Listing Rule 10.13 requires that information be provided to Shareholders for the purposes of obtaining Shareholder approval pursuant to Listing Rule 10.11 as follows:

- (a) The Director Shares will be issued to Messrs Davies and Cai (and/or their nominees).
- (b) The number of Shares to be issued to each of Messrs Davies and Cai (and/or their nominees) is 520,813..
- (c) The Director Shares will be issued no later than one (1) month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules).
- (d) The Director Shares will be issued at an issue price of \$0.016 per Director Share.
- (e) The Director Shares will be fully paid ordinary shares in the capital of the Company and will rank equally with the Company’s existing Shares. The Company will apply for quotation of the Shares on ASX.
- (f) A voting exclusion statement is included in the Notice of Meeting for each of Resolutions 7 and 8.
- (g) No funds will be raised by the issue of the Director Shares as they are being issued as consideration for the services to be provided by the Directors during the current financial year.

8.5 Directors’ recommendation

The Directors (except Messrs Davies and Cai) recommend that Shareholders vote in favour of Resolution 7 and 8.

9. Resolution 9 – Approval for Additional Placement Facility

9.1 Background

Listing rule 7.1A permits eligible entities that have obtained the approval of shareholders by special resolution at an annual general meeting to issue an additional 10% of issued capital by way of placements over a 12 month period (**Additional Placement Facility**).

The Company is an eligible entity (being an entity with market capitalisation of less than \$300 million or less and is not included in the S&P/ASX 300 index) and seeks Shareholder approval under this resolution for the Additional Placement Facility.

9.2 Requirements of Listing Rule 7.1A

(a) Quoted securities

Any equity securities issued under the Additional Placement Facility must be in the same class as an existing class of equity securities of the Company that are quoted on ASX. As at the date of this Notice, the Company has three classes of equity securities quoted on ASX being fully paid ordinary shares (ASX: KSN), Options expiring 31 December 2015 (ASX: KSNO) and Options expiring 30 June 2016 (ASX: KSNOA).

(b) Number of equity securities that may be issued

Listing Rule 7.1 permits the Company to issue 15% of issued capital over a 12 month period without shareholder approval. The Additional Placement Facility under Listing Rule 7.1A is in addition to the Company's 15% placement capacity under Listing Rule 7.1. The effect of Shareholders passing this resolution is to allow the Company to issue up to 25% of its issued capital during the next 12 months without obtaining specific Shareholder approval before the placement.

The exact number of additional equity securities that the Company may issue under the Additional Placement Facility is not fixed but is calculated under a formula prescribed by the Listing Rules (set out below).

At the date of this Notice the Company has 168,037,883 Shares on issue. If all the Resolutions in this Notice are passed, the Company will be permitted to issue (as at the date of this Notice):

- 25,205,682 equity securities under Listing Rule 7.1 (15% placement capacity); and
- 16,803,788 equity securities under Listing Rule 7.1A (10% Additional Placement Facility).

(c) Formula for calculating the number of equity securities that may be issued under the Additional Placement Facility.

If this resolution is passed, the Company may issue or agree to issue, during the 12 month period after this Meeting, the number of equity securities calculated in accordance with the following formula.

$$(A \times D) - E$$

Where:

- A = The number of Shares on issue 12 months before the date of issue or agreement:
- plus the number of Shares issued in the 12 months under an exception in Listing Rule 7.2,
 - plus the number of Shares issued in the 12 months with approval of Shareholders under Listing Rules 7.1 or 7.4,
 - less the number of Shares cancelled in the 12 months.
- D = 10%
- E = The number of equity securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of issue or agreement to issue that are not issued with the approval of Shareholders under Listing Rule 7.1 or 7.4.

9.3 Information required under the Listing Rules

(a) Minimum price

The issue price of any equity security under the Additional Placement Facility will be no less than 75% of the volume weighted average price for securities in the same class, calculated over the 15 trading days on which trades in that class were recorded immediately before:

- the date on which the price at which the securities are to be issued is agreed; or
- if the securities are not issued within five trading days of the date above, the date on which the securities are issued.

(b) Risk of economic and voting dilution

If this resolution is passed and the Company issues securities under the Additional Placement Facility, then there is a risk to existing Shareholders of economic and voting dilution including the risk that:

- The market price for equity securities in the same class may be significantly lower on the issue date of the new equity securities than on the date of this Meeting; and
- The new equity securities may be issued at a price that is at a discount to the market price for equity securities in the same class on the issue date or the new equity securities may be issued consideration for the acquisition of a new asset.

The table below identifies the potential dilution to existing Shareholders following the issue of equity securities under the Additional Placement Facility (based on the formula set out above) using different variables for the number of issued Shares and the market price of Shares. The numbers are calculated on the basis of the latest available market price of Shares before the date of this Notice and the current number of Shares on issue.

Variable A in Listing Rule 7.1A		Nominal issue price		
		\$0.008 (50% decrease in market price*)	\$0.016 (market price)	\$0.032 (100% increase in market price)
Current issued capital A = 168,037,883 Shares	Shares issued under LR 7.1A	16,803,788	16,803,788	16,803,788
	Funds raised	\$134,430	\$268,861	\$537,721
50% increase in issued capital A = 252,056,825 Shares	Shares issued under LR 7.1A	25,205,682	25,205,682	25,205,682
	Funds raised	\$201,645	\$403,291	\$806,582
100% increase in issued capital A = 336,075,766 Shares	Shares issued under LR 7.1A	33,607,577	33,607,577	33,607,577
	Funds raised	\$268,861	\$537,721	\$1,075,442

This table has been prepared on the following assumptions:

- (i) the latest available market price of Shares as at the date of the Notice was \$0.016;
 - (ii) the Company issues the maximum number of equity securities available under the Additional Placement Facility;
 - (iii) no Options (including any Options issued under the Additional Placement Facility) are exercised into Shares before the date of the issue of the equity securities;
 - (iv) existing Shareholders' holdings do not change from the date of this Meeting to the date of the issue under the Additional Placement Facility;
 - (v) the Company issues Shares only and does not issue other types of equity securities (such as options) under the Additional Placement Facility; and
 - (vi) the impact of placements under Listing Rule 7.1 or following the exercise of options is not included in the calculations.
- (c) Placement period

Equity securities may be issued under the Additional Placement Facility at any time after the date of this Meeting until that date that is 12 months after this Meeting. The approval to the Additional Placement Facility under this resolution will cease to be valid in the event that Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or Listing Rule 11.2 (disposal of main undertaking).

- (d) Purposes for which equity securities may be issued

The Company may seek to issue equity securities under the Additional Placement Facility for the following purposes:

- cash consideration to fund business growth, to acquire new assets or make investments, to develop the Company's existing assets and operations and for general working capital; and
- non-cash consideration to acquire new assets or make investments. In these circumstances the Company provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3.

(e) Allocation policy under the Additional Placement Facility

The Company's allocation policy for the issue of equity securities under the Additional Placement Facility will depend on the prevailing market conditions at the time of the proposed issue. The allottees will be determined on a case-by-case basis having regard to the factors such as:

- the methods of raising funds that are available to the Company, including but not limited to, rights issues or other issues in which existing security holders can participate;
- the effect of the issue of the new securities on the control of the Company;
- the financial situation and solvency of the Company; and
- advice from corporate and other advisors.

At the date of this Notice the proposed allottees under the Additional Placement Facility have not been determined but may include existing substantial Shareholders, other Shareholders and/or new investors. None of the allottees will be a related party or an associate of a related party of the Company. Existing Shareholders may or may not be entitled to subscribe for equity securities under the Additional Placement Facility and it is possible that their shareholding will be diluted.

If the Additional Placement Facility is used to acquire new assets or investments then it is likely that the allottees will be the vendors of these assets/investments.

The Company will comply with the disclosure obligations under Listing Rules 7.1A(4) and 3.10.5A upon issue of any equity securities under the Additional Placement Facility.

(f) Previous approval under ASX Listing Rule 7.1A

Shareholders approved an Additional Placement Facility at the 2014 annual general meeting.

The total number of equity securities issued in the 12 months before this Meeting is 107,940,647. These represent 112.6% of the total number of equity securities on issue at the commencement of that 12 month period.

The details for each separate issue of equity securities issued during the 12 months before this Meeting are set out in Schedule 2 to this Explanatory Memorandum.

9.4 Directors' recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 9.

Glossary of terms

In this Notice and Explanatory Statement, the following terms have the following meaning unless the context otherwise requires:

Annual General Meeting or Meeting	The Annual General Meeting of Shareholders of the Company or any adjournment thereof, convened by this Notice.
Associate	Has the meaning set out in the Listing Rules.
ASX	ASX Limited ACN 008 624 691.
Board	Board of Directors.
Chairman	The chairman of the Meeting.
Company	Kingston Resources Limited ACN 009 148 529.
Constitution	The Company's constitution.
Corporations Act	<i>Corporations Act 2001</i> (Cth).
Director	A director of the Company.
Explanatory Statement	This explanatory statement which accompanies and forms part of the Notice of Annual General Meeting.
Joint Venture Agreement	Has the meaning given to is Section 5.1 of the Explanatory Statement.
Key Management Personnel	Those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company.
Listing Rules	The listing rules of ASX, as amended from time to time.
Notice or Notice of Annual General Meeting	The notice of Annual General Meeting which accompanies the Explanatory Statement.
Option	An option to acquire a share.
Placement	Has the meaning given to is Section 7.1 of the Explanatory Statement.
Proxy Form	The proxy form accompanying the Notice.
Remuneration Report	The remuneration report contained in the Directors' report for the year ended 30 June 2015.
Resolution	A resolution set out in the Notice.
Share	A fully paid ordinary share in the Company.
Shareholder	A registered holder of a Share.
VWAP	The volume weighted average share price.
WST	Australian Western Standard Time, being the time in Perth, Western Australia.

Schedule 1 – Terms of Options

- (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 Board in accordance with the requirements of Listing Rule 6.22 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:
 - A. a written exercise notice (in the form approved by the Board from time to time) specifying the number of Options being exercised and Shares to be issued (**Exercise Notice**); and

- B. 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 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.

Schedule 2 - Equity securities issued 12 months prior to AGM

Date of issue	Equity Securities issued	Person	Issue price (discount to market)	Total cash consideration	Use of funds	Non-cash consideration and current value ³
24/11/2014	876,250 Shares	Terra Resources Pty Ltd	\$0.015 deemed issue price (11.8%)	Nil	N/A	Issued in lieu of cash payment for geological services Value: \$15,770
16/12/2014	33,682,589 Shares	Shareholders participating in rights issue	\$0.014 (30%)	\$471,556	Exploration and working capital	N/A
23/12/2014	20,185,908 Shares	Underwritten shortfall issued to clients of CPS Capital	\$0.014 (12.5%)	\$282,603	Exploration and working capital	N/A
23/12/2014	22,624,769 Options ¹	CPS Capital and or its nominees	Nil	Nil	N/A	Underwriting fee Value: \$2,265
24/02/2015	379,170 Shares	Terra Resources Pty Ltd	\$0.015 deemed issue price (-)	Nil	N/A	Issued in lieu of cash payment for geological services Value: \$6,825
23/03/2015	548,333 Shares	Terra Resources Pty Ltd	\$0.015 deemed issue price (25%)	Nil	N/A	Issued in lieu of cash payment for geological services Value: \$9,870
28/05/2015	491,667 Shares	Terra Resources Pty Ltd	\$0.015 deemed issue price (6.25%)	Nil	N/A	Issued in lieu of cash payment for geological services Value: \$8,850
13/07/2015	833,333 Shares	Mr M Hutchens	\$0.024 deemed issue price (-)	Nil	N/A	Issued in lieu of cash payment \$20,000 pursuant to Joint Venture Agreement Value: \$15,000
13/07/2015	83,333 Shares	Mr R Gordon	\$0.024 deemed issue price (-)	Nil	N/A	Issued in lieu of cash payment \$2,000 for public relations services Value: \$1,500

Date of issue	Equity Securities issued	Person	Issue price (discount to market)	Total cash consideration	Use of funds	Non-cash consideration and current value ³
28/8/2015	21,176,472 Shares	Pursuant to placement to sophisticated investors	\$0.017 (5.6%)	\$360,000	Exploration and working capital	N/A
28/8/2015	7,058,823 Options ²	Pursuant to placement to sophisticated investors	Nil	Nil	N/A	N/A Value: \$49,400

Notes:

1. Exercisable at \$0.07 and expiring 30/6/2016
2. Exercisable at \$0.03 and expiring 30/6/2019
3. The current value of Shares is based on a value of \$0.016 per share, being the price as at the date of the Notice.

Proxy Form

All Correspondence to:

The Company Secretary
Kingston Resources Limited
25-27 Jewell Parade, North Fremantle,
Western Australia, 6159, AUSTRALIA

KINGSTON RESOURCES LIMITED

ACN 009 148 529

[Shareholder Name]

[Address]

[Address]

I/WE being a member/members of Kingston Resources Limited (ACN 009 148 529) (**Company**) HEREBY APPOINT:

Name of proxy: _____

Address: _____

or failing that person or if no person is named then the chairperson of the Annual General Meeting (**Chairperson**) as my/our proxy to act generally for me/us and to vote in accordance with the following directions or, if no directions are given, as the proxy sees fit at the Annual General Meeting of Kingston Resources Limited (ACN 009 148 529) (**Company**) be held at 25-27 Jewell Parade, North Fremantle, Western Australia at **11am (WST) on Friday, 20 November 2015 (Meeting)** and at any adjournment of the Meeting.

Important: If the chairperson of the Meeting (**Chairperson**) is your nominated proxy, or may be appointed by default, and you have not directed your proxy how to vote on Resolutions 1 to 9 below, you acknowledge that the Chairperson may exercise your proxy in respect of a Resolution even if he or she has an interest in the outcome of that Resolution, and that the votes cast by him or her, other than as proxy holder, would be disregarded because of that interest. You expressly authorise the Chairperson to exercise your proxy votes on Resolutions 1, 7 and 8 even though those Resolutions are connected with the remuneration of Key Management Personnel. The Chairperson intends to vote all undirected proxies **in favour** of all Resolutions.

I/We direct my/our Proxy to vote in the following manner:

Resolution	For	Against	Abstain
Resolution 1 – Non-binding resolution for the adoption of the Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 – Re-election of Director – Stuart Rechner	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 – Re-election of Director – Jonathan Davies	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4 – Approval and ratification of prior issue of Shares for Farm-In Agreement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5 – Approval and ratification of prior issue of Shares to consultants	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6 – Approval and ratification of prior issue Shares and Options pursuant to Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7 – Approval to issue Shares to Jonathan Davies	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8 – Approval to issue Shares to Yafeng Cai	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 9– Approval for Additional Placement Facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If no directions are given, my proxy may vote as the proxy thinks fit or may abstain.

This Proxy is appointed to represent 100% of my voting right or if two proxies are appointed, Proxy 1 represents ____% and Proxy 2 represents ____% of my/our total votes. My/our total voting right is ____ Shares.

This proxy is dated _____, 2015.

Shareholder 1 (individual)	Joint Shareholder 2 (individual)	Joint Shareholder 3 (individual)
Sole Director and Sole Company Secretary	Director/Company Secretary (delete one)	Director

Proxies

Voting by proxy

A Shareholder entitled to attend and vote at the Meeting is entitled to appoint a proxy. The proxy may, but need not be, a Shareholder of the Company.

If you wish to appoint a proxy, you must complete the attached Proxy Form. If you wish to appoint the chairperson of the Meeting as your proxy, please mark the box for this on the Proxy Form. If the person you wish to appoint as your proxy is someone other than the chairperson of the Meeting, please write the name of that person in the relevant space on the Proxy Form. If you leave this section blank, or your named proxy does not attend the Meeting, the chairperson of the Meeting will be your proxy.

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company on +61 8 9336 6619 or you may photocopy the Proxy Form. To appoint a second proxy you must, on each Proxy Form, state (in the appropriate box) the percentage of your voting rights which are the subject of each relevant proxy. If both Proxy Forms do not specify that percentage, each proxy may exercise half your votes. Fractions of votes will be disregarded.

Corporate Shareholders

Shareholders that are corporations should comply with the execution requirements set out on the Proxy Form or otherwise with the provisions of section 127 of the Corporations Act. Section 127 of the Corporations Act provides that a company may execute a document without using its common seal if the document is signed by:

- two directors of the company;
- a director and a company secretary of the company; or
- for a proprietary company that has a sole director who is also the sole company secretary – that director.

A corporation may elect to appoint an individual to act as its representative in accordance with section 250D of the Corporations Act, in which case the Company will require a certificate of appointment of the corporate representative executed in accordance with the Corporations Act. The certificate of appointment must be lodged with the Company and/or the Company's share registry, Computershare Investor Services, before the Meeting or at the registration desk on the day of the Meeting.

Votes on Resolutions

You may direct your proxy how to vote on a Resolution by placing a mark in one of the boxes opposite the Resolution. All your shareholding will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on the Resolutions by inserting the percentage or number of Shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the Resolutions, your proxy may vote as he or she chooses. If you mark more than one box on a Resolution your vote on the Resolution will be invalid.

Lodgement of a Proxy Form

A completed Proxy Form (and any power of attorney or other authority, if any, under which it is signed) or a copy or facsimile which appears on its fact to be an authentic copy of the Proxy Form (and the power of attorney or other authority) must be lodged with the Company by **11am (WST) on Wednesday, 18 November 2015** being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid.

Proxy Forms may be lodged as follows:

By hand: 25-27 Jewell Parade, North Fremantle, Western Australia, 6159

By mail: Attention: Company Secretary, Kingston Resources Limited
25-27 Jewell Parade, North Fremantle, Western Australia, 6159

By fax: (08) 9335 3565 (within Australia) or +61 8 9335 3565 (outside Australia)