

21 January 2016  
Company Announcements Office  
Australian Securities Exchange

## **Quarterly Activities Report and Appendix 5B**

for the period ending 31 December 2015

Kingston Resources Limited (ASX: KSN) is pleased to provide the following summary of activities conducted in the December 2015 quarter.

### **Six Mile Hill Copper-Gold Project: Drilling Completed and Assays received**

In late October 2015, drilling was completed at Kingston's Six Mile Hill project with four holes drilled for a total of 2787.8m. All holes reached target depth and successfully explained our targeted geophysical anomalies as dense and magnetic mafic units. Detailed petrophysical measurements of the drill core confirm rocks of high density and magnetic susceptibility. None of the holes reached the base of the Gawler Range Volcanics.

Kingston undertook selective geochemical sampling of prospective intervals based on geological logging of the drill core. Assays did not return any significant results. Kingston and collaborative partners will now undertake detailed analysis of pathfinder trace elements in order to utilise geochemical vectoring methods targeting Iron Oxide Copper Gold (IOCG) style alteration.

Following the completion of drilling, a Curtin University / Deep Exploration Technologies Cooperative Research Centre seismic crew deployed to Six Mile Hill to conduct both surface and down-hole (Vertical Seismic Profile) surveys. The object of the surveys is to establish the depth to the base of the Gawler Range Volcanics. Results are expected in February 2016.

After exposure to the cutting edge technologies and innovative science of the Mineral Systems Drilling Program, Kingston is well placed to advance exploration on the Gawler Craton. Large areas of the Six Mile Hill project remain highly prospective and unexplored, particularly in the northeast of the tenement area. Following detailed analysis of results to date, the focus of exploration will shift to this area.

### **Government co-funded drilling at Cootanoorina Copper-Gold Project**

Preparations continue for drilling at Kingston's Cootanoorina Copper-Gold project south of Oodnadatta. In 2015, Kingston was awarded PACE Discovery Drilling co-funding from the Government of South Australia to test a geophysical target at Cootanoorina.

Kingston has identified a NNW trending gravity feature with a coincident magnetic anomaly lying to the west of the Peake and Denison Inlier, beneath younger sedimentary cover (Figure 1). Numerous historic mines and mineral occurrences appear within the outcropping basement rocks to the east of the project area with mineralisation related to NNW trending structures.

Kingston is planning to drill test our best geophysical target, CT1, in the coming months.

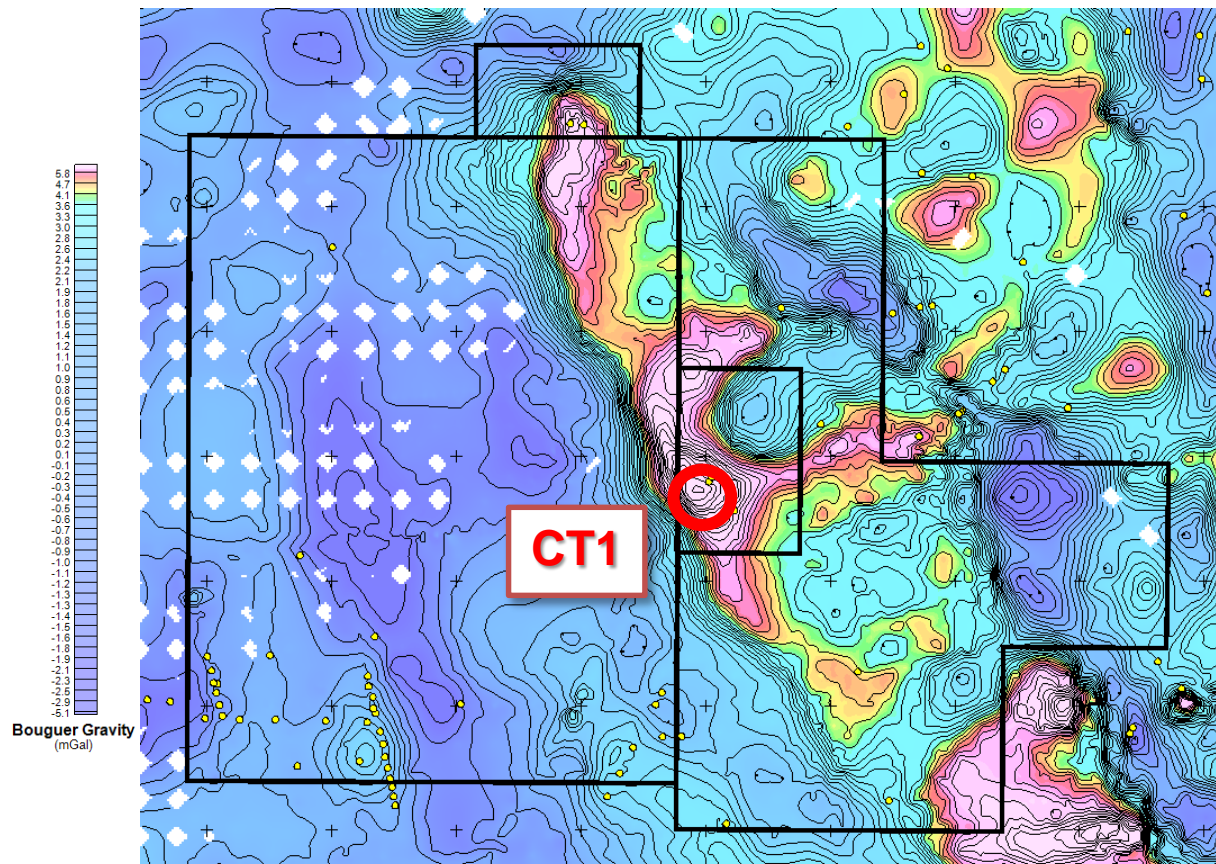


Figure 1: Residual Detailed Bouguer gravity (2.67g/cc) with contours (0.33 mGal) and CT1 priority target.

### Annual General Meeting

The Company's 2015 Annual General Meeting was held on 20 November 2015. All resolutions put to shareholders at that meeting passed unanimously.

Table 1: Tenement Schedule (ASX LR 5.3.3)

Tenement	State	Project	Km <sup>2</sup>	Ownership	Change since last Quarter
EL 5625	SA	Cootanoorina	508	100%	N/A
EL 5487	SA	Cootanoorina East	311	100%	N/A
EL 5599	SA	Cootanoorina North	24	100%	N/A
EL 4915	SA	Mt Eba	237	100%	N/A
EL 5626	SA	Six Mile Hill	296	100%	N/A
EL 5498	SA	Six Mile Hill East	540	100%	N/A
EL 5591	SA	Six Mile North	131	100%	N/A
EL 5379	SA	Sunset Hill	160	100%	N/A
EL 5011	SA	Myall Creek	381	50%	N/A
EL 5010	SA	Spencer	321	25%	N/A
Farm-In Arrangements as follows:					
EL 5309	SA	Cootanoorina	36	Earning in	Farm-In signed 12/7/15
EL 4933	VIC	Orbost	341	Earning in	Farm-In signed 27/1/15

Please refer to the Appendix 5B quarterly commitments report for period ended 31 December 2015.

Dated this 21<sup>st</sup> day of January 2016.

Mr Jonathan Davies  
Chairman  
Kingston Resources Limited

# Appendix 5B

## Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/2013

Name of entity

KINGSTON RESOURCES LIMITED (ASX: KSN)

ABN

44 009 148 529

Quarter ended ("current quarter")

31 DECEMBER 2015

### Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$A'000	Year to date (6 months) \$A'000
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for (a) exploration & evaluation	(136)	(228)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(111)	(254)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	3	4
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other (R&D Refund & GAAP funding)	214	214
<b>Net Operating Cash Flows</b>		<b>(30)</b>	<b>(264)</b>
<b>Cash flows related to investing activities</b>			
1.8	Payment for purchases of: (a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	-
1.9	Proceeds from sale of: (a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	-
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	Other (provide details if material)	-	-
<b>Net investing cash flows</b>		<b>-</b>	<b>-</b>
1.13	Total operating and investing cash flows (carried forward)	<b>(30)</b>	<b>(264)</b>

+ See chapter 19 for defined terms.

**Appendix 5B****Mining exploration entity and oil and gas exploration entity quarterly report**

1.13	Total operating and investing cash flows (brought forward)	(30)	(264)
	<b>Cash flows related to financing activities</b>		
1.14	Proceeds from issues of shares, options, etc.	-	360
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other – expenses related to issue of shares	(2)	(9)
	<b>Net financing cash flows</b>	(2)	351
	<b>Net increase (decrease) in cash held</b>	(32)	87
1.20	Cash at beginning of quarter/year to date	425	306
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	<b>Cash at end of quarter</b>	393	393

**Payments to directors of the entity, associates of the directors, related entities of the entity and associates of the related entities**

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	45
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

1.23 1,041,626 Shares to the value of \$16,666 (\$0.016 per share) were also issued as remuneration to directors in lieu of cash as approved by shareholders at the AGM 20 November 2015.

**Non-cash financing and investing activities**

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

Nil

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Nil

+ See chapter 19 for defined terms.

### **Financing facilities available**

*Add notes as necessary for an understanding of the position.*

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

### **Estimated cash outflows for next quarter**

	\$A'000
4.1 Exploration and evaluation	100
4.2 Development	-
4.3 Production	-
4.4 Administration	70
<b>Total</b>	170

### **Reconciliation of cash**

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	33	67
5.2 Deposits at call	360	358
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
<b>Total: cash at end of quarter (item 1.22)</b>	393	425

**Appendix 5B****Mining exploration entity and oil and gas exploration entity quarterly report****Changes in interests in mining tenements and petroleum tenements**

	Tenement reference and location	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements and petroleum tenements relinquished, reduced or lapsed	*		
6.2	Interests in mining tenements and petroleum tenements acquired or increased	*		

\*Refer to attached Quarterly Report for LR 5.3.3 Tenement Information

**Issued and quoted securities at end of current quarter**

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 <b>Preference securities</b> (description)	-	-	-	-
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions	-	-	-	-
7.3 <b>+Ordinary securities</b>	169,079,509	169,079,509		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	1,041,626	1,041,626	\$0.016	\$0.016
7.5 <b>+Convertible debt securities</b> (description)	Nil	Nil		

+ See chapter 19 for defined terms.

**Appendix 5B**

**Mining exploration entity and oil and gas exploration entity quarterly report**

7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted	Nil	Nil		
7.7	<b>Options</b> (description and conversion factor)	28,624,769 7,058,823	28,624,769 -	Exercise price \$0.07 \$0.03	Expiry date 30 June 2016 30 June 2019
7.8	Issued during quarter	Nil	Nil		
7.9	Exercised during quarter	Nil	Nil		
7.10	Expired during quarter	25,702,500	25,702,500	\$0.20	31 December 2015
7.11	<b>Debentures</b> (totals only)				
7.12	<b>Unsecured notes</b> (totals only)				

## Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does ~~does not~~\* (delete one) give a true and fair view of the matters disclosed.



Sign here: ..... Date: 21 January 2016  
(Director/Company secretary)

Print name: Mathew Whyte

## Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.

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+ See chapter 19 for defined terms.



## Appendix 5B

### Mining exploration entity and oil and gas exploration entity quarterly report

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- 2      The “Nature of interest” (items 6.1 and 6.2) includes options in respect of interests in mining tenements and petroleum tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement or petroleum tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3      **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4      The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.
- 5      **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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