

29<sup>th</sup> June 2016  
Company Announcements Office  
Australian Securities Exchange

## **Mt Cattlin tenements granted and additional targets identified**

### **Highlights**

- Mt Cattlin Project tenements E74/570 and E74/571 granted.
- Numerous new pegmatite targets identified from radiometric and aeromagnetic data interpretation.
- Newly granted tenure provides KSN access to 76 km<sup>2</sup> of a highly prospective lithium pegmatite field 15km from the Mt Cattlin Lithium Mine (GMM/GXY).
- Key Milestone satisfied for shareholder approval on the 4th July, issuing of Tranche 2 Placement and Completion of the recently announced lithium transaction.
- Targets to be field-checked, mapped and surface sampled with the aim to prioritise drilling targets in the September quarter.
- Results from the geophysics provide strong confidence in the geological model and prospectivity of Kingston's Mt Cattlin project.

Kingston Resources Limited (ASX: KSN) (The Company) is pleased to announce the granting of two key tenements in Western Australia. These two tenements at Mt Cattlin include the top priority targets within the recently announced lithium transaction (19<sup>th</sup> May 2016). In addition, a geophysical review has identified a number of pegmatite targets across the Company's tenements, highlighting the prospectivity of the area to host further significant LCT pegmatites.

Managing Director (Elect) Andrew Corbett commented "granting of the Mt Cattlin tenements E74/570 and E74/571 satisfies a key milestone for Kingston Resources as the company moves to finalise the acquisition of lithium exploration assets."

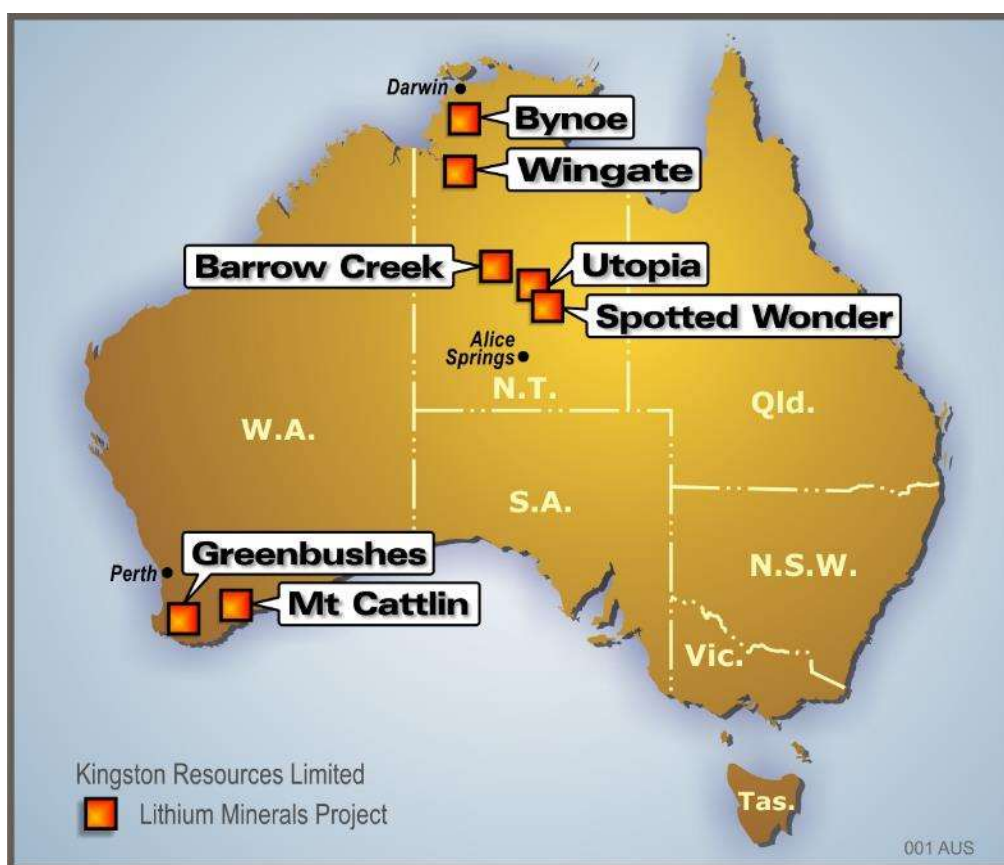
On the 19th May The Company issued 40,000,000 shares at \$0.021 per share raising \$840,000 (before costs) from institutional and sophisticated Investors (Tranche 1 Placement). The Tranche 2 Placement of 286,190,476 ordinary Kingston shares at \$0.021 each to raise \$6,010,000 (before costs) is subject to Kingston shareholder approval, on the 4th July, and necessary Completion terms.

The proceeds of the Placements will be used to fund an aggressive lithium exploration campaign across four key lithium fields in Western Australia and the Northern Territory.

## Kingston's Expanded Lithium Strategy

Kingston is acquiring 20 lithium-prospective tenement applications in Western Australia and the Northern Territory covering four key project areas: Mt Cattlin, Greenbushes, Bynoe / Wingate and North Arunta (figure 1). Upon grant, the new tenements will significantly expand and complement the Company's five existing lithium tenement applications in the Mt Cattlin and North Arunta regions. Additional information is available on the Company website <http://www.kingstonresources.com.au/home-news/corporate-presentation-may-2016/>

These exploration license applications are subject to standard processes and procedures of the West Australian Department of Mines and Petroleum and the Northern Territory Department of Mines and Energy. Although the Company has no reason to believe otherwise, the grant of the exploration licenses cannot be guaranteed.



**Figure 1: Kingston's Combined Lithium Portfolio**

## Mt Cattlin Project - E74-570 and E74-571

The newly granted tenements (Figure 2) are located approximately 15km south west of the Mt Cattlin Lithium Mine and provide the core tenements within the KSN Mt Cattlin Project.

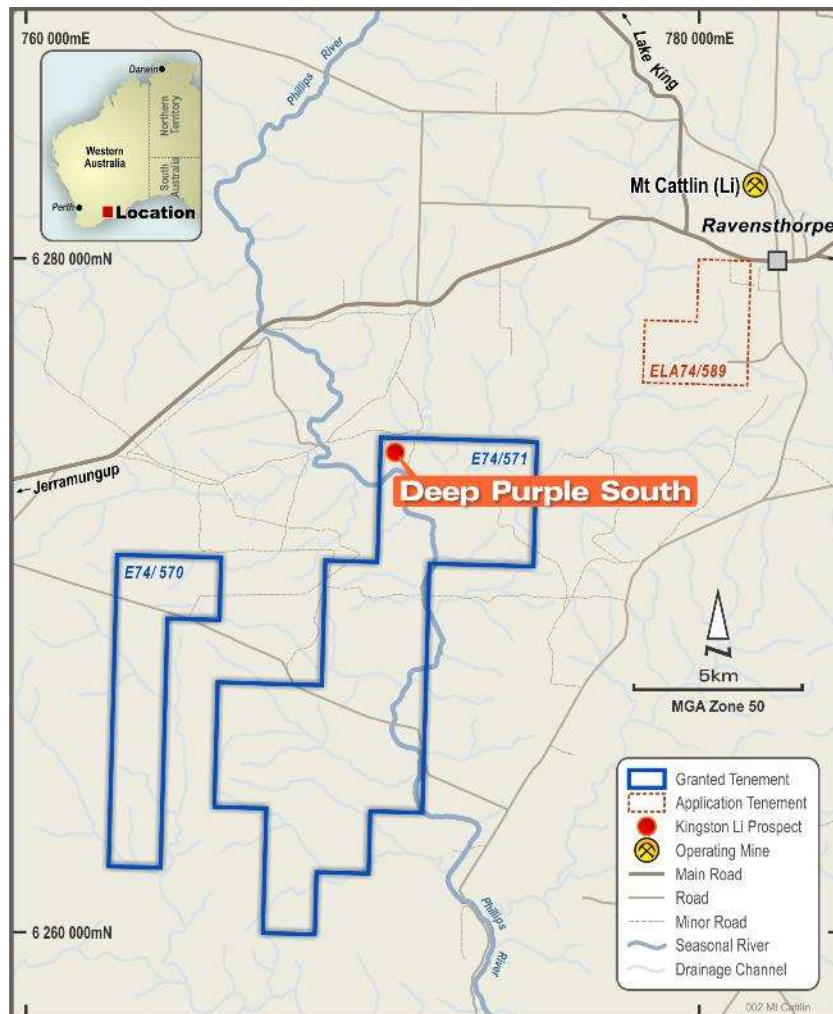


Figure 2: Kingston's Mt Cattlin Project – 76 km<sup>2</sup>

- Regional potential with close proximity to operating mines and well established logistics and infrastructure
- E74/571 contains the priority drill target, Deep Purple South, which has a series of lithium bearing pegmatites identified with rock chip results up to 4.48% Li<sub>2</sub>O\*
- The tenure covers the southwestern extension of the Annabelle Volcanics unit which hosts lithium bearing pegmatites in the region.
- Strong geophysical and geochemical evidence supporting the geological model to identify prospective Lithium-Cesium-Tantalum (LCT) pegmatites within the tenure.

## **Mt Cattlin Geophysics**

The Company is pleased to announce the completion of its latest targeting exercise, using geophysics data at its Mt Cattlin lithium project. A review of existing detailed radiometric and aeromagnetic data has identified multiple pegmatite targets throughout The Company's tenement package.

The targets are in most cases along strike from known lithium-bearing pegmatites (rock chip samples), within suitable structural settings and host stratigraphy (Figures 3 + 4). One of the target areas, Deep Purple South, in the northern part of tenement E74/571 is already known to contain anomalous lithium of up to 4.48%  $\text{Li}_2\text{O}^*$ , from first pass reconnaissance rock-chip sampling (Figure 5).

"This is extremely encouraging news for our exploration strategy at Mt Cattlin" stated Andrew Corbett. "With the tenement granted we expect to have a team on the ground conducting detailed soil surveys early in the September quarter, with the aim of moving the project towards drilling as quickly as possible".

## **Geophysics Programme Results**

In May 2016, Kingston commissioned Terra Resources Pty Ltd to interpret and target potential pegmatite responses observed in existing open file airborne geophysical data across its Mt Catlin lithium project tenements. The detailed open file survey was conducted on 50m line spacing, and contains high quality magnetic and radiometric data.

The targeting produced a series of radiometric anomalies throughout the tenement package, which are often indicative of potassium feldspar-rich zones of outcropping pegmatites. The limitation of radiometrics in exploring for lithium-bearing pegmatites is such that it will only show pegmatites that are clearly outcropping, and not obscured by sedimentary cover. The signatures of the geophysical anomalies were cross-referenced with areas of known lithium mineralisation, such as the Mt Catlin Mine pegmatite (GMM/GXY), to establish a benchmark for the targeting.

## **Future Work**

The Kingston exploration team intends to focus on testing the geophysical targets produced from this study. This can be done relatively cheaply and quickly, by geological mapping and, if lithium mineralisation is noted, surface rock-chip sampling to determine grade.

This will be followed by a detailed soil sampling program over the Deep Purple South Prospect as well as the other high priority targets discussed in this release. The Company believes that the area has an in-situ soil profile which will provide a consistent sampling media which will be used to identify Lithium Caesium Tantalum (LCT) type pegmatite characteristics both from



outcropping rocks and under shallow cover. Results of the proposed soil samples will form priority mapping targets which will be investigated, mapped and sampled in greater detail. Positive results at individual prospects will form the basis for an initial drilling program within the Mt Cattlin Project which is anticipated to occur in the first quarter of the FY17.

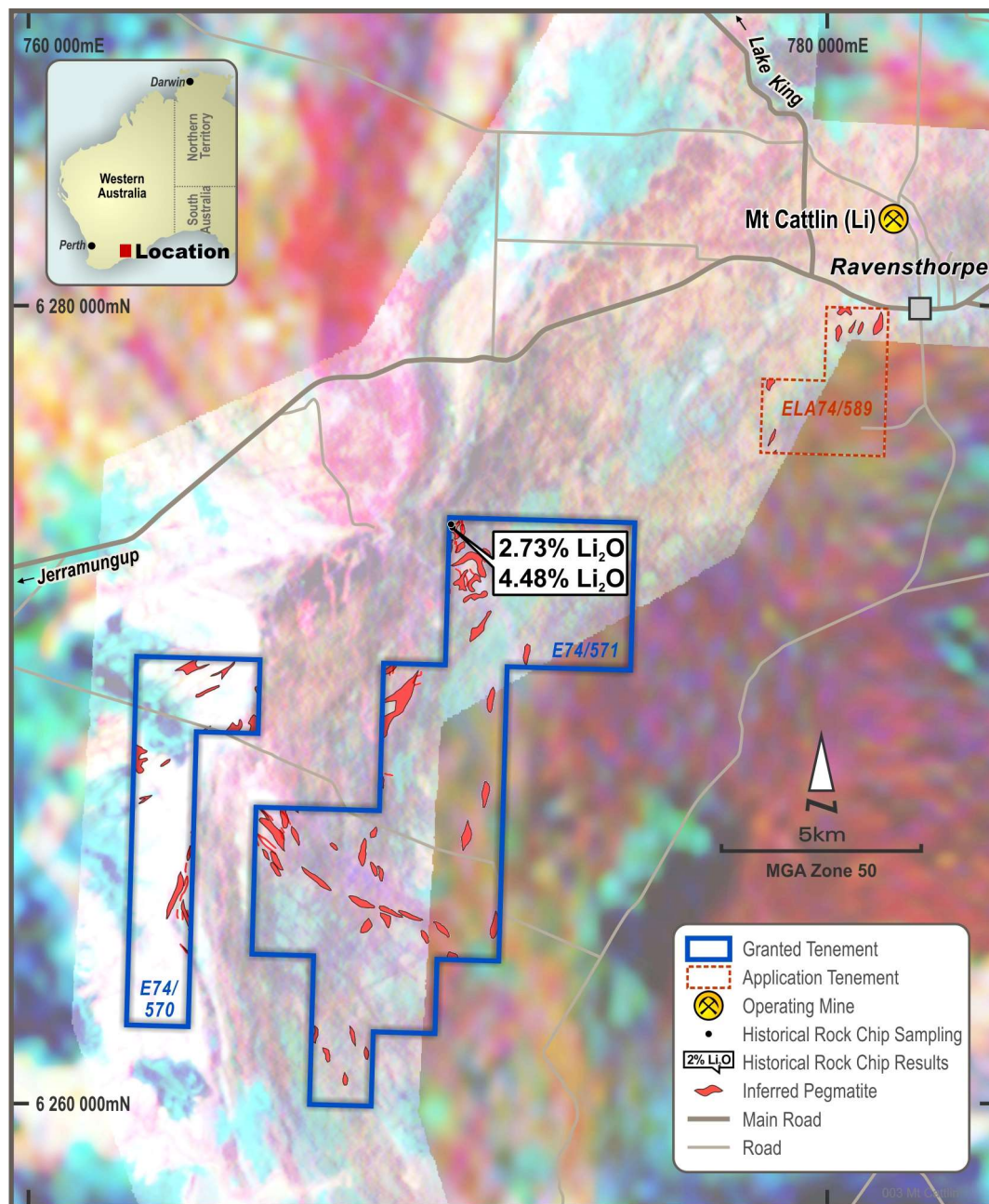


Figure 3: Mt Cattlin project: pegmatite targets & radiometric image\*.

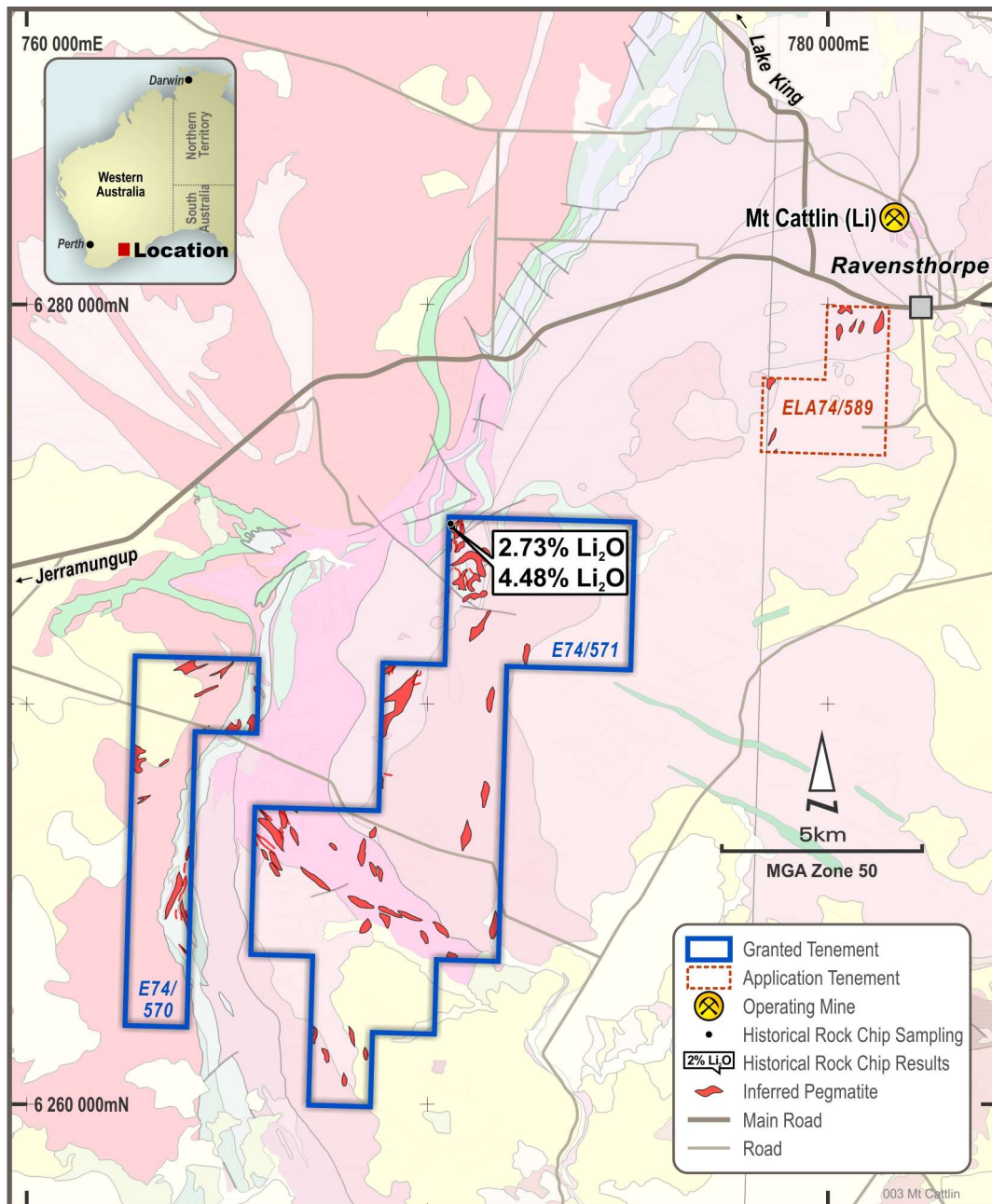


Figure 4: Mt Cattlin Project: pegmatite targets over regional interpreted geology\*.

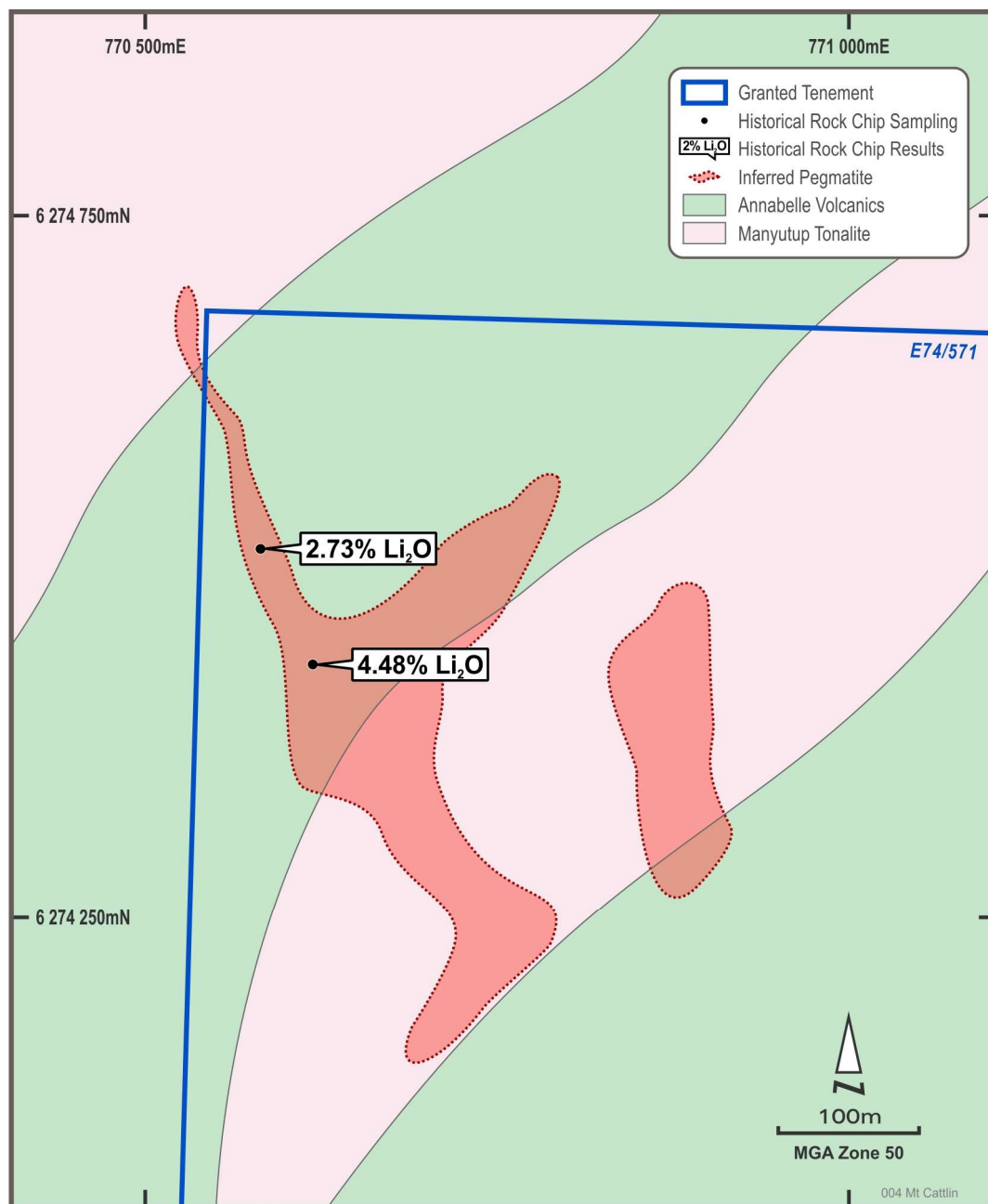


Figure 5: Deep Purple South prospect showing high-grade  $\text{Li}_2\text{O}$  rock chip values from GXY 2012 sampling\*.

**\*Galaxy Resources Ltd E74/287 (Mt Cattlin Project) Relinquishment Report 2012****Competent Persons Statement**

The information in this report that relates to Exploration Results, Minerals Resources or Reserves is based on information compiled by Mr Andrew Paterson, who is a member of the Australian Institute of Geoscientists. Mr Paterson is a full-time employee of the Company and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking to qualify as a competent person as defined in the 2012 Edition of the "Australasian Code for reporting of Exploration Results, Mineral Resources and Ore Reserves" (JORC Code). Mr Paterson consents to the inclusion in this report of the matters based upon the information in the form and context in which it appears.

The geophysical information in this report is based on information compiled by Mr Barry Bourne, who is employed as a Consultant to the Company through geophysical consultancy Terra Resources Pty Ltd. Mr Bourne is a fellow of the Australian Institute of Geoscientists and a member of the Australian Society of Exploration Geophysicists and has sufficient experience of relevance to the styles of mineralisation and the types of deposits under consideration, and activities undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Bourne consents to the inclusion in the report of matters based on information in the form and context in which it appears.