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 ACN 009 148 529

ASX Announcement

13th July 2016

ASX Code: KSN

Share Price: A\$0.021

Shares Outstanding: 660,269,985

Market Capitalisation: A\$13.9m

ACN 009 148 529

Board and Management

Anthony Wehby
Chairman

Andrew Corbett
Managing Director

Andrew Paterson
Chief Geological Officer

Stuart Rechner
Non-Executive Director

Yafeng Cai
Non-Executive Director

Kingston Resources is a metals exploration company with a strong focus on lithium. The company holds an attractive portfolio of tenements covering four key project areas. In Western Australia, the Mt Cattlin and Greenbushes projects are adjacent or near existing lithium mines. In the Northern Territory, the North Arunta and Bynoe/Wingate projects lie within known pegmatite fields. The company is well funded to rapidly advance its exploration program, with the initial focus being the Mt Cattlin pegmatite targets identified in recent geophysical work (see ASX announcement 29 June 2016).

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High Grade lithium rock chips at Deep Purple South

Highlights

- **Initial field work on the Deep Purple South prospect has yielded a number of high grade rock chip samples, results include**
 - **Sample #5043 3.23% Li₂O**
 - **Sample #5044 0.73% Li₂O**
 - **Sample #5045 2.76% Li₂O**
 - **Sample #5047 2.67% Li₂O**
- **These results conform with prior sampling by Galaxy which yielded samples containing up to 4.48%* Li₂O**
- **A comprehensive soil sampling program has commenced.**

Kingston Resources Limited (ASX:KSN) (The Company) is pleased to announce the results of an initial rock chip sampling program at its Deep Purple South prospect at Mt Cattlin.

A field reconnaissance trip to tenements E74/570 and E74/571 yielded nine rock chip samples, mainly from the Deep Purple South area. Three samples returned lithium assays in excess of 2.6% Li₂O. This work follows 2012 sampling done over the prospect by Galaxy (ASX:GXY) which yielded rock chips containing up to 4.48%* Li₂O

Encouragingly, these latest results support the recent review of the geophysics at the Company's Mt Cattlin project which identified a number of pegmatite targets which the Company is now following up (ASX announcement 29 June 2016).

"We're pleased that these samples have confirmed the tenor of grades reported previously" commented Kingston's Managing Director, Andrew Corbett. "These samples were collected on a very brief initial reconnaissance trip and we are now starting a detailed exploration campaign with the soils program commencing this week followed by mapping and surface sampling."

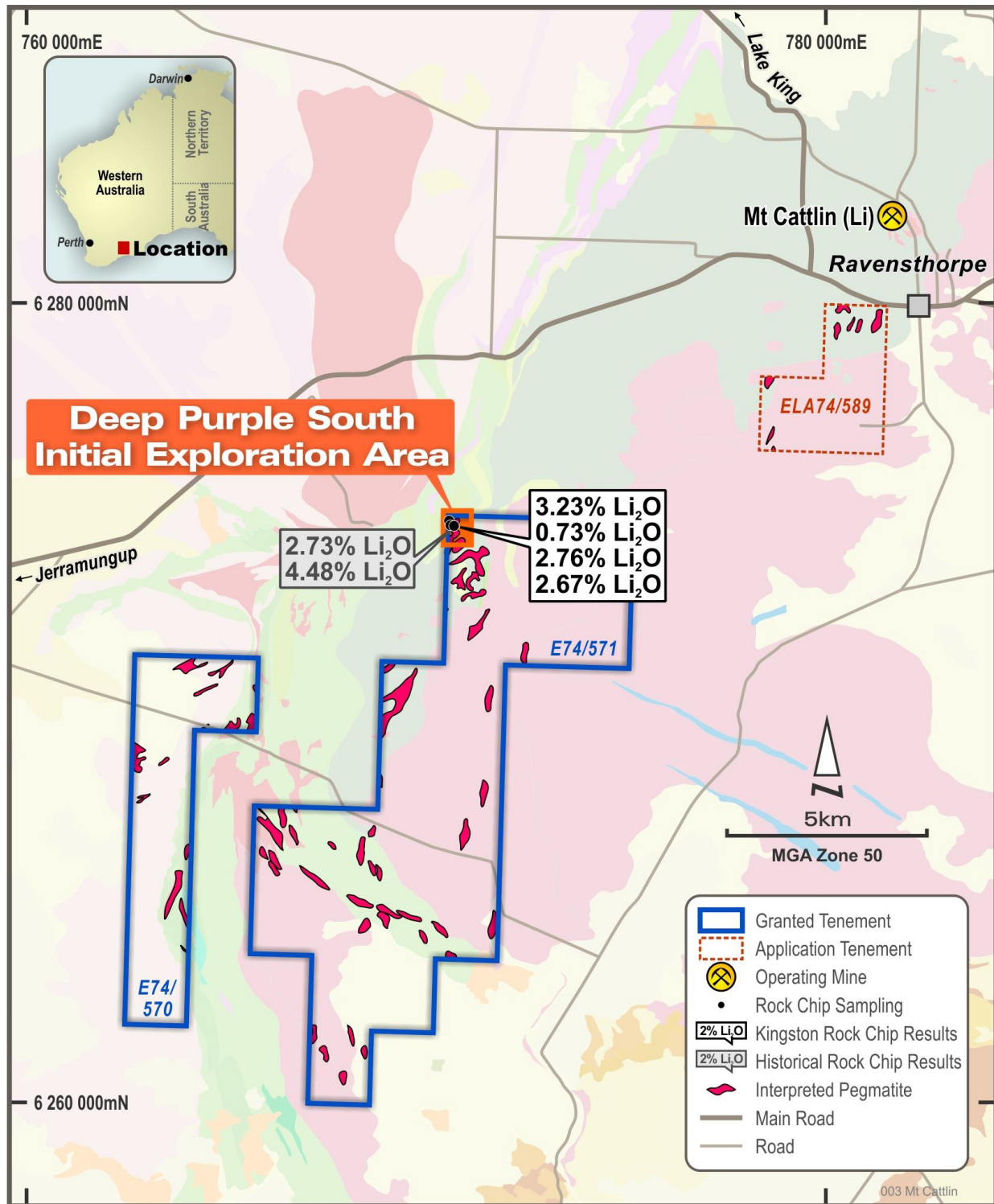


Figure 1: Deep Purple South Initial Exploration Area

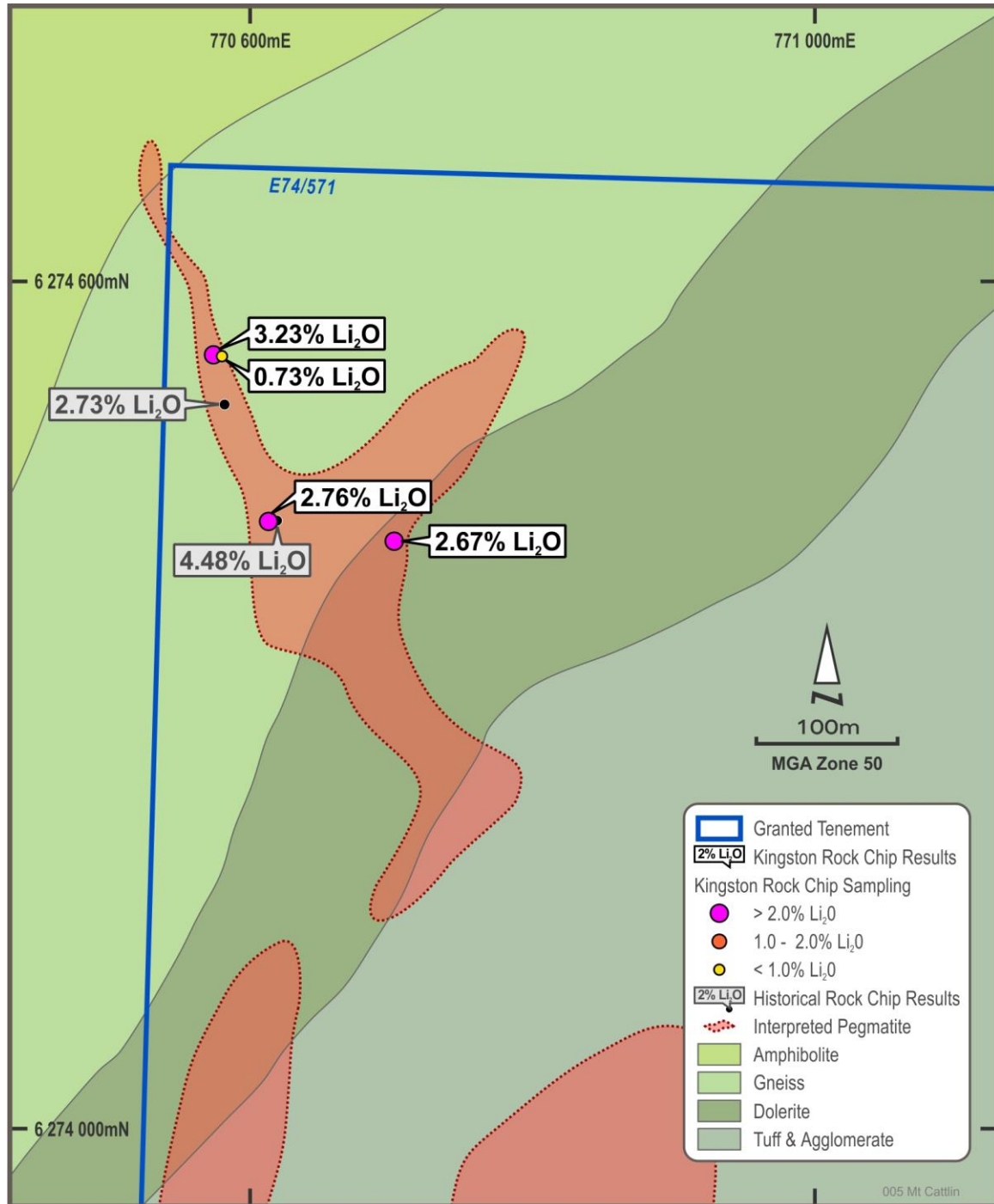


Figure 2: Selected KSN and GXY* rock chips at Deep Purple South.

Sample	Easting	Northing	Zone	Li2O %	Be ppm	Cs ppm	Ta ppm
5043	770574	6274548	50	3.23	19	5160	418
5044	770580	6274547	50	0.73	45800	2190	5
5045	770613	6274430	50	2.76	73	1440	106
5046	770615	6274450	50	0.01	72	48	-0.5
5047	770702	6274416	50	2.67	36	2240	128
5048	770836	6274403	50	0.1	20	65	25.5
5049	770826	6274365	50	0.02	18	91	30.5
5050	770786	6274296	50	0.03	14	13	5.5
5051	770577	6273238	50	0.03	20	32	26

Table 1: Rock chip assay values. Coordinates are GDA94-50.



Figure 3: Pegmatite subcrop at Deep Purple South

*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.

JORC Code, 2012 Edition – Table 1 report template

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. Aspects of the determination of mineralisation that are Material to the Public Report. In cases where ‘industry standard’ work has been done this would be relatively simple (eg ‘reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay’). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information. 	<ul style="list-style-type: none"> Kingston Resources Ltd (KSN) has collected surface rock chip samples from sub to outcropping pegmatites within E74-571. A total of 9 samples were collected whilst undertaking reconnaissance fieldwork. These rock chip samples are preliminary in nature (due to the limited reconnaissance fieldwork undertaken) and hence are not deemed representative of the pegmatites throughout the tenure
Drilling techniques	<ul style="list-style-type: none"> Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc). 	<ul style="list-style-type: none"> Not applicable as no drilling results are discussed.
Drill sample recovery	<ul style="list-style-type: none"> Method of recording and assessing core and chip sample recoveries and results assessed. Measures taken to maximise sample recovery and ensure representative nature of the samples. Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material. 	<ul style="list-style-type: none"> Not applicable as no drilling results are discussed.
Logging	<ul style="list-style-type: none"> Whether core and chip samples have been geologically and 	<ul style="list-style-type: none"> Not applicable as no drilling results are discussed.

Criteria	JORC Code explanation	Commentary
	<p><i>geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i></p> <ul style="list-style-type: none"> <i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i> <i>The total length and percentage of the relevant intersections logged.</i> 	
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> <i>If core, whether cut or sawn and whether quarter, half or all core taken.</i> <i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i> <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i> <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i> <i>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</i> <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i> 	<ul style="list-style-type: none"> Not applicable as no drilling results are discussed.
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i> <i>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i> <i>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</i> 	<ul style="list-style-type: none"> Rock samples were sent to Bureau Veritas for PF100 (where an aliquot of sample is fused Sodium Peroxide Fusion in an alumina crucible then measured by an ICP-AES or ICP-MS. No external standards or blanks were added to the sample submission by the company, however the laboratory routinely run standards with each batch
Verification of sampling and assaying	<ul style="list-style-type: none"> <i>The verification of significant intersections by either independent or alternative company personnel.</i> <i>The use of twinned holes.</i> <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i> 	<ul style="list-style-type: none"> No independent geologists were engaged to verified results. Li₂O has been calculated from Li ppm using a calculation of Li% * 2.152529 = Li₂O% to determine the proportion of lithium oxide

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> Discuss any adjustment to assay data. 	
Location of data points	<ul style="list-style-type: none"> Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. Specification of the grid system used. Quality and adequacy of topographic control. 	<ul style="list-style-type: none"> All coordinate information was collected using hand held GPS utilising GDA 94, Zone 50.
Data spacing and distribution	<ul style="list-style-type: none"> Data spacing for reporting of Exploration Results. Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. Whether sample compositing has been applied. 	<ul style="list-style-type: none"> Sample locations are listed in table 1 and displayed in figures within the document
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material. 	<ul style="list-style-type: none"> Samples were driven to Perth and submitted directly to the laboratory.
Sample security	<ul style="list-style-type: none"> The measures taken to ensure sample security. 	<ul style="list-style-type: none"> Not applicable as no drilling results are discussed.
Audits or reviews	<ul style="list-style-type: none"> The results of any audits or reviews of sampling techniques and data. 	<ul style="list-style-type: none"> Not applicable as no audits or reviews of sampling techniques have been undertaken.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. 	<ul style="list-style-type: none"> Tenements E74/570 and E74/571 are KSN 100%, having been granted on the 29th June 2016. The tenements are held under Slipstream Resources WANT Ltd which KSN acquired as part of a business transaction which was finalised at the KSN AGM on the 4th July 2016.

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> <i>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</i> 	<ul style="list-style-type: none"> There are no known impediments to KSN undertaking its exploration activities within E74-570 or E74-571
<i>Exploration done by other parties</i>	<ul style="list-style-type: none"> <i>Acknowledgment and appraisal of exploration by other parties.</i> 	<ul style="list-style-type: none"> Portions of both tenements were previously explored by Galaxy Resources Ltd. Galaxy Resources Ltd's work included surface rock chip samples from within portions of KSN's E74-571 and detailed in Galaxy Resources Ltd E74/287 (Mt Cattlin Project) Relinquishment Report 2012.
<i>Geology</i>	<ul style="list-style-type: none"> <i>Deposit type, geological setting and style of mineralisation.</i> 	<ul style="list-style-type: none"> KSN is targeting any potential mineralisation within the outcropping pegmatites within E74-571. The mineralisation style is expected to be pegmatite hosted hard rock Lithium-Tantalum mineralisation associated with LCT type pegmatites. The tenure covers the southwestern extension of the Annabelle Volcanics unit which hosts lithium bearing pegmatites in the region.
<i>Drill hole Information</i>	<ul style="list-style-type: none"> <i>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:</i> <ul style="list-style-type: none"> <i>easting and northing of the drill hole collar</i> <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i> <i>dip and azimuth of the hole</i> <i>down hole length and interception depth</i> <i>hole length.</i> <i>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</i> 	<ul style="list-style-type: none"> See Table 1 within this report body for the details of the rock chip sample locations.
<i>Data aggregation methods</i>	<ul style="list-style-type: none"> <i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</i> <i>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of</i> 	<ul style="list-style-type: none"> The samples are all point data, and no aggregation has been used.

Criteria	JORC Code explanation	Commentary
	<p><i>such aggregations should be shown in detail.</i></p> <ul style="list-style-type: none"> <i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i> 	
<i>Relationship between mineralisation widths and intercept lengths</i>	<ul style="list-style-type: none"> <i>These relationships are particularly important in the reporting of Exploration Results.</i> <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i> <i>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</i> 	<ul style="list-style-type: none"> Not applicable as no drilling has been undertaken
<i>Diagrams</i>	<ul style="list-style-type: none"> <i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i> 	<ul style="list-style-type: none"> Supporting figures have been included within the body of this release.
<i>Balanced reporting</i>	<ul style="list-style-type: none"> <i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i> 	<ul style="list-style-type: none"> All results have been reported.
<i>Other substantive exploration data</i>	<ul style="list-style-type: none"> <i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i> 	<ul style="list-style-type: none"> Airborne aeromagnetic and radiometric data flown by UTS Geophysics in 2007 has been used in the interpreted pegmatite occurrences in Figures 1 and 2. Refer to ASX announcement 29 June 2016.
<i>Further work</i>	<ul style="list-style-type: none"> <i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i> <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i> 	<ul style="list-style-type: none"> Detailed gridded soil sampling with E74-571 is being undertaken in the coming weeks. This will be supported by mapping and further rock chip sampling to identify drill targets. RC drill testing of priority targets