

Significant shallow gold intersected in early drilling at Misima North

Hole GDD065 encounters interpreted 16-metre zone of gold mineralisation

- Highly encouraging assay results received from recent drilling at Misima North, with diamond hole GDD065 returning multiple significant intercepts including:
 - 3.5m @ 1.48g/t Au and 78.0g/t Ag from 16.2m *including* 1m @ 2.18g/t Au and 201g/t Ag
 - 1.9m @ 1.50g/t Au and 2.0g/t Ag from 20.9m
 - 8.4m @ 4.55g/t Au and 11.4g/t Ag from 23.8m *including* 3.5m @ 9.58g/t Au and 26.1g/t Ag
 - 4.2m @ 2.48g/t Au and 10.4g/t Ag from 76.0m
 - 5.3m @ 0.85g/t Au and 9.0g/t Ag from 99.7m *including* 1.5m @ 1.12g/t Au
- Some core loss occurred within the mineralised section between 16.2m and 32.2m of GDD065. Kingston believes this 16m section may represent a continuously mineralised zone.
- Assays awaited from a follow-up hole (GDD071) designed to confirm the true width and continuity of this shallow, strongly mineralised zone.
- Results highlight the strong potential to discover additional shallow, high-grade mineralisation at Misima North, supporting Kingston's strategy of targeting shallow "starter pit" opportunities at Misima.
- This early drilling success highlights the prospectivity of the largely untested 4km strike extension to the north of the historical Umuna Pit.

Kingston Resources Limited (ASX: **KSN**) (**Kingston** or the **Company**) is pleased to report highly encouraging initial assay results from drilling at the Misima North prospect, part of the **2.8Moz Misima Gold Project** in PNG. Diamond hole GDD065 returned multiple high-grade intercepts including:

- 3.5m @ 1.48g/t Au and 78.0g/t Ag from 16.2m
- 1.9m @ 1.50g/t Au and 2.0g/t Ag from 20.9m
- 8.4m @ 4.55g/t Au and 11.4g/t Ag from 23.8m including 3.5m @ 9.58g/t Au and 26.1g/t Ag
- 4.2m @ 2.48g/t Au and 10.4g/t Ag from 76.0m
- 5.3m @ 0.85g/t Au and 9.0g/t Ag from 99.7m including 1.5m @ 1.12g/t Au

Due to the experience of some core loss within GDD065, Kingston believes there is potential for a continuous zone of high-grade gold mineralisation between 16.2m and 32.2m down-hole. In order to confirm this, a follow-up drill-hole has been completed and assay results are currently awaited.



Kingston Resources Managing Director, Andrew Corbett, said: “We’re delighted to see such encouraging results from one of our first Misima North holes, with these assays confirming the presence of high-grade gold mineralisation 2.5km north of the existing Umuna Resource boundary, and highlighting the prospectivity of the broader Umuna Fault Corridor which hosts both the Umuna and Misima North target areas. The entire 4km strike length of the Umuna Fault Corridor remains largely untested, providing a large, high-quality exploration target for the Company to progressively drill.

“Importantly, Misima North represents the second new area discovered by Kingston in recent months, coming after the previously reported discovery at Abi, part of the Quartz Mountain region (see ASX Announcement 17 September 2019). Such successes are a strong credit to the excellent work being done by our geological team in pursuit of our strategy to identify near-surface mineralisation to provide early mill feed for the Misima mine plan.

“We currently have two rigs drilling at Ewatinona in the Quartz Mountain area as we look to upgrade and potentially expand the existing Resource in this area, with drilling also planned to follow-up on the initial positive results at Abi. Once those campaigns are complete, we then expect to return to Misima North for a second round of drilling.”

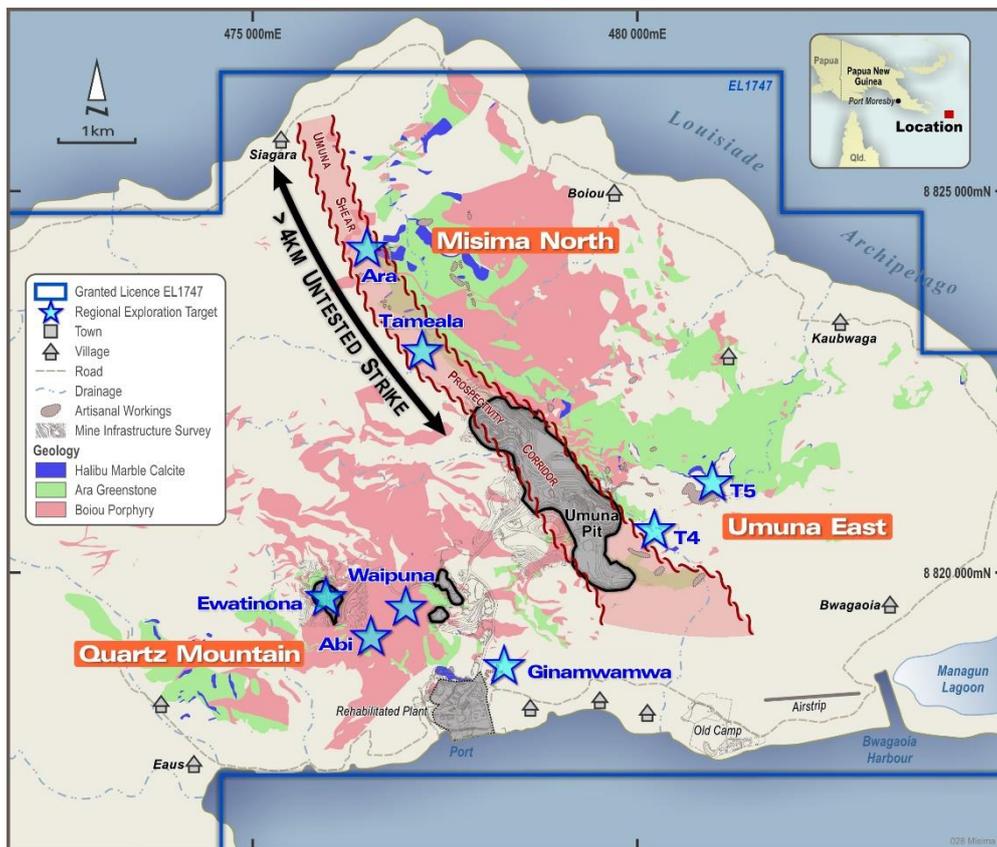


Figure 1. Misima Gold Project – Regional target map

Misima North

Misima North is a 4km prospective target corridor trending NNW from the former Umuna open pit. Field work and structural analysis had elevated the potential at Misima North, suggesting that previous drilling has not properly tested the shear position and subsidiary structures. Known anomalism and mineralisation at Misima North is indicative of supergene enrichment within structures adjacent to and within the Umuna Fault Corridor. GDD065 was part of the initial 8-hole drill program at the Ara Prospect within Misima North. The program was targeting an interpreted northwest-trending breccia with anomalous surface geochemistry, within the interpreted extension of the Umuna Fault Corridor.

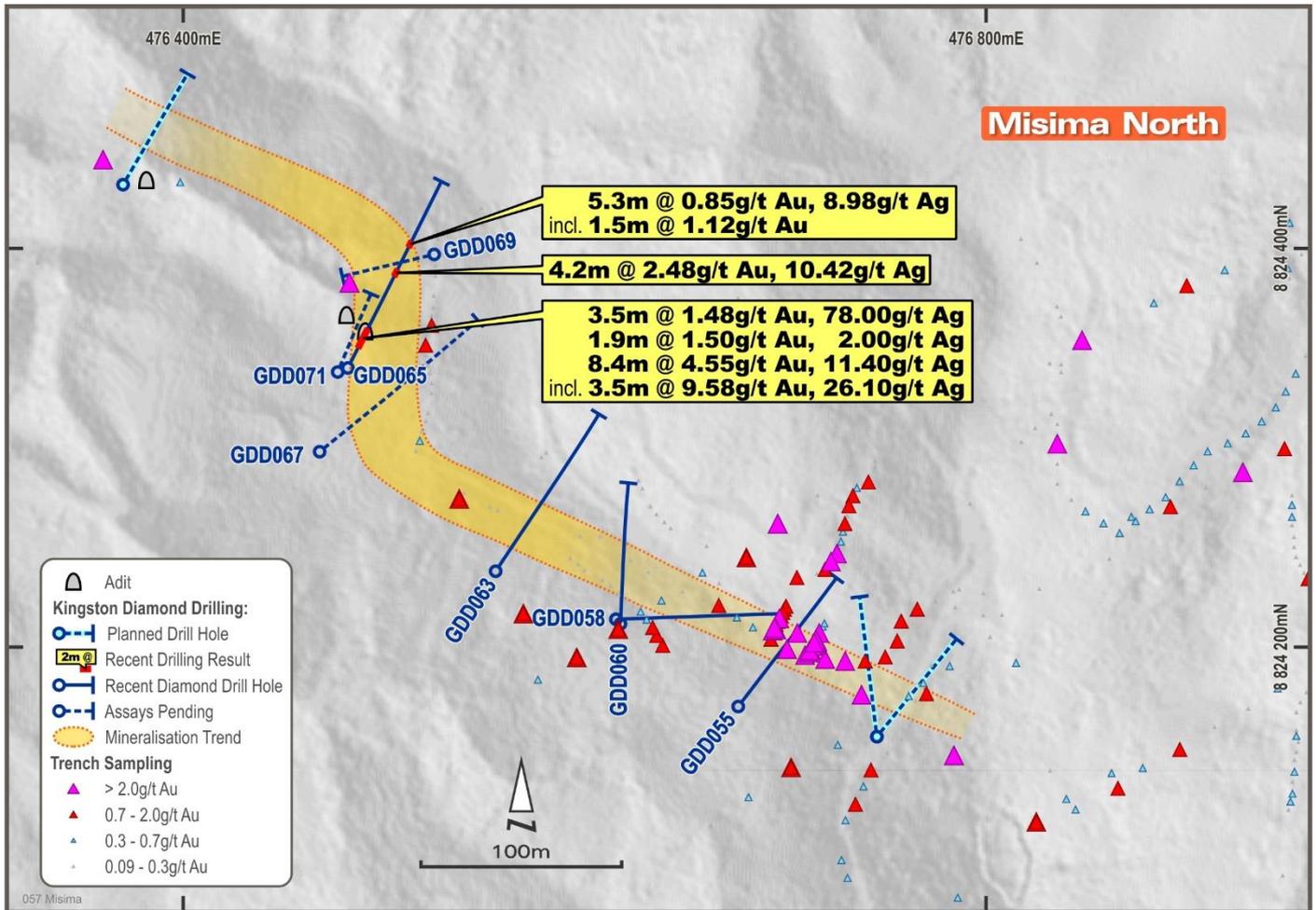


Figure 2. Misima North: recent drill holes along with significant intersections and planned follow up drill holes

Gold-silver mineralisation at Misima North is characterised by veins and breccia bodies developed at the contacts between greenstone and marble, within brecciated marble, and the schistosity fabric of greenstone and schist units within the broader Umuna Fault Corridor. Supergene enrichment of gold is common, with surface trenching interpreted as intersecting a brecciated limestone that has collapsed and concentrated gold through weathering.

New access roads have exposed outcropping breccia veins with drusy quartz and manganese wad that are north dipping within the greenstone schistosity fabric. It is interpreted that drill holes GDD055, GDD060, GDD58 and GDD063 may have drilled below these near-surface targets, and as a result, the area requires further drill testing.

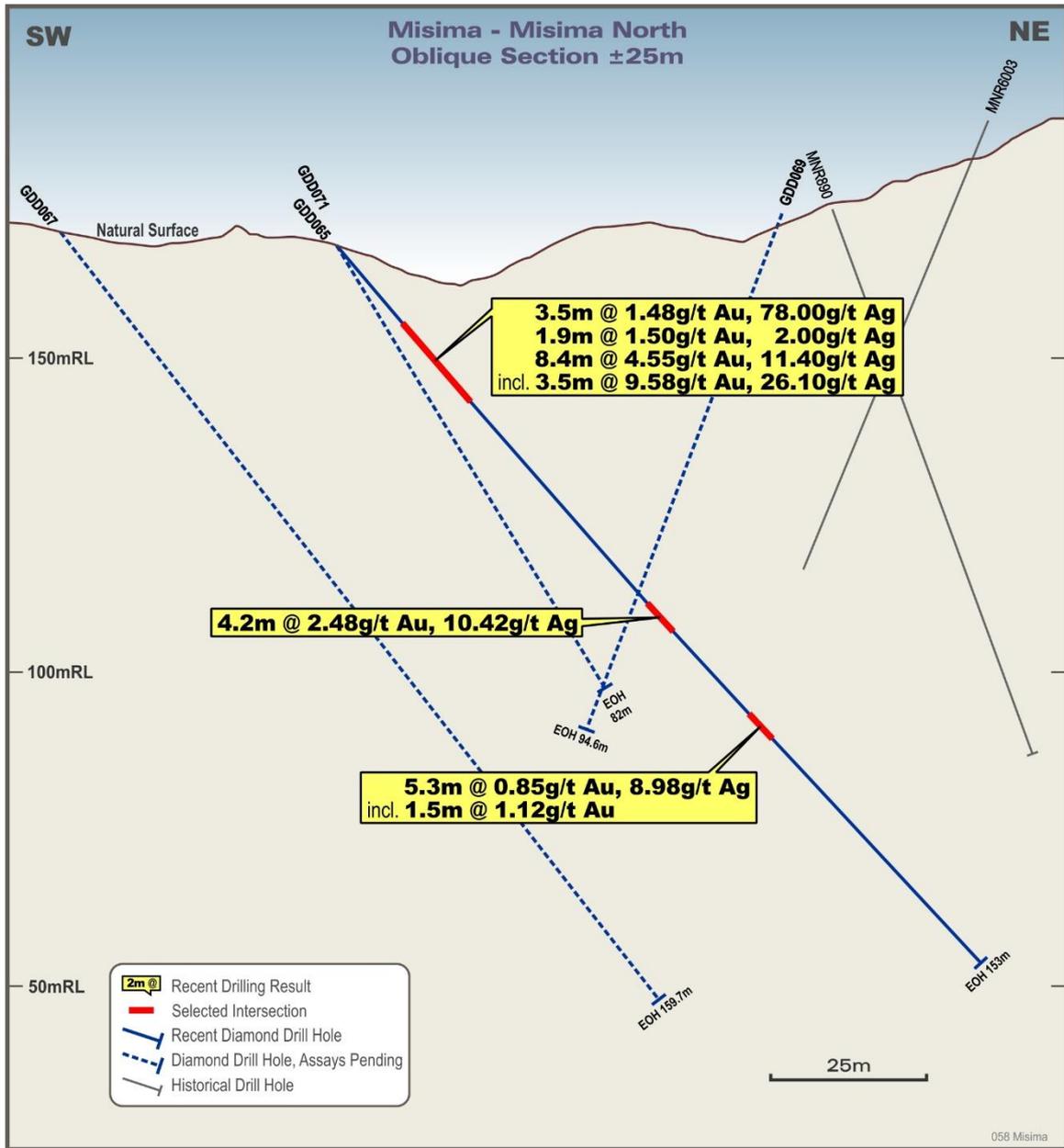


Figure 3. Cross section focussing around the high-grade mineralisation in hole GDD065

The high-grade gold results returned from Misima North confirm that the project hosts all the geological features that have been identified as conducive to gold endowment in Umuna-style mineralisation. Silver values are also high in GDD065, with the intercept of 1m @ 2.18g/t Au and 201g/t Ag from 17.7m among the highest-grade silver intersections reported at Misima.

Core recovery in GDD065 was poor due to the friable nature of some sections within the mineralised zone (see Figure 4) as well as the presence of cavities in the rock formation. Some of the highest-grade samples (returning up to 12.7g/t Au) have intervals of core loss next to them (See Table 1). Within the three reported mineralised intervals in GDD065 from 16.2m to 32.2m, there were two sections of core loss totalling 2.2m, each adjacent to high-grade sub-sections. As a result, the reported mineralisation has the potential to be up to 16m wide and of even higher grade. Kingston has completed a second hole (GDD071) in the same location with no significant core loss, which is expected to help confirm the true width of the intersection.



Figure 4. GDD065 18.9m to 27m downhole depth displaying silica, carbonate base metal infill brecciation textures

Follow-up drill holes (GDD067, GDD069, GDD071) have been completed below and across GDD065 to test continuity of interpreted structures and achieving maximal recovery of brecciated and oxidised material. All drill holes have intersected structures and breccia bodies that are interpreted as extensions of those in GDD065. Samples from the recent drill-holes and outcropping structures have been dispatched and assays are awaited.

The Umuna Fault Corridor remains highly prospective with outcropping mineralised structures and anomalous surface geochemistry to the northwest of GDD065 remaining untested, with follow-up drilling planned on a campaign basis in Q2 CY2020.

Next Steps

Kingston is currently working through resource definition and expansion drilling at Ewatinona in the Quartz Mountain area. This will include follow-up holes at the nearby Abi discovery. At the conclusion of this program Kingston expects to return to Misima North to follow-up on the initial drilling success.

Hole ID	Status	From	To	Interval	Au (ppm)	Ag (ppm)	Cu (ppm)	Pb (ppm)	Zn (ppm)
GDD055	Prelim			NSI					
GDD058	Prelim	6.3	8.5	2.2	0.71	Pending	Pending	Pending	Pending
		16.7	17.2	0.5	0.76				
		50.5	51	0.5	0.68				
GDD060	Prelim			NSI					
GDD063	Prelim	5.1	6.9	1.8	1.14	Pending	Pending	Pending	Pending
		26.4	27.3	0.9	0.51				
		92	93	1	1.27				
GDD065	Final	16.2	19.7	3.5	1.48	78.0	711	10790	5823
incl				1	2.18	201.0	1576	9540	14835
No Core		19.7	20.9	1.2					
		20.9	22.8	1.9	1.50	2.0	212	1939	160
No Core		22.8	23.8	1					
		23.8	32.2	8.4	4.55	11.4	435	25721	1304
incl				3.5	9.58	26.1	824	58822	1933
incl				2	12.70	33.6	956	68340	1454
		63	65	2	1.79	2.0	54	1072	870
No Core		65	65.7	0.7					
		76	80.2	4.2	2.48	10.4	223	3596	5260
No Core		92.5	94	1.5					
		94	94.3	0.3	0.92	41.9	221	8692	22573
		99.7	105	5.3	0.85	9.0	258	1837	4635
incl				1.5	1.12	6.6	281	2139	5927
		113.2	113.5	0.3	0.95	1.0	13	308	924
		128.2	129.2	1	0.46	1.2	8	99	67

Table 1: Kingston significant intersections. Intersections are calculated at a minimum cut-off of 0.4g/t Au with a maximum 2.2m of internal dilution. Grades are weighted by sample length and averaged over the interval.

Hole ID	Easting	Northing	RL	Azimuth	Dip	Depth
GDD055	476678	8824172	168	037	-50	120
GDD058	476618	8824214	170	088	-50	120
GDD060	476618	8824214	170	003	-50	108
GDD063	476557	8824240	169	033	-50	147
GDD065	476482	8824340	168	027.3	-50	153

Table 2: Collar details for reported holes

This release has been authorised by the Kingston Resources Limited Board. For all enquiries please contact Managing Director, Andrew Corbett, on +61 2 8021 7492.

About Kingston Resources

Kingston Resources is a metals exploration company which is focused on exploring and developing the world-class Misima Gold Project in PNG. Misima hosts a JORC resource of 2.8Moz Au. Misima was operated as a profitable open pit mine by Placer Pacific between 1989 and 2001, producing over 3.7Moz before it was closed when the gold price was below US\$300/oz. The Misima Project offers outstanding potential for additional resource growth through exploration success targeting extensions and additions to the current 2.8Moz Resource base. Kingston currently owns 77% of the Misima Gold Project where active exploration programs are underway.

In addition, Kingston owns 75% of the high-grade Livingstone Gold Project in Western Australia where active exploration programs are also in progress.



Kingston project locations

The Misima Mineral Resource estimate outlined below was released in an ASX announcement on 27 November 2017. Further information relating to the resource is included within the original announcement.

Resource Category	Cutoff (g/t Au)	Tonnes (Mt)	Gold Grade (g/t Au)	Silver Grade (g/t Ag)	Au (Moz)	Ag (Moz)
Indicated	0.5	37.2	1.1	4.9	1.3	5.8
Inferred	0.5	45.0	1.0	5.6	1.5	8.1
Total	0.5	82.3	1.1	5.3	2.8	13.9

Table 3: Misima JORC 2012 Mineral Resource Estimate summary table

Competent Persons Statement and Disclaimer

The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by Mr Stuart Rechner BSc (Geology) MAIG, a Competent Person who is a member of the Australian Institute of Geoscientists. Mr Rechner is a Director of the Company. Mr Rechner has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken 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”. Mr Rechner consents to the inclusion in this report of the matters based upon the information in the form and context in which it appears.

Kingston confirms that it is not aware of any new information or data that materially affects the information included in all ASX announcements referenced in this release, and that all material assumptions and technical parameters underpinning the estimates in these announcements continue to apply and have not materially changed.

JORC Code, 2012 Edition – Table 1 Umuna Gold Deposit, Misima Island

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections)

Criteria	Commentary
<i>Sampling techniques</i>	<p>Drilling</p> <ul style="list-style-type: none"> • Samples are core from diamond drilling of PQ and HQ size. • Core is sampled in 2m intervals away from the ore zone or to lithological contacts, whichever is shorter. In mineralised areas core is sampled in 1 to 2m lengths or to lithological contacts. <p>Surface Sampling</p> <ul style="list-style-type: none"> • The samples were channel samples and rock chips, sampled by hand using geo-picks to geological boundaries after soil, vegetation and debris had been cleared away with shovels.
<i>Drilling techniques</i>	<ul style="list-style-type: none"> • PQ and HQ triple-tube diamond drilling. All core is oriented using a Reflex digital orientation tool.
<i>Drill sample recovery</i>	<ul style="list-style-type: none"> • Core recovery is measured as the difference between core recovered in a drill run and the down-hole run shown on the driller's core blocks. • The driller modifies drilling pressure to optimise core recovery as much as possible, particularly in areas of softer lithologies. • There is no observed relationship or bias between sample recovery and grade.
<i>Logging</i>	<ul style="list-style-type: none"> • Core samples are logged for lithology, structure, alteration, rock quality and magnetic susceptibility. Structure, Rock Quality Designation (RQD) and magnetic susceptibility are quantitative measurements. • All core is photographed by tray. • Channel samples and rock chips are logged for lithology and any visible mineralogy and alteration.
<i>Sub-sampling techniques and sample preparation</i>	<p>Drilling</p> <ul style="list-style-type: none"> • Up to Sept. 2019, PQ3 core is cut and sampled as quarter core. From Oct. 2019, PQ3 core is cut and sampled as half core. • HQ3 core is cut as half core. The orientation line is used as a cutting guide to ensure consistency in sampling. • The sampling interval and technique is considered appropriate for the style of mineralisation and is consistent with the techniques used by Misima Mines Ltd (Placer) during previous exploration and mining of the project. • The sample size is appropriate to the observed mineralisation style and historical geostatistical distribution of gold values. <p>All Samples</p> <ul style="list-style-type: none"> • Samples are transported to Intertek in Lae where they are dried and crushed to 95% passing 3mm. The crushed sample is then pulverised and a 50g charge is taken for gold analysis by fire assay. • A 100g pulp from each sample is flown to Townsville where they are analysed using Intertek's Four Acid 33 Element package. An OES finish is provided for Ag, Pb, Zn and Cu values that report over-range assays.
<i>Quality of assay data and laboratory tests</i>	<ul style="list-style-type: none"> • Standard reference materials are inserted at a frequency of one per 20 samples. • Field duplicates were inserted at a frequency of one per 20 samples. • Blanks are inserted at a frequency of one per 50 samples. • QAQC performance is tracked using acquire database software. • Acceptable levels of accuracy have been achieved using these techniques. • Intertek conducts periodic laboratory QAQC including sizing tests and crushate / pulp duplicate tests. • Gold values are also verified by assaying batches of pulps at an independent assay lab in Perth.
<i>Verification of sampling and assaying</i>	<ul style="list-style-type: none"> • No independent data verification procedures were undertaken other than the QA/QC mentioned above. • Primary data is recorded on site either digitally or on paper logs before being transferred to Perth for loading into an acquire database. Assay data is provided digitally as CSV and PDF files.
<i>Location of data points</i>	<ul style="list-style-type: none"> • Hole collar locations are recorded using a hand-held Garmin GPS, recording X,Y,Z positions in GDA94 datum (Zone 56). Z positions are later adjusted to fit LiDAR values. • Down-hole orientation is recorded using a Reflex survey camera taking a shot every 30m. • Channel samples and rock chips are located using a handheld Garmin GPS to record the centre of each 2m channel interval in GDA94 datum Zone 56.
<i>Data spacing and distribution</i>	<ul style="list-style-type: none"> • Sample intervals are shown in the table of significant intersections in the body of this announcement. • No compositing has been applied.

Criteria	Commentary
<i>Orientation of data in relation to geological structure</i>	<ul style="list-style-type: none"> Holes are drilled approximately orthogonal to the interpreted trend of mineralisation This orientation is considered to avoid sample bias relative to the angle of mineralised structures. Channels are dug approximately perpendicular to the strike of observed lithological contacts.
<i>Sample security</i>	<ul style="list-style-type: none"> Samples were submitted by air or sea freight by Gallipoli Exploration (PNG), a subsidiary of Kingston, personnel for freight from Misima to Lae, and collected from Lae by Intertek staff. There were no other specific sample security protocols in place.
<i>Audits or reviews</i>	<ul style="list-style-type: none"> Not applicable

Section 2 Reporting of Exploration Results

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

Criteria	Commentary
<i>Mineral tenement and land tenure status</i>	<ul style="list-style-type: none"> Misima Island is part of the Louisiade Archipelago within Milne Bay Province of PNG. It is situated in the Solomon Sea about 625 km east of Port Moresby, the capital of PNG. The site is located at an approximate latitude of 10° 40' South and longitude of 152° 47' E. The Property consists of a single Exploration Licence, (EL) 1747, comprising 53 sub blocks, covering a total area of 180 km². This EL is valid until 20 March 2021. All conditions pertaining to compliance of the title have been met. The Property is located on the eastern portion of the island and includes the historic mining areas of Umuna and Quartz Mountain. There are no known impediments. KSN holds title via its subsidiary Gallipoli Exploration Ltd. Gallipoli is the legal entity and tenement holder and is responsible for performing its obligations under the <i>Mining Act</i> 1992.
<i>Exploration done by other parties</i>	<ul style="list-style-type: none"> The project area has been subject to mineral exploration by a number of previous parties, most notably Placer Pacific between 1987 to 2004. For a detailed summary of previous explorers' work readers are recommended to read the JORC Table 1 released with the November 2017 Misima resource update (ASX:KSN announcement 27 November 2017).
<i>Geology</i>	<ul style="list-style-type: none"> Misima Island forms part of the Louisiade Archipelago which is a continuation of the Papuan Fold Belt of the Papuan Peninsula offshore eastwards through the Papuan Plateau. The oldest rocks on Misima are Cretaceous to Paleogene metamorphic rocks, which can be subdivided into the western Awaibi Association and the younger overthrust eastern Sisa Association that is host to the gold and copper mineralization. The two associations are separated by an original thrust fault with later extensional activation. Mineralisation deposit style on Misima Island is best described as Intermediate Sulphidation Epithermal due to the strong association with porphyry Cu Au style alteration, veining and characteristics, the dominance of Ag Zn Pb Au Cu Mn geochemistry as well as complex alteration styles and geometry. Styles of mineralisation observed include multiphase hydrothermal breccia, stockworks both sheeted and three-dimensional, skarn, jasperoidal replacement, and poorly banded vein infill of quartz and carbonate with associated pyrite, galena, sphalerite, barite and minor tetrahedrite. Structurally the Umuna geometry is typical of a complex fault array with a large major fault hosting the majority of the precious metal mineralisation with numerous ancillary splays developed in the footwall to the main structure. The intersection of the splays and the dominant Umuna Fault are loci for zones of well-developed mineralisation. Mineralisation has a dominant structural control however strong secondary stratigraphic controls are also observed in particular where skarn style mineralisation is developed in Halibu Limestone – Ara Schist contacts. A series of north west trending splays intersect and control the loci of the higher-grade material within the Umuna fault zone.
<i>Drill hole Information</i>	<ul style="list-style-type: none"> Hole locations and orientations are displayed in the table within the body of the announcement.
<i>Data aggregation methods</i>	<ul style="list-style-type: none"> Where significant intersection results are used, the average grades are weighted by the sample width of each assay within the intersection. No metal equivalence calculations are used in reporting.
<i>Relationship between</i>	<ul style="list-style-type: none"> Drill orientation is as close to perpendicular as possible given the limitations of the rig used. True widths vary from approximately 85% to approximately 100% of the down-hole width based on the current

Criteria	Commentary
<i>mineralisation widths and intercept lengths</i>	interpretation.
<i>Diagrams</i>	<ul style="list-style-type: none"> • See figures in release
<i>Balanced reporting</i>	<ul style="list-style-type: none"> • The cut-off grade used in determining significant intersections is shown in the table within the body of this announcement. Lower grade or unmineralised sections of the hole are not reported.
<i>Other substantive exploration data</i>	<ul style="list-style-type: none"> • Other relevant exploration data is released to the market on an ongoing basis.
<i>Further work</i>	<ul style="list-style-type: none"> • Exploration drilling is planned to continue during 2020. • Further work will involve structural mapping and interpretation, channel sampling orthogonal to mineralised structures, and drilling.