

Quarterly Activities Report

For the quarter ending 30 September 2019

Misima Gold Project, PNG

- Drilling programs and analytical work continued, successfully focused on identifying near-surface oxide gold mineralisation for further assessment as potential starter pits.
- Ewatinona drilling highlights:
 - 20.0m @ 1.81g/t Au from 78m, including 3.0m @ 7.48g/t Au
 - 15.7m @ 1.60g/t Au from 40m, including 7.0m @ 3.19g/t Au
- Abi drilling delivers high-grade gold discovery:
 - 23.6m @ 2.91g/t Au from 7.4m, including 13.5m @ 4.60g/t Au from 17.5m and including 4.3m @ 11.58g/t Au from 19.1m
- Second diamond drill rig commissioned ahead of schedule.
- Drilling now underway at Umuna East and Misima North.
- Geochemical sampling continues to deliver positive results and define new targets.

Livingstone Gold Project, WA

- High-grade gold assays returned from 2,375m RC resource definition drilling program:
 - 5.0m @ 3.68g/t Au from 12m
 - 10.0m @ 11.95g/t Au from 20m, including 4.0m @ 24.58g/t Au from 22m
 - 2.0m @ 13.88g/t Au from 71m
 - 3.0m @ 11.39g/t Au from 95m
- Co-funding secured for 800m diamond drill program at Kingsley prospect through WA Government Exploration Incentive Scheme. Drilling commenced in late October.

Corporate

- Placement of rights issue shortfall completed, raising \$3.1m.

Kingston Resources Limited (ASX: KSN) (“Kingston” or “the Company”) Managing Director Andrew Corbett said the September 2019 quarter had been a very active and successful period for the Company, with exploration activities significantly ramped up at both Misima and Livingstone and delivering excellent results across both projects.



ASX: KSN
Shares on Issue: 1,766M
Market Cap: A\$33.6M
Cash: A\$6.1M



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“This has been a very exciting quarter for Kingston, with an accelerated drilling program underway at our 2.8Moz Misima Gold Project in PNG and a second rig now active on site. Results from the Quartz Mountain area have provided a fantastic start towards our goal of adding additional near-surface ounces to the Misima Resource base, highlighting the potential to expand the current 220,000oz Resource at Ewatinona and confirming a new shallow, high-grade discovery at Abi. These results validate the decision to identify potential starter pits to deliver early ounces and cash flow in developing our future mining studies.

“Drilling is now underway at the Umuna East and Misima North prospects, and we look forward to reporting results from these areas over the coming weeks.

“At Livingstone, RC drilling delivered very positive results that have further enhanced the prospectivity of the Kingsley prospect, with additional drilling planned to facilitate the delivery of a maiden Mineral Resource estimate. A diamond drilling program commenced in late October.

“On the corporate front, we were delighted to complete the placement of the full shortfall from our rights issue during the quarter, raising \$3.1 million to underpin our ongoing exploration efforts. I would like to thank everyone who participated in this placement, and welcome our new shareholders to the register.

“We look forward to a busy end to 2019, with exploration work advancing at both Misima and Livingstone and steady news flow expected over the remainder of the year.”

Exploration Update

Diamond Drilling			Geochem Samples
Misima	Holes	Metres	Surface Rock/Chip
Total	10	1,483	428

Misima Gold Project

Drilling continued at Misima throughout the quarter. Drilling in the Quartz Mountain area concluded in late August, with the drill rig subsequently moving to Umuna East. A second drill rig was commissioned in September ahead of schedule, commencing drilling at Misima North in late September. Both drill rigs are now fully operational, and the Company is experiencing a strong uplift in drilling metres in October.

Reflecting the increased exploration activity on site and the advancing nature of the project, Kingston made a number of new additions to the Misima team, with the creation of key roles in logistics management, environmental monitoring and occupational health and safety, as well as the appointment of additional geologists.

Ewatinona Drilling Success

Kingston completed an initial 12-hole drilling program at the 220,000oz Ewatinona deposit (part of the Quartz Mountain area) in July, which delivered a series of highly encouraging assay results (see ASX Announcements 17 July 2019 and 26 August 2019).

Overall the drilling program at Ewatinona was very successful, confirming the area is highly prospective and that the mineralisation remains open beyond the confines of the current pit. Based on these results, the

Company considers Ewatinona to be a priority target for further Resource definition drilling and ultimately a potential starter pit.

Highlights from the Ewatinona drilling include:

- 8m @ 2.60g/t Au in GDD029
- 20m @ 1.81g/t Au, including 3m @ 7.48g/t Au in GDD035
- 11m @ 1.41g/t Au in GDD040
- 15.7m @ 1.60g/t Au from 40m, including 7.0m @ 3.19g/t Au from 40m and including 0.8m @ 8.19g/t Au from 43m in GDD042

New High-Grade Discovery at Abi

Following the conclusion of the Ewatinona program, drilling within the Quartz Mountain area stepped-out to the south-east along the interpreted mineralised trends, with six drill holes completed at the Abi prospect.

Drill holes were orientated to intersect structures and mineralised trends recorded by Placer. Our initial results from this small program confirm that Abi represents an exciting target that warrants further analysis and follow-up drilling. The best results received to date from this program were received in hole GDD044:

- 23.6m @ 2.91g/t Au from 7.4m, including 13.5m @ 4.60g/t Au from 17.5m and including 4.3m @ 11.58g/t Au from 19.1m.

Assay results for the remainder of the holes completed in the initial Abi program are anticipated in the current quarter.



Figure 1: Abi Prospect GDD044, 23.6m @ 2.91g/t Au from 7.4m, including 13.5m @ 4.60g/t Au from 17.5m and including 4.3m @ 11.58g/t Au from 19.1m

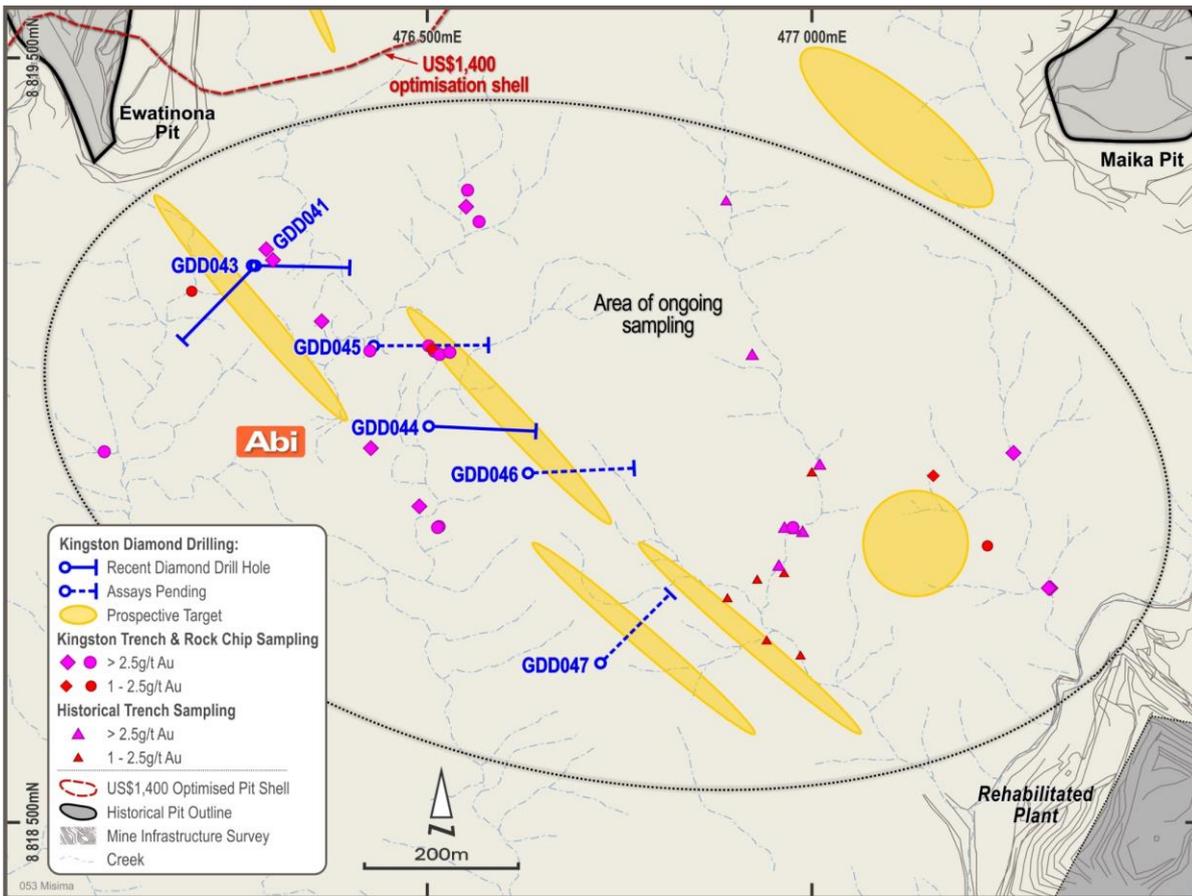


Figure 2. Collar plan Abi Prospect

Umuna East

At Umuna East, located less than 500m east of the historical Tonowak Pit, artisanal mining activity has been observed along the main Ingumanaina Creek and its tributaries.

During the September 2019 quarter, a detailed mapping exercise was completed and historical data was reassessed to define drilling targets. Drilling of these targets commenced during September covering an area of approximately 700m by 400m or 2.8km². With its location adjacent to the existing Umuna Resource, Umuna East represents an additional attractive prospect for a potential starter pit.

Misima North – Ara Prospect

Following field exploration at Misima North during the June 2019 quarter, drilling at Misima North also commenced toward the end of September.

Kingston’s initial program at Misima North comprises up to 10 diamond holes with planned depths of 80-130m, for total drilling of approximately 1100m. The designed holes are along the footwall of a NW-trending structure within the interpreted extension of the Umuna Fault Corridor, targeting a NW-trending breccia (supergene enriched) with anomalous surface geochemistry.

The program will also add data to the Company’s structural interpretation of the area, enhance the geological model and assist in planning of future holes.



Figure 3: Misima North, diamond drilling underway

Quartz Mountain - Surface Exploration

Kingston has expanded surface exploration focusing on Ewatinona-style gold-silver mineralisation at Quartz Mountain to a broader region framed by the Ewatinona, Kobel and Maika pits, and the historical Placer processing plant location.

Compilation of historical reconnaissance RC drilling completed by Placer and surface geochemistry by Placer and Kingston has highlighted a number of target zones defining multiple potential parallel mineralised trends. These results, combined with geological mapping, indicate the presence of multiple mineralised structures that have not been fully tested by historical drilling and remain a focus of ongoing exploration. The ongoing work programs in the Quartz Mountain area continue to add to the Company's confidence that there is upside to the resource base in the region enhancing its attractiveness as a potential starter pit area.

Livingstone Gold Project

Kingston completed a program of RC drilling at the Kingsley Prospect in August, comprising 17 holes for 2,375m of drilling in seven lines spaced at ~40m. The drilling was designed to confirm and extend the shallow zones of mineralisation intersected in previous air-core drilling last year. The drilling showed mineralisation and grade continuing at depth, with highlights including:

- 5m @ 3.68g/t Au from 12m, including 2m @ 7.17g/t Au from 12m and 10m @ 11.95g/t Au from 20m, including 4m @ 24.58g/t Au from 22m in KLRC029;
- 2m @ 13.88g/t Au from 71m, including 1m @ 25.79g/t Au and 3m @ 11.39g/t Au from 95, including 1m @ 31.57g/t Au in KLRC032;
- 2m @ 5.32g/t Au from 88m, including 1m @ 9.64g/t Au from 88m in KLRC037;
- 9m @ 1.8g/t Au from 1m, including 1m @ 8.97g/t Au from 2m and 9m @ 1.13g/t from 49m, including 1m @ 5.10g/t Au in KLRC025;
- 1m @ 9.19g/t from 125 in KLRC027

Next Steps

A follow-up ~800m diamond program is planned for Kingsley with co-funding of up to \$75,000 for the program secured through the WA Government Exploration Incentive Scheme. The purpose of the drilling is to further

understand controls on mineralisation and to enable metallurgical test work. It will also underpin the next round of RC drilling and contribute towards reporting a maiden Mineral Resource.

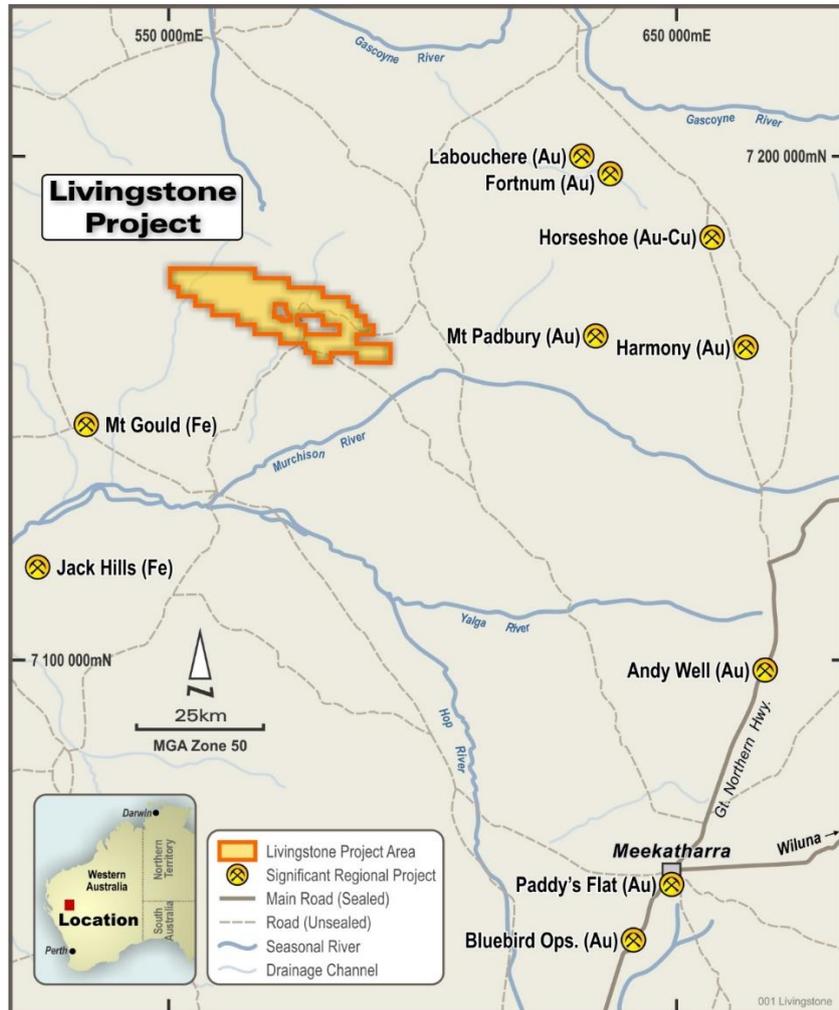


Figure 4: Livingstone Gold Project, located 140km north-west of Meekatharra in the Bryah Basin region of WA.

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 70% 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 1: 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.