

Kingston Resources Limited
ACN 009 148 529

Share Purchase Plan and Options Prospectus

For an offer to Eligible Shareholders to apply for up to \$60,000 of New Shares at \$0.085 per New Share without incurring brokerage or transaction costs (**SPP Offer**). In addition, for every two (2) New Shares subscribed for by Eligible Shareholders under the SPP Offer, Eligible Shareholders will also receive one (1) free Option that will be exercisable at \$0.14 per option at any time on or before 31 July 2025 (**SPP Options Offer**).

The SPP Offer and the SPP Options Offer are together referred to as the **Offers**.

IMPORTANT NOTICE

This document is important and should be read in its entirety. If after reading this Prospectus you have any questions about the Shares and Options being offered under this Prospectus or any other matter, then you should consult your stockbroker, accountant or other professional adviser.

The Shares and Options offered by this Prospectus should be considered as speculative.

Corporate Directory

Directors

Non-Executive Chair

Mick Wilkes –

Managing Director

Andrew Corbett

Non-Executive Directors

Stuart Rechner

Anthony Wehby

Registered Office

Telephone: (02) 8021 7492

Email: info@kingstonresources.com.au

Website: www.kingstonresources.com.au

Company Secretary

Robyn Slaughter

ASX: KSN

Share Registry

Automic Registry Services

Level 5, 126 Phillip Street

Sydney NSW 2000

02 9698 5414

Solicitors

Cowell Clarke Commercial Lawyers

Level 2, 50 Pitt Street

Sydney NSW 2000

02 8255 6900

Auditor*

Hall Chadwick (NSW)

Level 40

2 Park Street

Sydney NSW 2000

*These entities are included for information purposes only. They have not been involved in the preparation of this Prospectus and have not consented to being named in this Prospectus.

Important Notices

This Prospectus is dated 10 July 2023 and was lodged with the ASIC and ASX on that date. ASIC, ASX and their respective officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

No securities may be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

No person is authorised to give information or to make any representation in connection with this Prospectus, which is not contained in the Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with this Prospectus.

It is important that investors read this Prospectus in its entirety and seek professional advice where necessary. The Shares and Options the subject of this Prospectus should be considered highly speculative.

This Prospectus is a transaction specific prospectus for an offer of continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with Section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus. In making representations in this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.

ASIC Instrument on Share Purchase Plans

In certain circumstances a listed company may undertake a share purchase plan in accordance with ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547 ("**Instrument**"). This Instrument allows a share purchase plan to be conducted without the use of a prospectus once in any consecutive 12-month period.

The Company is unable to rely on the Instrument for the issue of the New Shares pursuant to the SPP because the monetary

cap for each investor under the Instrument is \$30,000. The Company is offering up to \$60,000 worth of New Shares to each Eligible Shareholder.

The Company is also unable to rely on the Instrument for the Options because the Options to be issued under this Prospectus are in a class of securities not currently quoted on the ASX.

Accordingly, the Company is undertaking the SPP under this Prospectus.

Similarly, ASX Listing Rule 7.2 (Exemption 5) permits a listed company to issue securities under a share purchase plan without that issuance counting towards the Company's placement capacity under Listing Rule 7.1 where the issuance satisfied the conditions of the Instrument. Given the Company is unable to satisfy the conditions of the Instrument for the SPP, the issuance of all New Shares and Options under this prospectus is subject to the Company receiving prior shareholder approval for the purposes of Listing Rule 7.1 (and all other purposes) at an extraordinary general meeting of the Company to be held on or around 14 August 2023.

Risk Factors

Potential investors should be aware that subscribing for Shares or Options in the Company involves a number of risks. The key risk factors of which investors should be aware are set out in section 7 of this Prospectus.

These risks together with other general risks applicable to all investments in listed securities not specifically referred to, may affect the value of the Shares or Options in the future. Accordingly, an investment in the Company should be considered highly speculative. Investors should consider consulting their professional advisers before deciding whether to apply for Shares or Options pursuant to this Prospectus.

Taxation Information

The Directors do not consider it appropriate to give Shareholders advice regarding the taxation consequences of applying for Shares or Options under this Prospectus.

The Company, its advisers and its officers do not accept any responsibility or liability for any such taxation consequences to Shareholders. As a result, Shareholders should consult their professional tax adviser in connection with applying for Shares or Options under this Prospectus.

Forward Looking Statements

This Prospectus contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties.

These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are expected to take place.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Directors and the Company's management.

The Company cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this Prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

The Company has no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Prospectus, except where required by law.

These forward looking statements are subject to various risk factors that could cause our actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in section 7.

Not investment advice

The information in this document does not constitute financial product advice and has been prepared without taking into account your particular investment objectives, financial circumstances or needs. The Company is not licensed to provide financial product advice in respect of the Shares or Options. The information in this document does not purport to contain all the information that you may require to evaluate a potential investment in the Company.

Before deciding whether to apply for New Shares, you should consider whether they are a suitable investment for you, in light of your own investment objectives and financial circumstances and having regard to the merits or risks involved. If, after reading the information in this document, you have any questions about the offer of Shares and Options, you should contact your stockbroker, accountant or other independent professional adviser.

Governing law

This prospectus and the contracts formed on acceptance of the Application Forms are governed by the laws applicable in New South Wales, Australia. Each applicant for Options submits to the non-exclusive jurisdiction of the courts of New South Wales, Australia.

Electronic Prospectus

This Prospectus is available electronically at <https://kingstonresources.com.au/>. The Application Form attached to the electronic version of this Prospectus must be used within Australia, New Zealand or Germany. Electronic versions of this prospectus should be downloaded and read in their entirety. Applications for New Shares and New Options may only be made on the Application Form attached to this Prospectus.

Letter from the Chairman

10 July 2023

Dear Shareholders

On behalf of the Board of Kingston Resources Limited ("**KSN**" and "**Company**") I am pleased to invite you to participate in the Company's Share Purchase Plan. Each Eligible Shareholder has the opportunity to acquire up to \$60,000 worth of New Shares at an Issue Price of 8.5 cents per New Share.

We have determined to pursue the Share Purchase Plan with the Issue Price of 8.5 cents per New Share to reward and encourage our loyal shareholder base. This price is equal to the issue price that has been offered to sophisticated investors pursuant to the Placement.

The Company is seeking to raise \$5.5 million under the Placement and \$1 million under the Share Purchase Plan, with the ability for the Board to accept oversubscriptions of another \$1 million at its discretion. The SPP Share offer will be underwritten to \$1 million by BW Equities Limited and Ord Minnett Limited, which will be fully sub-underwritten by Delphi Unternehmensberatung Aktiengesellschaft, an existing sophisticated investor.

In addition, each Eligible Shareholder that acquires New Shares pursuant to the SPP or the Placement, will also receive a free option for every two New Shares acquired. These options have an exercise price of \$0.14 and may be exercised at any time until 31 July 2025.

Funds raised under the SPP will be used for:

- commencing plant refurbishment at the Mineral Hill Mine
- commencing underground re-entry works
- commencing open pit waste stripping
- general working capital.

For more information on the commencement of works at Mineral Hill, please see the Life of Mine (LOM) Announcement on ASX dated 27 June 2023.

Yours sincerely



Mick Wilkes

1. Timetable

Event	Date ¹
Record Date for SPP (7:00pm Sydney time)	26 June 2023
Announcement of Placement and SPP	27 June 2023
Lodge Prospectus with the ASIC and ASX	10 July 2023
Dispatch of Prospectus	12 July 2023
Opening Date of Offers under the Prospectus	17 July 2023
Closing Date of Offers under the Prospectus	10 August 2023
Extraordinary general meeting of shareholders	14 August 2023
Lodge Appendix 3B, Cleansing Notice, New Shares, SPP Options under SPP and Options under the Placement.	17 August 2023
Dispatch of Holding Statements	18 August 2023

2. Details of the Offers

2.1 Background to Offers

As announced on 27 June 2023, the Company is undertaking a capital raising comprising an offer of Shares to existing Shareholders pursuant to a share purchase plan (**SPP or Share Purchase Plan**) and a placement to professional and sophisticated investors (**Placement**) (together, the **Capital Raising**).

The funds raised under the Capital Raising will be used for:

- (a) commencing plant refurbishment at the Mineral Hill Mine;
- (b) commencing underground re-entry works;
- (c) commencing open pit waste stripping
- (d) general working capital.

For more information on the commencement of works at Mineral Hill, please see the Life of Mine (LOM) Announcement on ASX dated 27 June 2023.

2.2 SPP and SPP Options Offer

Under the SPP, Shareholders in Australia, New Zealand and Germany registered on the Record Date (**Eligible Shareholders**) are offered the opportunity to subscribe for up to \$60,000 worth of new Shares (being 705,882 New Shares) at an issue price per Share of \$0.085 which is equal to the issue price under Tranche 1 of the Placement, together with one (1) free-attaching Option for every two (2) Shares subscribed for and issued

¹ These dates are indicative only and subject to change. The Directors reserve the right to vary these dates, including the Closing Date of the Offers, without prior notice.

(exercisable at \$0.14 each, on or before 5:00pm (AEST) on 31 July 2025). Shareholders will not be charged brokerage or commission on the Shares and Options acquired under the SPP.

The Company intends to raise up to \$1 million under the SPP. The Board also has the ability to accept over-subscriptions up to a total amount of \$2 million in its discretion.

By the SPP Options Offer under this Prospectus, the Company offers, for nil cash consideration, up to 11,764,706 free-attaching Options exercisable at \$0.14 on or before 5:00 pm (AEST) on 31 July 2025 on the basis of one (1) free-attaching Option for every two (2) Shares subscribed for by Eligible Shareholders under the SPP.

No funds will be raised from the issue of Options pursuant to the SPP Options Offer.

The Options offered pursuant to the SPP Options Offer will be issued on the terms and conditions set out in section 5.2 of this Prospectus.

The purpose of the SPP Options Offer is set out in section 3.1.

2.3 Placement and Placement Options

As announced on 27 June 2023, the Company is undertaking a Placement offer in two tranches. On 3 July 2023, 52,941,176 Placement Shares were issued under Tranche 1 to sophisticated and professional investors raising \$4,500,000 (before costs). The Company intends to issue 11,764,706 shares under Tranche 2 to sophisticated and professional investors to raise \$1,000,000 (before costs), raising a total of \$5.5 million under the Placement Offer.

Under the Placement, the Company will issue a total of 64,705,882 Shares to sophisticated and professional investors, at an issue price per Share equal to \$0.085 per Share (being, the issue price of Shares under the SPP), together with one (1) free-attaching Option for every two (2) Shares subscribed for and issued (exercisable at \$0.14 each on or before 5:00 pm (AEST) on 31 July 2025).

The Options offered to sophisticated and professional investors that participated in the Placement will be issued on the same terms and conditions as the SPP Options.

2.4 Shareholder Approval

The Issue of New Shares and Options under the Share Purchase Plan is subject to shareholder approval at the General Meeting. At the General Meeting, the Company will also seek ratification of the issue of the Placement Shares.

If Shareholder Approval is not obtained for the New Shares and SPP Options, the Company reserves the right to issue the New Shares and SPP Options under the Company's placement capacity in accordance with Listing Rule 7.1. The Board may also need to scale-back the size of the offer under the SPP or the Company may need to withdraw the Offer. If the Offer is scaled-back or withdrawn, the Company will refund all Application Monies received but not applied to the issue of New Shares without interest.

If Shareholder approval is not obtained for the Placement Shares, the Company reserves the right to issue the Placement Shares under the Company's placement capacity in accordance with Listing Rule 7.1.

2.5 Eligible participants

The SPP and SPP Options Offer is open to all Shareholders whose address in the Company's share register is in Australia, New Zealand or Germany who are registered as holders of the fully paid ordinary shares of the Company as at 7:00pm (Sydney time) on the Record Date.

2.6 Minimum subscription

There is no minimum subscription for the Offers.

2.7 Maximum subscription

The Company is seeking to raise a maximum of \$1 million under the SPP. The Board reserves the right to accept oversubscriptions up to an additional \$1 million at its discretion, subject to the Corporations Act and the ASX Listing Rules.

2.8 Applications

- (a) To Apply for New Shares, Eligible Shareholders must complete the Application Form attached to this prospectus. More information on applying for New Shares is contained in section 0.
- (b) SPP Options will be granted automatically to Eligible Shareholders upon issue of their New Shares.
- (c) The Offer is non-renounceable which means that Eligible Shareholders may not transfer their rights to any Shares offered under the SPP Offer.

2.9 Underwriting and shortfall

The SPP is underwritten by BW Equities and Ord Minnett ("**Underwriters**") to the value of \$1 million ("**Underwritten Amount**"). A summary of the key terms of the underwriting agreement between the Company and the Underwriters is located at Schedule 1.

The Underwriters have engaged Delphi Unternehmensberatung Akteingesellschaft ("**Delphi**"), an existing sophisticated investor as sub-underwriter for the full amount of the Underwritten Amount.

The Company reserves the right to place any amount of the non-underwritten component of the Offer not subscribed for by Eligible Shareholders at its discretion ("**Shortfall**"). The Company may place the Shortfall to sophisticated and other professional investors within 3 months of the date of the General Meeting or as otherwise permitted by the ASX Listing Rules and the Corporations Act.

2.10 Quotation of Securities

Application for Official Quotation of the New Shares offered pursuant to this Prospectus will be made in accordance with the Timetable. If ASX does not grant Official Quotation of the New Shares before the expiration of 3 months after the date of issue of the Prospectus (or such period as varied by ASIC), the Company will not issue any New Shares and will repay all application monies for the New Shares within the time prescribed under the Corporations Act, without interest. The Company will apply for quotation of New Shares issued under the Shortfall at the time of issue.

The Company will not apply for Official Quotation of the Options offered pursuant to this Prospectus.

The fact that ASX may grant Official Quotation to the New Shares is not to be taken in any way as an indication of the merits of the Company or the New Shares offered.

2.11 Issue

Shares and Options issued pursuant to the Offers will be issued in accordance with the ASX Listing Rules and Timetable.

Holding statements for Shares and Options issued under the Offers will be mailed in accordance with the ASX Listing Rules and Timetable.

2.12 Overseas shareholders

The distribution of this Prospectus in jurisdictions outside Australia, New Zealand, and Germany may be restricted by law and therefore persons into whose possession this document comes should seek advice on and observe any such restrictions. Any failure to comply with these restrictions constitutes a violation of those laws. This Prospectus does not, and is not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus.

It is not practicable for the Company to comply with the securities laws of overseas jurisdictions having regard to the number of overseas Shareholders, the number and value of Shares and Options these Shareholders would be offered and the cost of complying with regulatory requirements in each relevant jurisdiction. Accordingly, the Offers are not being extended and Shares and Options will not be issued to Shareholders with a registered address which is outside Australia, New Zealand or Germany.

New Zealand

The Shares and Options are not being offered to the public within New Zealand other than to existing Shareholders of the Company with registered addresses in New Zealand to whom the Offers are being made in reliance on the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016 (as amended) (New Zealand).

This Prospectus has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (New Zealand). This Prospectus is not an investment statement or prospectus under New Zealand law and is not required to, and may not, contain all the information that an investment statement or prospectus under New Zealand law is required to contain.

European Economic Area - Germany

The information in this Prospectus has been prepared on the basis that the offer of Shares and Options will be made pursuant to an exemption under the Directive 2003/71/EC (Prospectus Directive), as amended and implemented in Member States of the European Economic Area (each a Member State), from the requirement to produce a prospectus for offers of securities.

An offer to the public of Shares and Options has not been made and may not be made in Germany except pursuant to an applicable exemption under the Prospectus Directive as implemented in the relevant Member State.

2.13 Enquiries

Any questions concerning the Offers should be directed to the Company on info@kingstonresources.com.au.

3. **Share Purchase Plan and Share Purchase Plan Options**

3.1 **Share Purchase Plan**

The Share Purchase Plan (“**SPP**”) is an opportunity for Eligible Shareholders to purchase additional fully paid ordinary shares in the Company without brokerage, commission or transaction costs being payable in respect of the application for, and issue of, New Shares.

All New Shares issued under the SPP will rank equally with existing fully paid ordinary shares of the Company and will carry the same voting rights and other entitlements. The Company intends the New Shares issued under the SPP will be listed on the ASX.

In addition, for every two (2) New Shares that Eligible Shareholders acquire under the SPP, they will be issued with one (1) free SPP Option. Terms and conditions of the SPP Options are provided in section 5.2.

The market price of the Company’s securities may rise or fall between the date of this Offer and when any New Shares are issued. Any movement will not affect the price or number of the New Shares offered to each eligible shareholder under the SPP. Each eligible shareholder should seek independent advice from their financial or other professional advisors before applying for New Shares under the SPP.

This Prospectus and the Application Form set out the terms and conditions of the offer under the SPP. By applying for New Shares, you agree to be bound by the Constitution of the Company and the terms and conditions of the SPP specified in the Application Form and as herein set out.

3.2 **Number of Shares and Issue Price**

The Company intends to issue up to 23,529,412 New Shares under the SPP at a price of \$0.085 (8.5 cents) per New Share (“**Offer Price**”) to raise approximately \$1 million. The Company may scale-back the Offer or accept oversubscriptions (up to an additional \$1 million) at its discretion.

The Offer Price is equal to the issue price under Tranche 1 of the Placement.

There are presently 468,594,832 fully paid ordinary shares on issue and they are listed on the ASX under the tag “KSN”. It should be noted that the number of shares on issue is after the completion of the Tranche 1 Placement. The Company also has 14,994,519 unlisted options, 25,000,000 Warrants and 6,785,845 Performance Rights presently on issue.

As announced on 27 June 2023, Kingston’s Life of Mine (LOM) plan for Mineral Hill will transition the Company from gold and silver dore production today to adding gold concentrate within CY24 and then adding separate copper, lead and zinc concentrates by the end of CY24. The funds raised in the Placement and from the SPP will be used, to undertake necessary capital works to fully transition the Company to conventional mining.

Applications for New Shares will be dealt with on a ‘first come, first accepted’ basis and will not be able to be withdrawn or revoked once made.

Important note: Eligible Shareholders should note that there is a risk that the market price of shares may change between the Opening Date and the Issue Date. This means it is possible that, between the time you make an Application and the Issue Date, you may be able to buy shares at a lower price than the Offer Price.

3.3 **Use of Funds**

Funds raised under the SPP will be used for:

- commencing plant refurbishment at the Mineral Hill Mine;
- commencing underground re-entry works;
- commencing open pit waste stripping; and
- general working capital.

For more information on the commencement of works at Mineral Hill, please see the Life of Mine Announcement on ASX dated 27 June 2023.

3.4 **SPP is conditional upon shareholder approval**

The issue of New Shares and SPP Options under the SPP is subject to shareholder approval for the purposes of Listing Rule 7.1.

ASX Listing Rule 7.2 (Exemption 5) permits a listed company to issue securities under a securities purchase plan without such issuance counting towards the Company's placement capacity under Listing Rule 7.1 where the issuance satisfies the conditions of ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547 (Instrument). The Company is unable to satisfy the conditions of the Instrument as the maximum amount that Eligible Shareholders are able to apply for under the SPP is \$60,000 (not \$30,000 as permitted by the Instrument).

Accordingly, the issuance of all New Shares and SPP Options under the SPP is subject to the Company receiving prior shareholder approval for the purposes of Listing Rule 7.1 (and for all other purposes) at an extraordinary general meeting of the Company to be held on or around 14 August 2023.

If Shareholder Approval is not obtained for the New Shares and SPP Options, the Company reserves the right to issue the New Shares and SPP Options under the Company's placement capacity in accordance with Listing Rule 7.1. The Board may also need to scale-back the size of the offer under the SPP or the Company may need to withdraw the Offer. If the Offer is withdrawn, the Company will refund all Application Monies received without interest.

3.5 **Eligibility and Application**

Participation in the SPP is entirely voluntary. The offer is open to all shareholders registered as holders of the fully paid ordinary shares of the Company as at 7.00pm (AEDT) on the Record Date and whose address on the Company's share register is in Australia, New Zealand or Germany. Australian and New Zealand shareholders, together with any eligible German shareholders, are each an "Eligible Shareholder" and may participate in this offer. The Company has determined that it is not practical for shareholders with registered addresses in other jurisdictions to participate in the SPP.

Regardless of the number of shares held already, each Eligible Shareholder is entitled to apply for a permitted tranche of New Shares in the Company pursuant to the SPP and as specified on the Application Form to a maximum of \$60,000 (705,882 shares).

A shareholder may only subscribe for up to a maximum of \$60,000 worth of shares, even if the shareholder receives more than one offer under the SPP – for example, as a consequence of having more than one shareholding under separate share accounts. A joint holding is considered to be a single registered holding for the purposes of the SPP and is entitled to subscribe for up to a maximum of \$60,000 worth of New Shares in those registered names even if an Eligible Shareholder separately receives an Offer.

An Eligible Shareholder who holds shares as Custodian (as defined by ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547) may on behalf of more than one beneficiary be eligible to apply for a maximum of \$60,000 worth of shares for each beneficiary, subject to satisfying certain requirements (see section 3.10 below). Custodians wishing to apply for New Shares on behalf of more than one beneficiary should contact the share registry and request a custodian certificate and schedule.

The Company reserves the absolute right, without showing cause, to reject any application where it considers the maximum application limit or any other term of the SPP has not been fully complied with.

The offer is non-renounceable and so cannot be transferred to a third-party to participate in the SPP. Only eligible shareholders may accept an offer under the SPP. The Application Form has pre-printed details including name as recorded on the register. The name of the registered shareholder on the Application Form cannot be changed.

3.6 Closing Date and Issue Date

The SPP is anticipated to close at 5.00pm (Sydney time) on 10 August 2023, although the Company reserves the absolute right, without showing cause, to change the Closing Date of the SPP. No late applications will be accepted.

As the SPP is on a 'first come first accepted' basis, the Closing Date may well be earlier than specified and particularly so if applications have been received for the maximum number of new shares able to be issued under the SPP.

The Issue Date is anticipated to be 14 August 2023, although the Company reserves the absolute right, without showing cause, to change the Issue Date of the SPP. A holding statement on confirmation of issue setting out the number of new shares allocated in respect each application will be sent shortly thereafter, and the Company will then promptly apply for them to be quoted on the official list of the ASX.

3.7 Offer oversubscribed, modified, suspended or cancelled

Although the SPP is offered on a 'first come first accepted' basis, if applications so received for New Shares under the SPP exceed the number proposed to be issued under the SPP, the Company reserves the right to scale-back any application as it, in its absolute discretion without showing cause, sees fit. The Company may also accept oversubscriptions at its discretion, up to an additional \$1 million.

The Company reserves the right at its absolute discretion, without showing cause, to cancel or suspend or modify the SPP at any time. If the SPP is cancelled, all application monies received will be returned without interest or handling charges.

To the maximum extent permitted by law, the Company is not liable for loss, cost or expense arising out of any exercise of its discretion under the SPP or these terms and conditions.

3.8 Underwriting and shortfall

The SPP is underwritten by BW Equities and Ord Minnett ("**Underwriters**") to the value of \$1 million ("**Underwritten Amount**"). A summary of the key terms of the underwriting agreement between the Company and the Underwriters is located at Schedule 1.

The Underwriters have engaged Delphi, an existing sophisticated investor as sub-underwriter for the full amount of the Underwritten Amount.

The Company reserves the right to place any amount of the non-underwritten component of the Offer not subscribed for by Eligible Shareholders at its discretion ("Shortfall"). The Company may place the Shortfall to sophisticated and other professional investors within 3 months of the date of the General Meeting or as otherwise permitted by the ASX Listing Rules and the Corporations Act.

3.9 Making an application

Applications for New Shares by Eligible Shareholders must be made in accordance with the Application Form and payment made by BPAY® or by Electronic Funds Transfer (EFT) with payment in Australian dollars in accordance with the instructions on the Application Form. To participate, you can either:

1. Apply by BPAY: You can only make a payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions. To BPAY® this payment via internet or telephone banking use your reference number quoted on the front of this form. Multiple acceptances must be paid separately.

OR

2. Apply by EFT: You can make a payment via Electronic Funds Transfer "EFT". Multiple acceptances must be paid separately. Applicants should be aware of their financial institution's cut-off time and any associated fees with processing a funds transfer. Please ensure you use your unique reference located on the reverse page. This will ensure your payment is processed correctly to your application electronically.

If you make a payment by BPAY or EFT and the Company receives an amount which is not equal to either A\$60,000, A\$50,000, A\$40,000, A\$30,000, A\$25,000, A\$20,000, A\$15,000, A\$10,000, A\$5,000, or A\$2,000 the Company may accept the payment at their discretion. Your payment must be for a minimum of A\$2,000.

Payment must be received by the Share Registry by 5:00pm (Sydney time) on the Closing Date.

By making application by submitting payment through BPAY® or Electronic Funds Transfer you acknowledge you are an eligible shareholder and that you:

- o Irrevocably accept the SPP offer and acknowledge having read and understood the terms and conditions of the SPP and the details of the Application Form;
- o Apply to subscribe for new fully paid ordinary shares in the capital of the Company in accordance with the terms and conditions of the SPP and the details of the Application Form and agree to be bound by the Constitution of the Company
- o Certify to the Company that the aggregate application amount for new shares in the Company for the following does not exceed \$60,000:
- o the new shares applied for under the SPP;
- o any other new shares that you have instructed a custodian to acquire on your behalf under the SPP; and

3.10 Other terms and conditions

An Eligible Shareholder may participate in the SPP except where:

- o The registered holding of shares is held on behalf of another person who resides outside Australia or New Zealand or, in certain circumstances, Germany (see Section 2.12).
- o Acting for the account or benefit of a "U.S. person" as defined in Regulation S under the Securities Act 1933 of the United States of America.

A custodian wishing to apply for new shares under the SPP on behalf of one or more beneficiaries agrees to contact the share registry for information on how it may do so, including but not limited to providing a custodian certificate and schedule to the Company.

Every applicant for new shares under the SPP acknowledges they are lawfully permitted to accept the offer to acquire new shares under the SPP in accordance with the laws applicable in Australia and any other applicable laws in the jurisdiction in which they and/or the beneficial owner of the registered holding is situated. Further it is acknowledged that the SPP, these terms and conditions and the details on the Application Form are irrevocably and unconditionally agreed and are governed by the laws in force in the State of New South Wales, Australia and submission is made to the courts thereof and in appeal therefrom.

The Company (and its officers and agents) are authorised to correct any error or omission in any Application Form and complete any Application Form by the insertion of missing details, while it is acknowledged the Company may at any time determine whether any Application Form is valid notwithstanding if the Application Form is incomplete, contains errors or is otherwise defective.

The Company reserves the right in its absolute discretion, without showing cause, to reject any application for new shares under the SPP that it believes fails to comply with all the terms and conditions of this offer document including the Application Form. The Company may make determinations in any manner it thinks fit, in relation to any issues, difficulties, anomalies or disputes that may arise in connection with or by reason of the operation of the SPP, whether generally or in relation to any participant or application. Any determination by the Company will be conclusive and binding on all eligible shareholders and any other persons to whom the determination relates.

The Company further reserves the right in its absolute discretion, without showing cause, to waive strict compliance with any part of the terms and conditions of the SPP, to amend or vary those terms and conditions and to suspend, terminate or cancel the SPP at any time. Any such amendment, variation, suspension, termination or cancellation will be binding on all eligible shareholders even where the Company does not notify one or more eligible shareholders of that event or the details thereof.

It is acknowledged that neither the Company nor the share registry has provided investment advice or financial product advice, and neither has any obligation to do so, and that the decision to apply for new shares and the application is made solely by the eligible shareholder who accepts any risk associated with any refund that may be dispatched to the address shown on the Company's share register.

4. Effect of the Offers

4.1 Historical and pro forma balance sheet as at 31 December 2022

This section contains a summary of the historical financial information for KSN as at 31 December 2022 (**Historical Financial Information**) and a pro-forma historical statement of financial position as at 31 December 2022 (**Pro Forma Historical Financial Information**) (collectively, **Financial Information**). The Financial Information has been prepared to illustrate the effect of the Placement and SPP (including oversubscriptions).

	31-Dec-22 Historical	Placement	SPP	31-Dec-22 Pro Forma Historical
	\$	\$	\$	\$
Current assets				
Cash and cash equivalents	6,842,000	5,500,000	2,000,000	12,542,000
Trade and other receivables	1,213,272	-	-	1,213,272
Available for sale financial assets	431,650	-	-	431,650
Inventory	2,467,126	-	-	2,467,126
Other current assets	662,442	-	-	662,442
Total current assets	11,616,490	5,500,000	2,000,000	17,316,490
Non-current assets				
Property, plant and equipment	16,784,482	-	-	16,784,482
Capitalised exploration expenditure	43,844,337	-	-	43,844,337
Mine development expenditure	14,684,385	-	-	14,684,385
Right of use assets	721,087	-	-	721,087
Rehabilitation bond and security	5,625,874	-	-	5,625,874
Total non-current assets	81,660,165	0	0	81,660,165
Total assets	93,276,655	5,500,000	2,000,000	98,976,655
Current liabilities				
Trade and other payables	4,630,834	-	-	4,630,834
Interest bearing loan	454,254	-	-	454,254
Lease liabilities	281,144	-	-	281,144
Employee provisions	499,457	-	-	499,457
Deferred payables	7,167,957	-	-	7,167,957
Total current liabilities	13,033,646	0	0	13,033,646
Non-current liabilities				
Borrowings	4,409,671	-	-	4,409,671
Interest bearing loan	19,869	-	-	19,869
Lease liabilities	337,239	-	-	337,239
Rehabilitation provisions	7,274,000	-	-	7,274,000
Employee provisions	35,923	-	-	35,923
Deferred payables	5,033,911	-	-	5,033,911

Total non-current liabilities	17,110,613	0	0	17,110,613
Total liabilities	30,144,259	-	-	30,144,259
Net assets	63,132,396	5,500,000	2,000,000	68,832,396
Equity				
Issued capital	121,170,385	5,500,000	2,000,000	126,870,385
Accumulated losses	(59,351,198)	-	-	(59,351,198)
Share Based Payment Reserve	1,128,537	-	-	1,128,537
Foreign Currency Translation Reserve	184,672	-	-	184,672
Total equity	63,132,396	5,500,000	2,000,000	68,832,396

4.2 Basis of preparation of financial information

The stated basis of preparation for the Historical Financial Information is in accordance with the recognition and measurement principles of the Australian Accounting Standards.

The stated basis of preparation for the Pro Forma Historical Financial Information is in a manner consistent with the recognition and measurement principles of the Australian Accounting Standards applied to the Historical Financial Information and the events or transactions to which the pro forma adjustments relate, as described in this section of the Prospectus, as if those events or transactions had occurred as at 31 December 2022.

4.3 Pro-forma adjustments to consolidated balance sheet

The Pro Forma Historical Financial Information has been derived from the Historical Financial Information and has been prepared on the basis that the following significant transactions occurred as at 31 December 2022:

The Placement

The issue of 64,705,882 New Shares under the Placement, expected to raise gross proceeds of \$5.5 million less estimated offer costs of \$264,747.

The SPP

The issue of 23,529,412 New Shares under the SPP, expected to raise gross proceeds of \$1 million (or \$2 million if the Company accepts oversubscriptions) less estimated offer costs of 171,692.

Due to the nature of the pro forma adjustments, they do not represent the actual or prospective financial position of KSN.

4.4 Pro forma cash flow statement as at 31 December 2022

The Company's pro forma historical cash position at 31 December 2022 adjusted for the Placement and SPP is derived from actual cash as follows:

	\$
Cash as at 31 December 2022	6,842,000
Gross proceeds of the Placement	5,500,000
Costs of the Placement	(264,747)
Net Proceeds of the Placement	<u>5,235,253</u>
Gross proceeds of the SPP	<u>2,000,000</u>

Offer costs of the SPP	(171,692)
Net Proceeds of the SPP	1,828,308
Pro forma historical cash balance	13,905,561

4.5 Effect on capital structure

The effect of the Offers on the capital structure of the Company, assuming the maximum number of New Shares and Options offered under this Prospectus are issued, is set out below.²

Shares³

	Number
Shares currently on issue	468,594,832
Shares offered pursuant to SPP Offer	23,529,412
Shares offered pursuant to the Tranche 1 Placement Offer	11,764,706
Total Shares on issue after completion of the SPP and the Offers	503,888,950

Options

	Number
Options currently on issue ⁴	14,994,519
Options offered pursuant to the SPP Options Offer ⁵⁶	11,764,706
Options offered pursuant to the Placement Options Offer	32,352,941
Total Options on issue after completion of the SPP and the Offers ⁷	59,112,166

4.6 Details of substantial holders

Based on information available to the Company through the share register as at the date of this Prospectus, the Shareholders who (together with their associates) have a relevant interest in 5% or more of the Shares on issue are as follows:

² The issue of the Options under this Prospectus will not affect the other securities the Company has on issue.

³ The rights and liabilities attaching to Shares are summarised in section 6.1 of this Prospectus.

⁴ 14,994,519 options

⁵ Being, one (1) free-attaching Option for every two (2) Shares subscribed for and issued under the SPP and the Placement.

⁶ Refer to section 5.2 for the terms and conditions of the Options to be issued under the SPP Options Offer

⁷ Assuming the maximum allotment is completed under the Offers

Shareholder	Shares	% ⁸
DELPHI Unternehmensberatung Aktiengesellschaft	61,569,510	13.14%
Quintana Resources Holdings LP	54,914,882	11.72%
Farjoy Pty Ltd	31,951,847	6.82%
Winchester Investments Group Pty Ltd	34,500,000	7.36%

On completion of the Offer, those persons which (together with their associates) have a relevant interest in 5% or more of the Shares will be as set below.

Shareholder	Shares*	% ⁹
DELPHI Unternehmensberatung Aktiengesellschaft	73,334,216	14.55%
Quintana Resources Holdings LP	66,679,588	13.23%
Farjoy Pty Ltd	31,951,847	6.34%
Winchester Investments Group Pty Ltd	34,500,000	6.85%

*This assumes that no Eligible Shareholder applies for SPP Shares and Delphi acquires \$1 million worth of SPP Shares pursuant to the Underwriting Agreement, and Quintana Resources Holdings LP acquires the Placement Shares. This also assumes that neither Farjoy Pty Ltd and Winchester Investments Group Pty Ltd apply for any SPP Shares.

5. Rights and Liabilities attaching to Securities

5.1 Shares

The following is a summary of the more significant rights and liabilities attaching to Shares, being the New Shares offered under the SPP Offer and the underlying securities of the Options to be issued pursuant to this Prospectus. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

Full details of the rights and liabilities attaching to Shares are set out in the Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours, and available through the Company's website at www.kingstonresources.com.au.

General meetings

Shareholders are entitled to be present in person, or by proxy, attorney or corporate representative to attend and vote at general meetings of the Company.

Shareholders may requisition meetings in accordance with Section 249D of the Corporations Act.

⁸ Calculated on the basis of 468,594,832 Shares being on issue in the Company.

⁹ Calculated on the basis of 503,888,950 Shares being on issue in the Company.

Voting rights

Subject to any rights or restrictions for the time being attached to any class or classes of Shares, at general meetings of Shareholders or classes of Shareholders:

each Shareholder entitled to vote may vote in person or by proxy, attorney or corporate representative;

on a show of hands, every person present who is a Shareholder or a representative of a Shareholder has one vote; and

on a poll, every person present who is a Shareholder or a proxy, attorney or corporate representative of a Shareholder shall, in respect of each fully paid Share held by him, or in respect of which he is appointed a proxy, attorney or corporate representative, have one vote for each Share of which he is the holder.

A Shareholder who holds partly paid shares only will not be entitled to attend and vote at meetings in respect of those shares.

Dividend rights

The directors alone may declare a dividend to be paid to shareholders.

All dividends must be declared and paid on shares in proportion to the amounts paid (not credited) in proportion to the total amounts paid and payable (excluding amounts credited) in respect of the shares. However, subject to that, if a share is issued on terms that it ranks for dividend as from a particular date, that share ranks for dividend from that date.

Winding-up

If the Company is wound up, the liquidator may, with the authority of a special resolution of the Company, divide in specie among the shareholders any part of the surplus assets of the Company, and may for that purpose set such value as he considers fair upon any surplus assets to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders.

The liquidator may, with the authority of a special resolution of the Company, vest any part of the surplus assets of the Company in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Shareholder is compelled to accept any Shares or other securities in respect of which there is any liability.

Shareholder liability

As the securities under the Prospectus are Options, they are not subject to any calls for money by the Directors and will therefore not become liable for forfeiture. If a Shareholder fails to pay any call or instalment on a partly paid share, the share may be forfeited by a resolution of the Directors.

Transfer of Shares

Generally, Shares are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act or the ASX Listing Rules.

Variation of rights

Pursuant to Section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of Shareholders vary or abrogate the rights attaching to Shares.

If at any time the share capital is divided into different classes of Shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up, may be varied or abrogated with the consent in writing of the holders of three-quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

Alteration of Constitution

The Constitution can only be amended by a special resolution passed by at least three quarters of Shareholders present and voting at the general meeting. In addition, at least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

5.2 Options

The Options entitle the holder to subscribe for Shares on the following terms and conditions:

Entitlement

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

Exercise Price

Subject to a reconstruction of capital (explained below), the amount payable upon exercise of each Option will be \$0.14 (Exercise Price).

Expiry Date

Each Option will expire at 5:00 pm (AEST) on 31 July 2025 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

Exercise Period

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

Notice of Exercise and minimum exercise

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

An Option holder may not exercise less than 3,577 Options at one time under a Notice of Exercise unless the Option holder has less than 3,577 Options, in which case the Option holder must exercise 100% of their Options.

Exercise Date

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

Timing of issue of Shares on exercise

Within 15 Business Days after the Exercise Date, the Company will:

- (a) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (b) if required, give ASX a notice that complies with Section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy Section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (c) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under section (b) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy Section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

Shares issued on exercise

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

Reconstruction of capital

If at any time the issued capital of the Company is reconstructed, all rights of an Option holder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

Participation in new issues

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

Change in exercise price

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

Transferability

The Options are transferable subject to any restriction or escrow arrangements imposed by the ASX or under applicable Australian securities laws.

Unquoted Securities

The Company will not apply for Official Quotation of the Options offered pursuant to this Prospectus.

6. Risk Factors

The Shares and Options offered under this Prospectus should be considered speculative because of the nature of the Company's business. There are a number of risk factors, both specific to the Company or the Offer, and of a general nature, which could adversely impact the Company's performance and financial position and the value of its Shares. Some of these risks can be mitigated by the use of safeguards and appropriate systems and controls, however, many are outside the control of the Company and cannot be mitigated. Accordingly, an investment in the Company carries no guarantee with respect to the payment of dividends, return of capital or price at which securities will trade. This section describes certain specific areas that are believed to be the material risks associated with an investment in the Company. The following is a summary only and the risks in this section are not exhaustive of the risks faced by a potential investor in the Company but they are considered by the Directors to be the more material risks that potential investors should be aware of. These risks in respect of the Company together with the general risks applicable to all investments in listed securities may affect the value of the Shares in the future. You should consider carefully the risks described in this section and read this Prospectus in its entirety, and consult your accountant, broker, financial or other professional adviser before making an investment decision and applying for Shares and Options.

6.1 Specific Risk Factors

Exploration Risk

Kingston Resources Limited (KSN) existing mineral exploration tenements are in the early stages of exploration, and there can be no assurance that exploration of the tenements currently held by KSN, or any other tenements that may be acquired in the future, will result in the discovery of an economic mineral deposit. Until KSN is able to realise value from its existing mineral exploration tenements, it is likely to incur ongoing operating losses in connection with those tenements. If exploration is successful, there will be additional costs and processes involved in moving to the development phase. By its nature, exploration risk can never be fully mitigated, but KSN has the benefit of significant exploration expertise through its management team and of operational and business expertise at both board and management level.

Land Access (Including Native Title)

There is a substantial level of regulation and restriction on the ability of exploration and mining companies to have access to land in Australia. Negotiations with both native title claimants/holders and the owners/occupiers of private land are generally required before KSN can access land for exploration or mining activities. Inability to access, or delays experienced in accessing, the land may impact on KSN's activities.

Commonwealth law recognises and protects the rights and interests in Australia of Aboriginal and Torres Strait Islander people in land and waters according to their traditional laws and customs. Native title may impact KSN's operations and future plans. Native title is not generally extinguished by the grant of exploration and mining tenements, as they are not generally considered to be a grant of exclusive possession. However, a valid exploration or mining tenement prevails over native title to the extent of any inconsistency for the duration of the title. There may be areas in relation to tenements which KSN has an existing interest in, or will acquire an interest in the future, over which common law native title rights exist, or may be found to exist, which may preclude or delay exploration, development or production activities. Land access may also be affected by the existence of laws or regulations regarding the protection of heritage sites or archaeological artefacts in the relevant land.

Requirements for Capital

KSN's capital requirements will depend on numerous factors, including the degree of success of its planned exploration programs and production activities, its ability to generate income from its operations, prevailing commodity prices, market conditions and possible acquisitions or other corporate opportunities. Exploration costs will reduce KSN's cash reserves. Those cash reserves may not be replaced if future or existing operations or other acquisition opportunities prove unsuccessful or perform below expectations.

KSN would then be dependent on seeking additional capital elsewhere, through equity, debt or joint venture financing, to support long-term exploration, evaluation and development of its projects. No assurance can be given that KSN will be able to procure funding (if required) in a timely manner on terms acceptable to it. Any additional equity financing will dilute shareholdings and debt financing, if available, may involve restrictions on financing and operating activities. If KSN is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations or scale back its exploration programs, as the case may be, which may adversely impact on KSN, or it may not be able to secure opportunities to acquire new projects or other corporate opportunities.

Tenement Titles

KSN could lose title to its mineral tenements if insufficient funds are available to meet the relevant annual expenditure commitments, as and when they arise. KSN closely monitors its compliance with licence conditions, including expenditure commitments and rents, and maintains a dialogue with the relevant government representatives who are responsible for enforcing licence conditions. Most tenements have a long history, with multiple previous title holders. While registration on the Mineral Titles Register is evidence of ownership, it is not definitive. The registration is subject to prior registered dealings and encumbrances which may be incomplete or have not been identified and may materially affect the value of the relevant tenements and/or KSN's intended operations on those tenements.

Reliance on Key Personnel

The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on KSN's Board and executive team. There can be no assurance given that there will be no detrimental impact on KSN if one or more of its directors, particularly the Managing Director, or key executives no longer works with KSN.

Risks Relating to KSN's Financial Instruments

KSN's principal financial instruments currently comprise cash and short-term deposits, the main purpose of which is to finance KSN's operations. KSN has various other financial assets and liabilities such as trade receivables and trade payables, which arise directly from its operations. The main risks arising from KSN's financial instruments are credit risk, interest rate risk and liquidity risk:

- (a) **Credit Risk:** KSN trades only with recognised, creditworthy third parties. Receivable balances are monitored on an ongoing basis with the results being that KSN's exposure to bad debts is not significant. Credit risk arises from the financial assets of KSN, which comprise cash and cash equivalents and trade, other receivables and other financial assets. KSN's exposure to credit risk arises from potential default of the counter party, with a maximum exposure equal to the carrying amount of these instruments. No collateral is held as security.
- (b) **Interest Rate Risk:** KSN's exposure to the risk of changes in market interest rates relates primarily to KSN's cash and cash equivalents with a floating interest rate.

- (c) **Liquidity Risk:** KSN's exposure to financial obligations relating to corporate administration and projects expenditure, are subject to budgeting and reporting controls, to ensure that such obligations do not exceed cash held and known cash inflows for a period of at least 1 year. KSN has limited financial resources and may need to raise additional capital from time to time and such fund raisings will be subject to factors beyond the control of KSN and its directors. When KSN requires further funding for its programs in the future, then it is KSN's intention that the additional funds will be raised by any one or a combination of the following: project finance, placement of shares, pro-rata issue to shareholders, the exercise of outstanding options, and/or a further issue of shares to the public and, where appropriate, debt. Should these methods not be considered to be viable, or in the best interests of shareholders, then it would be KSN's intention to meet its obligations by either partial sale of KSN's interests or farm-out, the latter course of action being part of KSN's overall strategy.

General Economic Climate

General economic conditions, movements in interest and inflation rates, currency exchange rates and commodity prices may have an adverse effect on KSN's exploration activities and the potential for future development and production activities, as well as the ability to fund those activities. If activities cannot be funded, there is a risk that tenements may have to be surrendered or not renewed. Furthermore, share market conditions may affect the value of KSN's quoted securities regardless of operating performance. Share market conditions are affected by many factors such as general economic outlook, interest rates and inflation rates, currency fluctuations, changes in investor sentiment toward particular market sectors, the demand for, and supply of, capital and terrorism or other hostilities. KSN's future revenues, the economic viability of its projects, the market price for its listed securities, and its ability to raise future capital may be affected by these factors, which are beyond KSN's control.

Political Risk, Commodity Price Volatility and Exchange Rate Risks

Both from its existing producing operations and, in the event that KSN achieves exploration success, the revenue that may be derived through the sale of commodities exposes potential income to commodity price and exchange rate risks and any profits will be exposed to changes in the taxation or royalty regime in Australia. Commodity prices fluctuate and are affected by many factors beyond the control of KSN. Such factors include supply and demand fluctuations for base metals, technological advancements, forward selling activities and other macroeconomic factors. KSN revenues are exposed to fluctuations in the commodity prices. Volatility in the copper price creates revenue uncertainty and requires careful management of business performance to ensure that operating cash margins are retained despite a fall in the spot copper price.

The risks associated with such fluctuations and volatility may be reduced by any copper price hedging that KSN may undertake. A declining copper price can also impact operations by requiring a reassessment of the feasibility of mine plans and certain projects and initiatives. The development of new ore bodies, commencement of development projects and the ongoing commitment to exploration projects can all potentially be impacted by a decline in commodity prices. Even if a project is ultimately determined to be economically viable, the need to conduct such a reassessment could potentially cause substantial delays and/or may interrupt operations, which may have a material adverse effect on KSN's results of operations and financial condition. Furthermore, international prices of various commodities are denominated in United States dollars, whereas some of KSN's income and the majority of its expenditure will be in Australian dollars, exposing KSN to fluctuations in the exchange rate between the United States dollar and the Australian dollar, as determined by international markets.

Permits and Approvals Risks

Companies engaged in the development and operation of mines are subject to increased costs, production and other scheduling delays resulting from the requirement to comply with applicable environmental and planning laws, regulatory requirements and permitting. KSN can give no assurance that relevant approvals and permits required to commence construction, development or operation of future expansions will be obtained. Additionally, future business plans and budgets are underpinned by the assumption that relevant regulatory approvals are obtained in a timely manner.

Environmental Risks

The operations and proposed activities of KSN are subject to both Australian Federal and State laws and regulations concerning the environment. As with most exploration projects and mining operations, activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. KSN intends to conduct its activities in compliance with relevant environmental laws and approvals in order to minimise damage to the environment and risk of liability. However, as with all exploration and mining activities, KSN's operations are expected to have an impact on the environment. There are also risks inherent in KSN's activities including accidental leakages, spills, or other unforeseen circumstances that could subject KSN to extensive liability.

Further, KSN may require approval from relevant regulatory authorities before undertaking activities that are likely to impact the environment. If KSN fails to obtain such approvals, it will be prevented from undertaking those activities. KSN also cannot predict what changes in legislation and regulations may govern mining and may impose significant environmental obligations on KSN including bonding. No assurances can be given that new environmental laws, regulations or stricter enforcement policies (including increased fines and penalties for non-compliance), once implemented, will not oblige KSN to incur significant expenses and undertake significant investments which could materially and adversely affect KSN's operations, financial condition and performance.

Change of Production Risks

There can be no assurance given that KSN will achieve production from any of its currently undeveloped projects. The capacity of KSN to achieve production will depend on a wide range of factors including capital costs and operating costs that may be applicable to the individual projects and the capacity of the Group to fund those costs. If production is achieved, unanticipated problems may increase extraction costs and reduce anticipated recovery rates.

Contract Risks

KSN operates through a series of contractual relationships with consultants, operators and sub-contractors and may, sell production through various marketing contracts. All contracts carry risks associated with the performance by the parties of their obligations and the time and quality of works performed.

COVID-19 Impact

The outbreak of COVID-19 pandemic has a material impact on global economic markets. Australia experienced an economic downturn and has been recovering in 2021 and 2022. Uncertainty continues as to the ongoing and future response of government authorities and regulators as well as a likelihood of a global or more localised economic recession of unknown duration or severity. Therefore, the full impact of COVID-19 to KSN is not fully known. Given this, COVID-19 could potentially be materially adverse to KSN's financial and operational performance, or to the price of KSN shares. The potential effects of these possible outcomes on KSN include, but are not limited to:

- (a) Closure of and/or reduced capacity at KSN mines, plant and facilities;
- (b) Delays or interruption in supply chains leading to an inability to secure or obtain raw materials, finished products, components, or required plant and equipment;
- (c) Health outcomes for KSN employees or its customers' employees, which could result in the closure of a mine, plant or facility for a period and could adversely affect the availability of technically equipped and qualified personnel
- (d) Need to conduct certain operations;
- (e) Counterparty non-performance or claims under existing contractual arrangements; and

Delays of projects with large associated capital spend, deferral of discretionary capital spend and impact on valuation of assets.

Mineral Resources and Ore Reserves

KSN's Mineral Resources estimates for its existing projects are expressions of judgement based on industry practice, experience and knowledge and are estimates only, which are necessarily imprecise and depend to some extent on interpretations which may prove inaccurate. No assurance can be given that the estimated Mineral Resources and/or Ore Reserves are accurate or that the estimated level of copper or any other mineral will be produced. Such estimates are, in large part, based on interpretations of geological data obtained from drill holes and other sampling techniques. Actual mineralisation or geological conditions may be different from those predicted. No assurance can be given that any or all of KSN's Mineral Resources constitute or will be converted into Ore Reserves. Actual Mineral Resources and/or Ore Reserves may differ from those estimated, which could have a positive or negative effect on KSN's operational or financial performance.

Commodity price fluctuations as well as increased production and costs may render KSN's Mineral Resources and/or Mineral Resources or Ore Reserves unprofitable to develop at a particular site or sites for periods of time or may render Ore Reserves containing relatively lower grade mineralisation uneconomic. Estimated Mineral Resources and/or Ore Reserves may have to be recalculated based on actual production experience. Any of these factors may require KSN to reduce its Mineral Resources and/or Ore Reserves, which could have a negative impact on KSN's financial results and the expected operating life of their Operations.

Production and Costs Estimates

The ability of KSN to achieve its production expectations or meet operating and capital expenditure estimates on a timely basis cannot be assured. The operations and assets of KSN, as with any other mining operations, are subject to a number of uncertainties, including in relation to ore tonnes, grade, metallurgical recovery, actual realised values and grades of stockpiles (which are to date estimated), ground conditions, operational environment, funding for development, regulatory changes, weather, accidents, difficulties in operating plan and equipment and other unforeseen circumstances such as unplanned mechanical failure of plant or equipment.

No assurance can be given that such estimates will be achieved. As a result, there is a risk that KSN may not achieve its production or cost estimates or expectations. Failure of KSN to achieve production or cost estimates could have an adverse impact on KSN's future cashflows, profitability, results of operations and financial condition. Costs of production for KSN may be affected by a variety of factors, including changing waste to ore ratios, geotechnical issues, unforeseen difficulties associated with power supply, water supply and infrastructure, ore grade, metallurgy, labour costs, changes to applicable laws and

regulations, general inflationary pressures and currency exchange rates. Unforeseen production cost increases could result in KSN not realising its operational or development plans or in such plans costing more than expected or taking longer to realise than expected. Any of these outcomes could have an adverse effect on KSN's operational or financial performance.

Geological and Geotechnical

There is a risk that unforeseen geological and geotechnical difficulties may be encountered when developing and mining ore reserves, such as unusual or unexpected geological conditions, pit wall failures, rock bursts, seismicity and cave ins. Unforeseen geological and geotechnical difficulties could impact production and/or require additional operating or capital expenditure to rectify problems and in doing so have an adverse effect on KSN's operational or financial performance.

Equipment and Supplies

The price and availability of resources required for KSN's operations (such as diesel, gas and other fossil fuels) may change from time to time, and this may materially impact the operations, financial position and profitability of KSN. KSN requires certain consumables, spare parts, plant and equipment (e.g. drill rigs) and construction materials for its exploration, development and mining activities. Any delay, lack of supply or increase in price in relation to such equipment and material could have a material and adverse impact on KSN.

Operational Risk

Drilling, mining and processing activities carry risk and as such, activities may be curtailed, delayed or cancelled as a result of a number of factors outside KSN's control. These include geological conditions, technical difficulties, securing and maintaining tenements, weather, residue storage and tailings dam failures and construction of efficient processing facilities. The operation may be affected by force majeure, changes in geology, fires, labour disruptions, landslides, and the inability to obtain adequate machinery, engineering difficulties and other unforeseen events. As with most mines, reserves, resources and stockpiles are based on estimates of grade, volume and tonnage. The accuracy and precision of these estimates will depend upon drill spacing and other information such as continuity, geology, rock density, metallurgical characteristics, mining dilution, costs, etc. which evolve as the mine moves through different parts of the ore body. KSN will endeavour to take appropriate action to mitigate these operational risks (including by properly documenting arrangements with counterparties and adopting industry best practice policies and procedures) or to insure against them, but the occurrence of any one or a combination of these events may have a material adverse effect on KSN's performance and the value of its assets.

Development, Rehabilitation and Mining Risks

When KSN conducts exploration and feasibility studies on potential projects, the commercial viability of any such endeavours is based upon estimates of the size and grade of relevant resources or reserves, location of infrastructure and other required resources (such as energy and water), potential production rates, the feasibility of recovery of metals, capital and operating costs, and demand and prices of the products. Certain projects may be conditional on favourable environment assessments, further feasibility studies, the grant and maintenance of necessary permits and authorisations, and availability of adequate financing.

It is possible that certain projects may be delayed, cancelled or otherwise adjusted due to a lack of commercial viability associated with such factors, for example, unforeseen geological and geotechnical difficulties causing additional operating or capital expenditure

and adversely impacting KSN's operational or financial performance. KSN may conduct or oversee the conduct of certain rehabilitation. There is no guarantee that such rehabilitation works will occur on time or at cost, and there is a risk that they may involve unanticipated or higher than expected costs or delays, including due to factors beyond KSN's control such as weather events, legal requirements, geological issues, technological change and market conditions.

It is possible that development projects do not realise their predicted value or revenue due to circumstances beyond KSN's control. Each ore body is unique. The nature of mineralisation, the occurrence and grade of the ore, as well as its behaviour during mining and processing can never be wholly predicted. Estimations of the tonnes, grade and overall mineral content of a deposit are not precise calculations but are based on interpretation and samples from drilling, which, even at close drill hole spacing, represent a very small sample of the entire ore body.

Infrastructure and Transportation

As or when KSN is in production stage, the products will need to be transported to customers domestically and internationally. The transportation process involves risks, including the remoteness of KSN's projects. Fuel costs, unexpected delays (including through inclement weather and climate change and accidents) could materially affect KSN's financial position and profitability. Moreover, there are risks associated with the availability of adequate transportation facilities (e.g. road, railway, port) and obtaining approvals to access these facilities (including the timing and conditions on which access may be granted). If KSN cannot access the required infrastructure within a certain time period or at a reasonable cost, this could adversely affect KSN's operations and financial performance. The price of transportation is market driven and can vary throughout the life of each project. These may also impact on the overall profitability of KSN.

Reliance on Information Systems

KSN relies on computer, information and communications technology and related systems for the purpose of the proper operation of the administrative and compliance aspects of its business. From time to time KSN experiences occasional system interruptions and delays. KSN has implemented processes to respond to system interruptions and delays. However, if it is unable to regularly deploy software and hardware, effectively upgrade its systems and network and take other steps to maintain or improve the efficacy and efficiency of its systems, the operation of such systems could be interrupted or result in the loss or corruption of data.

Moreover, KSN's computer systems are subject to the risks of unauthorised access, computer hackers, computer viruses, malicious code, organised cyber-attacks and other security problems and system disruptions. KSN relies on accepted security measures and technology to maintain the security of its computer systems, however the risks of being attacked remain. An unauthorised user who circumvents KSN's security measures could misappropriate confidential or proprietary information or cause interruptions normal functions in KSN's operations which may require KSN to expend significant resources to alleviate these issues. Any of these events could damage KSN's reputation and generally have an adverse effect on its operating and financial performance.

Laws and Authorisations

KSN's operations will be subject to various laws and plans, including those in respect of mining, prospecting, development permit and licence requirements, industrial relations, environment, land use, royalties, water, native title and cultural heritage, mine safety, occupational health and plants and animals (for example laws or permitting required in relation to preservation of endangered or threatened species). Approvals, licences and permits for the compliance with these rules may be subject to the discretion of the

applicable government or authorities, the local community or other stakeholders. Moreover, new laws and regulations may be enacted, and existing laws and regulations may be amended or applied in a manner which could impact KSN's exploration, development or production activities. KSN may not be successful in obtaining any or all of the various approvals, licences and permits or maintaining such authorisations in full force and effect without modification or revocation or may not obtain the relevant authorisations in time. If so, KSN may be limited or curtailed from continuing or proceeding with exploration, production or development activities.

Mining development and operations can be subject to public and political opposition. Opposition may include legal challenges to exploration, development and production permits, political and public advocacy, electoral strategies, ballot initiatives, media and public outreach campaigns and protest activity, all which may delay or stop development or expansion, for example, native title claimants (or determined native title holders) may oppose the validity or grant of existing or future tenements held by KSN in Australia, which may potentially impact KSN's future operations and plans. For tenements in Australia (that may still be subject to registered native title claims or determinations) to be validly granted (or renewed), there are established statutory regimes that will need to be followed in connection with those grants (or renewals). Furthermore, change of laws, regulations or policies may take place as a result of political opposition in a way that adversely impacts KSN's abilities to deliver expected outcomes for certain reasons, e.g. increase of royalties or taxes or environmental bonds or change in regimes relating to permits and authorisations which are necessary for KSN's operations.

In the ordinary course of business, mining companies are required to seek governmental permits for exploration, expansion of existing operations or for the commencement of new operations. The duration and success of permitting efforts are contingent upon many variables not within the control of KSN. There can be no assurance that all necessary permits will be obtained, and, if obtained, that the costs involved will not exceed those estimated by KSN and that the permits will be obtained in a timely manner. Amendments to current laws, regulations and permits governing operations and activities of mining companies which apply to KSN's current or future operation, or a more stringent implementation thereof, could have a material adverse impact on KSN and cause increases in the cost of production, capital expenditure or exploration costs and reduction in levels of production for KSN's operations.

Occupational Health and Safety

Workplace incidents may take place for various reasons, including as a result of non-compliance with safety rules and regulations. KSN may be liable for personal injuries or fatalities that are suffered by KSN's employees, contractors or other persons under applicable occupational health and safety laws. If KSN is liable under applicable laws, in whole or part, it may be subject to significant penalties. KSN may be subject to liability to pay compensation, and this may materially and adversely affect KSN's financial position and profitability. The potentially hazardous nature of exploration and mining mean that health and safety regulations impact the activities of KSN. Any injuries, accidents or other relevant events that occur on KSN's operation site could result in legal claims, potential delays or halt that could adversely impact KSN.

Labour Shortages and Industrial Disputes

There is a risk that KSN may need to pay higher than expected costs to acquire or retain the necessary labour for its operations. This could result in a material and adverse increase in costs and/or development projects being delayed or becoming uneconomic and not proceeding as planned. KSN will also be exposed to the risk that industrial disputes may arise (for example, in relation to claims for higher wages or better conditions) which might disrupt some of its operations and lead to increases in project costs and delays including to scheduled start up dates of projects under construction.

Insurance Arrangements

KSN maintains insurance arrangements to protect against certain risks with such scope of coverage and amounts as determined by KSN's board and management, although its insurance policies may not be sufficient to cover all of the potential risks in respect of its operations. No assurance can be given that KSN will be able to obtain or maintain insurance coverage at reasonable rates, or that any coverage it obtains will be adequate and available to cover all risks or claims on acceptable terms. Losses, liabilities and delays arising from uninsured or underinsured events could adversely affect KSN's financial position and profitability.

Changes to Accounting Standards

Changes to AAS, other authoritative pronouncements of the Australian Accounting Standards Board, the Corporations Act 2001 (Cth) ("Corporations Act") and other relevant authorities or applicable laws could affect KSN's reported results of operations in any given period or KSN's financial condition from time to time.

Changes in Tax Rules or their interpretation

Changes in tax law (including value added or indirect taxes and stamp duties), or changes in the way tax laws are interpreted, may impact KSN's tax liabilities or the tax treatment of a KSN shareholder's investment. In particular, both the level and basis of taxation may change. In addition, an investment in KSN shares involves tax considerations which may differ for each KSN shareholder. Each KSN shareholder is encouraged to seek professional tax advice in connection with the Offer and how they may be impacted.

Other External Factors

Events may occur within or outside Australia that could impact upon the Australian economy, KSN's operations and the price of KSN shares. These events include but are not limited to flooding or adverse weather conditions, fires, explosions, rock falls, water ingress, seismic activity or the potential effects of climate change that affect the exploration, development or mining operations of the business, that can have an adverse effect on the demand for KSN's products and its ability to operate its assets or may result in delays to or loss of production. KSN has only a limited ability to insure against some of these risks.

Litigation

KSN may from time to time be involved in legal, regulatory and other proceedings and disputes arising from its businesses and operations. These disputes may lead to legal, regulatory and other proceedings, and may cause KSN to incur significant costs, delays and other disruptions to its businesses and operations. In addition, regulatory actions and disputes with governmental authorities may result in fines, penalties and other administrative sanctions.

Water Sources

The effects of changes in rainfall patterns, water shortages and changing storm patterns and intensities may adversely impact the costs, production levels and financial performance of KSN's operations. There is no guarantee that there will be sufficient future rainfall to support KSN's future water demands in relation to its sites and operations, and this could adversely affect production and KSN's ability to develop or expand projects and operations in the future. In addition, there can be no assurance that KSN will be able to obtain alternative water sources on commercially reasonable terms or at all in the event of prolonged drought conditions. Climate related changes to precipitation patterns could exacerbate water stress in some areas and therefore potentially have a negative impact on KSN's ability to access fresh water and process ore at some or all of its existing operations.

Weather Conditions

Some of KSN's sites and operations may be impacted from time to time by severe storms and high rainfall leading to flooding and associated damage which may result in delays to or loss of production or sales.

6.2 Risks Associated with the Offer

General Risks Associated with an Investment in Shares

There are general risks associated with investments in equity securities. No assurances can be given that the New Shares will trade at price they are issued or equal to or greater than the exercise price of the Options. None of KSN, its directors or any other person guarantees the market performance of the New Shares, or of KSN. The trading price of shares in KSN may fluctuate with movements in equity capital markets in Australia and internationally.

There can be no guarantee of an active market in the shares in KSN or that the price of the shares in KSN will increase. There may be relatively few potential buyers or sellers of KSN shares on the ASX at any time. This may increase the volatility of the market price of KSN shares. It may also affect the prevailing market price at which shareholders are able to sell their shares in KSN.

Generally applicable factors which may affect the market price of KSN shares (and over which KSN and its directors have limited or no control) include:

- (a) The impact of COVID-19 (or other pandemics or epidemics), and the measures taken to control their spread, including on the health of the workforce, customers and supply chains;
- (b) General movements in Australian and international stock markets;
- (c) Investor sentiment and the demand for ASX-listed securities generally, and the risk of contagion;
- (d) Australian and international economic conditions and outlook, including aggregate investment and economic output, employment levels and labour costs;
- (e) Commodity prices, inflation, interest rates, and exchange rates;
- (f) Changes in interest rates and the rate of inflation;
- (g) Changes in exchange rates, copper or other relevant commodity prices, employment levels and consumer demand;
- (h) Changes in government legislation, regulation and policies, including fiscal, regulatory and monetary policies and tax laws;
- (i) Announcement of new technologies and displacement of existing technologies;
- (j) Natural disasters, extreme weather events and catastrophes;
- (k) Geo-political instability, including international hostilities and acts of terrorism;
- (l) Demand for and supply of KSN shares;
- (m) Announcements and results of competitors; and
- (n) The expectations of securities analysts and analysts' reports.

It is also possible that new risks might emerge as a result of Australian or global markets experiencing extreme stress or existing risks may manifest themselves in ways that are not currently foreseeable. There have been during the last year, and may be in the future, significant fluctuations and volatility in the prices of equity securities. In particular, the COVID-19 pandemic, and the continuing uncertainty as to its future impact on the Australian and global economies, and a changing geopolitical risk environment has contributed to significant market falls and volatility, which may materially adversely impact the market price of the Options.

No cooling off

There are no cooling off rights in relation to the Offers. You cannot withdraw your application for New Shares once it has been submitted.

Offer provides no guarantee of future performance

The Board cannot guarantee the Company's future financial performance.

Dividends

The payment of any dividends in respect of KSN's shares is impacted by several factors, including KSN's profitability, retained earnings, availability to frank dividends, capital requirements and free cashflow. Any future dividends will be determined by KSN's board, whilst having regard to these factors, among others. There is no guarantee that any dividends will be paid by KSN, or if paid, paid at historical levels, or with any franking credits. If KSN is unable to pay dividends or pays reduced dividends, the price of its shares may fall.

7. **Additional Information**

7.1 **Litigation**

As at the date of this Prospectus, the Company is not involved in any legal proceedings and the Directors are not aware of any legal proceedings pending or threatened against the Company.

7.2 **Continuous disclosure obligations**

The Company is a “disclosing entity” (as defined in Section 111AC of the Corporations Act) for the purposes of Section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Company’s securities.

This Prospectus is a “transaction specific prospectus”. In general terms a “transaction specific prospectus” is only required to contain information in relation to the effect of the issue of securities on a company and the rights attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

Having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the 3 months before the issue of this Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

Information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

The Company, as a disclosing entity under the Corporations Act states that:

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with the ASIC in relation to the Company (not being documents referred to in Section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of the ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:
 - (i) the annual financial report most recently lodged by the Company with the ASIC;
 - (ii) any half-year financial report lodged by the Company with the ASIC after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC; and

- (f) any continuous disclosure documents given by the Company to ASX in accordance with the ASX Listing Rules as referred to in Section 674(1) of the Corporations Act after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC.
- (g) Copies of all documents lodged with the ASIC in relation to the Company can be inspected at the registered office of the Company during normal office hours.
- (h) Details of documents lodged by the Company with ASX since the date of lodgement of the Company's latest annual financial report and before the lodgement of this Prospectus with the ASIC are set out in the table below.

Date	Description of Announcement
6 October 2022	Date of AGM and Closing Date for Director Nominations
24 October 2022	Notice of Annual General Meeting / Proxy Form
31 October 2022	Appendix 5B Cash Flow Report
31 October 2022	Quarterly Activities Report
2 November 2022	Investor Presentation – IMARC
8 November 2022	Change of Company Secretary
9 November 2022	Investor Presentation – Noosa Mining Investor Conference
10 November 2022	Record Gold Production at Mineral Hill
22 November 2022	NSW Government Funding Awarded for Mineral Hill
24 November 2022	Mineral Hill Underground Resources Increases 114pc
24 November 2022	Managing Director's AGM Presentation
24 November 2022	Results of Meeting
24 November 2022	Constitution
28 November 2022	Change of Director's Interest Notice – Anthony Wehby
6 December 2022	Notification of cessation of securities – KSN
6 December 2022	Notification regarding unquoted securities - KSN
6 December 2022	Application for quotation of securities – KSN
6 December 2022	Change of Director's Interest Notice – Andrew Corbett
7 December 2022	Cleansing Notice

Date	Description of Announcement
13 December 2022	\$1.5M Milestone Payment Received From Livingstone Sale
13 December 2022	MBK: Milestone payment made for Livingstone
3 January 2023	Unlisted Options Expiring
16 January 2023	Record Gold Production in December
30 January 2023	Appendix 5B Cash Flow Report
30 January 2023	Quarterly Activities Report
31 January 2023	Notification of cessation of securities – KSN
14 February 2023	IP Geophysics Underway at Mineral Hill
16 February 2023	Record Gold Production in January
21 February 2023	Investor Presentation
14 March 2023	Half Yearly Report and Accounts
15 March 2023	Pearse Open Pit – Ore Reserve Update
16 March 2023	Record Daily Production in February
21 March 2023	Jack's Hut – Mineral Resource Update
23 March 2023	Ord Minnett East Coast Mining Conference Presentation
11 April 2023	New High in Gold Production in March
27 April 2023	Appendix 5B Cash Flow Report
27 April 2023	Quarterly Activities Report
2 May 2023	Surface drilling underway at Mineral Hill
9 May 2023	Clarification – Surface drilling underway at Mineral Hill
15 May 2023	April sales soar with record high gold prices
19 May 2023	Unlisted Options Expiring
7 June 2023	Underground development underway at SOZ
13 June 2023	Mineral Hill Tailings Project continues to deliver
14 June 2023	Investor Presentation- Mines and Money Connect

Date	Description of Announcement
22 June 2023	Trading Halt
26 June 2023	Suspension from Quotation
27 June 2023	\$6.5M Capital Raising for Mineral Hill Production Expansion
27 June 2023	Proposed issue of securities - KSN
27 June 2023	Reinstatement of Quotation
30 June 2023	Notification of cessation of securities – KSN
30 June 2023	Change in Director's Interest Notice – MW
30 June 2023	Change in Director's Interest Notice – SR
30 June 2023	Change in Director's Interest Notice – AW
30 June 2023	Unlisted Options Expiring
3 July 2023	Notice under section 708A(5)€ of the Corporations Act 2001
3 July 2023	Application for quotation of securities – KSN
3 July 2023	Additional funding received from PURE Asset Management
3 July 2023	Proposed issue of securities – KSN
3 July 2023	Investor Presentation
4 July 2023	Becoming a substantial holder
5 July 2023	Change in substantial holding
5 July 2023	Clarification Notice under s708(A)(5)(e) of the Corps Act 2001
10 July 2023	Fully underwritten Share Purchase Plan to raise \$1 million

- (i) ASX maintains files containing publicly available information for all listed companies. The Company's file is available for inspection at ASX during normal office hours.
- (j) The announcements are also available through the Company's website <https://kingstonresources.com.au/>.

7.3 Excluded Information

The Directors are not aware of any information that has been excluded from a continuous disclosure notice in accordance with the Listing Rules that investors or their professional advisers would reasonably require for the purposes of making informed assessment about

the assets, liabilities financial position and performance of the Company, profits and losses and prospects of the Company and the rights and liabilities attaching to the Options.

7.4 Market price of shares

The Company is a disclosing entity for the purposes of the Corporations Act and its Shares are enhanced disclosure securities quoted on ASX.

The highest, lowest and last market sale prices of the Shares on ASX during the three months immediately preceding the date of lodgement of this Prospectus with the ASIC and the last dates of those respective sales were:

	Price	Date
Highest	\$0.13	14/04/2023
Lowest	\$0.076	05/07/2023
Last	\$0.078	7/07/2023

7.5 Interests of Directors

Other than as set out in this Prospectus, no Director or proposed Director holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (a) the formation or promotion of the Company;
- (b) any property acquired or proposed to be acquired by the Company in connection with:
- (c) its formation or promotion; or
- (d) the Offer; or
- (e) the Offer,
- (f) and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to a Director or proposed Director:

as an inducement to become, or to qualify as, a Director; or

for services provided in connection with:

- (g) the formation or promotion of the Company; or
- (h) the Offer.

7.6 Security holdings

The relevant interest of each of the Directors in the securities of the Company as at the date of this Prospectus is set out in the table below:

Director	Shares	Options	Performance Rights
Mick Wilkes	2,527,452	186,667	nil
Andrew Corbett	4,564,618	7,003,031	2,099,018
Stuart Rechner	431,544	69,783	nil
Anthony Wehby	1,535,697	69,783	nil

7.7 Remuneration

The remuneration of an executive Director is decided by the Board, without the affected executive Director participating in that decision-making process. The total maximum remuneration of non-executive Directors is determined by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of non-executive Directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each non-executive Director.

A Director may be paid fees or other amounts (i.e. non-cash performance incentives such as Options, subject to any necessary Shareholder approval) as the other Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director. In addition, Directors are also entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in or about the performance of their duties as Directors.

The following table shows the total (and proposed) annual remuneration paid to both executive and non-executive Directors:

Director	FY21 (\$)	FY22 (\$)	FY23 (\$)
Mick Wilkes	103,065	133,067	104,960
Andrew Corbett	471,164	423,359	489,665
Stuart Rechner	91,139	86,720	75,555
Anthony Wehby	103,275	87,065	76,245

7.8 Interests of experts and advisers

Other than as set out below or elsewhere in this Prospectus, no:

- person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus; or
- promoter of the Company;
- underwriter (but not a sub-underwriter) to the issue or a financial services licensee named in this Prospectus as a financial services licensee involved in the issue,

holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

- the formation or promotion of the Company;
- any property acquired or proposed to be acquired by the Company in connection with:
 - its formation or promotion; or
 - the Offer; or

the Offer, and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of these persons for services provided in connection with:

- the formation or promotion of the Company; or
- the Offer.

Cowell Clarke has acted as the solicitors to the Company in relation to the Offer. The Company estimates it will pay Cowell Clarke \$20,000 (excluding GST and disbursements) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, Cowell Clarke has received fees from the Company totalling \$27,520 for legal work undertaken for the Company.

7.9 Consents

Chapter 6D of the Corporations Act imposes a liability regime on the Company (as the offeror of the securities), the Directors, the persons named in the Prospectus with their consent as proposed Directors, any underwriters, persons named in the Prospectus with their consent having made a statement in the Prospectus and persons involved in a contravention in relation to the Prospectus, with regard to misleading and deceptive statements made in the Prospectus. Although the Company bears primary responsibility for the Prospectus, the other parties involved in the preparation of the Prospectus can also be responsible for certain statements made in it.

Each of the parties referred to in this section:

- does not make, or purport to make, any statement in this Prospectus other than those referred to in this section; and
- to the maximum extent permitted by law, expressly disclaim and take no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this section.

Cowell Clarke has given its written consent to being named as the solicitors to the Company in this Prospectus. Cowell Clarke has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

Automic has given its written consent to being named as the share registry of the Company in this Prospectus. Automic has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

7.10 Expenses of the Offers

The total expenses of the Offers are estimated to be approximately \$171,692 (excluding GST) and are expected to be applied towards the items set out in the table below:

	\$
ASIC fees	3,206
ASX fees	9,180
Legal Fees	\$20,000
Printing and distribution	4,000
Share registry fees	15,306
Underwriting and Shortfall Placement fee	120,000
Total	171,692

7.11 Electronic prospectus

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the Application Forms. If you have not, you may obtain a copy of this Prospectus from the Company's website at <https://kingstonresources.com.au/>.

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

7.12 Clearing House Electronic Sub-Register System (CHES) and Issuer Sponsorship

The Company will not be issuing option certificates. The Company is a participant in CHES, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHES will be issuer sponsored by the Company. Because the sub-registers are electronic, ownership of securities can be transferred without having to rely upon paper documentation.

Electronic registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with a statement (similar to a bank account statement) that sets out the number of Shares issued to them under this Prospectus. The notice will

also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHES and issuer sponsorship.

Further monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

7.13 **Privacy Act**

If you complete an Application, you will be providing personal information to the Company (directly or by the Company's share registry). The Company collects, holds and will use that information to assess your application, service your needs as a holder of equity securities in the Company, facilitate distribution payments and corporate communications to you as a Shareholder and carry out administration.

The information may also be used from time to time and disclosed to persons inspecting the register, bidders for your securities in the context of takeovers, regulatory bodies, including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the Company's share registry.

You can access, correct and update the personal information that we hold about you. Please contact the Company or its share registry if you wish to do so at the relevant contact numbers set out in this Prospectus.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the *Privacy Act 1988* (Cth) (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules. You should note that if you do not provide the information required on the application for Shares, the Company may not be able to accept or process your application.

8. **Directors' Authorisation**

This Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with Section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with the ASIC.

Dated 10 July 2023



Mick Wilks
Chairman
Kingston Resources Limited

9. **Glossary**

Application Form means the application form attached to this prospectus as Annexure A.

ASIC means the Australian Securities and Investments Commission

ASX means the Australian Securities Exchange

ASX Listing Rules means the listing rules of the ASX

Board means the board of Directors

BW Equities means BW Equities Limited ACN 146 642 462

Closing Date means the closing date specified in the Timetable

Company and KSN means Kingston Resources Limited ACN 009 148 529

Constitution means the constitution of the Company

Corporations Act means the *Corporations Act 2001* (Cth)

Delphi means Delphi Unternehmensberatung Akteingesellschaft, a substantial shareholder in the Company based in Germany

Directors means the directors of the Company

Eligible Shareholders means

Exercise Period means the period from the date of the offer to the date of the closing of the offer

Expiry Date means 31 July 2025

General Meeting means an extraordinary general meeting of the Company, announced on ASX on 10 July 2023 and scheduled for 14 August 2023.

Issue Date means the issue date specified in the Timetable

Issue Price means \$0.085

KSN means Kingston Resources Limited

New Shares means the Shares offered by the company pursuant to the SPP

Official Quotation means quotation of the Shares on ASX

Option means an option to acquire a Share for the Exercise Price and on the terms and conditions specified in section 5.2

Ord Minnett means Ord Minnett Limited ACN 002 733 048

Placement means the \$5.5 million institutional placement to sophisticated investors,

Placement Options means the Options to be granted to the Shareholders that participated in the Placement

Placement Options Offer means the offer of the Placement Options

Prospectus means this document

Record Date means the record date specified in the Timetable

Share means a fully paid ordinary share in the capital of the Company

Shareholder means a shareholder of the Company

SPP and Share Purchase Plan means the share purchase plan offered to Eligible Shareholders in accordance with section 3

SPP Offer means the offer to Eligible Shareholders under the SPP

SPP Offer Options means the Options offered to Eligible Shareholders that acquire New Shares under the SPP

Timetable means the timetable in section 1.

Underwriters means BW Equities and Ord Minnett.

SCHEDULE 1 KEY TERMS OF UNDERWRITING AGREEMENT

KEY TERM	DESCRIPTION
Underwriters	BW Equities Pty Ltd ACN 146 642 462 Ord Minnett Limited ACN 002 733 048
Summary	KSN has entered into an underwriting agreement with the Underwriters in respect of the SPP (Agreement). The Agreement contains certain conditions precedent, representations and warranties, and indemnities in favour of the Underwriters. An Underwriter may also, in certain circumstances, terminate its obligations under the Agreement.
Fees	The underwriters are entitled to an underwriting fee equal to 6% of the Offer Proceeds on the SPP Settlement Date.
Definitions	<p>The following capitalised terms have the following meanings in this Annexure:</p> <p>Governmental Agency means a government, government department or any governmental, semi-governmental or judicial entity or authority, including a stock exchange or a self-regulatory organisation established under statute;</p> <p>Group Member means any one of the Company or its related bodies corporate;</p> <p>Lead Managers means Ord Minnett and BW Equities</p> <p>Offer Documents means any written materials that are presented or provided to prospective applicants by or on behalf of the Company and with the prior authorisation or consent of the Company in connection with, or relating to, the SPP, including any document released to ASX in connection with, or relating to, the SPP, by or on behalf of the Company (including the Notice of EGM);</p> <p>Offer Proceeds means The total proceeds of the SPP, being \$1,000,000, calculated as the Issue Size multiplied by the Offer Price. The Issuer reserves the right to accept oversubscriptions for the SPP of up to a further \$1,000,000.</p> <p>Offer Securities means Fully paid ordinary shares in the capital of the Company</p> <p>SPP Issue Date means 17 August 2023</p> <p>SPP Settlement Date means 16 August 2023</p> <p>Tranche 1 Issue Date means Issue of Securities under Tranche 1 of the Placement, lodgement of notice under section 708A(5)(e) and application for quotation of Tranche 1 Securities, being 3 July 2023.</p>
Termination	<p>An Underwriter may, in certain circumstances, terminate its obligations under the Agreement if any of the following termination events occur by notice to KSN and the other Underwriter.</p> <p>Each of the Underwriters may terminate the Underwriting Agreement if one of the events in Part 1 occurs. Each of the Underwriters may by notice to the Company terminate the Underwriting Agreement if one of the events in Part 2 occurs and the Underwriter has reasonable grounds to believe that in the event has had, or is likely to have, a material adverse effect on the success or outcome of the Offer, or has given rise to or could reasonably be expected to give rise to a contravention by,</p>

	or a liability of, the Lead Managers under any applicable law or regulation.
Part 1 – Non-materiality qualified termination events	<p>(a) (Listing) The Company ceases to be admitted to the official list of ASX or the Securities are suspended from trading on, or cease to be quoted on ASX or it is announced by ASX or the Company that such an event will occur.</p> <p>(b) (Insolvency) The Company or a subsidiary which represents 5% or more of the consolidated assets or earnings of the Group (Material Subsidiary) is Insolvent or there is an act or omission, or a circumstance arises, which is likely to result in the Company or a Material Subsidiary becoming Insolvent.</p> <p>(c) (Withdrawal) The Company withdraws the Placement or the SPP or the offer of Options to any participant in the Placement or SPP.</p> <p>(d) (Offer Force Majeure) There is an event or occurrence, including any statute, order, rule, regulation, directive or request of any Governmental Agency, which makes it illegal for the Lead Managers to satisfy a material obligation of this agreement or to market, promote or settle the Offer.</p> <p>(e) (Unable to issue) The Company is unable to issue or prevented from issuing any Offer Securities as contemplated by this agreement by virtue of the ASX Listing Rules, applicable laws, a Governmental Agency or an order of a court of competent jurisdiction.</p> <p>(f) (Member approval) Other than in respect of the EGM Approvals, the Company is or becomes required to obtain the approval of any class of Shareholder pursuant to the Constitution, the ASX Listing Rules, the Corporations Act or any other applicable law in order to issue the Offer Securities.</p> <p>(g) (Regulatory action in relation to directors and senior executives)</p> <p>(i) a director or the chief executive officer or chief financial officer of the Company is charged with an indictable offence or fraudulent conduct;</p> <p>(ii) any director of the Company is disqualified under the Corporations Act from managing a corporation; or</p>

	<p>(iii) any regulatory body commences any public action against the Company, or any director or the chief executive officer or chief financial officer of the Company, or publicly announces that it intends to take any such action.</p> <p>(h) (Change in management) There is a change (or a change is announced) in the chief executive officer, chief financial officer or chairman of the Company, other than one which has already been disclosed to ASX before the date of this Agreement.</p> <p>(i) (Capital structure) Except as disclosed in the Offer Documents lodged with ASX prior to the date of this Agreement, there is an alteration to the Company's capital structure without the prior consent of the Lead Managers (or as otherwise expressly contemplated by this Agreement or as a result of the Placement or SPP).</p> <p>(j) (Market fall) The S&P/ASX Mining and Metals Index falls to a level which is 15.0% or more below the level of that index on the close of trading on the Business Day before the date of this Agreement and closes at or below that level:</p> <p>(i) on any two consecutive Business Days on or before the Business Day immediately prior to the SPP Settlement Date; or</p> <p>(ii) at the close of trading on the Business Day immediately prior to the SPP Settlement Date.</p> <p>(k) (Gold price fall) The price of gold by reference to spot A\$ gold price referenced on Bloomberg under reference "XAUAUD Currency" falls to a level which is 15.0% or more below the level of that price on the close of trading on the Business Day before the date of this Agreement and closes at or below that level:</p> <p>(i) on any two consecutive Business Days on or before the Business Day immediately prior to the SPP Settlement Date; or</p> <p>(ii) at the close of trading on the Business Day immediately prior to the SPP Settlement Date.</p> <p>(l) (ASIC action) ASIC:</p> <p>(i) applies for an order under Part 9.5 of the Corporations Act in relation to the Offer, the</p>
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	<p>issue of the Offer Securities or any Offer Document;</p> <p>(ii) holds, or gives notice of intention to hold, a hearing, inquiry or investigation in relation to the Offer, the issue of the Offer Securities or any Offer Document under the Corporations Act or the <i>Australian Securities and Investments Commission Act 2001</i> (Cth);</p> <p>(iii) prosecutes or gives notice of an intention to prosecute, or commences proceedings against, or gives notice of an intention to commence proceedings against, the Company or any of its officers, employees or agents in relation to the Offer, the issue of the Offer Securities or any Offer Document under the Corporations Act or the <i>Australian Securities and Investments Commission Act 2001</i> (Cth),</p> <p>except in circumstances where the existence of the application, hearing, inquiry, investigation, prosecution or notice has not become public and it has been withdrawn by the date that is the earlier of:</p> <p>(i) the Business Day immediately preceding the SPP Settlement Date; or</p> <p>(ii) the date that is three Business Days after the application, hearing, inquiry, investigation, prosecution or notice is commenced or received.</p> <p>(m) (Application) There is an application to a Governmental Agency (including the Takeovers Panel) for an order, declaration (including of unacceptable circumstances) or other remedy in connection with the Offer (or any part of it), except in circumstances where the existence of the application has not become public and has been withdrawn, discontinued or terminated by the date that is the earlier of:</p> <p>(iii) the Business Day immediately preceding the SPP Settlement Date; or</p> <p>(iv) the date that is 3 Business Days after the application, hearing, inquiry, investigation, prosecution or notice is commenced or received.</p>
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	<p>(n) (Determination) ASIC makes a determination under section 713(6) of the Corporations Act (in connection with the SPP) or section 708A(2) (in connection with the Placement).</p> <p>(o) (Corrective disclosure)</p> <p>(i) a supplementary prospectus:</p> <p>(A) is lodged by the Company without the prior written consent of the Lead Manager (not to be unreasonably withheld or delayed); or</p> <p>(B) must be lodged with ASIC under section 719;</p> <p>(ii) the Company becomes required to give, or gives, in respect of a cleansing notice issued in connection with the Placement which is defective, a notice in accordance with 708A(9) of the Corporations Act, to correct that defective notice.</p> <p>(p) (Withdrawal of consent) Any person (other than a Lead Manager):</p> <p>(i) whose consent to the issue of the Prospectus is required under section 716 or 720 of the Corporations Act, does not provide that consent (in a form acceptable to the Lead Managers, acting reasonably); or</p> <p>(ii) who has previously consented to the inclusion of their name or any statement in the Prospectus or any supplementary prospectus withdraws that consent.</p> <p>(q) (Section 730 notice) A person other than a Lead Manager gives a notice to the Company under section 730 of the Corporations Act that is in the reasonable opinion of the Lead Managers materially adverse from the point of view of an investor.</p> <p>(r) (Repayment of application moneys) Any circumstance arises after lodgement of the Prospectus with ASIC that results in the Company either repaying the money received from SPP applicants or offering applicants an</p>
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	<p>opportunity to withdraw their applications for Offer Securities and be repaid their application moneys.</p> <p>(s) (Authorisations) Any:</p> <p>(i) material licence, lease, permit, concession, tenement, authorisation or concession of the Group (Authorisation) is, or is likely to be, invalid, revoked or unenforceable, including as a result of the introduction of new legislation in the relevant jurisdiction; or</p> <p>(ii) Authorisation is breached or not complied with in a material respect;</p> <p>(t) (Compliance) The Company commits a breach of the Corporations Act, ASX Listing Rules, the Constitution, or other applicable laws or its Constitution.</p> <p>(u) (Certificate) A Certificate which is required to be furnished by the Company under this Agreement is not furnished when required, or if furnished is untrue, incorrect or misleading or deceptive in any material respect (including by omission).</p> <p>(v) (ASX approval) Unconditional approval (or conditional approval, provided such condition would not have a material adverse effect on the success or settlement of the Offer) by ASX for official quotation of the Offer Securities is refused or is not granted by the time required to issue the relevant Offer Securities in accordance with the Timetable or, if granted, is modified (in a manner which would have a material adverse effect on the success or settlement of the Offer) or withdrawn.</p> <p>(w) (Timetable) Any event specified in the Timetable is other than in accordance with clause 5.2</p>
Part 2 – Materiality qualified Termination Events	<p>(x) (Breach) The Company fails to perform or observe any of its obligations under this agreement.</p> <p>(y) [(Due Diligence Deliverables) Any due diligence questionnaire provided to the Lead Managers having been withdrawn, or varied without the prior written consent of the Lead Managers.]</p> <p>(z) (Information) The information provided by or on behalf of the Company to the Lead Managers in relation to the due diligence questionnaire, the Offer Documents or the</p>

	<p>Offer, is false, misleading or deceptive or likely to mislead or deceive (including by omission).</p> <p>(aa) (Representations and warranties) A representation or warranty made or given by the Company under this Agreement is breached or proves to be, or has been, or becomes, untrue or incorrect or misleading or deceptive.</p> <p>(bb) (Legal proceedings) Legal proceedings against the Company, any other Group Member or against any director of the Company or any other Group Member in that capacity is commenced or any regulatory body commences any enquiry or public action against a Group Member.</p> <p>(cc) (Conduct) The Company or any of its directors or officers engages in misleading or deceptive conduct or activity in connection with the Offer.</p> <p>(dd) (New circumstance) A new circumstance arises which is a matter adverse to investors in Offer Securities and which would have been required by the Corporations Act to be included in the cleansing notice issued on the Tranche 1 Issue Date, or the Prospectus, had the new circumstance arisen before either of those documents was given to ASX.</p> <p>(ee) (Adverse change) There is an adverse change, or an event occurs that is likely to give rise to an adverse change, in the business, assets, liabilities, financial position or performance, operations, management, outlook or prospects of the Company or the Group (in so far as the position in relation to any entity in the Group affects the overall position of the Company).</p> <p>(ff) (Future matters) Any expression of belief, expectation or intention, or statement relating to future matters (including any forecast or prospective financial statements, information or data) in an Offer Document or is or becomes incapable of being met or, in the reasonable opinion of either of the Lead Managers, unlikely to be met in the projected timeframe.</p> <p>(gg) (Offer Documents misleading) Any:</p> <p>(i) statement in an Offer Document is or becomes false, misleading or deceptive or likely to mislead or deceive (including misleading within the meaning of section 728(2) of the</p>
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	<p>Corporations Act, in the case of the Prospectus); or</p> <p>(ii) Offer Document does not contain all information required to comply with all applicable laws (in particular, having regard to section 713 of the Corporations Act in the case of the Prospectus).</p> <p>(hh) (Offer Documents issued or varied without approval) The Company:</p> <p>(iii) issues an Offer Document without the prior approval of the Lead Managers (such approval not to be unreasonably withheld); or</p> <p>(iv) varies or withdraws an existing Offer Document without the prior approval of the Lead Managers (such approval not to be unreasonably withheld).</p> <p>(ii) (Change in law) There is introduced into the Parliament of the Commonwealth of Australia or any State or Territory of Australia a law or prospective law or any new regulation is made under any law, or a Governmental Agency or the Reserve Bank of Australia adopts a policy, or there is an official announcement on behalf of the Government of the Commonwealth of Australia or any State or Territory of Australia or a Governmental Agency that such a law or regulation will be introduced or policy adopted (as the case may be) (other than a law or policy that has been announced before the date of this Agreement), any of which does or is likely to prohibit or regulate the Offer or adversely affects the Group.</p> <p>(jj) (Disruption in financial markets) Any of the following occurs:</p> <p>(i) a general moratorium on commercial banking activities in Australia, New Zealand, the United States, Japan, Singapore or the United Kingdom (together, the Specified Jurisdictions) is declared by the relevant central banking authority in any of those countries, or there is a material disruption in commercial banking or security settlement or clearance services in any of those countries; or</p>
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	<ul style="list-style-type: none"> (ii) trading in all securities quoted or listed on the ASX, the London Stock Exchange, the New York Stock Exchange or the Tokyo Stock Exchange is suspended or limited in a material respect; or (iii) the occurrence of any other adverse change or disruption to financial, political or economic conditions, currency exchange rates or controls or financial markets in a Specified Jurisdiction, or any change or development involving such a prospective adverse change in any of those conditions or markets. <p>(kk) (Hostilities) Major hostilities not existing at the date of this agreement commence (whether war has been declared or not) or a major escalation in existing hostilities occurs (whether war has been declared or not) involving any one or more of the Specified Jurisdictions, or a national emergency is declared by any one or more of the Specified Jurisdictions, or a major terrorist act is perpetrated anywhere in the world.</p> <p>(ll) (Prescribed Occurrence) A prescribed occurrence (being the events specified in paragraphs (a) to (h) of subsection 652C(1) of the Corporations Act, as if references to 'the target' were replaced by references to 'the Company') in respect of the Company occurs at any time prior to the SPP Issue Date, other than:</p> <ul style="list-style-type: none"> (i) as contemplated by this Agreement or pursuant to the Offer; (ii) in a manner described in any document lodged with ASX on or before the date of this Agreement; (iii) the Company issuing securities pursuant to: <ul style="list-style-type: none"> (A) the exercise or conversion of any security on issue as at the date of this agreement; (B) any employee incentive scheme in operation as at the date of this agreement; or (C) any distribution reinvestment plan; or (iv) as permitted in writing by the Lead Managers.
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ANNEXURE A – APPLICATION FORM

[EntityRegistrationDetailsLine1Envelope]
[EntityRegistrationDetailsLine2Envelope]
[EntityRegistrationDetailsLine3Envelope]
[EntityRegistrationDetailsLine4Envelope]
[EntityRegistrationDetailsLine5Envelope]
[EntityRegistrationDetailsLine6Envelope]

SRN/HIN: [HolderNumberMasked]

ASX Code: KSN

Record Date: 7:00pm (AEST) on 26 June 2023

SHARE PURCHASE PLAN APPLICATION FORM

**IMPORTANT: OFFER CLOSSES 5:00PM (AEST) ON THURSDAY 10 AUGUST 2023
(UNLESS VARIED)**

1: SUBSCRIPTION

This Offer entitles each Eligible Shareholder in **Kingston Resources Limited** (ASX: **KSN**) (the **Company**) to subscribe through the Company's Share Purchase Plan (**SPP**) for a maximum of \$60,000 worth of fully paid ordinary shares in the Company (**New Shares**). The SPP is open to all shareholders recorded as holding fully paid ordinary shares (**Shares**) on the Company's Register as at the Record Date with a registered address in Australia, New Zealand or Germany. The issue price of the New Shares is **A\$0.085 (Price)**. Eligible Shareholders may subscribe for any one of the following parcels (*subject to a maximum band or any scale back*) described below by paying the applicable Subscription Amount in accordance with the payment instructions in section 2 of this Application Form:


	Application Amount	Number of New Shares		Application Amount	Number of New Shares
Offer A	\$60,000	705,882	Offer F	\$20,000	235,294
Offer B	\$50,000	588,235	Offer G	\$15,000	176,470
Offer C	\$40,000	470,588	Offer H	\$10,000	117,647
Offer D	\$30,000	352,941	Offer I	\$5,000	58,823
Offer E	\$25,000	294,117	Offer J	\$2,000	23,529

SPP participants will also receive 1 unlisted option for every 2 SPP shares subscribed exercisable at \$0.14 on or before 31 July 2025

No fractions of Shares and attaching Options will be issued. Any fraction of a Share or Option will be rounded down to the nearest whole number of Shares or Options (where applicable).

2: PAYMENT - You can pay either by BPAY® or Electronic Funds Transfer "EFT"

Payment under the Share Purchase Plan can only be made by BPAY® or EFT.

Option A – BPAY®	Option B – Electronic Funds Transfer (EFT)
 <p>Biller Code: 416016 Ref No: [BPayCRN]</p> <p>Contact your financial institution to make your payment from your cheque or savings account.</p> <p>Note: You do not need to return this form if you have made payment via BPAY® or EFT. Your BPAY® reference number or unique reference number will process your payment for your application for New Shares electronically.</p>	<p>The unique Payment Reference which has been assigned to your Application is: [HolderId]-[CAID]-KSN</p> <p>Funds are to be deposited directly to following bank account: Account name: Automic Pty Ltd Account BSB: 036-051 Account number: 593920 Swift Code: WPACAU2S</p> <p>IMPORTANT: You must quote your unique payment reference as your payment reference/ description when processing your EFT payment. Failure to do so may result in your funds not being allocated to your application and shares subsequently not issued.</p>

3: Elect to receive email communication

Return to Automic Group by email to corporate.actions@automicgroup.com.au

Telephone Number ()	Contact Name (PLEASE PRINT) _____	KSN-[HolderId] _____
Please insert your email address if you wish to elect to be an e-Shareholder, and you consent to receiving communications from the Share Registry _____		

INSTRUCTIONS FOR COMPLETION OF THIS FORM

The right to participate in the SPP is optional and is offered exclusively to all Shareholders (including Custodians) who are registered as holders of fully paid ordinary shares in the capital of the Company on the Record Date with a registered address in Australia, New Zealand or Germany (**Eligible Shareholders**).

If the Company rejects or scales-back an application or purported applications, the Company will return to the Shareholder the relevant Application Monies, without interest.

HOW TO APPLY FOR NEW SHARES UNDER THE SPP

1 Subscription

As an Eligible Shareholder, you can apply for up to a maximum of \$60,000 worth of New Shares. Eligible Shareholders can select one of the parcels prescribed overleaf and will receive 1 unlisted option for every 2 SPP shares subscribed exercisable at \$0.14 on or before 31 July 2025.

The maximum application for New Shares each Eligible Shareholder (irrespective of the size of their shareholding) may apply for under this Offer is \$60,000 (including through joint holding(s), multiple share accounts or any holding in which they have a beneficial interest(s). This limit will apply even if you receive more than one offer from the Company (for example, because you are a joint holder of New Shares or because you hold more than one shareholding under separate share accounts).

If the Company receives an amount that does not equal one of the amounts specified overleaf the Company may accept the payment at their discretion and refund any excess Application Money (without interest) to the Eligible Shareholder. If the Company receives a subscription of over \$60,000 worth of New Shares by an Eligible Shareholder through multiple applications or joint holdings, the Company may refund any excess Application Money (without interest) to the Eligible Shareholder.

Any application made under the SPP is not guaranteed to result in the Eligible Shareholder receiving any New Shares that have been applied for. Applications may be scaled back as described in the Prospectus that this Application Form accompanies.

2 Payment

By making a payment via BPAY or EFT, you agree that it is your responsibility to ensure that funds are submitted correctly and received by Automic Share Registry by the closing date and time. Payment must be received by the Share Registry by no later than 5.00pm (AEST) on Thursday, 10 August 2023.

It is your responsibility to ensure your CRN or unique Payment Reference is quoted, as per the instructions in Section 2. If you fail to quote your CRN or unique Payment Reference correctly, Automic may be unable to allocate or refund your payment. If you need assistance, please contact Automic.

Payment by BPAY®: You can make a payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions. To BPAY® this payment via internet or telephone banking use your reference number on this Form. Multiple acceptances must be paid separately.

Payment by EFT: You can make a payment via Electronic Funds Transfer "EFT". Multiple acceptances must be paid separately. Please use your unique reference on this Form. This will ensure your payment is processed correctly to your application electronically.

If you make a payment by BPAY® or EFT and the Company receives an amount which is not equal to either **A\$60,000 (maximum), A\$50,000, A\$40,000, A\$30,000, A\$25,000, A\$20,000, A\$15,000, A\$10,000, A\$5,000 or A\$2,000** the Company may accept the payment at their discretion. Your payment must be for a minimum of A\$2,000.

Applicants should be aware of Automic's financial institution's cut off-time, their own financial institution's cut-off time and associated fees with processing a funds transfer. It is the Applicant's responsibility to ensure funds are submitted correctly by the closing date and time, including taking into account any delay that may occur as a result of payments being made after 5pm (AEST) and/or on a day that is not a business day (payment must be made to be processed overnight). You do not need to return this Form if you have made payment via BPAY® or EFT. Your reference number will process your payment to your application electronically and you will be deemed to have applied for such shares for which you have paid.

3 Contact Details - Elect to receive email communication

As a valued shareholder in **Kingston Resources Limited** the Company encourages shareholders to elect to receive their shareholder communications electronically. This will ensure you receive all future important shareholder communications in a faster and more secure way and reduce the environmental footprint of printing and mailing.

IMPORTANT INFORMATION

1. This is an important document which requires your immediate attention. If you are in any doubt as to how to deal with this Application Form, please consult a professional adviser.
2. If you do not wish to purchase New Shares under the SPP, there is no need to take action.
3. Please ensure you have read and understood the terms and conditions of the SPP in the Prospectus accompanying this Application Form and this section entitled "Important Information" before making payment by BPAY® or EFT.
4. The offer for New Shares under the SPP is non-renounceable. Applications can only be accepted in the name printed on the Application Form.
5. If you are a custodian, trustee or nominee within the meaning of "Custodian" as defined in ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547, you must complete and submit an additional certificate that contains further certifications and details (**Custodian Certificate**) that must be provided before your application will be received. The Custodian Certificate can be obtained by contacting the Share Registry on the telephone number set out below. Applications received by Custodians that are not accompanied by the Custodian Certificate will be rejected. A completed Custodian Certificate must be emailed to: custodialcertificates@automicgroup.com.au, failure to do so will result in the Application being rejected.
6. For applicants that are not required to complete the Custodian Certificate, by making payment by BPAY® or EFT, you certify that the aggregate of the payment paid by you for:
 - the parcel of New Shares indicated on this Application Form or BPAY® or EFT; and
 - any other New Shares applied for by you, or which you have instructed a custodian to acquire on your behalf under the SPP does not exceed A\$60,000.
7. The maximum subscription limitation of A\$60,000 will apply even if you have received more than one Application Form (whether in respect of a joint holding or because you have more than one holding under separate security accounts).
8. You are not guaranteed to receive any New Shares that you have applied for and the Board may, in accordance with the Prospectus:
 - a. scale back any applications made; and
 - b. reject your application, without limit.
9. By making payment of application monies, you certify that:
 - you wish to apply for New Shares under the SPP as indicated on this Application Form and acknowledge that your application is irrevocable and unconditional;
 - you received a copy of the Prospectus and you have read and understood the terms and conditions of the SPP;
 - you agree to be bound by the Constitution of the Company and the terms and conditions in the Prospectus;
 - you agree to accept any lesser number of New Shares than the number of shares applied for; and
 - you are not in the United States and are not acting for the account or benefit of a person in the United States and have not sent any offering materials relating to the SPP offer to any person in the United States.

If you require further information about the SPP, please contact Automic on 1300 288 664 or +61 2 9698 5414 between 8:30am and 7:00pm (AEST).