

Rising GOLD DEVELOPER in the Asia-Pacific

2020 Annual General Meeting
Managing Directors Presentation
26 November 2020

26 November, 2020
Andrew Corbett, Managing Director

130,000ozpa, A\$1,159/oz AISC
17-year mine life
Strong financial returns

KSN

**KINGSTON
RESOURCES
LIMITED**



ASX: KSN

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Competent Persons Statement

The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by Mr Stuart Hayward (BAppSc (Geology)) MAIG, a Competent Person who is a member of the Australian Institute of Geoscientists. Mr Hayward is an employee of the Company and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”. Mr Hayward consents to the inclusion in this report of the matters based upon the information in the form and context in which it appears.

The Competent Person signing off on the overall Ore Reserves Estimate is Mr John Wyche (BE (Min Hon)), of Australian Mine Design and Development Pty Ltd, who is a Fellow of the Australasian Institute of Mining and Metallurgy and who has sufficient relevant experience in operations and consulting for open pit metalliferous mines. Mr Wyche consents to the inclusion in this report of the matters based upon the information in the form and context in which it appears.

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

Exploration by Other Explorers

This presentation contains information sourced from the reports of Other Explorers. References to the original reports are provided as footnotes where the information is cited in this presentation. KSN does not vouch for the accuracy of these reports. KSN has taken the decision to include this information as it is in the public domain and as we assess it to be of relevance to shareholders and investors.

Agenda

- **Vision : Building a gold company**
- **Year in Review**
- **Misima Gold Project : Prefeasibility and Exploration**



Vision

Our vision is to create an ASX listed mid-tier gold producer operating in the Asia-Pacific

Leverage the Misima Gold Project as the cornerstone asset to build a mid-tier gold company

Led by an experienced and qualified management team with a proven track record for creating value by developing and operating gold mines

Sustainability

Safety

- Zero LTI's
- Misima risk review completed
- Baseline data for TRIFR
- Introduced Take 5 & JSRA

People

- PNG employees +90%
- Can-do culture
- Attract and retain the right people
- Caring for our people

Environment

- Zero environmental non-compliance
- Aware of our operational footprint
- Eliminate hydrocarbon spillage
- EIR & EIS underway

Community

- Local employment
- Listen and understand
- Working together
- Strong engagement and support



COVID-19 Management

- March 2020 all drilling operations ceased
- Operational readiness
 - COVID-19 Management Plan
 - COVID-19 Temperature Screening Procedure
 - COVID-19 Cleaning Procedure
- September 2020 remobilised site management
- October 2020 recommenced drilling and exploration
- Expat quarantine procedures remain in place in both PNG and Australia



The threat of COVID-19 remains in Papua Guinea. Protect yourself, your colleagues and clients in the workplace.

- 1 If you're sick, stay home. Don't go to work. Don't socialise. 
- 2 If you have fever, cough and shortness of breath, call the COVID-19 Hotline 1-800200. If you are told to self-isolate, you must do so immediately. 
- 3 Maintain at least 1.5 meters between you, colleagues and clients. 
- 4 Greet each other with a smile, a nod or a simple hello – no handshakes! 
- 5 Clean and disinfect your workplace regularly – particularly door handles, phones, keyboards, elevator buttons, kitchens and bathrooms. 
- 6 Wash your hands frequently with soap and water or use an alcohol-based sanitizer. 
- 7 Sneeze and cough into your elbow, or use a tissue and dispose into bin immediately. 
- 8 Reduce gathering in the offices. Limit large in-person meetings or hold meetings via phone or over the internet. 
- 9 Wear a face mask if physical distancing is not possible to protect yourself and others. 
- 10 If you're concerned about your wellbeing or have underlying health conditions, work with your doctors to understand how best to stay healthy. 



Stay vigilant. Look after the health and welfare of one another.

People have different experiences in the time of the pandemic. Whatever you're feeling – it's okay. Be supportive and kind to others. Be kind to yourself.



Strategy

Misima (100%)

- Consolidated ownership of Misima
- Completed the PFS
- Mineral Resources upgraded
- Maiden Ore Reserve
- Approval program underway
- Development roadmap in place
- Exploration and Resource drilling ongoing

Livingstone (75%)

- Ongoing exploration
- Developing the geological model
- Unlocking prospectivity



Management – positioned for development

Kingston Appoints Highly-Regarded Australian Mining Executive Mick Wilkes as Chairman

Appointment comes as Kingston prepares to make the transition to Asia-Pacific gold developer at the large-scale Misima Project in PNG

Board & Management

Mick Wilkes	Chairman (from 1 Dec 2020), (B Eng (Hons), MBA, GAICD) 35 years experience
Tony Wehby	Non-Executive Director, (FCA, MAICD), 45 years experience
Stuart Rechner	Non-Executive Director, (BSc, LLB, MAIG, GAICD), 20 years experience
Andrew Corbett	Managing Director, (B Eng (Mining, Hons), MBA), 25 years experience
Chris Drew	Chief Financial Officer, (BCom (Hons), CFA), 20 years experience
Stuart Hayward	Chief Geologist, (B App Sc (Geol); MAIG), 30 years experience

Misima Pre-Feasibility Study

- PFS completed November 2020
- Development underpinned by **3.6Moz Resource¹** and **1.35Moz Reserve¹**
- Leveraging off 15 years of previous production history:
 - New plant largely replicates successful Placer design
 - Haul roads, port, airstrip in place
 - Pit, plant, camp, haul road, port locations all unchanged
 - Geotechnical and metallurgical information well understood
- **Brownfields development** site delivers capital cost advantages
- Low cost operation driven by geology and scale
- **Strong community support** for advancing the project



Historical photograph of Misima mill



1. See KSN ASX announcement on 24 Nov 2020 for further detail

Misima Pre-Feasibility Study

- Misima Gold Project PFS delivers **exceptional economics**^{1,2}:
 - 17-year mine life at 130,000oz per annum annual average gold production, 5.5Mtpa mining and processing
 - LOM average AISC A\$1,159/oz
 - LOM Revenue A\$4.9 billion
 - LOM Free Cash Flow A\$1.5 billion
- Pre-tax NPV of A\$822m, (8% disc. rate, US\$1600/oz Au)
 - Pre-tax IRR 33%
 - Payback period 4.7 years
 - Post-tax NPV A\$535m, IRR 26%
- Spot gold price economics (US\$1900/oz)
 - Pre-tax NPV of A\$1.28 billion
 - Pre-tax IRR 48%
 - Payback period 2.75 years
- Capital expenditure A\$283m, including A\$37m contingency

PFS Production Target Summary & Economics			
LOM	Years	17	
LOM Gold production	oz	2,133,157	
LOM Avg annual gold production	oz	129,282	
Annual mill throughput	Mt	5.5	
Capital Expenditure	A\$m	283	
LOM AISC	A\$/oz	1,159	
LOM avg recovery	%	89.4%	
LOM strip ratio	waste:ore	5.1	
LOM strip ratio (excluding backfill)	waste:ore	3.7	
Gold Price		US\$1600/oz	Spot (US\$1900)
Exchange Rate	AUD	A\$0.70	A\$0.70
LOM Revenue	A\$m	5,081	5,996
LOM Free Cash Flow	A\$m	1,466	2,094
NPV (8%) pre tax	A\$m	822	1,279
NPV (8%) post tax	A\$m	535	857
IRR pre-tax	%	33%	48%
IRR post-tax	%	26%	37%
Payback	years	4.67	2.75

1. See KSN ASX announcement on 24 November 2020 for further detail

2. The PFS referred to in this announcement is based upon a Production Target derived from the JORC Code 2012 Compliant Mineral Resource Estimate inclusive of the Probable Ore Reserve referred to in this announcement. The Company advises that the Probable Ore Reserve provides 54% of the total milled tonnage and 57% of the total contained gold metal, the Indicated Resource outside the Ore Reserve provides a further 7% of the total milled tonnage and 7% of the total contained gold metal

Misima Pre-Feasibility Study

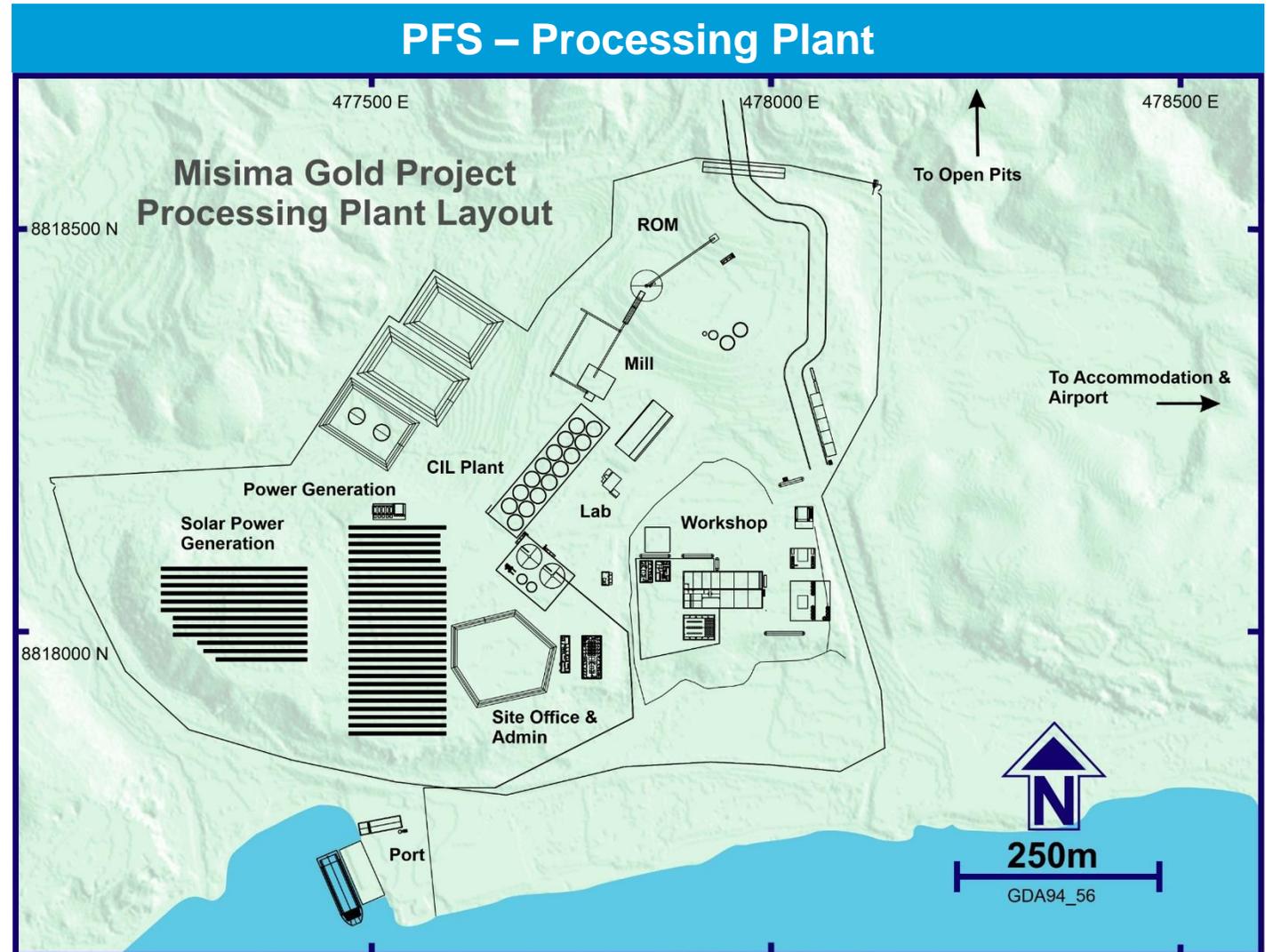
- Low-cost mining and processing are key advantages at Misima
- Key drivers of the forecast low operating costs:
 - Coarse grind: P80 passing at 250 micron
 - Low bond work index: BWi of 7 in oxide ore, 11 in fresh ore
 - Low power consumption processing: 16MW total generation capacity for 5.5Mtpa plant
 - Low powder factor: 0.11 – 0.15kg/t
 - Low deleterious elements
 - Long and well understood history of successful mining and processing
 - Low-cost operating environment in PNG
- Under Placer, Misima delivered LOM cash costs of US\$218/oz over 15 years¹ – Kingston to mine and process the same orebody

PFS Production Target – Capital & Operating Costs		
Capital Costs		
5.5Mtpa Processing Plant	A\$m	99.0
Other infrastructure	A\$m	61.5
Mine development	A\$m	17.2
Capitalised pre-strip	A\$m	32.5
Owners costs	A\$m	35.7
Contingency	A\$m	37.2
Total Pre-Production Capital Expenditure	A\$m	283.1
LOM Sustaining Capital Expenditure	A\$m	135.1
LOM Operating cost summary		
	A\$/tonne	A\$/oz
Mining	10.42	440
Processing	13.23	558
SG&A	3.20	135
Royalties	1.40	59
Sustaining Capex	1.50	63
Silver by-product credit	(2.28)	(96)
AISC	27.47	1,159

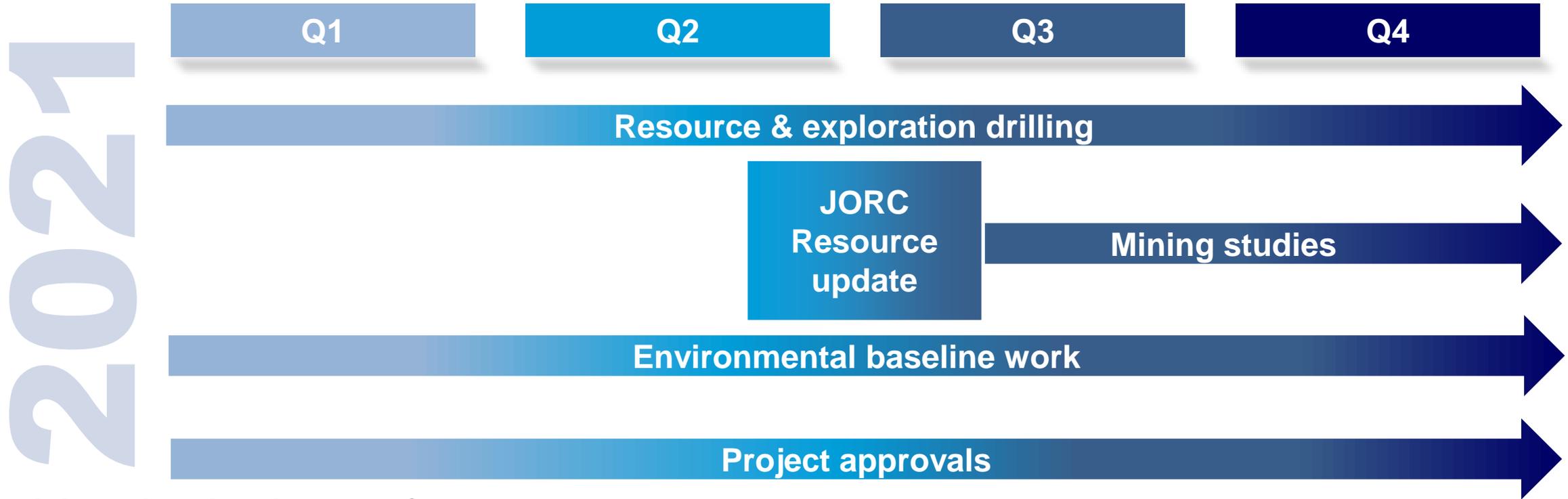
1. Kennedy, 1994, AUSIMM, "Misima Mines milling operation: one of the World's lowest cost conventional gold extraction plants"
www.kingstonresources.com.au

Misima Pre-Feasibility Site Layout

- Utilising previous process plant location
- Leveraging existing land topography and previous footprint
- Excellent access to current Misima Island facilities such as roads and airport
- Simple layout utilising historical footprint
- Access existing haul road
- Access existing port location



Misima: Active Work Program Advancing



Advancing development focus

- Environmental baseline work ongoing, EIS activity to step up post PFS
- Targeting resource update by mid-2021, with commencement of DFS to follow
- Geotechnical and metallurgical test work for DFS underway
- Drilling to continue throughout CY2021

Questions



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