

June 2021 Quarterly Activities Report

Misima Resource update on track for September Quarter, DFS and approval studies progressing on schedule

Misima Gold Project, PNG

- Initial phase of Resource diamond drilling completed at Kulumalia, with results to be incorporated into the Misima Resource and Reserve update expected to be reported in the September quarter.
- Kulumalia program comprised 19 holes for 3,820m, delivering positive gold and high grade silver assay results including:
 - GDD101 20.7m @ 2.52g/t Au & 86.1g/t Ag from 99.3m
 - GDD104 17.5m @ 2.28g/t Au & 2.5g/t Ag from 221.9m
 - GDD108 21.3m @ 1.69g/t Au & 30.5g/t Ag from 218m
 - GDD109 6m @ 2.32g/t Au & 46.5g/t Ag from 142m, and
21.5m @ 0.94g/t Au & 121g/t Ag from 210.9m
 - GDD110 19.4m @ 0.85g/t Au & 60.8g/t Ag from 94m
- Misima Gold Project Definitive Feasibility Study (DFS) is progressing on schedule, with metallurgical testing largely complete, geotechnical drilling underway, and tender process underway for major engineering packages.
- Environmental and Social Impact Assessment (ESIA) work programs advancing, with a number of field programs concluded and contractors appointed for independent studies.
- Studies and field surveys to facilitate Mining License (ML) application underway.
- All DFS, ESIA and ML studies and approvals on track for completion and submission in Q1 2022.

Livingstone Gold Project, WA

- Assay results from recent surface sampling program pending.

Corporate

- Quarter-end cash balance of \$11 million.



ASX: KSN
Shares on Issue: 284M
Market Cap: A\$58M
Cash: A\$11.0M (30 Jun 2021)

201/110 Pacific Hwy,
North Sydney, NSW 2060
+61 2 8021 7492
info@kingstonresources.com.au
www.kingstonresources.com.au



@KSNResources

Commenting on the June quarter, Kingston Managing Director Andrew Corbett said: *“Kingston continues to make excellent progress on multiple fronts this year as we work to deliver a number of significant milestones on the path to recommencing gold production at Misima”.*

“We anticipate reporting the updated Misima Resource and Reserve estimate in the September quarter, with these updated models to provide the foundation for our ongoing feasibility studies. Pleasingly, the ESIA and ML application work programs are progressing well, with a significant amount of field work already completed or underway, reflecting the Kingston team’s strong capability and focus throughout the current challenging COVID situation.

“We look forward to a very active second half of the year, with the Definitive Feasibility Study and approvals program both expected to be completed in early 2022.”

Kulumalia Drilling

During the quarter, diamond drilling continued at Kulumalia, which sits at the southern end of the main Umuna Lode. The drilling at Kulumalia was undertaken within the existing Inferred Resource envelope and was designed to upgrade the material to Indicated category, allowing it to be included in the upcoming Reserve estimate. Best gold intercepts from the latest results include (see ASX announcements 4th and 31st May 2021):

- GDD101 16.8m @ 0.82g/t Au & 16.0g/t Ag from 34m, including
2.4m @ 1.55g/t Au & 31.2g/t Ag from 41.1m
- GDD101 20.7m @ 2.52g/t Au & 86.1g/t Ag from 99.3m, including
1.9m @ 15g/t Au & 22.3g/t Ag from 105m
- GDD104 8m @ 1.39g/t Au & 3.6g/t Ag from 210.2m
- GDD104 17.5m @ 2.28g/t Au & 2.5g/t Ag from 221.9m, including
10.8m @ 3.4g/t Au & 2.6g/t Ag from 226.7m
- GDD108 3m @ 8.3g/t Au & 87.2g/t Ag from 1.5m;
3.1m @ 4.08g/t Au & 23.8g/t Ag from 210.9m;
21.3m @ 1.69g/t Au & 30.5g/t Ag from 218m, including
1.3m @ 5.12g/t Au & 15.6g/t Ag from 218m
- GDD109 3.2m @ 4.28g/t Au & 66.8g/t Ag from 142m;
21.5m @ 0.94g/t Au & 121g/t Ag from 210.9m, including
12.1m @ 1.23g/t Au & 35.2g/t Ag from 210.9m
- GDD110 19.4m @ 0.85g/t Au & 60.8g/t Ag from 94m, including
2m @ 3.5g/t Au & 225g/t Ag from 105m, including
0.5m @ 10.2g/t Au & 199g/t Ag from 105m

High-grade silver mineralisation was intercepted in drilling areas within and peripheral to the intercepted gold mineralisation (see ASX announcements 4th and 31st May 2021). Best silver intercepts from drilling during the quarter included:

- GDD101 2m @ 193g/t Ag & 0.68g/t Au from 87m
- GDD101 37.4m @ 90.9g/t Ag & 1.5g/t Au from 91.6m

- GDD105 3.6m @ 46.9g/t Ag & 0.04g/t Au from 8.5m
- GDD107 1.2m @ 48.5g/t Ag & 0.03g/t Au from 79m
- GDD108 12m @ 44.0g/t Ag & 1.73g/t Au from 218m
- GDD109 2m @ 52.2g/t Ag & 0.1g/t Au from 43m
6m @ 46.5g/t Ag & 2.32g/t Au from 142m
27.7m @ 107g/t Ag & 0.84g/t Au from 210.9m
- GDD110 1m @ 57.7g/t Ag & 0.42g/t Au from 94m
3m @ 228g/t Ag & 2.53g/t Au from 104m
2m @ 91.3g/t Ag & 1.19g/t Au from 110m
5m @ 29.7g/t Ag & 0.11g/t Au from 116m

High-grade silver intercepts are calculated independently of gold, with a silver cut-off grade of 24g/t determined using commodity price assumptions, mining assumptions, operating costs and recoveries as published in the Misima PFS and Resource and Reserve Statement (see ASX Announcement 24 November 2020).

Updated Interpretation

Recent drilling at Kulumalia has resulted in an improved geological understanding that has highlighted the possibility of repeat extensions of the Kulumalia and Umuna structures to the north and east, with shallow mineralised structures in the hanging wall to the south. Future programs are designed to test the mineralisation potential adjacent to Kulumalia, and extensions along strike and down dip on splays and structures peripheral to the main Umuna deposit.

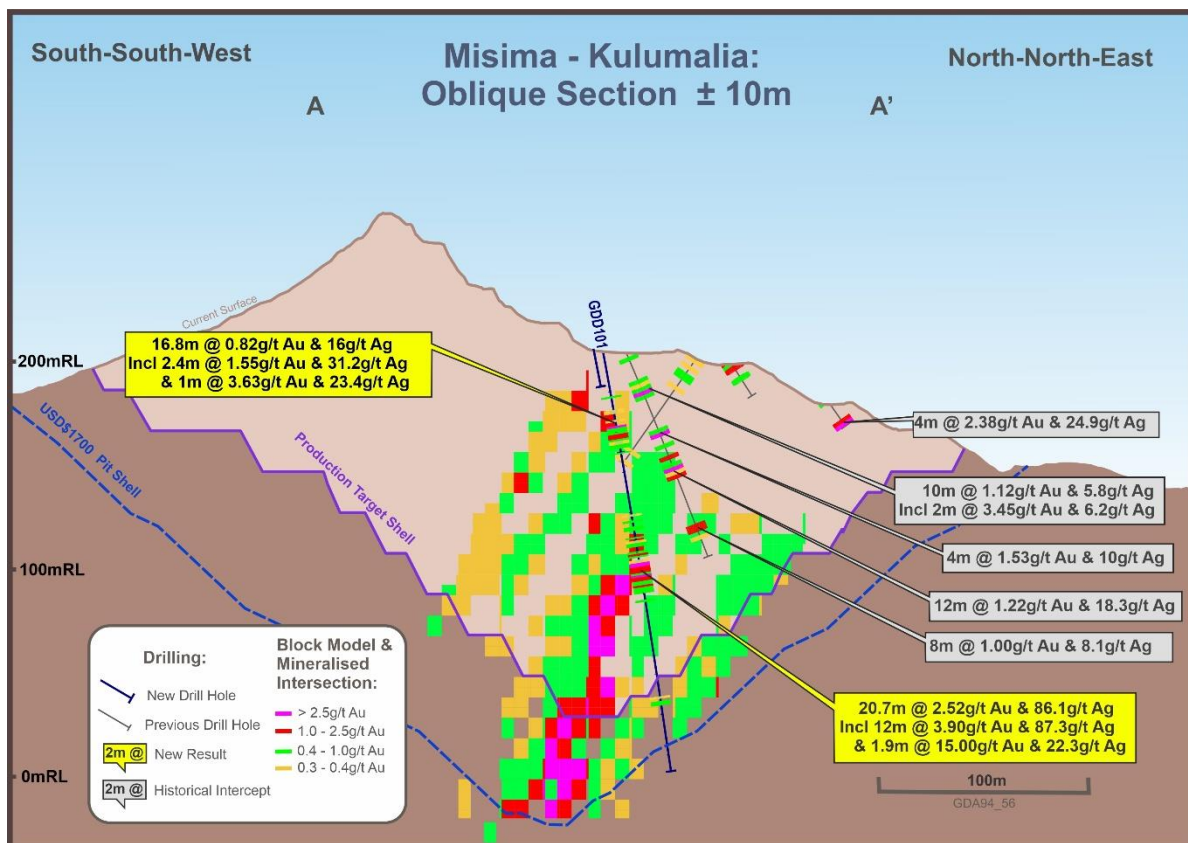


Figure 1: Kulumalia section showing new shallow mineralisation

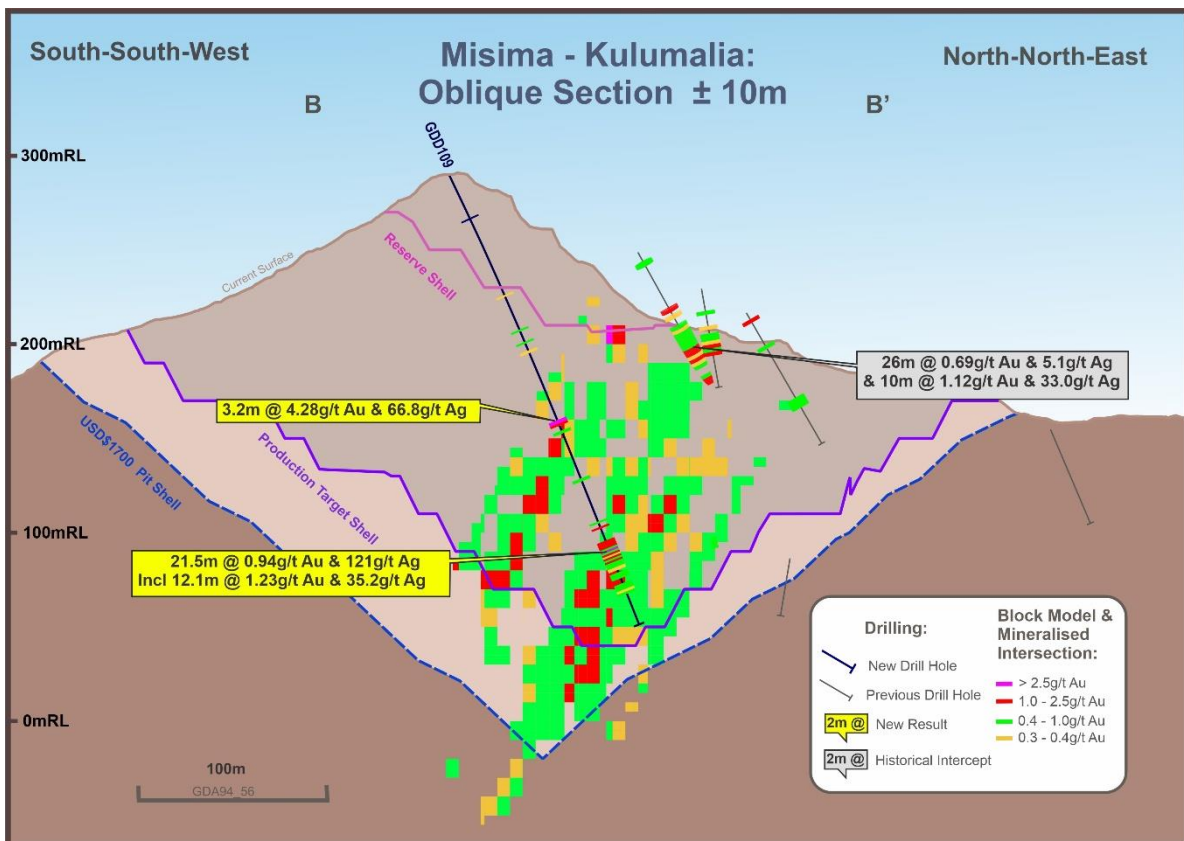


Figure 2: Kulumalia section showing mineralised intervals in Production Target and Resource pit shells

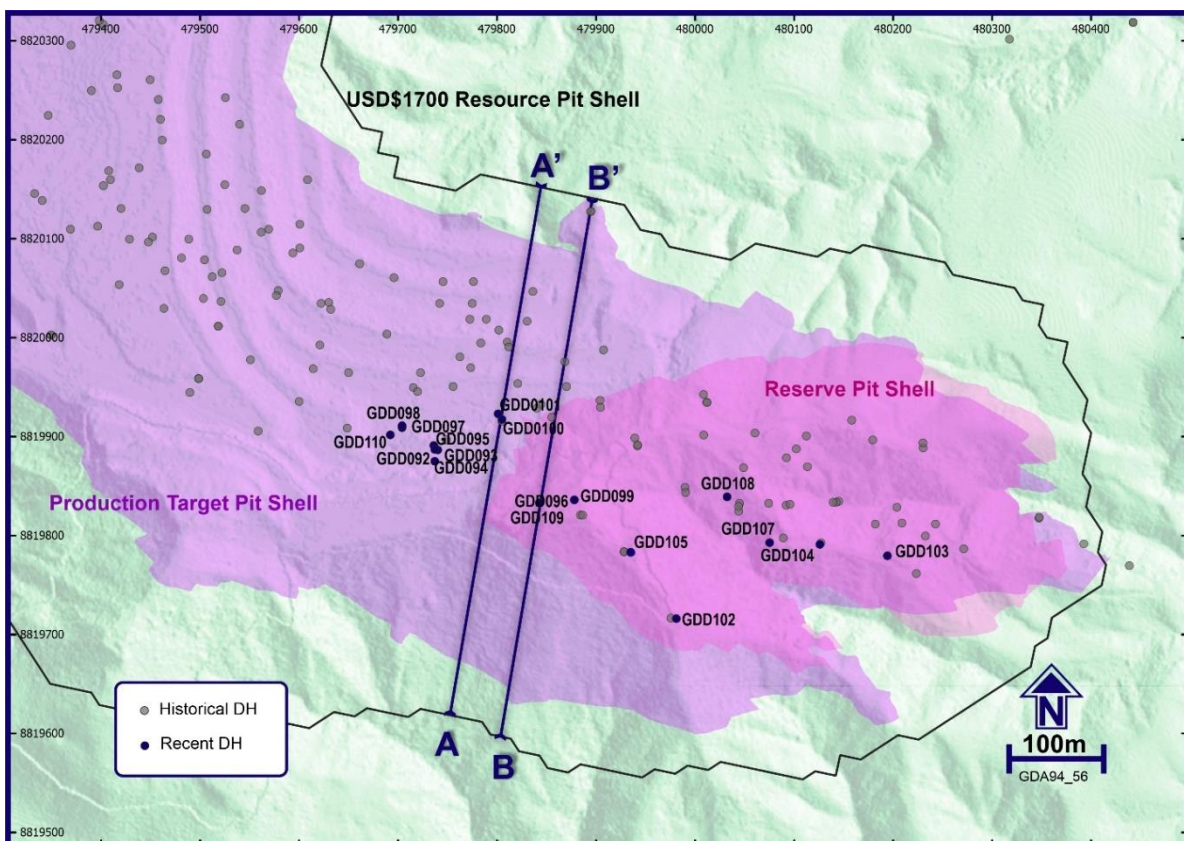


Figure 3: Kulumalia plan map showing drill-hole collars in Resource, Production Target and Reserve pit shells

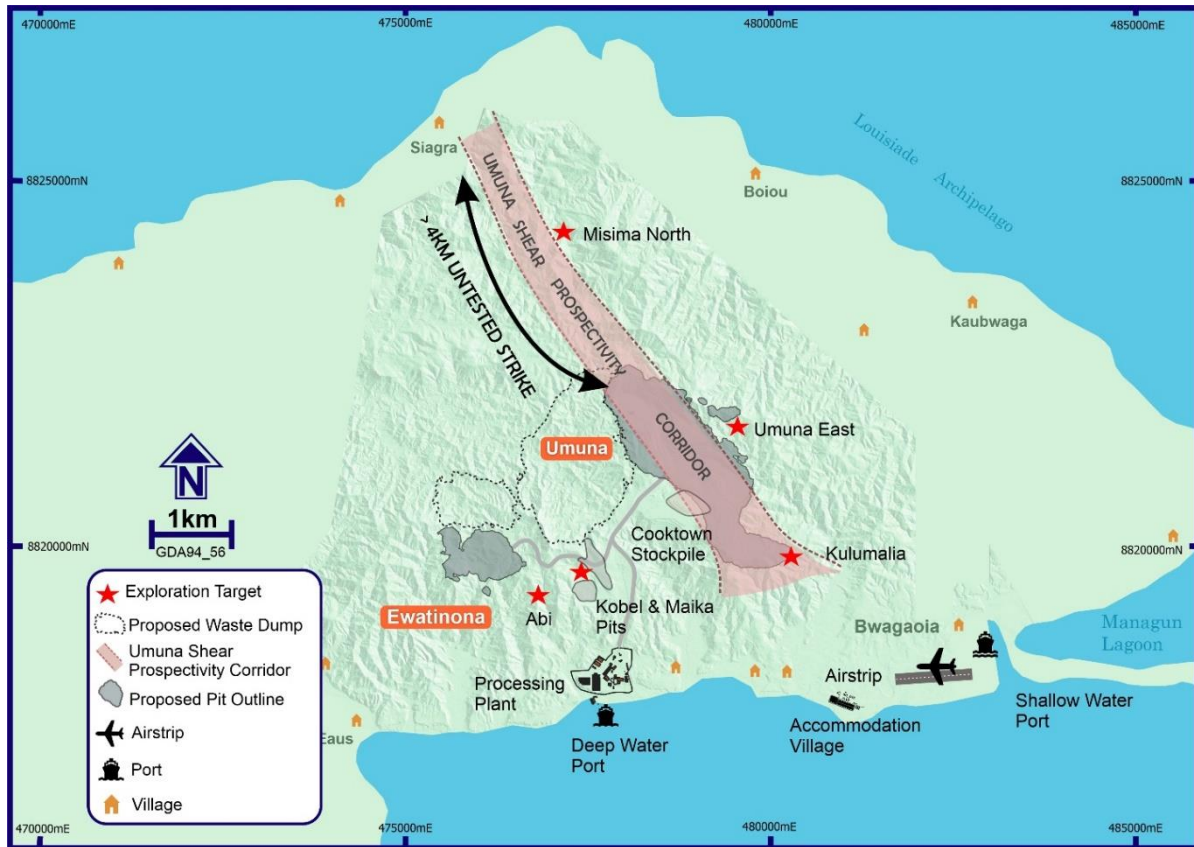


Figure 4: Regional Misima map showing location of Kulumalia

Cooktown Stockpile

The confirmatory drilling program at the Cooktown Stockpile was completed successfully during the June quarter. The program consisted of 12 holes for 460m. All samples have been sent for multi-element geochemistry, gold fire assay and bulk density determinations.

Environmental and Mining Approvals

ESIA work programs ramped up over the quarter. Initial field surveys covering pit water quality and sediment sampling, installation of hydrology and meteorology monitoring stations, geochemical characterisation of mine materials, ecological assessments and cultural heritage are underway and expected to be concluded shortly. Further technical studies will commence progressively and will continue throughout the second half of 2021.

Additional studies have commenced to underpin the Proposal for Development required as part of the Mining Licence application. These include the Artisanal and Small-Scale Mining Study, the In-migration Study, the Human Resources and Localisation Plan, and the Business Development Plan.

Mining Studies

A program of approximately 2,000m of geotechnical drilling covering the Umuna pit and proposed waste dump has commenced. It is expected that this will be largely confirmatory of historical geotechnical performance of the Umuna pit.

Tender documentation for the major engineering packages around the process plant, power and infrastructure have been released to targeted vendors. Contract awards are expected to be finalised shortly, with design work commencing in August. The mine design package has been awarded, with work on mine

planning anticipated to commence upon conclusion of the upcoming updated Umuna block model which will form part of the Resource update due next quarter.

Kingston's site management team is currently on site overseeing daily activities to ensure the timely completion of designated work plans. Kingston remains on track to submit the ML application in early 2022.

Livingstone Gold Project, WA

Fieldwork at Livingstone is progressing well, with programs of surface mapping and sampling and geophysical interpretation recently concluded. These programs are designed to underpin ongoing target assessment, ranking and integration with other datasets. Results from these work programs are pending.

COVID-19 Impact and Response

Kingston continues to operate under its COVID-19 management plan and is working closely with the PNG government, Australian government, and PNG Chamber of Mines to minimise the risk of COVID-19 for all employees and stakeholders. This includes recently completing and passing an independent COVID-19 Safe Audit of FIFO and on-site processes for mining and petroleum companies in PNG.

Kingston is also working with its local workforce to facilitate vaccinations through the local Misima Hospital as part of its work safety program.

Corporate

The Company ended the quarter with a cash balance of \$11.0 million. Total exploration expenditure for the quarter was \$2.1 million. During the quarter, the Company made payments totalling \$153,000 to associates or related parties reflecting fees, wages, and superannuation paid to Directors.

Table 1: Tenement Schedule (ASX LR 5.3.3)

Tenement	Project Name & Location	Status	Ownership	Area km ²
EL1747	Misima, PNG	Live	100%	180
Tenement	Project/Name	Status	Ownership	Area km ²
E 52/3403	Livingstone, WA	Live	75%	203
E 52/3667	Livingstone, WA	Live	75%	170

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

About Kingston Resources

Kingston Resources is a metals exploration company which is focused on exploring and developing the world-class Misima Gold Project in PNG. Misima hosts a JORC Resource of 3.6Moz Au and an Ore Reserve of 1.35Moz. Misima was operated as a profitable open pit mine by Placer Pacific between 1989 and 2001, producing over 3.7Moz before it was closed when the gold price was below US\$300/oz. Kingston has concluded a Pre-Feasibility Study for Misima and is continuing to advance development activities. The Misima Project also offers outstanding potential for additional resource growth through exploration success targeting extensions and additions to the current Resource base. Kingston's 100% interest in Misima is held through its PNG subsidiary Gallipoli Exploration (PNG) Limited.

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



The Misima Mineral Resource estimate outlined below was released in an ASX announcement on 24 November 2020. Further information relating to the resource is included within the original announcement.

Resource Category	Cut-off (g/t Au)	Tonnes (Mt)	Gold Grade (g/t Au)	Silver Grade (g/t Ag)	Au (Moz)	Ag (Moz)
Indicated	0.3	68.3	0.80	4.5	1.8	9.8
Inferred	0.3 & 0.8	76.1	0.76	5.9	1.9	14.4
Total	0.3	144	0.78	5.2	3.6	24.2
Reserve	Cut-off (g/t Au)	Tonnes (Mt)	Gold Grade (g/t Au)	Silver Grade (g/t Ag)	Au (Moz)	Ag (Moz)
Probable	0.3	48.3	0.87	4.2	1.35	6.48

Misima JORC 2012 Mineral Resource & Ore Reserve summary table

Competent Persons Statement and Disclaimer

The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by Mr. Stuart 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. Mr. Hayward 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, and that all material assumptions and technical parameters underpinning the estimates in these announcements continue to apply and have not materially changed.