

September 2021 Quarterly Activities Report

Kingston rapidly advances 3.8Moz Misima Gold Project, with 39% increase in Indicated Resources to 2.5Moz, mine design advancing, and DFS and environmental assessments on track for March 2022 completion

Misima Gold Project, PNG

- 39% increase in Indicated Resource at Misima to 2.5Moz Au to underpin the Definitive Feasibility Study (DFS) and anticipated potential Ore Reserve upgrade as part of the DFS.
- Key process engineering contract executed with Lycopodium, with plant design work and simulations now underway.
- Balance of DFS engineering packages awarded with work underway on civil works, site water management, HV electrical work, non-processing infrastructure, mine geotechnical assessments and mine planning.
- Geotechnical drilling and site investigation program to be completed in November.
- Mine design work underway incorporating the updated Resource estimate.
- Majority of Environmental and Social Impact Assessment (ESIA) baseline field surveys now complete, with those remaining to be completed in the December quarter.
- Social baseline studies completed, with landowner studies and engagement progressing.
- All DFS, Environmental and Social Impact Assessment (ESIA) and Mining Licence (ML) studies and applications on track for completion and submission in March 2022.

Livingstone Gold Project, WA

- New tenement-wide study complete, identifying multiple targets within a newly defined mineral system.
- High-grade surface samples of up to 5.55g/t Au reported across multiple prospects.
- Subsequent to quarter-end, binding agreement entered into for the sale of Kingston's 75% interest in Livingstone to Metal Bank Limited (ASX: MBK) for up to \$10 million in cash, shares, options, and milestone payments.

Corporate

- Quarter-end cash balance of \$7.5 million

Commenting on the September quarter, Kingston Managing Director Andrew Corbett said: *"The release of the updated 3.8Moz Mineral Resource for Misima was a key milestone for the team during another active and successful quarter. The substantial upgrade in Resource classification has firmly established Misima as one of the most exciting new mid-tier gold development opportunities in the Asia-Pacific region. The increase in overall ounces – and particularly the 39% increase in Indicated ounces to 2.5Moz – establishes a fantastic platform for the ongoing DFS work to build upon."*



ASX: KSN
Shares on Issue: 286M
Market Cap: A\$60M
Cash: A\$7.5M (30 Sept 2021)

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“Our refined geological model for the Umuna deposit represents a key step forward for the project and further reinforces the potential for Misima to be a new large-scale, long-life, low-cost gold mine.

“On site, drilling is currently focused on completing the geotechnical program required for the DFS, while a number of DFS and ESIA studies are now complete or well advanced. Our team is on track to complete the ESIA and submit applications for the Misima Gold Project approvals alongside the DFS results in March 2022. Community support and engagement with the Misima people remains a priority for Kingston. We acknowledge and are grateful for their ongoing support.

“The recently announced sale of the Livingstone Gold Project is an excellent opportunity for shareholders to realise value for the fantastic exploration work completed by the Company over a number of years, while also retaining significant exposure to the project’s future upside. We are excited to become shareholders of Metal Bank Limited and look forward to seeing the project advance under their management.”

Misima Resource Update

During the quarter, Kingston announced a significant upgrade to the JORC 2012 Mineral Resource Estimate for its flagship **Misima Gold Project, PNG**, incorporating the results of recent successful drilling programs and updated gold price assumptions (see ASX release of 15th September 2021).

The updated work demonstrates a large, high-quality and robust Mineral Resource (see Table 1):

- 6% increase in global Mineral Resource from 3.6Moz to 3.8Moz Au
- 39% increase in Indicated ounces from 1.8Moz to 2.5Moz Au
- 43% increase in Indicated tonnes to 98Mt
- 17% increase in global tonnes to 169Mt
- New tonnes include near-surface material at Umuna East

Current Ore Reserve to be updated in conjunction with completion of the Definitive Feasibility Study (DFS):

- 2.5Moz Indicated Resource now available for potential conversion to Ore Reserves upon completion of the DFS
- 71% conversion of Indicated Resources to Ore Reserves achieved during the Preliminary Feasibility Study (PFS)
- Existing 1.35Moz Ore Reserve already underpins a 10-year mine life based on Ore Reserve ounces only

The total Misima Resource now stands at **169Mt @ 0.71g/t Au and 4.1g/t Ag for 3.8Moz Au and 22.1Moz Ag**, including an **Indicated Resource of 98Mt at 0.79g/t Au and 4.3g/t Ag for 2.5Moz Au and 13.4Moz Ag**.

The updated Resource provides an enhanced platform from which to advance mining studies, with the significant increase in Indicated ounces highlighting the potential to deliver a step-up in Ore Reserves following completion of the DFS in March 2022.

Table 1: Misima Updated Mineral Resource Estimate

Deposit	Oxide	Classification	Cutoff g/t Au	Tonnes Mt	Gold g/t Au	Silver g/t Ag	Au Moz	Ag Moz
Umuna within USD\$1800 Pit Shell	Oxide	Indicated	0.3	20.2	0.65	8.5	0.4	5.5
		Inferred	0.3	23.3	0.55	5.7	0.4	4.3
	Primary	Indicated	0.3	73.3	0.82	3.2	1.9	7.5
		Inferred	0.3	40.8	0.60	2.4	0.8	3.2
Umuna Total Resource	Indicated			93.5	0.78	4.3	2.4	13.1
	Inferred			64.1	0.58	3.8	1.2	7.5
Umuna TOTAL				157.6	0.70	4.1	3.6	20.5
Cooktown Stockpile	Ox-Trans-Prim	Inferred	0.5	3.8	0.65	7.0	0.1	0.9
Cooktown Stockpile				3.8	0.65	7.0	0.1	0.9
Ewatinona within USD\$1800 Pit Shell	Oxide	Indicated	0.3	0.4	0.68	3.2	0.01	0.04
		Inferred	0.3	1.8	0.69	3.5	0.04	0.20
	Primary	Indicated	0.3	3.7	0.9	2.5	0.11	0.30
		Inferred	0.3	1.6	0.79	2.9	0.04	0.15
	Sub-total	Indicated		4.2	0.88	2.6	0.12	0.3
		Inferred		3.4	0.74	3.2	0.08	0.3
Ewatinona TOTAL				7.6	0.81	2.8	0.2	0.7
MISIMA	Indicated			97.7	0.79	4.3	2.5	13.4
	Inferred			71.3	0.59	3.8	1.4	8.7
MISIMA TOTAL				169	0.71	4.1	3.8	22.1

Definitive Feasibility Study

Process Plant Design Contract Award

The process plant design contract for the Misima Gold Project DFS was awarded to Lycopodium Minerals Pty Ltd (ASX: LYL) during the Quarter. Lycopodium brings global experience in gold process plant design and has significant experience working on major projects globally including in PNG.

Engineering Studies

Alongside process plant design, consultants have now been appointed for the remaining work programs including civil works, site water management, HV electrical work, non-processing infrastructure, mine geotechnical assessments and mine planning.

Work is underway on all work streams and is expected to reach first design review milestones within the December Quarter 2021. The teams are preparing procurement packages to commence estimating activities and the basis of the design for the project is substantially complete.

Geotechnical Program

Geotechnical work commenced at the end of July and is now nearing completion. Geotechnical drilling for open pit slope assessment is largely complete and drilling is moving on to testing waste rock dump footings. All geotechnical drill holes associated with the pit slope design work have been logged for geotechnical features and sampled.

Kingston's geotechnical consultants are currently constructing geotechnical models for the project as deliverables into the DFS mine plan. A program of test pits for geotechnical and soil profile characterisation is underway that will input data into a number of mining and environment studies as part of the DFS.

Environmental and Mining Approvals

ESIA work programs continued over the quarter. The baseline field surveys covering pit water quality, sediment sampling, installation of hydrology and meteorology monitoring stations, geochemical characterisation of mine materials, terrestrial biodiversity, aquatic ecological assessments and cultural heritage have been completed. Remaining baseline studies to be completed in December Quarter 2021 include a bathymetry survey, benthic sampling, nearshore marine and deep slope fish surveying.

Baseline data survey reports are expected to be completed by the end of 2021, which will inform the overall impact assessments for the ESIA to be submitted to CEPA upon conclusion of the DFS and ESIA.

The Artisanal and Small-Scale Mining Study, the In-migration Study, the Human Resources and Localisation Plan and the Business Development Plan are continuing. This work will contribute to the Proposal for Development required as part of the Mining Licence Application.

Community Engagement

Kingston's community engagement team have been actively consulting with various stakeholders including community members, landowners, government, and other organisations as part of its commitment to keeping all stakeholders apprised of the work being carried out and proposed Project development strategy.



Figure 1: Stakeholder engagement program facilitated by Water PNG at Misima Secondary School Library.

Kulumalia Drilling

Resource definition drilling was completed at Kulumalia in early July with the majority of drill holes included in the latest Mineral Resource Update. The final drill hole assay results from this program are expected shortly.

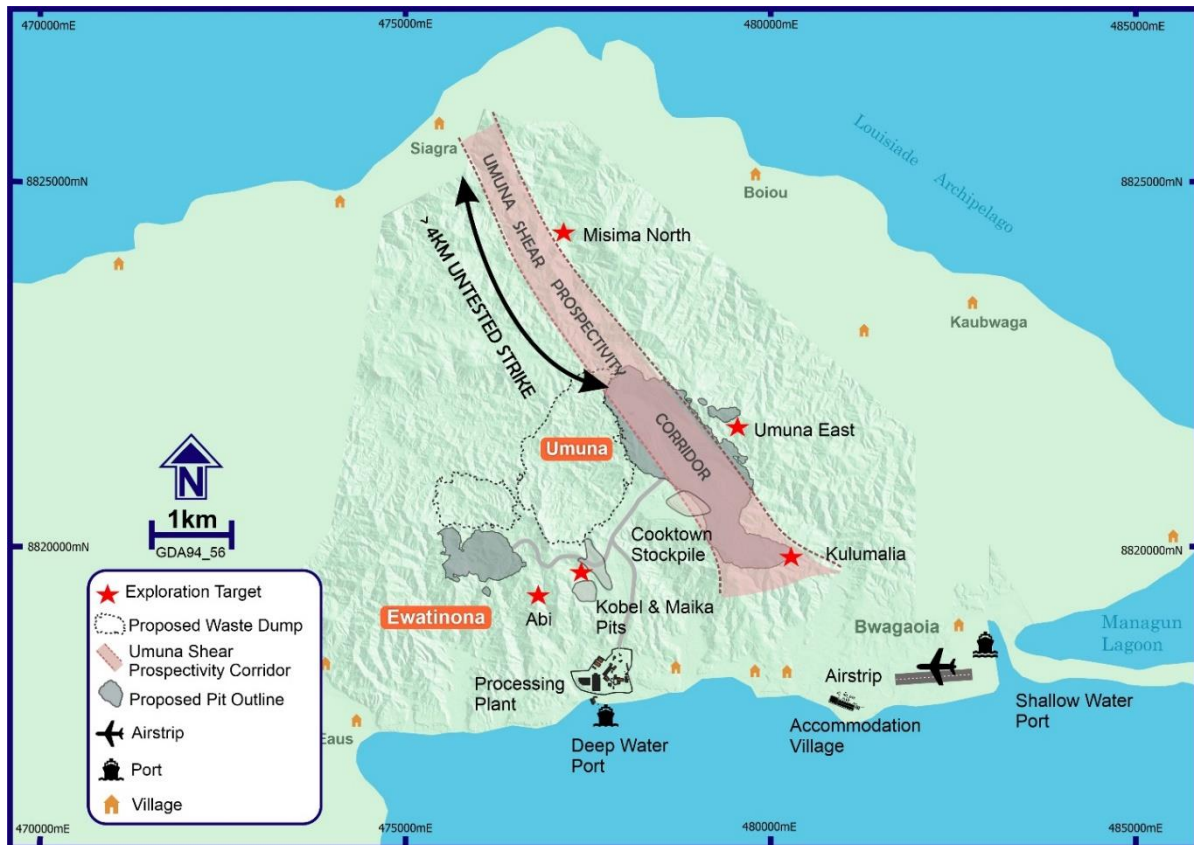


Figure 2 Regional Misima map showing location of Kulumalia

Livingstone Gold Project, WA

Subsequent to the end of the Quarter, Kingston entered into a binding agreement to sell the Livingstone Gold Project to Metal Bank Limited for total consideration of up to \$10 million (see ASX Announcement 25 October 2021).

Total consideration is comprised of cash, shares, options and milestone payments as below:

- \$2.5 million cash consideration
- \$1.0 million in MBK equity (125,000,000 shares)
- 62,500,000 options in MBK exercisable at 1.6c
- Milestone payments as follows:
 - \$1.5 million cash payment upon identification of 100koz Au equivalent JORC Resource or 12 months post completion, whichever is sooner
 - \$1.0 million cash payment upon identification of 250koz Au equivalent JORC Resource
 - \$4.0 million cash payment upon identification of 500koz Au equivalent JORC Resource

The transaction is subject to customary terms and conditions and a Metal Bank shareholder vote approving the share issuance to fund the acquisition. The vote is scheduled to take place on 29 November 2021, with transaction completion anticipated shortly thereafter.

Exploration activity at Livingstone continued through the quarter, with Kingston identifying a number of compelling new highly prospective gold targets (see ASX release of 7th September 2021) following the completion of a project-wide geological study of its tenement package,

Recognition of the highly prospective characteristics of the Padbury basin and Bryah sub-basin and capturing the western extension of the Bryah Sub-basin, combined with a new mineralisation model and the limited historical exploration has resulted in the definition of a compelling series of exploration targets across the tenement package requiring a whole-of-project approach to exploration. Mapping and rock-chip sampling at the Livingstone North historical mining area relocated previously known workings and located apparently unmapped workings that exploited steep dipping veins and structures.

Grab rock chip samples with significant gold grades included:

- Livingstone North Prospect 2.17g/t Au & 5.18g/t Au
- Livingstone North Prospect 2.93g/t Au
- Livingstone North Prospect 4.05g/t Au
- Livingstone Prospect 3.70g/t Au & 11.46g/t Au
- Livingstone Prospect 3.54g/t Au & 1.23g/t Au
- Livingstone Prospect 4.05g/t Au
- Livingstone Prospect 5.55g/t Au & 4.66g/t Au
- Kingsley Prospect 1.52g/t Au

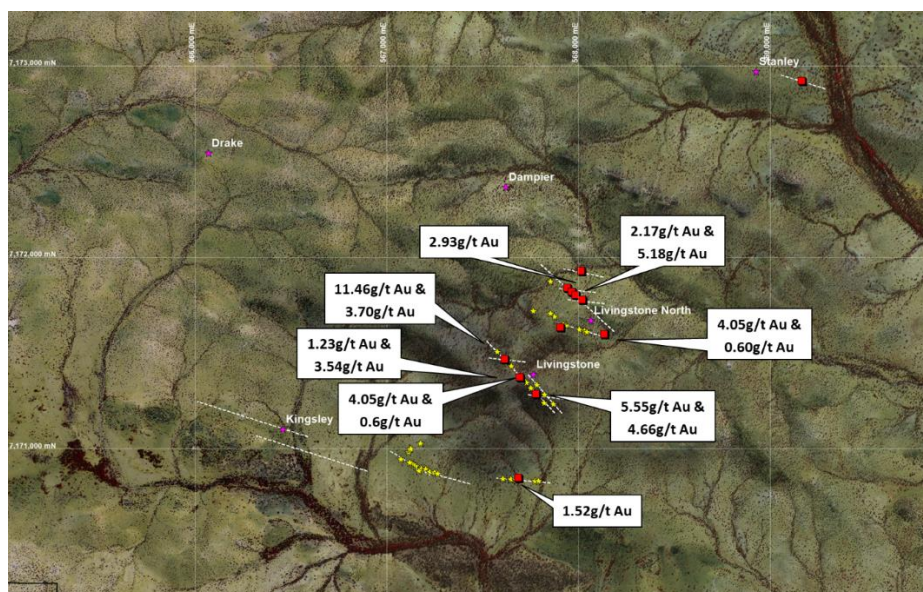


Figure 3: Recent Grab Samples at Livingstone

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 having completed and passed 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. Kingston's management team is closely monitoring the COVID situation in PNG and is confident in the Project's existing COVID risk management plan.

Corporate

The Company ended the quarter with a cash balance of \$7.5 million. Total exploration expenditure for the quarter was \$2.9 million. During the quarter, the Company made payments totalling \$157,000 to associates or related parties reflecting fees, wages, and superannuation paid to Directors.

On Monday 12th July 2021, Kingston Resources Limited changed its provider for shareholder registry services from Link Market Services to Automic Pty Ltd ("Automic"). Our new Share registry contact details are as follows: Automic, Level 5, 126 Phillip Street, Sydney NSW 2000

Table 2: 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 3.8Moz 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	97.7	0.79	4.3	2.5	13.4
Inferred	0.3	71.3	0.59	3.8	1.4	8.7
Total	0.3	169	0.71	4.1	3.8	22.1
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.