

Drilling underway at Misima Gold Project

Drilling recommenced following lifting of COVID-19 restrictions, with Pre-Feasibility Study to be concluded this quarter

- Two diamond drill rigs remobilised to site following the lifting of COVID-19 related travel restrictions.
- Total program comprises 8,000m of diamond drilling, including Resource infill and extensional drilling at the south-eastern end of the proposed Umuna pit and follow-up drilling at the Abi discovery.
- Misima Pre-Feasibility Study (PFS) has entered its final stages and is on track for completion in the current quarter.

Kingston Resources Limited (ASX: **KSN**) (**Kingston or the Company**) is pleased to advise that drilling has recommenced at its flagship 3.2Moz Misima Gold Project in PNG.

Initial drilling will focus on the Kulumalia area, located at the south-eastern end of the modelled US\$1,700/oz Umuna pit shell, which is expected to form the backbone of the Company's proposed future mining operation. Drilling at Kulumalia will target Resource conversion within the current pit shell, as well as testing high-grade near-surface mineralisation for potential inclusion in early-stage mine production schedules.

Selected highlights from historical drilling within the Kulumalia Resource area include:

- **42m @ 4.11g/t Au** including **6m @ 13.21g/t Au** from 50m in KRC1025
- **50m @ 1.42g/t Au** including **18m @ 2.55g/t Au** including **4m @ 6.92g/t Au** from 46m in KRC421
- **36m @ 1.90g/t Au** including **4m @ 11.45g/t Au** from 48m in KMD470
- **14m @ 2.18g/t Au** including **6m @ 4.28g/t Au** from surface in KMD465P
- **22m @ 1.42g/t Au** including **8m @ 2.81g/t Au** from 30m in KMD465
- **12m @ 1.22g/t Au** including **8m @ 1.59g/t Au** from 40m in KMD431
- **12m @ 1.23g/t Au** from 70m in KRC405
- **38m @ 0.80g/t Au** from surface in KMD470
- **24m @ 0.88g/t Au** from 100m in KRC1025

Follow-up drilling will also be conducted at the Abi-Kila discovery at Ewatinona to further test the previously-defined high-grade mineralisation.



ASX: KSN
Shares on Issue: 231M
Market Cap: A\$59M
Cash: A\$6.5M (30 June 2020)



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Kingston Resources Managing Director, Andrew Corbett, said: *“We are delighted to have our team at Misima back on the ground with the drill rigs turning again, working towards our goal of bringing the Misima Gold Project back into production.*

“The Kulumalia area is a compelling target that represents the south-eastern extension of our main Umuna deposit and offers strong potential for Resource upgrade and expansion, and we are also looking forward to further testing the exciting emerging discovery at Abi-Kila.

“While drilling was not possible under prior COVID-related border restrictions, Kingston has been able to push ahead with work on a number of other fronts. We delivered an updated Mineral Resource Estimate in May, we are now finalising the Misima Pre-Feasibility Study, and we have also been able to construct a purpose-built sample preparation laboratory on site. This on-site lab is expected to reduce costs and significantly improve assay turnaround times, which will provide both operational benefits and timely news flow.

“I would like to thank our Misima team for sticking with us during what has been a challenging time in PNG - we are grateful to have everyone back in action, and we look forward to further advancing the Misima Gold Project, with the next major milestone being the completion of the PFS, which is anticipated this quarter.”

Kulumalia Drilling

Kulumalia is located immediately to the south-east of the main Umuna pit (see Figure 1). The current drilling program comprises targeted exploration of high-grade, near-surface mineralisation for potential inclusion in early-stage mine production schedules, as well as testing geological continuity and Resource conversion potential within the pit shell.

The Kulumalia mineral resource model comprises mineralised blocks that are classified as Inferred and Indicated that sit within a US\$1,700/oz pit shell used for reporting the Umuna Mineral Resource (see ASX announcement 21st May 2020).

Mineralisation at Kulumalia is strongly structurally controlled by the extension of the Umuna fault system to the south and south-east, and is characterised by steep dipping, quartz manganese rich, multiphase quartz veining and breccias. This observation ties in with Kingston Resources’ broader conceptual geological model, which indicates gold mineralisation is primarily structurally-controlled and can occur within or at the contact of all rock types providing they are brittle enough to fracture, creating open space for the development of gold bearing quartz-carbonate veining and breccias.

Reverse circulation and diamond drilling completed by previous-owner Placer intersected high-grade mineralised structures with >2.5g/t Au and often >5.0g/t Au, within broader zones of lower-grade gold mineralisation (>0.4g/t Au) (See Figures 2-4).

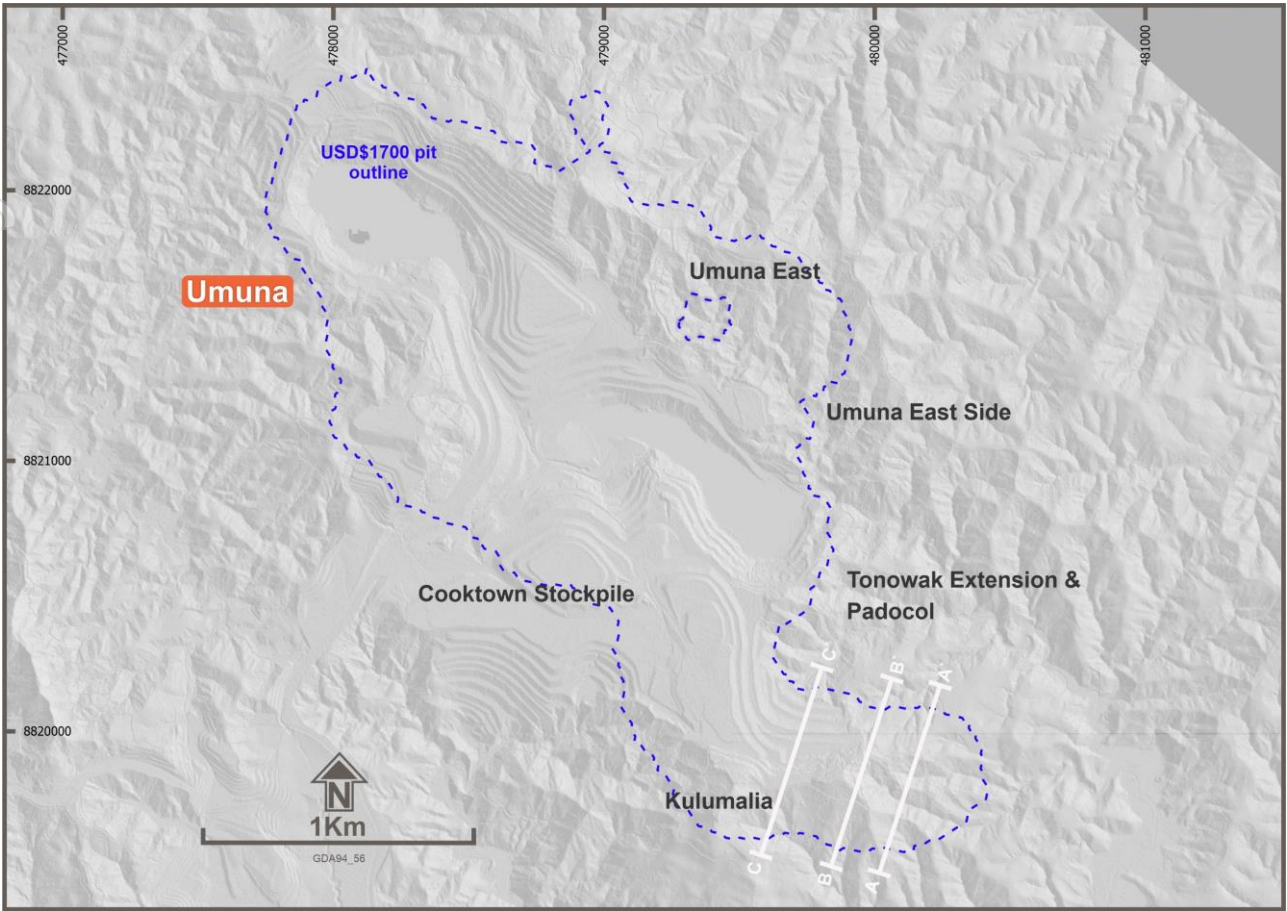


Figure 1: Umuna Resource and surrounding prospects

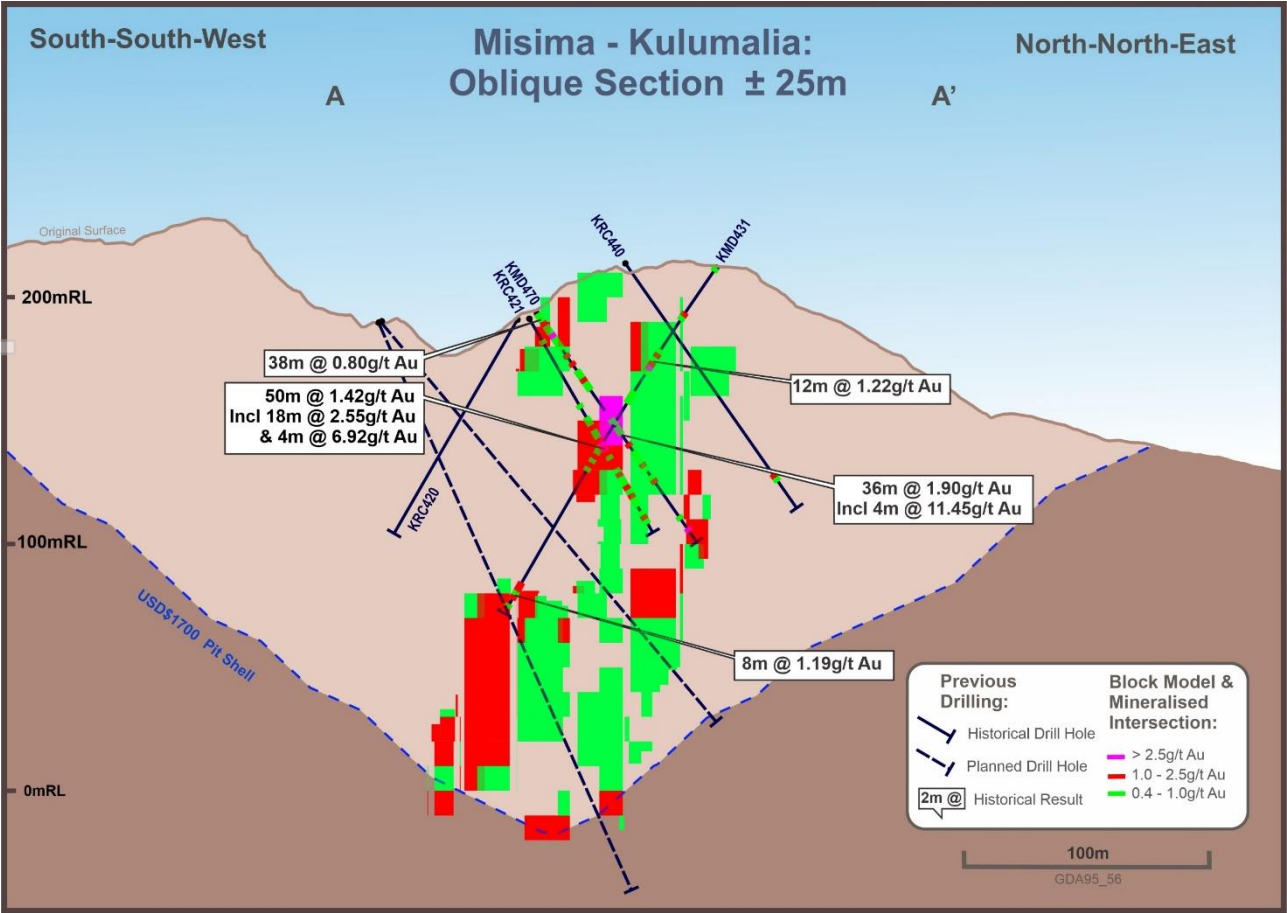


Figure 2: Cross Section at Kulumalia showing selected highlights

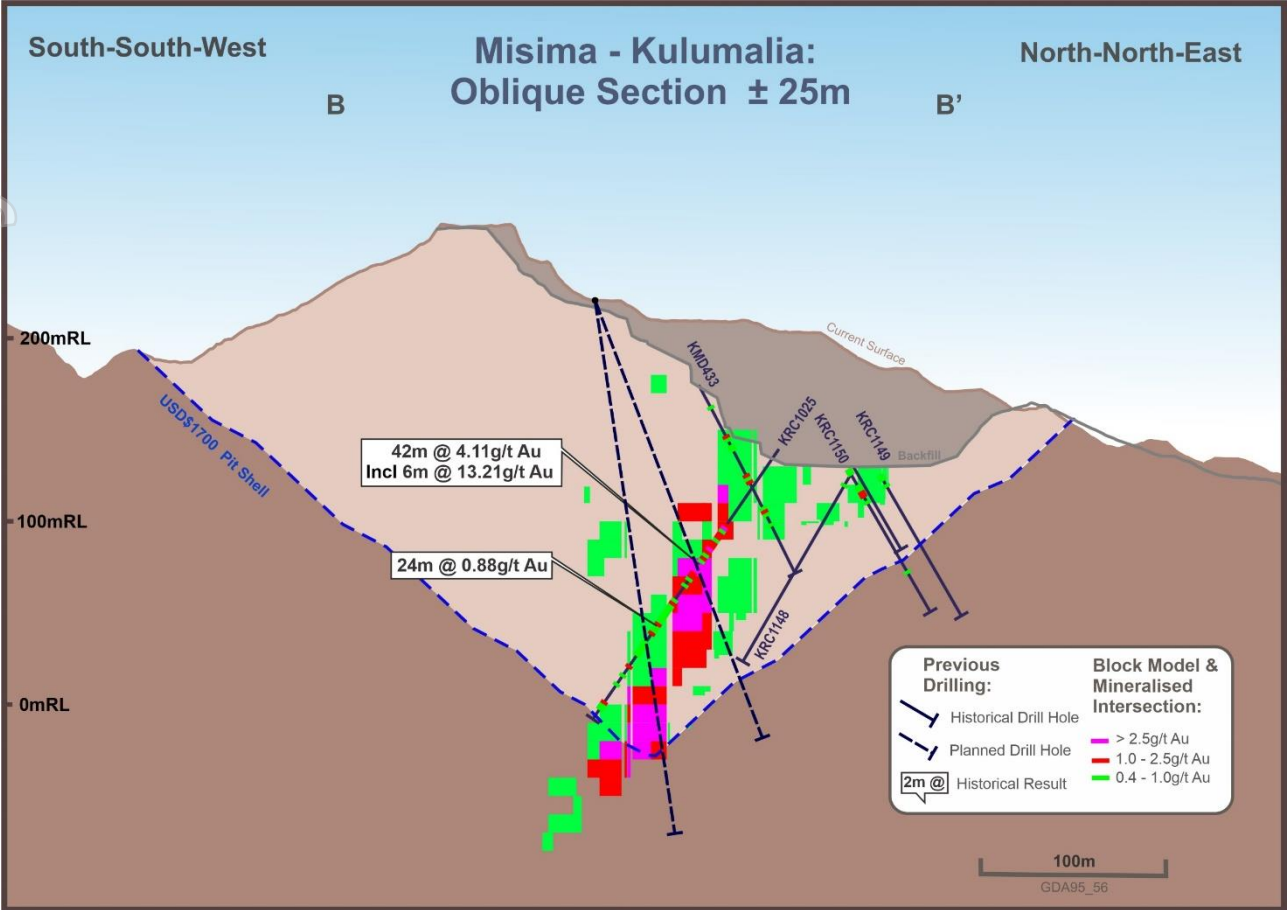


Figure 3: Cross Section at Kulumalia showing selected highlights

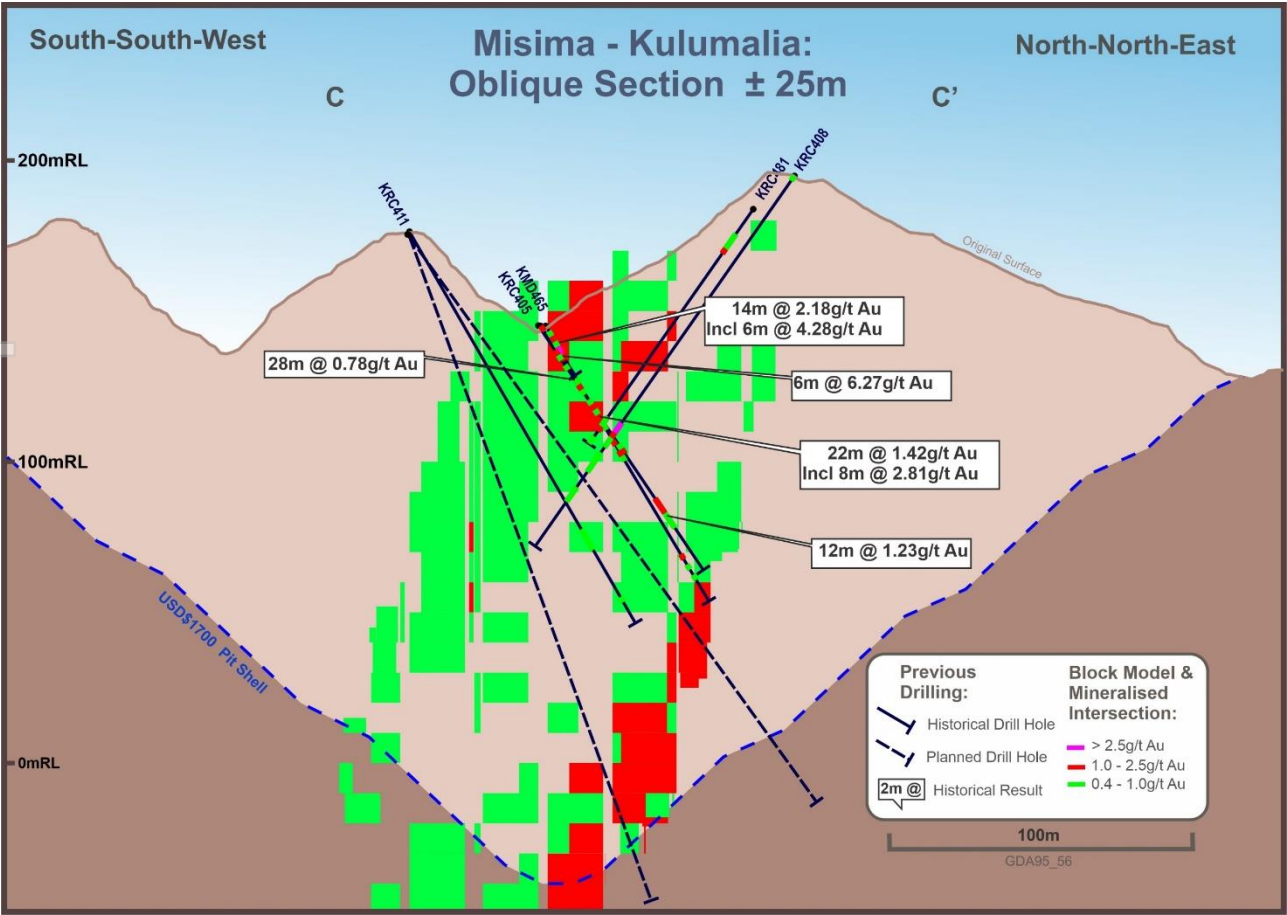


Figure 4: Cross Section at Kulumalia showing selected highlights

Abi Drilling

The Abi discovery was announced in September 2019 (see ASX announcement 16th September 2019). The discovery hole, GDD044, reported:

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

This hole was collared below anomalous intercepts in steep-plunging Placer holes drilled from the tops of ridge lines. Mapping and geochemical sampling in valleys revealed a wider distribution of breccia formations and fault structures known to host mineralisation (see Figures 5-6).

The current drilling program at Abi is designed to test the vertical and horizontal continuity of the high-grade mineralisation as well as the tenor of grade. Abi forms a high-priority drill target as it lies in close proximity to the Ewatinona Resource, which will provide the bulk of early stage feed for the processing plant. Any additional ounces defined close to surface in this area have the potential to positively influence the economics of the project and provide upside potential.

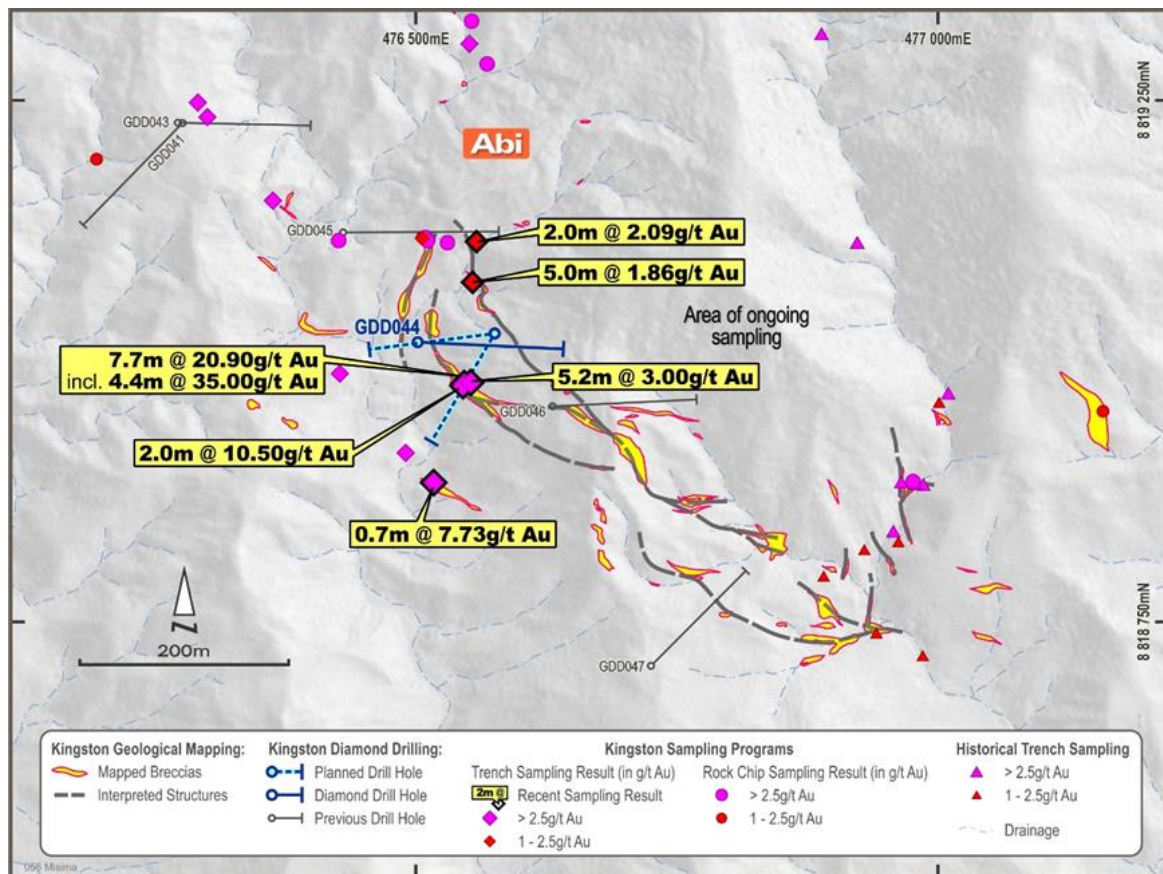


Figure 5: Abi drilling and recent geochemical results with significant results highlighted

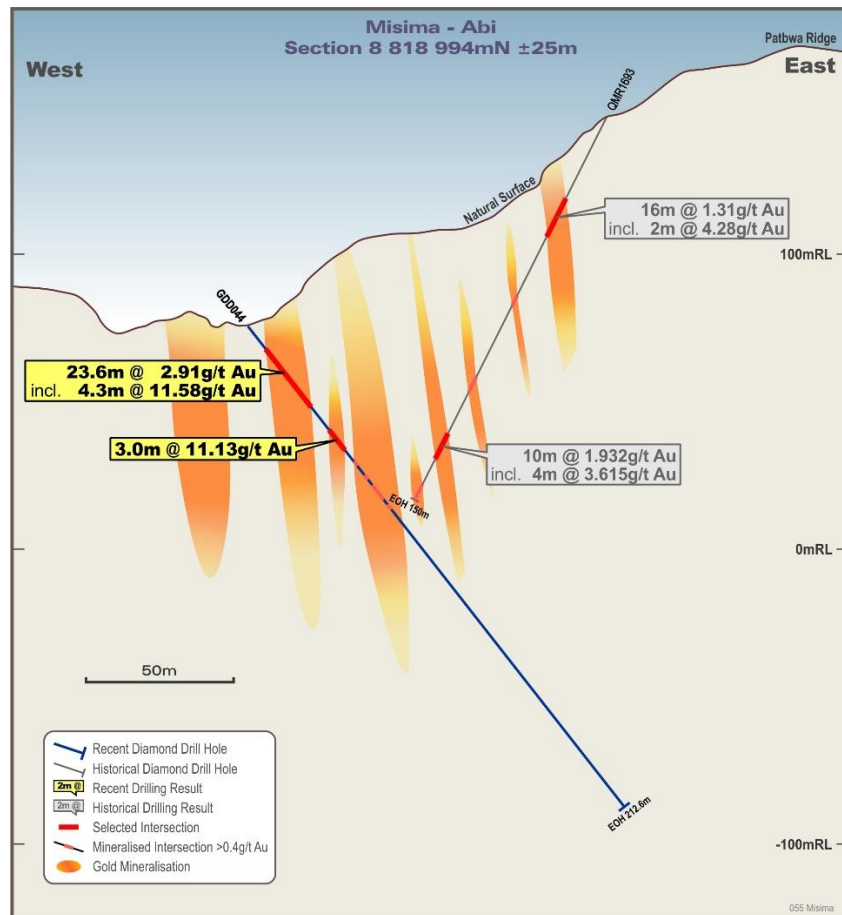


Figure 6: Abi drilling and recent geochemical results with significant results highlighted

Next Steps

With the Misima PFS nearing completion, alongside the planned Resource definition and exploration drilling outlined above, operations on site are now transitioning towards preparation for Feasibility Studies and project approvals.

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 3.2Moz Au. Misima was operated as a profitable open pit mine by Placer Pacific between 1989 and 2001, producing over 3.7Moz before it was closed when the gold price was below US\$300/oz. The Misima Project offers outstanding potential for additional resource growth through exploration success targeting extensions and additions to the current 3.2Moz Resource base. Kingston's 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.



Kingston project locations

The Misima Mineral Resource estimate outlined below was released in an ASX announcement on 21 May 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	0.4	49.9	0.95	5.7	1.52	8.9
Inferred	0.4 & 0.8	55.6	0.92	7.7	1.64	13
Total	0.4	105.5	0.93	6.5	3.21	21.9

Misima JORC 2012 Mineral Resource Estimate summary table

Competent Persons Statement and Disclaimer

The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by Mr. Stuart 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.

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.