

Kingston Completes Acquisition of Mineral Hill Mine

Acquisition delivers immediate gold production, cash-flow, and outstanding gold and copper exploration opportunities in a Tier-1 mining district

Kingston Resources Limited (ASX: **KSN**) (**Kingston** or **the Company**) is pleased to advise that it has completed the acquisition of the operating Mineral Hill Mine, located ~60km from Condobolin, NSW (Mineral Hill), marking its transition into the ranks of Australian gold producers.

The acquisition was executed via an agreement to purchase 100% of Mineral Hill Pty Ltd from Quintana MH Holdings Co. LLC (**Quintana**), as announced to the ASX on 18 November 2021.

Kingston has now paid US\$1 million in cash and issued 54,914,882 shares to Quintana in settlement of the upfront consideration under the purchase agreement. Further deferred consideration includes a 2% NSR royalty on future production from the project area. Additionally, deferred payments of up to US\$8 million are due upon reaching certain gold production milestones from the tailings project.

Kingston has funded the transaction through a A\$14.0 million placement (see ASX announcement 18 November 2021) and ongoing Share Purchase Plan (closing 31st January 2022).

Through this acquisition Kingston has become a producing mining company with a diversified asset base in the Asia-Pacific region that also includes the 3.8Moz Misima Gold Project in PNG (Definitive Feasibility Study due for completion in Q1 2022).

Mineral Hill is currently ramping up production from the processing of existing tailings with full production rates targeted to be reached during Q1 2022.

The tailings processing operation will provide a foundation for Kingston to unlock the broader potential of the Mineral Hill asset, with minimal capital required to access several production-ready open pit and underground deposits. These initial production opportunities include the Pearse and Pearse North deposits, the Southern Ore Zone, Jacks Hut and the Parkers Hill deposit (Figure 1).

In addition, there are a number of advanced exploration targets across the broader tenement package which the Company intends to pursue aggressively.

The Kingston geological team is finalising a near-mine exploration program and drilling tender with the aim of commencing drilling in February. We expect to be able to provide an update on the commencement of drilling shortly.

Kingston Resources Managing Director, Andrew Corbett, said: *"The completion of the Mineral Hill acquisition marks a significant achievement for Kingston Resources, representing the transition from a developer to a producer and propelling the Company immediately into the ranks of gold producers on the*



ASX: KSN
Shares on Issue: 357M
Market Cap: A\$55M
Cash: A\$7.5M (30 September 2021)

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ASX. I would like to thank Kingston's shareholders for supporting the acquisition and I am excited to get our team on the ground at site.

"The focus of activities post-completion includes the ramp-up of the tailings reprocessing project in parallel with the restart of exploration and resource drilling. Exploration at Mineral Hill is one of the key pillars underpinning our aspiration to become a leading diversified mid-tier gold and base metal producer in the Asia-Pacific region.

"Strategically, the processing plant is ideally located within the Cobar Basin to take advantage of both internal and external near-mine opportunities. Plus, the near-term cash-flow and significant gold and copper exposure make for a fantastic strategic fit with our cornerstone development asset, the 3.8Moz Misima Gold Project in PNG."

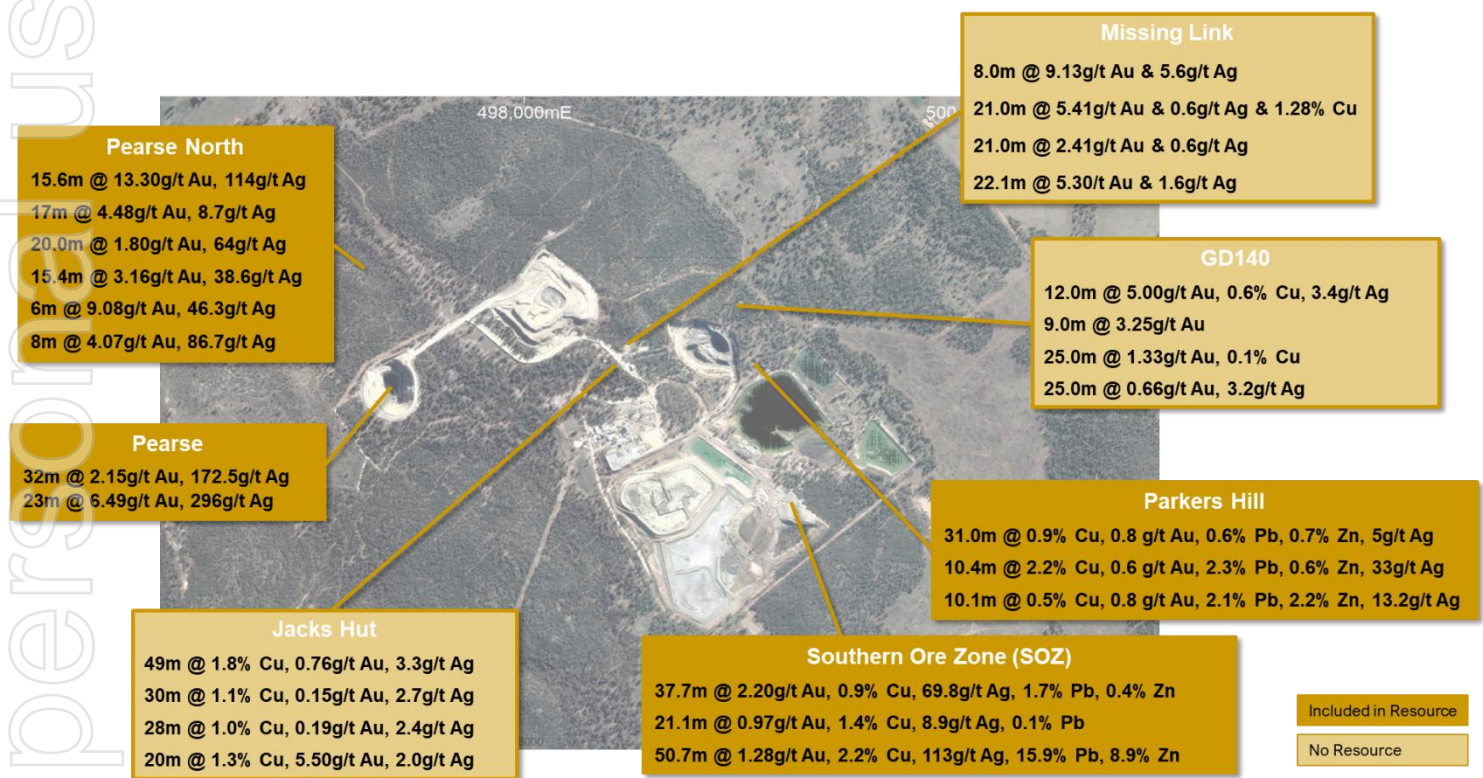


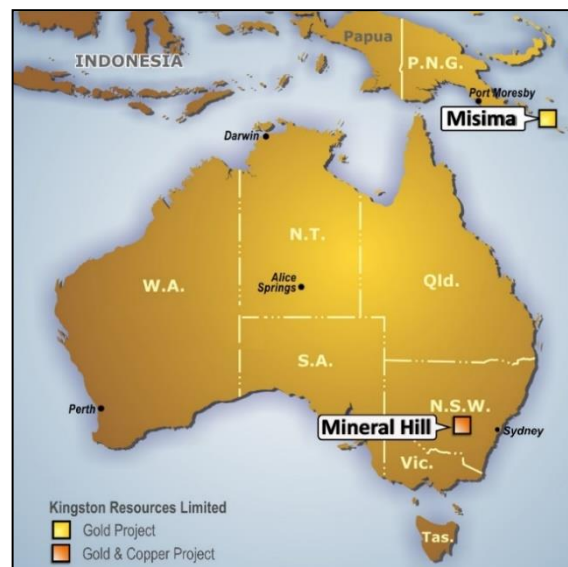
Figure 1. Mineral Hill Mine (KSN 100%) - Outstanding Exploration potential from near mine exploration targets and current resource base all located with the current Mining License (ML) (see ASX Announcement 18 November 2021 for further detail)

About Kingston Resources

Kingston Resources is a gold producer, focused on building a mid-tier gold and base metals company, with current production from the Mineral Hill gold and copper mine in NSW, and advancing its flagship development asset, the 3.8Moz Misima Gold Project in PNG.

Mineral Hill is a gold and copper mine located in the Cobar Basin of NSW. Alongside current production, exploration is focusing on near mine production opportunities from both open pit and underground targets located on the existing MLs. The aim will be to expand and update the existing Resource base to underpin mine feasibility work and approvals to ensure an immediate transition to open pit and/or underground feed at the completion of the tailings reprocessing.

Misima hosts a JORC Resource of 3.8Moz Au and an Ore Reserve of 1.35Moz, Kingston is completing a Definitive Feasibility Study (DFS) in H1 2022. 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 also offers outstanding potential for additional resource growth through exploration success targeting extensions and additions to the current Resource base. Kingston's interest in Misima is held through its PNG subsidiary Gallipoli Exploration (PNG) Limited.



The Misima Mineral Resource and Ore Reserve estimate outlined below was released in ASX announcements on 24 November 2020 and 15 September 2021. Further information is included within the original announcements.

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 confirms that the information in the market announcement provided is an accurate representation of the available data and studies for the material mining project and 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.