



ASX Announcement

18 January 2017

ASX Code: KSN

Share Price: A\$0.022

Shares Outstanding: 665,769,985

Market Capitalisation: A\$14.7m

Cash: A\$5.4m (Sept 30, 2016)

ACN 009 148 529

Board and Management

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Chairman

Andrew Corbett
Managing Director

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Kingston Mobilises for Lithium Drilling at Mt Cattlin

Highlights

- **Kingston to commence a 2000m RC drilling campaign targeting high priority lithium targets**
- **Outcrop, soil and rock chip sampling at Deep Purple South has identified two parallel lithium anomalous zones with a strike distance of up to 650m**
- **Deep Purple South prospect originally identified by Galaxy Resources (owner of Mt Cattlin Lithium Mine 14km NE of KSN ground) but never drill tested**
- **Contracts have been awarded for both surface clearing and drilling**
- **Mobilisation of contractors will commence immediately**

Kingston Resources (ASX:KSN) is pleased to announce that it has received all approvals to commence drilling the Deep Purple South prospect located on its Mt Cattlin Project. The initial stage 1 program of up to 2000m of RC drilling is expected to take up to two weeks. Kingston's geochemical work at Mt Cattlin has helped define the extent of lithium mineralisation at Deep Purple South, outlining two parallel anomalous zones with a strike distance of up to 650m (Figure 1 + 2) which form the primary targets for the initial drill program.

With approvals in place, surface clearing contractors have now mobilised to site, and drilling is expected to commence by the end of the week.

In recent months Kingston has completed a detailed flora and fauna survey over the project, developed an extensive conservation management plan and conducted ethnographic and archaeological surveys with representatives of the Wagyl Kaip and Southern Noongar group, traditional owners of the area. This is in keeping with the Company's commitment to ensuring all regional stakeholders are consulted throughout the exploration process. The various surveys encompassed all areas highlighted by soil geochemistry to facilitate ongoing work during 2017.

Kingston MD Andrew Corbett added "Kingston is excited to start 2017 with the drilling of one of its primary lithium targets. We look forward to reporting results later in the quarter, with a second drilling program likely to follow. The current half is set to be another busy one for Kingston as we commence drilling across two further lithium prospects and the Livingstone Gold Project."

In addition to the Deep Purple South target, further outcrop mapping and soil and rock chip sampling has identified additional lithium-bearing pegmatites within the Mt Cattlin project area (see ASX announcement 23 August 2016). This includes a second anomaly approximately 1.5km south of Deep Purple South with a strike length of approximately 600m (Figure 1) highlighting the outstanding lithium potential of the Mt Cattlin Project area.

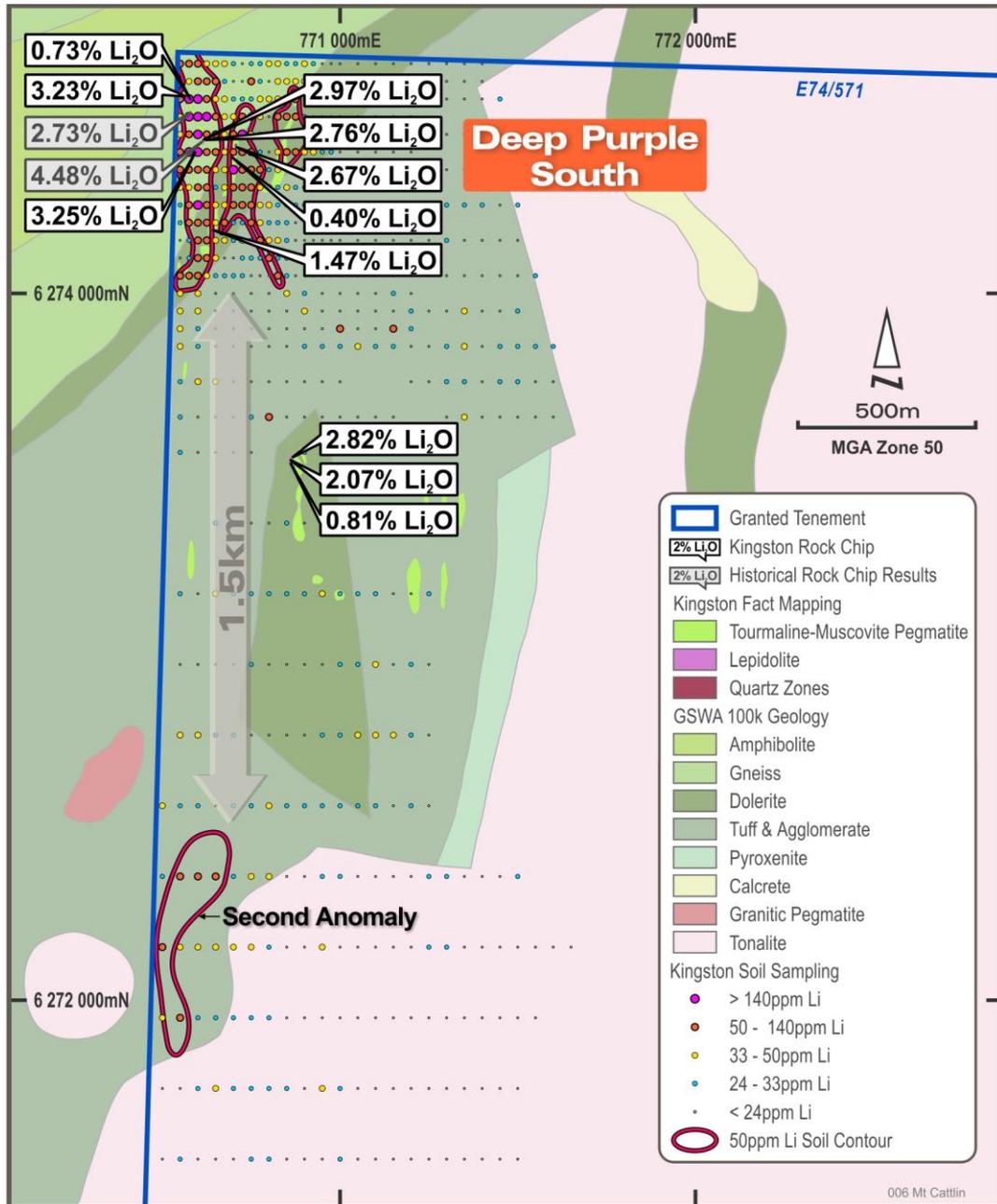


Figure 1: Deep Purple South Initial Exploration target area. Selected rock chip assay values (previous ASX announcement on 13 July 2016 and 23 August 2016). *

* Historical rock chips, Galaxy Resources Ltd E74/287 (Mt Cattlin Project) Relinquishment Report 2012

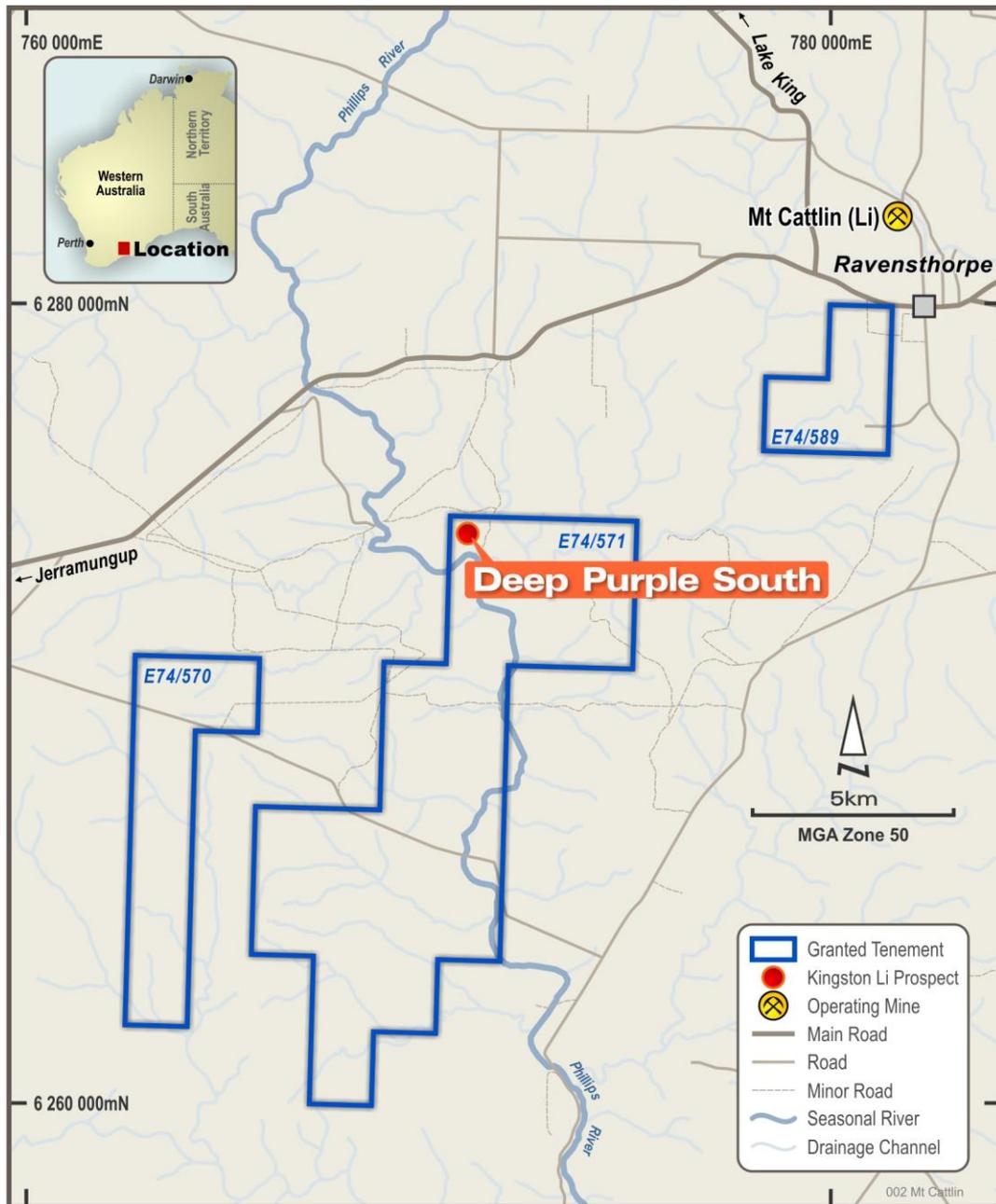


Figure 2: Deep Purple South regional location.

About Kingston Resources

Kingston Resources is a metals exploration company. The company holds an attractive portfolio of lithium exploration tenements covering four key project areas. In Western Australia, the Mt Cattlin and Greenbushes projects are adjacent or near existing lithium mines. In the Northern Territory, the Bynoe project area is home to some exciting new discoveries and the Arunta project lies within a significant pegmatite field. In addition, the Livingstone Gold Project holds a 50koz resource and is the site of a number of high grade historic intersections. The company is well funded to rapidly advance its exploration projects, with the initial focus being the Mt Cattlin, Bynoe, and Arunta lithium projects, alongside commencement of work on the Livingstone Gold Project.

Competent Persons Statement

The information in this report that relates to Exploration Results, Mineral Resources or Reserves is based on information compiled by Mr Andrew Paterson, who is a member of the Australian Institute of Geoscientists. Mr Paterson is a full-time employee of the Company and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking 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" (JORC Code). Mr Paterson consents to the inclusion in this report of the matters based upon the information in the form and context in which it appear.