QUARTERLY REPORT

31 January 2025

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 development asset, the 3.8Moz Misima Gold Project in PNG.

CAPITAL STRUCTURE

Shares on Issue: 821M
Market Cap: A$60M
Cash:(31 Dec 2024) A$9.89m

DIRECTORS & MANAGEMENT

Mick Wilkes
Non-Executive Chairman

Andrew Corbett
Managing Director & CEO

Stuart Rechner
Non-Executive Director

Tony Wehby
Non-Executive Director

Stuart Hayward
Chief Geologist

Geoff Merrell
GM, Mineral Hill

CORPORATE DETAILS

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QUARTERLY ACTIVITIES REPORT

For the period ending 31 December 2024

HIGHLIGHTS

Mineral Hill Mine, NSW

- Open pit mine production at Pearse
  - 3,261oz of gold sold at an average price of $4,101/oz
  - Revenue from gold/silver sales of $14.4m
  - Commercial production declared, with AISC of $2,814/oz
  - Mining rates increased substantially: ore mined up 36% to 61kt and waste mined up 51% to 625kt
  - Ore processing throughput of 74kt @ 1.56g/t gold
  - Metallurgical recovery of 89%
- Underground Mining
  - Underground diamond drilling to commence in February 2025

Misima Gold Project, PNG

- Argonaut PCF appointed to lead formal strategic process for Misima
- Misima capable of producing an average of 130kozpa of gold over 20 years LOM based on 2022 DFS

Corporate

- $8.4 million Equity Raising comprising a Placement of $6.4 million in December 2024, followed by a fully underwritten Share Purchase Plan of $2.0 million completed and settled in January 2025
- Cash balance $9.89 million at 31 December 2024

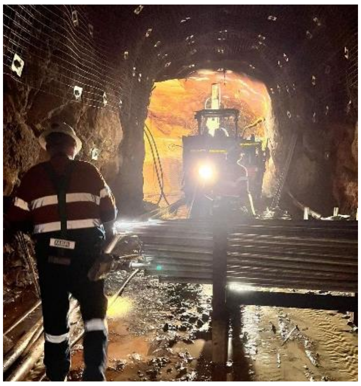

Figure 1: Underground ground support preparations

Figure 2: Open pit mining at the Pearse pits

Kingston Managing Director, Andrew Corbett, said:

Kingston has had an exceptional December Quarter to end off what has been a transformational 2024 for the Company. We made significant progress across our operations, including successful open pit mining at Mineral Hill. Our open pit mining operations are laying the foundation for a strong future, with free cash flow from mining the Pearse open pits to support the transition to long-term mining of the high-grade polymetallic underground resources.

We are delighted with the broad investor interest in our recent capital raising. This funding will allow us to accelerate exploration drilling at both underground and regional targets, a crucial step in our plan to expand production at Mineral Hill and further extend the mine life. Our processing infrastructure provides a significant regional advantage, especially considering the permitting hurdles associated with building new mines in NSW.

Misima remains a compelling opportunity for Kingston. The Company has already built a strong platform for growth in NSW with production at Mineral Hill. We are now focused on crystallising the deep value of Misima, leveraging the favourable gold price to accelerate development plans and return Misima to the successful production levels it achieved in the past.

I would like to thank our dedicated team for their hard work and commitment to delivering exceptional results. We are well-positioned to capitalise on the growing demand for gold and copper and to create sustainable value for our shareholders."

MINERAL HILL OPERATIONS

Open Pit Mining

Mining productivity at the Pearse open pits has steadily increased quarter-on-quarter. The fragmentation issues experienced in the previous quarter have been resolved by tightening the blast pattern and grades are also improving as we get deeper in the pit and closer to higher grade sulphide material.

Ore mined increased 36% over the quarter to 61kt. Waste mining also increased 58%, allowing for the exposure of additional ore faces. The Pearse Ore Reserve estimates used mining cutoff grades of 1.3g/t and 1.5g/t for Pearse North and South respectively. Due to a marked increase in the spot gold price, Kingston has decided to lower the mining cutoff grade to 0.8g/t, resulting in an apparent reduction in mined gold grades.

Processing

Gold recovery remained higher than the original forecast of 85%, reaching 89.5%. Additionally, the original plan expected an earlier transition to sulphide ore, which has a forecast gold recovery of 78%. Testing of samples during mining so far has shown a material extension to the oxide material, allowing processing recovery to remain elevated.

Processing of open pit ore from Pearse first began halfway through August, so the December quarter marks the first full quarter of ore processing through the plant. Currently, the plant is solely producing gold/silver dore from oxide ore feed and the transition to sulphide ore is expected to occur towards the end of the March quarter.

Table 1: Summary of physicals for open pit mining at Mineral Hill.

Physical Summary	Unit	Q1 FY25	Q2 FY25
Waste Mined	t	413,600	654,080
Ore Mined	t	45,136	61,201
Ore Processed	t	43,269	73,717
Head Grade	g/t	1.51	1.56
Processing Recovery	%	89%	89%
Gold Produced	oz	1,868	3,333
Gold Sales	oz	1,680	3,261
Silver Sales	oz	11,551	22,862
Average Gold Price	$/oz	3,777	4,101

Revenue from metal sales increased 113% to $14.4m quarter-on-quarter. Kingston sold 3,261oz of gold at an average realised gold price of $4,101/oz, a 9% increase in the gold price over the quarter.

Commercial production for the Pearse open pits has been declared as of 1 October 2024. Over the quarter, operating costs were $8.8m and sustaining capital was $0.35m, resulting in an all-in-sustaining cost of $2,814/oz (net of silver by-product revenue).

Figure 3: Pearse North open pit mining.

MISIMA GOLD PROJECT

During the quarter, Kingston appointed Argonaut PCF Limited ("**Argonaut**") as exclusive financial adviser to manage a formal strategic review of the Misima Gold Project. The appointment aims to maximise shareholder value for Kingston's 100% interest in Misima.

Argonaut conducted a site visit to Misima during the quarter and have completed their own extensive due diligence to prepare documents and scenario analyses for the process.

Kingston has invested A$45m in Misima to date. This has included extensional drilling, numerous Mineral Resource estimate updates and comprehensive environmental studies for permitting work. Additionally, the 2022 Definitive Feasibility Study showed Misima could produce an average of 130,000 ounces per year over a 20-year mine life, with significant exploration potential remaining. The study used a conservative long-term gold price of US$1,800 per ounce, compared to the current spot price of US$2,750 per ounce.

Kingston selected Argonaut for their proven track record of successful transactions in the Asia-Pacific region, particularly in Papua New Guinea's gold sector. Argonaut is highly regarded by major international resource companies and brings strong commercial and technical expertise in managing both corporate and asset-level transactions.

Kingston continued to advance the Misima Gold Project during the December quarter, progressing landholder identification studies and ongoing environmental monitoring in support of the Environmental and Social Impact Assessment (ESIA). The company remains deeply engaged with the local community, implementing initiatives aimed at empowering locals in education, health, and business development. Notably, Kingston facilitated a Women in Business program, reaching over 629 women since its inception in 2023, with a focus on empowering women through business training and financial literacy programs.

Figure 4: Argonaut site visit conducting due diligence work.

CORPORATE

The Kingston Board of Directors declared commercial production for the Pearse open pits from 1 October 2024. The waste stripping of the pits is well advanced, and the processing plant is fully commissioned and operating at nameplate capacity.

On 28 November 2024, the company held its Annual General Meeting (AGM). All resolutions were passed and decided by way of poll.

On 9 December 2024, Kingston announced its intention to raise a total of $8.4 million (before cost) by undertaking a $6.4 million Placement and a $2 million fully underwritten Share Purchase Plan (SPP) both at an issue price of $0.075 per share. The Company successfully completed the Placement on 16 December 2024. The fully underwritten SPP was completed on 22 January 2025 with retail shareholders strongly supporting the SPP by subscribing for 61% of the offer and the remaining 39% taken up by the underwriter, Delphi Unternehmensberatung Akteingesellschaft, an existing major shareholder and sophisticated investor.

The funds raised will be strategically allocated to accelerate surface exploration, drill underground resource extension targets, and expand resources to drive production growth at Mineral Hill.

During the quarter, Kingston paid USD$700k (AUD$1.07m) to Quintana Holdings LLP towards the restructured milestone payment for the acquisition of Mineral Hill Pty Ltd. As at the end of December, USD$2.15m of the final milestone payment remaining outstanding, which will be fully paid by May 2025.

During the quarter, the Company made payments totalling $282k to associates or related parties reflecting fees, wages, and superannuation paid to Directors. This amount includes payments relating to FY24 totalling to $103,000.

The Company's closing cash balance as at 31 December 2024 was $9.89m in unrestricted cash and a further $7.4m in restricted cash (environmental bonds).

	Cash Inflow/(outflow) A$m
Opening cash & cash equivalents	**6.64**
Cash revenue from metal sales	14.03
Production cost	(4.13)
Staff and corporate cost	(3.24)
Net interest payment	(0.30)
Government grant	0.07
Net cash from operating activities	**6.43**
Property, plant and equipment	(2.83)
Exploration and resource development	(0.82)
Pearse mine development cost	(4.38)
Net cash from investing activities	**(8.03)**
Net proceeds from the issue of equity securities	6.03
Transaction cost related to loans and borrowings	(0.12)
Other- Quintana deferred final milestone payment	(1.07)
Net cash from financing activities	**4.84**
Effect of movement in exchange rates on cash held	0.005
Closing cash & cash equivalents	**9.89**

Table 2: Tenement Schedule (ASX LR 5.3.3) as at end of quarter

Tenement	Project Name & Location	Status	Ownership	Type	Title Area
EL1747	Misima, PNG	Live	100%	EL	180 km^2
EL1999	Mineral Hill, NSW	Live	100%	EL	17 UNITS
EL8334	Mineral Hill, NSW	Live	100%	EL	100 UNITS
ML5240	Mineral Hill, NSW	Live	100%	ML	32.37 HA
ML5267	Mineral Hill, NSW	Live	100%	ML	32.37 HA
ML5278	Mineral Hill, NSW	Live	100%	ML	32.37 HA
ML332	Mineral Hill, NSW	Live	100%	ML	22.36 HA
ML333	Mineral Hill, NSW	Live	100%	ML	28.03 HA
ML334	Mineral Hill, NSW	Live	100%	ML	21.04 HA
ML335	Mineral Hill, NSW	Live	100%	ML	24.79 HA
ML336	Mineral Hill, NSW	Live	100%	ML	23.07 HA
ML337	Mineral Hill, NSW	Live	100%	ML	32.27 HA
ML338	Mineral Hill, NSW	Live	100%	ML	26.3 HA
ML339	Mineral Hill, NSW	Live	100%	ML	25.09 HA
ML340	Mineral Hill, NSW	Live	100%	ML	25.79 HA
ML1695	Mineral Hill, NSW	Live	100%	ML	8.779 HA
ML1712	Mineral Hill, NSW	Live	100%	ML	23.92 HA
ML1778	Mineral Hill, NSW	Live	100%	ML	29.05 HA
ML5499	Mineral Hill, NSW	Live	100%	ML	32.37 HA
ML5621	Mineral Hill, NSW	Live	100%	ML	32.37 HA
ML5632	Mineral Hill, NSW	Live	100%	ML	27.32 HA
ML6329	Mineral Hill, NSW	Live	100%	ML	8.094 HA
ML6365	Mineral Hill, NSW	Live	100%	ML	2.02 HA

About Kingston Resources

Kingston Resources is currently producing gold and silver from its Mineral Hill gold and copper mine in NSW and is developing the 3.8Moz Misima Gold Project in PNG. The Company's objective is to establish itself as a mid-tier gold and base metals company with multiple producing assets.

Mineral Hill Mine, NSW (100%)

- **Mine plan out to the end of 2027**: Open pit and underground mining.
- **Significant upside:** Current life of mine only utilises 27% of the current 8.2Mt of Mineral Resources.
- **Infrastructure excellence:** Extensive existing infrastructure with all permits and approvals in place.
- **Exploration potential**: Exceptional upside within current Mining Leases (ML) and Exploration Licenses (EL).
- **Current Focus:** Open pit mining at Pearse and finalisation of the Plant refurbishment for gold/silver dore and concentrate production.

Misima Gold Project, PNG (100%)

- **DFS Validation:** potential for a robust, scalable, and low-cost open pit operation.
- **Production Potential:** Anticipated gold production of ~2.4Moz over a 20-Year Mine Life (Avg. 128kozpa).
- **Strong Financial Viability:** Pre-Tax Net Present Value (NPV) of A$956 million (based on a US$1,800/oz Gold Price).
- **Gold Price Upside:** Highly leveraged to the upside of the gold price, amplifying potential returns.
- **Current Focus:** Formal strategic process with a financial advisor, ESIA reports, strategic funding & development strategies.

Mineral Hill is a gold and copper mine located in the Cobar Basin of NSW. On 30 September 2024, Kingston released an updated life-of-mine (LOM) production target, outlining a six-year LOM plan comprising a maiden underground Ore Reserve and a revised open pit Ore Reserve. The Company is focused on meeting near mine production targets located on the existing MLs. The aim is to extend the mine's life through organic growth and consider regional deposits that could be processed at Mineral Hill's processing plant.

Misima hosts a JORC Resource of 3.8Moz Au and an Ore Reserve of 1.73Moz. Placer Pacific operated Misima as a profitable open pit mine between 1989 and 2001, producing over 3.7Moz before it was closed when the gold price was below US$300/oz. Kingston has since completed a definitive feasibility study (DFS) on the Misima Gold Project, which resulted in a NPV of $956m at a US$1,800/oz gold price. The Company has engaged a financial advisor to lead a formal strategic process aimed at crystallising the deep value built up during Kingston's ownership.

For further information regarding the Misima Mineral Resource and Ore Reserve estimate, see ASX announcements on 24 November 2020,15 September 2021 and 6 June 2022. Further information is included within the original announcements.

The Mineral Hill Mineral Resource estimate outlined below was released in ASX announcements on 18 November 2021 (TSF), 15 March 2023 (Pearse South), 14 May 2024 (Pearse North), 24 November 2022 (Southern Ore Zone), 21 March 2023 (Jack's Hut) and 13 September 2011 (Parkers Hill by KBL). The Ore Reserve estimate outlined below was released in ASX announcements on 30 September 2024 (Pearse South, Pearse North and Southern Ore Zone). Further information is included within the original announcements.

Kingston is not aware of any new information or data that materially affects the information included in this announcement. All material assumptions and technical parameters underpinning the Mineral Resources and Ore Reserve estimates continue to apply and have not materially changed.

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.

Mineral Resources and Ore Reserves

Misima JORC 2012 Mineral Resource & Ore Reserve summary table

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**	**75.6**	**0.79**	**4.2**	**1.73**	**4.1**

Mineral Hill JORC 2012 & JORC 2004 Mineral Resource & Ore Reserve summary table

Resource Category	Tonnes (kt)	Gold Grade (g/t)	Silver Grade (g/t)	Cu %	Pb %	Zn %	Au (koz)	Ag (koz)	Cu (kt)	Pb (kt)	Zn (kt)
Measured	233	2.01	11	1.2%	0.5%	0.4%	15	81	3	1.2	0.8
Indicated	4,501	1.13	29	1.1%	1.9%	1.1%	164	4,556	47	77	46
Inferred	3,020	1.81	18	0.9%	0.9%	0.7%	175	1,727	25	26	20
Total	**7,755**	**1.42**	**26**	**1.0%**	**1.4%**	**0.9%**	**354**	**6,364**	**75**	**104**	**67**
Reserve Category	**Tonnes (kt)**	**Gold Grade (g/t)**	**Silver Grade (g/t)**	**Cu %**	**Pb %**	**Zn %**	**Au (koz)**	**Ag (koz)**	**Cu (kt)**	**Pb (kt)**	**Zn (kt)**
Proved	-	0.00	0				-	0			
Probable	1,100	2.2	31	0.8%	1.9%	1.6%	74	1,087	5.5	13	11
Total	**1,100**	**2.2**	**31**	**0.8%**	**1.9%**	**1.6%**	**74**	**1,087**	**5.5**	**13**	**11**

1. Due to rounding to appropriate significant figures, minor discrepancies may occur, tonnages are dry metric tonnes.
2. Probable Ore Reserves are derived from Indicated Mineral Resources.
3. The Ore Reserves do not include, or depend upon, Inferred Mineral Resources.
4. The Ore Reserves form part of the Mineral Resources.

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 Misima 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 information pertaining to the Misima Ore Reserve in the form and context in which it appears.

The Competent Person signing off on the overall Pearse Opencut 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 information pertaining to the Pearse Opencut Ore Reserve in the form and context in which it appears.