KINGSTON RESOURCES LIMITED

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QUARTERLY ACTIVITIES REPORT
AND APPENDIX 5B
for the period ended 31 March 2013

Highlights	
	➢ Kingston Resources Limited (ASX: KSN) relisted on ASX on 16 April 2013 ➢ Kingston ("KSN" or "The Company") successfully closed its Public Offer on 19 March 2013 and raised $2,063,500 under its Prospectus dated 14 February 2013. ➢ Funds raised through Public Offer will be used for exploration of its highly prospective Iron-oxide copper- gold tenements in the Gawler Craton area of South Australia. ➢ A 1573km HeliTem survey is underway in April at Cultana to define anomalies for drill targets.

CORPORATE

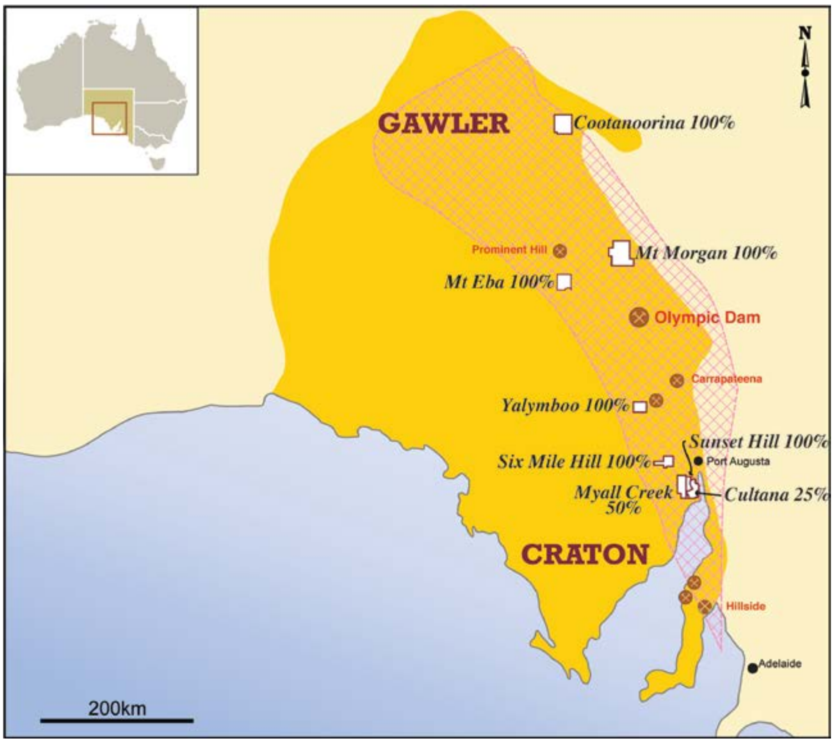
- On 17 December 2012 Kingston completed the acquisition of Fleurieu Mines NL (Fleurieu) pursuant to the Share Acquisition Agreement dated 30 August 2012. Consideration for the acquisition of 100% of Fleurieu was satisfied by the issue of 34,012,991 Kingston shares to shareholders of Fleurieu, with 29,821,670 shares issued on 17 December 2012 and the remaining 4,191,321 shares being issued on 31 January 2013.
- At the AGM held on 29 January the shareholders passed various resolutions relating to the proposed Public Offer capital raising and also re-elected to the Board Mr Jonathan Adam Davies as Non –executive Chairman and Mr Yafeng Cai and Mr Michal Safrata as Non –executive directors.
- On 14 February 2013 the Company lodged its Public Offer Prospectus to raise a minimum $2 million. The Public Offer was underwritten up to $1.85 million.
- On 20 March 2013 Kingston Resources successfully closed its public offer and received application which when combined with the commitments from its underwriters raised a total of $2,065,500 (before costs).
- Following the close of the Quarter the Company was re-admitted to trading on the ASX on 16 April 2013 and its current capital structure is now as follows:

Securities	Total Issued	Quoted	Unquoted –Restricted	
KSN– Ordinary Shares	82,355,828	35,569,587	Total restricted as follows: -24 months from 16/4/13 -12months from 14/12/12 -12 months from 31/1/13	46,786,241 40,341,660 2,253,260 4,191,321
KSNOA - Options exercisable at $0.20 expiring 31/12/15	25,702,500	10,302,500	24 months from 16/4/13	15,400,000
KSNO- Options exercisable at $2 expiring 6/5/ 2013	5,651,984	5,651,984		-
KSNAO– Options exercisable at $5 expiring 3/7/13	25,000	-		25,000

KINGSTONS' EXPLORATION ASSETS

Funds raised through Public Offer will be used for exploration of its highly prospective Iron-oxide copper- gold tenements in the Gawler Craton area of South Australia.

Location: The Company holds interests in eight exploration licences in the Olympic Arc corridor, being the most prospective zone for IOCG deposits in the Gawler Craton. This region hosts several major mineral projects (including the world class Olympic Dam mine) and is known for its major deposits.



Tenement	Owner	State	Project	Km^2	Grant Date	Ownership
EL 5011	U Energy	SA	Myall Creek	381	13/09/2012	50%
EL 5010	U Energy	SA	Cultana	321	13/09/2012	25%
EL 4212	Westernx	SA	Sunset Hill	160	24/11/2008	100%
EL 4524	Westernx	SA	Yalymboo	280	20/06/2010	100%
EL 4462	Westernx	SA	Cootanoorina	710	6/04/2010	100%
EL 4494	Westernx	SA	Six Mile Hill	296	17/05/2010	100%
EL 4915	Westernx	SA	Mt Eba	440	19/04/2012	100%
EL 5101	Fleurieu Mines	SA	Mt Morgan	909	16/11/2012	100%

- **Advanced Projects:** Two joint venture projects in the southern Olympic Arc corridor in which the Company holds an interests, the Cultana Project (SER:75%: KSN 25% interest) and the Myall Creek Project (SER 50%:KSN 50% interest), are at an advanced stage of targeting and are ready for drill testing for IOCG deposits. The presence of old copper mines, previous drilling, rock chip sampling and geophysical surveys in the area confirm the prospectivity.

- **Cultana Project:**

The Cultana Lease, EL 5010, covers an area of 321 square kilometres south of Port Augusta in South Australia (see figure 1).

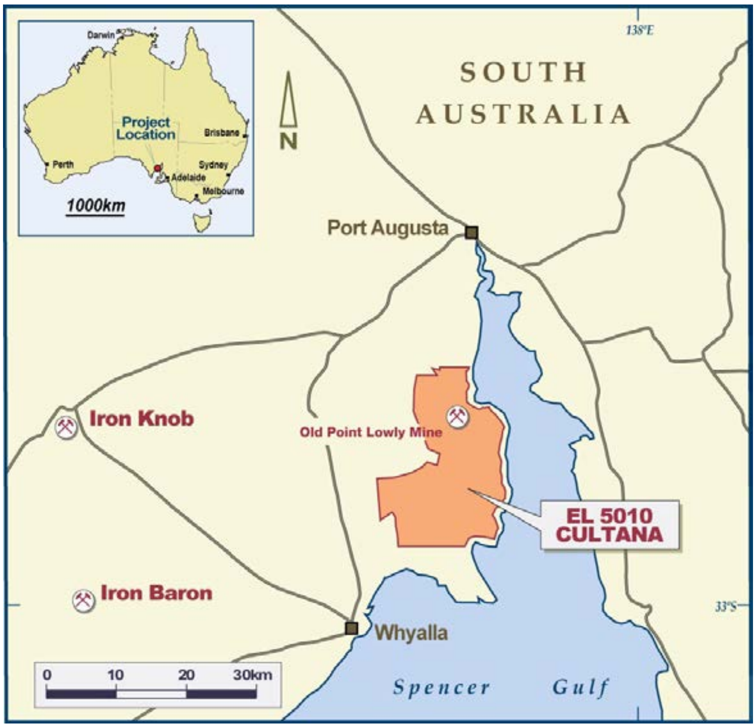


Figure 1

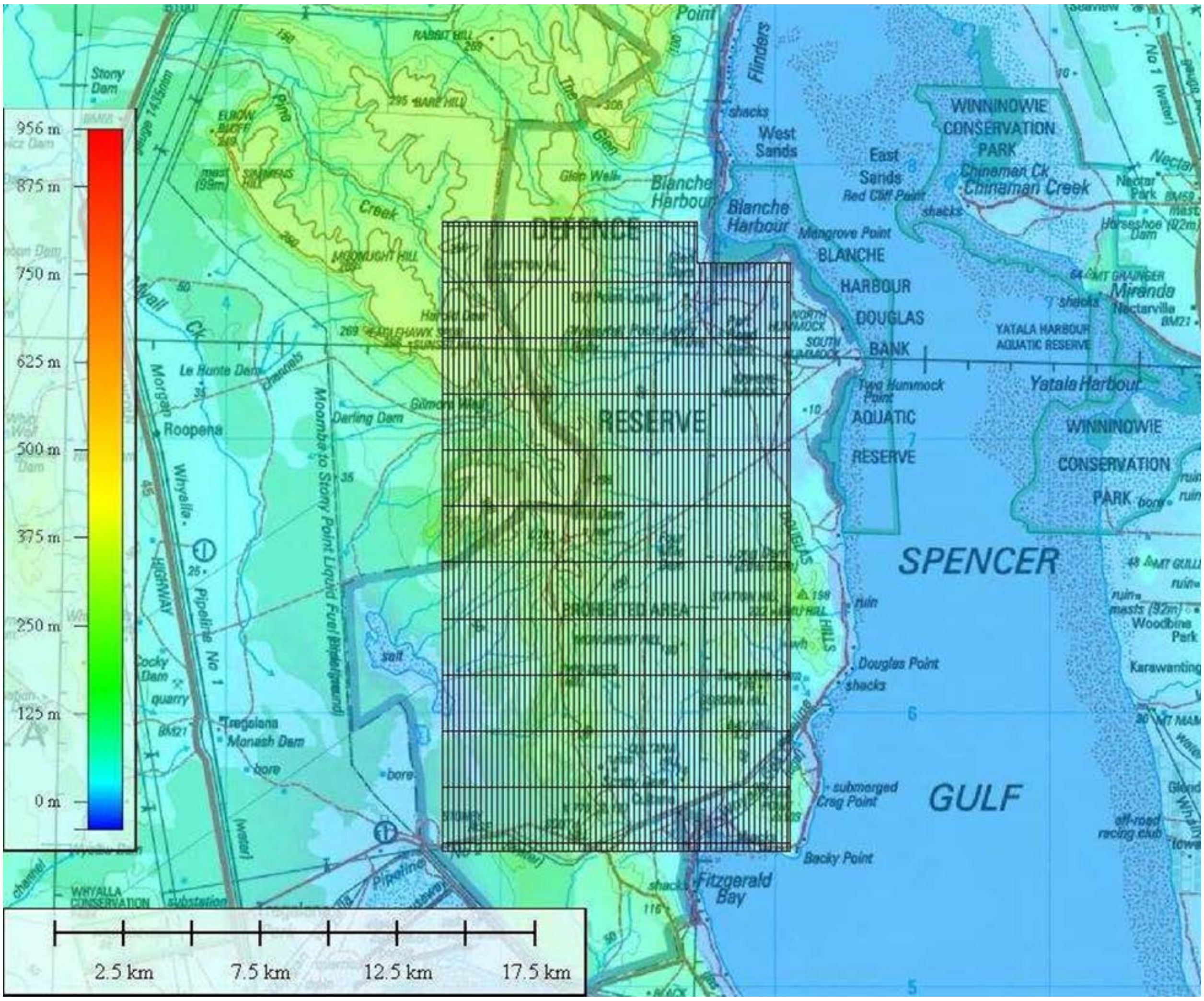
Past exploration in the Cultana area has been limited, due to restricted access by Defence. Serem Australia explored for copper in 1971 and drilled three shallow holes, all of which reached crystalline basement rocks. In 2004, a Falcon gravity survey defined targets of potential Olympic Dam style (IOCG type) mineralisation. Works also includes outcrop mapping of the Cultana Subsuite a high level intrusion dated c1595-75Ma by the government body PIRSA (McAvaney, 2008).

The Cultana lease has been subjected to iron oxide-copper-gold (IOCG) style alteration, including pervasive hematite replacement, hematite veining and hematite-rich brecciation.

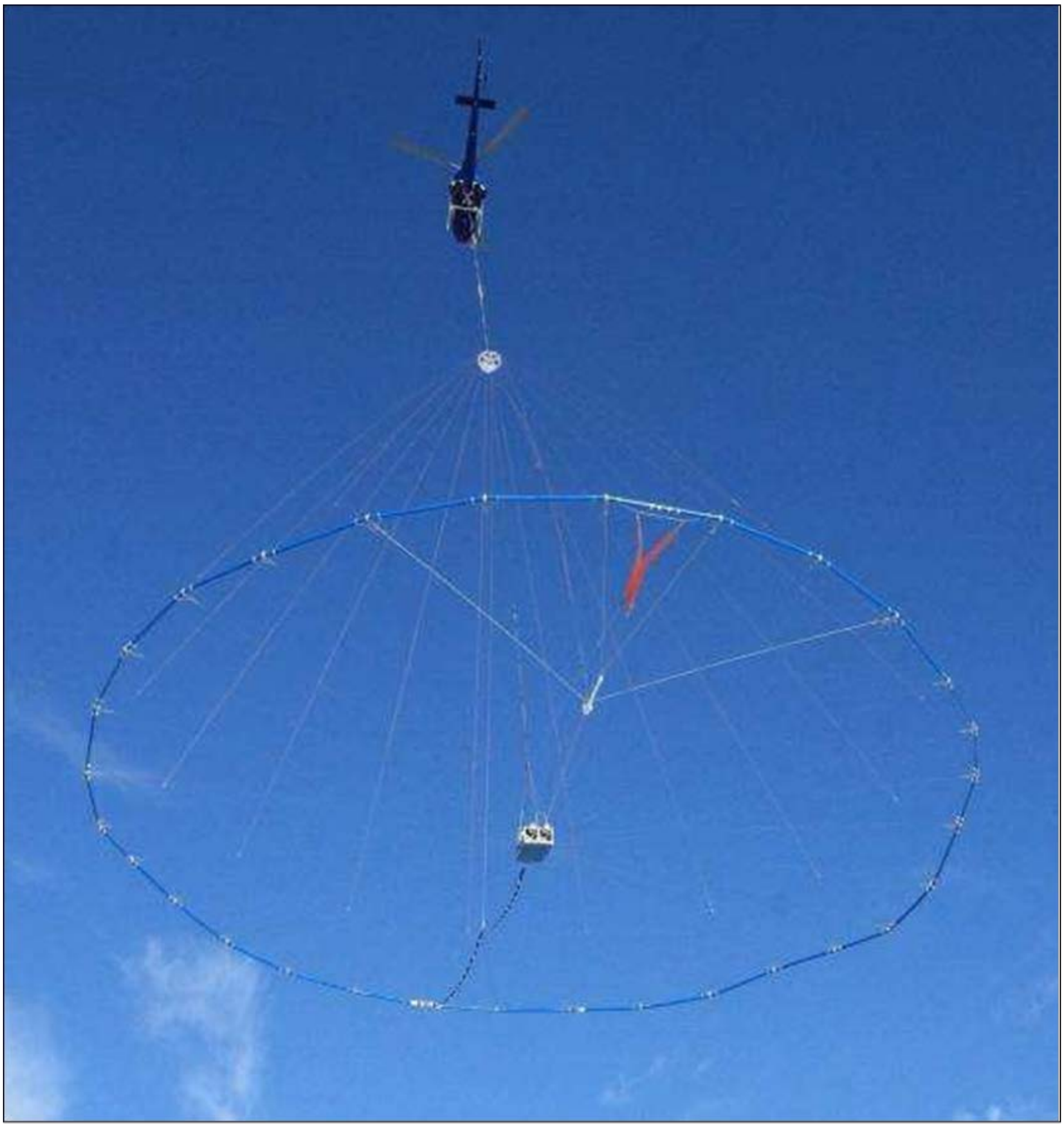
Inversion gravity modelling suggests high density material consistent with the gravity signatures of IOCG style deposits north of the Cultana lease along the eastern margin of the Gawler Craton, notably Olympic Dam, Prominent Hill and Carrapateena.

The Joint Venture is using Fugro Airborne Surveys Pty Ltd to acquire a 1,573 line kilometre HeliTEM geophysical survey over all defined IOCG gravity targets to detect electro magnetically anomalous Cultana subsuite rocks in outcrop or under shallow cover. See figure 2. Anomalies can be caused by any conductive body including metal sulphide deposits. The HeliTEM survey will greatly assist in locating precise drill locations.

The Survey Area is comprised of one (1x) block. Flight lines will be flown in north-south direction.



The HeliTEM survey commenced on April 23, 2013. The Joint Venture has a 20 day booking with the Department of Defence to complete the survey acquisition.



Currently two holes are planned for test-drilling in the Cultana Inlier.

AECOM Australia Pty Ltd has drafted an Environmental Management Plan for the project. Once the HeliTEM has been interpreted AECOM can complete drill site management plans.

The Joint Venture is aiming to drill the key targets at the earliest possible time. This will be dependent on the availability of drill rigs and all usual permissions being granted, including that from the Department of Defence.

- **Myall Creek Project:**

The Myall Creek Copper Project (EL5011) covers an area of 381 km² and is located on the southern Stuart Shelf between Whyalla and Port Augusta, a highly prospective part of the eastern margin of the Gawler Craton. The Myall Creek Project includes a 15 kilometre belt with drill intersections above 1% copper with potentially higher-grade ready to drill prospects.

KSN hold a 50% interest and SER holds a 50% interest in the licence. The licence area is immediately west of the Torrens Hinge Zone and close to the sites of the Hiltaba granites. Copper and base metal mineralisation has been delineated over a wide area and in a range of the Proterozoic host rocks in this region.

The exploration programme was focused on a prospect named Honeymoon Dam which is 2.5km south of the known Myall Creek mineralisation zone. Depths to the mineralisation zones in the area are in the range of 50-150m.

Two holes were completed after hitting basement rocks, with mineralisation evident in the holes. The third and final hole encountered technical difficulties and ceased at 105.2 meters, some 10 meters short of the interpreted mineralised zone.

Analysis is continuing of the prior geochemical and drill data. A further drill program is currently being devised.

- **Mount Morgan:** The Mt Morgan Project, located between the Olympic Dam and Prominent Hill mines, has untested gravity features and is prospective for IOCG mineralisation. Major mining companies are exploring on adjacent tenements.

- **Six Mile Hill:** The Six Mile Hill Project has several untested gravity anomalies prospective for IOCG deposits. These will be investigated by detailed gravity surveys to define drilling targets.

EXPENDITURE

- Please refer to the Appendix 5B quarterly commitments report for period ended 31 March 2013 as attached.

Dated this 26th day of April 2013.

Mr Jonathan Davies
Chairman
Kingston Resources Limited

DECLARATION OF COMPETENCY

The information in this report that relates to exploration results is based on information compiled by Dr Kevin Moriarty, a member of the Australasian Institute of Mining and Metallurgy. Dr Moriarty is a consultant geologist and a non-executive director of Kingston Resources Limited. Dr Moriarty has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Dr Moriarty consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Rule 5.3

Appendix 5B

Mining exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10

Name of entity

KINGSTON RESOURCES LIMITED (ASX: KSN)

ABN	Quarter ended ("current quarter")
44 009 148 529	31 MARCH 2013

Consolidated statement of cash flows

	Cash flows related to operating activities	Current quarter $A'000	Year to date (9 months) $A'000
1.1	Receipts from product sales and related debtors	-	28
1.2	Payments for (a) exploration & evaluation	-	-
	(b) development	-	-
	(c) production	-	-
	(d) administration	(106)	(567)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	3	7
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other (provide details if material)	-	-
	Net Operating Cash Flows	(103)	(532)
	Cash flows related to investing activities		
1.8	Payment for purchases of: (a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	-
1.9	Proceeds from sale of: (a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	-
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	Other – Cash acquired from investment in company	-	36
	Net investing cash flows	-	36
1.13	Total operating and investing cash flows (carried forward)	(103)	(496)

+ See chapter 19 for defined terms.

1.13	Total operating and investing cash flows (brought forward)	(103)	(496)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	406
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other –expenses related to issue of shares	(22)	(24)
	Net financing cash flows	(22)	382
	Net increase (decrease) in cash held	(125)	(114)
1.20	Cash at beginning of quarter/year to date	375	364
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	**Cash at end of quarter****	250	250

Payments to directors of the entity and associates of the directors
Payments to related entities of the entity and associates of the related entities

		Current quarter $A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	24
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

****Item 1.22 Subsequent to 31 March 2013 the Company raised $2.063 million (before costs) via a Public Offer pursuant to its Prospectus dated 14 February 2013.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

On 31 January 2013 the Company issued the remaining 4,191,321 fully paid ordinary shares to shareholders of Fleurieu Mines. This represents the final 13% of the total consideration of 34,012,991 shares to acquire 100% of Fleurieu.

On 13 February 2013, 7 million shares were issued in consideration of management support services, office services and corporate advisory services to be provided by Soaraway Development over the next 2 years as approved by shareholders on 29 January 2013.

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Nil

+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

		Amount available $A'000	Amount used $A'000
3.1	Loan facilities	-	-
3.2	Credit standby arrangements	-	-

Estimated cash outflows for next quarter

		$A'000
4.1	Exploration and evaluation	150
4.2	Development	-
4.3	Production	-
4.4	Administration (*Excluding Costs of Public Offer Prospectus estimated at $291,000 to be paid from proceeds of issue*)	75
	Total	**225**

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.		Current quarter $A'000	Previous quarter $A'000
5.1	Cash on hand and at bank	78	42
5.2	Deposits at call	172	333
5.3	Bank overdraft	-	-
5.4	Other (provide details)	-	-
	Total: cash at end of quarter (item 1.22)	250	375

Changes in interests in mining tenements

		Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed				
6.2	Interests in mining tenements acquired or increased				

+ See chapter 19 for defined terms.

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

		Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	**Preference +securities** *(description)*	-	-	-	-
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions	-	-	-	-
7.3	**+Ordinary securities**	70,053,328	29,040,337		
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	11,191,321	-	Nil	Nil
7.5	**+Convertible debt securities** *(description)*	Nil	Nil		
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted	Nil	Nil		
7.7	**Options** *(description and conversion factor)*	5,651,984 25,000	5,651,984 -	*Exercise price* $2.00 $5.00	*Expiry date* 6 May 2013 3 July 2013
7.8	Issued during quarter	Nil	Nil		
7.9	Exercised during quarter	Nil	Nil		
7.10	Expired during quarter	12,481,251	12,481,251	$1.00	29 March 2013
7.11	**Debentures** *(totals only)*				
7.12	**Unsecured notes** *(totals only)*				

+ See chapter 19 for defined terms.

Compliance statement

1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).

2 This statement does give a true and fair view of the matters disclosed.

Sign here: .... Date: 26 April 2013
(Director/Company secretary)

Print name: Mathew Whyte

Notes

1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.

2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.

3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.

4 The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.

5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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