KSN KINGSTON RESOURCES LIMITED

Securities Trading Policy

1. INTRODUCTION AND PURPOSE

Directors, officers and employees[1] who wish to trade in Kingston Resources Limited (KSN or the Company) securities must first have regard to the statutory provisions of the Corporations Act dealing with insider trading.

Insider trading is the practice of dealing in a company's securities (which includes shares and options) by a person in possession of information not generally available, but if it were generally available would, or would be likely to influence a person's decision to transact in the Company's securities. It may also include the passing on of this information to another or procuring another person to deal in the securities. **Legally, insider trading is an offence which carries severe penalties, including imprisonment.**

2. INSIDER TRADING PROHIBITION

In summary, directors, officers and employees of the Company must not, whether in their own capacity or as an agent for another, subscribe for, purchase or sell, or enter into an agreement to subscribe for, purchase or sell, any securities in the Company, or procure another person to do so if that director, officer or employee possesses inside information[2] and knows or ought reasonably to know that:

(a) the information is not generally available; and

(b) if it were generally available, a reasonable person would expect it to have a material effect on the price or value of the securities or influence a person's decision to buy or sell the securities in the Company.

Further, directors, officers and employees must not either directly or indirectly pass on this kind of information to another person if they know, or ought reasonably to know, that this other person is likely to deal in the securities of the Company or procure another person to do so.

[1] In this policy references to directors, officers and employees includes all Connected Persons of the directors, officers and employees. "Connected Persons" means any person over whom the director, officer or employee has significant influence or control. Further, all references to officers includes a reference to 'key management personnel' as defined in AASB Standard 124 Related Party Disclosure, being those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the entity.

[2] Section 1042A of the Corporations Act 2001 (Cth) defines "**inside information**" as information that is not generally available and, if the information was generally available, a reasonable person would expect it to have a material effect on the price or value of the Company's securities.

3. CLOSED PERIODS

In addition to the prohibitions on insider trading set out in the Corporations Act, the Company requires that directors, officers and employees must not trade in the Company's securities during the periods commencing from:

(a) From 1 September and ending on the day following the announcement of the Company's audited financial results in any particular year;
(b) 1 March and ending on the day following the announcement of the Company's half yearly results in any particular year; or
(c) From close of trade 10 business days after the end of each quarter, until 10am on the next trading day following the announcement of the Company's quarterly results.

("**Closed Periods"**), unless the circumstances are exceptional and the procedure for prior written clearance described below has been met.

In addition to the prohibitions on insider trading set out in the Corporations Act and Closed Periods, the Company may impose ad-hoc closed periods where the Company is considering matters that would require disclosure to the market but for Listing Rule 3.1A ("**Additional Period**"). The Closed Periods and the Additional Period are together referred to as a "Prohibited Period" in this policy.

Being an active exploration company, KSN receives drilling, survey and other exploration based information and results on a regular basis. Accordingly, the Company requires flexibility to impose an Additional Period on all or specific directors, employees or officers in the event exploration information or results fall within Listing Rule 3.1A.

Accordingly, when information the subject of Listing Rule 3.1A becomes known to the Company, the Company may (depending on the nature of the information):

(a) impose an Additional Period on those employees, officers and directors directly involved in, or who have knowledge of, the matter being considered under Listing Rule 3.1A; or
(b) impose an Additional Period on any or all employees, officers and directors irrespective of whether the employees, officers and directors are directly involved in, or have knowledge of, the matter being considered under Listing Rule 3.1A.

The Company would usually impose the Additional Period by way of written notification to all (or relevant) directors, employees or officers, such as by email. The notification would include the duration of the Additional Period (if known) or otherwise provide information about when the Additional Period will end, such as via further notification regarding the end of that Additional Period. The Company may communicate the imposition of the Additional Period in other ways, depending on the circumstances.

The Additional Period does not apply if circumstances are exceptional and the procedure for prior written clearance described below has been met.

Please note that even if it is outside of a Prohibited Period, directors, officers and employees must not trade in the Company's securities if they are in possession of inside information.

3.1 Exceptional Circumstances when trading may be permitted subject to prior written clearance.

A person may trade in the Company's securities inside a Prohibited Period, subject to obtaining prior written clearance in accordance with the procedure described below, in the following exceptional circumstances:

(a) if the person granting the prior written clearance is satisfied that the person seeking the clearance does not possess unpublished price sensitive information about the Company and the person seeking clearance is in severe financial hardship;

(b) if the person granting the prior written clearance is satisfied that the person seeking the clearance does not possess unpublished price sensitive information about the Company and there are other circumstances deemed to be exceptional by the person granting the prior written clearance; or

(c) where trading is required for compliance with a court order or court enforceable undertakings or for some other legal or regulatory requirement.

4. PROCEDURE FOR OBTAINING CLEARANCE PRIOR TO TRADING

Directors, officers and employees must not trade in the Company's securities at any time outside a Prohibited Period (as it applies to them) unless the director, officer or employee first obtains prior written clearance, not to be unreasonably withheld, from the Chair or the Managing Director. Prior to granting prior written clearance, the Chair or Managing Director (as the case may be) must first:

(a) make reasonable enquiries as to whether the Company has imposed any Additional Periods on any other directors, officers or employees; and

(b) if an Additional Period is imposed, be satisfied that the Additional Period (although not applying to the relevant director, officer or employee) should not otherwise restrict the trade the subject of the clearance request from proceeding.

Directors, officers and employees must not trade in the Company's securities during a Prohibited Period, including in the exceptional circumstances referred to above, unless the director, officer or employee obtains prior written clearance from the Chair, or in the case of the Chair, the Managing Director and the Chief Financial Officer or equivalent (each an "**Approving Officer**").

A request for prior written clearance to trade during a Prohibited Period should be made in writing and given to the Company Secretary and the appropriate Approving Officer. The request may be submitted by email.

Any written clearance granted under this policy will be valid for the period of 10 business days from the time which it is given, or such other shorter period as may be determined by the person granting the clearance. The expiry time of the clearance will be stated in the clearance granted. Written clearance under this policy may be given by email.

5. TRADING WHICH IS NOT SUBJECT TO THIS POLICY

The following trading by directors, officers and employees is excluded from this policy:

(a) transfers of securities already held into a superannuation fund or other saving scheme in which the director, officer or employee is a beneficiary;

(b) an investment in, or trading in units of, a fund or other scheme (other than a scheme only investing in the Company's securities) where the assets of the fund or other scheme are invested at the discretion of a third party;

(c) where the director, officer or employee is a trustee, trading in the Company's securities by that trust provided the director, officer or employee is not a beneficiary of the trust and any decision to trade during a Prohibited Period is taken by the other trustees or by the investment managers independently of the director, officer or employee;

(d) undertakings to accept, or the acceptance of, a takeover offer;

(e) trading under an offer or invitation made to all or most of the security holders such as, a rights issue, a security purchase plan, a dividend or distribution reinvestment plan and an equal access buy-back, where the plan that determines the timing and structure of the offer has been approved by the Board. This includes decisions relating to whether or not to take up the entitlements and the sale of entitlements required to provide for the take up of the balance of entitlements under a renounceable pro rata issue;

(f) a disposal of securities that is the result of a secured lender exercising their rights, for example, under a margin lending arrangement;

(g) the exercise (but not the sale of securities following exercise) of an option or right under an employee incentive scheme, or the conversion of a convertible security, where the final date for the exercise of the option or right, or the conversion of the security, falls during a Prohibited Period;

(h) trading under a non-discretionary trading plan for which prior written clearance has been provided in accordance with procedures set out in the trading policy and where: (a) the director, officer or employee did not enter into the plan or amend the plan during a Prohibited Period; and (b) the trading plan does not permit the director, officer or employee to exercise any influence or discretion over how, when, or whether to trade; or

(i) trading from the first trading day after the date of issue of a Prospectus for new Securities until the closing date of applications, provided clause 2 does not apply and a clearance for trading request is obtained in accordance with clause 4.

Please note that even if the trading is excluded from this Policy, directors, officers and employees must not trade in the Company's securities if they are in possession of inside information.

6. TRADING IN DERIVATIVE PRODUCTS

The prohibitions on trading in the Company's securities imposed by the Company and set out in this policy extend to trading in financial products issued or created over or in respect of the Company's securities.

7. LONG TERM TRADING

The Company wishes to encourage directors, officers and employees to adopt a long term attitude to investment in the Company's securities. Therefore, directors, officers and employees are strongly discouraged from engaging in short term or speculative trading of the Company's securities.

8. PROHIBITED TRANSACTIONS

Directors, officers and employees are prohibited from entering into transactions or arrangements which limit the economic risk of participating in unvested entitlements under any equity based remuneration schemes.

Requests for prior written clearance for the transactions set out in this section "Prohibited Transactions" should be made in accordance with the procedure set out above for trading during a Prohibited Period.

9. NOTIFICATION

Directors must disclose details of changes in securities of the Company they hold (directly or indirectly) to the Company Secretary as soon as reasonably possible after the date of the contract to buy and sell the securities ("Contract Date") but in any event:

(a) no later than 3 business days after the Contract Date; or
(b) if they begin to have or cease to have a substantial shareholding or there is a change in their substantial holding, the business day after the Contract Date.

Directors are referred to the Company's Director's Disclosure Obligations document and Director's Declaration of Interest Form. The Company Secretary is to maintain a register of clearances given in relation to trading in the Company's securities. The Company Secretary must report all notifications of dealings in the Company's securities to the next Board meeting of the Company.

Directors are reminded that it is their obligation under section 205G of the Corporations Act to notify the market operator within 14 days after any change in a director's interest, if the Company has not done so.

10. BREACHES

Breach of the insider trading prohibition could expose directors, officers and employees to criminal and civil liability. Breach of insider trading law or this policy will be regarded by the Company as serious misconduct which may lead to disciplinary action and/or dismissal.

This policy does not contain an exhaustive analysis of the restrictions imposed on, and the very serious legal ramifications of, insider trading. Directors, officers and employees who wish to obtain further advice in this matter, are encouraged to contact the Company Secretary.

This policy also applies to the Company's related entities.

11. ASX LISTING RULE REQUIREMENTS

It is a requirement for admission to the official list of ASX, and an on-going requirement for listing, that the Company has a policy for trading in company securities.

The Company will give a copy of this policy to ASX for release to the market. The Company will also give any amended version of this policy to ASX when it makes a change to: the periods within which directors, officers and employees are prohibited from trading in the Company's securities; the trading that is excluded from the operation of the policy; or the exceptional circumstances in which directors, officers and employees may be permitted to trade during a Prohibited Period, within five business days of the amendments taking effect. The Company will also give this policy to ASX immediately on request by ASX.

This policy is subject to periodic review.