KINGSTON RESOURCES LIMITED

ABN 44 009 148 529

Annual Financial Report

For the year ended 30 June 2023

Contents

Corporate Directory

DIRECTORS	**Mick Wilkes (B Eng (Hons), MBA, GAICD)** Non-Executive Chairman **Andrew Corbett (B Eng (Mining, Hons), MBA)** Managing Director **Anthony Wehby (MAICD)** Non-Executive Director **Stuart Rechner (BSc, LLB, MAIG, MAusIMM, GAICD)** Non-Executive Director
COMPANY SECRETARY	**Robyn Slaughter**
REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS	Suite 202 – 201 Miller Street North Sydney NSW 2060 AUSTRALIA Telephone (02) 8021 7492 Email info@kingstonresources.com.au Website www.kingstonresources.com.au
AUDITORS	Hall Chadwick Chartered Accountants
SHARE REGISTRY	Automic Group
BANKERS	Australia & New Zealand Banking Group Limited Macquarie Group Limited Bank of South Pacific
SOLICITORS	Cowell Clarke Commercial Lawyers Ashurst Australia
STOCK EXCHANGE	Australian Securities Exchange (ASX) Secondary Listing - Frankfurt Stock Exchange
ASX CODE	KSN

Chairman's Letter

To our valued shareholders and other stakeholders

Welcome to the Annual Report for 2023.

It has been a successful year for Kingston marked by the first full year of gold production and cash flow. The Mineral Hill operation sold over 16koz of gold at an All in Sustaining Cost of under $1700/oz producing strong operating cash flows of over $15m, underpinning a full year after tax profit for the Company of just under $10m. This is an outstanding result which exceeded our expectations. As evidenced by these results, the strength and quality of the people within the business continues to grow and full credit goes to Andrew Corbet and his team at Mineral Hill.

In addition to the successful delivery of operating targets, the Company completed a feasibility study for the reopening of open pit and underground mine at Mineral Hill, including the refurbishment of the crusher, grinding mill and flotation circuits. The study has produced a 5-year mine plan with strong economics, and the Board approved the project in June this year.

Work has already progressed significantly, with much of it being done in house, building on our philosophy to self-perform activities as far as is practical to minimise risk and maintain control of the cost outcomes. The projects and maintenance teams at Mineral Hill have moved quickly to finalise contracts for refurbishment of the plant, place orders for long leads items, and complete site preparations.

Open pit mining plans for the Pearse deposits have progressed with a short-term mining contract tendered. Plans for reopening the underground at the Southern Ore Zone (SOZ) have also progressed with commencement of dewatering, recruitment of mining personnel and purchase of underground mining equipment.

At Misima having completed a high quality DFS and environmental and social assessments, which highlighted its economic viability, we are exploring our strategic options to progress the project to development. Discussions are continuing with interested parties and we will continue to seek value creation for our shareholders from this fantastic gold project.

I wish to thank all of you for your support and look forward to continuing to grow the Company for all our stakeholders.

Your sincerely

Mick Wilkes

Non-Executive Chair

14 September 2023

Directors' Report

The Directors present their report together with the financial statements of the Consolidated Entity (or 'Group'), being Kingston Resources Limited ('Kingston" or the "Company') and its subsidiaries, for the financial year ended 30 June 2023 and the independent auditor's report thereon.

PRINCIPAL ACTIVITIES

The Company is an Australian-based Company listed on the ASX. The principal activity of the Group during the period was mineral production and exploration.

OPERATING RESULTS AND REVIEW OF OPERATIONS FOR THE YEAR

Operating Results

Kingston reported a statutory after tax profit of $9,787,333 (2022: loss $2,046,430). The increase in the FY23 profit relative to FY22 loss is due to successful operations at Mineral Hill.

Review of Operations

Kingston had its first full year of production from the Mineral Hill operations and was successful in increasing gold production and cash flow over the term. Other major achievements included:

- Gold production of 16,520oz from the Tailings Project at Mineral Hill.
- Multiple phases of exploration and geotechnical drilling at deposits within the current mine plan and near mine targets within the mining lease.
- Updates on the Mineral Resource Estimates for the Southern Ore Zone and Jack's Hut.
- Mineral Resource and Ore Reserve Updates for the Pearse open pits.
- Completion of IP geophysics to the south of Mineral Hill mining leases and subsequent identification of 15 high priority targets.
- Successful in receiving NSW Government's Critical Minerals and High-Tech Metals Activation Fund – Stream 1: Project Activation Studies towards the development of Mineral Hill feasibility study work totaling $500,000 of which $250,000 was received as at reporting date.
- Delivery of the LOM update, incorporating open pit and underground mining out to 2027.

The growth outlook for the Company is now well underpinned through existing gold production at Mineral Hill, and the work currently underway to establish a plus five-year mine plan beyond the existing tailings processing operation. This complements the longer-term opportunities offered by the Misima Gold Project.

Mineral Hill Mine

Kingston had a successful year at Mineral Hill in terms of gold production and cash flow performance. Gold sales from the Tailings Project were 16,068oz at an average sales price of A$2,750/oz. Cost management was also a highlight with all-in-sustaining cost (AISC) falling by 39% in FY23 to A$1,686/oz. In comparison to FY22 gold production and sales increased 256% and 245% respectively.

Table 1: FY23 production results and performance relative to FY22.

	FY22 actuals[1]	FY23 Actuals	Y on Y Δ
Tonnes Processed (t)	310,906	627,994	102%
Average Feed Grade (g/t)	0.95	1.36	43%
Gold Production (oz)	4,639	16,520	256%
Gold Sales (oz)	4,656	16,068	245%
Silver Sales (oz)	7,514	16,898	125%
AISC (A$/oz)	2,753	$1,686	-39%
Sales (A$m)	$12.3	$44.7	263%
Operating Cashflow (A$m)	-$0.7	$16.9	2,514%

[1] Kingston completed the Mineral Hill transaction on 16 January 2022, FY22 actuals are from 16 June 2022 to 30 June 2022

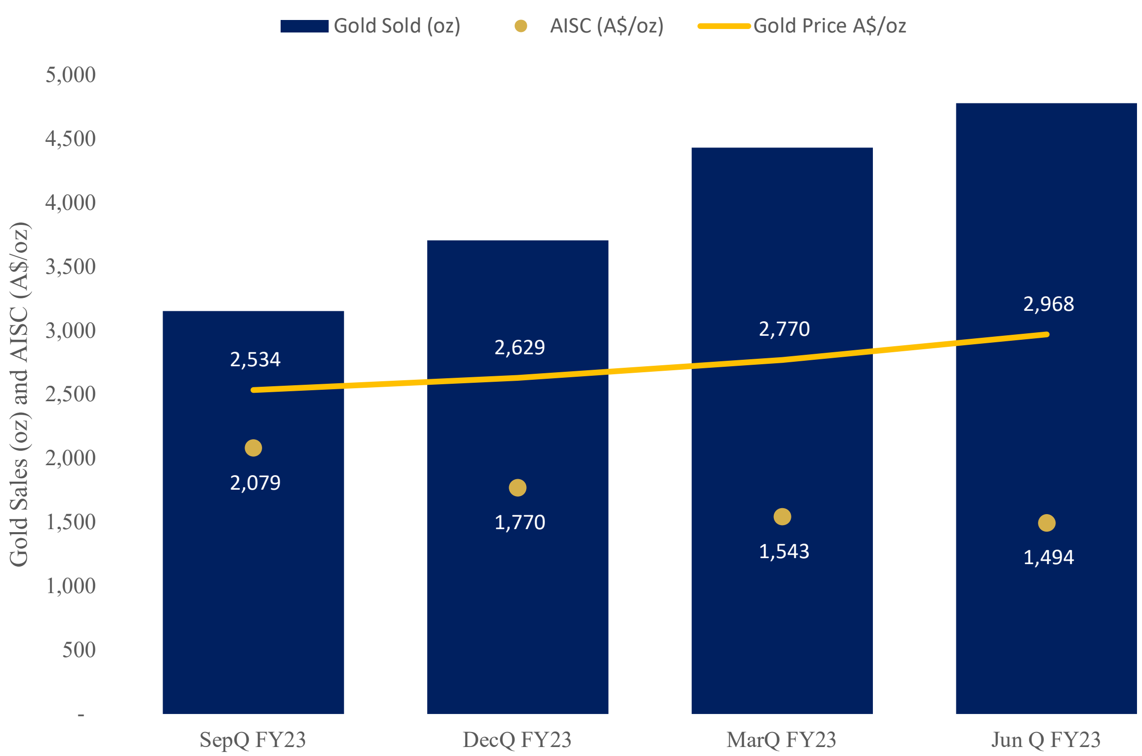

Figure 1: Quarterly gold sales, AISC and average realised gold price

Kingston has been completing capital works on Tailings Storage Facility 2 (TSF2) during the year, including an embankment raise (Lift 4) to build storage capacity for open pit and underground ore processing. Mineral Hill is well placed in terms of TSF storage capacity for the LOM.

An updated life of mine was released in June 2023, comprising a continuation of the Tailings Project, open pit mining from the Pearse deposits and then recommencing underground mining at the Southern Ore Zone. The current life of mine (LOM) for the project is four years, with high potential for extending the underground resource laterally and at depth.

Open Pit and Underground Forecast
Table 2 shows the open pit mining forecast and Figure 2 shows the designs for the two pits. Open pit mining at Pearse consists of two pits; Pearse North and Pearse South. Pearse North is a new development while Pearse South is a deepening and cut-back of the existing pit.

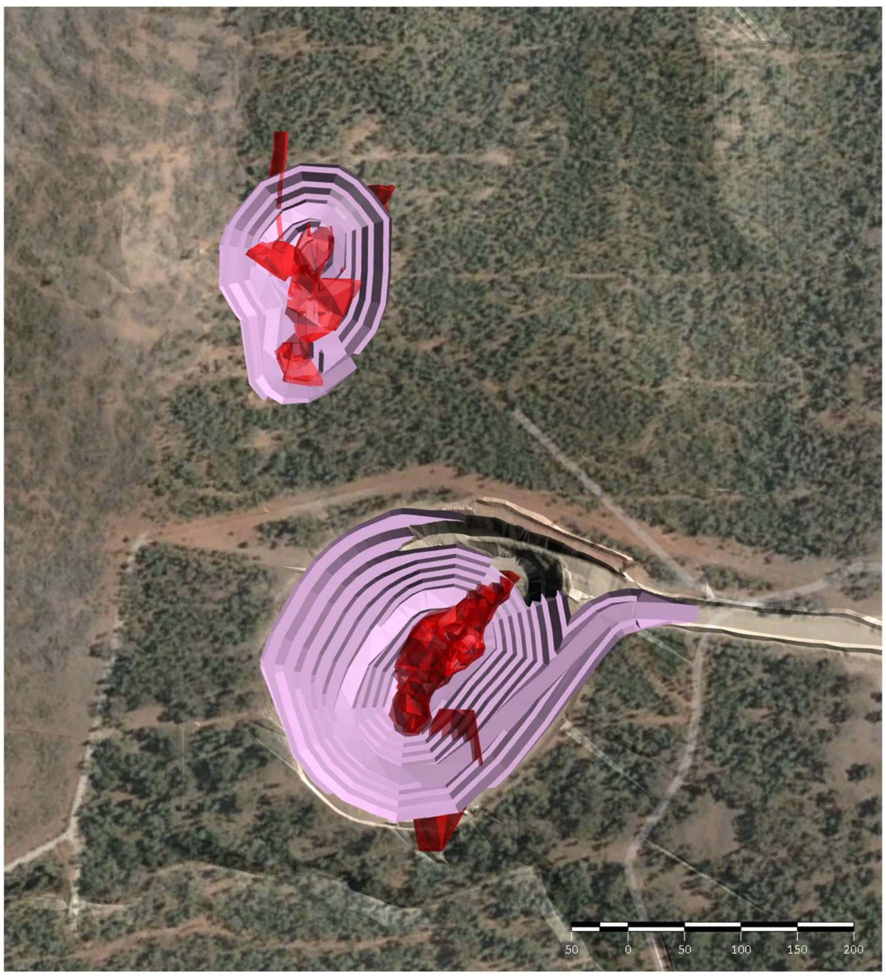

Figure 2: Pit designs for Pearse North and South.

The underground production target utilises the existing development at the Southern Ore Zone and Jack's Hut to enable the production of separate copper, lead and zinc concentrates. There is already substantial underground development in place at the proposed mining areas, and this reduces the required capital expenditure over the life of mine. The Scoping Study on the LOM was announced on the ASX platform on 29 June 2023.

Table 2: Mining & processing physicals for open pit mining.

Mining Physicals	Unit	Open Pit
Oxide Tonnes	kt	7.8
Sulphide Tonnes	kt	250
Total Ore Tonnes	kt	258
Gold Grade	g/t	3.7
Silver Grade	g/t	58
Metal		
Gold	koz	31
Silver	koz	470
Material Movement		
Waste Tonnes	kt	2,674
Total Material Movement	kt	2,933
Strip Ratio	W:O	10
Processing		
Metallurgical Recovery	%	65%
Recovered Gold	koz	20
Recovered Silver	koz	322

Table 3: Underground mining physicals.

Mining Physicals	Unit	Underground
Mining		
Development Ore Tonnes	**kt**	**112**
Stope Ore Tonnes	**kt**	**773**
Grades (Dev & Stope)		
Gold	g/t	1.7
Silver	g/t	18
Copper	%	0.9%
Lead	%	1.6%
Zinc	%	1.3%
Metal		
Gold	koz	47
Silver	koz	503
Copper	kt	8
Lead	kt	14
Zinc	kt	11
Material Movement		
Waste Tonnes	kt	309
Ore Tonnes	kt	885
Total Material Movement	**kt**	**1,194**
Lateral Development		
Capital Development	m	1,509
Operating Development	m	6,845
Total Lateral Development	**m**	**8,354**

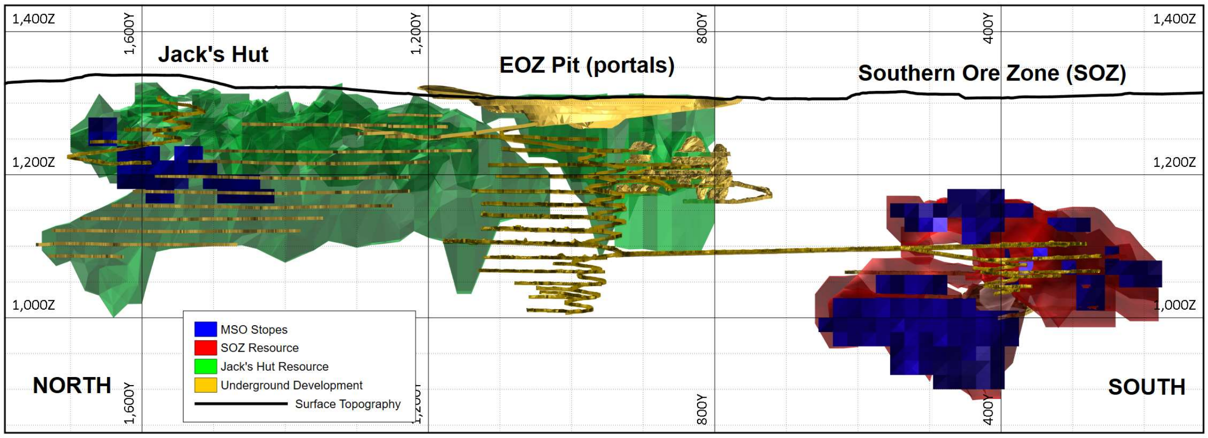

Figure 3: Long section at Mineral Hill showing the proposed stopes (blue).

Plant Refurbishment and Underground Re-Entry

Transitioning to open pit and underground ore feed will require refurbishment of the crushing, grinding and flotation circuits. Refurbishment of these components of the processing plant is already well advanced. Additionally, the company has been pumping water from the underground decline and reinstating the safety and services of the development. Underground diamond drilling will commence in the fourth quarter of this year to infill and extend the underground Mineral Resources and deliver an initial Ore Reserve by June 2024.

Exploration and Development

Kingston's main focus on exploration drilling during the financial year was on the Pearse gold-silver deposits, SOZ polymetallic deposits and the Jack's Hut trend. The primary aim of the drilling was to infill the existing drilling and provide data for updating the Mineral Resources, Ore Reserves and LOM plan.

The Pearse North drilling confirmed the high-grade tenor of the mineralisation and the results demonstrated high grade gold and silver starting from surface. Significant results include:

- 39m @ 4.2g/t Au and 37g/t Ag from 37m from DDH hole 001, including:
  - 3m @ 26.7g/t Au, 27g/t Ag from 38m
- 10m @ 6.0g/t Au and 33g/t Ag from 72m from DDH hole 003
- 3m @ 5.5g/t Au and 55g/t Ag from 55m from DDH hole 004
- 4.3m @ 2.4g/t Au and 16g/t Ag from 142m from DDH hole 005
- 12m @ 3.68g/t Au, 9g/t Ag from 14m from DDH002 including:
  - 7m @ 5.69g/t Au, 13g/t Ag from 15m
- 17m @ 2.7g/t Au, 11g/t Ag from 15m from RC hole 013 including:
  - 11m @ 4.0g/t Au, 15g/t Ag from 20m
- 8m @ 5.6g/t Au, 66g/t Ag from 120m from RC hole 008 including:
  - 3m @ 14.2g/t Au, 177g/t Ag from 125m

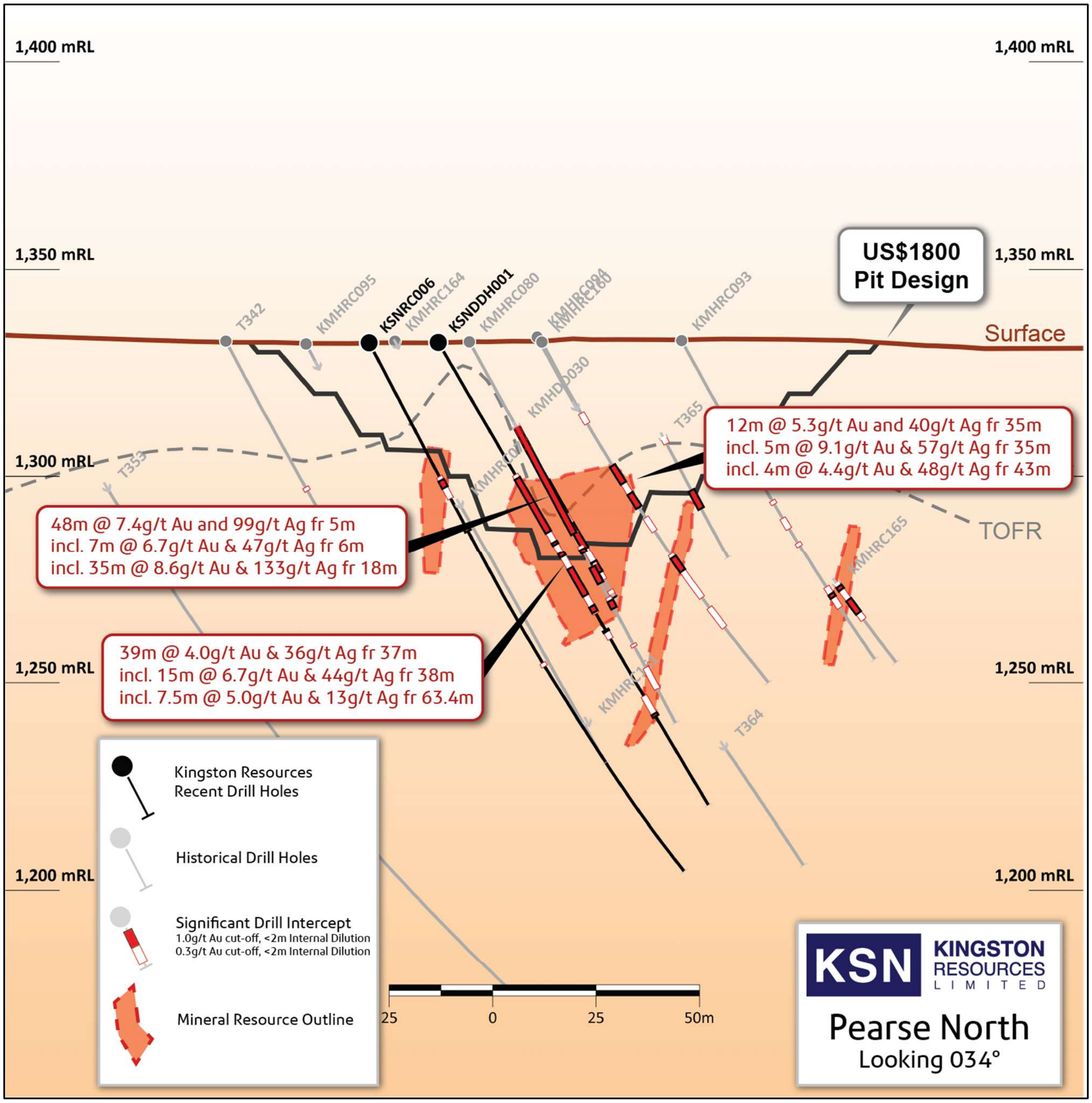

Figure 4: Significant gold – silver intercepts at Pearse North relative to USD$1800 Au Ore Reserve pit design.

Surface drilling was completed into the upper sections of the SOZ during the year. High grade polymetallic mineralisation was intersected, with extensions being made up-dip from the current mine workings and to the north. Significant intersections include:

- 19m @ 1.15% Cu, 5.5% Pb, 5.5% Zn, 0.4g/t Au, 44g/t Ag from 150m in DDH006 including:
    - 10m @ 2.12% Cu, 10.3% Pb, 10.4% Zn, 0.5g/t Au, 81g/t Ag from 150m
- 39m @ 1.1% Cu, 0.7% Pb, 0.8% Zn, 0.93g/t Au, 12g/t Ag from 161m, in DDH011
- 9.8m @ 4.22g/t Au, 0.7% Cu, 3.2% Pb, 3.2% Zn, 30g/t Ag from 165.5m in DDH012
- 8.5m @ 0.4% Cu, 4.2% Pb, 4.2% Zn, 1.23g/t Au, 28g/t Ag from 232m in DDH009
- 7.0m @ 0.7% Cu, 2.9% Pb, 2.6% Zn, 1.31g/t Au, 26g/t Ag from 154m in DDH008
- 8.1m @ 0.9% Cu, 8.3% Pb, 3.3% Zn, 0.97g/t Au, 60g/t Ag from 157.9m in DDH007

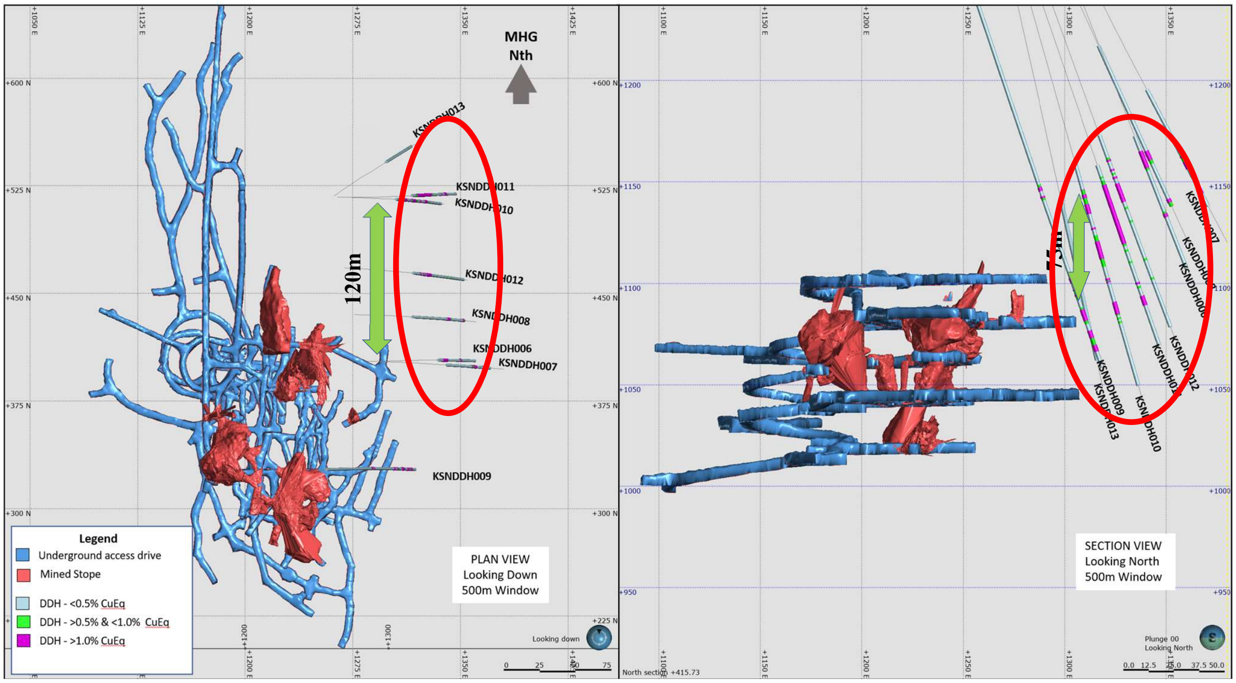

Figure 5: Plan and section view of Southern Ore zone (MH Mine Grid).

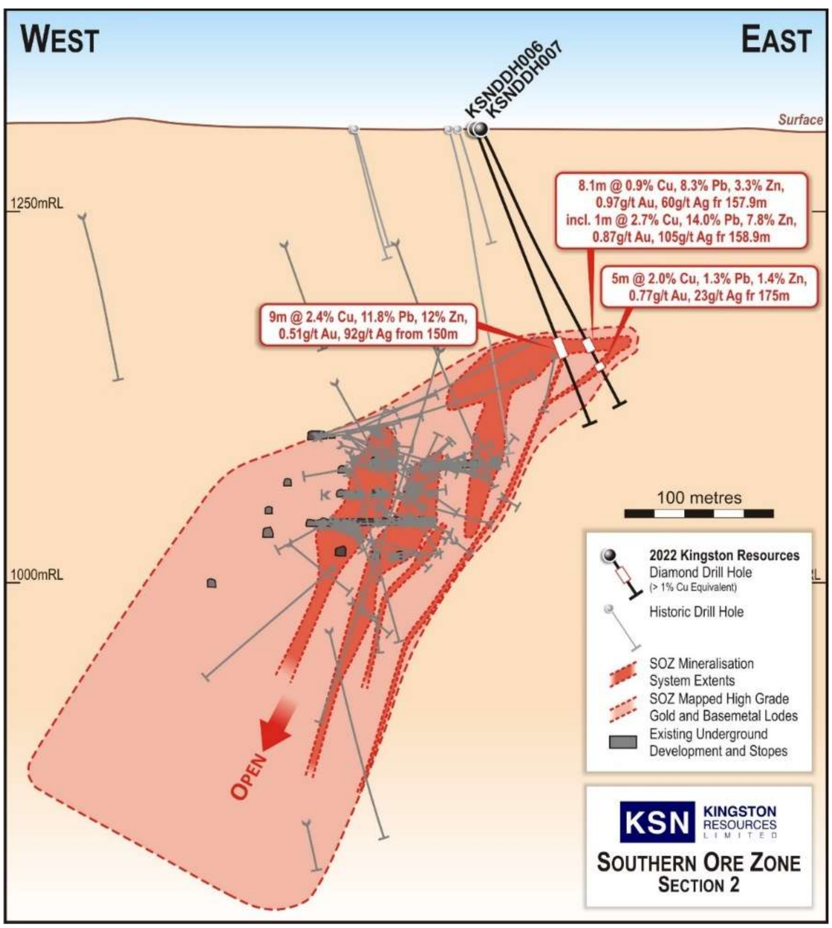

Figure 6: Section view of Southern Ore zone on Section 2

High grade copper-gold assay results were also returned from the maiden Jack's Hut drilling program at Mineral Hill. Five drill holes were designed to test the exploration potential within a dilation zone along the Jack's Hut trend. The program has delivered near surface, high grade copper intercepts, within a 2.2km mineralised trend, and in close proximity to our operating mill. Key results included:

- 77m @ 0.93% Cu, 0.16g/t Au from 7m in KSNDDH014, including:
    - 7.4m @ 5.7% Cu, 0.40g/t Au from 16.4m
    - 9.3m @ 1.3% Cu, 0.39g/t Au from 43.7m
- 27m @ 1.02% Cu, 0.18g/t Au from 14m in KSNDDH015, including:
    - 4.2m @ 4.5% Cu, 0.41g/t Au from 21.8m
- 54.5m @ 0.65% Cu, 0.06g/t Au, from 45m in KSNDDH015, including:
    - 9.3m @ 2.2% Cu,0.18g/t Au from 63m
- 10.0m @ 1.56% Cu, 0.76g/t Au, from 37m in KSNRC018, including:
    - 6m @ 2.20% Cu, 1.22g/t Au from 37m

Additional drilling at Pearse North and SOZ commenced in April 2023. The primary purpose of the Pearse North drilling was to collect geotechnical data for open pit wall slope designs. The assay results again confirmed the high-grade nature of the deposit and also added confidence to the existing geological interpretation. The intersections concurred with the 3D wireframes shapes of the mineralisation and were consistent with the grades of previous drill holes.

The earlier drilling results from Pearse, SOZ and Jack's Hut were then incorporated into updated Mineral Resource Estimates (MRE) for all three projects. Additionally, an Ore Reserve Estimate was delivered for the Pearse North and Pearse South deposits. Significantly, the SOZ MRE resulted in a 114% increase in total tonnage and increases of 54% and 64% in contained gold and copper respectively. The MREs for SOZ and Jack's Hut are shown in Table 4 and Table 5.

Table 4: Southern Ore Zone (SOZ) Mineral Resource Estimation for November 2022.

Resource Category	Tonnage (Kt)	Grade					Metal				
		Au (g/t)	Ag (g/t)	Cu %	Pb %	Zn %	Au (koz)	Ag (koz)	Cu (kt)	Pb (kt)	Zn (kt)
Measured	228	2.11	10.9	1.3%	0.5%	0.3%	15.5	80	3,000	1,200	700
Indicated	1,622	1.28	19.9	1.0%	1.8%	1.5%	66.8	1,038	16,200	28,500	24,200
Inferred	1,954	1.20	20.0	0.7%	1.6%	1.5%	75.4	1,256	14,500	30,500	28,900
Total	**3,804**	**1.29**	**19.2**	**0.9%**	**1.6%**	**1.4%**	**157.6**	**2,349**	**33,600**	**60,200**	**53,800**

* Due to rounding to appropriate significant figures, minor discrepancies may occur, tonnages are dry metric tonnes.

Table 5: Jack's Hut Mineral Resource Estimate for March 2023.

Class	Mass (kt)	Grade					Metal				
		Au g/t	Ag g/t	Cu %	Pb %	Zn %	Au koz	Ag koz	Cu kt	Pb kt	Zn kt
Indicated	608	1.53	7	1.3%	0.5%	0.4%	30	134	7.8	3.0	2.3
Inferred	1,032	1.09	28	0.7%	1.0%	0.8%	36	917	7.2	10.8	7.8
Total	1,640	1.25	20	0.9%	0.8%	0.6%	66	1,051	15.0	13.8	10.1

* Due to rounding to appropriate significant figures, minor discrepancies may occur, tonnages are dry metric tonnes.

Kingston undertook a new Induced Polarisation (IP) survey during the year to expand coverage to the south-eastern edge of EL1999. This data has enhanced the evidence already provided by gravity geophysics in this region. The existing mineral deposits at Mineral Hill lie at the intersection of IP chargeability highs and gravity gradients (i.e. zones of transition from gravity highs to gravity lows). Extending this knowledge to the south of Mineral Hill has helped to identify 15 additional priority targets (see Figure 7) and drilling of these has already commenced, with results pending.

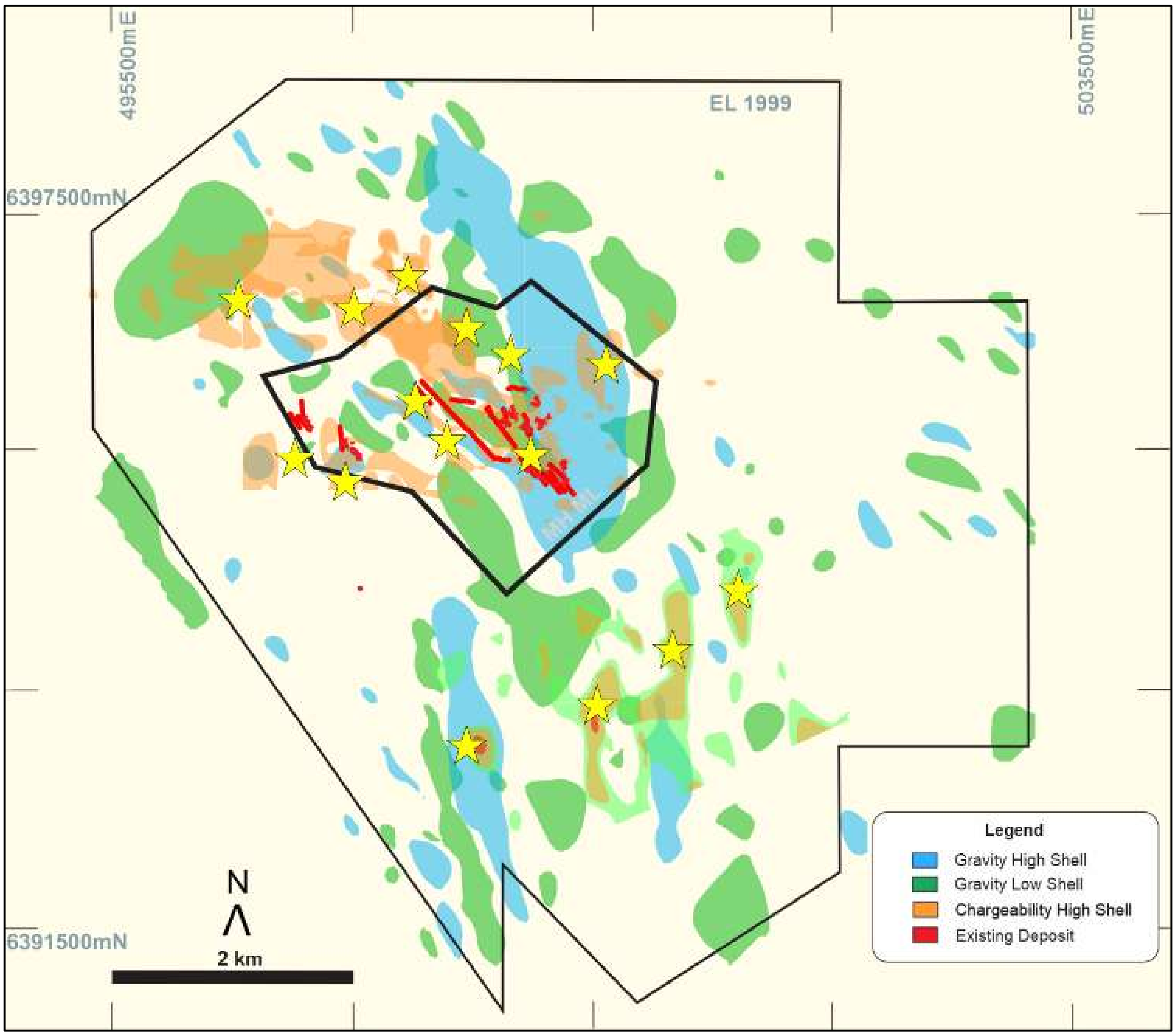

Figure 7: Recently generated geophysical targets in the vicinity of the mining licences.

Misima Gold Project

Kingston undertook a strategic review of Misima with a view of to maximising value from the project. The company has been actively engaged in discussions with numerous groups to find ways to bring the project into production. Work on site consisted of background environmental monitoring as part of the Environmental and Social Impact Assessment (ESIA) as well as work to progress the Mining Licence application.

MINERAL RESOURCES TABLE

Mineral Hill (NSW, Australia)

Table 6: Mineral Hill Mineral Resource summary, prepared by Mr S. Hayward of Kingston Resources Ltd. Rounding errors may occur.

Resource Category	Tonnes	Au	Ag	Cu	Pb	Zn	Au	Ag	Cu	Pb	Zn
	kt	g/t	g/t	%	%	%	koz	koz	kt	kt	kt
Measured	228	2.11	11	1.3%	0.5%	0.3%	15	80	3	1.2	0.7
Indicated	5,582	1.06	28	1.2%	1.7%	1.1%	191	4,244	47	70	42
Inferred	3,091	1.17	23	0.7%	1.4%	1.2%	116	2,242	22	42	38
Total	**8,901**	**1.13**	**26**	**1.0%**	**1.6%**	**1.1%**	**323**	**6,566**	**72**	**113**	**81**

Table 7: Mineral Hill Mineral Reserve summary, prepared by Mr J. Wyche of Australian Mine Design and Development Pty Ltd. Rounding errors may occur.

Reserve	Tonnes	Au	Ag	Cu	Pb	Zn	Au	Ag	Cu	Pb	Zn
	kt	g/t	g/t	%	%	%	koz	koz	kt	kt	kt
Proved	-	-	-				-	-			
Probable	1,431	1.55	57				71	470			
Total	**1,431**	**1.55**	**57**				**71**	**470**			

Misima Gold Project (PNG)

Table 8: Misima Gold Project Mineral Resource summary, prepared by Mr S. Hayward of Kingston Resources Ltd. Rounding errors may occur.

Deposit	Classification	Cutoff	Tonnes	Gold	Silver	Au Moz	Ag Moz
		g/t Au	Mt	g/t Au	g/t Ag		
Umuna Total Resource	Indicated	0.3	93.5	0.78	4.3	2.4	13.1
	Inferred	0.3	64.1	0.58	3.8	1.2	7.5
Umuna TOTAL			**157.6**	**0.70**	**4.1**	**3.6**	**20.5**
Cooktown Stockpile	Inferred	0.5	3.8	0.65	7.0	0.1	0.9
Cooktown Stockpile			**3.8**	**0.65**	**7.0**	**0.1**	**0.9**
Ewatinona Total Resource	Indicated	0.3	4.2	0.88	2.6	0.12	0.3
	Inferred	0.3	3.4	0.74	3.2	0.08	0.3
Ewatinona TOTAL			**7.6**	**0.81**	**2.8**	**0.2**	**0.7**
Misima	Indicated		97.7	0.79	4.3	2.5	13.4
	Inferred		71.3	0.59	3.8	1.4	8.7
Misima TOTAL			**169**	**0.71**	**4.1**	**3.8**	**22.1**

Table 9: Misima Gold Project Ore Reserve summary, prepared by Mr J. Wyche of Australian Mine Design and Development Pty Ltd. Rounding errors may occur.

	Tonnes	Gold	Silver	Au koz	Ag koz
	Mt	Au g/t	Ag g/t		
Ewatinona					
Probable	3.9	0.8	2.4	100	300
Ewatinona Total	**3.9**	**0.8**	**2.4**	**100**	**300**
Umuna					
Probable	71.7	0.8	4.6	1,800	10,600
Umuna Total	**71.7**	**0.8**	**4.6**	**1,800**	**10,600**
Probable	75.6	0.8	4.5	1,900	10,900
Misima Total Reserve	**75.6**	**0.8**	**4.5**	**1,900**	**10,900**

COMPETENT PERSON'S STATEMENT

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 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 publicly reports Exploration Results and Mineral Resource estimates in accordance with the ASX Listing Rules and the requirements and guidelines of the 2012 edition of the Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves – the JORC Code. Kingston's governance for public reporting of Exploration Results and Mineral Resource estimates includes important assurance measures. All reports are signed-off by appropriate JORC Competent Persons with JORC Code Table 1 Checklists as required. Exploration Results and Mineral Resource estimates are also peer reviewed (either by Kingston technical staff or suitably qualified external consultants) before Board approval and ASX release.

FINANCIAL POSITION

At the end of the financial year, the Consolidated Entity had net assets of $76,454,900 (2022: $61,130,177) and held $18,206,767 in cash (2022: $5,589,673).

On 7 July 2022, the Company secured a two tranche $10m debt facility with PURE asset management. Tranche 1 of $5 million was drawn immediately as a 4-year secured loan facility at an interest rate of 9.90% per annum with 25,000,000 detached warrant shares at an exercise price of $0.20. An establishment fee of $150,000 was recognised as a reduction in proceeds.

On 29 June 2023, Tranche 2 of $5million was drawn as a 4-year secured loan facility at an interest rate of 9.90% per annum with 35,714,286 detached warrant shares at an exercise price of $0.14. An establishment fee of $150,000 was recognised as a reduction in proceeds.

On 27 June 2023, the Company announced its intention to undertake a two Tranche Share Placement offer raising a total of $5,500,000. On 30 June 2023, advanced placement monies totalling $4,500,000 were received as Tranche 1 of the Placement offer. On 3 July 2023, 52,941,176 Tranche 1 Placement shares were issued at $0.085.On 17 August 2023, Tranche 1 of the Placement offer was completed upon issuing 26,245,576 unlisted attaching options expiring on 31 July 2025 with an exercise price of $0.14 on the basis of one option for every two Placement Share.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

Other than reported above in the Review of Results and Operations, there were no significant changes in the state of affairs of the Company during the reporting period.

MATTERS SUBSEQUENT TO THE END OF FINANCIAL YEAR

On 31 July 2023, the 4,561,810 LTI performance Options were converted to shares raising $45,618.10 and 2,707,994 unvested LTI performance options expired.

On 14 August 2023 Shareholders approved the grant of up to $300,000 MH Project Goal Performance Options to Andrew Corbett.

On 17 August 2023, Tranche 1 of the Placement offer was completed upon issuing 26,245,576 unlisted attaching options expiring on 31 July 2025 with an exercise price of $0.14 on the basis of one option for every two Placement Share.

Also on 17 August 2023:

- the Company issued 11,764,705 shares at $0.085 to Quintana Holdings LLP under Tranche 2 of the Placement offer. These proceeds reduce the final deferred consideration payable to Quintana Holdings LLP upon producing 30,000ozs since the acquisition of Mineral Hill. In addition 5,882,352 unlisted attaching options expiring on 31 July 2025 with an exercise price of $0.14 were issued on the basis of one option for every two Placement Share.

- the Company issued 11,764,664 shares at $0.085 under a fully underwritten Share Purchase Plan raising $1,000,000 (before costs). In addition, a total of 5,882,332 unlisted options expiring on 31 July 2025 with an exercise price of $0.14 was issued on the basis of one option for every two SPP Share.

- 742,826 STI performance rights vested and were converted to shares, and 6,043,019 STI performance rights lapsed.

- 326,233 service fee options were converted to shares for nil consideration.

- 206,764 shares were issued for nil consideration to an employee as part of their employment contract.

Other than the above, there has been no other matter or circumstance which has arisen since 30 June 2023 that has significantly affected or may significantly affect:

a) Kingston Resources Limited's operations in future financial years; or
b) the results of those operations in future financial years; or
c) Kingston Resources Limited's state of affairs in future financial years.

DIVIDENDS OR DISTRIBUTIONS

No dividends were paid during the financial year and the directors do not recommend the payment of a dividend.

FUTURE DEVELOPMENTS AND EXPECTED RESULTS

The Group will continue its operating activities and evaluation of its mineral projects and undertake generative work to identify and potentially acquire new resource projects. Due to the nature of the business, the result is not predictable.

ENVIRONMENTAL REGULATIONS

The mineral tenements granted to the Company pursuant to New South Wales Mining Act 1992 and the Papua New Guinea Mining Act 1992, are granted subject to various conditions which include standard environmental requirements. The Company adheres to these conditions and the directors are not aware of any non-compliance with environmental laws.

INFORMATION ON THE DIRECTORS

The Directors of the Company at any time during or since the end of the financial year are:

- Mick Wilkes – Chair (Independent Non-Executive)
- Andrew Corbett – Director (Managing)
- Anthony Wehby – Director (Independent Non-Executive)
- Stuart Rechner - Director (Independent Non-Executive)

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Mick Wilkes, Non-Executive Chair (B Eng (Hons), MBA, GAICD)

Term of Office	Appointed Non-Executive Chair of Kingston Resources Limited from 1 December 2020; previously Non-Executive Director of Kingston Resources Limited from 6 July 2018 to 1 December 2020.
Skills and Experience:	Mr Wilkes is a mining engineer with over 35 years of broad international experience with a strong emphasis on operations management and new mine development, predominantly in precious and base metals across Asia and Australia. He was the President and CEO of OceanaGold Corporation (ASX:OCG) from 2011 to 2020. In previous roles he was the Executive General Manager of Operations at OZ Minerals responsible for the development of the Prominent Hill copper/gold project in South Australia and General Manager of the Sepon gold/copper project for Oxiana based in Laos. His earlier experience included 10 years in various project development roles in Papua New Guinea. Mr Wilkes was appointed as a Non-Executive Director of Genesis Minerals Ltd in September 2022. In April 2022 Mr Wilkes was appointed Non-Executive Chair of Andromeda Metals Ltd (ASX:ADN). Mr Wilkes and was previously Non-Executive Director of Dacian Gold Ltd (ASX:DCN) from September 2021 then Non-Executive Chair from March 2022 to July 2022. He was also a Non-Executive Director of Matador Mining Ltd (ASX:MZZ) from July 2020 to May 2022.

Mr Wilkes holds a Bachelor of Engineering from the University of Queensland, a Master of Business Administration from Deakin University, and is a member of both the Australian Institute of Mining and Metallurgy, and the Australian Institute of Company Directors.

Andrew Corbett, Managing Director (B Eng (Mining, Hons), MBA)

Term of Office: Managing Director of Kingston Resources Limited since 4 July 2016.

Skills and Experience: Mr Corbett is Managing Director and CEO of the Company. Mr Corbett is a highly experienced mining engineer, having operated in the mining industry for over 25 years. Mr Corbett has senior corporate, operational and mine management experience combined with an in-depth understanding of global equity markets, business development and corporate strategy within the mining sector. His prior roles include General Manager at Orica Mining Services based in Germany and Co-Portfolio Manager of the Global Resource Fund at Perpetual Investments as well as mine management and operations roles with contractor and owner-mining operations.

Anthony Wehby, Non-Executive Director (MAICD)

Term of Office: Non-Executive Director of Kingston Resources Limited from 1 December 2020; previously Non-Executive Chairman of Kingston Resources Limited from 4 July 2016 to 1 December 2020. Mr Wehby is Chair of the Audit and Risk Committee.

Skills and Experience: Mr Wehby is a highly experienced board member and chairman. He is a Director of Ensurance Ltd (ASX:ENA) and Chairman of Variscan Mines Limited (ASX:VAR). He was previously Chairman of Tellus Resources Limited and Chairman of Aurelia Metals Limited. Since 2001, Mr Wehby has maintained a financial consulting practice, focusing on strategic advice to companies including investments, divestments and capital raisings. Prior to 2001, Mr Wehby was a partner in PricewaterhouseCoopers Australia (Coopers & Lybrand) for 19 years.

Mr Wehby is a Member of the Australian Institute of Company Directors.

Stuart Rechner, Non-Executive Director (BSc, LLB, MAIG, MAusIMM, GAICD)

Term of Office: Non-Executive Director from 4 July 2016; previously Executive Director of Kingston Resources Limited from 23 February 2015. Mr Rechner is Chair of the Remuneration and Nomination Committee.

Skills and Experience: Mr Rechner is an experienced company director and geologist with a proven track record in project generation, acquisition, exploration, funding and development in Australia and overseas. Mr Rechner holds degrees in both geology and law and is a member of the Australian Institute of Geoscientists, the Australasian Institute of Mining and Metallurgy and the Australian Institute of Company Directors. For over ten years Mr Rechner was an Australian diplomat with postings to Beijing and Jakarta.

Mr Rechner has been a Director of Strategic Energy Limited (ASX:SER) since 12 September 2014.

COMPANY SECRETARY

Chris Drew was the Company Secretary from 18 December 2019 to 8 November 2022. He holds a Bachelor of Commerce from the University of Auckland, is a CFA Charterholder, and is a Fellow Member of the Governance Institute of Australia.

Robyn Slaughter has been Company Secretary since 8 November 2022. Robyn is a Company Secretary who works at Automic Group, which provides market leading, cloud-based share registry technology, compliance and governance solutions, supported by a tailored range of professional services. She works closely with a number of boards of both listed and unlisted public companies. Robyn is a qualified Governance Professional ('CGI') and Affiliate of the Governance Institute of Australia ('GIA'), who holds a Master's degree in Corporate Governance and a Bachelor's degree in Accounting and Finance.

DIRECTORS' INTERESTS

As at the date of this report the relevant interests of each of the Directors, held either directly or indirectly through their associates, in the securities of Kingston are as follows:

Director	Fully Paid Ordinary Shares (KSN)	Unlisted Options
Mick Wilkes [1]	3,067,060	176,470
Andrew Corbett [2,5]	7,986,181	2,495,167
Anthony Wehby [3]	2,311,361	352,941
Stuart Rechner [4]	854,268	176,470

[1] Mick Wilkes holds a relevant interest in the specified number of Shares and Options as a result of being a director of Eligius Holdings Pty Limited as trustee of Eligius Holdings Pty Limited ATF, which is the registered holder of those Shares and Options.
[2] Andrew Corbett holds a relevant interest in the specified number of Shares and Options as a result of being a director of Milamar Group Pty Ltd as trustee of Milamar Family Trust, which is the registered holder of those Shares and Options.
[3] Anthony Wehby holds a relevant interest in Options as he is a related party to Mrs Rosemary Wehby, who is the registered holder of the options.
[4] Stuart Rechner holds a relevant interest in the specified number of Shares and Options as a result of being a director of Osmium Holdings Pty Limited
[5] As approved by Shareholders at the General Meeting on 14 August 2023, Andrew Corbett has a right to acquire MH Project Goal Performance Options valued at $300,000 subject to satisfaction of various vesting conditions. The earliest date on which the securities may vest is 30 July 2023. The number of securities to be provided in respect of the rights will be calculated on the basis of the 20-day KSN VWAP immediately prior to the vesting condition being met. Any unvested securities will automatically lapse on 31 July 2025.

MEETINGS OF DIRECTORS

The number of Directors' meetings and Committee meetings, and the number of meetings attended by each of the Directors who was a member of the Board and the relevant Committee, held during the year ended 30 June 2023 were:

	Board Meetings		**Audit and Risk Committee**		**Remuneration and Nomination Committee**	
	Meetings held while a Director	Number attended	Meetings held while a Director	Number attended	Meetings held while a Director	Number attended
Mick Wilkes	10	10	2	2	1	1
Andrew Corbett	10	10	-	-	-	-
Anthony Wehby	10	10	2	2	1	1
Stuart Rechner	10	10	2	2	1	1

REMUNERATION REPORT (AUDITED)

This remuneration report outlines the director and executive remuneration arrangements of the Company and the Group for the year ended 30 June 2023 in accordance with the requirements of the Corporations Act 2001 and its Regulations.

(a) Key management personnel disclosed in this report

For the purposes of this report, key management personnel (KMP) of the Group are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Group, directly or indirectly, including a director (whether executive or otherwise) of the Company.

Details of key management personnel:

M Wilkes	Non-Executive Chair (appointed Non-Executive Director 6 July 2018, appointed Non-Executive Chair 1 December 2020)
A Corbett	Managing Director (appointed 4 July 2016)
A Wehby	Non-Executive Director (appointed Non-Executive Chairman 4 July 2016, Non-Executive Director 1 December 2020)
S Rechner	Non-Executive Director (transitioned to Non-Executive Director on 4 July 2016)

(b) Remuneration Philosophy

The objective of the Group's executive remuneration framework is to attract, motivate and retain high quality personnel then incentivise and reward performance fairly and responsibly. The framework aligns executive reward with the achievement of strategic objectives and the creation of long-term value for shareholders. The Board has established a separate Remuneration and Nomination Committee which meets as required to review remuneration, recruitment, retention, and termination procedures and to evaluate KMP performance. Our values of safety, respect for the environment, respect for each other, social responsibility, honesty and accountability guide the Committee in policy formation and decision making.

Executive remuneration is benchmarked against similar organisations in regards to industry and size; and, from time to time, independent external advice is sought from remuneration consultants. The Corporate Governance Statement provides further information on the Company's remuneration governance.

(c) Executive remuneration policy and framework

In determining executive remuneration, the Remuneration and Nomination Committee aims to ensure that remuneration practices are:

- Competitive and reasonable, enabling the Company to attract and retain key talent;
- Aligned to the Company's strategic and business objectives and the creation of shareholder value;
- Transparent and easily understood; and
- Acceptable to shareholders.

The Remuneration and Nomination Committee reviews executive packages annually by reference to the executive's performance and comparable information from industry sectors and other listed companies in similar industries. The terms and conditions for the Managing Director are considered appropriate for the current exploration and development phase of the Group's asset base.

Options and performance rights may be issued to directors subject to approval by shareholders. All remuneration paid to directors is valued at the cost to the Group and expensed. Options are valued using the Black-Scholes methodology.

(d) Relationship between remuneration and the Group's performance

The Board has structured its remuneration arrangements in such a way it believes is in the best interests of building shareholder wealth in the longer term. Directors' remuneration is set by reference to other companies of similar size and industry, and by reference to the skills and experience of directors. Fees paid to Non-Executive Directors are not linked to the performance of the Group.

The following table shows the net loss, loss per share and share price for the last four financial years.

	2023	2022	2021	2020
Net Profit/(Loss)	$9,807,227	($2,088,167)	($1,954,631)	($751,587)
Diluted Profit/(Loss) per share (cents/share)	2.37	(0.67)	(0.76)	(0.42)
Share price at year end (cents)	7.8	8.1	21.5	17.0

Long-term (LTI) and short-term (STI) incentives are provided to KMP in the form of Performance Securities over ordinary shares of the Company and are considered to promote continuity of employment and provide additional incentive to recipients to increase shareholder wealth. Performance Securities may only be issued to directors subject to approval by shareholders in general meeting. Outstanding business and individual performance are required to achieve the maximum level of remuneration. This includes financial; health and safety; and environmental, social & governance components.

During the Financial Year the following incentive Performance Securities were issued:

- Unlisted Options 5,171,621 (FY22 2,737,240)
- STI Performance Rights 6,785,845 (FY22 3,395,667).

Non-Executive Directors remuneration policy

On appointment to the Board, all non-executive directors enter into a service agreement with the Company in the form of a letter of appointment. The letter summarises the Board policies and terms including remuneration, relevant to the office of director.

The Board policy is to remunerate non-executive directors at commercial market rates for comparable companies for their time, commitment and responsibilities.

The maximum aggregate amount of fees that can be paid to non-executive directors is subject to approval by shareholders is currently set at $500,000 per annum (approved by shareholders at 2021 AGM). Fees may also be paid to non-executive directors for additional consulting services provided to the Company above and beyond normal non-executive duties.

Fees for non-executive directors are not linked to the performance of the Group. Non-executive directors' remuneration may also include an incentive portion consisting of options, subject to approval by shareholders.

(e) Voting and comments made at the Company's 2022 Annual General Meeting

Kingston received over 96.38% of "yes" votes (3.62% of "no" votes) on its remuneration report for the 2022 financial year.

(f) Remuneration Details for the Year Ended 30 June 2023

The following table of benefits and payments details, in respect to the financial year, the components of remuneration for each member of the KMP of the Group.

	Short-term Benefits				Post-employment Benefits		Long-term Benefits		Equity-settled Share-based Payments				
	Salary, Fees and Leave	Profit Share and Bonuses	Non-monetary	Other	Pension and Super-annuation	Other	Incentive Plans	LSL	Performance Rights/Shares	Options	Cash-settled Share-based Payments	Termination Benefits	Total
Director	$	$	$	$	$	$	$	$	$	$	$	$	$
Mick Wilkes													
2023	104,930	-	-	-	-	-	-	-	-	-	-	-	104,930
2022	96,000	-	-	7,200	-	-	-	-	-	29,867	-	-	133,067
Andrew Corbett													
2023	344,427	203,354			34,817			6,493	13,098	27,407	-	-	629,596
2022	330,362	38,732	-	-	33,036	-	-	-	13,259	7,970	-	-	423,359
Anthony Wehby													
2023	69,000				7,245	-	-	-	-	-	-	-	76,245
2022	69,000	-	-	-	6,900	-	-	-	-	11,165	-	-	87,065
Chris Drew*													
2023	116,696	-	-	40,436	12,188	-	-	-	-	-	-	-	169,320
2022	275,874	36,259	-	-	27,587	-	-	-	11,140	7,743	-	-	358,603
Stuart Rechner													
2023	76,245	-	-	8,000	-	-	-	-	-	-	-	-	84,245
2022	75,555	-	-	-	-	-	-	-	-	11,165	-	-	86,720
Total													
2023	711,298	203,354	-	48,436	54,250	-	-	6,493	13,098	27,407	-	-	1,064,336
2022	846,791	74,991	-	7,200	67,523	-	-	-	24,399	67,910	-	-	1,088,815

*as at the date of retirement

(g) Service Agreements

Remuneration and other terms of employment for KMP are formalised in service agreements. The service agreements specify the components of remuneration, benefits and notice periods.

Michael Wilkes

Mr Wilkes was appointed a Non-Executive Director on 6 July 2018. On 1 December 2020 Mr Wilkes was appointed as Non-Executive Chair. The appointment is contingent upon satisfactory performance and successful re-election by shareholders of the Company as and when required by the constitution of the Company and the Corporations Act. Mr Wilkes is not entitled to any termination benefits unless paid at the discretion of directors.

Andrew Corbett

Mr Corbett was appointed as Managing Director on 4 July 2016. Mr Corbett is remunerated pursuant to the terms and conditions of an employment agreement entered into on 4 July 2016 with no fixed term. The agreement may be terminated by either party on the giving of six months' notice. Mr Corbett is not entitled to any termination benefits other than accrued pay, leave entitlements and other statutory payments unless paid at the discretion of directors.

Anthony Wehby

Mr Wehby was appointed Non-Executive Chair on 4 July 2016 and transitioned to a Non-Executive Director on 1 December 2020. The appointment is contingent upon satisfactory performance and successful re-election by shareholders of the Company as and when required by the constitution of the Company and the Corporations Act. Mr Wehby is not entitled to any termination benefits unless paid at the discretion of directors.

Stuart Rechner

Mr Rechner was appointed as Executive Director on 23 February 2015 and transitioned to a Non-Executive Director on 4 July 2016. The appointment as Non-Executive Director is contingent upon satisfactory performance and successful re-election by shareholders of the Company as and when required by the constitution of the Company and the Corporations Act. Mr Rechner is not entitled to any termination benefits unless paid at the discretion of directors.

(h) Equity Interests of KMP

Options holdings of KMP

The number of options over ordinary shares held by each KMP of the Group during the 2023 and 2022 reporting periods is as follows:

			Grant Details			Exercised		Lapsed	Other changes		
2023		Balance at Beginning of Year	Issue Date	No.	Value $	No.	Value $	No.		Vested and Exercisable at End of Year No.	Vested and Unexercisable at End of Year No.
Mick Wilkes	LTI[1]	300,000	27-Nov-20	300,000	15,584.00	-	-	300,000	-	-	-
	LTI[2]	186,667	14-Dec-21	186,667	29,867.00	-	-	-	-	186,667	-
Andrew Corbett	LTI[3]	3,421,563	6-Nov-19	3,421,563	137,644.00	-	-	-	-	3,421,563	-
	LTI[4]	1,086,301	27-Nov-20	1,086,301	56,118.00	-	-	-	-	-	1,086,301
	LTI[5]	815,952	14-Dec-21	815,952	40,052.00	-	-	-	-	-	815,952
	LTI[6]	-	6-Dec-22	1,679,215	27,407.00	-	-	-	-	-	1,679,215
Anthony Wehby	LTI[1]	300,000	27-Nov-20	300,000	15,584.00	-	-	300,000	-	-	-
	LTI[2]	69,783	14-Dec-21	69,783	11,165.00				-	69,783	-
Chris Drew*	LTI[3]	2,257,031	6-Nov-19	2,257,031	90,797.00	-	-	-	-	2,257,031	-
	LTI[4]	696,926	27-Nov-20	696,926	36,003.00	-		116,154	-	-	580,772
	LTI[5]	-	5-Nov-21	685,510	33,649.00	-		342,755	-	-	342,755
Stuart Rechner	LTI[1]	300,000	27-Nov-20	300,000	15,584.00	-	-	300,000	-	-	-
	LTI[2]	69,783	14-Dec-21	69,783	11,165.00	-	-	-	-	69,783	-
		3,693,523		4,379,033	213,947	-	-	1,058,909		2,396,597	923,527

*balance at the date of retirement

[1] Unlisted LTI Options issued 27 November 2020 exercisable at 50c - expiry on 30 June 2023

[2] Unlisted LTI Service Fee Options issued 14 December 2021 exercisable at 0c - expiry on 14 December 2024, fully exercised on 17 August 2023

[3] Unlisted LTI Options issued 6 November 2019 exercisable at 1c, expiry 31 July 2023, exercise is subject to operational hurdles, fully exercised on 31 July 2023

[4] Unlisted LTI Options issued 5 August 2020 and 27 November 2020 exercisable at 1c, expiry 31 July 2023, exercise is subject to share price hurdles which were not satisfied and lapsed on 31 July 2023

[5] Unlisted LTI Options issued 5 November 2021 and 14 December 2021 exercisable at 0c, expiry 31 August 2024, exercise is subject to share price hurdles

[6] Unlisted LTI Options issued 6 December 2022 exercisable at 0c, expiry 31 August 2028, exercise is subject to share price hurdles

			Grant Details			Exercised		Lapsed	Other changes		
2022		Balance at Beginning of Year	Issue Date	No.	Value $	No.	Value $	No.		Vested and Exercisable at End of Year No.	Vested and Unexercisable at End of Year No.
Mick Wilkes	LTI[1]	300,000	27-Nov-20	300,000	-	-	-	-		300,000	-
	LTI[2]	-	14-Dec-21	186,667	29,867	-	-	-	-	186,667	-
Andrew Corbett	LTI[3]	3,421,563	6-Nov-19	3,421,563	137,644	-	-	-		3,421,563	-
	LTI[4]	1,086,301	27-Nov-20	1,086,301	56,118					-	1,086,301
	LTI[5]	-	14-Dec-21	815,952	7,970					-	815,952
Anthony Wehby	LTI[1]	300,000	27-Nov-20	300,000	15,584	-	-	-		300,000	-
	LTI[2]	-	14-Dec-21	69,783	11,165					69,783	-
Chris Drew	LTI[3]	2,257,031	6-Nov-19	2,257,031	90,797	-	-	-		2,257,031	-
	LTI[4]	696,926	27-Nov-20	696,926	36,003					-	696,926
	LTI[5]	-	5-Nov-21	685,510	7,743					-	685,510
Stuart Rechner	LTI[1]	300,000	27-Nov-20	300,000	15,584	-	-	-	-	300,000	-
	LTI[2]	-	14-Dec-21	69,783	11,165	-	-	-	-	69,783	-
		8,361,821		10,189,516	419,641	-	-	-		6,904,827	3,284,689

[1] Unlisted LTI Options issued 27 November 2020 exercisable at 50c - expiry on 30 June 2023

[2] Unlisted LTI Options issued 14 December 2021 exercisable at 0c - expiry on 14 December 2024

[3] Unlisted LTI Options issued 6 November 2019 exercisable at 1c, expiry 31 July 2023, exercise is subject to operational hurdles

[4] Unlisted LTI Options issued 5 August 2020 and 27 November 2020 exercisable at 1c, expiry 31 July 2023, exercise is subject to share price hurdles

[5] Unlisted LTI Options issued 5 November 2021 and 14 December 2021 exercisable at 0c, expiry 31 August 2024, exercise is subject to share price hurdles

Performance Rights Holdings of KMP

The number of performance rights in the Company held by each KMP of the Group during the 2023 and 2022 reporting periods is as follows:

2023		Balance at Beginning of Year	Grant Details Issue Date	No.	Value $	Vested No.	Value $	Lapsed No.	Other changes No.	Balance at End of Year
Andrew Corbett	STI22[2]	1,019,940	14-Dec-21	1,019,940	13,259	178,489	2,320	841,451		-
	STI23[3]	-	6-Dec-22	2,099,018	13,098	-	-	-		2,099,018
Chris Drew*	STI22[2]	856,888	5-Nov-21	856,888	11,140	167,093	2,172	689,795		-
		1,876,828		3,975,846	37,497	345,582	4,492	1,531,246	-	2,099,018

*balance at the date of retirement

2022		Balance at Beginning of Year	Grant Details Issue Date	No.	Value $	Vested No.	Value $	Lapsed No.	Other changes No.	Balance at End of Year
Andrew Corbett	STI21[1]	1,357,877	27-Nov-20	1,357,877	77,786	923,553	52,906	434,324		-
	STI22[2]	-	14-Dec-21	1,019,940	13,259	-	-	-		1,019,940
Chris Drew	STI21[1]	871,157	27-Nov-20	871,157	49,904	636,081	36,438	235,076		-
	STI22[2]	-	5-Nov-21	856,888	11,140	-	-	-		856,888
		2,229,034		4,105,862	152,089	1,559,634	89,344	669,400	-	1,876,828

[1] STI21 Performance Rights issued on 27 November 2020 will vest as follows: (a) Up to 50% of STI Performance Rights will automatically vest if the Company's June 2021 VWAP is between 120% to 150% of the Company's June 2020 VWAP; and (b) Up to 50% of the STI Performance Rights will vest, at the Board's discretion, upon the achievement of operational performance measures before 30 June 2021. All STI Performance Rights that have not vested by 31 July 2021 will automatically lapse and be forfeited.

[2] STI22 Performance Rights issued on 5 November 2021 and 14 December 2021 will vest as follows: (a) Up to 40% of STI Performance Rights will automatically vest if the Company's June 2022 VWAP is between 120% to 150% of the Company's June 2021 VWAP; and (b) Up to 60% of the STI Performance Rights will vest, at the Board's discretion, upon the achievement of operational performance measures before 30 June 2022. All STI Performance Rights that have not vested by 31 August 2022 will automatically lapse and be forfeited.

[3] STI23 Performance Rights issued on 6 December 2022 will vest as follows:
(a) Up to 40% of STI Performance Rights will automatically vest if the Company's June 2023 VWAP is between 120% to 150% of the Company's June 2022 VWAP; and
(b) Up to 60% of the STI Performance Rights will vest, at the Board's discretion, upon the achievement of operational performance measures before 30 June 2023. All STI Performance Rights that have not vested by 31 August 2023 will automatically lapse and be forfeited.

Share holdings of KMP

The number of ordinary shares in the Company held by each KMP of the Group during the 2023 and 2022 reporting periods is as follows:

2023	Balance at Beginning of Year	Granted as Remuneration during the Year	Issued on Exercise of Options/Vesting of Performance Rights during the Year	Other Net Changes during the Year	Balance at End of Year
Mick Wilkes	2,527,452	-	-	-	2,527,452
Andrew Corbett	4,386,129	-	178,489	-	4,564,618
Anthony Wehby	1,335,696	-	-	200,000	1,535,696
Stuart Rechner	431,544	-	-	-	431,544
	8,680,821	-	178,489	200,000	9,059,310

2022	Balance at Beginning of Year	Granted as Remuneration during the Year	Issued on Exercise of Options/Vesting of Performance Rights during the Year	Other (Net) Changes during the Year	Balance at End of Year
Mick Wilkes	2,527,452	-	-	-	2,527,452
Andrew Corbett	3,462,576	-	923,553	-	4,386,129
Anthony Wehby	1,335,696	-	-	-	1,335,696
Chris Drew	2,114,199	-	636,081	-	2,750,280
Stuart Rechner	431,544	-	-	-	431,544
	9,871,467	-	1,559,634	-	11,431,101

(i) Loans to key management personnel

There were no loans to individuals or members of KMP during the financial year or the previous financial year.

(j) Other KMP transactions

Subsequent to 30 June 2023, on 14 August 2023 Shareholders approved the grant of up to $300,000 MH Project Goal Performance Options to Andrew Corbett, subject to the following vesting conditions:

a. Completion of process plant upgrade commissioning;

b. Announcement of commercial production; and

c. Commencement of concentrate sales.

The earliest date on which the Options may vest is 30 June 2025. The number of options to be provided in respect of the rights will be calculated on the basis of 20-day KSN VWAP immediately prior to the vesting condition being met. All MH Project Options that have not vested by 31 July 2025 will automatically lapse and be forfeited.

There have been no other transactions involving equity instruments other than those described above. For details of other transactions with KMP, refer to Note 22 Related Party Transactions

END OF AUDITED REMUNERATION REPORT

SHARE OPTIONS, PERFORMANCE RIGHTS AND WARRANTS

During the 2023 reporting period, the unissued ordinary shares of the Company under option, warrants and Performance rights were as follows:

Security Type	Grant Date	Date of Expiry	Exercise Price	Held at 01-Jul-22	Issued	Exercised	Lapsed / Cancelled	Held at 30-Jun-23
Options	06-Nov-19	31-Jul-23	1 cent	6,818,841	-	2,257,031	-	4,561,810[1]
Options	31-Jan-20	31-Jan-23	25 cents	600,000	-	-	600,000	-
Options	27-Nov-20	31-Jul-23	1 cent	2,707,994	-	-	116,154	2,591,840[2]
Options	27-Nov-20	31-Jul-23	50 cents	900,000	-	-	900,000	-
Options	5-Nov- 21	31-Aug-24	0 cents	2,685,770	-	-	342,755	2,343,015
Options	14-Dec-21	14-Dec-24	0 cents	326,233	-	-	-	326,233[3]
Options	6 Dec 22	31-Aug-28	0 Cents	-	5,171,621	-	-	5,171,621
Warrants	7 July 22	7-July-27	20 Cents	-	25,000,000	-	-	25,000,000
Performance Rights	6-Dec-22	31-Aug- 23	0 Cents	-		-	-	6,785,845[4]

[1] Subsequent to 30 June 2023, 4,561,810 ordinary shares in the Company were issued pursuant to the exercise of options on 26 July 2023
[2] Subsequent to 30 June 2023, 2,591,840 unlisted options lapsed on 31 July 2023
[3] Subsequent to 30 June 2023, 326,233 ordinary shares in the Company were issued pursuant to the exercise of options on 17 August 2023
[4]Subsequent to 30 June 2023, 742,826 Performance Rights vested and were converted to ordinary shares and 6,043,019 Performance Rights lapsed

During the year ended 30 June 2023, 2,257,031 ordinary shares in the Company were issued pursuant to the exercise of options. During the year ended 30 June 2022, no ordinary shares in the Company were issued pursuant to the exercise of options. Apart from as described in this report, there have been no conversions to, calls of, or subscriptions for ordinary shares of issued or potential ordinary shares since the reporting date and before the completion of these financial statements.

No person entitled to exercise an option had or has any right by virtue of the option to participate in any share issue of any other body corporate.

PROCEEDINGS ON BEHALF OF THE GROUP

No person has applied to any court pursuant to section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Group or intervene in any proceedings to which the Group is a party for the purpose of taking responsibility on behalf of the Group for all or any part of those proceedings. The Group was not a party to any such proceedings during the year.

INDEMNITIES GIVEN AND INSURANCE PREMIUMS PAID TO AUDITORS AND OFFICERS

The Company has entered into Deeds of Access, Indemnity and Insurance with each Director.

Under these deeds, the Company has undertaken, subject to the restrictions in the Corporations Act, to:

a) indemnify each Director from certain liabilities incurred from acting in that position under specified circumstances;
b) maintain directors' and officers' insurance cover (if available) in favour of each Director whilst that person maintains such office and for seven years after the Director has ceased to be a director;
c) cease to maintain directors' and officers' insurance cover in favour of each Director if the Company reasonably determines that the type of coverage is no longer available.
d) If the Company ceases to maintain directors' and officers' insurance cover in favour of a Director, then the Company must notify that Director of that event; and
e) provide access to any Company records which are relevant to the Director's holding of office with the Company, for a period of seven years after the Director has ceased to be a Director.

During the year, the Company paid a premium to insure officers of the Group. The officers of the Group covered by the insurance policy include all directors and the company secretary.

The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of the Group, and any other payments arising from liabilities incurred by the officers in connection with such proceedings, other than where such liabilities arise out of conduct involving a wilful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for themselves or someone else to cause detriment to the Group.

Details of the amount of the premium paid in respect of the insurance policies is not disclosed as such disclosure is prohibited under the terms of the contract.

The Group has not otherwise, during or since the end of the financial year, except to the extent permitted by law, indemnified or agreed to indemnify any current or former officer or auditor of the Group against a liability incurred as such by an officer or auditor.

AUDIT COMMITTEE

The Board has established a separate Audit and Risk Management Committee to assist the Board to discharge its corporate governance duties in relation to implementing and maintaining appropriate policies and procedures relating to risk management, financial reporting, external and internal control and auditing.

NON-AUDIT SERVICES

During the year the Company's auditor provided taxation services to the Company at a total cost of $22,881.

AUDITORS' INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required by section 307C of the Corporations Act 2001 is included in this Annual Report. Hall Chadwick continues in office in accordance with section 327 of the Corporations Act 2001.

Pursuant to section 298(2) Corporations Act, this Directors' Report:

a) is made in accordance with a resolution of the Directors; and

b) is dated 14 September 2023 and

c) is signed by Mr Mick Wilkes.

Mick Wilkes
Non-Executive Chair
Sydney, New South Wales
14 September 2023

KINGSTON RESOURCES LIMITED
ABN 44 009 148 529
AND CONTROLLED ENTITIES

AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF KINGSTON RESOURCES LIMITED

In accordance with section 307C of the *Corporations Act 2001,* I am pleased to provide the following declaration of independence to the directors of Kingston Resources Limited. As the lead audit partner for the audit of the financial report of Kingston Resources Limited for the year ended 30 June 2023, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

(ii) any applicable code of professional conduct in relation to the audit.

Hall Chadwick

HALL CHADWICK (NSW)
Level 40, 2 Park Street
Sydney NSW 2000

DREW TOWNSEND
Partner
Dated: 14 September 2023

Consolidated Statement of Financial Position

	Notes	Consolidated Group 2023 $	Consolidated Group 2022 $
Current assets			
Cash and cash equivalents	9	18,206,767	5,589,673
Trade and other receivables	10	1,315,211	3,414,195
Available for sale financial assets	11	269,150	562,900
Inventory		3,030,080	2,338,674
Other current assets		278,752	101,887
Total current assets		23,099,960	12,007,329
Non-current assets			
Property, plant and equipment	13	17,256,109	16,999,182
Capitalised exploration expenditure	23	46,079,669	41,554,898
Mine & Resource development expenditure	23	16,650,984	13,553,356
Right of use assets	5	935,006	833,234
Other non-current assets	14	7,399,044	3,641,425
Total non-current assets		88,320,812	76,582,095
Total assets		111,420,772	88,589,424
Current liabilities			
Trade and other payables	15	7,907,917	6,267,320
Interest bearing loan		42,796	39,481
Lease liabilities	5	360,334	283,986
Employee Provisions		539,486	469,308
Deferred Payables		9,579,789	-
Total current liabilities		18,430,322	7,060,095
Non-current liabilities			
Borrowings	26	8,822,176	-
Interest bearing loan		-	41,272
Lease liabilities	5	400,687	466,756
Rehabilitation Provision		7,274,000	7,274,000
Employee Provisions		38,687	59,242
Deferred Payables		-	12,557,882
Total non-current liabilities		16,535,550	20,399,152
Total liabilities		34,965,872	27,459,247
Net assets		76,454,900	61,130,177
Equity			
Issued capital	16	121,170,385	121,051,877
Advanced Placement Fund (net)		3,867,452	-
Accumulated losses		(50,812,957)	(60,738,440)
Share based payment reserve	21	2,043,126	609,952
Foreign currency translation reserve		186,894	206,788
Total equity		76,454,900	61,130,177

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

Consolidated Statement of Profit or Loss and Other Comprehensive Income

	Notes	Consolidated Group	
		2023 $	2022 $
Continuing Operations			
Sales		44,753,992	11,903,750
Other income	2	21,238	1,497,460
Cost of sales		(20,985,979)	(10,815,833)
Gross Profit		**23,789,251**	**2,585,377**
Administration expenses		(532,142)	(1,055,468)
Employee benefits		(7,041,660)	(945,751)
Consultant and legal fees		(111,996)	(550,423)
Depreciation expense	3	(3,375,375)	(1,217,484)
Amortisation expense		(1,075,696)	(81,258)
Director fees		(285,730)	(239,455)
Share based payments expense		(314,996)	(130,942)
Other expenses		(777,088)	(15,791)
Mark to market financial assets		(293,750)	(437,500)
Foreign Exchange Gain/(Loss)		(173,591)	529
Profit/ (Loss) before income tax expense		9,807,227	(2,088,167)
Income tax expense	4	-	-
Profit/(Loss) for the year		9,807,227	(2,088,167)
Other comprehensive income/(loss)			
Other comprehensive income/(loss) – net of tax		(19,894)	41,737
Total comprehensive loss for the year		9,787,333	(2,046,430)
Basic Profit/(loss) per share (cents)	8	2.37	(0.67)
Diluted Profit/(loss) per share (cents)	8	2.13	(0.67)

The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

Consolidated Statement of Changes in Equity

Attributable to the shareholders of Kingston Resources Limited

	Ordinary Shares $	Advanced Placement Fund $	Accumulated Losses $	Foreign Exchange Reserves $	Share Based Payment Reserve $	Total Equity $
Balance at 1 July 2021	**98,584,828**	**-**	**(58,713,189)**	**165,051**	**690,419**	**40,727,110**
Loss for the full year	-	-	(2,088,167)	-	-	**(2,088,167)**
Other comprehensive income	-	-	-	-	-	-
	98,584,828	**-**	**(60,801,356)**	**165,051**	**690,419**	**38,638,943**
Issue of Shares	23,126,061	-	-	-	-	23,126,061
Cost of share issue	(797,505)	-	-	-	-	(797,505)
Share based payments	-	-	-	-	120,942	120,942
Transfer from Share Based Payment Reserve on vesting/lapsing of securities	138,493	-	62,916	-	(201,409)	--
Additions to reserves	-	-	-	41,737	-	41,737
Balance at 30 June 2022	**121,051,877**	**-**	**(60,738,440)**	**206,788**	**609,952**	**61,130,177**
Balance at 1 July 2022	**121,051,877**	-	**(60,738,440)**	**206,788**	**609,952**	**61,130,177**
Profit for the full year	-	-	9,807,227	-	-	**9,807,227**
Other comprehensive income	-	-	-	-	-	-
	121,051,877	-	**(50,931,213)**	**206,788**	**609,952**	**70,937,404**
Issue of Shares	22,570	-	-	-	-	22,570
T1 Placement monies	-	4,500,000	-	-	-	4,500,000
Cost of share issue	(2,500)	(302,255)	-	-	-	(304,755)
Share based payments	-	(330,293)	-	-	1,649,868	1,319,575
Transfer from Share Based Payment Reserve on vesting/lapsing of securities	98,438	-	118,256	-	(216,694)	-
Additions to reserves	-	-	-	(19,894)	-	(19,894)
Balance at 30 June 2023	**121,170,385**	**3,867,452**	**(50,812,957)**	**186,894**	**2,043,126**	**76,454,900**

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Consolidated Statement of Cash Flows

	Notes	Consolidated Group 2023 $	Consolidated Group 2022 $
Cash flows from operating activities			
Continued operations			
Receipts from customers		44,774,911	11,660,228
Interest received		3,238	21,122
Government Grants		250,000	-
Payments to suppliers and employees		(29,533,911)	(8,697,090)
Net cash used in operating activities	20	15,494,238	2,984,260
Cash flows from investing activities			
Payment for exploration and evaluation/Mine Development		(8,830,323)	(19,700,402)
Payment for bond deposits		(3,746,109)	(3,591,853)
Payment for acquisition of Mineral Hill Pty Ltd		(2,915,629)	(1,236,210)
Proceeds from divestment of WesternX Pty Ltd		1,500,000	2,500,000
Payment for PPE		(2,792,869)	-
Proceeds from sale of investment		-	314,972
Proceeds from sale of PPE		-	1,179
Payment for other non-current assets		-	(249,426)
Net cash used in investing activities		(16,784,930)	(21,961,740)
Cash flows from financing activities			
Proceeds from issue of shares and options		22,570	14,230,000
Advanced placement fund		4,226,629	-
Transaction costs related to issue of shares, convertibles, or options		(2,500)	(697,506)
Proceeds from borrowings		9,700,000	49,149
Repayment of borrowings		(41,230)	(29,916)
Net cash provided by financing activities		13,905,469	13,551,727
Net change in cash and cash equivalents held		12,614,777	(5,425,753)
Cash and cash equivalents at beginning of financial year		5,589,673	11,007,936
Effect of movement in exchange rate on cash held		2,317	7,490
Cash and cash equivalents at end of financial year	9	**18,206,767**	**5,589,673**

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

Notes to the Financial Statements

This financial report includes the consolidated financial statements and notes of Kingston Resources Limited and controlled entities ('Consolidated Group' or 'Group').

For the purpose of preparing the consolidated financial statements, the Company is a for-profit entity.

Note 1: Statement of Significant Accounting Policies

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards including Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001. The consolidated financial statements are presented in the currency of Australian dollars.

Statement of Compliance

Compliance with Australian Accounting Standards ensures that the financial statements and notes of Kingston Resources Limited and its controlled entities comply with International Financial Reporting Standards (IFRS).

The financial statements were authorised for issue by the directors on 14 September 2023.

Basis of Preparation

The financial statements have been prepared on an accrual basis and are based on historical costs modified by the revaluation of selected non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied.

Significant Accounting Policies

a) Principles of Consolidation

The Group financial statements consolidate those of the Parent Company and all of its subsidiaries as of 30 June 2023. The Parent controls a subsidiary if it is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the subsidiary. All subsidiaries have a reporting date of 30 June. A list of controlled entities is contained in Note 12 to the financial statements.

All transactions and balances between Group companies are eliminated on consolidation, including unrealised gains and losses on transactions between Group companies. Where unrealised losses on intra-group asset sales are reversed on consolidation, the underlying asset is also tested for impairment from a group perspective. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

Profit or loss and other comprehensive income of subsidiaries acquired or disposed of during the year are recognised from the effective date of acquisition, or up to the effective date of disposal, as applicable.

Non-controlling interests, presented as part of equity, represent the portion of a subsidiary's profit or loss and net assets that is not held by the Group. The Group attributes total comprehensive income or loss of subsidiaries between the owners of the parent and the non-controlling interests based on their respective ownership interests.

b) Changes in Accounting Policies

The Group has considered the implications of new or amended Accounting Standards which have become applicable for the current financial reporting period.

c) New Accounting Standards and Interpretations

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the annual reporting period ended 30 June 2023.

d) Income Tax

The income tax expense (revenue) for the year comprises current income tax expense (income) and deferred tax expense (income). Current and deferred income tax expense (income) is charged or credited directly to other comprehensive income instead of the profit or loss when the tax relates to items that are credited or charged directly to other comprehensive income.

Current tax

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at reporting date. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and its intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur.

Deferred tax

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well unused tax losses.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

Tax consolidation

Kingston Resources Limited and its wholly-owned Australian subsidiaries have formed an income tax consolidated group under the tax consolidation legislation. Each entity in the Group recognises its own current and deferred tax liabilities. Such taxes are measured using the ‘stand-alone taxpayer’ approach to allocation. Current tax liability (assets) and deferred tax assets arising from unused tax losses and tax credits in the subsidiaries are immediately transferred to the head entity. The Group notified the Australian Taxation Office that it had formed an income tax consolidated group to apply from 1 July 2003.

e) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable any accumulated depreciation and impairment losses.

Plant and equipment

Plant and equipment are measured on the cost basis.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employment and subsequent disposal.

Subsequent costs are included in the asset’s carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss on the statement of profit or loss and other comprehensive income.

Depreciation

The depreciable amount of all fixed assets is depreciated using the straight line method commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable asset are:

Class of Fixed Assets	Depreciation Rate
Motor Vehicles	20-25%
Buildings	10-33%
Plant & Equipment	10-50%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. The gains and losses are included in profit or loss in the statement of profit or loss and other comprehensive income. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

f) Leases

At inception of a contract the Group assesses if the contract contains or is a lease. If there is a lease present and the Group is the lessee, a right-of-use asset and a corresponding lease liability is recognised. However, all contracts that are classified as short-term leases (ie a lease with a remaining lease term of 12 months or less) and leases of low-value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

Initially, the lease liability is measured at the present value of the lease payments still to be paid at commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, the Group uses the incremental borrowing rate.

Lease payments included in the measurement of the lease liability are as follows:

- fixed lease payments less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options;
- lease payments under extension options, if lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The right-of-use assets comprise the initial measurement of the corresponding lease liability as mentioned above, any lease payments made at or before the commencement date, as well as any initial direct costs. The subsequent measurement of the right-of-use assets is at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset, whichever is the shortest. Where a lease transfers ownership of the underlying asset, or the cost of the right-of-use asset reflects that the Group anticipates to exercise a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

g) Fair Value of Assets and Liabilities

The Group measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard.

Fair value is the price the Group would receive to sell an asset or would have to pay to transfer a liability in an orderly (ie unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (ie the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (ie the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities and the entity's own equity instruments (excluding those related to share-based payment arrangements) may be valued, where there is no observable market price in relation to the transfer of such financial instruments, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statements.

h) Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions to the instrument. For financial assets, this is the date that the Group commits itself to either the purchase or sale of the asset (ie trade date accounting is adopted).

Financial instruments (except for trade receivables) are initially measured at fair value plus transaction costs, except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss immediately. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Trade receivables are initially measured at the transaction price if the trade receivables do not contain a significant financing component or if the practical expedient was applied as specified in AASB 15.63.

Classification and subsequent measurement

Financial liabilities

Financial instruments are subsequently measured at:
- amortised cost; or
- fair value through profit or loss.

A financial liability is measured at fair value through profit and loss if the financial liability is:
- a contingent consideration of an acquirer in a business combination to which AASB 3: Business Combinations applies;
- held for trading; or
- initially designated as at fair value through profit or loss.

All other financial liabilities are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest expense in profit or loss over the relevant period. The effective interest rate is the internal rate of return of the financial asset or liability. That is, it is the rate that exactly discounts the estimated future cash flows through the expected life of the instrument to the net carrying amount at initial recognition.

A financial liability is held for trading if:
- it is incurred for the purpose of repurchasing or repaying in the near term;

- part of a portfolio where there is an actual pattern of short-term profit taking; or
- a derivative financial instrument (except for a derivative that is in a financial guarantee contract or a derivative that is in a effective hedging relationships).

Any gains or losses arising on changes in fair value are recognised in profit or loss to the extent that they are not part of a designated hedging relationship are recognised in profit or loss.

The change in fair value of the financial liability attributable to changes in the issuer's credit risk is taken to other comprehensive income and are not subsequently reclassified to profit or loss. Instead, they are transferred to retained earnings upon derecognition of the financial liability. If taking the change in credit risk in other comprehensive income enlarges or creates an accounting mismatch, then these gains or losses should be taken to profit or loss rather than other comprehensive income.

A financial liability cannot be reclassified.

Financial assets

Financial assets are subsequently measured at:
- amortised cost;
- fair value through other comprehensive income; or
- fair value through profit or loss.

Measurement is on the basis of two primary criteria:
- the contractual cash flow characteristics of the financial asset; and
- the business model for managing the financial assets.

A financial asset that meets the following conditions is subsequently measured at amortised cost:
- the financial asset is managed solely to collect contractual cash flows; and
- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates.

A financial asset that meets the following conditions is subsequently measured at fair value through other comprehensive income:
- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates;
- the business model for managing the financial assets comprises both contractual cash flows collection and the selling of the financial asset.

By default, all other financial assets that do not meet the measurement conditions of amortised cost and fair value through other comprehensive income are subsequently measured at fair value through profit or loss.

The Group initially designates a financial instrument as measured at fair value through profit or loss if:
- it eliminates or significantly reduces a measurement or recognition inconsistency (often referred to as "accounting mismatch") that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases;
- it is in accordance with the documented risk management or investment strategy, and information about the groupings was documented appropriately, so that the performance of the financial liability that was part of a group of financial liabilities or financial assets can be managed and evaluated consistently on a fair value basis;
- it is a hybrid contract that contains an embedded derivative that significantly modifies the cash flows otherwise required by the contract.

The initial designation of the financial instruments to measure at fair value through profit or loss is a one-time option on initial classification and is irrevocable until the financial asset is derecognised.

Equity instruments

At initial recognition, as long as the equity instrument is not held for trading and not a contingent consideration recognised by an acquirer in a business combination to which AASB 3: Business Combinations applies, the Group made an irrevocable election to measure any subsequent changes in fair value of the equity instruments in other comprehensive income, while the dividend revenue received on underlying equity instruments investment will still be recognised in profit or loss.

Regular way purchases and sales of financial assets are recognised and derecognised at settlement date in accordance with the Group's accounting policy.

Derecognition

Derecognition refers to the removal of a previously recognised financial asset or financial liability from the statement of financial position.

Derecognition of financial liabilities

A liability is derecognised when it is extinguished (ie when the obligation in the contract is discharged, cancelled or expires). An exchange of an existing financial liability for a new one with substantially modified terms, or a substantial modification to the terms of a financial liability is treated as an extinguishment of the existing liability and recognition of a new financial liability.

The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Derecognition of financial assets

A financial asset is derecognised when the holder's contractual rights to its cash flows expires, or the asset is transferred in such a way that all the risks and rewards of ownership are substantially transferred.

All of the following criteria need to be satisfied for derecognition of financial asset:

- the right to receive cash flows from the asset has expired or been transferred;
- all risk and rewards of ownership of the asset have been substantially transferred; and
- the Group no longer controls the asset (ie the Group has no practical ability to make a unilateral decision to sell the asset to a third party).

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

On derecognition of a debt instrument classified as at fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investment revaluation reserve is reclassified to profit or loss.

On derecognition of an investment in equity which was elected to be classified under fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investment revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

Impairment

The Group recognises a loss allowance for expected credit losses on:

- financial assets that are measured at amortised cost or fair value through other comprehensive income;
- lease receivables;
- contract assets (eg amounts due from customers under construction contracts);
- loan commitments that are not measured at fair value through profit or loss; and
- financial guarantee contracts that are not measured at fair value through profit or loss.

Loss allowance is not recognised for:

- financial assets measured at fair value through profit or loss; or

- equity instruments measured at fair value through other comprehensive income.

Expected credit losses are the probability-weighted estimate of credit losses over the expected life of a financial instrument. A credit loss is the difference between all contractual cash flows that are due and all cash flows expected to be received, all discounted at the original effective interest rate of the financial instrument.

The Group uses the general approach to impairment, as applicable under AASB 9: *Financial Instruments*:

Under the general approach, at each reporting period, the Group assesses whether the financial instruments are credit-impaired, and if:

- the credit risk of the financial instrument has increased significantly since initial recognition, the Group measures the loss allowance of the financial instruments at an amount equal to the lifetime expected credit losses; or
- there is no significant increase in credit risk since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

Recognition of expected credit losses in financial statements

At each reporting date, the Group recognises the movement in the loss allowance as an impairment gain or loss in the statement of profit or loss and other comprehensive income.

The carrying amount of financial assets measured at amortised cost includes the loss allowance relating to that asset.

Assets measured at fair value through other comprehensive income are recognised at fair value, with changes in fair value recognised in other comprehensive income. Amounts in relation to change in credit risk are transferred from other comprehensive income to profit or loss at every reporting period.

For financial assets that are unrecognised (eg loan commitments yet to be drawn, financial guarantees), a provision for loss allowance is created in the statement of financial position to recognise the loss allowance.

i) Impairment of Non-Financial Assets

At each reporting date, the Group reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of profit or loss and other comprehensive income.

Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

j) Foreign Currency Transactions and Balances

Functional and presentation currency

The functional currency of each of the Group's entities is measured using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency.

Transaction and balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction.

Exchange differences arising on the translation of monetary items are recognised in profit or loss, except where deferred in equity as a qualifying cash flow or net investment hedge in which case they would be recognised in other comprehensive income.

k) Employee Benefits

Provision is made for the Company's liability for employee benefits arising from services rendered by employees to reporting date. Employee benefits that are expected to be settled wholly within one year have been measured at the amounts expected to be paid when the liability is settled plus related on costs. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

Equity-settled compensation

The Group operates a share-based compensation plan which includes a share option arrangement. The bonus element over the exercise price of the employee's services rendered in exchange for the grant of options is recognised as an expense in the statement of profit or loss and other comprehensive income, with a corresponding increase to an equity account. The total amount to be expensed over the vesting period is determined by reference to the fair value of the shares of the options granted. The fair value of options is ascertained using a Black-Scholes pricing model which incorporates all market vesting conditions, the fair value of Performance Rights is ascertained using the Monte Carlo method.

l) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less.

m) Provisions

Provisions are recognised when the Group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

n) Revenue and Other Income

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Research and development credits are treated as Other Income and recognised to the extent that the related expenditure has been expensed in the Statement of Profit and Loss and Other Comprehensive Income. Research and development credits that pertain to expenditure on any capitalised amounts remaining on the Statement of Financial Position are deferred accordingly to be recognised in-line with expensing of those items.

All revenue is stated net of the amount of goods and services tax (GST).

o) Mine Development

Mine development expenditures incurred are capitalised in respect of each identifiable area of interest where there is a reasonable assessment of existence of recoverable reserves. These costs are only capitalised to the extent that they are expected to be realised through production and sale of mineral resources identified.

When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to capitalise costs in relation to that area of interest.

p) Exploration Expenditure

Exploration, evaluation and development expenditures incurred are capitalised in respect of each identifiable area of interest. These costs are only capitalised to the extent that they are expected to be recovered through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

Accumulated costs in relation to an abandoned area are written off in full against profit in the year in which the decision to abandon the area is made.

When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to capitalise costs in relation to that area of interest.

Costs of site restoration are provided over the life of the project from when exploration commences and are included in the costs of that stage. Site restoration costs include the dismantling and removal of mining plant, equipment and building structures, waste removal, and rehabilitation of the site in accordance with local laws and regulations and clauses of the permits. Such costs have been determined using estimates of future costs, current legal requirements and technology on an undiscounted basis.

Any changes in the estimates for the costs are accounted on a prospective basis. In determining the costs of site restoration, there is uncertainty regarding the nature and extent of the restoration due to community expectations and future legislation. Accordingly the costs have been determined on the basis that the restoration will be completed within one year of abandoning the site.

q) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

r) Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

s) Going Concern

The consolidated entity has earned an operating profit of $9,807,227 (2022:Loss $2,088,167) and positive operating cash flows of $15,494,238 (2022 $2,984,260) for the year ended 30 June 2023. The consolidated entity's net current asset position as at 30 June 2023 was $4,669,638 (2022: $4,947,234) including $18,206,767 in cash (2022: $5,589,673).

During the year the following significant equity and debt raisings were made:

- On 7 July 2022, the Company secured a two-tranche $10m debt facility with PURE asset management. $5 million was drawn immediately under Tranche 1 of the facility under a 4-year secured loan facility with an interest rate of 9.90% per annum with 25,000,000 detached warrant shares issued at an exercise price of $0.20. An establishment fee of $150,000 was recognised as a reduction in proceeds.
- On 29 June 2023, , $5million was drawn under Tranche 2 of the facility under a 4-year secured loan facility issued with an interest rate of 9.90% per annum with 35,714,286 detached warrant shares issued at an exercise price of $0.14. An establishment fee of $150,000 was recognised as a reduction in proceeds.
- On 27 June 2023,the Company announced its intention to undertake a two Tranche Share Placement offer raising a total of $5,500,000. On 30 June 2023, advanced placement monies totalling $4,500,000 were received under Tranche 1 of the Placement offer. On 3 July 2023, 52,941,176 Tranche 1 Placement shares were issued at $0.085.On 17 August 2023, Tranche 1 of the Placement offer was completed upon issuing 26,470,588 unlisted attaching options expiring on 31 July 2025 with an exercise price of $0.14.

For details on the remaining shares issued during the year see Note 16.

The entity has planned to use these funds largely on Life of Mine exploration and development activities, the expenditure of which can be varied and applied discretionarily.

The Group's cash balance of $18,206,767 as at 30 June 2023 leaves it with sufficient funding to continue to meet operational expenditure requirements, including minimum exploration commitments across its tenement portfolio. Nevertheless, the nature of an exploration and development company is to have negative cash flow from operations and investing activities, and as such the Company may need to raise equity from time to time as successfully demonstrated most recently in November 2021 and February 2022. If the Group is unsuccessful in raising capital, a material uncertainty exists, that may cast significant doubt on the Group's ability as a going concern and its ability to recover assets, and discharge liabilities in the normal course of business and at the amount shown in the financial statements. The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessary should the Group not continue as a going concern.

Taking into account the current cash reserves of the Company, the Directors are confident the Company has adequate resources to continue in its main business activity for the foreseeable future. As a result, the financial statements have been prepared on the basis of going concern which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business and at the amounts stated in the financial report.

t) Joint arrangements and associates

Associates are those entities over which the Group is able to exert significant influence but which are not subsidiaries.

A joint venture is an arrangement that the Group controls jointly with one or more other investors, and over which the Group has rights to a share of the arrangement's net assets rather than direct rights to underlying assets and obligations for underlying liabilities. A joint arrangement in which the Group has direct rights to underlying assets and obligations for underlying liabilities is classified as a joint operation.

Investments in associates and joint ventures are accounted for using the equity method. Interests in joint operations are accounted for by recognising the Group's assets (including its share of any assets held jointly), its liabilities (including its share of any liabilities incurred jointly), its revenue from the sale of its share of the output arising from the joint operation, its share of the revenue from the sale of the output by the joint operation and its expenses (including its share of any expenses incurred jointly).

Any goodwill or fair value adjustment attributable to the Group's share in the associate or joint venture is not recognised separately and is included in the amount recognised as investment.

The carrying amount of the investment in associates and joint ventures is increased or decreased to recognise the Group's share of the profit or loss and other comprehensive income of the associate and joint venture, adjusted where necessary to ensure consistency with the accounting policies of the Group.

Unrealised gains and losses on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in those entities. Where unrealised losses are eliminated, the underlying asset is also tested for impairment.

Critical Accounting Estimates and Judgements

The directors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Group.

Key estimates – Impairment

The Group assesses impairment at each reporting date by evaluating conditions specific to the Group that may lead to impairment of assets.

Share-based payment transactions

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by management review using the Black Scholes, Monte Carlo, or an agreed fair value method. The relevant assumptions are detailed in Note 21. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact expenses and equity.

Assessment of mine life of assets

The Assessment of mine life of assets has been based on Life of Mine Plan. In addition, condition of the assets is assessed at least once per year and considered against the remaining mine life. Adjustments to mine lives are made when considered necessary.

Estimation of useful lives of assets

The estimation of the useful lives of assets has been based on historical experience and manufacturers' warranties (for plant and equipment). In addition, the condition of the assets is assessed at least once per year and considered against the remaining useful life. Adjustments to useful lives are made when considered necessary.

Exploration and evaluation of expenditure

Costs arising from exploration and evaluation activities are carried forward provided the rights to tenure of the area of the interest are current and such costs are expected to be recouped through successful development, or by sale, or where exploration and evaluation activities have not, at reporting date, reached a stage to allow a reasonable assessment regarding the existence of economically recoverable reserves. Costs carried forward in respect of an area of interest that is abandoned are written off in the year in which the decision to abandon is made. The carrying value of the capitalised exploration and evaluation expenditure is assessed for impairment whenever facts and circumstances suggest that the carrying amount of the asset may exceed its recoverable amount. Such capitalised exploration expenditure is carried at the end of the reporting period at $46,079,669 (see Note 23).

The Group has applied AASB 6 Exploration for and Evaluation of Mineral Resources.

2. OTHER INCOME

	Consolidated Group	
	2023 $	2022 $
Other income		
Interest income	3,238	21,122
Profit on sale of financial assets	-	82,184
Profit on disposal of mining assets	-	1,392,976
Proceeds from sale of motor vehicle	-	1,178
Rental income	18,000	-
Total other income	21,238	1,497,460

3. DEPRECIATION

	Consolidated Group	
	2023 $	2022 $
Depreciation of:		
- right of use asset	(225,107)	(78,013)
- building	(86,670)	(37,751)
- plant and equipment	(3,063,598)	(1,101,720)
Total depreciation and amortisation	(3,375,375)	(1,217,484)

4. INCOME TAX

(a) Income tax recognised in profit and loss

The prima facie tax expense (benefit) on operating result is reconciled to the income tax provided in the statement of profit or loss and other comprehensive income as follows:

	Consolidated Group	
	2023 $	2022 $
Accounting profit/(loss) before income tax	9,807,227	(2,088,146)
Income tax benefit calculated at 25%	(2,451,807)	(522,037)
Non-deductible expenses	143,455	350,381
Utilisation of tax losses previously not recognised	2,308,352	-
Tax losses/temporary difference not brought into account	-	171,656
Income tax expense (benefit)	-	-

The tax rate used in the above reconciliation is the corporate tax rate of 25% (FY22 25%) payable by Australian corporate entities on taxable profits under Australian tax law.

(b) Analysis of deferred tax asset

No deferred tax assets have been recognised other than to offset deferred tax liabilities, as it is currently not probable that future taxable profit will be available to realise the asset. The potential deferred tax asset on carry forward losses amounts to $6,296,780 (2022: $4,104,549).

Tax Consolidation

Effective 1 July 2003, for the purposes of income taxation, the Company and its 100% wholly-owned subsidiaries formed a tax consolidated group; the head entity of the tax consolidated group is Kingston Resources Limited.

5. RIGHT OF USE ASSETS

The Group's Right of use Assets include buildings (in the form of an office lease), plant and equipment and motor vehicles.

	Consolidated Group	
	30 June 2023 $	30 June 2022 $
a. Right of use assets		
Leased Buildings	336,145	336,145
Accumulated Amortisation	(183,312)	(95,978)
Net Carrying Value	152,833	240,167
Leased Motor Vehicles		
Opening Balance	361,505	-
Addition through business combination	-	180,044
Additions	262,978	181,461
Accumulated Amortisation	(326,654)	(58,445)
Net Carrying Value	297,829	303,060
Leased Equipment		
Opening Balance	518,500	200,786
Addition through business combination	-	109,877
Additions	63,901	207,837
Accumulated Amortisation	(98,057)	(228,493)
Net Carrying Value	484,344	290,007
Total Net Carrying Value	935,006	833,234
b. Lease liabilities		
Current	360,334	283,986
Non-current	400,687	466,756
	761,021	750,742

6. INTERESTS OF KEY MANAGEMENT PERSONNEL

(a) Key management personnel compensation

Key management personnel (KMP) remuneration has been included in the Remuneration Report section of the Directors' Report.

The totals of remuneration paid to KMP of the Group during the 2023 and 2022 reporting periods are as follows.

	Consolidated Group	
	2023 $	2022 $
Short-term employee benefits	1,037,447	928,982
Post-employment benefits	61,375	67,523
Equity-settled share-based payments	40,505	92,309
Total	1,139,327	1,088,814

7. AUDITOR REMUNERATION

	Consolidated Group	
	2023 $	2022 $
Remuneration of the auditor of the Company for:		
- auditing or reviewing the financial statements	81,456	44,572
- non-audit services	22,881	27,327
Total	104,337	71,899

8. PROFIT/(LOSS) PER SHARE

		Consolidated Group	
		2023 $	2022 $
(a)	Basic profit/(loss) per share (cents per share)	2.37	(0.67)
(b)	Diluted profit/(loss) per share (cents per share)	2.13	(0.67)
(c)	Weighted average number of ordinary shares on issue used in the calculation of basic profit/(loss) per share	413,256,806	313,665,434
(d)	Weighted average number of ordinary shares on issue used in the calculation of diluted profit/(loss) per share	460,037,170	313,665,434
(d)	Profit/(Loss) used in calculation	$9,807,227	($2,088,167)

9. CASH AND CASH EQUIVALENTS

	Consolidated Group	
	2023 $	2022 $
Cash at bank and in hand	18,206,767	5,589,673
Total	18,206,767	5,589,673

Cash at bank earns interest at floating rates based on daily deposit rates. The carrying amounts of cash and cash equivalents represent fair value.

	Consolidated Group	
	2023 $	2022 $
10. TRADE AND OTHER RECEIVABLES		
Current		
Deferred receivable – Divestment of WesternX Pty Ltd	-	1,500,000
Other receivables	1,315,211	1,914,195
Total current trade and other receivables	1,315,211	3,414,195

The Group has no significant concentration of credit risk with respect to any single counter party or group of counter parties other than those receivables specifically provided for as mentioned within this note. The class of assets described as Other Receivables is considered to be the main source of credit risk related to the Group. During the year, the Group took up a provision equivalent to 66.66% of total GST receivable for Gallipoli Exploration (PNG) Ltd and WCB PNG Exploration Ltd totalling $647,599. The provision increased the capitalised expenditure for Misima gold project by $647,599.

The Group applies the AASB 9 general approach to measuring expected credit losses, which permits the use of the lifetime expected loss provision for all other receivables. Under the general approach a nil expected loss rate was applied to all receivables as at 30 June 2023 and 30 June 2022.

	Consolidated Group	
	2023 $	2022 $
11. FINANCIAL ASSETS		
Financial assets at fair value through profit and loss:		
At fair value		
Shares in listed entities	262,900	500,400
Options in listed entities	6,250	62,500
	269,150	562,900

Financial assets at fair value through profit and loss consist of investments in ordinary shares and listed options.

(i) Listed shares - The fair value of listed shares has been determined directly by reference to published price quotations in an active market.

(ii) Listed options - The fair value of listed options has been determined directly by reference to published price quotations in an active market.

12. CONTROLLED ENTITIES

Name	Country of Incorporation	Principal Activity	Beneficial Percentage Interest Held By Economic Entity	
			2023 %	2022 %
Slipstream WANT Pty Ltd	Australia	Mineral Exploration	100	100
Universal Rare Earths Pty Ltd	Australia	Mineral exploration	100	100
Fleurieu Mines Pty Ltd	Australia	Mineral exploration	100	100
Centex Resources Ltd (formerly U Energy Pty Ltd)	Australia	Mineral exploration	100	100
WCB Pacific Pty Limited	Australia	Mineral exploration	100	100
WCB Australia Pty Limited	Australia	Mineral exploration	100	100
Mineral Hill Pty Ltd	Australia	Mineral exploration	100	100
WCB PNG Limited	Papua New Guinea	Mineral exploration	100	100

WCB PNG Exploration Limited	Papua New Guinea	Mineral exploration	100	100
Gallipoli Exploration (PNG) Limited	Papua New Guinea	Mineral exploration	100	100

	Consolidated Group	
	2023 $	2022 $
13. PROPERTY, PLANT AND EQUIPMENT		
Motor vehicles:		
Opening balance	226,352	177,203
Exchange rate adjustment	-	-
Additions	-	49,149
Disposals	-	-
Closing Balance	226,352	226,352
Accumulated depreciation		
Opening balance	135,900	97,987
Exchange rate adjustment	-	-
Depreciation for the year	40,481	37,913
Closing balance	176,381	135,900
Net Book Value – Motor Vehicles	49,971	90,452
Buildings:		
Opening balance	895,222	-
Addition through business combination	-	819,700
Exchange rate adjustment	-	-
Additions	14,465	75,522
Disposals	-	-
Closing Balance	909,687	895,222
Accumulated depreciation		
Opening balance	333,015	-
Addition through business combination	-	295,265
Exchange rate adjustment	-	-
Depreciation for the year	86,670	37,750
Closing balance	419,685	333,015
Net Book Value – Buildings	490,002	562,207
Plant & Equipment:		
Opening balance	20,265,787	-
Addition through business combination	-	7,854,425
Exchange rate adjustment	-	-
Additions	3,433,211	12,411,362
Disposals	-	-
Closing Balance	23,698,998	20,265,787
Accumulated depreciation		
Opening balance	3,919,264	-
Addition through business combination	-	2,817,544
Exchange rate adjustment	-	-
Depreciation for the year	3,063,598	1,101,720
Closing balance	6,982,862	3,919,264
Net Book Value – Plant & Equipment	16,716,136	16,346,523
Net Book Value – Property, plant and Equipment	17,256,109	16,999,182

14. OTHER NON CURRENT ASSETS

	Consolidated Group 2023 $	Consolidated Group 2022 $
Environmental bonds	7,274,000	3,477,000
Other security deposits	125,044	164,425
Total	7,399,044	3,641,425

15. TRADE AND OTHER PAYABLES

	Consolidated Group 2023 $	Consolidated Group 2022 $
Trade payables – unsecured	5,234,297	3,956,907
Other payables and accruals	2,673,620	2,310,413
Total	7,907,917	6,267,320

Given the short term nature of these amounts, their carrying value approximates their fair value.

	Consolidated Group			
	30 June 2023		30 June 2022	
	Number of Fully Paid Ordinary Shares	$	Number of Fully Paid Ordinary Shares	$
16. ISSUED CAPITAL				
(a) Movements in contributed equity for the year				
Balance at the beginning of the year	412,769,439	121,051,877	283,736,946	98,584,828
- 5 Aug 2022	627,186	7,641		
- 5 Dec 2022	2,257,031	113,367		
Shares issued during the previous financial year:				
- 30 Jul 2021			2,417,611	138,494
- 24 Nov 2021			70,000,000	14,000,000
- 25 Nov 2021			500,000	100,000
- 25 Nov 2021			50,000	10,000
- 17 Jan 2022			54,914,882	8,786,061
- 4 Feb 2022			1,150,000	230,000
Less capital raising costs		(2,500)		(797,506)
Total contributed equity	415,653,656	121,170,385	412,769,439	121,051,877

During the period the Company issued share capital amounting to 2,884,217 fully paid ordinary shares of no par value. At shareholders' meetings each fully paid ordinary share is entitled to one vote when a poll is called.

On 17 January 2022, the Company issued 54,914,882 shares at $0.20 to Quintana Resources Holdings LP in part consideration for the acquisition of Mineral Hill Pty Ltd.

On 4 February 2022, the Company completed a placement of 1,150,000 shares at $0.20 purchased under a Share Purchase Plan announced 18 November 2021, raising $230,000.

On 27 June 2023, the Company announced its intention to undertake a two Tranche Share Placement offer raising a total of $5,500,000. On 30 June 2023, advanced placement monies totalling $4,500,000 was received under Tranche 1 of the Placement offer. On 3 July 2023, 52,941,176 Tranche 1 Placement shares were issued at $0.085.On 17 August 2023, Tranche 1 of the Placement offer was completed upon issuing 26,245,576 unlisted attaching options expiring on 31 July 2025 with an exercise price of $0.14 on the basis of one option for every two Placement Share.

During the financial year, 2,257,031 fully paid ordinary shares were issued as a result of the exercise of options, and 627,186 shares were issued as a result of Performance Rights vesting.

Since the end of the financial year end, no ordinary shares have been issued as a result of the exercise of options, however 627,186 shares were issued as a result of Performance Rights vesting.

For more details on issues subsequent to the end of financial year, refer Subsequent Events note.

(b) Options

(i) For information relating to the Company's employee and consultant option scheme, including details of options issued, exercised and lapsed during the financial year and the options outstanding at year end, refer to Note 21 Share-based Payments.

(ii) For information relating to share options issued to key management personnel during the financial year, refer to the Directors' Report.

(c) Capital Management

Management controls the capital of the Group in order to maintain a good debt to equity ratio, provide the shareholders with adequate returns and ensure that the Group can fund its operations and continue as a going concern.

The Group's debt and equity capital includes ordinary share capital and financial liabilities, supported by financial assets. There are no externally imposed capital requirements.

Management effectively manages the Group's capital by assessing its financial risks and adjusting its capital structure in response to changes in these risks and in the market. These responses include the management of debts levels, distributions to shareholders and share issues.

There have been no changes in the strategy adopted by management to control the capital of the Group since the prior year.

17. RESERVES

(a) Share-based Payment Reserve

The share-based payment reserve records items recognised as expenses on valuation of unlisted employee and consultant incentive scheme options and performance rights. Refer to Note 21 Share-based Payments for further details.

18. COMMITMENTS AND CONTINGENCIES

The Group has certain obligations to perform minimum exploration work and to expend minimum amounts of money on such work on mining tenements. These obligations may be varied from time to time subject to approval and are expected to be fulfilled in the normal course of the operations of the Group. These commitments have not been provided for in the financial report. Due to the nature of the Group's operations in exploring and evaluating areas of interest, it is difficult to accurately forecast the nature and amount of future expenditure beyond the next year. Expenditure may be reduced by seeking exemption from individual commitments, by relinquishing tenure or by new joint venture arrangements. Expenditure may be increased when new tenements are granted or joint venture agreements amended. The minimum expenditure commitment on currently held tenements is:

	Consolidated Group	
	2023	2023
Exploration commitment	$	$
Not later than one year	1,465,151	200,000
Later than one year and less than five years	3,161,458	-

During the prior year, with the acquisition of Mineral Hill Pty, the Group had a commitment to increase the Rehabilitation Security Bond as follows;

	Consolidated Group	
	2023	2022
Rehabilitation Security Bond commitment	$	$
Not later than one year	-	3,770,000
Later than one year and less than five years	-	-

On 4 July 2022, the Company increased its the Rehabilitation Security Bond by $2,000,000, to a total of $5,477,000, reducing the remaining commitment to $1,770,000.

On 28 June 2023, the Company increased and fulfilled its final installment of the Rehabilitation Security Bond by paying $1,770,000, to a total of $7,247,000.

The Group has finance leases between two and five years for motor vehicles and equipment purchased for the Mineral Hill mine. The future minimum lease payments are as follows:

	Consolidated Group	
	2023	2022
Finance lease commitment	$	$
Not later than one year	268,317	270,408
Later than one year and less than five years	327,276	311,151

The Group is a party to rental leases for its office premises. The future minimum lease payments are as follows:

	Consolidated Group	
	2023	2022
Operating lease commitment	$	$
Not later than one year	86,342	78,891
Later than one year and less than five years	79,086	165,428

19. SEGMENT REPORTING

For the year ended 30 June 2023, the Group has two segments, being mining and exploration of minerals in Australia and Papua New Guinea.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

Segment capital expenditure is the total cost incurred during the period to acquire segment assets that are expected to be used for more than one period in that geographic region.

	Australia	**PNG**	**Total**
External revenue	44,753,992	-	44,753,992
Other revenue	18,000	-	18,000
Interest income	3,238	-	3,238
Total revenue	**44,775,230**	**-**	**44,775,230**
EBITDA	15,052,690	(20,543)	15,032,147
Depreciation and amortisation	(4,451,071)	-	(4,451,071)
Total comprehensive income	9,816,707	(29,374)	9,787,333
Reportable segment asset	69,328,702	42,092,070	111,420,772
Reportable segment liability	(34,743,120)	(222,752)	(34,965,872)
Net assets	**34,585,582**	**41,869,318**	**76,454,900**

20. CASH FLOW INFORMATION

(a) Reconciliation to Statement of Cash Flows

For the purposes of the Statement of Cash Flows, cash and cash equivalents are as reported above.

	Consolidated Group	
	2023 $	2022 $
Reconciliation of Loss from Ordinary Activities to Net Cash Flows from Operating Activities		
Profit/(Loss) for the year	9,807,225	(2,088,167)
Depreciation and amortisation	4,451,071	1,217,484
Share-based payments	314,996	130,942
Revaluation of assets at FVTPL	293,750	437,500
Interest Paid	647,500	-
Unrealised fx (gain)/losses	13,980	(529)
Changes in assets and liabilities		
Decrease/(increase) in trade and other receivables	(47,054)	19,371
Decrease/(increase) in prepayments	(176,891)	269,718
Decrease/(increase) in inventory	(55,306)	-
Decrease/(increase) in other non-current assets	(1,061,094)	(10,553)
(Decrease) in trade payables	1,124,059	1,553,754
(Decrease)/increase in provisions	33,319	176,856
(Decrease)/increase in other payables and accruals	148,683	1,277,884
Net cash flows from operating activities	15,494,238	2,984,260

21. SHARE-BASED PAYMENTS

(i) Share options and performance rights are granted to employees and directors of the Company, or any Associated Body Corporate of the Company. The following employee share-based payment arrangements existed at 30 June 2023.

Share options:

Date of grant	Share-based payment	Number Outstanding	Value	Share Price on Issue	Exercise Price	Expiry
6 Nov 2019	LTI Options[1]	4,561,810	183,515	0.170	0.010	31 Jul 2023
27 Nov 2020	LTI Options[1]	2,591,840	133,894	0.295	0.010	31 July 2023
5 Nov 2021	LTI Options[2]	1,377,981	67,640	0.205	0.00	31 August 2024
14 Dec 2021	LTI Options[2]	815,952	40,052	0.165	0.00	31 August 2024
17 Jun 22	LTI Options[3]	149,082	7,318	0.094	0.00	31 August 2024
6 Dec 2022	LTI Options[3]	5,171,621	84,407	0.105	0.00	31 August 2028
14 Dec 21	Service Fee Options[3]	326,233	52,197	0.165	0.00	14 December 2024

[1] LTI Performance Options vest upon delivery of operational performance hurdles
[2] LTI Performance Options vest based on Total Shareholder Return relative to peer group companies prior to expiry
[3] Options vested upon issue

Performance Rights:

Date of grant	Share-based payment	Number granted	Value	Expiry
6 Dec 2022	STI Performance Rights[1]	6,785,845	42,344	31 August 2023

[1] STI Performance Rights issued on 12 December 2022 will vest as follows:
(a) Up to 40% of STI Performance Rights will automatically vest if the Company's June 2023 VWAP is between 120% to 150% of the Company's June 2022 VWAP; and
(b) Up to 60% of the STI Performance Rights will vest, at the Board's discretion, upon the achievement of operational performance measures before 30 June 2023.
Of these STI Performance Rights, those that have not vested by 31 August 2023 will automatically lapse and be forfeited.

The principal assumptions used in estimating the value of the STI and LTI options include volatility of 55% determined with reference to the Company's historic volatility and the volatility of peer group companies, and a risk free interest rate of 1.0%.

The number and weighted average exercise prices of share options granted to employees and directors is as follows:

	2023		2022	
	Number of Options	Weighted Average Exercise Price $	Number of Options	Weighted Average Exercise Price $
Outstanding at beginning of period	13,438,838	0.05	10,487,675	0.01
Expired during the period	(3,615,940)	0.13	(112,310)	0.01
Issued during the period	5,171,621	0.00	3,063,472	0.00
Outstanding at year-end	14,994,519	0.00	13,438,837	0.05
Exercisable at year-end	4,888,043	0.01	1,226,233	0.37

(ii) Other share-based payments granted to third parties.

Ordinary shares:

There was nil share based payments to third parties during the year.

Share options:

Date of grant	Share-based payment	Number granted	Value	Share price on issue	Exercise Price	Expiry
31 Jan 2020	Advisory fees	600,000	$28,051	$0.175	$0.25	31 Jan 2023

On 31 January 2023, 600,000 options granted as consideration for advisory fees expired. The Options were valued at $28,051.

There were no options exercised during the year ended 30 June 2023 (2022: nil).

22. RELATED PARTY TRANSACTIONS

(a) Key Management Personnel

Key management personnel compensation has been included in the Remuneration Report section of the Directors' Report and Note 6 Interests of Key Management Personnel.

(b) Directors' Interests

As at 30 June 2023 the relevant interests of each of the Directors, held either directly or indirectly through their a

Director	Fully Paid Ordinary Shares (KSN)	Unlisted LTI Options
Mick Wilkes [1]	2,527,452	186.667
Andrew Corbett [2]	4,564,618	7,003,031
Anthony Wehby[3]	1,535,696	69,783
Stuart Rechner [4]	431,544	69,783

[1] Mick Wilkes holds a relevant interest in the specified number of securities as a result of being a director of Eligius Holdings Pty Limited as trustee of Eligius Holdings Pty Ltd ATF, who is the registered holder of those securities.
[2] Andrew Corbett holds a relevant interest in the specified number of securities as a result of being a director of Milamar Group Pty Ltd as trustee of Milamar Family Trust, who is the registered holder of those securities
[3] Anthony Wehby holds a relevant interest in Options as he is a related party to Mrs Rosemary Wehby, who is the registered holder of the options. He has a relevant interest in the shares as the registered holder
[4]Stuart Rechner holds a relevant interest in the specified number of securities as a result of being a director of Osmium Holdings Pty Limited as trustee of Ferndale Superannuation Fund, who is the registered holder of those securities

ssociates, in the securities of Kingston was as follows:

23. MINE/RESOURCE DEVELOPMENT AND EXPLORATION

	Consolidated Group		
	Mine/Resource development expenditure $	Capitalised exploration expenditure $	Total $
At 1 July 2022			
Cost	13,634,614	41,554,898	55,189,512
Accumulated amortisation	(81,258)	-	(81,258)
Net Carrying Amount	13,553,356	41,554,898	55,108,254
Year ended 30 June 2023			
Carrying amount at the beginning of the period	13,553,356	41,554,898	55,108,254
Amounts acquired in business combinations	-	-	-
Additions	4,173,324	4,647,585	8,820,909
Amortisation	(1,075,696)	-	(1,075,696)
Foreign exchange differences	-	(122,814)	(122,814)
Carrying amount at the end of the year	16,650,984	46,079,669	62,730,653
At 30 June 2023			
Cost	17,807,938	46,079,669	63,887,607
Accumulated amortisation	(1,156,954)	-	(1,156,954)
Net Carrying Amount	16,650,984	46,079,669	62,730,653

An impairment assessment was undertaken of the Group's exploration assets held at the end of FY23. Nothing has come to the Company's attention to indicate that amounts recorded as Capitalised Exploration Expenditure as at 30 June 2023 are not reasonable, require impairment, or do not meet the requirements of AASB 6.

Of the total $46,079,669 capitalised exploration expenditure, $42,092,069 is attributable to the Misima Gold Project, 3,987,600 is attributable to Mineral Hill tenements.

24. FINANCIAL INSTRUMENTS

The Group's principal financial instruments comprise receivables, payables, FVTPL financial assets, cash and short-term deposits and a commercial loan.

The main risks arising from the Group's financial instruments are interest rate risk, credit risk and liquidity risk. The Company uses different methods to measure and manage different types of risks to which it is exposed. These included monitoring levels of exposure to interest rate and market forecasts for interest rate. Ageing analyses and monitoring of specific credit allowances are undertaken to manage credit risk. Liquidity risk is monitored through the development of future rolling cash flow forecasts.

The Board reviews and agrees policies for managing each of these risks which are summarised below.

(a) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group.

Credit risk arises from cash and cash equivalents, trade and other receivables and FVTPL financial assets. The Group's exposure to credit risk arises from potential default of the counter party, with a maximum exposure equal to the carrying amount net of any provisions for these assets as disclosed in the statement of financial position and notes to the financial statements.

The Group has adopted a policy of only dealing with creditworthy counter parties as a means of mitigating the risk of financial loss from defaults. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit evaluations including an assessment of their independent credit rating, financial position, past experience and industry reputation. Risk limits are set for each individual customer in accordance with parameters set by the Board. These risk limits are regulatory monitored. The Group does not require collateral in respect of financial assets.

In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant. At the reporting date there were no significant concentrations of credit risk. Refer to Note 10 for further information on impairment of financial assets that are past due.

(b) Liquidity risk

Ultimate responsibility for liquidity risk management rests with the Board of Directors, who have built an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management. The Group manages the liquidity risk by maintaining adequate cash reserves, and by continuously monitoring forecast and actual cash flows while matching the maturity profiles of financial assets and liabilities. There are no material financial assets or financial liabilities that are subject to liquidity risk as at 30 June 2023 or 30 June 2022.

(c) Interest rate risk

The Group's current exposure to the risk of changes in market interest rates relate primarily to cash assets rates. The Group does not account for fixed rate financial assets and liabilities at fair value through profit or loss.

The following table illustrates sensitivities to the Group's exposures to changes in interest rates. The table indicates the impact on how profit / (loss) and equity values reported at reporting date would have been affected by changes in the relevant risk variable that management considers to be reasonably possible. The Group's main interest rate risk arises from cash and cash equivalents with variable interest rates.

	Consolidated Group	
	2023	2022
	$	$
Financial assets		
Cash and cash equivalents	18,206,767	5,589,673
	18,206,767	5,589,673
Impact on post tax profit / (loss) and equity		
+ 2% in interest rate	364,135	111,793
- 2% in interest rate	(364,135)	(111,793)

(d) Foreign currency risk

The Group is not exposed to significant financial risks from movements in foreign exchange rates. The Group does not participate in any type of hedging transactions or derivatives. Therefore, no sensitivity analysis is required.

(e) Price risk

The Group's exposure to commodity and equity securities price risk is minimal. Equity securities price risk arises from investments in equity securities.

The price risk for both listed and unlisted securities is immaterial in terms of a possible impact on profit and loss or total equity and as such a sensitivity analysis has not been completed.

(f) Fair value

For the financial assets and liabilities disclosed in this note, the fair value approximates their carrying value.

The aggregate fair values and carrying amounts of financial assets and financial liabilities are disclosed in the statement of financial position and in the notes to and forming part of the financial statements.

		2023		2022	
	Footnote	Net Carrying Value $	Fair Value $	Net Carrying Value $	Fair Value $
Consolidated Group					
Financial assets					
Cash and cash equivalents	(i)	18,206,767	18,206,767	5,589,673	5,589,673
Trade and other receivables	(i)	1,315,211	1,315,211	3,414,195	3,414,195
Financial assets at fair value	(ii)	269,150	269,150	562,900	562,900
Total financial assets		19,791,128	19,791,128	9,566,768	9,566,768
Financial liabilities					
Trade and other payables	(i)	7,907,918	7,907,918	6,267,320	6,267,320
Lease liabilities		761,021	761,021	750,742	750,742
Deferred Payables		9,579,789	9,579,789	12,557,882	12,557,882
Interest bearing liabilities		8,864,972	8,864,972	80,753	80,753
Total financial liabilities		27,113,700	27,113,700	19,656,697	19,656,697

The fair values disclosed in the above table have been determined based on the following methodologies:

(i) Cash and cash equivalents, trade and other receivables and trade and other payables are short-term instruments in nature whose carrying value is equivalent to fair value. Trade and other payables exclude amounts provided for annual leave, which is not considered a financial instrument.

(ii) For financial assets at fair value through profit and loss, closing quoted bid prices at the end of the reporting period are used. These listed investments are included within level 1 of the hierarchy of financial assets.

(iii) Lease liabilities and Interest bearing liabilities are carried at amortised cost.

25. PARENT COMPANY INFORMATION

	Parent Entity	
	2023 $	2022 $
Assets		
Current assets	11,429,755	4,109,147
Non-current assets	71,246,534	71,968,847
Total assets	82,676,289	76,077,994
Liabilities		
Current liabilities	10,519,933	2,503,444
Non-current liabilities	8,930,808	12,758,530
Total liabilities	19,450,741	15,261,974
Equity		
Issued capital	121,170,385	121,051,877
Accumulated losses	(63,855,415)	(60,845,809)
Share-based payments reserve	2,043,126	609,952
Total equity	59,358,096	60,816,020
Financial performance		
Loss for the year	(3,127,861)	(1,875,059)
Other comprehensive income / (loss)	-	-
Total comprehensive loss	(3,127,861)	(1,875,059)

Contractual commitments

Refer to note 18 for contractual and exploration commitments for the parent entity during the financial year.

26. BORROWINGS

	Consolidated Group	
	30 June 2023 $	30 June 2022 $
Interest bearing loans	8,822,176	-

On 7 July 2022, the Company secured a two tranche $10m debt facility with PURE Asset Management. Under Tranche 1, $5 million was drawn under a 4-year secured loan facility at an interest rate of 9.90% per annum with 25,000,000 detached warrant shares at an exercise price of $0.20. An establishment fee of $150,000 was recognised as a reduction in proceeds.

On 29 June 2023, the Company withdrew $5million under Tranche 2 of the facility, under a 4-year secured loan facility at an interest rate of 9.90% per annum with 35,714,286 detached warrant shares at an exercise price of $0.14. An establishment fee of $150,000 was recognised as a reduction in proceeds.

Conversion by the lender

Tranche 1 Warrants - The lender may elect at any time up to 7 July 2027, to convert any number greater than or equal to 5,000,000 warrant shares per conversion, at a rate of $0.20 share for every warrant share converted (this conversion rate may be adjusted in the event of significant future capital raisings). The noteholder is not entitled to any additional payments on account of this conversion.

Tranche 2 Warrants - The lender may elect at any time up to 29 June 2028, to convert any number greater than or equal to 5,000,000 warrant shares per conversion, at a rate of $0.14 share for every warrant share converted (this conversion rate may be adjusted in the event of significant future capital raisings). The noteholder is not entitled to any additional payments on account of this conversion.

Failure to Redeem

If the noteholder does not convert all their warrant shares during the exercise period, then the balance of the debt facility under Tranche 1 facility will be repaid on 7 July 2026 and the balance of the debt facility under the Tranche 2 facility will be repaid on 29 June 2027.

Movement in interest bearing loan

	Consolidated Group	
	30 June 2023 $	30 June 2022 $
Carrying value at the beginning of the period	-	-
Issue of convertible notes – face value	10,000,000	-
Less: 3% Establishment fee	(300,000)	-
Less: Fair value of equity component – share warrants	(1,004,579)	-
Add: Unwinding of discount	126,755	-
Carrying value as at end of the period	**8,822,176**	**-**

SUBSEQUENT EVENTS

On 31 July 2023, the 4,561,810 LTI performance Options were converted to shares raising $45,618.10 and 2,707,994 unvested LTI performance options expired

On 14 August 2023 Shareholders approved the grant of up to $300,000 MH Project Goal Performance Options to Andrew Corbett.

On 17 August 2023, Tranche 1 of the Placement offer was completed upon issuing 26,245,576 unlisted attaching options expiring on 31 July 2025 with an exercise price of $0.14 on the basis of one option for every two Placement Share.

Also on 17 August 2023:

- the Company issued 11,764,705 shares at $0.085 to Quintana Holdings LLP under Tranche 2 of the Placement offer. These proceeds reduce the final deferred consideration payable to Quintana Holdings LLP upon producing 30,000ozs since the acquisition of Mineral Hill. In addition 5,882,352 unlisted attaching options expiring on 31 July 2025 with an exercise price of $0.14 were issued on the basis of one option for every two Placement Share.

- the Company issued 11,764,664 shares at $0.085 under a fully underwritten Share Purchase Plan raising $1,000,000 (before costs). In addition, a total of 5,882,332 unlisted options expiring on 31 July 2025 with an exercise price of $0.14 was issued on the basis of one option for every two SPP Share.

- 742,826 STI performance rights vested and were converted to shares, and 6,043,019 STI performance rights lapsed.

- 326,233 service fee options were converted to shares for nil consideration.

- 206,764 shares were issued for nil consideration to an employee as part of their employment contract.

Other than the above, there has been no other matter or circumstance which has arisen since 30 June 2023 that has significantly affected or may significantly affect:

d) Kingston Resources Limited’s operations in future financial years; or

e) the results of those operations in future financial years; or

f) Kingston Resources Limited’s state of affairs in future financial years.

Directors' Declaration

The Directors of the Company declare that:

1. In the opinion of the Directors of the Company:

   (a) the financial statements and notes set out on page 30 to 59, and the Remuneration disclosures that are contained in page 19 to 25 of the Remuneration Report in the Directors' Report, are in accordance with the Corporations Act 2001, including:

      (i) giving true and fair view of the Group's financial position as at 30 June 2023 and of its performance, for the financial year ended on that date;

      (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001; and

      (iii) complying with International Financial Reporting Standards as disclosed in Note 1.

   (b) the remuneration disclosures that are contained in page 19 to 25 of the Remuneration Report in the Directors' Report comply with Australian Accounting Standard AASB 124 Related Party Disclosures.

   (c) the directors have been given the declaration required by s295A of the Corporations Act 2001 by the persons undertaking the roles of Managing Director and Chief Financial Officer.

2. There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Board of Directors.

MICK WILKES
Non-Executive Chairman
Sydney, New South Wales

14 September 2023

KINGSTON RESOURCES LIMITED
ABN 44 009 148 529
AND CONTROLLED ENTITIES

INDEPENDENT AUDITOR'S REPORT TO THE OWNERS OF
KINGSTON RESOURCES LIMITED

Report on the Financial Report

Opinion

We have audited the financial report of Kingston Resources Limited (the Company) and its controlled entities (the Group), which comprises the consolidated statement of financial position as at 30 June 2023, the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information and the directors' declaration.

In our opinion the accompanying financial report of Kingston Resources Limited and Controlled Entities is in accordance with the *Corporations Act 2001,* including;

a. giving a true and fair view of the Group's financial position as at 30 June 2023 and of its financial performance for the year then ended; and

b. complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Those Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110: *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001,* which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter – Material Uncertainty Related to Going Concern

We draw attention to Note 1(s) in the financial report, which describes the principal conditions that raise doubt about the Group's ability to continue as a going concern. As stated in Note 1(s), these events or conditions indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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INDEPENDENT AUDITOR'S REPORT TO THE OWNERS OF
KINGSTON RESOURCES LIMITED

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report for the year ended 30 June 2023. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How Our Audit Addressed the Key Audit Matter
Capitalised Exploration and Mine Development Expenditure	
Refer to Note 23 "Mine/Resource Development and Exploration"	
At 30 June 2023, the Group's assets included capitalised exploration costs of \$46,079,669, mine development expenditures of \$16,650,984 and plant and equipment assets relating to mining operations amounting to \$8,953,959. The Group's accounting policy in respect of plant and equipment is outlined in Note 1(e) and the Group's accounting policy in respect of mine development and exploration expenditure is outlined in Note 1(o) and Note 1(p). Due to the net assets of the Group exceeding its market capitalisation, the Group identified indicators of impairment in its PNG and Mineral Hill Cash Generating Unit (CGU) during the year. As a result, the Group considered PNG and Mineral Hill CGU for impairment. As a result of the Group's assessment, no impairment was recognised during the year. This is a key audit matter because the carrying value of the assets are material to the financial statements and significant judgement is applied in determining whether an indicator of impairment exists in relation to capitalised exploration costs, mine development expenditures and plant and equipment assets in accordance with Australian Accounting Standard AASB 6 "Exploration for and Evaluation of Mineral Resources" and AASB 136 "Impairment of Assets".	Our audit procedures included but were not limited to: • Confirming the existence and tenure of the exploration assets in which the Group has a contracted interest by obtaining confirmation of title from the relevant authorities. • Tested a sample of additions of capitalised exploration costs, mine development expenditures and plant and equipment assets to supporting documentation. • In assessing whether an indicator of impairment exists in relation to the Group's capitalised exploration costs, in accordance with AASB 6 "Exploration for and Evaluation of Mineral Resources", we: – examined the minutes of the Group's board meetings; – discussed with management the Group's ability and intention to undertake further exploration activities. – evaluated the Group's assessment that there were indicators of asset impairment at 30 June 2023. • In assessing whether an indicator of impairment exists in relation to the Group's mine development expenditures and plant and equipment assets in accordance with AASB 136 "Impairment of Assets", we: – examined the minutes of the Group's board meetings; – tested the significant inputs in the Group's cash flow forecasts for consistency with their future activity regarding mine development. – evaluated the Group's assessment that there were indicators of asset impairment at 30 June 2023. – considered whether the discounted cash flow model used to estimate the recoverable amount was consistent with Australian Accounting Standards and the assumptions detailed

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INDEPENDENT AUDITOR'S REPORT TO THE OWNERS OF
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Key Audit Matter	How Our Audit Addressed the Key Audit Matter
Rehabilitation provision Refer to Note 1(o) "Mine Development"	
As a result of its mining and processing operations, the Group is obligated to restore and rehabilitate the land and environment disturbed by these operations and remove related infrastructure. Rehabilitation activities are governed by a combination of regulatory and legislative requirements and Group standards. At 30 June 2023, the Group had a rehabilitation provision of $7,274,000. This was a key audit matter due to the significant of the balance and the required judgements in the assessment of the nature and extent of future works to be performed, the future cost of performing the works, and the timing of when the rehabilitation will take place.	Our procedures included but were not limited to: • Developing an understanding on how the Group identified the relevant methods, assumptions or sources of data that are appropriate for developing rehabilitation plans and associated cost estimates in the context of the Australian Accounting Standards • Developing an understanding of and assessing the appropriateness of the significant assumptions and key data used to develop the rehabilitation provision with regard to applicable regulatory and legislative requirements. • Reviewing the adequacy of the Company's disclosures in respect of the accounting treatment of the rehabilitation provision in the financial statements, including the significant judgments involved, and the accounting policy adopted.

Information Other than the Financial Report and Auditor's Report Thereon

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2023, but does not include the financial report and our auditor's report thereon. Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon. In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

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INDEPENDENT AUDITOR'S REPORT TO THE OWNERS OF KINGSTON RESOURCES LIMITED

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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AND CONTROLLED ENTITIES

INDEPENDENT AUDITOR'S REPORT TO THE OWNERS OF KINGSTON RESOURCES LIMITED

Report on the Remuneration Report

We have audited the remuneration report included in pages 20 to 26 of the directors' report for the year ended 30 June 2023.

In our opinion, the remuneration report of Kingston Resources Limited for the year ended 30 June 2023 complies with s 300A of the *Corporations Act 2001*.

Auditor's Opinion

The directors of the Company are responsible for the preparation and presentation of the remuneration report in accordance with s 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

Hall Chadwick

HALL CHADWICK (NSW)
Level 40, 2 Park Street
Sydney NSW 2000

DREW TOWNSEND
Partner
Dated: 14 September 2023

CORPORATE GOVERNANCE STATEMENT

The Board is committed to achieving and demonstrating the highest standards of corporate governance. As such Kingston Resources Limited has adopted the fourth edition of the Corporate Governance Principles and Recommendations which was released by the ASX Corporate Governance Council and became effective for financial years beginning on or after 1 January 2020.

The Company's Corporate Governance Statement for the financial year ending 30 June 2023 was approved by the Board on 14 September 2023. The Corporate Governance Statement can be located on the Company's website www.kingstonresources.com.au

Additional Information required by the Australia Stock Exchange Limited Listing Rules and not disclosed elsewhere in this report.

This additional information was applicable as at 31 August 2023.

SHAREHOLDER INFORMATION

Distribution of Ordinary Shares

Distribution	No. of Shareholders (ASX code – KSN)	Total Units	% Issued Share Capital
above 0 up to and including 1,000	280	48,362	0.01%
above 1,000 up to and including 5,000	516	1,727,729	0.35%
above 5,000 up to and including 10,000	488	3,602,622	0.72%
above 10,000 up to and including 100,000	1,239	47,468,804	9.53%
above 100,000	396	445,114,317	89.39%
Total	**2,879**	**497,961,834**	**100.00%**
Holding less than a marketable parcel (based on a price of $0.08)	917	2,457,959	

Distribution of Unlisted Options

Distribution	No. of Holders	Total Units	% Issued Capital
UNLISTED OPTIONS AT $0.14, EXP 31/07/25			
above 10,000 up to and including 100,000	104	3,163,988	8.32%
above 100,000	46	34,846,222	91.68%
Total	**150**	**38,010,210**	**100.00%**
UNLISTED LTI OPTIONS AT $0.00, EXP 31/08/24			
above 10,000 up to and including 100,000	1	45,553	1.94%
above 100,000	6	2,297,462	98.06%
Total	**7**	**2,343,015**	**100.00%**
UNLISTED OPTIONS AT $0.00, EXP 31/08/28			
above 10,000 up to and including 100,000	1	37,048	0.71%
above 100,000	9	5,171,621	99.29%
Total	**10**	**5,208,669**	**100.00%**

Distribution of Unlisted Warrants

Distribution	No. of Holders	Total Units	% Issued Capital
WARRANT @ $0.20, EXP 07/7/27			
above 100,000	1	25,000,000	100.00%
WARRANT @ $0.14, EXP 29/6/28			
above 100,000	1	35,714,286	100.00%

Statement of Top 20 Shareholders of the Quoted Equity Securities

Contributed Equity (ASX code – KSN)

	Name	Holding	%
1	CITICORP NOMINEES PTY LIMITED	68,510,816	13.76%
2	WINCHESTER INVESTMENTS GROUP PTY LIMITED	35,205,882	7.07%
3	FARJOY PTY LTD	31,951,847	6.42%
4	DELPHI UNTERNEHMENSBERATUNG AKTIENGESELLSCHAFT	28,086,219	5.64%
5	DELPHI UNTERNEHMENSBERATUNG AKTIENGESELLSCHAFT	26,955,938	5.41%
6	BNP PARIBAS NOMINEES PTY LTD ACF CLEARSTREAM	19,365,778	3.89%
7	BNP PARIBAS NOMS PTY LTD <DRP>	13,667,409	2.74%
8	QUINTANA RESOURCES HOLDINGS LP	11,764,705	2.36%
9	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT DRP>	10,450,415	2.10%
10	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	10,263,203	2.06%
11	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	9,782,221	1.96%
12	2INVEST AG	7,800,000	1.57%
13	WGS PTY LTD	6,688,888	1.34%
14	MILAMAR GROUP PTY LTD <MILAMAR FAMILY A/C>	5,704,876	1.15%
15	T MITCHELL PTY LTD <THE T MITCHELL S/F A/C>	5,250,000	1.05%
16	BERNE NO 132 NOMINEES PTY LTD <656165 A/C>	4,312,207	0.87%
17	PASAGEAN PTY LIMITED	3,800,000	0.76%
18	YELRIF INVESTMENTS PTY LTD <YELRIF INV P/L P/FUND A/C>	3,000,000	0.60%
19	ELIGIUS HOLDINGS PTY LTD <WILKES FAMILY A/C>	2,880,393	0.58%
20	LIGHTNING JACK PTY LTD <INDIGO FAMILY A/C>	2,771,225	0.56%
	Total	**308,212,022**	**61.89%**
	Total on Issue	**497,961,834**	**100.00%**

23,650

Substantial Shareholders

The names of the substantial shareholders who have notified the Company in accordance with section 671B of the Corporations Act 2001 are:

Shareholder	Shares Held	% of Shares Held	Date of Last Notice
Delphi Unternehmensberatung Aktiegesellshaft and associates	55,687,157	13.53%	20 January 2022
Quintana Resources Holdings LP	54,914,882	13.34%	18 January 2022
Winchester Investments Group Pty Ltd & Ian Ronald Ingram	34,500,000	7.36%	5 July 2023
Farjoy Pty Ltd	31,951,847	6.82%	4 July 2023

Substantial Holders of Unquoted Equity Securities

Holders of more than 20% of Warrants.

HOLDERS	Number of Units	% of Total holding
WARRANT @ $0.20, EXP 07/7/27		
PURE ASSET MANAGEMENT PTY LTD	25,000,000	100.00%
WARRANT @ $0.14, EXP 29/6/28		
PURE ASSET MANAGEMENT PTY LTD	35,714,286	100.00%

Voting Rights

The Company's share capital is of one class with the following voting rights:

Fully Paid Ordinary Shares

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Other Unquoted Securities

There are no voting rights attached to any other securities on issue.

Statement of Restricted Securities

The Company has no restricted securities on issue.

On Market Buy Back

The Company is not currently conducting an on market buy back.

Other ASX Information

Stock Exchange on which the Company's Securities are Quoted

The Company's listed equity securities are quoted on the Australian Securities Exchange and the secondary listing of the Company's listed equity securities are quoted on the Frankfurt Stock Exchange.

Review of Operations

A review of operations is contained in the Directors Report.

Annual General Meeting

The Company advises that the Annual General Meeting ('AGM') of the company is scheduled for 17 November 2023.

Further to Listing Rule 3.13.1, Listing Rule 14.3 and clause 7.2(f) of the Company's Constitution, nominations for election of directors at the AGM must be received not less than 35 Business Days before the meeting, being no later than Friday, 29 September 2023.

4. ON MARKET BUY BACK

The Company does not currently have an on market buy back in operation.

5. TENEMENT SCHEDULE

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