

20 February 2020

Kingwest Resources Ltd

ASX: KWR

Shares on Issue
100,582,726

Directors & Management

Chairman
Adrian Byass

CEO
Ed Turner

Non Executive Directors
Stephen Brockhurst
Jonathan Downes
Jon Price

Company Secretary
David McEntaggart

Principal Place of Business

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Subiaco WA 6008

Registered Office

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Placement

Kingwest Resources Ltd (ASX: KWR) (“Kingwest” or “the Company”) is pleased to announce that it has received firm commitments from professional and sophisticated investors to raise \$3,500,000 (before costs) via a placement (“**Placement**”) of 21,212,121 ordinary shares at an issue price of \$0.165 per share (“**Placement Shares**”). The issue price per Placement Share of \$0.165 represents a discount of 17% to the last traded price and a 10% discount to the 10 day VWAP.

The funds raised from the Placement will be used to fund exploration drilling activities at the Company’s Menzies Gold Project targeting high-grade extensions to the existing known mineralisation (Figures 1 and 2) which is expected to commence on Monday 24 February, as well as covering costs of the Placement and working capital. Drilling is planned to be in excess of 12,000m of combined RC and diamond core in the initial programme. Additional follow up drilling will be planned based on results from the initial programme. Historic high-grade producers such as Yunndaga and Lady Shenton, as well as new targets identified in recent aeromagnetic surveys will be a priority.

Cannacord Genuity (Australia) Limited and Peloton Capital Pty Ltd were joint lead managers to the Placement and will receive a 6% fee on all funds raised.

The Company is pleased to have received strong support from sophisticated and institutional investors. Significantly a major North American precious metals investment fund has increased its stake above pro rata in this raise and we welcome their support.

Allotment of the Placement Shares is anticipated to occur on or about 27 February 2020 under the Company’s existing placement capacity:

- 14,976,879 shares to be issued under the Company’s ASX Listing Rule 7.1 capacity; and
- 6,235,242 shares to be issued under the Company’s ASX Listing Rule 7.1A capacity.

Authorised for release by the Board.

For further information contact:

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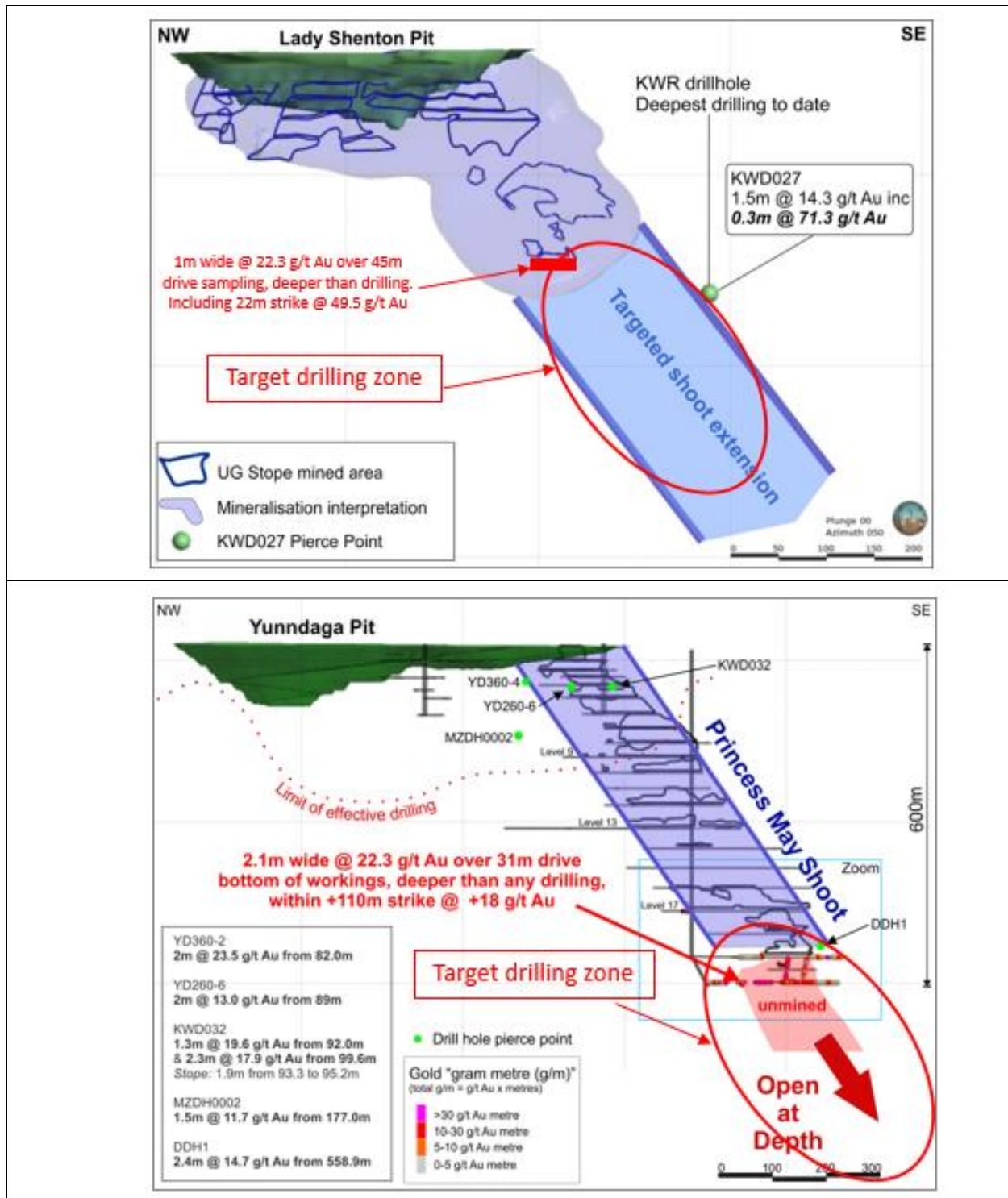


Figure 1 (Lady Shenton)¹ and Figure 2 (Yundaga)² long sections showing high-grade open-ended mineralisation and interpreted mineralised shoots which will be targeted as part of upcoming diamond core and RC drilling.

References to ASX Releases

¹ As announced to the ASX on 12 February 2020 (ASX: KWR)

² As announced to the ASX on 6 February 2020 (ASX: KWR)

With reference to previously reported Exploration results, the company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources or Ore Reserves that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.