



**ABN 58 624 972 185**

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**Annual Report**

**For the year ended 30 June 2021**

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**Kingwest Resources Limited**

**ABN 58 624 972 185**

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# Kingwest Resources Limited

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## CORPORATE DIRECTORY

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<b>Directors</b>	Mr Gregory Bittar Non-Executive Chairman
	Mr Adrian Byass Non-Executive Director
	Mr Jonathan Downes Non-Executive Director
	Mr Jonathan Price Non-Executive Director
<b>Chief Executive Officer</b>	Mr Edward Turner
<b>Company Secretary</b>	Mr Stephen Brockhurst
<b>Registered Office</b>	Level 11, 216 St Georges Terrace Perth WA 6000
<b>Principal Place of Business</b>	Unit 3, Churchill Court 335 Hay Street Subiaco WA 6008
<b>Postal Address</b>	GPO Box 2517 Perth WA 6831
<b>Web Site</b>	<a href="http://www.kingwestresources.com.au">www.kingwestresources.com.au</a>
<b>Share Registry</b>	Automic Registry Pty Ltd Level 2, 267 St Georges Terrace Perth WA 6000
<b>Auditors</b>	RSM Australia Partners Level 32, Exchange Tower 2 The Esplanade Perth WA 6000
<b>Securities Exchange Listing</b>	ASX Code: KWR
<b>Country of Incorporation and Domicile</b>	Australia

# Kingwest Resources Limited

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## DIRECTOR'S REPORT

For the year ended 30 June 2021

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The directors present the following report on Kingwest Resources Limited ("the Company") and its wholly owned subsidiaries (together referred to hereafter as "the Group") for the financial year ended 30 June 2021.

### Directors

The names of directors in office at any time during or since the end of the year are:

Gregory Bittar	Non-executive Chairman (appointed 1 July 2021)
Adrian Byass	Non-executive Director
Jonathan Price	Non-executive Director
Jonathan Downes	Non-executive Director
Stephen Brockhurst	Non-executive Director (resigned 1 July 2021)
Alex McCulloch	Non-executive Director (appointed 9 February 2021, resigned 14 May 2021)

### Chief Executive Officer

Edward Turner was appointed Chief Executive Officer on 18 September 2019.

### Company Secretary

Stephen Brockhurst was appointed Company Secretary on 6 October 2020

David McEntaggart resigned as Company Secretary on 6 October 2020.

### Principal Activities

The principal activity of the Group during the financial year was the acquisition and exploration of resource projects.

### Operating Results

The loss of the Group for the financial year ended 30 June 2021 amounted to \$1,928,173 (2020: loss \$5,263,017).

### Financial Position

As at 30 June 2021 the Group had a cash balance of \$3,012,020 (2020: \$2,781,402) and a net asset position of \$19,833,113 (2020: \$13,097,568).

### Dividends Paid or Recommended

No dividends have been paid, and the directors do not recommend the payment of a dividend for the financial year ended 30 June 2021.

### Corporate Governance Statement

The Company has disclosed its corporate governance statement on the Company website at [www.kingwestresources.com.au](http://www.kingwestresources.com.au).

### Significant Changes in State of Affairs

There were no significant changes in the state of affairs of the Group that occurred during the year not otherwise disclosed in this report or in the financial report.

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### Corporate

As at the date of this report the following securities were on issue.

ORDINARY SHARES	2021 No.
Fully Paid Ordinary Shares	208,277,191

### OPTIONS

15 cents expiring on 30 December 2023	23,875,000
39 cents expiring on 30 June 2022	2,700,000
54 cents expiring on 30 June 2022	5,150,000
21.5 cents expiring on 22 September 2022	400,000
17 cents expiring 15 September 2024	6,250,000

### PERFORMANCE RIGHTS

Share Appreciation Rights at a strike price of \$0.28 expiring 7 October 2024	2,970,000
Share Appreciation Rights at a strike price of \$0.18 expiring 15 September 2023	1,125,000

### Review of Operations

#### Menzies MRE Updates

**Updated Mineral Resource Estimates** JORC Mineral Resource Estimates (MRE's) at Menzies were completed for nine deposits (Figure 1).

**MRE's at Menzies increase to 446,200 ounces @ 1.3 g/t (0.5 g/t cut off)** with;

- 170% increase in Indicated Resources above 1.0g/t cut off
- Indicated Resources have increased from 17% to 46% of total resources
- High grade near surface Resources now total 315,500 ounces at 1.8 g/t (1.0 g/t cut off)

The total MRE'S have increased to 446,200 ounces @ 1.3 g/t (0.5 g/t cut off) (Table 1). An extensive infill drilling campaign resulted in a 170% increase in Indicated Resources above 1.0g/t cut off. Indicated Resources have increased from 17% to 46% of total resources. High grade near surface Resources now total 315,500 ounces at 1.8 g/t (1.0 g/t cut off) (Table 2). A cut-off grade of 0.5g/t Au has been used for reporting all Mineral Resources.

The resources occur near surface and are amenable to mining by open pit mining. In order to satisfy "reasonable prospects of eventual economic extraction" criteria, a maximum depth below surface has been applied for reporting each resource based on each resource size, grade and orientation. The following depths below surface were applied:

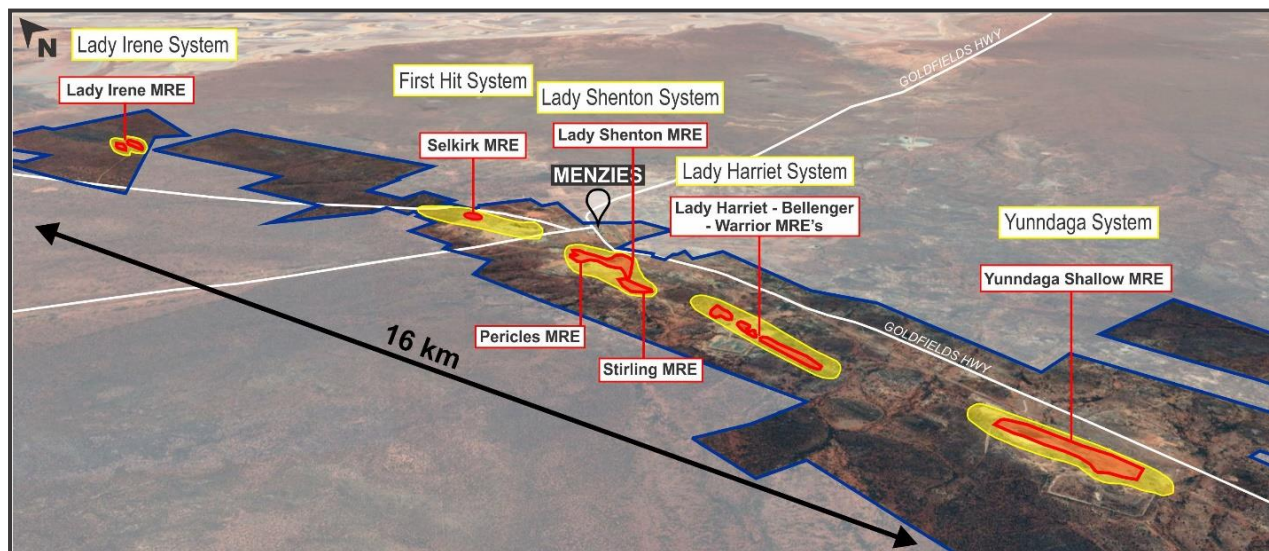
- Warrior – 75m
- Bellenger – 75m
- Lady Harriet – 100m
- Pericles – 175m
- Lady Shenton – 125m
- Stirling – 100m
- Selkirk – 100m
- Yunndaga – 175m
- Lady Irene – 115m

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**Figure 1: Menzies Gold Project (MGP) aerial view showing the main mineralised systems as well as the MRE locations**

The Mineral Resources have been classified as Indicated and Inferred Mineral Resource based on a number of factors including data quality, sample spacing, geological understanding of mineralisation controls and geological/mineralisation continuity and quality of the final grade estimate. Indicated Mineral Resources are typically defined by 25m spaced drilling or less and include drilling completed by KWR. Inferred Mineral Resources are defined by drilling spaced greater than 25m.

**Table 1: Menzies Project Mineral Resource Estimates, March 2021 above 0.5 g/t Au**

Deposit	Indicated			Inferred			Total		
> 0.5 Au	Mt	Au g/t	Ounces	Mt	Au g/t	Ounces	Mt	Au g/t	Ounces
Yunnadaga	1.44	1.32	60,800	2.45	0.96	75,600	3.89	1.09	136,400
Lady Shenton				0.85	1.59	43,300	0.85	1.59	43,300
Stirling	0.24	1.48	11,500	0.74	1.52	36,300	0.98	1.52	47,800
Pericles	2.31	1.27	94,600	1.64	1.21	63,900	3.95	1.25	158,500
Lady Harriet	0.17	2.11	11,800	0.32	1.14	11,600	0.49	1.48	23,300
Bellenger	0.32	0.92	9,400	0.08	0.89	2,400	0.40	0.91	11,800
Warrior	0.03	1.37	1,200	0.19	1.11	6,700	0.22	1.15	8,000
Selkirk	0.03	6.25	6,200	0.14	1.21	5,300	0.17	2.15	11,500
Lady Irene				0.10	1.73	5,600	0.10	1.73	5,600
<b>Total</b>	<b>4.54</b>	<b>1.34</b>	<b>195,500</b>	<b>6.51</b>	<b>1.20</b>	<b>250,700</b>	<b>11.05</b>	<b>1.26</b>	<b>446,200</b>

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## DIRECTOR'S REPORT

For the year ended 30 June 2021

**Table 2: Menzies Project Mineral Resource Estimates, March 2021 above 1.0 g/t Au**

Deposit	Indicated			Inferred			Total		
	Mt	Au g/t	Ounces	Mt	Au g/t	Ounces	Mt	Au g/t	Ounces
> 1.0 Au									
Yunndaga	0.76	1.85	45,000	0.80	1.52	39,000	1.56	1.68	84,000
Lady Shenton	-	-	-	0.63	1.87	38,000	0.63	1.87	38,000
Stirling	0.15	1.94	9,500	0.43	2.12	29,300	0.58	2.08	38,800
Pericles	1.16	1.82	68,000	0.83	1.67	44,300	1.99	1.76	112,300
Lady Harriet	0.13	2.62	10,700	0.13	1.68	7,000	0.26	2.14	17,700
Bellenger	0.09	1.43	4,400	0.02	1.24	1,000	0.12	1.39	5,400
Warrior	0.02	1.93	1,000	0.09	1.55	4,400	0.10	1.61	5,400
Selkirk	0.03	6.35	6,200	0.03	2.95	3,200	0.06	4.55	9,400
Lady Irene	-	-	-	0.06	2.40	4,500	0.06	2.40	4,500
<b>Total</b>	<b>2.34</b>	<b>1.92</b>	<b>144,800</b>	<b>3.02</b>	<b>1.76</b>	<b>170,700</b>	<b>5.36</b>	<b>1.83</b>	<b>315,500</b>

### MENZIES SCOPING STUDY SUMMARY

**Positive Scoping Study completed at Menzies with;**

- 63% of proposed mined material in Measured or Indicated JORC category.
- Project life of 31 months
- Production of 3.15Mt @ 1.7g/t Au for 174.7k contained oz Au
- Trucking and third-party toll treatment of 2.39Mt @ 2.02g/t for 147.2k recovered ounces
- Mining open pits contains oxide, transition and fresh ore sources
- Metallurgical test work samples provide gold recoveries between 93% to 99%
- Estimated Net revenue (after royalty payments) of AUS\$330M at AUS\$2,300/oz and 95% recovery
- Net cash flow from the project estimated to be between AUS\$95M and AUS\$64M, EBITDA

This positive Scoping Study has highlighted the strong economic case for recommencing open cut mining at Menzies. All of the Mineral Resources included in this study are within granted Mining Leases.

The total estimated net revenue for the project is estimated as \$330M using a gold prices of AUS\$2,300/oz. Total costs for the project were estimated as \$250.4M with total operating unit costs of \$104/t processed, and \$1,688/oz produced. The estimated free cash produced is between \$95M and \$64M with the maximum negative cashflow of \$13.5M occurring in month 5 with the mining lasting 31 months in total. The mining material included in this study includes 63% in Measured or Indicated JORC category.

The resources assessed for the study were completed by Cube Consulting Pty Ltd in early March 2021 (as announced to the ASX:KWR on 8 March 2021). The total estimated open pit resources using a 0.5g/t cut off are 11.0Mt @ 1.26g/t containing 446k ounces of gold.

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A Whittle 4D pit optimisation process was used to create designs for eight separate open pits. Of these four were new open pit designs and four were further cut backs to existing open pits. The total planned mined material in the scoping study is 3.15Mt @ 1.72g/t containing 175k ounces of gold. From this material the HG and MG material is planned to be sent for processing totalling 2.39Mt @ 2.02g/t containing 155k ounces of gold. Total subsequent gold production after applying a 95% recovery rate is estimated as 147.2k ounces of gold.

Kingwest engaged RCI Mining and Project Development Services Pty Ltd, an independent mining consultancy, to manage a Scoping Study for the Menzies Gold Project. Other subsequent parties engaged were Cube Consulting Pty Ltd (Mineral Resource Estimates), GDL Contract Consulting Pty Ltd (Mine Planning), and IMO Metallurgy Pty Ltd (Metallurgical test work).

The study has focussed on a plan to mine open pits across Kingwest's numerous developed Menzies gold resources. Material mined was planned to be separated into High Grade (HG), Medium Grade (MG) and Low Grade (LG) material. The HG and MG material was planned to be hauled for third-party treatment at multiple nearby milling facilities.

The mine plan consists of mining eight separate open pits across Kingwest's numerous Menzies gold resources over a period of 31 months. Material mined is planned to be separated into High Grade (HG), Medium Grade (MG), and Low Grade (LG) stockpiles. The HG and MG material is planned to be carted for third-party treatment at multiple nearby milling facilities. The remaining (LG) material is planned to be stockpiled for treatment in the future, possibly via a newly built plant at Menzies. Figure 3 is a detailed mine plan layout assuming the toll treatment option. Pre-existing access roads will be used where possible and the Mining Leases overlap the Goldfields Highway which enables transport of ore to toll treatment facilities.

### **COMPLETION OF MENZIES ACQUISITION**

During March 2021 the Company proceeded with completing the acquisition of the Menzies and Goongarrie Gold Project and made the final cash and share payment to Horizon Minerals Limited (ASX: HRZ) of \$1.625M cash and 10,833,333 ordinary shares. Since first acquiring the Project, Kingwest has undertaken significant exploration programs resulting in an increase in the total Project Mineral Resource Estimate by 160% to 446koz @1.3g/t (0.5g/t cut-off) (refer ASX release 8 March 2021) and also released a positive scoping study for the Menzies Gold Project based on an open pit mining and third-party toll treating arrangement. The Company appreciates the support received from Horizon as its major shareholder during this time and looks forward to continuing to realise value from both the advanced Menzies Project and greenfields exploration programs at Goongarrie.

### **MENZIES DRILLING RESULTS**

Following the March MRE updates further drilling focussed on the Lady Shenton (Figure 2, 3 and 4), Lady Harriet and Yunndaga Systems. Significant results include:

- **26m @ 4.6 g/t Au, Inc. 2m @ 49.5 g/t Au** from 169m in KWR277
- **19m @ 2.2 g/t Au** from 167m in KWR274
- **25m @ 1.9 g/t Au, Inc. 2m @ 10.1 g/t Au** from 213m in KWR282
- **7m @ 5.00 g/t Au** from 163m in KWR296
- **5m @ 2.35 g/t inc. 1m @ 7.55 g/t Au** from 100m in KWR294
- **Yunndaga lode extended by 70m depth and 200m strike length respectively from the current optimised pit shell**
- **Falconer Lode extended 100m down dip, along strike from current MRE**
- **Big Babe Lode intersected 70m down dip from current MRE**

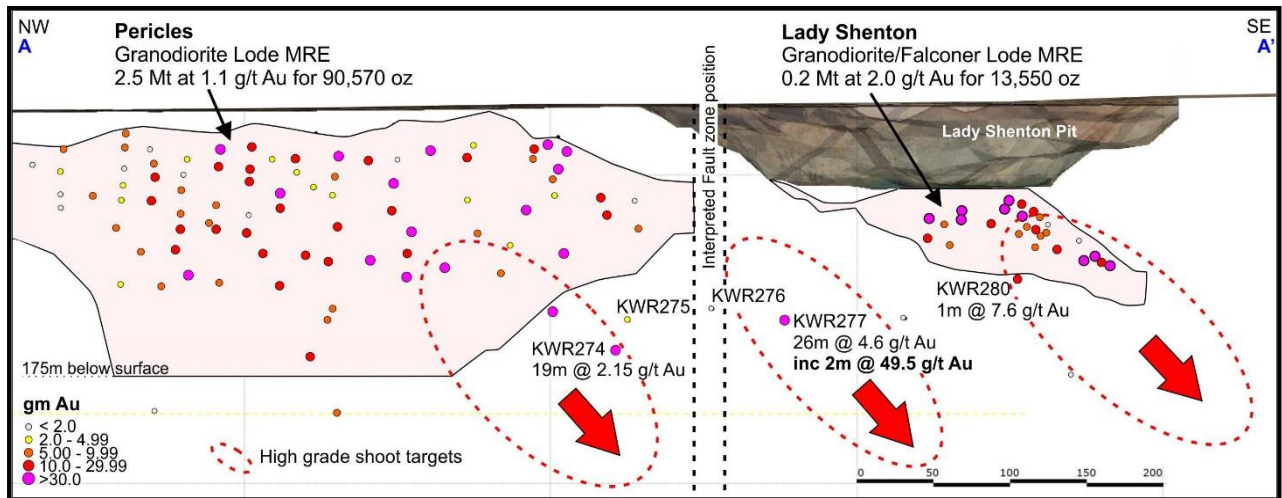


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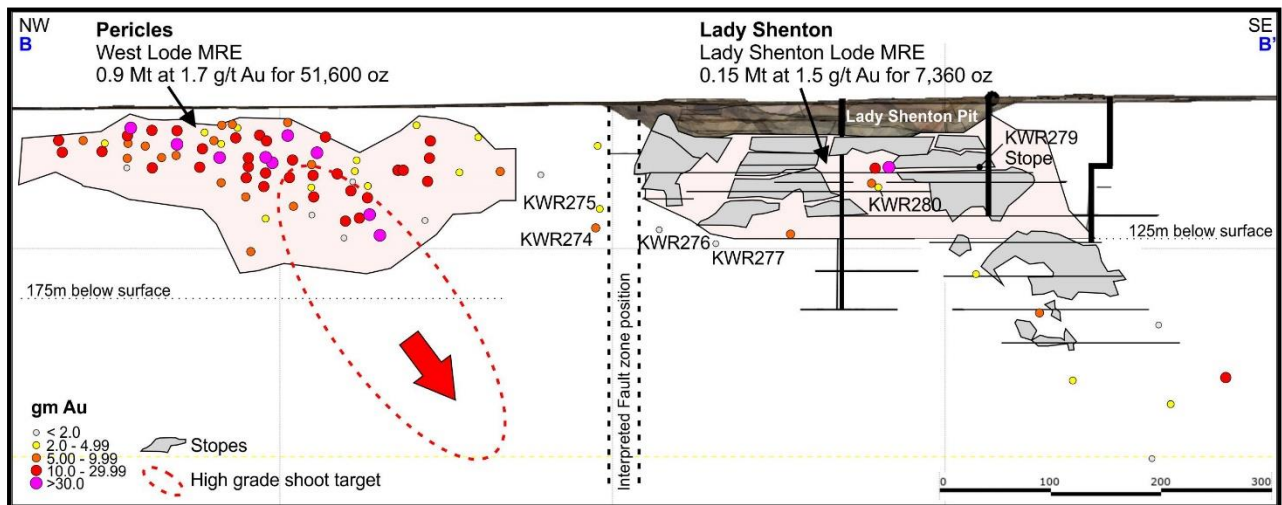
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**Figure 2: Lady Shenton System long section (A – A') showing the location of drill hole pierce points for the Granodiorite/Falconer Lode in gramme metres (gm), current MRE outlines, open pit and high-grade shoot targets.**



**Figure 3: Lady Shenton System long section (B – B') showing the location of drill hole pierce points for the Pericles**

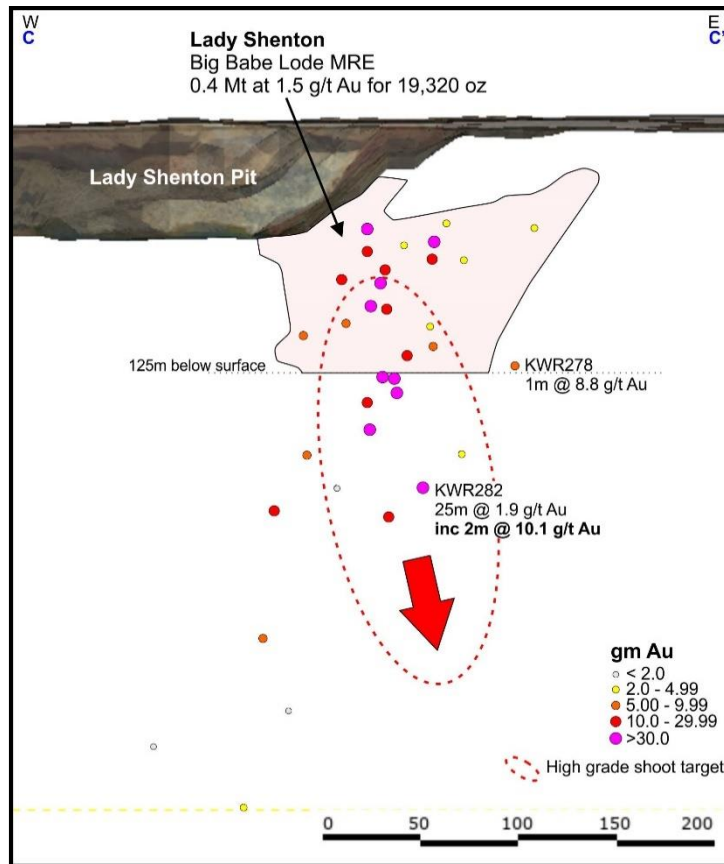
The Big Babe Lode was intersected approximately 70m below the current MRE with 25m @ 1.9 g/t Au including 2m @ 10.1 g/t Au in KWR282 (Figure 4). This lode has no historical underground mining and limited deep drilling. It lies at an oblique angle to the other lodes and requires additional testing at depth.

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**Figure 4: Lady Shenton System long section (C – C') showing the location of drill hole pierce points for the Big Babe Lode in gramme metres (gm), current MRE outlines, open pit and the high-grade shoot target.**

The pierce points for all long sections are represented as gramme metres (gm) which are calculated as the gold grade multiplied by the intersection width. This is equivalent to the “total metal” for the intersection which is critical when determining the potential economics of the lode along with the width or the grade of an individual intersection. Results greater than 5gm are considered significant and potentially economic from an underground mining perspective. 2gm intersections may be economic for open cut mining depending on their location and waste to ore stripping ratios.

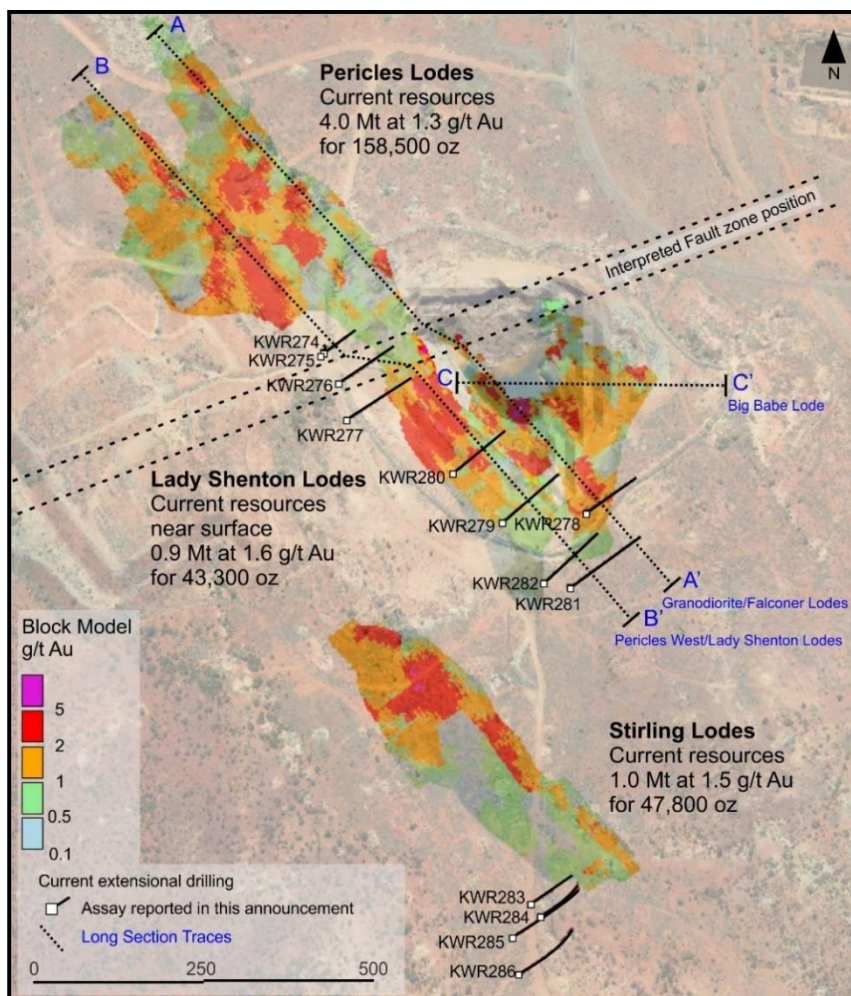
Deeper extensional drilling will continue to follow the higher grade “shoots” in order to prove up underground mineral resources.

Drill hole locations in plan view are shown in Figure 5 along with the locations of the current MRE's projected to surface and the respective long sections.

Four holes (KWR283 – 286) were drilled for 798m at the Stirling Prospect (Figure 5). These holes were not targeting extensions to the main lode but a deeper lode at the south end of Stirling which was discovered in the last drilling program. The best result was 1m @ 12.78 g/t Au from 105m in KWR283. The main lode remains open at depth and further extensional drilling will be considered for future drilling programs.

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**Figure 5: Plan view of current Lady Shenton System MRE's projected to surface, drill hole location from the current program, and positions of the long sections (A – A', B – B' and C – C') shown in Figures 1 – 3.**

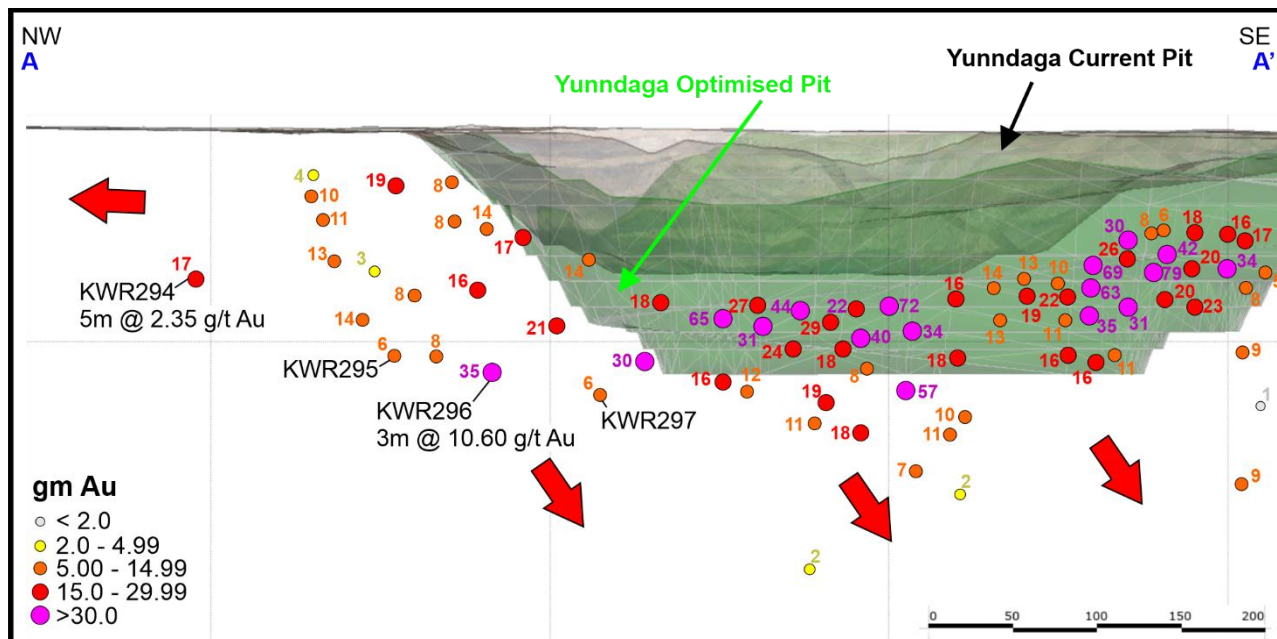
At Yunndaga four holes (KWR294 – 297) were drilled for 780m. These holes were targeting depth and northern extensions to current MRE's. The best intersection was 7m @ 5.00 g/t Au inc. 3m @ 10.60 g/t Au from 163m in KWR296. This is approximately 100m deeper than the current pit and 70m deeper than the optimised pit shell from the March 2021 Scoping Study. High grade mineralisation remains open at depth and along strike as shown on the long section (Figure 6).

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**Figure 6: Yunndaga System long section showing the location of drill hole pierce points in gramme metres (gm), current pit shell and optimised pit from Scoping Study**

All significant intersections of >5 gramme metres (gm) drilled during the 2020 – 2021 year are included in Table 3.

**Table 3: Significant intersections drilled during 2020 - 2021**

Prospect	Hole ID	From	To	Interval	Au g/t	Description
Selkirk	KWR056	95	99	4	3.39	4m @ 3.39 g/t Au from 95m
Pericles	KWR059	24	35	11	1.17	11m @ 1.17 g/t Au from 24m
Pericles	KWR060	68	69	1	3.78	6m @ 3.78 g/t Au from 68m
Pericles	KWR061	51	55	4	3.30	4m @ 3.30 g/t Au from 51m
Pericles	KWR062	66	72	6	3.23	6m @ 3.23 g/t Au from 66m
Pericles	KWR063	19	22	3	2.44	3m @ 2.44 g/t Au from 19m
Pericles	KWR064	44	46	2	7.14	2m @ 7.14 g/t Au from 44m
Pericles	KWR064	54	65	11	1.24	11m @ 1.24 g/t Au from 54m
Pericles	KWR065	44	46	2	18.07	2m @ 18.07 g/t Au from 44m
Pericles	KWR065	72	77	5	3.11	5m @ 3.11 g/t Au from 72m
Pericles	KWR066	82	84	2	3.13	2m @ 3.13 g/t Au from 82m
Pericles	KWR066	99	108	9	1.10	9m @ 1.10 g/t Au from 99m
Pericles	KWR067	22	24	2	4.55	2m @ 4.55 g/t Au from 22m
Pericles	KWR067	84	86	2	6.12	2m @ 6.12 g/t Au from 84m
Pericles	KWR067	102	110	8	1.19	8m @ 1.19 g/t Au from 102m
Pericles	KWR068	60	64	4	3.18	4m @ 3.18 g/t Au from 60m
Pericles	KWR068	131	132	1	1.54	1m @ 1.54 g/t Au from 131m
Pericles	KWR068	139	142	3	1.87	3m @ 1.87 g/t Au from 139m



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Pericles	<b>KWR069</b>	<b>73</b>	<b>81</b>	<b>8</b>	<b>3.42</b>	<b>8m @ 3.42 g/t Au from 73m</b>
Pericles	<b>KWR070</b>	<b>69</b>	<b>73</b>	<b>4</b>	<b>3.60</b>	<b>4m @ 3.60 g/t Au from 69m</b>
Pericles	<b>KWR070</b>	<b>129</b>	<b>148</b>	<b>19</b>	<b>1.25</b>	<b>19m @ 1.25 g/t Au from 129m</b>
Pericles	KWR072	79	82	3	12.28	3m @ 12.28 g/t Au from 79m
Pericles	<b>KWR072</b>	<b>91</b>	<b>93</b>	<b>2</b>	<b>12.01</b>	<b>2m @ 12.01 g/t Au from 91m</b>
Pericles	<b>KWR075</b>	<b>47</b>	<b>51</b>	<b>4</b>	<b>11.04</b>	<b>4m @ 11.04 g/t Au from 47m</b>
Pericles	<b>KWR076</b>	<b>31</b>	<b>34</b>	<b>3</b>	<b>4.18</b>	<b>3m @ 4.18 g/t Au from 31m</b>
Pericles	<b>KWR077</b>	<b>56</b>	<b>61</b>	<b>5</b>	<b>6.22</b>	<b>5m @ 6.22 g/t Au from 56m</b>
Pericles	KWR078	44	45	2	2.80	2m @ 2.80 g/t Au from 44m
Pericles	KWR081	23	25	2	2.97	2m @ 2.97 g/t Au from 23m
Pericles	KWR082	61	64	3	1.95	3m @ 1.95 g/t Au from 61m
Pericles	<b>KWR082</b>	<b>74</b>	<b>80</b>	<b>6</b>	<b>4.83</b>	<b>6m @ 4.83 g/t Au from 74m</b>
Pericles	<b>KWR083</b>	<b>35</b>	<b>38</b>	<b>3</b>	<b>8.19</b>	<b>3m @ 8.19 g/t Au from 35m</b>
Pericles	<b>KWR084</b>	<b>17</b>	<b>21</b>	<b>4</b>	<b>5.43</b>	<b>4m @ 5.43 g/t Au from 17m</b>
Pericles	KWR085	66	72	6	1.02	6m @ 1.02 g/t Au from 66m
Selkirk	KWR097	43	44	1	9.08	1m @ 9.08 g/t Au from 43m
Selkirk	<b>KWR098</b>	<b>88</b>	<b>89</b>	<b>1</b>	<b>107.00</b>	<b>1m @ 107.00 g/t Au from 88m</b>
Selkirk	<b>KWR099</b>	<b>82</b>	<b>83</b>	<b>1</b>	<b>22.42</b>	<b>1m @ 22.42 g/t Au from 82m</b>
Selkirk	<b>KWR099</b>	<b>95</b>	<b>97</b>	<b>2</b>	<b>10.12</b>	<b>2m @ 10.12 g/t Au from 95m</b>
Pericles	<b>KWR102</b>	<b>122</b>	<b>127</b>	<b>5</b>	<b>13.84</b>	<b>5m @ 13.84 g/t Au from 122m</b>
Pericles	KWR104	75	76	1	8.87	1m @ 8.87 g/t Au from 75m
Pericles	KWR104	103	104	1	5.85	1m @ 5.85 g/t Au from 103m
Pericles	KWR105	96	101	5	1.97	5m @ 1.97 g/t Au from 96m
Pericles	<b>KWR107</b>	<b>19</b>	<b>24</b>	<b>5</b>	<b>2.30</b>	<b>5m @ 2.30 g/t Au from 19m</b>
Pericles	KWR107	30	32	2	1.49	2m @ 1.49 g/t Au from 30m
Pericles	KWR107	88	89	1	6.16	1m @ 6.16 g/t Au from 88m
Pericles	KWR108	70	72	2	2.98	2m @ 2.98 g/t Au from 70m
Stirling	KWR112	80	81	1	7.24	1m @ 7.24 g/t Au from 80m
Stirling	<b>KWR113</b>	<b>30</b>	<b>31</b>	<b>1</b>	<b>21.99</b>	<b>1m @ 21.99 g/t Au from 30m</b>
Stirling	KWR113	86	90	4	1.97	4m @ 1.97 g/t Au from 86m
Stirling	KWR114	19	21	2	3.49	2m @ 3.49 g/t Au from 19m
Stirling	<b>KWR115</b>	<b>22</b>	<b>27</b>	<b>5</b>	<b>2.76</b>	<b>5m @ 2.76 g/t Au from 22m</b>
Stirling	KWR116	32	35	3	2.69	3m @ 2.69 g/t Au from 32m
Stirling	KWR117	77	80	3	1.90	3m @ 1.90 g/t Au from 77m
Stirling	KWR118	30	32	2	3.22	2m @ 3.22 g/t Au from 30m
Stirling	<b>KWR118</b>	<b>38</b>	<b>43</b>	<b>5</b>	<b>4.26</b>	<b>5m @ 4.26 g/t Au from 38m</b>
Stirling	KWR119	23	24	1	5.38	1m @ 5.38 g/t Au from 23m
Stirling	KWR119	29	30	1	4.24	1m @ 4.24 g/t Au from 29m
Stirling	<b>KWR122</b>	<b>40</b>	<b>45</b>	<b>5</b>	<b>9.83</b>	<b>5m @ 9.83 g/t Au from 40m</b>
Stirling	KWR123	41	47	6	1.48	6m @ 1.48 g/t Au from 41m
Stirling	<b>KWR123</b>	<b>56</b>	<b>57</b>	<b>1</b>	<b>56.54</b>	<b>1m @ 56.54 g/t Au from 56m</b>

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Stirling	<b>KWR124</b>	<b>63</b>	<b>65</b>	<b>2</b>	<b>37.71</b>	<b>2m @ 37.71 g/t Au from 63m</b>
Pericles	KWR136	21	22	1	6.68	1m @ 6.68 g/t Au from 89m
Pericles	<b>KWR136A</b>	<b>88</b>	<b>95</b>	<b>7</b>	<b>2.00</b>	<b>7m @ 2.00 g/t Au from 88m</b>
Warrior	KWR139	46	47	1	5.64	1m @ 5.64 g/t Au from 46m
Lady Harriet	KWR143	57	62	5	1.06	5m @ 1.06 g/t Au from 57m
Lady Harriet	<b>KWR144</b>	<b>15</b>	<b>25</b>	<b>10</b>	<b>4.42</b>	<b>10m @ 4.42 g/t Au from 15m</b>
Lady Harriet	KWR144	98	99	1	8.38	1m @ 8.38 g/t Au from 98m
Lady Harriet	<b>KWR145</b>	<b>81</b>	<b>84</b>	<b>3</b>	<b>7.01</b>	<b>3m @ 7.01 g/t Au from 81m</b>
Lady Harriet	<b>KWR146</b>	<b>74</b>	<b>76</b>	<b>2</b>	<b>5.99</b>	<b>2m @ 5.99 g/t Au from 74m</b>
Lady Harriet	KWR148	71	75	4	2.10	4m @ 2.10 g/t Au from 71m
Lady Harriet	<b>KWR151</b>	<b>46</b>	<b>51</b>	<b>5</b>	<b>11.72</b>	<b>5m @ 11.72 g/t Au from 46m</b>
Lady Harriet	<b>KWR151</b>	<b>91</b>	<b>95</b>	<b>4</b>	<b>3.04</b>	<b>4m @ 3.04 g/t Au from 91m</b>
Lady Harriet	<b>KWR152</b>	<b>91</b>	<b>100</b>	<b>9</b>	<b>6.00</b>	<b>9m @ 6.00 g/t Au from 91m</b>
Lady Harriet	KWR154	82	85	3	2.27	3m @ 2.27 g/t Au from 82m
Bellenger	<b>KWR156</b>	<b>12</b>	<b>18</b>	<b>6</b>	<b>3.62</b>	<b>6m @ 3.62 g/t Au from 12m</b>
Bellenger	KWR158	8	12	4	1.85	4m @ 1.85 g/t Au from 8m
Bellenger	KWR162	22	26	4	1.31	4m @ 1.31 g/t Au from 22m
Stirling	<b>KWR164</b>	<b>88</b>	<b>89</b>	<b>1</b>	<b>22.42</b>	<b>1m @ 22.42 g/t Au from 88m</b>
Stirling	<b>KWR165</b>	<b>31</b>	<b>32</b>	<b>1</b>	<b>54.65</b>	<b>1m @ 54.65 g/t Au from 31m</b>
Stirling	<b>KWR165</b>	<b>79</b>	<b>81</b>	<b>2</b>	<b>16.16</b>	<b>2m @ 16.16 g/t Au from 79m</b>
Stirling	KWR168	35	37	2	2.61	2m @ 2.61 g/t Au from 35m
Stirling	<b>KWR169</b>	<b>40</b>	<b>41</b>	<b>1</b>	<b>26.78</b>	<b>1m @ 26.78 g/t Au from 40m</b>
Stirling	KWR171	68	70	2	2.72	2m @ 2.72 g/t Au from 68m
Aspasia	KWR175	68	72	4	1.86	4m @ 1.86 g/t Au from 68m
Aspasia	<b>KWR175</b>	<b>68</b>	<b>72</b>	<b>4</b>	<b>7.04</b>	<b>4m @ 7.04 g/t Au from 68m</b>
Yunndaga	<b>KWR176</b>	<b>62</b>	<b>73</b>	<b>11</b>	<b>7.13</b>	<b>11m @ 7.13 g/t Au from 62m</b>
Yunndaga	KWR177	53	54	1	5.59	1m @ 5.59 g/t Au from 53m
Yunndaga	KWR178	67	69	2	4.25	2m @ 4.25 g/t Au from 67m
Yunndaga	KWR178	86	90	4	1.30	4m @ 1.30 g/t Au from 86m
Yunndaga	KWR179	47	52	5	1.44	5m @ 1.44g/t Au from 47m
Yunndaga	KWR180	63	69	6	1.56	6m @ 1.56 g/t Au from 63m
Yunndaga	KWR180	93	94	1	9.57	1m @ 9.57 g/t Au from 93m
Yunndaga	KWR184	118	123	5	1.28	5m @ 1.28 g/t Au from 118m
Yunndaga	KWR185	112	116	4	1.44	4m @ 1.44 g/t Au from 112m
Pericles	KWR186	64	71	7	1.16	7m @ 1.16 g/t Au from 64m
Pericles	<b>KWR186</b>	<b>124</b>	<b>132</b>	<b>8</b>	<b>1.81</b>	<b>8m @ 1.81 g/t Au from 124m</b>
Pericles	<b>KWR187</b>	<b>70</b>	<b>72</b>	<b>2</b>	<b>5.99</b>	<b>2m @ 5.99 g/t Au from 70m</b>
Lady Irene	<b>KWR197</b>	<b>124</b>	<b>126</b>	<b>2</b>	<b>15.17</b>	<b>2m @ 15.17 g/t Au from 124m</b>
Lady Irene	<b>KWR197</b>	<b>133</b>	<b>136</b>	<b>3</b>	<b>6.25</b>	<b>3m @ 6.25 g/t Au from 133m</b>
Pericles	<b>KWR198</b>	<b>120</b>	<b>127</b>	<b>7</b>	<b>2.55</b>	<b>7m @ 2.55 g/t Au from 120m</b>

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Pericles	<b>KWR198</b>	<b>140</b>	<b>146</b>	<b>6</b>	<b>2.95</b>	<b>6m @ 2.95 g/t Au from 140m</b>
Pericles	KWR198	152	154	2	3.90	2m @ 3.90 g/t Au from 152m
Pericles	<b>KWR199</b>	<b>68</b>	<b>70</b>	<b>2</b>	<b>10.18</b>	<b>2m @ 10.18 g/t Au from 68m</b>
Pericles	<b>KWR199</b>	<b>115</b>	<b>119</b>	<b>4</b>	<b>8.85</b>	<b>4m @ 8.85 g/t Au from 115m</b>
Pericles	KWR199	122	127	5	1.83	5m @ 1.83 g/t Au from 122m
Pericles	KWR200	123	124	1	1.14	5m @ 1.11 g/t Au from 123m
Pericles	KWR201	34	36	2	4.73	2m @ 4.73 g/t Au from 34m
Pericles	KWR201	91	93	2	3.29	2m @ 3.29 g/t Au from 91m
Pericles	KWR201	116	121	5	1.54	5m @ 1.54 g/t Au from 116m
Pericles	<b>KWR202</b>	<b>56</b>	<b>64</b>	<b>8</b>	<b>4.84</b>	<b>8m @ 4.84 g/t Au from 56m</b>
Pericles	<b>KWR202</b>	<b>133</b>	<b>134</b>	<b>1</b>	<b>24.62</b>	<b>1m @ 24.62 g/t Au from 133m</b>
Pericles	KWR202	141	144	3	1.83	3m @ 1.83 g/t Au from 141m
Pericles	<b>KWR203</b>	<b>61</b>	<b>67</b>	<b>6</b>	<b>3.20</b>	<b>6m @ 3.20 g/t Au from 61m</b>
Pericles	KWR204	100	101	1	1.11	1m @ 1.11 g/t Au from 100m
Pericles	<b>KWR204</b>	<b>117</b>	<b>128</b>	<b>11</b>	<b>2.77</b>	<b>11m @ 2.77 g/t Au from 117m</b>
Pericles	KWR204	214	220	6	1.49	6m @ 1.49 g/t Au from 214m
Pericles	KWR206	28	29	1	7.21	1m @ 7.21 g/t Au from 28m
Pericles	KWR206	32	36	4	2.18	4m @ 2.18 g/t Au from 32m
Pericles	KWR206	105	107	2	3.15	2m @ 3.15 g/t Au from 105m
Pericles	KWR207	66	68	2	2.79	2m @ 2.79 g/t Au from 66m
Pericles	<b>KWR207</b>	<b>71</b>	<b>73</b>	<b>2</b>	<b>5.15</b>	<b>2m @ 5.15 g/t Au from 71m</b>
Pericles	<b>KWR208</b>	<b>100</b>	<b>103</b>	<b>3</b>	<b>4.32</b>	<b>3m @ 4.32 g/t Au from 100m</b>
Pericles	KWR208	158	162	4	1.27	4m @ 1.27 g/t Au from 158m
Pericles	KWR208	180	187	7	1.23	7m @ 1.23 g/t Au from 180m
Pericles	<b>KWR209</b>	<b>61</b>	<b>65</b>	<b>4</b>	<b>5.61</b>	<b>4m @ 5.61 g/t Au from 61m</b>
Pericles	KWR209	110	113	3	2.51	3m @ 2.51 g/t Au from 110m
Pericles	<b>KWR209</b>	<b>144</b>	<b>147</b>	<b>3</b>	<b>3.68</b>	<b>3m @ 3.68 g/t Au from 144m</b>
Lady Irene	KWR210	105	108	3	2.80	3m @ 2.80 g/t Au from 105m
Pericles	<b>KWR212</b>	<b>93</b>	<b>103</b>	<b>10</b>	<b>2.83</b>	<b>10m @ 2.83 g/t Au from 93m</b>
Pericles	KWR213	97	105	8	1.14	8m @ 1.14 g/t Au from 97m
Lady Harriet	KWR214	58	61	3	2.78	3m @ 2.78 g/t Au from 58m
Lady Harriet	KWR214	115	117	2	2.94	2m @ 2.94 g/t Au from 115m
Lady Harriet	KWR214	134	136	2	4.31	2m @ 4.31 g/t Au from 134m
Lady Harriet	KWR215	9	11	2	4.56	2m @ 4.56 g/t Au from 9m
Lady Harriet	<b>KWR215</b>	<b>82</b>	<b>86</b>	<b>4</b>	<b>2.90</b>	<b>4m @ 2.90 g/t Au from 82m</b>
Lady Harriet	<b>KWR216</b>	<b>117</b>	<b>119</b>	<b>2</b>	<b>6.60</b>	<b>2m @ 6.60 g/t Au from 117m</b>
Lady Harriet	<b>KWR217</b>	<b>61</b>	<b>62</b>	<b>1</b>	<b>18.29</b>	<b>1m @ 18.29 g/t Au from 61m</b>
Lady Harriet	<b>KWR217</b>	<b>146</b>	<b>148</b>	<b>2</b>	<b>2.88</b>	<b>2m @ 2.88 g/t Au from 146m</b>
Yunndaga	KWR221	165	168	3	2.56	3m @ 2.56 g/t Au from 165m
Yunndaga	<b>KWR222</b>	<b>130</b>	<b>133</b>	<b>3</b>	<b>4.77</b>	<b>3m @ 4.77 g/t Au from 130m</b>
Yunndaga	KWR223	41	44	3	2.60	3m @ 2.60 g/t Au from 41m

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Yunndaga	<b>KWR224</b>	<b>47</b>	<b>53</b>	<b>6</b>	<b>3.20</b>	<b>6m @ 3.20 g/t Au from 47m</b>
Yunndaga	KWR225	120	126	6	1.31	6m @ 1.31 g/t Au from 120m
Yunndaga	KWR225	130	136	6	1.32	6m @ 1.32 g/t Au from 130m
Yunndaga	<b>KWR226</b>	<b>151</b>	<b>160</b>	<b>9</b>	<b>2.51</b>	<b>9m @ 2.51 g/t Au from 151m</b>
Yunndaga	KWR226	185	186	1	6.03	1m @ 6.03 g/t Au from 185m
Yunndaga	<b>KWR227</b>	<b>187</b>	<b>191</b>	<b>4</b>	<b>7.23</b>	<b>4m @ 7.23 g/t Au from 187m</b>
Yunndaga	<b>KWR228</b>	<b>196</b>	<b>201</b>	<b>5</b>	<b>2.56</b>	<b>5m @ 2.56 g/t Au from 196m</b>
Yunndaga	<b>KWR229</b>	<b>206</b>	<b>214</b>	<b>8</b>	<b>2.34</b>	<b>8m @ 2.34 g/t Au from 206m</b>
Yunndaga	KWR230	197	200	3	2.04	3m @ 2.04 g/t Au from 197m
Yunndaga	<b>KWR230</b>	<b>204</b>	<b>211</b>	<b>7</b>	<b>7.14</b>	<b>7m @ 7.14 g/t Au from 204m</b>
Yunndaga	KWR231	161	164	3	2.62	3m @ 2.62 g/t Au from 161m
Lady Shenton	<b>KWR232</b>	<b>147</b>	<b>156</b>	<b>9</b>	<b>3.07</b>	<b>9m @ 3.07 g/t Au from 147m</b>
Lady Shenton	<b>KWR234</b>	<b>65</b>	<b>72</b>	<b>7</b>	<b>4.26</b>	<b>7m @ 4.26 g/t Au from 65m</b>
Lady Shenton	KWR234	130	132	2	4.88	2m @ 4.88 g/t Au from 130m
Lady Shenton	<b>KWR236</b>	<b>100</b>	<b>108</b>	<b>8</b>	<b>2.65</b>	<b>8m @ 2.65 g/t Au from 100m</b>
Pericles	<b>KWR238</b>	<b>112</b>	<b>118</b>	<b>6</b>	<b>2.54</b>	<b>6m @ 2.54 g/t Au from 112m</b>
Pericles	<b>KWR238</b>	<b>125</b>	<b>127</b>	<b>2</b>	<b>17.32</b>	<b>2m @ 17.32 g/t Au from 125m</b>
Pericles	<b>KWR239</b>	<b>121</b>	<b>124</b>	<b>3</b>	<b>13.00</b>	<b>3m @ 13.00 g/t Au from 121m</b>
Pericles	KWR239	129	131	2	2.94	2m @ 2.94 g/t Au from 129m
Stirling	KWR241	121	122	1	5.48	1m @ 5.48 g/t Au from 121m
Stirling	KWR241	129	130	1	5.39	1m @ 5.39 g/t Au from 129m
Stirling	<b>KWR241</b>	<b>141</b>	<b>145</b>	<b>4</b>	<b>3.71</b>	<b>4m @ 3.71 g/t Au from 141m</b>
Stirling	KWR242	15	17	3	1.76	3m @ 1.76 g/t Au from 15m
Stirling	<b>KWR244</b>	<b>115</b>	<b>118</b>	<b>4</b>	<b>2.61</b>	<b>4m @ 2.61 g/t Au from 115m</b>
Stirling	<b>KWR245</b>	<b>103</b>	<b>104</b>	<b>1</b>	<b>19.09</b>	<b>1m @ 19.09 g/t Au from 103m</b>
Stirling	KWR245	158	159	1	5.82	1m @ 5.82 g/t Au from 158m
Stirling	KWR246	159	161	2	3.87	2m @ 3.87 g/t Au from 159m
Stirling	KWR248	177	178	1	5.53	1m @ 5.53 g/t Au from 177m
Stirling	KWR250	126	127	1	6.82	1m @ 6.82 g/t Au from 126m
Stirling	KWR251	53	54	1	5.33	1m @ 5.33 g/t Au from 53m
Stirling	KWR252	93	94	1	6.02	1m @ 6.02 g/t Au from 93m
Stirling	<b>KWR254</b>	<b>49</b>	<b>51</b>	<b>2</b>	<b>7.49</b>	<b>2m @ 7.49 g/t Au from 49m</b>
Stirling	<b>KWR260</b>	<b>40</b>	<b>42</b>	<b>2</b>	<b>5.25</b>	<b>2m @ 5.25 g/t Au from 40m</b>
Stirling	KWR264	59	62	3	2.28	3m @ 2.28 g/t Au from 59m
Stirling	<b>KWR265</b>	<b>65</b>	<b>67</b>	<b>2</b>	<b>6.86</b>	<b>2m @ 6.86 g/t Au from 65m</b>
Stirling	<b>KWR267</b>	<b>32</b>	<b>33</b>	<b>1</b>	<b>35.30</b>	<b>1m @ 35.3 g/t Au from 32m</b>
Stirling	KWR267	48	49	1	5.44	1m @ 5.44 g/t Au from 48m
Lady Shenton	<b>KWR272</b>	<b>102</b>	<b>114</b>	<b>12</b>	<b>3.72</b>	<b>12m @ 3.72 g/t Au from 102m</b>
Lady Shenton	KWR272	122	125	3	3.09	3m @ 3.09 g/t Au from 122m
Lady Shenton	KWR273A	114	121	7	1.35	7m @ 1.35 g/t Au from 114m



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Lady Shenton	<b>KWR274</b>	<b>167</b>	<b>186</b>	<b>19</b>	<b>2.15</b>	<b>19m @ 2.15 g/t Au from 167m</b>
Lady Shenton	KWR277	158	162	4	1.97	4m @ 1.97 g/t Au from 158m
Lady Shenton	<b>KWR277</b>	<b>169</b>	<b>171</b>	<b>2</b>	<b>49.49</b>	<b>2m @ 49.49 g/t Au from 169m</b>
Lady Shenton	KWR277	178	183	5	1.24	5m @ 1.24 g/t Au from 178m
Lady Shenton	KWR278	146	147	1	8.80	1m @ 8.80 g/t Au from 146m
Lady Shenton	KWR280	85	88	3	2.43	3m @ 2.43 g/t Au from 85m
Lady Shenton	KWR280	148	151	3	3.20	3m @ 3.20 g/t Au from 148m
Lady Shenton	KWR282	122	123	1	5.87	1m @ 5.87 g/t Au from 122m
Lady Shenton	<b>KWR282</b>	<b>213</b>	<b>217</b>	<b>4</b>	<b>5.79</b>	<b>4m @ 5.79 g/t Au from 213m</b>
Lady Shenton	KWR282	224	226	2	2.91	2m @ 2.91 g/t Au from 224m
Lady Shenton	<b>KWR282</b>	<b>232</b>	<b>238</b>	<b>6</b>	<b>2.80</b>	<b>6m @ 2.80 g/t Au from 232m</b>
Stirling	<b>KWR283</b>	<b>105</b>	<b>106</b>	<b>1</b>	<b>12.78</b>	<b>1m @ 12.78 g/t Au from 105m</b>
Stirling	KWR284	151	153	2	4.83	2m @ 4.83 g/t Au from 151m
Lady Harriet	KWR287	121	123	2	4.26	2m @ 4.26 g/t Au from 121m
Lady Harriet	KWR288	142	144	2	3.06	2m @ 3.06 g/t Au from 142m
Lady Harriet	KWR289	96	100	4	1.70	4m @ 1.70 g/t Au from 96m
Lady Harriet	KWR290	122	124	2	3.43	2m @ 3.43 g/t Au from 122m
Lady Harriet	<b>KWR291</b>	<b>166</b>	<b>167</b>	<b>1</b>	<b>10.36</b>	<b>1m @ 10.36 g/t Au from 166m</b>
Yunndaga	<b>KWR294</b>	<b>100</b>	<b>105</b>	<b>5</b>	<b>2.35</b>	<b>5m @ 2.35 g/t Au from 100m</b>
Yunndaga	<b>KWR295</b>	<b>159</b>	<b>161</b>	<b>2</b>	<b>6.17</b>	<b>2m @ 6.17 g/t Au from 159m</b>
Yunndaga	KWR295	206	210	4	1.63	4m @ 1.63 g/t Au from 206m
Yunndaga	KWR296	163	170	7	5.00	7m @ 5.00 g/t Au from 163m

**N.B. Minimum of 5gm, or 10gm in bold**

## GOONGARRIE DRILLING RESULTS

First pass aircore drilling has been initiated at the GGP with 282 holes for 6,739 metres completed in the December 2020 quarter. Drilling was focused on multiple targets on and around the shallow salt lakes or on clay pans adjacent to the salt lakes (Figure 7). The ancient lake sediments are widespread and have inhibited previous exploration efforts as they act as a mask above possible mineralisation.

Stellar high grades intersected in Target A9 included 6m @ 17.2 g/t Au from 94m within 38m @ 3.1 g/t Au from 62m in KGA038 to end of hole (blade refusal). Extensive gold anomalism and mineralisation was intersected over more than 1,000m strike length at Target A9 and remains open along strike (Figure 8).

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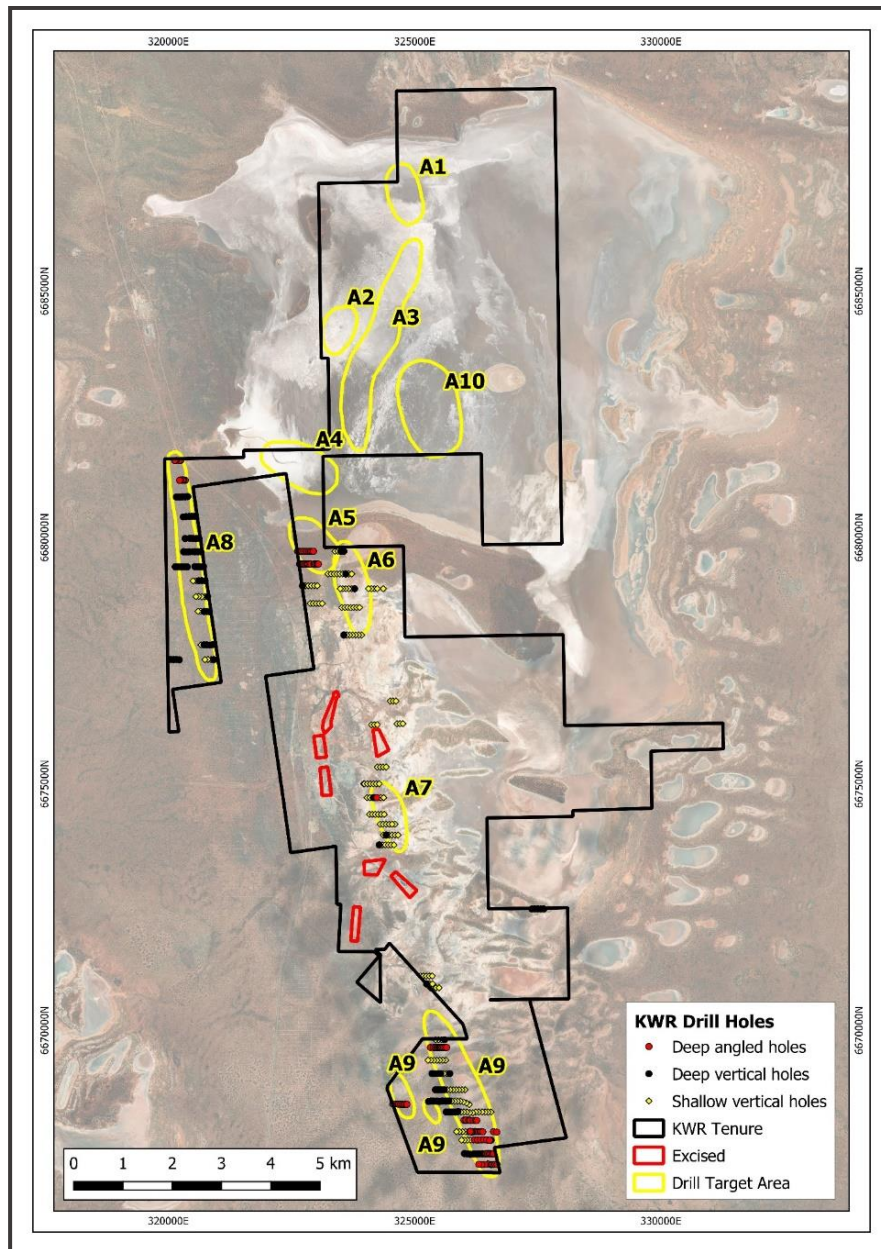


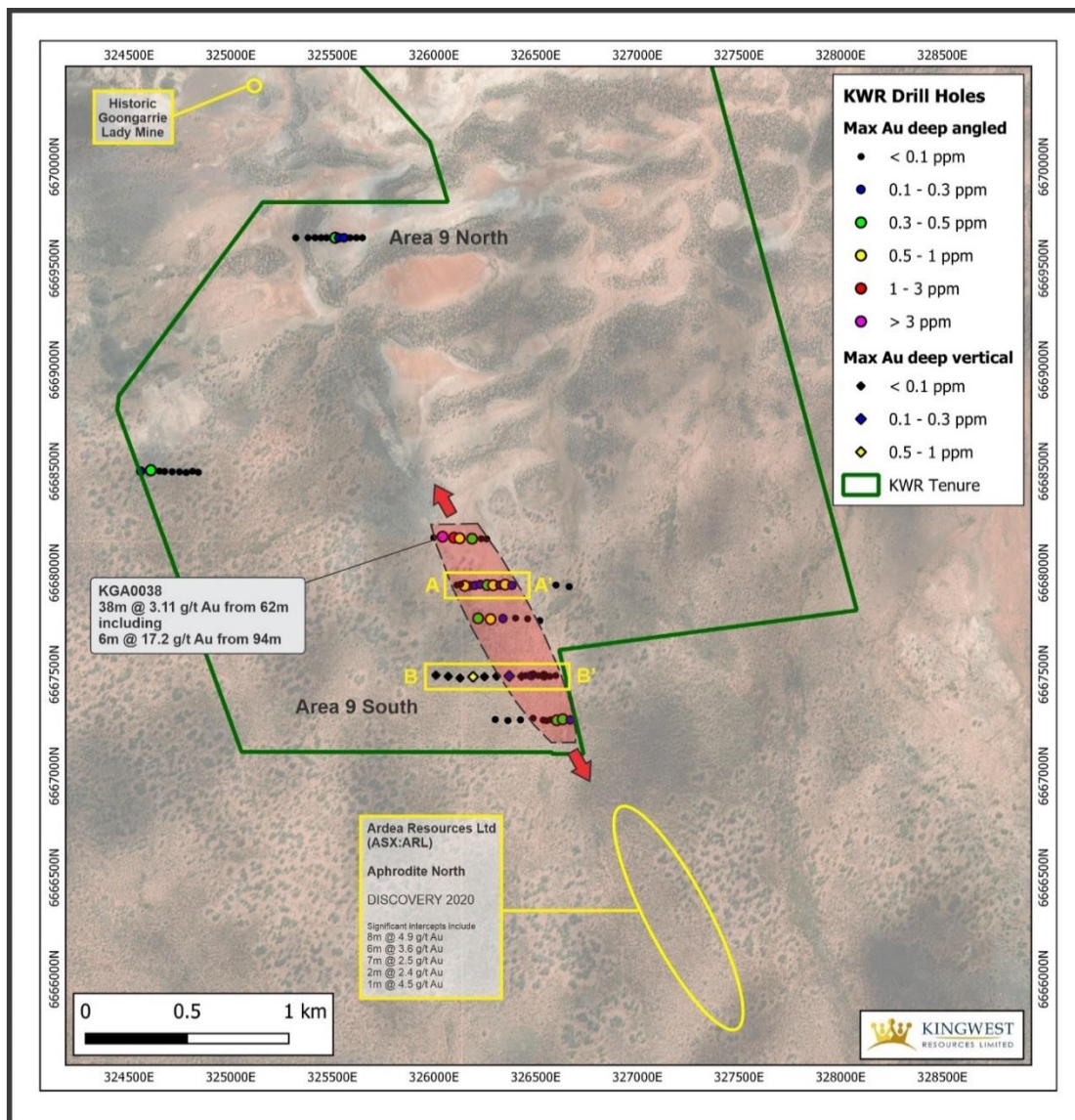
Figure 7: GGP first pass aircore drill hole locations on satellite background

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**Figure 8: Location of significant drill holes within Target A9, anomalous footprint and cross section locations**

Target A9 is just east of the Victorious Basalt/Black Flag Group (VB/BFG) contact, in an ultramafic and mafic volcanic sequence within the lower part of the Black Flag Group felsic metasediments. This is the same geological setting as the Goongarrie Lady gold deposit 2.5km to the north and as Ardea Resources Aphrodite North gold discovery 200m to the south.

The Target A9 gold discovery has strong gold depletion in the upper part of the weathering zone and is progressively covered by up to 50m of alluvial lake clay sediments as it heads south.

Composite assays from the initial 1,196m Goongarrie Gold Project RC program included 8m @ 4.94 g/t Au from 74m within 20m @ 2.55 g/t Au from 72m in KGR001 which the hole immediately to the east of, and up dip from, the discovery aircore hole that included 6m @ 17.2 g/t Au from 94m within 38m @ 3.1 g/t Au from 62m in KGA038.

Significant composite assays are included in Table 4.

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### DIRECTOR'S REPORT

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Table 4: Significant Goongarrie composite drill intersections

Hole ID	From	To	Interval	Au g/t	Description
KGR001	72	92	20	2.55	20m @ 2.55 g/t Au from 72m
<b>Inc.</b>	<b>72</b>	<b>76</b>	<b>8</b>	<b>4.94</b>	<b>inc 8m @ 4.94 g/t Au from 72m</b>
KGR002	76	80	4	0.56	4m @ 0.56 g/t Au from 72m
KGR004	64	68	4	2.18	4m @ 2.18 g/t Au from 64m
KGR006	56	60	4	0.62	4m @ 0.62 g/t Au from 56m
KGR006	112	116	4	1.08	4m @ 1.08 g/t Au from 112m
KGR007	44	52	8	1.43	8m @ 1.43 g/t Au from 44m
KGR007	84	88	4	0.61	4m @ 0.61 g/t Au from 84m
KGR008	152	156	4	0.50	4m @ 0.50 g/t Au from 152m

N.B. minimum of 4m @ 0.50 g/t Au

### **NON-CORE ASSETS SALES**

Kingwest completed the sale of two small non-core assets outside the Menzies Gold Project for \$2.1M. These were Mining Lease (M29/420) for \$1.9M (Goongarrie Lady) and (M37/1202, E37/893 and P37/8901) for \$190,000 (Crawford's and Gambier Lass North) near Leonora.

Goongarrie Lady Mining Lease M29/420 and miscellaneous licence L29/109 and related mining information and approvals have been agreed to be sold to Resource Mining Pty Ltd, who are not a related party on an arm's length basis, under the following terms:

- Cash payment of \$1.9M plus GST.
- Royalty payments to KWR of \$20/oz plus GST uncapped production royalty on gold troy ounces produced after the initial 15koz of production from those tenements.

Leonora Projects Crawford's and Gambier Lass North (M37/1202, E37/893 and P37/8901) have been sold to Specrez Pty Ltd, who are not a related party on an arm's length basis, under the following terms:

- \$190,000 cash plus GST consisting of \$10,000 deposit and \$180,000 on completion.
- 1.75% Net Smelter Return (NSR) Royalty for all production from M37/1202.

### **NEW TENEMENTS GRANTED**

Six new Prospecting Licences granted at Menzies (P29/2578 – 2580, 2582, 2584, 2585) and six new Prospecting Licences granted at Goongarrie (P29/2530 – 2533, 2467, 2468) significantly expanding the prospective landholdings at each Project.

### **Forward-Looking Statements**

*This document may include forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning Kingwest Resources Limited's planned exploration program and other statements that are not historical facts. When used in this document, the words such as "could," "plan," "expect," "intend," "may", "potential," "should," and similar expressions are forward-looking statements. Although Kingwest believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that further exploration will result in the estimation of a Mineral Resource.*

### **Competent Person Statement**

*The information in this report that relates to Exploration results is based on information compiled by Mr Ed Turner who is a Member of the Australasian Institute of Geoscientists. Mr Turner is a full-time employee of Kingwest Resources Limited. Mr Turner*

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## DIRECTOR'S REPORT

For the year ended 30 June 2021

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*has sufficient experience that is relevant to the style of mineralisation, type of deposit under consideration and to the activity that they are undertaking 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' and consents to the inclusion in this report of the matters based on their information in the form and context in which they appear.*

*The information in this report that relates to Mineral Resource is based on information compiled by Mr Mark Zammit who is a Member of the Australian Institute of Geoscientists. Mr Zammit is a Principal Consultant Geologist at Cube Consulting. Mr Zammit has sufficient experience that is relevant to the style of mineralisation, type of deposit under consideration and to the activity that they are undertaking 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' and consents to the inclusion in this report of the matters based on their information in the form and context in which they appear.*

### Compliance Statement

*With reference to previously reported Exploration results and mineral resources, 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. The Company confirms that all material assumptions underpinning the production target and forecast financial information contained in the Company's ASX announcement titled "Positive Scoping Study for Menzies Gold Project" dated 24 March 2021 continue to apply and have not materially changed.*

### Events after the Reporting Period

On 1 July 2021 Mr Gregory Bittar was appointed a Director and Mr Stephen Brockhurst resigned as a Director of the Company. On appointment Mr Bittar replaced Mr Adrian Byass as Non-Executive Chairman with Mr Byass remaining a Non-Executive Director of the Company.

On 2 August 2021 the Company raised \$500,000 by issuing its Horizon Minerals Limited (Horizon) 6,250,000 ordinary shares at an issue price of \$0.08 per share with 1 new unlisted option for every 2 shares issued exercisable at \$0.15 expiring 30 December 2023, following shareholder approval received on 29 July 2021.

On 2 August 2021 the Company issued the 18,750,000 unlisted options exercisable at \$0.15 expiring 30 December 2023 attached to the 37,500,000 shares issued under the Placement on 8 June 2021.

On 2 August 2021 the Company issued Gregory Bittar 2,000,000 unlisted options exercisable at \$0.15 expiring 30 December 2023 under his Non-executive Director Agreement, following shareholder approval received on 29 July 2021.

On 16 September 2021 the Company issued 6,250,000 unlisted options exercisable at \$0.17 expiring 15 September 2024 to key employees and consultants.

No other matter or circumstance has arisen since the end of audited period which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial periods.

### Information on Directors

The names of directors who held office from incorporation until the date of this report are as follows. Directors were in office for this entire period unless otherwise stated.

#### **Mr Gregory Bittar BEc LLB MSc (Finance) Non-Executive Chairman (appointed 1 July 2021)**

Mr Bittar has extensive experience in public and private markets mergers and acquisitions, capital markets and strategic advisory assignments across a range of sectors including general industries, metals and mining, mining services and energy. Mr Bittar has worked for Bankers Trust, Baring Brothers Burrows and with Morgan Stanley in



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## DIRECTOR'S REPORT

For the year ended 30 June 2021

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London, Melbourne and Sydney. Greg holds a Master of Finance from the London Business School, a Bachelor of Economics and a Bachelor of Laws (Hons) from the University of Sydney.

Mr Bittar is currently a Non-Executive Director of Horizon Oil Limited and previously held the position of Chairman for ASX listed mining companies Trek Metals Limited (resigned September 2020) and Millennium Minerals Limited (resigned August 2020).

### *Interest in Securities*

- 800,000 fully paid ordinary shares
- 2,250,000 unlisted options exercisable at \$0.15 on 30/12/2023

### **Mr Adrian Byass BSc Geol Hons, B. Econ, FSEG and MAIG Non-Executive Director (Appointed 18 September 2019)**

Mr Byass has over 20 years' experience in the mining and minerals industry. This experience has principally been gained through evaluation and development of mining projects for a range of base, precious and specialty metals and bulk commodities. Due to his experience in resource estimation and professional association membership, Mr Byass is a competent person for reporting to the ASX for certain minerals. Mr Byass has also gained experience in corporate finance, capital raising, permitting and delivery of production-ready mining projects.

Mr Byass is a non-executive director of Infinity Lithium Corporation, Galena Mining Limited, Kaiser Reef Limited and Sarama Resources Limited. Mr Byass was previously a Director of Fertoz Limited (resigned 22 June 2020).

### *Interest in Securities*

- 1,350,000 fully paid ordinary shares
- 1,000,000 unlisted options exercisable at \$0.39 on 30/06/2022
- 2,000,000 unlisted options exercisable at \$0.54 on 30/06/2022
- 750,000 share appreciation rights with a strike price of \$0.28 expiring 7 October 2024

### **Stephen Brockhurst BCom**

### **Non-Executive Director (Appointed 13 March 2018, resigned 1 July 2021) and Company Secretary (Appointed 8 October 2020)**

Mr Brockhurst has 18 years' experience in the finance and corporate advisory industry and has been responsible for the preparation of the due diligence process and prospectuses on a number of initial public offers. His experience includes corporate and capital structuring, corporate advisory and company secretarial services, capital raising, ASX and ASIC compliance requirements.

Mr Brockhurst has served on the board and acted as Company Secretary for numerous ASX listed companies. He is currently a Director of Estrella Resources Limited, Locksley Resources Limited and Nelson Resources Limited.

### *Interest in Securities*

- 240,000 fully paid ordinary shares
- 250,000 share appreciation rights with a strike price of \$0.28 expiring 7 October 2024. 100,000 of these options are held by Mining Corporate Pty Ltd, a company of which Mr. Brockhurst is a director and shareholder.

### **Jonathan Downes BSc Geol, MAIG**

### **Non-Executive Director (Appointed 26 November 2019)**

Mr Downes has over 25 years' experience in the minerals industry and has worked in various geological and corporate capacities. Experienced with nickel, gold and base metals, he has also been intimately involved with the exploration process through to production.

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## DIRECTOR'S REPORT

For the year ended 30 June 2021

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Mr Downes is on the board of several ASX-listed companies; he is currently an executive director of Kaiser Reef Limited and non-executive director of Galena Mining Limited and Corazon Mining Limited. Mr Downes was previously a Director of Ironbark Zinc Limited (resigned 30 November 2019).

### *Interest in Securities*

- 1,843,334 fully paid ordinary shares
- 1,000,000 unlisted options exercisable at \$0.39 on 30/06/2022
- 2,000,000 unlisted options exercisable at \$0.54 on 30/06/2022
- 750,000 share appreciation rights with a strike price of \$0.28 expiring 7 October 2024

### **Jonathan Price BSc (Env Science), Grad Dip (Metallurgy) MSc (Mineral Economics), MAusIMM, MAICD Non-Executive Director (Appointed 18 September 2019)**

Mr Price has over 30 years' experience in Australia and overseas across all aspects of the industry including exploration, development, construction and mining operations in the gold and advanced minerals sectors. Jon graduated as a metallurgist and holds a Masters in Mineral Economics from the Western Australian School of Mines. He then worked in various gold and advanced mineral operations including general manager of the Paddington gold and St Ives gold operations in the Western Australian goldfields. More recently Jon was the founding Managing Director of Phoenix Gold Ltd, acquired by Evolution Mining Ltd. During his tenure, Jon oversaw the reconsolidation of underexplored tenure in the Western Australian goldfields and realised significant exploration success.

Mr Price is currently the Managing Director of Horizon Minerals Limited.

### *Interest in Securities*

- Nil

### **Alex McCulloch**

**Non-Executive Director (Appointed 9 February 2021, resigned 14 May 2021)**

Mr McCulloch has more than 35 years in the Australian, North American, and Tanzanian mining industries with a particular focus on the Eastern Goldfields region of Western Australia. Mr McCulloch started his career as a Mine Surveyor and then completed a Mining Engineering qualification at the WA School of Mines whilst working at the "Superpit" gold mine in Kalgoorlie.

### **Information on Other Management**

### **Edward Turner B App Sc (Geol), MAIG**

**Chief Executive Officer (Appointed 18 September 2019)**

Mr Turner has 30 years' experience as a Geologist in Europe, South America, Africa and Australia. His roles have covered exploration and development of base, precious and specialty metals for leading mining companies. Mr Turner has extensive experience in the economic studies of base-metal deposits in open-pit and underground scenarios and related mining experience.

### **REMUNERATION REPORT (AUDITED)**

The remuneration report, which forms part of the Directors' Report, outlines the remuneration arrangements in place for key management personnel (KMP) who are defined as those persons having the authority and responsibility for planning and directing the major activities of the Group, directly and indirectly, including any director (whether executive or otherwise).

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## DIRECTOR'S REPORT

For the year ended 30 June 2021

### Remuneration Philosophy

The performance of the Group depends on the quality of the Company's Directors, executives and employees and therefore the Group must attract, motivate and retain appropriately qualified industry personnel.

### Remuneration policy

Remuneration levels for the executives are competitively set to attract the most qualified and experienced candidates, taking into account prevailing market conditions and the individual's experience and qualifications.

During the year, the Group did not have a separately established remuneration committee. The Board is responsible for determining and reviewing remuneration arrangements for the executive and non-executive Directors.

The remuneration of executive and non-executive Directors is not dependent on the satisfaction of performance conditions. Remuneration and share based payments are issued to align Directors' interest with that of shareholders.

### CEO Remuneration

Mr Turner was appointed CEO on 18 September 2019. His employment is in accordance with an Executive Employment Agreement dated 17 September 2019 on an ongoing basis subject to termination and notice. Mr Turner is entitled to receive \$225,000 per annum (plus superannuation). The Company or Mr Turner may terminate the agreement by providing 3 months' notice in writing.

### Non-Executive Directors Remuneration

Mr Byass was appointed Non-Executive Chairman on 18 September 2019. Mr Byass is entitled to receive \$60,000 per annum (exclusive of superannuation) for their role of Chairman. Mr Brockhurst, Mr Downes, Mr Price and Mr McCulloch (up until his resignation) are entitled to receive \$40,000 per annum (exclusive of superannuation) for their role as Non-Executive Directors.

The Company's Constitution provides that the remuneration of Non-Executive Directors will not be more than the aggregate fixed sum determined by a general meeting. Before a determination is made by the Company in a general meeting, the aggregate sum of fees payable by the Company to the Non-Executive Directors is a maximum of \$250,000 per annum. Summary details of remuneration of the Non-Executive Directors are provided in the table below. The remuneration is not dependent on the satisfaction of a performance condition.

Directors are entitled to be paid reasonable travelling, accommodation and other expenses incurred in consequence of their attendance at meetings of Directors and otherwise in the execution of their duties as Directors. A Director may also be paid additional amounts as fees or as the Directors determine where a Director performs extra services or makes any special exertions, which in the option of the Directors are outside the scope of the ordinary duties of a Director.

### Relationship between the Remuneration Policy and Company Performance:

	30 June 2021	30 June 2020	30 June 2019
	\$	\$	\$
Revenue	1,043,356	30,488	44,413
Profit/(loss) after income tax	(1,928,173)	(5,263,017)	(966,122)
Basic and diluted loss per share (cents)	(1.27)	(5.34)	(2.12)
EBIT	(1,935,332)	(5,271,682)	(1,006,714)
EBITDA	(1,883,739)	(5,242,588)	(1,011,732)
Share price at reporting date	\$0.079	\$0.15	\$0.13

The Company was incorporated in March 2018 and listed on the ASX in August 2018.



# Kingwest Resources Limited

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## DIRECTOR'S REPORT

For the year ended 30 June 2021

### Details of remuneration

Details of the nature and amount of each element of the emoluments of each of the Directors and Key Management Personnel of the Group for the year ended 30 June 2021 and 30 June 2020 are:

#### 2021

Key Management Person	Short-term Benefits		Post-employment Benefits	Other Long-term Benefits	Equity-settled share based Payments		Total	Performance based as a percentage of Remuneration
	Cash, salary & bonus	Other	Super-annuation	Other	Equity	Share Appreciation Rights		
\$		\$	\$	\$	\$	\$	%	
Directors								
Adrian Byass	60,000	-	-	-	-	42,426	102,426	41%
Stephen Brockhurst	40,000	-	-	-	-	14,142	54,142	26%
Jonathan Downes	40,000	-	3,800	-	-	-	43,800	-
Jonathan Price	40,000	-	3,800	-	-	-	43,800	-
Alex McCulloch <sup>1</sup>	10,553	-	1,003	-	-	-	11,556	-
Executive								
Ed Turner	225,000	-	21,375	-	-	93,710	340,085	28%
TOTAL	415,553	-	29,978	-	-	150,278	595,809	

<sup>1</sup> Appointed 9 February 2021, resigned 14 May 2021

#### 2020

Key Management Person	Short-term Benefits		Post-employem t Benefits	Other Long-term Benefits	Equity-settled share based Payments		Total	Performance based as a percentage of Remuneration
	Cash, salary & bonus \$	Other	Super- annuation \$	Other \$	Equity \$	Share Appreciation Rights \$	\$	%
<b>Directors</b>								
Adrian Byass <sup>1</sup>	47,167	-	-	-	-	49,824	96,991	51%
Stephen Brockhurst	40,000	-	-	-	-	16,608	56,608	29%
Jonathan Downes <sup>2</sup>	23,889	-	2,269	-	-	-	26,158	-
Jonathan Price <sup>1</sup>	31,444	-	2,987	-	-	-	34,431	-
Stephen Woodham <sup>4</sup>	54,759	-	4,386	-	-	-	59,145	-
Peter Bennetto <sup>3</sup>	13,000	-	1,235	-	-	-	14,235	-
<b>Executive</b>								
Ed Turner <sup>1</sup>	165,726	-	15,745	-	-	64,505	245,976	26%
<b>TOTAL</b>	<b>375,985</b>	<b>-</b>	<b>26,622</b>	<b>-</b>	<b>-</b>	<b>130,937</b>	<b>533,544</b>	

<sup>1</sup> Appointed 18 September 2019

<sup>2</sup> Appointed 26 November 2019

<sup>3</sup> Resigned 18 September 2019

<sup>4</sup> Resigned 26 November 2019

**Kingwest Resources Limited****ABN 58 624 972 185****DIRECTOR'S REPORT****For the year ended 30 June 2021****Options and Rights Over Equity Instruments Granted as Compensation**

Details of options and rights over equity instruments in the Company that were granted as compensation during the financial year ended 30 June 2021 to each key management person are as follows:

Director/Key Management Personnel	Type	Number	Grant Date	Fair Value per Security	Strike Price	Expiry Date	Number Vested
Ed Turner	Share Appreciation Rights	750,000	17-09-2020	\$0.107	\$0.18	15-09-2023	-

**Transactions with related parties**

Transactions between related parties are on commercial terms and conditions, no more favourable than those available to other parties unless otherwise stated.

	\$ 2021	\$ 2020
<i>Mining Corporate Pty Ltd – related party to Stephen Brockhurst</i>		
Transaction facilitation services, company secretarial, accounting and bookkeeping services during the year	97,920	134,812
<i>Clonaig Consulting Pty Ltd – related party to Adrian Byass</i>		
Provision of geological services during the year	787	-
Total during the year	98,707	134,812
<b>Outstanding balances arising from transactions</b>		
	\$ 2021	\$ 2020
<i>Mining Corporate Pty Ltd – related party to Stephen Brockhurst</i>		
Company secretarial, accounting and bookkeeping services	8,976	8,976
Total payable at the end of the reporting year	8,976	8,976

**Loan to Directors and their related parties**

No loans have been made to any Director or any of their related parties during the year. There were no further transactions with Directors including their related parties other than those disclosed above.

**Kingwest Resources Limited****ABN 58 624 972 185****DIRECTOR'S REPORT****For the year ended 30 June 2021****KMP Shareholdings**

The number of ordinary shares in Kingwest Resources Limited held by each KMP of the Company during the financial year is as follows:

	<b>Balance at beginning of year</b>	<b>Granted as remuneration during the year</b>	<b>Issued on exercise of options during the year</b>	<b>Other changes during the year</b>	<b>Balance at end of year</b>
<b>30 June 2021</b>					
Adrian Byass	1,150,000	-	-	-	1,150,000
Stephen Brockhurst	200,000	-	-	40,000	240,000
Jonathan Downes	1,533,334	-	-	310,000	1,843,334
Jonathan Price	-	-	-	-	-
Alex McCulloch	-	-	-	-	-
Ed Turner	400,000	-	-	200,000	600,000
	<b>3,283,334</b>	<b>-</b>	<b>-</b>	<b>550,000</b>	<b>3,833,334</b>

	<b>Balance at beginning of year</b>	<b>Granted as remuneration during the year</b>	<b>Issued on exercise of options during the year</b>	<b>Other changes during the year</b>	<b>Balance at end of year</b>
<b>30 June 2020</b>					
Adrian Byass	-	-	-	1,150,000	1,150,000
Stephen Brockhurst	-	-	-	200,000	200,000
Jonathan Downes	-	-	-	1,533,334	1,533,334
Jonathan Price	-	-	-	-	-
Stephen Woodham	500,000	-	-	(500,000)	-
Peter Bennetto	-	-	-	-	-
Ed Turner	-	-	-	400,000	400,000
	<b>500,000</b>	<b>-</b>	<b>-</b>	<b>2,783,334</b>	<b>3,283,334</b>

**Kingwest Resources Limited****ABN 58 624 972 185****DIRECTOR'S REPORT****For the year ended 30 June 2021****KMP Options Holdings**

The number of options over ordinary shares held during the financial year by each KMP of the Company is as follows:

	<b>Balance at beginning of year</b>	<b>Granted during the year</b>	<b>Exercised during the year</b>	<b>Other changes during the year</b>	<b>Balance at end of year</b>	<b>Vested</b>
<b>30 June 2021</b>						
Adrian Byass	3,000,000	-	-	-	3,000,000	3,000,000
Stephen Brockhurst	1,000,000	-	-	(1,000,000)	-	-
Jonathan Downes	3,000,000	-	-	-	3,000,000	3,000,000
Jonathan Price	-	-	-	-	-	-
Alex MCCulloch	-	-	-	-	-	-
Ed Turner	1,200,000	-	-	-	1,200,000	1,200,000
	<u>8,200,000</u>	<u>-</u>	<u>-</u>	<u>(1,000,000)</u>	<u>7,200,000</u>	<u>7,200,000</u>

	<b>Balance at beginning of year</b>	<b>Granted during the year</b>	<b>Exercised during the year</b>	<b>Other changes during the year</b>	<b>Balance at end of year</b>	<b>Vested</b>
<b>30 June 2020</b>						
Adrian Byass	-	-	-	3,000,000	3,000,000	3,000,000
Stephen Brockhurst	1,000,000	-	-	-	1,000,000	1,000,000
Jonathan Downes	-	-	-	3,000,000	3,000,000	3,000,000
Jonathan Price	-	-	-	-	-	-
Stephen Woodham	1,000,000	-	-	(1,000,000)	-	-
Peter Bennetto	1,500,000	-	-	(1,500,000)	-	-
Ed Turner	-	-	-	1,200,000	1,200,000	1,200,000
	<u>3,500,000</u>	<u>-</u>	<u>-</u>	<u>4,700,000</u>	<u>8,200,000</u>	<u>8,200,000</u>

**Kingwest Resources Limited****ABN 58 624 972 185****DIRECTOR'S REPORT****For the year ended 30 June 2021****KMP Share Appreciation Rights**

The number of share appreciation rights held during the financial year by each KMP of the Company is as follows:

	<b>Balance at beginning of year</b>	<b>Granted during the year</b>	<b>Exercised during the year</b>	<b>Other changes during the year</b>	<b>Balance at end of year</b>	<b>Vested</b>
<b>30 June 2021</b>						
Adrian Byass	750,000	-	-	-	750,000	375,000
Stephen Brockhurst	250,000	-	-	-	250,000	125,000
Jonathan Downes	750,000	-	-	-	750,000	375,000
Jonathan Price	-	-	-	-	-	-
Alex McCulloch	-	-	-	-	-	-
Ed Turner	750,000	750,000	-	-	1,500,000	375,000
	<u>2,500,000</u>	<u>750,000</u>	<u>-</u>	<u>-</u>	<u>3,250,000</u>	<u>1,250,000</u>

	<b>Balance at beginning of year</b>	<b>Granted during the year</b>	<b>Exercised during the year</b>	<b>Other changes during the year</b>	<b>Balance at end of year</b>	<b>Vested</b>
<b>30 June 2020</b>						
Adrian Byass	-	750,000	-	-	750,000	-
Stephen Brockhurst	-	250,000	-	-	250,000	-
Jonathan Downes	-	-	-	750,000	750,000	-
Jonathan Price	-	-	-	-	-	-
Stephen Woodham	-	-	-	-	-	-
Peter Bennetto	-	-	-	-	-	-
Ed Turner	-	750,000	-	-	750,000	-
	<u>-</u>	<u>1,750,000</u>	<u>-</u>	<u>750,000</u>	<u>2,500,000</u>	<u>-</u>

**End of Remuneration Report****Meeting of Directors**

During the year 4 director's meeting was held. Attendance by each director during the year were as follows:

	<b>Eligible to attend</b>	<b>Meetings attended</b>
Adrian Byass	4	4
Jonathan Price	4	4
Jonathan Downes	4	4
Stephen Brockhurst	4	4
Alex McCulloch	1	1

# Kingwest Resources Limited

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## DIRECTOR'S REPORT

For the year ended 30 June 2021

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### Future Developments, Prospects and Business Strategies

Further information, other than as disclosed in this report, about likely developments in the operations of the Group and the expected results of those operations in future periods has not been included in this report as disclosure of this information would be likely to result in unreasonable prejudice to the Group.

### Proceedings on Behalf of the Company

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

The Company was not a party to any such proceedings during the year.

### Environmental Issues

The operations and proposed activities of the Group are subject to State and Federal laws and regulations concerning the environment. As with most exploration projects and mining operations, the Group's activities are expected to have an impact on the environment, particularly if advanced exploration or field development proceeds. It is the Group's intention to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws. In this regard, the Department of Minerals and Petroleum of Western Australia from time to time, review the environmental bonds that are placed on permits. The Directors are not in a position to state whether a review is imminent or whether the outcome of such a review would be detrimental to the funding needs of the Company.

### Indemnity and insurance of officers

The Company has indemnified the directors and executives of the Company for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except when there is a lack of good faith.

During the financial year, the Company paid a premium in respect of a contract to insure the directors and executives of the Company against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

### Indemnity and insurance of auditors

The Company has not, during the financial year, indemnified or agreed to indemnify the auditor of the Company or any related entity against a liability incurred by the auditor.

During the financial year, the Company has not paid a premium in respect of a contract to insure the auditor of the Company or any related entity.

### Officers of the Company who are former partners of RSM Australia Partners

There are no officers of the Company who are former partners of RSM Australia Partners.

### Non-audit services

The following amounts were paid to the auditors of the Group, RSM Australia Partners, for non-audit services provided during the year:

	2021 \$	2020 \$
<b>Non-audit services:</b>		
Taxation and other services	7,750	12,250

**Kingwest Resources Limited**

**ABN 58 624 972 185**

**DIRECTOR'S REPORT**

**For the year ended 30 June 2021**

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**Auditor's Independence Declaration**

Section 307C of the Corporations Act 2001 requires our auditors, RSM Australia Partners, to provide the Directors of the Company with an Independence Declaration in relation to the audit of the financial report. This Independence Declaration is included within and forms part of this Directors' Report for the year ended 30 June 2021.

**Auditor**

RSM Australia continues in office in accordance with s327 of the Corporation Act 2001.

This report is signed in accordance with a resolution of the Board of Directors, pursuant to section 298(2)(a) of the Corporations Act 2001.



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Gregory Bittar

Director

Dated this 28<sup>th</sup> day of September 2021

**RSM Australia Partners**

Level 32, Exchange Tower  
2 The Esplanade Perth WA 6000  
GPO Box R1253 Perth WA 6844

T +61 (0) 8 9261 9100

F +61 (0) 8 9261 9111

[www.rsm.com.au](http://www.rsm.com.au)

**AUDITOR'S INDEPENDENCE DECLARATION**

As lead auditor for the audit of the financial report of Kingwest Resources Limited for the year ended 30 June 2021, 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.



RSM AUSTRALIA PARTNERS



TUTU PHONG  
Partner

Perth, WA  
Dated: 28 September 2021



**Kingwest Resources Limited**

**ABN 58 624 972 185**

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 JUNE 2021**

	<b>Note</b>	<b>2021</b> \$	<b>2020</b> \$
<b>Revenue</b>			
Interest		9,676	11,930
Gain on disposal of exploration tenements		1,007,040	-
Other Income		26,640	18,558
<b>Expenses</b>			
Accounting and audit fees		(140,669)	(166,312)
Compliance cost		(86,393)	(68,378)
Corporate advisory and consulting fees		(150,745)	(126,191)
Director & employee benefits expense		(289,983)	(266,649)
Legal expenses		(48,213)	(15,606)
Share based payments		(281,318)	(235,865)
Interest expense		(2,517)	(3,265)
Travel expenses		(13,591)	(31,932)
Depreciation		(51,593)	(29,094)
Impairment of exploration expenditure	6	(1,622,791)	(4,151,013)
Loss on disposal of exploration tenements		-	(5,939)
Other expenses		(283,716)	(193,261)
<b>Loss before income tax expense</b>		<b>(1,928,173)</b>	<b>(5,263,017)</b>
Income tax expense	2	-	-
<b>Loss after income tax for the year</b>		<b>(1,928,173)</b>	<b>(5,263,017)</b>
<b>Other comprehensive income net of income tax</b>		<b>-</b>	<b>-</b>
<b>Total comprehensive loss for the year</b>		<b>(1,928,173)</b>	<b>(5,263,017)</b>
<b>Loss Per Share</b>			
Basic and diluted loss per share (cents per share)	3	(1.27)	(5.34)

The accompanying notes form part of these financial statements.

Kingwest Resources Limited

ABN 58 624 972 185

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2021

	Note	2021 \$	2020 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	4	3,012,020	2,781,402
Trade and other receivables	5	178,297	211,739
Exploration and evaluation assets held for sale	6	-	636,692
<b>TOTAL CURRENT ASSETS</b>		<b>3,190,317</b>	<b>3,629,833</b>
<b>NON-CURRENT ASSETS</b>			
Exploration and evaluation assets	6	17,362,712	14,060,951
Plant and equipment	7	45,219	54,785
Right-of-use asset	9a	21,621	58,685
<b>TOTAL NON-CURRENT ASSETS</b>		<b>17,429,552</b>	<b>14,174,421</b>
<b>TOTAL ASSETS</b>		<b>20,619,869</b>	<b>17,804,254</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	8	739,436	4,635,292
Lease liabilities	9b	19,549	36,764
Provisions	10	24,457	11,767
<b>TOTAL CURRENT LIABILITIES</b>		<b>783,442</b>	<b>4,683,823</b>
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
Lease liabilities	9b	3,314	22,863
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>3,314</b>	<b>22,863</b>
<b>TOTAL LIABILITIES</b>		<b>786,756</b>	<b>4,706,686</b>
<b>NET ASSETS</b>		<b>19,833,113</b>	<b>13,097,568</b>
<b>EQUITY</b>			
Issued capital	11	26,307,557	17,925,197
Share based payment reserve	12	2,273,309	1,991,951
Accumulated losses		(8,747,753)	(6,819,580)
<b>TOTAL EQUITY</b>		<b>19,833,113</b>	<b>13,097,568</b>

The accompanying notes form part of these financial statements.

**Kingwest Resources Limited**

**ABN 58 624 972 185**

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2021**

	<b>Issued Capital</b>	<b>Share based payment reserve</b>	<b>Accumulated losses</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Balance at 1 July 2020</b>	17,925,197	1,991,951	(6,819,580)	13,097,568
Loss for the year	-	-	(1,928,173)	(1,928,173)
Other comprehensive income	-	-	-	-
Total comprehensive loss	-	-	(1,928,173)	(1,928,173)
<i>Transactions with owner directly recorded in equity</i>				
Shares issued	8,916,445	-	-	8,916,445
Share based payments	-	281,358	-	281,358
Share issue cost	(534,085)	-	-	(534,085)
<b>Balance at 30 June 2021</b>	<b>26,307,557</b>	<b>2,273,309</b>	<b>(8,747,753)</b>	<b>19,833,113</b>

	<b>Issued Capital</b>	<b>Share based payment reserve</b>	<b>Accumulated losses</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Balance at 1 July 2019</b>	7,433,798	794,190	(1,556,563)	6,671,425
Loss for the year	-	-	(5,263,017)	(5,263,017)
Other comprehensive income	-	-	-	-
Total comprehensive loss	-	-	(5,263,017)	(5,263,017)
<i>Transactions with owner directly recorded in equity</i>				
Shares issued	10,996,000	-	-	10,996,000
Share based payments	-	1,197,761	-	1,197,761
Share issue cost	(504,601)	-	-	(504,601)
<b>Balance at 30 June 2020</b>	<b>17,925,197</b>	<b>1,991,951</b>	<b>(6,819,580)</b>	<b>13,097,568</b>

The accompanying notes form part of these financial statements.

**Kingwest Resources Limited**

**ABN 58 624 972 185**

**CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2021**

	<b>Note</b>	<b>2021 \$</b>	<b>2020 \$</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Payments to suppliers and employees		(903,360)	(881,584)
Interest received		9,791	15,131
Interest paid		(2,517)	(3,265)
<b>Net cash used in operating activities</b>	<b>14</b>	<b>(896,086)</b>	<b>(869,718)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payment for exploration expenditure		(6,024,804)	(3,868,629)
Payment for exploration assets		(1,625,000)	(1,750,000)
Proceeds from disposal of exploration assets		2,080,000	475,000
Payment for property, plant and equipment		(4,963)	(29,447)
<b>Net cash used in investing activities</b>		<b>(5,574,767)</b>	<b>(5,173,076)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from issue of shares (net of costs)		6,738,235	6,979,534
Lease repayments		(36,764)	(14,501)
<b>Net cash provided by financing activities</b>		<b>6,701,471</b>	<b>6,965,033</b>
Net increase in cash and cash equivalents		230,618	922,239
<b>Cash and cash equivalents at beginning of financial year</b>		<b>2,781,402</b>	<b>1,859,163</b>
<b>Cash and cash equivalents at end of financial year</b>	<b>4</b>	<b>3,012,020</b>	<b>2,781,402</b>

The accompanying notes form part of these financial statements.

**Kingwest Resources Limited**

**ABN 58 624 972 185**

**NOTES TO THE FINANCIAL STATEMENTS**

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**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

These financial statements and notes represent those of Kingwest Resources Limited (the "Company") and its wholly owned subsidiaries (together referred to hereafter as "the Group"). Kingwest Resources Limited is a public company, incorporated and domiciled in Australia.

The financial statements were authorised for issue on 28 September 2021 by the directors of the Company. The directors have the power to amend and reissue the financial statements.

The principal accounting policies adopted in the preparation of the financial statements are set out below.

**New or amended Accounting Standards and Interpretations adopted**

In the year ended 30 June 2021, the Group has reviewed all of the new and revised Accounting Standards and Interpretations issued by the Australian Accounting Standards Board that are relevant to its operations and effective for the current annual reporting year. Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

**Basis of Preparation**

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the

Australian Accounting Standards Board (AASB) and the *Corporations Act 2001*. The Company is a for-profit entity for financial reporting purposes under the Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board (IASB). Material accounting policies adopted in the preparation of this financial report are presented below. They have been consistently applied unless otherwise stated.

The financial statements have been prepared on an accruals basis and is based on historical costs, modified where applicable, by the measurement at fair value of financial assets and financial liabilities.

# Kingwest Resources Limited

ABN 58 624 972 185

## NOTES TO THE FINANCIAL STATEMENTS

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### NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Accounting Policies

The following is a summary of the material accounting policies adopted by the Group in the preparation of the financial report.

#### a) Operating Segments

Operating segments are presented using the 'management approach' where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers. The Chief Operating Decision Maker is responsible for the allocation of resources to operating segments and assessing their performance.

#### b) Principles of consolidation

The consolidated financial statements incorporate all of the assets, liabilities and results of the parent, Kingwest Resources Limited and all of the subsidiaries (including any structured entities). Subsidiaries are entities the parent controls. The parent controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. A list of the subsidiaries is provided in Note 21.

The assets, liabilities and results of all subsidiaries are fully consolidated into the financial statements of the Group from the date on which control is obtained by the Group. The consolidation of a subsidiary is discontinued from the date that control ceases. Intercompany transactions, balances and unrealised gains or losses on transactions between group entities are fully eliminated on consolidation. Accounting policies of subsidiaries have been changed and adjustments made where necessary to ensure uniformity of the accounting policies adopted by the Group.

Equity interests in a subsidiary not attributable, directly or indirectly, to the Group are presented as "non-controlling interests". The Group initially recognises non-controlling interests that are present ownership interests in subsidiaries and are entitled to a proportionate share of the subsidiary's net assets on liquidation at either fair value or at the non-controlling interests' proportionate share of the subsidiary's net assets. Subsequent to initial recognition, non-controlling interests are attributed their share of profit or loss and each component of other comprehensive income. Non-controlling interests are shown separately within the equity section of the statement of financial position and statement of profit or loss and other comprehensive income.

**Kingwest Resources Limited**

**ABN 58 624 972 185**

**NOTES TO THE FINANCIAL STATEMENTS**

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**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**c) Income Tax**

The income tax expense (revenue) for the year comprises current income tax expense (income) and deferred tax expense (income).

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.

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

Current and deferred income tax expense (income) is charged or credited directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity.

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 relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at reporting date. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Where temporary differences exist in relation to investments in subsidiaries, branches, associates, and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

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

**d) Current and non-current classification**

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current. Deferred tax assets and liabilities are always classified as non-current.

# Kingwest Resources Limited

ABN 58 624 972 185

## NOTES TO THE FINANCIAL STATEMENTS

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### NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### e) Plant and equipment

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Plant and equipment	2-5 years
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The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date. Leasehold improvements are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the Group. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss. Any revaluation surplus reserve relating to the item disposed of is transferred directly to retained profits.

#### f) Right of use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the Group expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The Group has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

#### g) Exploration and Evaluation Expenditure

Exploration and evaluation expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that they are expected to be recouped 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 period in which the decision to abandon the area is made.

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

Costs of site restoration are provided over the life of the facility 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 clauses of the mining 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 period of abandoning the site.



**Kingwest Resources Limited**

**ABN 58 624 972 185**

**NOTES TO THE FINANCIAL STATEMENTS**

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**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**h) Investments and other financial assets**

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless, an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

*Financial assets at fair value through profit or loss*

Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

*Financial assets at fair value through other comprehensive income*

Financial assets at fair value through other comprehensive income include equity investments which the Group intends to hold for the foreseeable future and has irrevocably elected to classify them as such upon initial recognition.

*Impairment of financial assets*

The Group recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the Group's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets measured at fair value through other comprehensive income, the loss allowance is recognised within other comprehensive income. In all other cases, the loss allowance is recognised in profit or loss. Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets measured at fair value through other comprehensive income, the loss allowance is recognised within other comprehensive income. In all other cases, the loss allowance is recognised in profit or loss.

**NOTES TO THE FINANCIAL STATEMENTS**

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**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**i) Impairment of Assets**

At the end of each reporting date, the Group assesses whether there is any indication that an asset may be impaired. The assessment will include the consideration of external and internal sources of information including dividends received from subsidiaries, associates or jointly controlled entities deemed to be out of pre-acquisition profits. 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.

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) Employee Benefits**

Provision is made for the Group's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within a 12-month period have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than 12 months have been measured at the present value of the estimated future cash outflows to be made for those benefits.

**k) Equity-settled compensation**

The Group operates equity-settled share-based payment employee share and option schemes. The fair value of the equity to which employees become entitled is measured at grant date and recognised as an expense over the vesting period, with a corresponding increase to an equity account. The fair value of shares is ascertained as the market bid price. The fair value of options is ascertained using a Black-Scholes pricing model which incorporates all market vesting conditions. The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting date such that the amount recognised for services received as consideration for the equity instruments granted shall be based on the number of equity instruments that eventually vest.

**l) Fair Value Measurement**

When an asset or liability, financial or non-financial is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either; in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities measured at fair value are classified, into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

**m) Issued Capital**

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

# Kingwest Resources Limited

ABN 58 624 972 185

## NOTES TO THE FINANCIAL STATEMENTS

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### NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### n) Earnings per share

##### *Basic earnings per share*

Basic earnings per share is calculated by dividing the profit attributable to the owners of Kingwest Resources Limited, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares, outstanding during the financial period, adjusted for bonus elements in ordinary shares issued during the financial period.

##### *Diluted earnings per share*

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

#### o) 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.

#### p) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, restricted cash, deposits held at call with banks and other short-term highly liquid investments with original maturities of 3 months or less.

#### q) Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Trade receivables are generally due for settlement within 30 days.

The Company has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

#### r) Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial period and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

#### s) Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

**Kingwest Resources Limited**

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**NOTES TO THE FINANCIAL STATEMENTS**

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**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**t) Revenue**

The Company recognises revenue as follows:

**Interest**

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

**Other revenue**

Other revenue is recognised when it is received or when the right to receive payment is established.

**u) Borrowing Costs**

All borrowing costs are recognised as expense in the period in which they are incurred.

**v) 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 Tax 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.

**w) Critical Accounting Estimates and Judgments**

The directors evaluate estimates and judgments incorporated into the financial report 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.

***Share based payment transactions***

The Company 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 of the options issued are determined by an internal valuation using a Black-Scholes option pricing model, using the assumptions detailed in the notes to the financial statements. The assumptions detailed in the note is also judgemental.

For equity transactions with consultants and other employees, the fair value reflects the value attributable to services where applicable. Where there is no quantifiable value of services the value of options is calculated using the Black-Scholes option pricing model.

For instruments issued with market-based conditions, alternative valuation methodologies would be adopted.

***Exploration and evaluation costs***

Exploration and evaluation costs have been capitalised and are only carried forward to the extent that they are expected to be recouped 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.

Key judgements are applied in considering the costs to be capitalised which includes determining expenditures directly related to these activities and allocating overheads between those that are expensed and capitalised.

**Kingwest Resources Limited**

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**NOTES TO THE FINANCIAL STATEMENTS**

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**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

***Coronavirus (COVID-19) pandemic***

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the Group based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographic regions in which the Group operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the Group unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

**x) New accounting standards for application in future periods**

**New Accounting Standards and Interpretations not yet mandatory or early adopted**

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Group for the annual reporting year ended 30 June 2021. The Group has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

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**NOTES TO THE FINANCIAL STATEMENTS**

	2021 \$	2020 \$
<b>NOTE 2: INCOME TAX EXPENSE</b>		
<b>a. Recognised in the income statement:</b>		
Current tax	-	-
Deferred tax	-	-
Income tax as reported in the statement of comprehensive income	-	-
<b>b. Reconciliation of income tax expense to prima facie tax payable:</b>		
Loss from ordinary activities before income tax expense	(1,928,173)	(5,263,017)
Prima facie tax benefit on loss from ordinary activities before income tax at 30%	(578,452)	(1,578,905)
Increase in income tax due to:		
- Temporary differences	(4,611,067)	(2,236,442)
- Permanent difference	894,065	1,317,142
- Unused tax losses not recognised	4,295,454	2,498,205
Income tax attributable to operating loss	-	-
The following deferred tax balances have not been recognised:		
<b>c. Deferred tax assets not recognised</b>		
Carry forward revenue losses at 30%	7,897,205	3,647,526

Potential deferred tax assets attributable to tax losses and other temporary differences have not been brought to account at 30 June 2021 because the directors do not believe it is appropriate to regard realisation of the deferred tax assets as probable at this point in time. These benefits will only be obtained if:

- the Group derives future assessable income of a nature and of an amount sufficient to enable the benefit from the deductions for the expenditure to be realised; and
- no changes in tax legislation adversely affect the Group in realising the benefit from the deductions for the expenditure.

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**NOTES TO THE FINANCIAL STATEMENTS**

**NOTE 3: LOSS PER SHARE**

	<b>2021</b>	<b>2020</b>
	<b>Cents per share</b>	<b>Cents per share</b>
Basic and diluted loss per share	(1.27)	(5.34)

The loss and weighted average number of ordinary shares used in this calculation of basic and diluted loss per share are as follows:

	<b>\$</b>	<b>\$</b>
Loss	(1,928,173)	(5,263,017)

	<b>Number</b>	<b>Number</b>
Weighted average number of ordinary shares for the purposes of basic and diluted loss per share	152,114,981	98,550,501

The options outstanding are not included in the calculation of diluted loss per share because they have no dilutive effect for the year ended 30 June 2020 and 30 June 2021.

	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
<b>NOTE 4: CASH AND CASH EQUIVALENTS</b>		
Cash at bank	3,012,020	2,781,402
	<b>3,012,020</b>	<b>2,781,402</b>

**NOTE 5: TRADE AND OTHER RECEIVABLES**

	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
<b>Current</b>		
GST receivable	108,276	133,020
Prepayments	50,118	61,993
Other receivables	19,903	16,726
	<b>178,297</b>	<b>211,739</b>

There is no allowance for expected credit losses recognised for the year ended 30 June 2021.

# Kingwest Resources Limited

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## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 6: EXPLORATION AND EVALUATION ASSETS

	2021	2020
	\$	\$
<b>Current</b>		
Exploration and evaluation assets held for sale <sup>2</sup>	-	636,692
<b>Non Current</b>		
Exploration and evaluation assets	17,362,712	14,060,951
<b>Total Exploration and evaluation assets</b>	<b>17,362,712</b>	<b>14,697,643</b>
<b>Movements in exploration and evaluation assets</b>		
Balance at the beginning of year	14,697,643	4,991,506
Tenement acquisition <sup>3</sup>	-	9,336,896
Costs capitalised	5,360,820	5,000,215
Tenement disposal <sup>1</sup>	(1,072,960)	(479,961)
Impairment of costs	(1,622,791)	(4,151,013)
Balance at the end of reporting year	<b>17,362,712</b>	<b>14,697,643</b>

<sup>1</sup> During the year ended 30 June 2021 the Group disposed of Goongarrie Lady tenements (M29/420 and L29/109) for upfront cash consideration of \$1,900,000 (ex GST) and the Crawfords and Gambier Lass tenements (M37/1202, E37/893 and P37/8901) for upfront cash consideration of \$180,000 (ex GST). The Group recognised a gain on disposal of the tenements of \$1,007,040. Consideration for the disposal also included deferred consideration based on future milestones which has been disclosed as a contingent asset (refer to Note 17).

<sup>2</sup> As at 30 June 2020 the Leonora tenements, namely Crawfords and Gambier Lass North were classified as held for sale. During the year the Group recognised an impairment expense of \$4,151,013 on the Leonora tenements. The ultimate recoupment of balances carried forward in relation to areas of interest still in the exploration or valuation phase is dependent on successful development, and commercial exploitation, or alternatively sale of the respective areas. The Company conducts impairment testing on an annual basis when indicators of impairment are present at the reporting date.

<sup>3</sup> During the year ended 30 June 2020 the Group acquired the Menzies and Goongarrie Gold Projects from Horizon Minerals Limited ("Horizon") by acquiring a number of exploration and mining tenements near the town of Menzies in Western Australia. Consideration for the acquisition consisted of an initial cash payment to Horizon of \$1,750,000 and the issue of 20,000,000 ordinary shares with a fair value of \$3,000,000. Consideration for the acquisition also included a payment of \$1,625,000 in cash and \$1,625,000 in shares at a deemed issue price being the lower of \$0.15 per share and a 30 day VWAP. This deferred consideration was completed in March 2021. The Group also issued 2,500,000 ordinary shares with a fair value of \$375,000 and a total of 7,850,000 unlisted options with a fair value of \$961,896 (refer to Note 16a) to facilitators of the acquisition.



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**NOTES TO THE FINANCIAL STATEMENTS**

**NOTE 7: PLANT & EQUIPMENT**

	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
Plant & equipment at cost	74,922	69,959
Plant & equipment – accumulated depreciation	(29,703)	(15,174)
	<b>45,219</b>	<b>54,785</b>
Balance at the beginning of year	54,785	38,990
Addition	4,963	29,446
Depreciation	(14,529)	(13,651)
Balance at the end of reporting year	<b>45,219</b>	<b>54,785</b>

**NOTE 8: TRADE AND OTHER PAYABLES**

	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
<b>Current</b>		
Trade creditors	589,432	1,274,171
Accruals	150,004	111,121
Menzies deferred consideration <sup>1</sup>	-	3,250,000
	<b>739,436</b>	<b>4,635,292</b>

Trade creditors are expected to be paid on 30-day terms.

<sup>1</sup>Menzies deferred consideration was settled in March 2021 consisting of a \$1,625,000 payment in cash and \$1,625,000 in shares at a deemed issue price of \$0.15 per share.

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**NOTES TO THE FINANCIAL STATEMENTS**

**NOTE 9: LEASES**

	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
<b>a) Right-of-use asset</b>		
Balance at the beginning of the year	58,685	-
Additions	-	74,128
Depreciation	(37,064)	(15,443)
Balance at the end of the year	<u>21,621</u>	<u>58,685</u>
<b>b) Lease liabilities</b>		
Office lease	<u>22,863</u>	<u>59,627</u>
Current	19,549	36,764
Non-Current	<u>3,314</u>	<u>22,863</u>
Total	<u>22,863</u>	<u>59,627</u>

**NOTE 10: PROVISIONS**

	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
<b>Current</b>		
Employee Benefits	<u>24,457</u>	<u>11,767</u>

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**NOTES TO THE FINANCIAL STATEMENTS**

**NOTE 11: ISSUED CAPITAL**

	<b>2021</b>	<b>2021</b>
	<b>No.</b>	<b>\$</b>
Ordinary shares - fully paid	<b>202,027,191</b>	<b>26,307,557</b>

**Movement in ordinary shares:**

<b>Balance at beginning of year</b>	<b>121,905,376</b>	<b>17,925,197</b>
Entitlement Issue Placement – 18 September 2020	24,381,075	3,291,445
Placement – 25 September 2020	7,407,407	1,000,000
Issue of shares for acquisition of Menzies Project (deferred consideration) – 24 March 2021	10,833,333	1,625,000
Placement – 8 June 2021	37,500,000	3,000,000
Share issue cost	-	(534,085)
<b>Balance at 30 June 2021</b>	<b>202,027,191</b>	<b>26,307,557</b>

	<b>2020</b>	<b>2020</b>
	<b>No.</b>	<b>\$</b>
Ordinary shares - fully paid	<b>121,905,376</b>	<b>17,925,197</b>

**Movement in ordinary shares:**

<b>Balance at beginning of year</b>	<b>50,810,000</b>	<b>7,433,798</b>
Issue of shares in lieu of services provided – 9 July 2019	606,060	100,000
Placement – 5 August 2019	10,000,000	1,500,000
Placement – 18 September 2019	16,666,666	2,500,000
Issue of shares for acquisition of Menzies Project – 18 September 2019	20,000,000	3,000,000
Issue of facilitator shares for Menzies Project – 18 September 2019	2,500,000	375,000
Placement – 24 February 2020	21,212,121	3,500,000
Issue of shares for tenement data – 28 February 2020	110,529	21,000
Share issue cost	-	(504,601)
<b>Balance at 30 June 2020</b>	<b>121,905,376</b>	<b>17,925,197</b>

**Terms and conditions of issued capital**

Ordinary shares participate in dividends and the proceeds on winding up of the Company in proportion to the number of shares held. The fully paid ordinary shares have no par value.

At the shareholders' meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

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## NOTES TO THE FINANCIAL STATEMENTS

### Capital risk management

The Group's objectives when managing capital are to safeguard its ability to continue as a going concern, so that it may continue to provide returns for shareholders and benefits for other stakeholders.

The Company's capital includes ordinary share capital and financial liabilities, supported by financial assets.

Due to the nature of the Group's activities, being mineral exploration, it does not have ready access to credit facilities, with the primary source of funding being equity raisings. Accordingly, the objective of the Group's capital risk management is to balance the current working capital position against the requirements of the Group to meet exploration programmes and corporate overheads. This is achieved by maintaining appropriate liquidity to meet anticipated operating requirements, with a view to initiating appropriate capital raisings as required.

### NOTE 12: SHARE BASED PAYMENT RESERVE

	2021	2020
	\$	\$
Opening balance	1,991,951	794,190
Options issued	31,852	961,896
Share appreciation rights issued	249,506	235,865
Closing balance	<u>2,273,309</u>	<u>1,991,951</u>

The share-based payments reserves record items recognised as expenses on valuation of employees, directors and promoters options and share appreciation rights.

A summary of the movements of all options issued is as follows:

	Number	Weighted Average Exercise Price (\$)	Weighted Average Remaining Life (years)
<b>Options outstanding as at 1 July 2020</b>	23,600,000	0.30	1.3
Issued	400,000	0.22	1.8
Forfeited	-	-	-
Exercised	-	-	-
Expired	(15,750,000)	0.20	-
<b>Options outstanding as at 30 June 2021</b>	<u>8,250,000</u>	<u>0.30</u>	<u>0.35</u>
<b>Options exercisable as at 30 June 2021</b>	8,250,000	0.30	0.35
	Number	Weighted Average Exercise Price (\$)	Weighted Average Remaining Life (years)
<b>Options outstanding as at 1 July 2019</b>	15,750,000	0.20	2.0
Issued	7,850,000	0.49	2.8
Forfeited	-	-	-
Exercised	-	-	-
Expired	-	-	-
<b>Options outstanding as at 30 June 2020</b>	<u>23,600,000</u>	<u>0.30</u>	<u>1.3</u>
<b>Options exercisable as at 30 June 2020</b>	23,600,000	0.30	1.3

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**NOTES TO THE FINANCIAL STATEMENTS**

A summary of the movements of all share appreciation rights issued is as follows:

	Number	Weighted Average Strike Price (\$)	Weighted Average Remaining Life (years)
<b>Share appreciation rights outstanding as at 1 July 2020</b>	2,970,000	0.28	4.3
Issued	1,125,000	0.18	3.0
Forfeited	-	-	-
Exercised	-	-	-
Expired	-	-	-
<b>Share appreciation rights outstanding as at 30 June 2021</b>	<b>4,095,000</b>	<b>0.25</b>	<b>3.90</b>
<b>Share appreciation rights exercisable as at 30 June 2021</b>	<b>1,485,000</b>	<b>0.28</b>	<b>3.27</b>

	Number	Weighted Average Strike Price (\$)	Weighted Average Remaining Life (years)
<b>Share appreciation rights outstanding as at 1 July 2019</b>	-	-	-
Issued	2,970,000	0.28	4.9
Forfeited	-	-	-
Exercised	-	-	-
Expired	-	-	-
<b>Share appreciation rights outstanding as at 30 June 2020</b>	<b>2,970,000</b>	<b>0.28</b>	<b>4.3</b>
<b>Share appreciation rights exercisable as at 30 June 2020</b>	<b>-</b>	<b>-</b>	

See note 16 for valuation technique, assumptions and inputs.

	2021 \$	2020 \$
<b>NOTE 13: AUDITORS' REMUNERATION</b>		
Remuneration of the auditor of the Group for:		
Audit or review of the financial report	33,500	31,500
Non-audit services:		
Other services	7,750	12,250

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**NOTES TO THE FINANCIAL STATEMENTS**

	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
<b>NOTE 14: CASHFLOW INFORMATION</b>		
<b>a. Reconciliation of Cash Flow from Operations with Loss after Income Tax</b>		
Loss after income tax	(1,928,173)	(5,263,017)
<u>Non-cash adjustment</u>		
Share Based Payments	281,358	235,865
Impairment	1,622,791	4,151,013
(Gain) / Loss on disposal	(1,007,040)	5,939
Depreciation	51,593	29,094
Changes in assets and liabilities;		
Trade and other receivables	7,154	(32,485)
Trade payables and accruals	63,541	(1,130)
Provisions	12,690	5,003
<b>Cashflow used in operating activities</b>	<b>(896,086)</b>	<b>(869,718)</b>

**b. Non-cash Financing and Investing Activities**

During the year the Group had the following non-cash financing and investing activities:

- Issue of 10,833,333 shares at an issue price of \$0.15 per share for the deferred acquisition consideration of the Menzies and Goongarrie tenements.

**Kingwest Resources Limited****ABN 58 624 972 185****NOTES TO THE FINANCIAL STATEMENTS****NOTE 15: TRANSACTIONS WITH RELATED PARTIES****Key Management Personnel (KMP)**

The total of remuneration paid or due to be paid to the KMP of the Company during the year are as follows:

	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
Short-term employment benefits	415,553	375,985
Post-employment benefits	29,978	26,622
Share based payments	150,278	130,937
Total remuneration paid or due to be paid	595,809	533,544

**Transactions with related parties**

Transactions between related parties are on commercial terms and conditions, no more favourable than those available to other parties unless otherwise stated.

	<b>\$</b>	<b>\$</b>
	<b>2021</b>	<b>2020</b>
<i>Mining Corporate Pty Ltd – related party to Stephen Brockhurst</i>		
Transaction facilitation services, company secretarial, accounting and bookkeeping services during the year	97,920	134,812
<i>Clonaig Consulting Pty Ltd – related party to Adrian Byass</i>		
Provision of geological services during the year	787	-
Total during the year	98,707	134,812

**Outstanding balances arising from transactions**

	<b>\$</b>	<b>\$</b>
	<b>30 June 2021</b>	<b>30 June 2020</b>
<i>Mining Corporate Pty Ltd – related party to Stephen Brockhurst</i>		
Company secretarial, accounting and bookkeeping services during the year	8,976	8,976

**Loan to Directors and their related parties**

No loans have been made to any Director or any of their related parties during the year. There were no further transactions with Directors including their related parties other than those disclosed above.

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## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 16: SHARE BASED PAYMENTS

There were the following share based payments during the year:

	30 June 2021	30 June 2020
	\$	\$
<b>Shares</b>		
10,833,333 Ordinary shares issued as deferred consideration to acquire the Menzies Gold Project at a deemed issue price of \$0.15 per share	1,625,000	-
606,060 Ordinary shares issued to a drilling supplier in lieu of cash for services provided at a deemed issue price of \$0.165 per share	-	100,000
20,000,000 Ordinary shares issued to acquire the Menzies Gold Project at a deemed issue price of \$0.15 per share	-	3,000,000
2,500,000 Ordinary shares to facilitators of the Menzies Gold Project at a deemed issue price of \$0.15 per share	-	375,000
110,529 Ordinary shares to a supplier for tenement data acquired at a deemed issue price of \$0.19 per share	-	21,000
<b>Unlisted Securities</b>		
400,000 options issued to consultants	31,852	-
2,700,000 options issued to facilitators of the Menzies Gold Project acquisition	-	362,555
5,150,000 options issued to facilitators of the Menzies Gold Project acquisition	-	599,341
2,970,000 share appreciation rights issued pursuant to the Performance Rights Plan	178,670	235,865
1,125,000 share appreciation rights issued pursuant to the Performance Rights Plan	70,836	-

#### a) Consultant Options

The Consultant Options were issued on 23 November 2020 in lieu of services provided.

Grant Date/entitlement	Number of Instruments	Grant Date	Expiry Date	Exercise Price	Fair value per instrument \$	Value \$
Consultant Options	400,000	20/11/2020	22/09/2022	\$0.215	0.0795	31,812

The options issued during the period were calculated using the Black-scholes option pricing model with the following inputs:

	Options granted Range
Expected volatility (%)	100%
Risk free interest rate (%)	0.8%
Weighted average expected life of options (years)	1.83
Expected dividends	Nil
Issue price (\$)	\$0.0001
Option exercise price (\$)	\$0.215
Share price at grant date (\$)	\$0.175
Fair value of option (\$)	\$0.0795

The options issued were deemed to vest immediately and there were no other vesting conditions.



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## NOTES TO THE FINANCIAL STATEMENTS

### b) *Facilitator Options*

The Facilitator Options were approved by shareholders on 10 September 2019 and issued on settlement of the acquisition of the Menzies Gold Project.

Grant Date/entitlement	Number of Instruments	Grant Date	Expiry Date	Exercise Price	Fair value per instrument \$	Value \$
Class A Facilitator Options	2,700,000	18/09/2019	30/06/2022	\$0.39	0.1343	362,555
Class B Facilitator Options	5,150,000	18/09/2019	30/06/2022	\$0.54	0.1164	599,341

The options issued during the prior year were calculated using the Black-scholes option pricing model with the following inputs:

	Options granted Range
Expected volatility (%)	100%
Risk free interest rate (%)	0.8%
Weighted average expected life of options (years)	2.7
Expected dividends	Nil
Option exercise price (\$)	\$0.39 / \$0.54
Share price at grant date (\$)	\$0.26
Fair value of option (\$)	\$0.1343 - \$0.1164

The options issued were deemed to vest immediately and there were no other vesting conditions.

### c) *Share Appreciation Rights*

The Performance Rights Plan was approved by shareholders on 10 September 2019. On 17 September 2020 1,125,000 Share Appreciation Rights (SARs) were issued to employees, of these 50% vest on 17 September 2021 (Tranche 1) and 50% vest on 17 September 2022 (Tranche 2). On 7 October 2019 1,970,000 Share Appreciation Rights (SARs) were issued to employees, of these 50% vest on 7 October 2020 (Tranche 1) and 50% vest on 7 October 2021 (Tranche 2). On 22 November 2019 1,000,000 SARs were issued to Directors upon receiving shareholder approval at the Company's AGM, of these 50% vest on 7 October 2020 (Tranche 3) and 50% vest on 7 October 2021 (Tranche 4).

Grant Date/entitlement	Number of Instruments	Grant Date	Vesting Date	Fair value per instrument \$	Value \$
Tranche 1 - SARs issued to employees / consultants at a strike price of \$0.18 expiring 15 September 2023	562,500	17/09/2020	17/09/2021	0.107	60,131
Tranche 2 - SARs issued to employees / consultants at a strike price of \$0.18 expiring 15 September 2023	562,500	17/09/2020	17/09/2022	0.107	60,131
Tranche 1 - SARs issued to employees / consultants at	985,000	7/10/2019	7/10/2020	0.152	149,720

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**NOTES TO THE FINANCIAL STATEMENTS**

a strike price of \$0.28 expiring 7 October 2024					
Tranche 2 - SARs issued to employees / consultants at a strike price of \$0.28 expiring 7 October 2024	985,000	7/10/2019	7/10/2021	0.166	163,806
Tranche 3 - SARs issued to directors at a strike price of \$0.28 expiring 7 October 2024	500,000	22/11/2019	7/10/2020	0.127	63,500
Tranche 4 - SARs issued to directors at a strike price of \$0.28 expiring 7 October 2024	500,000	22/11/2019	7/10/2021	0.139	69,450

The SARs issued during the year were calculated using a binomial pricing model with the following range of inputs:

**Rights granted**

Expected volatility (%)	100%
Risk free interest rate (%)	0.75%
Weighted average expected life (years)	3 years
Expected dividends	Nil
Strike price (\$)	\$0.18
Share price at grant date (\$)	\$0.18

The SARs issued during the previous financial year were calculated using a binomial pricing model with the following range of inputs:

**Rights granted**

Expected volatility (%)	100%
Risk free interest rate (%)	0.62% - 0.8%
Weighted average expected life (years)	4.9 - 5 years
Expected dividends	Nil
Strike price (\$)	\$0.28
Share price at grant date (\$)	\$0.22 - \$0.26

**NOTE 17: CONTINGENT ASSETS AND LIABILITIES**

During the 2021 financial year the Group disposed on the Goongarrie Lady tenements (M29/420 and L29/109). As part of the sale the Group is entitled to royalty payments of \$20/oz (ex GST) uncapped on gold troy ounces produced after the initial 15koz of production from the Goongarrie Lady tenements.

# Kingwest Resources Limited

ABN 58 624 972 185

## NOTES TO THE FINANCIAL STATEMENTS

During the 2021 financial year the Group disposed of the Crawfords and Gambier Lass tenements (M37/1202, E37/893 and P37/8901). As part of the sale the Group is entitled to a 1.75% Net Smelter Return (NSR) Royalty for all production on tenements M37/1202 and E37/893. In the event that a decision to mine is not made by the purchaser by 22 July 2021, the purchaser must pay the Group \$100,000 (ex GST). If mining operations have not commenced by 22 July 2022 or 22 July 2023 the purchaser must pay the Group \$100,000 (ex GST) on each of those dates.

On acquiring certain Menzies tenements (L29/42, L29/43, L29/44, M29/14, M29/88, M29/153, M29/154, M29/184, MLA29/223) during the 2020 financial year, the Group assumed a Net Smelter Royalty of 1% on gross proceeds from the sale of any gold on the tenements to the original vendor. The Group also assumed a clawback right allowing the original vendor to acquire a 70% interest in any single resource that may be discovered on the tenements provided the single resource contains at least 500,000oz of gold. The purchase price for the single resource is the greater of \$2,000,000 or 3 times eligible exploration and evaluation expenditure incurred in relation to the discovery of the single resource.

In the opinion of the directors there were no other contingent assets or liabilities as at 30 June 2021.

### NOTE 18: CAPITAL AND OTHER COMMITMENTS

In order to maintain the current rights to Western Australian exploration tenements, the Group is required to perform minimum exploration requirements specified by the Department of Mines and Petroleum:

	30 June 2021	30 June 2020
Less than 12 months	564,382	754,110
Between 12 months and 5 years	1,524,835	2,023,579
5 years or more	1,524,495	1,966,158
<b>Total</b>	<b>3,613,712</b>	<b>4,743,847</b>

The Group has no other capital or expenditure commitments as at reporting date.

### NOTE 19: OPERATING SEGMENTS

The Group has identified its operating segments based on internal reports that are reviewed and used by the Board of Directors in assessing performance and determining the allocation of resources. The Group operates in one business segment being exploration for mineral resources. The Group operates in Australia. All segment assets, segment liabilities and segment results relate to one business segment and therefore no segment analysis has been prepared.

### NOTE 20: FINANCIAL RISK MANAGEMENT

The Group's financial instruments consist mainly of deposits with banks, accounts receivable and accounts payable.

The Board of Directors has overall responsibility for the oversight and management of the Group's exposure to a variety of financial risks (including market risk, credit risk and liquidity risk).

#### **Credit risk**

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those 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 counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions is spread amongst approved counterparties.

# Kingwest Resources Limited

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## NOTES TO THE FINANCIAL STATEMENTS

The Group does not have any collateral. Credit risk related to balances with banks and other financial institutions is managed by the board. The board's policy requires that surplus funds are only invested with counterparties with a Standard & Poor's rating of at least AA-. All of the Group's surplus funds are invested with AA Rated financial institutions.

The Group does not have any material credit risk exposure to any single receivable or receivables under financial instruments entered into by the Group.

### Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The responsibility with liquidity risk management rests with the Board of Directors. The Group manages liquidity risk by monitoring forecast cash flows and ensuring that adequate working capital is maintained. The Group's policy is to ensure that it has sufficient cash reserves to carry out its planned exploration activities over the next 12 months.

The table below reflects an undiscounted contractual maturity analysis for financial liabilities and receivables.

### Financial liability and financial asset maturity analysis

2021	Weighted Average Interest Rate	1 year or less \$	Between 1 & 2 years \$	Between 2 & 5 years \$	Total \$
<b>Non-Derivatives</b>					
<i>Financial Assets</i>					
Cash and Cash Equivalents	1%	3,012,020	-	-	3,012,020
Trade and Other Receivables	-	178,297	-	-	178,297
<i>Financial Liabilities</i>					
Trade Payables	-	(739,436)	-	-	(739,436)
Borrowings	6%	(19,549)	(3,314)	-	(22,863)
Net Financial Assets		<b>2,431,332</b>	<b>(3,314)</b>	-	<b>2,428,018</b>
<hr/>					
2020	Weighted Average Interest Rate	1 year or less \$	Between 1 & 2 years \$	Between 2 & 5 years \$	Total \$
<b>Non-Derivatives</b>					
<i>Financial Assets</i>					
Cash and Cash Equivalents	1%	2,781,402	-	-	2,781,402
Trade and Other Receivables	-	211,739	-	-	211,739
<i>Financial Liabilities</i>					
Trade Payables	-	(4,635,292)	-	-	(4,635,292)
Borrowings	6%	(36,764)	(22,863)	-	(59,627)
Net Financial Liabilities		<b>(1,678,915)</b>	<b>(22,863)</b>	-	<b>(1,701,778)</b>

### Market Risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments.

**Kingwest Resources Limited****ABN 58 624 972 185****NOTES TO THE FINANCIAL STATEMENTS****Interest rate risk**

The Group manages interest rate risk by monitoring immediate and forecast cash requirements and ensuring adequate cash reserves are maintained.

**Fair value of financial instruments**

Unless otherwise stated, the carrying amount of financial instruments reflects their fair value.

**NOTE 21: INTEREST IN CONTROLLED ENTITIES**

The consolidated financial statements incorporate the assets, liabilities and the results of the following subsidiaries in accordance with the accounting policy described in note 1:

Controlled entities	Country of incorporation	Percentage owned	Percentage owned
		30 June 2021	30 June 2020
Roman Kings Pty Ltd	Australia	100%	100%
Pax Romana Resources Pty Ltd	Australia	100%	100%
Golden Gladiator Pty Ltd	Australia	100%	100%
Menzies Operational and Mining Pty Ltd	Australia	100%	100%
Goongarrie Operational and Mining Pty Ltd	Australia	100%	100%

**NOTE 22: PARENT ENTITY DISCLOSURES**

Financial position	2021	2020
	\$	\$
Assets		
Current assets	3,190,308	2,993,127
Non-current assets	17,435,560	14,824,695
Total assets	20,625,868	17,817,822
Liabilities		
Current liabilities	955,118	4,683,823
Non-current liabilities	3,314	22,863
Total liabilities	958,432	4,706,686
Equity		
Issued capital	26,307,558	17,925,197
Accumulated losses	(8,913,431)	(6,806,012)
Reserves	2,273,309	1,991,951
Total equity	19,667,436	13,111,136
Financial performance		
Loss for the year	(2,107,419)	(5,262,123)
Total comprehensive loss for the year	(2,107,419)	(5,262,123)

## Kingwest Resources Limited

ABN 58 624 972 185

### NOTES TO THE FINANCIAL STATEMENTS

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#### Other Commitments and Contingencies:

The company has entered into various corporate and administrative agreements including commitments to perform minimum exploration requirements specified by the Department of Mines and Petroleum.

	30 June 2021	30 June 2020
Less than 12 months	-	745,596
Between 12 months and 5 years	-	2,022,996
5 years or more	-	1,966,158
<b>Total</b>	-	<b>4,734,750</b>

As at 30 June 2021 the Groups exploration tenements are held by the Company's subsidiaries listed in note 21.

Kingwest Resources Limited had no other contingent liabilities as at 30 June 2021.

#### NOTE 23: EVENTS AFTER REPORTING PERIOD

On 1 July 2021 Mr Gregory Bittar was appointed a Director and Mr Stephen Brockhurst resigned as a Director of the Company. On appointment Mr Bittar replaced Mr Adrian Byass as Non-Executive Chairman with Mr Byass remaining a Non-Executive Director of the Company.

On 2 August 2021 the Company raised \$500,000 by issuing its Horizon Minerals Limited (Horizon) 6,250,000 ordinary shares at an issue price of \$0.08 per share with 1 new unlisted option for every 2 shares issued exercisable at \$0.15 expiring 30 December 2023, following shareholder approval received on 29 July 2021.

On 2 August 2021 the Company issued the 18,750,000 unlisted options exercisable at \$0.15 expiring 30 December 2023 attached to the 37,500,000 shares issued under the Placement on 8 June 2021.

On 2 August 2021 the Company issued Gregory Bittar 2,000,000 unlisted options exercisable at \$0.15 expiring 30 December 2023 under his Non-executive Director Agreement, following shareholder approval received on 29 July 2021.

On 16 September 2021 the Company issued 6,250,000 unlisted options exercisable at \$0.17 expiring 15 September 2024 to key employees and consultants.

No other matter or circumstance has arisen since the end of audited period which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial periods.

**Kingwest Resources Limited**

**ABN 58 624 972 185**

**DIRECTORS' DECLARATION**

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In accordance with a resolution of the directors of Kingwest Resources Limited, the directors of the Company declare that:

1. the financial statements, notes and the remuneration report in the Directors' Report are in accordance with the Corporations Act 2001, including:

- (i) giving a true and fair view of the financial position of the Group as at 30 June 2021 and of its performance, for the year ended 30 June 2021; and
- (ii) complying with Australian Accounting Standards (including International Financial Reporting Standards) and the Corporations Regulations 2001;

2. in the directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable;

This declaration has been made after receiving the declarations required to be made by the directors in accordance with sections of 295A of the Corporations Act 2001.

This declaration is made in accordance with a resolution of the Board of Directors made pursuant to section 295(5)(a) of the Corporations Act 2001.



Gregory Bittar  
Director

Perth, 28 September 2021

**RSM Australia Partners**

Level 32, Exchange Tower  
2 The Esplanade Perth WA 6000  
GPO Box R1253 Perth WA 6844

T +61 (0) 8 9261 9100  
F +61 (0) 8 9261 9111

[www.rsm.com.au](http://www.rsm.com.au)

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF  
KINGWEST RESOURCES LIMITED**

**Opinion**

We have audited the financial report of Kingwest Resources Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2021, the consolidated statement of profit or loss and other 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 financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the Corporations Act 2001, including:

- (i) Giving a true and fair view of the Group's financial position as at 30 June 2021 and of its financial performance for the year then ended; and
- (ii) Complying with Australian Accounting Standards and the Corporations Regulations 2001.

**Basis for Opinion**

We conducted our audit in accordance with Australian Auditing Standards. 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.

**THE POWER OF BEING UNDERSTOOD**  
**AUDIT | TAX | CONSULTING**

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RSM Australia Partners ABN 36 965 185 036

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## 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 of the current period. 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 this matter
<b>Exploration and Evaluation Assets – Note 6</b>	
<p>As at the reporting date, the Group has capitalised exploration and evaluation assets of \$17,362,712.</p> <p>We considered this to be a key audit matter due to the significant management judgments involved in assessing the carrying value of the assets including:</p> <ul style="list-style-type: none"> <li>• Determining whether the expenditure can be associated with finding specific mineral resources, and the basis on which that expenditure is allocated to an area of interest;</li> <li>• Determining whether exploration activities have reached a stage at which the existence of an economically recoverable reserves may be determined; and</li> <li>• Assessing whether any indicators of impairment are present and if so, judgement applied to determine and quantify any impairment loss.</li> </ul>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> <li>• Ensuring that the right to tenure of each area of interest is current;</li> <li>• Agreeing a sample of additions to supporting documentation and ensuring the amounts are capital in nature and relate to the area of interest;</li> <li>• Reviewing the reduction in capitalised exploration and evaluation assets of \$1,072,960 in relation to the sale of the Goongarrie Lady and Crawfords and Gamier Lass tenements during the year ended 30 June 2021;</li> <li>• Assessing and evaluating management's assessment of whether indicators of impairment existed as at 30 June 2021;</li> <li>• Assessing and evaluating management's assessment of the impairment loss recognised for the year ended 30 June 2021;</li> <li>• Enquiring with management and reviewing budgets and other supporting documentation as evidence that active and significant operations in, or relation to, the area of interest will be continued in the future; and</li> <li>• Assessing management's determination that exploration and evaluation activities have not yet reached a stage where the existence or otherwise of economically recoverable reserves may be reasonably determined.</li> </ul>

## Other Information

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 2021 but does not include the financial report and the 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.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: [https://www.auasb.gov.au/auditors\\_responsibilities/ar2.pdf](https://www.auasb.gov.au/auditors_responsibilities/ar2.pdf). This description forms part of our auditor's report.

## **Report on the Remuneration Report**

### *Opinion on the Remuneration Report*

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2021.

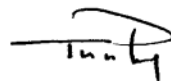
In our opinion, the Remuneration Report of Kingwest Resources Limited, for the year ended 30 June 2021, complies with section 300A of the Corporations Act 2001.

### *Responsibilities*

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 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.



RSM AUSTRALIA PARTNERS



TUTU PHONG  
Partner

Perth, WA  
Dated: 28 September 2021

**Kingwest Resources Limited**

**ABN 58 624 972 185**

**SCHEDULE OF EXPLORATION TENEMENTS**

The information is current as at 13 September 2021:

PROJECT	TENEMENT	TENURE TYPE	STATUS	KWR CURRENT INTEREST
MENZIES (Western Australia)	E29/984	EXPLORATION	GRANTED	100%
	L29/42	MISCELLANEOUS	GRANTED	100%
	L29/43	MISCELLANEOUS	GRANTED	100%
	L29/44	MISCELLANEOUS	GRANTED	100%
	M29/14	MINING	GRANTED	100%
	M29/153	MINING	GRANTED	100%
	M29/154	MINING	GRANTED	100%
	M29/184	MINING	GRANTED	100%
	M29/212	MINING	GRANTED	100%
	M29/410	MINING	GRANTED	100%
	M29/88	MINING	GRANTED	100%
	P29/2346	PROSPECTING	GRANTED	100%
	P29/2450	PROSPECTING	GRANTED	100%
	P29/2578	PROSPECTING	GRANTED	100%
	P29/2579	PROSPECTING	GRANTED	100%
	P29/2580	PROSPECTING	GRANTED	100%
	P29/2581	PROSPECTING	GRANTED	100%
	P29/2582	PROSPECTING	GRANTED	100%
	P29/2583	PROSPECTING	GRANTED	100%
	P29/2584	PROSPECTING	GRANTED	100%
	P29/2585	PROSPECTING	GRANTED	100%
GOONGARRIE (Western Australia)	P29/2380	PROSPECTING	GRANTED	100%
	P29/2381	PROSPECTING	GRANTED	100%
	P29/2412	PROSPECTING	GRANTED	100%
	P29/2413	PROSPECTING	GRANTED	100%
	P29/2530	PROSPECTING	GRANTED	100%
	P29/2531	PROSPECTING	GRANTED	100%
	P29/2532	PROSPECTING	GRANTED	100%
	P29/2533	PROSPECTING	GRANTED	100%
	P29/2467	PROSPECTING	GRANTED	100%
	P29/2468	PROSPECTING	GRANTED	100%
	E29/966	EXPLORATION	GRANTED	100%
	E29/1062	EXPLORATION	GRANTED	100%
	E29/996	EXPLORATION	GRANTED	100%

# Kingwest Resources Limited

ABN 58 624 972 185

## SHAREHOLDER INFORMATION

The following additional information is required by the Australian Securities Exchange Ltd in respect of listed public companies only. The information is current as at 13 September 2021.

### 1. Shareholding

#### a. Distribution of Shareholders

Category (size of holding)	Class of Equity Security	
	Number of Holders	Fully Paid Ordinary Shares
1 - 1,000	33	5,585
1,001 – 5,000	124	439,458
5,001 – 10,000	168	1,430,350
10,001 – 100,000	548	21,108,523
100,001 – and over	299	185,293,275
	<b>1,172</b>	<b>208,277,191</b>

b. The number of shareholdings held in less than marketable parcels is 166.

c. The Company had the following substantial shareholders at the date of this report.

#### **Fully Paid Ordinary Shares**

Holder	Number	%
Horizon Minerals Limited	37,083,333	17.8

#### d. Voting Rights

The voting rights attached to each class of equity security are as follows:

Ordinary shares

- Each ordinary share is entitled to one vote when a poll is called, otherwise each member present at a meeting or by proxy has one vote on a show of hands.

**Kingwest Resources Limited**  
**ABN 58 624 972 185**

**SHAREHOLDER INFORMATION**

**e. 20 Largest holders of quoted equity securities (fully paid ordinary shares)**

	<b>Name</b>	<b>Number Held</b>	<b>Percentage %</b>
1.	HORIZON MINERALS LIMITED	37,083,333	17.80%
2.	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	7,632,798	3.66%
3.	JEFF TOWLER BUILDING PTY LTD	5,200,000	2.50%
4.	DRP CARTONS (NSW) PTY LIMITED <DRP CARTONS NSW P/L S/F A/C>	3,990,000	1.92%
5.	MR STEPHEN KAM LO TONG & MRS PATSY LIN HAP TONG <BIALLA SUPER FUND A/C>	3,550,000	1.70%
6.	DRP CARTONS (NSW) PTY LTD	3,283,899	1.58%
7.	CS THIRD NOMINEES PTY LIMITED <HSBC CUST NOM AU LTD 13 A/C>	3,248,521	1.56%
8.	EL-RAGHY KRIEVALDT PTY LTD	2,500,000	1.20%
9.	A22 PTY LIMITED <GROVER INVESTMENT A/C>	2,100,000	1.01%
10.	A22 PTY LIMITED	2,100,000	1.01%
11.	CENTRAL IRON ORE LIMITED	2,095,830	1.01%
12.	MAJI MAZURI PTY LTD & MAWINGO PTY LTD	2,010,369	0.97%
13.	EQUITY TRUSTEES LIMITED <LOWELL RESOURCES FUND A/C>	2,000,000	0.96%
14.	AURALIA HOLDINGS PTY LTD	2,000,000	0.96%
15.	MR GRAHAM STEWART CAMPBELL & MRS HEATHER ROSLYN CAMPBELL <GS & HR CAMPBELL S/F A/C>	2,000,000	0.96%
16.	MR CLIVE LEDGER HARCOMBE HILL & MS ROBIN SALLY HILL <CLIVE HILL SUPER FUND A/C>	1,750,000	0.84%
17.	DELBRIS PTY LTD <SAXON S/FUND A/C>	1,702,000	0.82%
18.	VERTIGO TRADING PTY LIMITED <DOWNES SUPER FUND A/C>	1,607,238	0.77%
19.	PYLARA PTY LTD	1,560,000	0.75%
20.	MR NOEL EDWARD PEREIRA	1,400,000	0.67%
		<b>88,813,988</b>	<b>42.64%</b>

2. The Name of the Company Secretary is Mr Stephen Brockhurst.

## Kingwest Resources Limited

ABN 58 624 972 185

### SHAREHOLDER INFORMATION

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3. The address of the registered office is Level 11, 216 St Georges Terrace, Perth WA 6000. The address of the principal place of business is Unit3, Churchill Court, 335 Hay Street Subiaco WA 6008. Telephone (08) 9481 0389.
4. Registers of securities are held at the following address:  
Automic Group  
Level 2, 267 St Georges Terrace  
Perth WA 6000
5. **Stock Exchange Listing**  
Quotation has been granted for all the ordinary shares of the company on the Australian Securities Exchange Limited.
6. **Restricted Securities**  
The Company has no restricted securities on issue as at the date of this report.
7. **Unquoted Securities**  
The Company has the following unquoted securities on issue as at the date of this report:
  - 400,000 options exercisable at \$0.215 on or before 22 September 2022
  - 2,700,000 options exercisable at \$0.39 on or before 30 June 2022
  - 5,150,000 options exercisable at \$0.54 on or before 30 June 2022
  - 23,875,000 options exercisable at \$0.15 on or before 30 December 2023
  - 6,250,000 options exercisable at \$0.17 on or before 15 September 2024
  - 2,970,000 share appreciation rights with a strike price of \$0.28 expiring 7 October 2024
  - 1,125,000 share appreciation rights with a strike price of \$0.18 expiring 15 September 2023