

25 October 2022

Kingwest Resources Ltd

ASX: KWR

Shares on Issue
281,726,818

Directors & Management

Executive Chairman
Gregory Bittar

Chief Geologists
Elizabeth Laursen
Leonardo Salim

Non-Executive Directors
Jonathan Downes
Ashok Parekh

Company Secretary
Stephen Brockhurst

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Investor Relations

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ASX via Electronic Lodgement

Quarterly Report for the period ending 30 September 2022

During the September Quarter Kingwest Resources Limited ("Kingwest"):

- Exploration activity focus directed towards Menzies with infill drilling of the Selkirk deposit with the aim of bring this orebody into production via our profit-sharing JV with BML Ventures
- Submission of the Mining Operations Proposal for the Selkirk Deposit
- Completed an oversubscribed Share Purchase Plan (SPP) to raise approximately \$2.5 million
- Progressed the diamond drilling program at the Goongarrie Gold Project with a best high grade fresh rock intercept of 5.0m @ 4.8 g/t Au from 113.3m (KGD004)
- The immediate economic potential at the rest of Menzies is under review with the majority of existing resources hosting potential for further mineralisation

Share Purchase Plan:

- **Upsized from \$1.5m to \$2.5m due to heavy oversubscription with the issue of 38,753,793 new shares at an issue price of \$0.065**
- **The shares issued under the SPP also received 1 free attaching option for every 2 shares subscribed for. Each option has an exercise price of \$0.10 and an expiry date of 29 February 2024**

Selkirk Infill Drilling

- **Numerous high-grade intervals were intersected at Selkirk as part of an infill drilling program (ASX 5 September 2022):**
 - **6m @ 24.62 g/t Au** from 92m in 22SKRC017
 - **3m @ 14.68 g/t Au** from 47m in 22SKRC008
 - **2m @ 12.55 g/t Au** from 32m in 22SKRC001
 - **2m @ 13.44 g/t Au** from 55m in 22SKRC012
 - **3m @ 7.91 g/t Au** from 82m in 22SKRC016
 - **1m @ 20.70 g/t Au** from 13m in 22SKRC012
- **A Mining Proposal and Mine Closure Plan have been submitted to the Western Australian Department of Mines, Industry Regulation and Safety by BML Ventures Pty Ltd ("BML") in its capacity as JV partner and manager of the Selkirk Cutback Project.**



SELKIRK INFILL DRILLING

The infill drilling program completed by BML at the Selkirk Deposit has further confirmed the high-grade nature of the gold mineralisation. The Selkirk Deposit is a discrete gold project within M29/154 in the Menzies Gold Project. The infill drilling was required prior to completing an updated MRE, an optimised pit shell and mine planning.

13 RC holes for 960m (22SKRC001, 22SKRC008 – 22SKRC019) were drilled at Selkirk (Figure 1). Better results of **6m @ 24.62 g/t Au** from 92m in 22SKRC017, **2m @ 12.55 g/t Au** from 32m in 22SKRC001, **3m @ 14.62 g/t Au** from 47m in 22SKRC008, **2m @ 13.44 g/t Au** from 55m in 22SKRC012 and **3m @ 7.91 g/t Au** from 82m in 22SKRC016 confirm the high-grade nature of the Selkirk Deposit.

Mineralisation remains open at depth and on strike with several of these significant intersections near the base of the current MRE (Figures 2 & 3). All significant intersections are included in Table 1 and full details were announced on 5 September 2022.

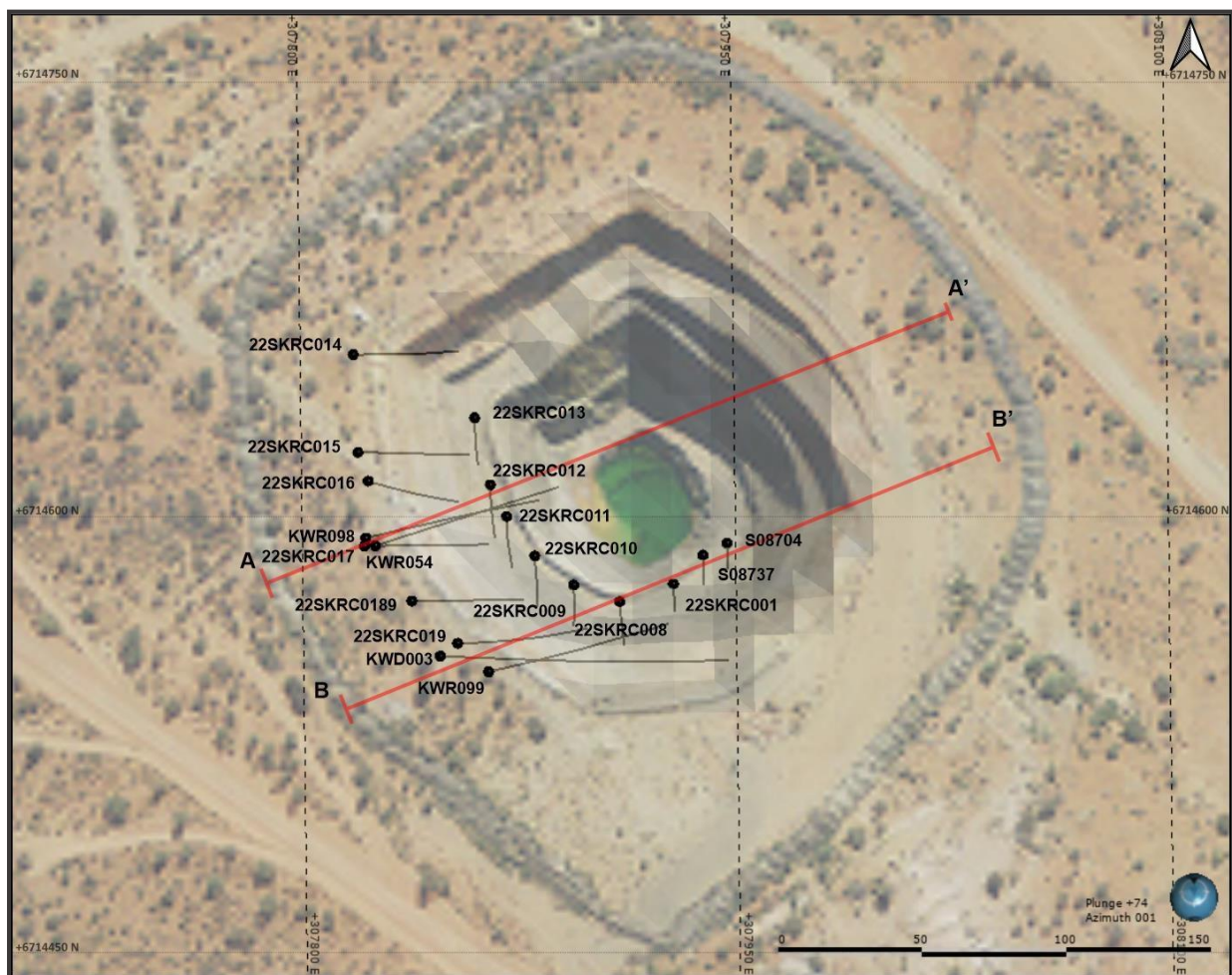


Figure 1: Drillhole location plan and location of cross sections A-A' and B-B'

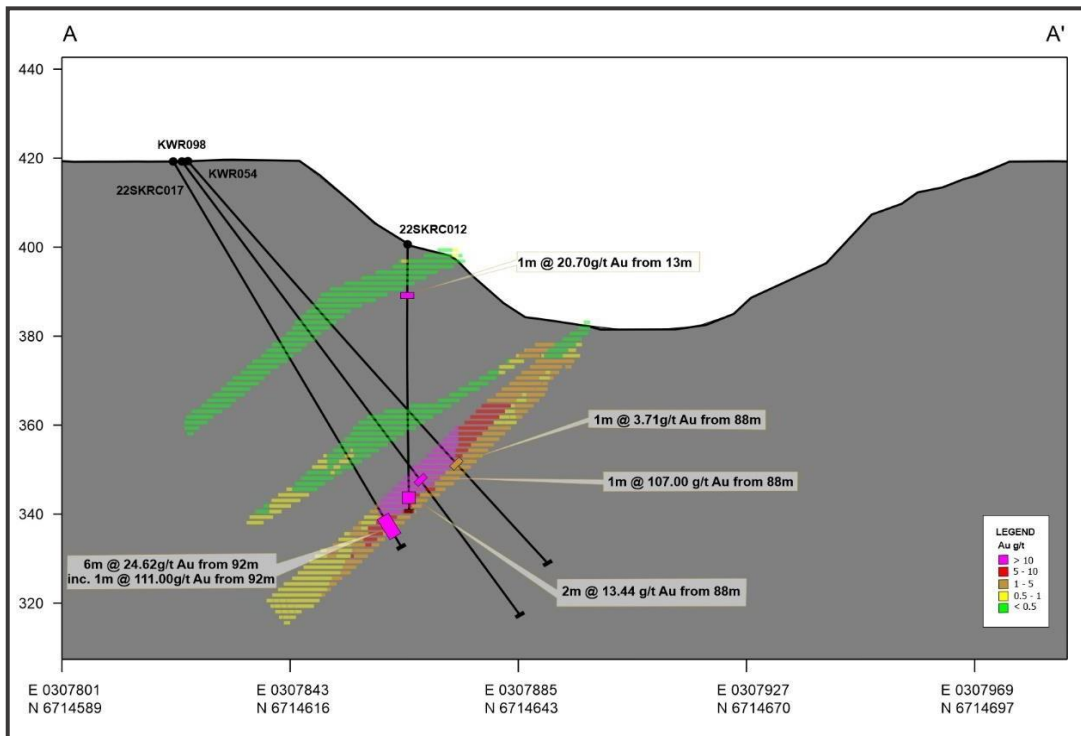


Figure 2: Cross section A-A' with significant intersections and MRE block model shapes

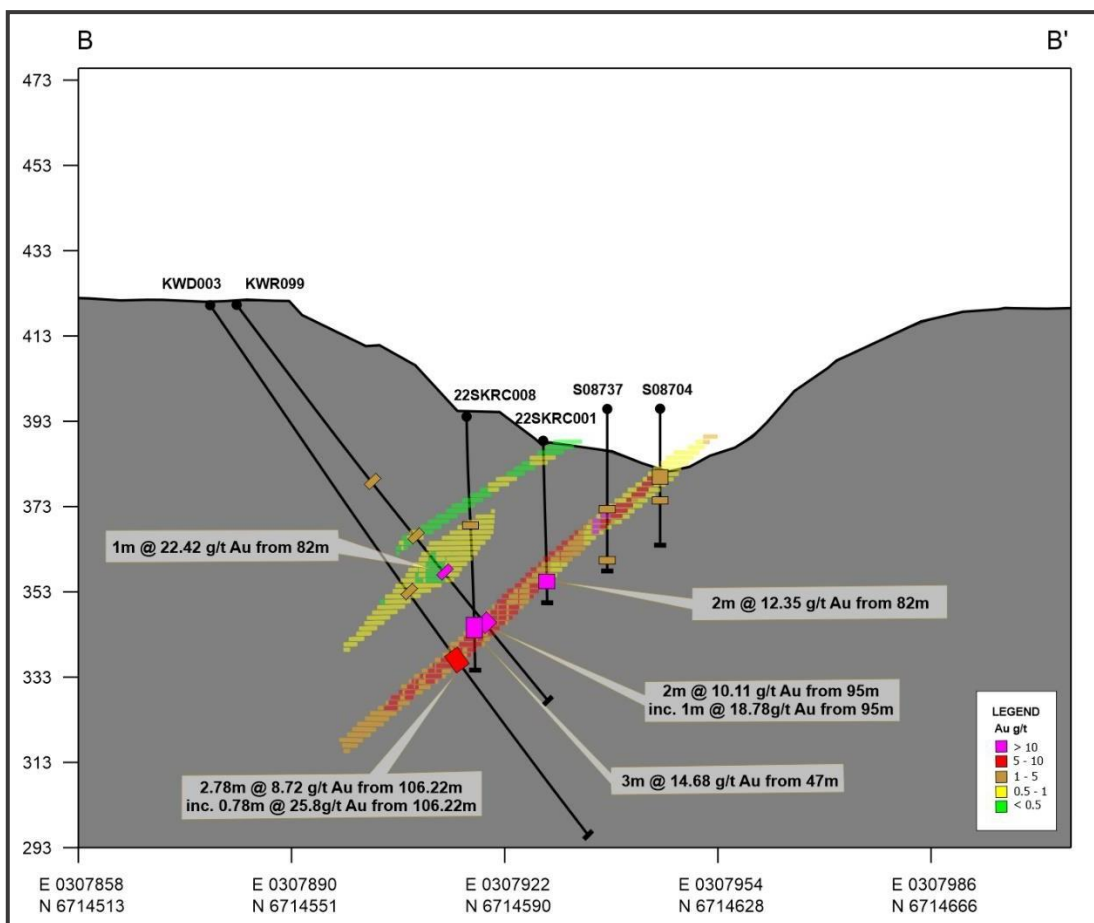


Figure 3: Cross section B-B' with significant intersections and MRE block model shapes



Table 1: Significant intersections (> 1.00 g/t Au, internal dilution up to 2m less than 1.00 g/t Au)

Hole ID	Depth From (m)	Depth To (m)	Interval (m)	Au (g/t)	Comments
22SKRC001	32	33	1	14.55	2m @ 12.55 g/t from 32m
22SKRC001	33	34	1	10.55	
22SKRC008	28	29	1	1.40	1m @ 1.40 g/t from 28m
22SKRC008	47	48	1	3.62	3m @ 14.68 g/t from 47m
22SKRC008	48	49	1	38.00	
22SKRC008	49	50	1	2.43	
22SKRC010	12	13	1	3.93	1m @ 3.93 g/t from 12m
22SKRC010	60	61	1	1.85	1m @ 1.85 g/t from 60m
22SKRC011	57	58	1	6.35	1m @ 6.34 g/t from 57m
22SKRC012	13	14	1	20.70	1m @ 20.70 g/t from 13m
22SKRC012	55	56	1	6.77	2m @ 13.44 g/t from 55m
22SKRC012	56	57	1	20.10	
22SKRC015	54	55	1	2.99	1m @ 2.99 g/t from 54m
22SKRC015	74	75	1	1.18	1m @ 1.18 g/t from 74m
22SKRC016	72	73	1	4.70	1m @ 4.70 g/t from 72m
22SKRC016	82	83	1	1.37	3m @ 7.91 g/t from 82m
22SKRC016	83	84	1	16.05	
22SKRC016	84	85	1	6.30	
22SKRC017	92	93	1	111.00	6m @ 24.62 g/t from 92m
22SKRC017	93	94	1	9.53	
22SKRC017	94	95	1	13.65	
22SKRC017	95	96	1	0.51	
22SKRC017	96	97	1	0.10	
22SKRC017	97	98	1	12.90	
22SKRC019	68	69	1	2.68	1m @ 2.68 g/t from 68m
22SKRC019	88	89	1	1.06	1m @ 1.06 g/t from 88m

GOONGARRIE DRILLING

Kingwest continued drilling to identify the source of the substantial gold signature in Lake Goongarrie. The best primary gold results returned from diamond drilling were announced on 15 September 2022 including 1.09m @ 4.95 g/t Au from 169.86m (KGD008) and **5.0m @ 4.8 g/t Au** from 113.3m (KGD004). The drilling campaign at Lake Goongarrie was suspended due to heavy rainfall and a return will be reviewed at the appropriate time. Overall, the deeper lake drilling proved challenging for a variety of reasons making this program more expensive and slower than initially anticipated. The potential for a discovery remains with results such as KGD004 proving primary mineralisation in a fertile structural setting.

CORPORATE UPDATE

The Company's CEO Mr Ed Turner resigned (as announced 15 September 2022) for personal reasons and the resignation was effective immediately. The Board has appointed Gregory Bittar as Executive Chairman in order to oversee the Company's renewed focus on its Menzies Gold Project. Mr Bittar's remuneration will be \$120,000 pa plus superannuation during his time as Executive Chairman. The existing Board has



significant exploration and mining experience and have expanded their involvement to drive Kingwest towards focussed and lean exploration and profitable mine development.

FINANCIAL COMMENTARY – 30 SEPTEMBER 2022

The Company's Quarterly Cashflow Report (Appendix 5B) follows this activities report. The Company had \$2.8M in cash as at 30 September 2022. Exploration Expenditure for the quarter was \$1.17 million with most of this expenditure being associated with the drilling activities at Goongarrie.

The total amount paid to related parties of Kingwest and their associates, as per item 6.1 of the Appendix 5B, was \$42k for Directors fees, salaries and superannuation.

-Ends-

The Board of Directors of Kingwest Resources Limited authorised this announcement to be given to ASX.

Further information contact:

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Executive Chairman

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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.

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.



APPENDIX 1: Tenement information

PROJECT	TENEMENT	TENURE TYPE	STATUS	CHANGE IN INTEREST	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%
	P29/2588	PROSPECTING	GRANTED	100%	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%

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Kingwest Resources Limited

ABN

58 624 972 185

Quarter ended ("current quarter")

30 September 2022

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	-	-
(b) development	-	-
(c) production	-	-
(d) staff costs	(63)	(63)
(e) administration and corporate costs	(195)	(195)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	5	5
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(253)	(253)

2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	-	-
(d) exploration & evaluation	(1,173)	(1,173)
(e) investments	-	-
(f) other non-current assets	-	-

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)		
	Advanced Royalty Receipt	100	100
2.6	Net cash from / (used in) investing activities	(1,073)	(1,073)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	2,519	2,519
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(151)	(151)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	2,368	2,368

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,797	1,797
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(243)	(243)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(1,083)	(1,083)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	2,368	2,368

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	2,839	2,839

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	2,839	1,797
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	2,839	1,797

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	42
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	-	-
7.5 Unused financing facilities available at quarter end	[]	
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.	[]	

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(253)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(1,173)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(1,426)
8.4 Cash and cash equivalents at quarter end (item 4.6)	2,839
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	2,839
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	2
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: N/a	
8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: N/a	
8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
Answer: N/a	
<i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i>	

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 25 October 2022

Authorised by: By the Board
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.