Kingwest Resources Limited

ASX: KWR

Shares on Issue
50,810,000

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ASX via Electronic Lodgement

HIGH GRADE ROCK CHIPS AT KING OF THE WEST AND EXPLORATION UPDATE

- Reconnaissance rock sampling returns multiple high gold grades up to **168g/t Au and 45g/t Ag**.
- Drilling to commence on Emperor Structure next week.
- Aero-magnetic survey to commence in third week of September.

Kingwest Resources Limited ("Kingwest" or "the Company") is pleased to update the market on exploration activities following successful listing on 24th August 2018.

Reconnaissance Sampling

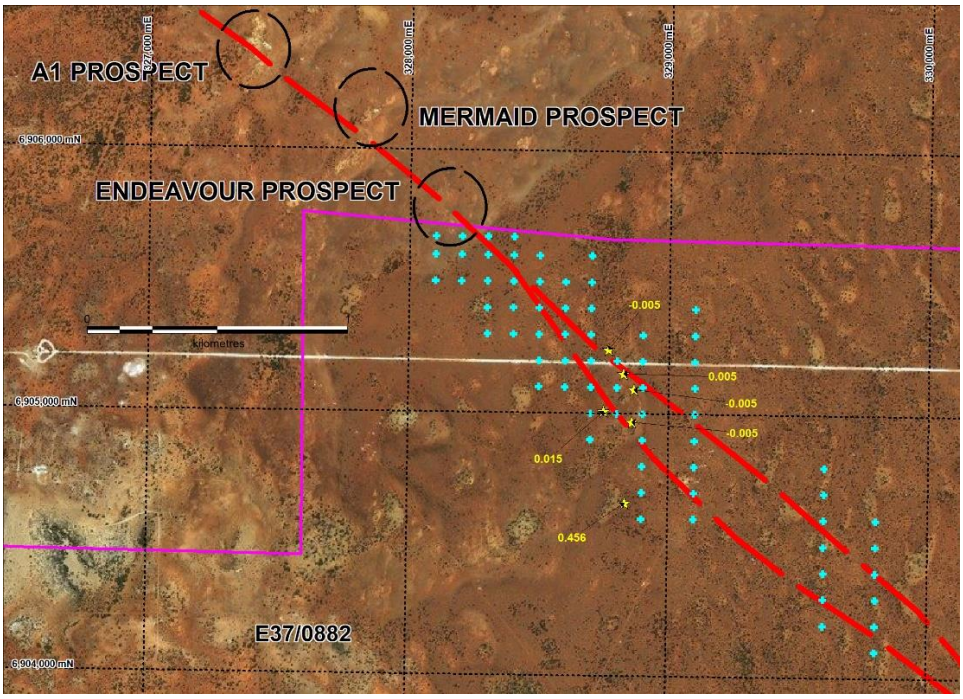
Emperor Project

Examination along the Emperor Structure located widespread vein quartz and ironstone float with gold values to 0.4ppm Au that are associated with anomalous levels of the pathfinder elements As and Bi. Rock chip sample data is tabulated in Table 1. The area shows evidence of metal detector prospecting with multiple shallow pits dug. This area is the initial focus of drilling due to commence next week.

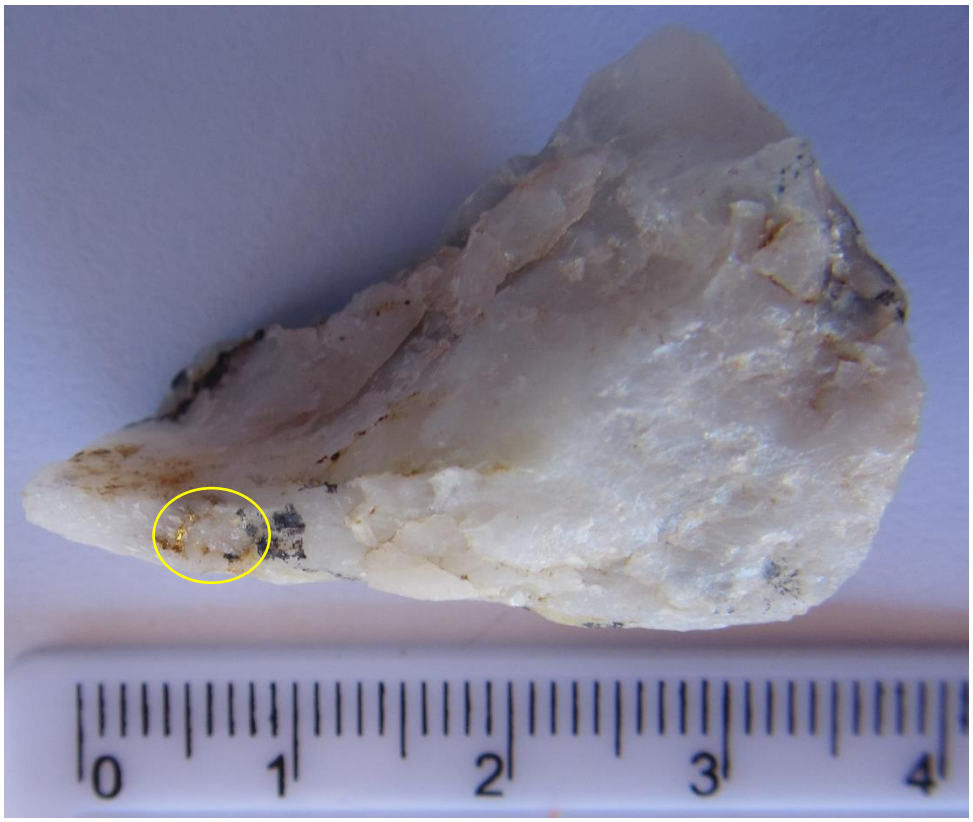
Four kilometres to the west of the Emperor target, another area of metal detector prospecting was examined and sampled. Several samples returned values greater than 0.1ppm Au associated with anomalous levels of pathfinder elements such as Ag, As, Cu, Sb, and Zn.

King of the West Project

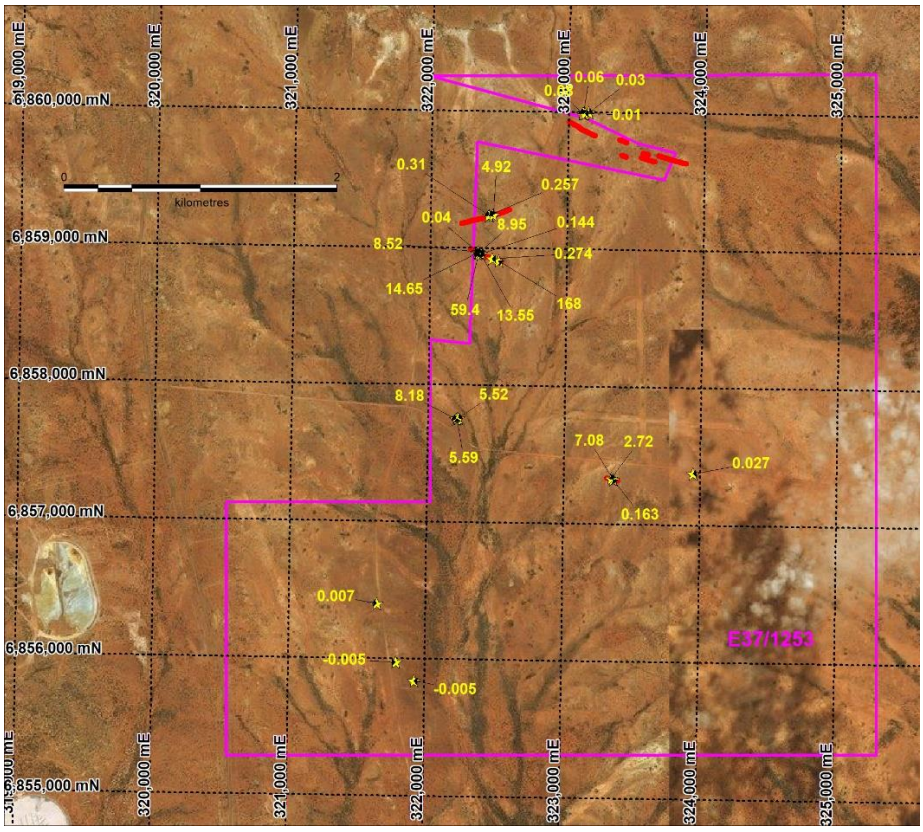
Reconnaissance about old workings on the King of the West tenement returned multiple high - grade gold results from four separate sets of old workings. Particularly high grades are present at the King of the West mine where values of 168ppm Au (with 45ppm Ag) and 59.4ppm Au were reported. In the immediate vicinity of the latter result, visible gold was detected in vein quartz (see attached photograph). Of further encouragement is that the highest grade sample is the easternmost sample and the lode remains open to the east.



Emperor Structure showing adjacent prospects, rock sample gold values (ppm Au) as yellow stars and planned drilling as blue crosses. Map Grid Australia zone 51



Gold in vein quartz. King of the West Mine 322356mE 6858965mN (scale marked in cm and mm)



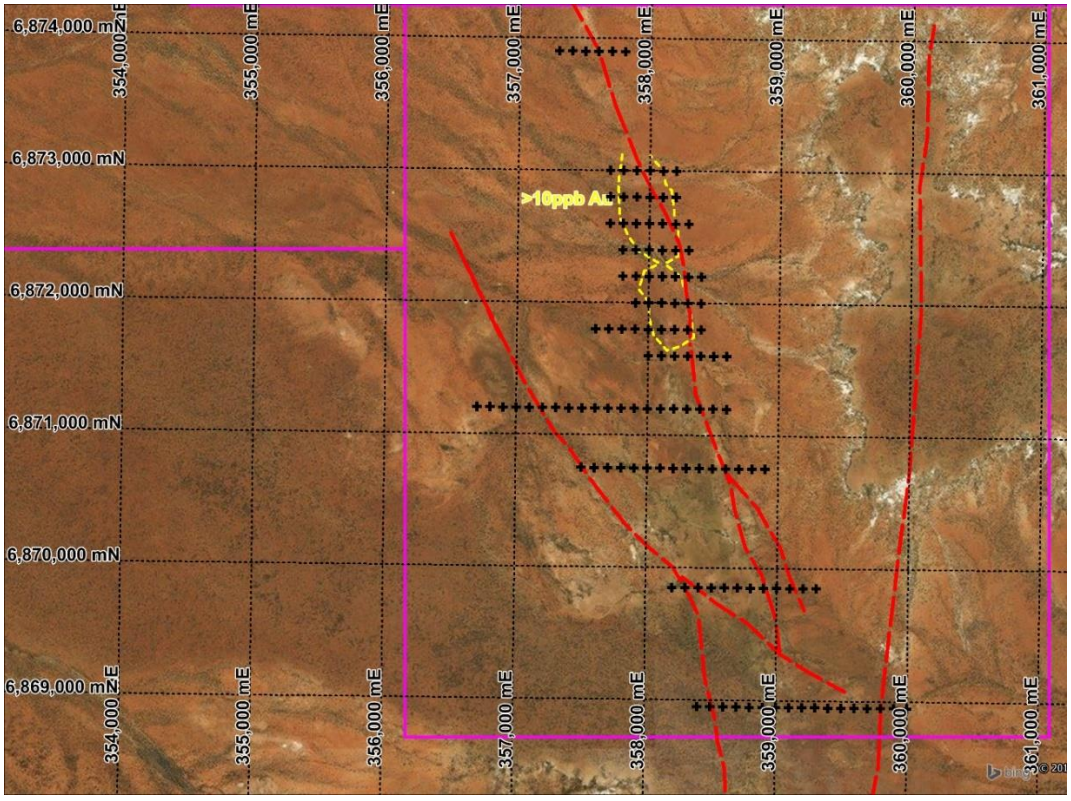
King of the West tenement showing interpreted lodes, (red lines), and rock chip gold values. Map Grid Australia zone 51

King of the West. Gossanous and fault brecciated vein quartz sample 322499mE 6858909mN

168g/t Au 45g/t Ag

Drilling

Raglan Drilling of Kalgoorlie have been contracted to undertake up to 15000m of air core and scout reverse circulation drilling. In the next week, air core drilling is intended to commence at the Emperor Project (see plan above). Following this the rig will move to the Roman Well Prospect to test a 1200m long gold in soil anomaly associated with northern extensions of the Mertondale Shear. This anomaly was outlined by Pacrim Energy in 2007. At this time Pacrim was focused on the Nambi and Redcliffe Deposits further south along the Mertondale Shear and the Roman Well Prospect was not pursued.



Roman Well tenement showing interpreted and mapped shears, +10ppb Au in soil anomaly and proposed aircore drilling. Map Grid Australia zone 51.

Aero-magnetic Survey

A 100m line spaced aero-magnetic and radiometric survey has been organised for E37/1252 (Roman Well), E37/1284, (Greymere Well) and E37/1285, E37/1314 (Big Well). It is intended to commence this survey on or about 18/9/18.

Competent Person Statement

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Ian Cooper BSc(Hons) BE(Mining) MSc, a Competent Person who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Cooper has over 30 years' experience in the mineral and mining industry. Mr Cooper is a full-time employee of Kingwest Resources Limited. Mr Cooper has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Cooper consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

KINGWEST
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Table 1 Rock Chip Results

Sample ID	East	North	Rocktype	Sample Type	Au (ppm)	Ag (ppm)	As (ppm)	Bi (ppm)	Cu (ppm)	Pb (ppm)	Zn (ppm)
EMP01	328767	6905244	vein quartz + ironstone	lag	-0.005	-0.5	-5	-2	29	13	33
EMP02	328826	6905153	vein quartz + ironstone	lag	0.005	-0.5	-5	-2	69	8	55
EMP03	328867	6905094	vein quartz + ironstone	lag	-0.005	-0.5	-5	-2	22	9	54
EMP04	328859	6904969	sheared vein quartz + ironstone	lag	-0.005	-0.5	-5	-2	25	6	37
EMP05	328835	6904660	vein quartz + ironstone	lag	0.456	-0.5	89	20	23	7	12
EMP06	328750	6905010	sheared vein quartz + ironstone	lag	0.015	-0.5	7	-2	42	12	67
EMP07	323609	6509145	vughy vein quartz + Feox	dump	0.005	-0.5	6	-2	9	-2	15
EMP08	323610	6509145	highly ferruginised dolerite	dump	0.006	-0.5	39	-2	81	6	44
EMP09	323708	6905186	sheared vein quartz + tourmaline+ironstone	float	-0.005	-0.5	9	-2	14	4	13
EMP10	323760	6905213	vein quartz + ironstone	float	0.304	-0.5	19	-2	48	20	135
EMP11	323828	6905217	metadolerite or gabbro	float	-0.005	-0.5	-5	-2	86	5	70
EMP12	323853	6905186	sheared vein quartz + ironstone	float	0.011	-0.5	43	-2	19	14	50
EMP13	324168	6905552	vein quartz + ironstone	subcrop	0.112	-0.5	44	-2	132	28	307
EMP14	324334	6905579	vein quartz + ironstone	subcrop	0.006	-0.5	8	2	20	3	59
EMP15	324446	6905636	banded vein quartz + Feox	outcrop	-0.005	-0.5	6	-2	34	4	5
EMP16	323591	6905490	laminated vein quartz + Feox	outcrop	0.251	1.2	59	-2	370	3	42
KOW01	321642	6856397	ferruginised & calcrete altered quartz sandstone + veinlet quartz	dump	0.007	-0.5	11	-2	41	5	55
KOW02	321789	6855973	vein quartz + iron oxides	float	-0.005	-0.5	-5	-2	19	3	44
KOW03	321922	6855839	gossanous ironstone	float	-0.005	-0.5	7	-2	99	7	99
KOW04	323362	6857328	vein quartz + iron oxides	dump	**7.08**	-0.5	5	5	326	26	15
KOW05	323363	6857328	brecciated vein quartz	dump	0.163	-0.5	-5	-2	34	15	32
KOW06	323349	6857333	vein quartz + iron oxides	dump	**2.72**	4.3	-5	-2	56	11	4
KOW07	323947	6857377	vein quartz + iron oxides	outcrop	0.027	-0.5	-5	-2	21	19	55
KOW08	322203	6857751	vein quartz + iron oxides	dump	**8.18**	-0.5	22	-2	80	68	100
KOW09	322212	6857754	vein quartz + iron oxides	dump	**5.59**	6.8	11	-2	59	151	29
KOW10	322223	6857757	vein quartz + iron oxides	dump	**5.52**	-0.5	15	-2	172	131	67
KOW11	322425	6859239	vein quartz + iron oxides	dump	0.257	-0.5	5	-2	36	8	69
KOW12	322423	6859239	ferruginised feldspar porphyry	dump	0.310	-0.5	-5	-2	24	9	106
KOW13	322453	6859242	vein quartz + iron oxides	dump	**4.92**	2.4	14	2	31	16	21
KOW14	322349	6858970	vein quartz + iron & manganese oxides	dump	**8.52**	-0.5	86	2	135	455	83

Sample ID	East	North	Rocktype	Sample Type	Au (ppm)	Ag (ppm)	As (ppm)	Bi (ppm)	Cu (ppm)	Pb (ppm)	Zn (ppm)
KOW15	323144	6859998	silicified siltstone + vein quartz	outcrop	0.030	-0.5	-5	-2	4	4	6
KOW16	322356	6858965	vein quartz + iron & manganese oxides	dump	**8.95**	6.1	18	5	64	30	187
KOW17	322368	6858959	shear foliated; ferruginous sandstone	dump	0.144	-0.5	8	2	23	8	82
KOW18	322367	6858959	vein quartz + iron oxides	dump	**13.55**	2.2	17	2	25	11	41
KOW19	322450	6858925	brecciated vein quartz	dump	0.274	-0.5	-5	-2	33	-2	14
KOW20	322499	6858909	vein quartz + iron & manganese oxides	dump	**168**	**44.7**	49	20	66	53	48
RKKW01	322350	6858965	vein quartz + iron oxides	dump	0.04						
RKKW02	322355	6858965	vein quartz + iron oxides	dump	**59.4**						
RKKW03	322340	6858960	vein quartz + iron oxides	dump	**14.65**						
RKKW04	323100	6859990	hematite stained quartz	float	0.08						
RKKW05	323106	6859990	vein quartz + iron oxides	float	0.06						
RKKW06	323115	6859990	gravelly soil	float	0.01						

Note: RKKW samples were collected in 2017 by Roman Kings Limited, (a private company predecessor to Kingwest), and have previously been quoted in the Kingwest Resources Prospectus dated 24 May 2018. They are included here for completeness.

Appendix 1 - Sampling Techniques and Data – Rockchip samples

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as downhole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are* *Material to the Public Report.*	• Rock chip samples were collected during field inspection of the prospects. • Rock chip samples were collected from surface outcrops, mine dumps and floats. • Outcrop samples represent the resistant and exposed portions of the local geology. Dump samples are inferred to come from local excavations with no evidence of substantial transport. The float samples are inferred to have originated from the local area where they were found, with no evidence of substantial transport. • Submitted samples weigh from 0.5 kg to 3 kg. • Samples were crushed, dried and pulverised (Lab) to produce a 50g sub sample for analysis by four acid digest with an ICP-AES finish & Fire Assay (Au) finish.
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other*	• Not applicable – surface rock chip samples.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.*	• Not applicable – surface rock chip samples.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature.*	• A short geological description of each sample was taken at the time of collection. • The description is qualitative: lithology, alteration, mineralisation, and style of occurrence.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.*	• The sample preparation of rock chip samples followed industry best practice in sample preparation involving oven drying, coarse crushing of the rocks followed by pulverisation of the entire sample (total prep) using grinding. • Where possible, samples were selected to represent different parts of the mineral system as a whole. No field duplicate samples were collected. • Sample sizes were sufficiently large to sample a good representation of the local geology

Criteria	JORC Code explanation	Commentary
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• Samples were delivered to ALS Chemex, in Perth, W.A. • Average sample weight was ~2 kg. • Standard assay procedures performed by a reputable assay lab, (ALS Group), were undertaken. Gold assays are initially by 30g fire assay with AAS finish (method Au-AA23). For samples with a gold value greater than 100ppm the sample is assayed by gravimetric method at ALS Kalgoorlie. Samples were digested using 4-acid digest (method GEO-4A01) and analysed for 33 elements using method ME-ICP61. • Internal ALS QC results are reported along with sample values in the final analytical report. • Internal ALS standards only used. Due to the reconnaissance nature of the sampling no standards or duplicates employed.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• Original sample data sheets and files have been retained and were used to validate the contents of the company's database against the original assay • The raw assay data were reviewed and verified by company's Principal Geologist.
Location of data points	• *Accuracy and quality of surveys used to locate drillholes (collar and downhole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.*	• A handheld GPS was used to locate each sample. GPS accuracy is +/- 5m for easting and northing coordinates. • Coordinate system GDA_94, Zone 51. • Topographic control is maintained by use of widely available government datasets
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• Only reconnaissance sampling completed – spacing is variable and based on outcrop location and degree of exposure • Samples were taken at non-regular intervals according to observations at the time in the field. • No sample compositing has been applied.

Criteria	JORC Code explanation	Commentary
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• Samples were taken according to geological observations at the time in the field.
Sample security	• *The measures taken to ensure sample security.*	• Samples were placed in tied calico bags with unique sample numbers. Once delivered from the field the samples were housed in secure premises prior to laboratory submission by Kingwest staff. Samples were placed in cable tieded polyweave bags for transport to the assay laboratory. • Digital data was emailed to the Principal Geologist. • The assay laboratory confirms that all samples have been received and that no damage has occurred during transport. • Results data was emailed to the Principal Geologist.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No formal audit has been completed on the samples being reported.
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• The King of the West Project comprises of a granted exploration licence E37/1253 with a total area of 17.91km². It is held under Roman Kings Ltd, a 100% subsidiary of Kingwest Resources Ltd. No native title identified. 1 heritage site identified. There are no registered dealings or encumbrances. • The Emperor Prospect lies within the granted exploration licence E37/882 with a total area of 67.68km². It is currently in the process of being transferred from Central Iron Ore Ltd to Kingwest Resources Ltd as per the completion conditions contained in the executed Tenement Purchase Deed. See the Kingwest Resources Limited Prospectus for further information. No native title or heritage sites identified. There are no registered dealings or encumbrances; an extension of term was applied for March 23, 2018.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• The King of the West area contains numerous small shafts and pits from the period 1898 to 1940. • The proximity of E37/1253 to 4 open pit mines and an underground mine means that there has been multiple companies explore in the area over the last 40 years. Mount Edon Gold Mines explored the area in the early 1990s and undertook detailed mapping which has so far been found to be accurate.

Criteria	JORC Code explanation	Commentary
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The Kingwest tenements are located in the NE Goldfields region of the Archean Yilgarn Craton. • The King of the west and Emperor project areas are underlain by the Gindalbie Succession that comprises bimodal (basalt-rhyolite) volcanic complexes and calc-alkaline intermediate-silicic volcanic rocks associated with quartz-rich sedimentary rocks, mafic sills and layered mafic complexes These complexes all formed within an 18 Ma period around 2693 Ma. These rocks have been intruded by large granitic batholiths. • Mineralisation at King of the West Project consists of orogenic quartz lodes that often show evidence of shearing and brittle deformation. Mineralisation is observed to hosted in both quartz sandstone and granitic rocks. • Mineralisation at the Emperor project is associated with the Emperor Shear which has been mapped and interpreted from magnetics for a distance of over 10km. Mineralisation appears to occur as quartz vein swarms forming shoots along the shear, particularly where the shear intersects favourable host rocks such as dolerite.
Drillhole information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drillholes:* o *easting and northing of the drillhole collar* o *elevation or RL of the drillhole collar*	• All results are reported as Table 1 within the body of this report.
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• No length-weighting or cut-off grades have been applied. • No metal equivalent values reported.
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drillhole angle is known, its nature should be reported.*	• Not applicable. Only rock chip (point data) is presented.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drillhole*	• Refer to Figures in body of text.

Criteria	JORC Code explanation	Commentary
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be*	• All results are reported as Table 1
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater,*	• All meaningful and material information is reported.
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step- out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Further work on the reported exploration targets will involve: • Soil sampling program to assess extent of mineralisation • Review aeromagnetics and radiometrics data, to further assess the potential of the prospects. • Follow up reverse circulation drilling.