
KINGWEST RESOURCES LIMITED**ACN 624 972 185****NOTICE OF GENERAL MEETING**

Notice is given that the Meeting will be held at:

TIME: 10.00am WST

DATE: 10 September 2019

PLACE: Level 11, London House
216 St Georges Terrace
Perth Western Australia 6000

The business of the Meeting affects your shareholding and your vote is important.

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 10.00am (WST) on Sunday 8 September 2019.

BUSINESS OF THE MEETING

AGENDA

1. RESOLUTION 1 – ISSUE OF SHARES IN CONSIDERATION FOR PROPOSED ACQUISITION

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purpose of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue 20,000,000 Shares on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person (or those persons). However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

2. RESOLUTION 2 – RATIFICATION OF PRIOR ISSUE OF SHARES PURSUANT TO CAPITAL RAISING

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 10,000,000 Shares on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who participated in the issue or any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

3. RESOLUTION 3 – ISSUE OF SHARES PURSUANT TO CAPITAL RAISING

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 16,666,667 Shares on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person (or those persons). However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

4. RESOLUTION 4 – ISSUE OF SHARES TO PETER BENNETTO PURSUANT TO CAPITAL RAISING

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purposes of section 195(4) of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 533,333 Shares to Peter Bennetto (or his nominee) on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion Statement: The Company will disregard any votes cast in favour of the Resolution by or on behalf of Peter Bennetto (and his nominee) or any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

5. RESOLUTION 5 – ISSUE OF SHARES TO STEPHEN WOODHAM PURSUANT TO CAPITAL RAISING

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purposes of section 195(4) of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 233,333 Shares to Stephen Woodham (or his nominee) on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion Statement: The Company will disregard any votes cast in favour of the Resolution by or on behalf of Stephen Woodham (and his nominee) or any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

6. RESOLUTION 6 – ISSUE OF SHARES TO STEPHEN BROCKHURST PURSUANT TO CAPITAL RAISING

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purposes of section 195(4) of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 200,000 Shares to Stephen Brockhurst (or his nominee) on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion Statement: The Company will disregard any votes cast in favour of the Resolution by or on behalf of Stephen Brockhurst (and his nominee) or any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

7. RESOLUTION 7 – ISSUE OF FACILITATOR SECURITIES

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purpose of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue 1,500,000 Shares and 4,350,000 Options on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person (or those persons). However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

8. RESOLUTION 8 – ISSUE OF FACILITATOR SECURITIES TO STEPHEN WOODHAM

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purposes of section 208 of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 500,000 Options to Stephen Woodham (or his nominee) on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of Stephen Woodham (or his nominee) or any of their associates (**Resolution 8 Excluded Party**). However, the Company need not disregard a vote if it is cast by a **person** as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, provided the Chair is not a Resolution 8 Excluded Party, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Voting Prohibition Statement:

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

Provided the Chair is not a Resolution 8 Excluded Party, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

9. RESOLUTION 9 – ISSUE OF FACILITATOR SECURITIES TO ADRIAN BYASS

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purposes of section 208 of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 1,000,000 Shares and 3,000,000 Options to Adrian Byass (or his

nominee) on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of Adrian Byass (or his nominee) or any of their associates (**Resolution 9 Excluded Party**). However, the Company need not disregard a vote if it is cast by a **person** as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, provided the Chair is not a Resolution 9 Excluded Party, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Voting Prohibition Statement:

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

Provided the Chair is not a Resolution 9 Excluded Party, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

10. RESOLUTION 10 – RATIFICATION OF PRIOR ISSUE OF SHARES

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 606,060 Shares on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who participated in the issue or any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

11. RESOLUTION 11 – APPROVAL OF PERFORMANCE RIGHTS PLAN

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purposes of ASX Listing Rule 7.2 (Exception 9(b)) and for all other purposes, Shareholders approve the Performance Rights Plan on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of any Director except one who is ineligible to participate in any employee incentive scheme in relation to the Company, or any associates of those Directors. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Voting Prohibition Statement:

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

Dated: 6 August 2019

By order of the Board

David McEntaggart
Company Secretary

Voting in person

To vote in person, attend the Meeting at the time, date and place set out above.

Voting by proxy

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints 2 proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Shareholders and their proxies should be aware that changes to the Corporations Act made in 2011 mean that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 9481 0389.

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions.

1. BACKGROUND TO RESOLUTIONS 1 TO 9

As announced by the Company on 9 July 2019, the Company has entered into an agreement to acquire the tenements comprising the Menzies and Goongarrie Gold Projects (together, the **Projects**) from Black Mountain Gold Limited (**Vendor**), a 100% wholly owned subsidiary of ASX listed Horizon Minerals Limited (HML) (previously, Intermin Resources Limited) (**Proposed Acquisition**). The Projects were formally held by MacPhersons Resources Limited (ASX:MRP), who completed a merger with HML by way of scheme of arrangement on 14 June 2019.

The material terms of the Proposed Acquisition are as follows:

- (a) **(Conditions Precedent)**: the Proposed Acquisition is conditional upon (among other things):
 - (i) completion of due diligence on the Projects by the Company to its satisfaction;
 - (ii) completion of the Capital Raising (as defined below);
 - (iii) the Company obtaining all necessary regulatory, shareholder and third party approvals to allow the Company to lawfully complete the Proposed Acquisition.
- (b) **(Consideration)**: the consideration payable is as follows:
 - (iii) a \$750,000 cash deposit (of which \$250,000 is non-refundable) (**Deposit**) was paid by the Company following execution of the acquisition agreement pertaining to the Proposed Acquisition;
 - (iv) upon settlement of the Proposed Acquisition (**Settlement**), \$1,000,000 cash and 20,000,000 Shares (**Consideration Shares**);
 - (v) on the date which is no later than 18 months from the date of Settlement:
 - (A) \$1,625,000 cash; and
 - (B) subject to compliance with all applicable laws, \$1,625,000 worth of Shares, at a deemed issue price based on the lower of:
 - (I) the volume weighted average price of Shares for the last 30 trading days prior to the date of issue; and
 - (II) \$0.15 per Share,

In the event that the issue of Shares as deferred consideration would result in a breach of section 606 of the Corporation Act,

the parties may agree to settle any excess portion of the deferred consideration in cash.

- (c) **(Voluntary Escrow)**: the Consideration Shares will be subject to a voluntary escrow period from their date of issue to the earlier of the date which is:
 - (i) 18 months following Settlement; and
 - (ii) 3 months following the payment/issue (as applicable) of the deferred consideration.
- (d) **(Capital Raising)**: the Company will undertake a capital raising to raise a minimum of \$4,000,000 by way of a placement to sophisticated, professional and/or other exempt investors under section 708 of the Corporations Act 2001 (Cth) **(Capital Raising)**. The issue price for the Shares under the Capital Raising is \$0.15. Full details of the Capital Raising were announced by the Company on 29 July 2019.
- (e) **(Board and Management)**: upon Settlement, the Company will appoint one representative of HML, Jon Price, to the Board in the capacity of Non-Executive Director. Shareholders should refer to the Company's ASX announcement on 9 July 2019 for full details with respect to the Company's proposed Board changes following Settlement.
- (f) **(Ore Processing)**: subject to any pre-existing processing rights over the tenements comprising the Projects, the Company will grant HML a first right of refusal to treat or purchase any gold bearing ore derived from the Projects.
- (g) **(Anti-Dilution Right)**: Subject to ASX granting the Company a waiver from the requirements of ASX Listing Rule 6.18, the Company will grant HML a right to participate in future capital raisings by the Company to enable HML to maintain its post-Settlement interest in the Company.

Shareholders should refer to the Company's announcement on 9 July 2019 for full details with respect to the Proposed Acquisition, including further details with respect to the Projects and the impact of the Proposed Acquisition on the capital structure of the Company.

Resolutions 1 to 9 of this Notice are connected to the Proposed Acquisition as follows:

- (a) The Company is seeking Shareholder approval for the issue of the Consideration Shares pursuant to Resolution 1.
- (b) As announced on 29 July 2019, the Company completed tranche 1 of the Capital Raising on 5 August 2019 via the issue of a total of 10,000,000 Shares pursuant to its existing placement capacity under ASX Listing Rules 7.1 (7,015,440 Shares) and 7.1A (2,984,560 Shares). The Company is seeking Shareholder approval to ratify this issue of Shares pursuant to Resolution 2. The Company is also seeking Shareholder approval to issue the balance of Shares under the Capital Raising (Resolution 3) and to permit each of the Directors to participate in the Capital Raising (Resolutions 4 to 6).
- (c) Finally, the Company has agreed to issues Shares and Options to certain parties **(Facilitators)**, in consideration for services provided in connection

with Proposed Acquisition, including negotiating the acquisition and legal/technical due diligence on the Projects. The Company is seeking shareholder approval for the issue of these securities to the non-related party Facilitators pursuant to Resolution 7, and to Stephen Woodham (Director) and Adrian Byass (proposed Director) pursuant to Resolutions 8 and 9 respectively.

12. RESOLUTION 1 – ISSUE OF SHARES IN CONSIDERATION FOR PROPOSED ACQUISITION

12.1 General

Resolution 1 seeks Shareholder approval for the issue of 20,000,000 Shares to the Vendor, as part consideration for the Proposed Acquisition. Further details with respect to the Proposed Acquisition are set out in Section 1 above and the Company's ASX announcement dated 9 July 2019.

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

The effect of this Resolution will be to allow the Company to issue the Shares during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

12.2 Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to this Resolution:

- (a) the maximum number of Shares to be issued is 20,000,000;
- (b) the Shares will be issued upon settlement of the Proposed Acquisition and in any event, no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules);
- (c) the Shares will be issued for nil cash consideration, as part consideration for the Proposed Acquisition;
- (d) the Shares will be issued to the Vendor (or its nominee), who is not a related party of the Company;
- (e) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares; and
- (f) no funds will be raised from the issue of Consideration Shares which are being issued as part consideration for the Proposed Acquisition.

13. RESOLUTION 2 – RATIFICATION OF PRIOR ISSUE OF SHARES PURSUANT TO CAPITAL RAISING

13.1 General

As detailed in Section 1, the Company is seeking Shareholder approval to ratify the issue of 10,000,000 Shares that were issued on 5 August 2019 pursuant to

tranche 1 of the Capital Raising, comprising 7,015,440 Shares issued pursuant to the Company's placement capacity under ASX Listing Rule 7.1 and 2,984,560 Shares issued pursuant to the Company's placement capacity under ASX Listing Rule 7.1A

This Resolution seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of these Shares.

13.2 ASX Listing Rules 7.1 and 7.1A

A summary of ASX Listing Rule 7.1 is set out in Section 12.1 above.

ASX Listing Rule 7.1A provides that in addition to issues permitted without prior shareholder approval under ASX Listing Rule 7.1, an entity that is eligible and obtains shareholder approval under ASX Listing Rule 7.1A may issue or agree to issue during the period for which the approval is valid a number of quoted equity securities which represents 10% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period as adjusted in accordance with the formula in ASX Listing Rule 7.1.

Where an eligible entity obtains shareholder approval to increase its placement capacity under ASX Listing Rule 7.1A then any ordinary securities issued under that additional placement capacity:

- (a) will not be counted in variable "A" in the formula in ASX Listing Rule 7.1A; and
- (b) are counted in variable "E",

until their issue has been ratified under ASX Listing Rule 7.4 (and provided that the previous issue did not breach ASX Listing Rule 7.1A) or 12 months has passed since their issue.

By ratifying the issue the subject of this Resolution, the base figure (ie variable "A") in which the Company's 15% and 10% annual placement capacities are calculated will be a higher number which in turn will allow a proportionately higher number of securities to be issued without prior Shareholder approval.

13.3 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to this Resolution:

- (a) 10,000,000 Shares were issued, comprising:
 - (i) 7,015,440 Shares issued pursuant to ASX Listing Rule 7.1; and
 - (ii) 2,984,560 Shares issued pursuant to ASX Listing Rule 7.1A;
- (b) the issue price was \$0.15 per Share under both the issue of Shares pursuant to ASX Listing Rule 7.1 and ASX Listing Rule 7.1A;
- (c) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;

- (d) the Shares were issued to professional and sophisticated investors who are clients of Peloton Capital (lead manager to the Capital Raising). None of these subscribers are related parties of the Company; and
- (e) the Company intends to apply the funds raised towards paying the remaining portion of the cash consideration for the Proposed Acquisition (\$1 million on settlement) and funding the Company's proposed exploration activities at the Menzies and Goongarrie Projects. Refer to the Company's announcement on 9 July 2019 with respect to the Capital Raising for further details regarding the proposed use of funds.

14. RESOLUTION 3 – ISSUE OF SHARES PURSUANT TO CAPITAL RAISING

14.1 General

This Resolution seeks Shareholder approval to enable the Company to issue up to 16,666,667 Shares at an issue price of \$0.15 per Share to raise up to \$2,500,000 pursuant to tranche 2 of the Capital Raising.

The Company is separately seeking Shareholder approval to permit each of the Directors to participate in the Capital Raising pursuant to Resolutions 4 to 6.

A summary of ASX Listing Rule 7.1 is set out in Section 12.1 above.

The effect of this Resolution will be to allow the Company to issue these Shares under during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

14.2 Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to this Resolution:

- (a) the maximum number of Shares to be issued is 16,666,667;
- (b) the Shares will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of the Shares will occur on the same date;
- (c) the issue price will be \$0.15 per Share;
- (d) the Shares will be issued to unrelated sophisticated, professional and/or other exempt investors;
- (e) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares; and
- (f) the Company intends to apply the funds raised towards paying the remaining portion of the cash consideration for the Proposed Acquisition (\$1 million on settlement) and funding the Company's proposed exploration activities at the Menzies and Goongarrie Projects. Refer to the Company's announcement on 9 July 2019 with respect to the Capital Raising for further details regarding the proposed use of funds.

15. RESOLUTIONS 4 TO 6 – ISSUE OF SHARES TO DIRECTORS PARTICIPATING IN CAPITAL RAISING

15.1 General

The Directors of the Company wish to participate in the Capital Raising (**Participation**) and the Company seeks Shareholder approval for the Participation as follows:

- (a) Resolution 4 seeks Shareholder approval for the in the issue of up to 533,333 Shares to Peter Bennetto (or his nominee);
- (b) Resolution 5 seeks Shareholder approval for the in the issue of up to 233,333 Shares to Stephen Woodham (or his nominee); and
- (c) Resolution 6 seeks Shareholder approval for the in the issue of up to 200,000 Shares to Stephen Brockhurst (or his nominee).

15.2 Chapter 2E of the Corporations Act

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The participation of the Directors in the Capital Raising will result in the issue of Shares which constitutes giving a financial benefit and each of Peter Bennetto, Stephen Woodham and Stephen Brockhurst is a related party of the Company by virtue of being a Director.

The Directors (other than Peter Bennetto in relation to Resolution 4, Stephen Woodham in relation to Resolution 5 and Stephen Brockhurst in relation to Resolution 6, given their material personal interests in these respective Resolutions) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the Participation because the Shares will be issued to the Directors on the same terms as Shares issued to non-related party participants in the Placement and as such the giving of the financial benefit is on arm's length terms.

15.3 Section 195(4) of the Corporations Act

Section 195 of the Corporations Act provides that a Director of a public company may not vote or be present during meetings of Directors when matters in which that Director holds a "material personal interest" are being considered, except in certain limited circumstances. Section 195(4) relevantly provides that if there are not enough Directors to form a quorum for a Directors meeting because of this restriction, one or more of the Directors may call a general meeting and the general meeting may pass a resolution to deal with the matter.

It might be argued (but it is neither conceded nor, indeed, is it thought by the Board to be the case) that the three Directors comprising the Board have a

material personal interest in the outcome of Resolutions 4 to 6. If each does have such an interest, then a quorum could not be formed to consider the matters contemplated by Resolutions 4 to 6 at Board level.

For the avoidance of any doubt, and for the purpose of transparency and best practice corporate governance, the Company also seeks Shareholder approval for Resolutions 4 to 6 for the purposes of section 195(4) of the Corporations Act.

15.4 ASX Listing Rule 10.11

ASX Listing Rule 10.11 also requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party, or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained unless an exception in ASX Listing Rule 10.12 applies.

As Resolutions 4 to 6 each involve the issue of Shares to a related party of the Company, Shareholder approval pursuant to ASX Listing Rule 10.11 is required unless an exception applies. It is the view of the Directors that the exceptions set out in ASX Listing Rule 10.12 do not apply in the current circumstances.

15.5 Technical Information required by ASX Listing Rule 10.13

Pursuant to and in accordance with ASX Listing Rule 10.13, the following information is provided in relation to the Participation:

- (a) the Shares will be issued to Messrs Bennetto (Resolution 4), Woodham (Resolution 5) and Brockhurst (Resolution 6) (or their respective nominee);
- (b) the maximum number of Shares to be issued is;

Director	No. Shares
Peter Bennetto (Resolution 4)	533,333
Stephen Woodham (Resolution 5)	233,333
Stephen Brockhurst (Resolution 6)	200,000

- (c) the Shares will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules);
- (d) the issue price will be \$0.15 per Share, being the same as all other Shares issued under the Capital Raising;
- (e) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares; and
- (f) the Company intends to apply the funds raised towards paying the remaining portion of the cash consideration for the Proposed Acquisition (\$1 million on settlement) and funding the Company's proposed exploration activities at the Menzies and Goongarrie Projects. Refer to the Company's announcement on 9 July 2019 with respect to the Capital Raising for further details regarding the proposed use of funds.

Approval pursuant to ASX Listing Rule 7.1 is not required for the Participation as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the issue of Shares to Messrs Bennetto, Woodham and Brockhurst (or their respective nominees) will not be included in the use of the Company's 15% annual placement capacity pursuant to ASX Listing Rule 7.1

16. RESOLUTION 7 – ISSUE OF FACILITATOR SECURITIES

16.1 General

This Resolution seeks Shareholder approval for the issue of 1,500,000 Shares and 4,350,000 Options (comprising 1,450,000 Class A Options and 2,900,000 Class B Options) to various parties in consideration for services provided in connection with Proposed Acquisition, including negotiating the acquisition and legal/technical due diligence on the Projects.

The terms and conditions of the Options are set out in Schedule 1.

A summary of ASX Listing Rule 7.1 is set out above in section 12.1.

The effect of this Resolution will be to allow the Company to issue these Shares and Options during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

The issue of the Shares and Options the subject of this Resolution is conditional on settlement of the Proposed Acquisition.

16.2 Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to this Resolution:

- (a) the maximum number of Shares to be issued is 1,500,000 and the maximum number of Options is 4,350,000, comprising:
 - (i) 1,450,000 Class A Options; and
 - (ii) 2,900,000 Class B Options,
- (b) the securities will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of the Shares will occur on the same date;
- (c) the securities will be issued for nil cash consideration in consideration for services provided in connection with Proposed Acquisition, including negotiating the acquisition and legal/technical due diligence on the Projects;
- (d) the securities will be issued to Jonathan Downes, Elizabeth Laursen and Ed Turner, none of whom are a related party of the Company. Ed Turner is proposed to be appointed as CEO of the Company, subject to settlement of the Proposed Acquisition;
- (e) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;

- (f) the Class A Options and the Class B Options will be issued on the terms and conditions set out in Schedule 1; and
- (g) no funds will be raised from the issue of the Shares and Options as the securities are being issued in consideration for services provided in connection with Proposed Acquisition, including negotiating the acquisition and legal/technical due diligence on the Projects.

17. RESOLUTIONS 8 AND 9 – ISSUE OF FACILITATOR SECURITIES TO RELATED PARTIES STEPHEN WOODHAM AND ADRIAN BYASS

17.1 General

The Company has agreed, subject to obtaining Shareholder approval and settlement of the Proposed Acquisition, to issue the following securities (**Related Party Securities**):

- (a) pursuant to Resolution 8, 500,000 Options (comprising 250,000 Class A Options and 250,000 Class B Options) to Stephen Woodham (Director); and
- (b) pursuant to Resolution 9, 1,000,000 Shares and 3,000,000 Options (comprising 1,000,000 Class A Options and 2,000,000 Class B Options) to Adrian Byass (proposed Director, subject to settlement of the Proposed Acquisition),

in consideration for services provided in connection with Proposed Acquisition, including negotiating the acquisition and legal/technical due diligence on the Projects.

17.2 Legislative framework

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (a) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The issue of the Related Party Securities constitutes giving a financial benefit. Mr Woodham is a related party of the Company by virtue of being a current Director and Mr Byass is a related party of the Company by virtue of being a proposed Director (subject to settlement of the Proposed Acquisition).

In addition, ASX Listing Rule 10.11 also requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party, or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained unless an exception in ASX Listing Rule 10.12 applies.

It is the view of the Company that the exceptions set out in sections 210 to 216 of the Corporations Act and ASX Listing Rule 10.12 do not apply in the current

circumstances. Accordingly, Shareholder approval is sought for the grant of the Related Party Securities to Messrs Woodham and Byass

17.3 Shareholder Approval (Chapter 2E of the Corporations Act and Listing Rule 10.11)

Pursuant to and in accordance with the requirements of section 219 of the Corporations Act and ASX Listing Rule 10.13, the following information is provided in relation to the proposed issue of the Related Party Securities:

- (a) the related parties are Messrs Woodham and Byass and they are related parties by virtue of being a Director and proposed Director respectively;
- (b) the maximum number of Shares and Options (being the nature of the financial benefit being provided) to be issued pursuant to Resolutions 8 and 9 is:
 - (i) pursuant to Resolution 8, 500,000 Options (comprising 250,000 Class A Options and 250,000 Class B Options) to Stephen Woodham; and
 - (ii) pursuant to Resolution 9, 1,000,000 Shares and 3,000,000 Options (comprising 1,000,000 Class A Options and 2,000,000 Class B Options) to Adrian Byass;
- (c) subject to settlement of the Proposed Acquisition, the Related Party Securities will be issued to Messrs Woodham and Byass no later than 1 month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the ASX Listing Rules) and it is anticipated the Related Party Securities will be issued on one date;
- (d) the Related Party Securities will be granted for nil cash consideration, accordingly no funds will be raised;
- (e) the Shares issued pursuant to Resolution 9 will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (f) the terms and conditions of the Options are set out in Schedule 1;
- (g) the value of the Shares to be issued pursuant to Resolution 9 is \$150,000 based on the 20 day volume weighted average price of the Company's Shares prior to 18 July 2019 (\$0.15);
- (h) the value of the Options to be issued and the pricing methodology is set out in Schedule 3;
- (i) the relevant interests of Messrs Woodham and Byass in securities of the Company are set out below:

Related Party	Shares	Options
Stephen Woodham	500,000*	1,000,000
Adrian Byass	Nil	Nil

* The Company is also seeking Shareholder approval to issue Mr Woodham 233,333 Shares under the Capital Raising pursuant to Resolution 5.

- (j) the remuneration and emoluments from the Company to the Related Parties for the previous financial year and the proposed remuneration and emoluments for the current financial year are set out below:

Related Party	Current Financial Year (proposed)	Previous Financial Year
Stephen Woodham	\$85,000	\$164,913
Adrian Byass	\$45,000*	Nil

* Assuming appointment of Mr Byass as a Director following settlement of the Proposed Acquisition.

- (k) assuming all Options issued to Messrs Woodham and Byass are exercised, the impact of the issue of the Related Party Securities on the capital structure of the Company will be to increase the number of Shares on issue from 61,416,060 to 64,916,060 assuming that no other Options are exercised and no other Shares are issued with the effect that the shareholding of existing Shareholders would be diluted by an aggregate of 5.39%, comprising 0.77% by Mr Woodham and 4.62% by Mr Byass;
- (l) the trading history of the Shares on ASX in the 12 months before the date of this Notice is set out below:

	Price	Date
Highest	\$0.26	2 August 2019
Lowest	\$0.12	28 June 2019
Last	\$0.22	5 August 2019

- (m) the Related Party Securities are being issued in consideration for services provided in connection with Proposed Acquisition, including negotiating the acquisition and legal/technical due diligence on the Projects;
- (n) Mr Woodham declines to make a recommendation to Shareholders in relation to Resolution 8 due to Mr Woodham's material personal interest in the outcome of the Resolution. However, in respect of Resolution 9 Mr Woodham recommends that Shareholders vote in favour of the Resolution for the following reasons:
- (i) the Related Party Securities are being issued in consideration for services provided in connection with Proposed Acquisition, including negotiating the acquisition and legal/technical due diligence on the Projects;
 - (ii) the issue of the Related Party Securities is conditional on settlement of the Proposed Acquisition; and
 - (iii) it is not considered that there are any significant opportunity costs to the Company or benefits foregone by the Company in issuing the Related Party Securities upon the terms proposed;
- (o) with the exception of Mr Woodham, no other Director has a personal interest in the outcome of Resolutions 8 and 9;

- (p) Peter Bennetto recommends that Shareholders vote in favour of Resolutions 8 and 9 for the reasons set out in paragraph (n);
- (q) Stephen Brockhurst recommends that Shareholders vote in favour of Resolutions 8 and 9 for the reasons set out in paragraph (n);
- (r) in forming their recommendations, each Director considered the nature of the services provided by Messrs Woodham and Byass, the current market price of Shares as well as the exercise price and expiry date of the Options proposed to be issued; and
- (s) the Board is not aware of any other information that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass Resolutions 8 and 9.

Approval pursuant to ASX Listing Rule 7.1 is not required in order to issue the Related Party Securities as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the issue of the Related Party Securities will not be included in the 15% calculation of the Company's annual placement capacity pursuant to ASX Listing Rule 7.1.

18. RESOLUTION 10 – RATIFICATION OF PRIOR ISSUE OF SHARES

18.1 General

On 9 July 2019, the Company issued 606,060 Shares as partial consideration for drilling services provided by a supplier from the Company's last drilling program.

This Resolution seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those Shares (**Ratification**).

A summary of ASX Listing Rule 7.1 is set out in Section 12.1 above.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

18.2 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to this Resolution:

- (a) 606,060 Shares were issued;
- (b) the Shares were issued for nil cash consideration, as part consideration for drilling services provided to the Company;
- (c) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the Shares were issued to a supplier from the Company's last drilling program, who is not a related party of the Company; and
- (e) the issue was made in partial consideration for drilling services provided to the Company and as such no funds were raised.

19. RESOLUTION 11 – APPROVAL OF PERFORMANCE RIGHTS PLAN

19.1 General

This Resolution seeks the approval of Shareholders of the Plan and for the Company to issue securities under the Plan in accordance with Listing Rule 7.2 (Exception 9(b)).

Listing Rule 7.1 provides that a Company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

Listing Rule 7.2 (Exception 9(b)) sets out an exception to Listing Rule 7.1 which provides that issues under an employee incentive scheme are exempt for a period of 3 years from the date on which the Shareholders approve the issue of securities under the scheme as an exception to Listing Rule 7.1.

If this Resolution is passed, the Company will be able to issue Performance Rights under the Plan to eligible participants over a period of 3 years from the date of approval without diminishing the Company's 15% placement capacity calculated pursuant to Listing Rule 7.1.

The objective of the Plan is to attract, motivate and retain key employees and it is considered by the Company that the adoption of the Plan and the issue of Performance Rights under the Plan will provide selected employees with the opportunity to participate in the future growth of the Company.

Shareholders should note that no Performance Rights have previously been issued under the Performance Rights Plan.

A summary of the terms and conditions of the Performance Rights Plan is set out in Schedule 2 below.

Any future issues of Performance Rights under the Plan to a related party or a person whose relationship with the company or the related party is, in ASX's opinion, such that approval should be obtained will require additional Shareholder approval under ASX Listing Rule 10.14 at the relevant time. In addition, copies of the Plan are available for review by Shareholders at the registered office of the Company until the date of the Meeting. A copy of the Plan can also be sent to Shareholders upon request to the Company Secretary, Mr David McEntaggart. Shareholders are invited to contact the Company if they have any queries or concerns.

GLOSSARY

\$ means Australian dollars.

ASIC means the Australian Securities & Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

ASX Listing Rules means the Listing Rules of ASX.

Board means the current board of directors of the Company.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Capital Raising has the meaning given to that term in Section 14.1 of the Explanatory Statement.

Chair means the chair of the Meeting.

Closely Related Party of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the Corporations Regulations 2001 (Cth) for the purposes of the definition of 'closely related party' in the Corporations Act.

Company means Kingwest Resources Limited (ACN 624 972 185).

Corporations Act means the *Corporations Act 2001* (Cth).

Directors means the current directors of the Company.

Explanatory Statement means the explanatory statement accompanying the Notice.

General Meeting or **Meeting** means the meeting convened by the Notice.

HML means Horizon Minerals Limited (ASX: HRZ).

Key Management Personnel has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

Notice or **Notice of Meeting** means this notice of meeting including the Explanatory Statement and the Proxy Form.

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Performance Right means a Performance Right to be granted pursuant to the Performance Rights Plan.

Plan or Performance Rights Plan means the Performance Rights Plan the subject of Resolution 11.

Projects means the Menzies and Goongarrie Gold Projects.

Proxy Form means the proxy form accompanying the Notice.

Resolutions means the resolutions set out in the Notice, or any one of them, as the context requires.

Section means a section of the Explanatory Statement.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a registered holder of a Share.

Transaction means the proposed acquisition of the Menzies and Goongarrie Gold Projects by the Company from Horizon Minerals or its wholly owned subsidiaries (as applicable).

WST means Western Standard Time as observed in Perth, Western Australia.

SCHEDULE 1 – TERMS AND CONDITIONS OF OPTIONS

(a) **Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each Option will be:

- (i) **(Class A)**: 30% premium to the 5 day volume weighted average price of the Company's Shares (as traded on the ASX) (**VWAP**) at the time of obtaining shareholder approval; and
- (ii) **(Class B)**: 80% premium to the 5 day VWAP at the time of obtaining shareholder approval,

(Exercise Price)

(c) **Expiry Date**

Each Option will expire at 5:00 pm (WST) on 30 June 2022 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(g) **Timing of issue of Shares on exercise**

Within 15 Business Days after the Exercise Date, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a

notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and

- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under (g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) **Shares issued on exercise**

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

(i) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(j) **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(k) **Change in exercise price**

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(l) **Transferability**

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

SCHEDULE 2 – SUMMARY OF PERFORMANCE RIGHTS PLAN

The key terms of the Plan are as follows:

- (a) The Board may, from time to time, in its absolute discretion, make a written offer to any of the following:
 - (i) a Director (whether executive or non-executive) of the Company, its subsidiaries and any other related body corporate of the Company (**Group Company**);
 - (ii) a full or part time employee of any Group Company;
 - (iii) a casual employee or contractor of a Group Company to the extent permitted by ASIC Class Order 14/1000 (or any amendment to or replacement of that Class Order) (**Class Order**); or
 - (iv) a prospective participant, being a person to whom the offer to participate in the Plan (**Offer**) is made but who can only accept the Offer if an arrangement has been entered into that will result in the person becoming an Eligible Participant under clauses (a), (b) or (c) above,
(Eligible Participants).
- (b) Under the Plan the Board may grant Performance Rights to Eligible Participants with effect from the date determined by the Board, upon the terms set out in the Plan and upon such additional terms and vesting conditions as the Board determines.
- (c) The Board will advise each Eligible Participant of the following minimum information regarding the Performance Rights:
 - (i) the maximum number of Performance Rights that the Eligible Participant may apply for, or the formula for determining the number of Performance Rights that may be applied for;
 - (ii) the maximum number of Shares that the Eligible Participant is entitled to be issued on the exercise of each Performance Right or the formula for determining the maximum number of Shares;
 - (iii) any applicable vesting conditions;
 - (iv) when unvested Performance Rights will expire (**Expiry Date**);
 - (v) the date by which an offer must be accepted (**Closing Date**); and
 - (vi) any other information required by law or the ASX Listing Rules or considered by the Board to be relevant to the Performance Rights or the Shares to be issued on exercise of the Performance Rights.
- (d) Subject to clause (h), a Performance Right granted under the Plan will not vest and be exercisable unless the vesting conditions (if any) have been satisfied and the Board has notified the Eligible Participant of that fact.
- (e) The Board must notify an Eligible Participant in writing within 10 Business Days of becoming aware that any vesting conditions attaching to a Performance Right have been satisfied.

- (f) Subject to the Corporations Act, the ASX Listing Rules and the Plan, the Company must issue to the Participant or his or her personal representative (as the case may be) the number of Shares the Participant is entitled to be issued in respect of vested Performance Rights that are exercised, within 10 business days of the Performance Rights being exercised.
- (g) A Performance Right will lapse upon the earlier to occur of:
- (i) an unauthorised dealing in, or hedging of, the Performance Right occurring, as governed by the Plan;
 - (ii) a vesting condition in relation to the Performance Right is not satisfied by the due date, or becomes incapable of satisfaction, as determined by the Board in its absolute discretion, unless the Board exercises its discretion to vest the Performance Right in accordance with the Plan;
 - (iii) a vested Performance Right is not exercised within the time limit specified in the Plan;
 - (iv) an Eligible Participant (or, where the participant is a nominee of the Eligible Participant, that Eligible Participant) ceases to be an Eligible Participant, unless the Board exercises its discretion to vest the Performance Right in accordance with the Plan;
 - (v) the Board deems that a Performance Right lapses due to fraud, dishonesty or other improper behaviour of the holder/Eligible Participant in accordance with the Plan;
 - (vi) the Company undergoes a change of control or a winding up resolution or order is made, and the Board does not exercise its discretion to vest the Performance Right in accordance with the Plan;
 - (vii) the Expiry Date of the Performance Right; and
 - (viii) the seven (7) year anniversary of the date of grant of the Performance Rights.
- (h) The Board may, in its absolute discretion, by written notice to a participant, resolve to waive any of the vesting conditions applying to the Performance Rights due to:
- (i) a Eligible Participant or, where the participant is a nominee of an Eligible Participant, that Eligible Participant, ceasing to be an Eligible Participant as a result of:
 - (A) death or total or permanent disability; or
 - (B) retirement or redundancy; or
 - (ii) an Eligible Participant or, where the participant is a nominee of an Eligible Participant, that Eligible Participant, suffering severe financial hardship;
 - (iii) the terminal illness of the participant (or Eligible Participant, as applicable) or of an immediate family member of the participant (or Eligible Participant, as applicable);

- (iv) a change of control occurring or the Company passing a resolution for voluntary winding up, or an order is made for the compulsory winding up of the Company, in which case, a participant (or their personal legal representative where applicable) may exercise any vested Performance Right at any time within one month of the Board notifying that the Performance Right has vested, failing which the Performance Right will lapse, by a signed written notice to the Board specifying the Performance Rights being exercised and providing the certificate for those Performance Rights.

SCHEDULE 3 – VALUATION OF OPTIONS

Using the Black & Scholes option model and based on the assumptions set out below, the Options (the subject of Resolutions 8 and 9) (**Related Party Options**) were ascribed the following value:

Class A Option Assumptions:	
Valuation date	18 July 2019
Market price of Shares (20 day VWAP)	\$0.15
Exercise price	\$0.20
Expiry date (length of time from issue)	2.9 years
Risk free interest rate	1.5%
Volatility (discount)	100%
Indicative value per Related Party Option	\$0.088
Total Value of Related Party Options	\$109,736
- Adrian Byass	\$87,788
- Stephen Woodham	\$21,947

Class B Option Assumptions:	
Valuation date	18 July 2019
Market price of Shares (20 day VWAP)	\$0.15
Exercise price	\$0.28
Expiry date (length of time from issue)	2.9 years
Risk free interest rate	1.5%
Volatility (discount)	100%
Indicative value per Related Party Option	\$0.077
Total Value of Related Party Options	\$174,473
- Adrian Byass	\$155,087
- Stephen Woodham	\$19,386

Note: The valuation noted above is not necessarily the market price that the Related Party Options could be traded at and is not automatically the market price for taxation purposes.

APPOINTMENT OF PROXY FORM

KINGWEST RESOURCES LIMITED
ACN 624 972 185

GENERAL MEETING

I/We

of:

being a Shareholder entitled to attend and vote at the Meeting, hereby appoint:

Name:

OR: ☐ the Chair of the Meeting as my/our proxy.

or failing the person so named or, if no person is named, the Chair, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit, at the Meeting to be held at 10am WST on Tuesday, 10 September 2019, and at any adjournment thereof.

AUTHORITY FOR CHAIR TO VOTE UNDIRECTED PROXIES ON REMUNERATION RELATED RESOLUTIONS

Where I/we have appointed the Chair as my/our proxy (or where the Chair becomes my/our proxy by default), I/we expressly authorise the Chair to exercise my/our proxy on Resolutions 8 and 9 (except where I/we have indicated a different voting intention below) even though 8 and 9 are connected directly or indirectly with the remuneration of a member of the Key Management Personnel, which includes the Chair.

CHAIR'S VOTING INTENTION IN RELATION TO UNDIRECTED PROXIES

The Chair intends to vote undirected proxies in favour of all Resolutions. In exceptional circumstances the Chair may change his/her voting intention on any Resolution. In the event this occurs an ASX announcement will be made immediately disclosing the reasons for the change.

Voting on Business of the General Meeting

		FOR	AGAINST	ABSTAIN
Resolution 1	Issue of Shares in Consideration for the Proposed Acquisition	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Ratification of Prior Issue of Shares Pursuant to Capital Raising	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Issue of Shares pursuant to Capital Raising	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Issue of Shares to Peter Bennetto pursuant to Capital Raising	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Issue of Shares to Stephen Woodham pursuant to Capital Raising	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Issue of Shares to Stephen Brockhurst pursuant to Capital Raising	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7	Issue of Facilitator Securities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8	Issue of Facilitator Securities to Stephen Woodham	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 9	Issue of Facilitator Securities to Adrian Byass	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 10	Ratification of Prior Issue of Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 11	Approval of Performance Rights Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Please note: If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

If two proxies are being appointed, the proportion of voting rights this proxy represents is: _____ %

Signature of Shareholder(s):

Individual or Shareholder 1

Sole Director/Company Secretary

Shareholder 2

Director

Shareholder 3

Director/Company Secretary

Date: _____

Contact name: _____

Contact ph (daytime): _____

E-mail address: _____

Consent for contact by e-mail
in relation to this Proxy Form:

YES ☐ NO ☐

Instructions for completing Proxy Form

1. **(Appointing a proxy):** A Shareholder entitled to attend and cast a vote at the Meeting is entitled to appoint a proxy to attend and vote on their behalf at the Meeting. If a Shareholder is entitled to cast 2 or more votes at the Meeting, the Shareholder may appoint a second proxy to attend and vote on their behalf at the Meeting. However, where both proxies attend the Meeting, voting may only be exercised on a poll. The appointment of a second proxy must be done on a separate copy of the Proxy Form. A Shareholder who appoints 2 proxies may specify the proportion or number of votes each proxy is appointed to exercise. If a Shareholder appoints 2 proxies and the appointments do not specify the proportion or number of the Shareholder's votes each proxy is appointed to exercise, each proxy may exercise one-half of the votes. Any fractions of votes resulting from the application of these principles will be disregarded. A duly appointed proxy need not be a Shareholder.
2. **(Direction to vote):** A Shareholder may direct a proxy how to vote by marking one of the boxes opposite each item of business. The direction may specify the proportion or number of votes that the proxy may exercise by writing the percentage or number of Shares next to the box marked for the relevant item of business. Where a box is not marked the proxy may vote as they choose subject to the relevant laws. Where more than one box is marked on an item the vote will be invalid on that item.
3. **(Signing instructions):**
 - **(Individual):** Where the holding is in one name, the Shareholder must sign.
 - **(Joint holding):** Where the holding is in more than one name, all of the Shareholders should sign.
 - **(Power of attorney):** If you have not already provided the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Form when you return it.
 - **(Companies):** Where the company has a sole director who is also the sole company secretary, that person must sign. Where the company (pursuant to Section 204A of the Corporations Act) does not have a company secretary, a sole director can also sign alone. Otherwise, a director jointly with either another director or a company secretary must sign. Please sign in the appropriate place to indicate the office held. In addition, if a representative of a company is appointed pursuant to Section 250D of the Corporations Act to attend the Meeting, the documentation evidencing such appointment should be produced prior to admission to the Meeting. A form of a certificate evidencing the appointment may be obtained from the Company.
4. **(Attending the Meeting):** Completion of a Proxy Form will not prevent individual Shareholders from attending the Meeting in person if they wish. Where a Shareholder completes and lodges a valid Proxy Form and attends the Meeting in person, then the proxy's authority to speak and vote for that Shareholder is suspended while the Shareholder is present at the Meeting.
5. **(Return of Proxy Form):** To vote by proxy, please complete and sign the enclosed Proxy Form and return by:
 - (a) send the Proxy Form by post to Kingwest Resources Limited, GPO Box 2517, PERTH WA 6831;
 - (b) send the Proxy Form by e-mail to **davidm@miningcorporate.com.au**; or
 - (c) send the Proxy Form by facsimile to the Company on facsimile number (08) 9463 6103,

so that it is received not less than 48 hours prior to commencement of the Meeting being 10.00am WST on Sunday 8 September 2019.

Proxy Forms received later than this time will be invalid.