

Kingwest Resources Ltd

ASX: KWR

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121,905,376

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ASX via Electronic Lodgement

Quarterly Report for the period ending 30 June 2020

Highlights

Positive Scoping Study

- A positive Scoping Study was completed at the Goongarrie Lady deposit 40km south of Menzies resulted in a Production Target of 50,000t of ore grading 3.12g/t gold (Au).

Significant Drill Results

- Significant high-grade drill results received from drilling at Menzies included;
- 1.0m @ 25.4g/t Au from 731.5m in KWRD014
- 0.9m @ 36.6g/t Au from 172.7m in KWD026
- 0.8m @ 33.5g/t Au from 108.2m in KWRD019
- 3.0m @ 6.66 g/t Au from 24m in KWR048
- 3.0m @ 6.05 g/t Au from 61m in KWR042
- 6.0m @ 3.41 g/t Au from 142m in KWR047
- 2.0m @ 11.27 g/t Au from 51m in KWR044
- 1.1m @ 5.74 g/t Au from 759.2m in KWD014W3

Mineral Resources Optimisation Studies

- Optimisation Studies of all Mineral Resources at Menzies have commenced to determine the likely economic viability of each deposit. Infill drilling of the best resources will be planned to upgrade the levels of confidence from Inferred to Indicated or Measured Resources and these will lead into Scoping Studies in the second half on 2020.



GOONGARRIE PROJECT - DISCUSSION OF RESULTS

A Scoping Study was completed at the Goongarrie Lady deposit by an independent mining consultant. Goongarrie Lady is located approximately 40km southeast of Kingwest's Menzies Gold Project (MGP) and 90km north of Kalgoorlie, next to the Goldfields Highway.

Goongarrie Lady was mined in the 1990's by Julia Mines NL, producing 29,000t of ore grading 4.5g/t Au. Mining ceased when heavy rain flooded the pit and caused wall instability at a time of low gold prices.

Outcomes from the Scoping Study include:

- A Production Target of Production Target of 50,000t of ore grading 3.12g/t gold (Au). and a Net cash flow from the project estimated to be in a range of \$6M to \$12M, before taxation and financing.
- Granted Mining Leases and mine permitting at an advanced stage. Short mining programme (estimated 6 months total).
- Previous historic production showed good metallurgical recovery and 92% modelled in study.
- Based on haulage to and processing through third party toll treatment mill with several within the region accessible by road.
- High confidence in Mineral Resource basis for Scoping Study with 95% of proposed mined material and 97% of the gold is contained in Measured or Indicated JORC category Mineral Resources inside pit shell.
- Mineralisation extends at depth below the base of current optimisation, but confidence is reduced through low density drilling.
- Follow-up drilling could potentially convert Inferred Resources below the chosen pit optimisation and allow an increase in mining material after Stage 1.

MENZIES PROJECT – DISCUSSION OF RESULTS

Diamond core extensions to the 14 pre-collars reported to the ASX on 14 April 2020 were completed during the quarter. These holes focus on two of the Exploration Targets within the MGP (Lady Shenton and Yunndaga) (Figure 1). The third 2020 Target (First Hit) was tested with RC drill-holes only with assay results including **3m @ 158.40g/t Au from 180m** in KWR023 as previously announced on 14 April 2020.

Yunndaga System

Significant drill assay results include **1.03m @ 25.40g/t Au from 731.47m** in KWRD014 (Figure 2) which is the deepest hole drilled to date at Yunndaga, and the MGP. This result lies approximately 60m below the deepest workings at Level 21, which have been sampled and show wide intersections of high-grade gold (ASX release 6 February 2020). Results have reinforced the high-grade nature of gold mineralisation at Menzies and the open-ended nature of the gold deposits.

The results to date from the 2020 diamond core drilling again confirm the high-grade nature of the mineralisation at MGP. A full list of significant intersections is included in Table 1 and drill hole details in Table 2.

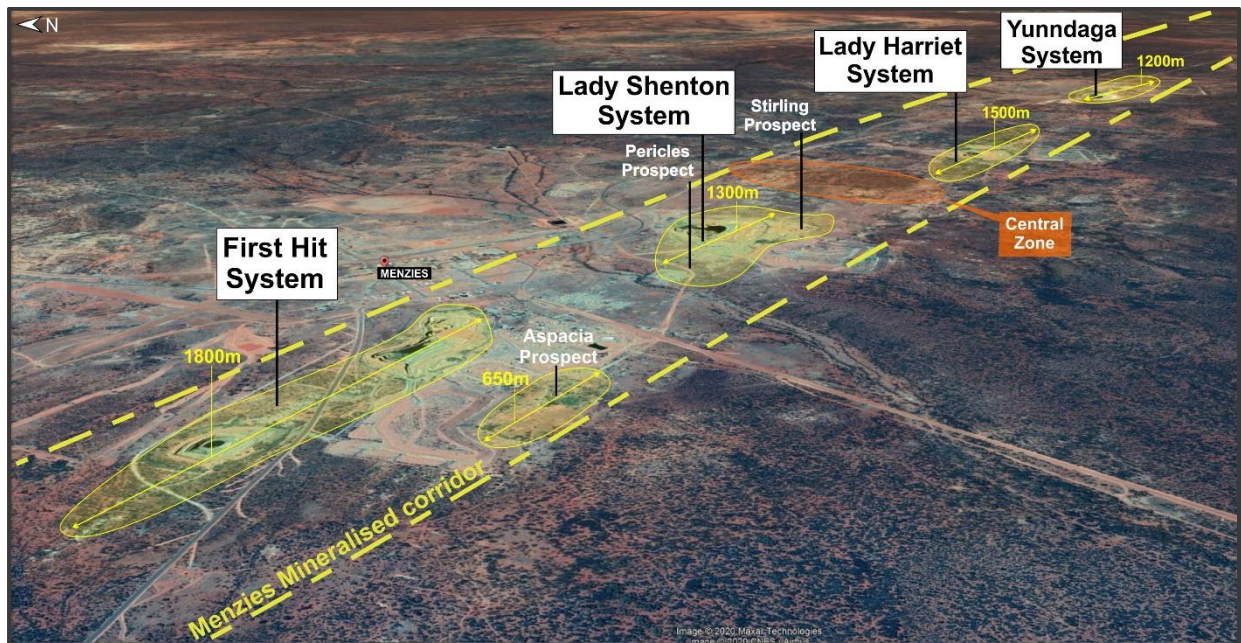


Figure 1: Menzies Gold Project (MGP) aerial view.

Two diamond core directional holes (KWRD014W2 and KWRD014W3) were drilled as wedges from the KWRD014 parent hole for a combined 828.80 metres. These were targeting deeper extensions to the Princess May shoot as KWRD014 did which returned **1.03m @ 25.40g/t Au from 733.47m** (as reported to the ASX on June 1, 2020).

KWD014W2 intersected **0.68m @ 5.1 g/t Au from 735.71m** (N.B. this is the result from the second half of the core cut for this interval, the other half returned an assay of 0.58g/t Au which once again shows the highly variable nature of the coarse gold within the MGP), 0.80m @ 3.61g/t Au from 752.70m and 2.07m @ 2.19 g/t Au from 756.41m. KWD014W3 intersected **1.10m @ 5.74 g/t Au from 759.22m**, 1.00m @ 2.53 g/t Au from 778.86m and 1.02m @ 3.66 g/t Au from 785.78m. Figure 2 is a long section showing the pierce points into the Princess May shoot.

Significant mineralisation has now been extended more than 100m below the lowest Princess May Shoot underground workings (Level 21) and remains open at depth and along strike in both directions.

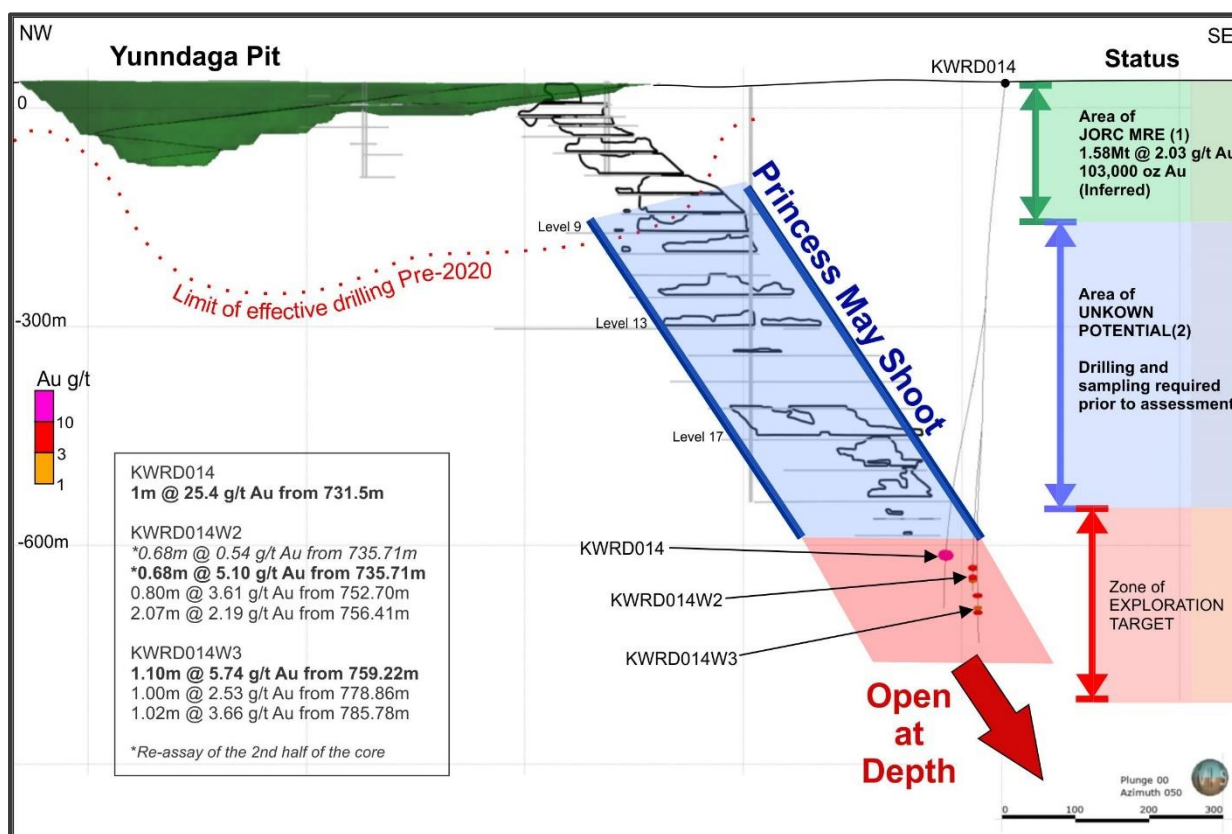


Figure 2: Yunndaga long section showing KWRD014, KWD014W2 and KWD014W3 pierce points

Lady Shenton System

Deep diamond core drill testing of the interpreted continuation of the Lady Shenton lode was partially ineffective due to discovery of a fault that has offset part of the Lady Shenton lode (laterally and down from the predicted location) and pre-existing pre collars were not effectively placed to continue extensional drilling following the lode. Use of diamond core drilling has allowed precise determination of the orientation of the fault and enables the nature of the offset of the Lady Shenton Lode to be predicted. Nine diamond core tails were completed (KWRD005 – 011, KWD023 and KWD026).

The best intersections were **0.94m @ 36.60g/t Au** from 172.66m in **KWD026** and **1.00m @ 9.11g/t Au** from 375.00m in **KWRD011**.

Eight RC holes (KWR038 – 045) were also completed at the Stirling Prospect, which lies to the west of the Lady Shenton pit and within the Lady Shenton System, for a total of 636 metres. These holes were designed to follow up previous high-grade results including **5m @ 13.1g/t Au from 32m** in KWRD009 and **2.9m @ 5.8g/t Au from 52m** in KWD027.

The best intersections were **3.0m @ 6.05 g/t Au** from 61m, **inc. 1.0m @ 10.72 g/t Au** from 61m in KWR042 and **2.0m @ 11.27 g/t Au** from 50m, **inc. 1.0m @ 17.44 g/t Au** from 51m in KWR044 (see Figure 3). These intersections add length and depth extensions to the previous high-grade intersections and enable KWR to complete and initial mineral resource estimation at Stirling.

A full list of significant intersections is included in Table 1 and drill hole details are included in Table 2.

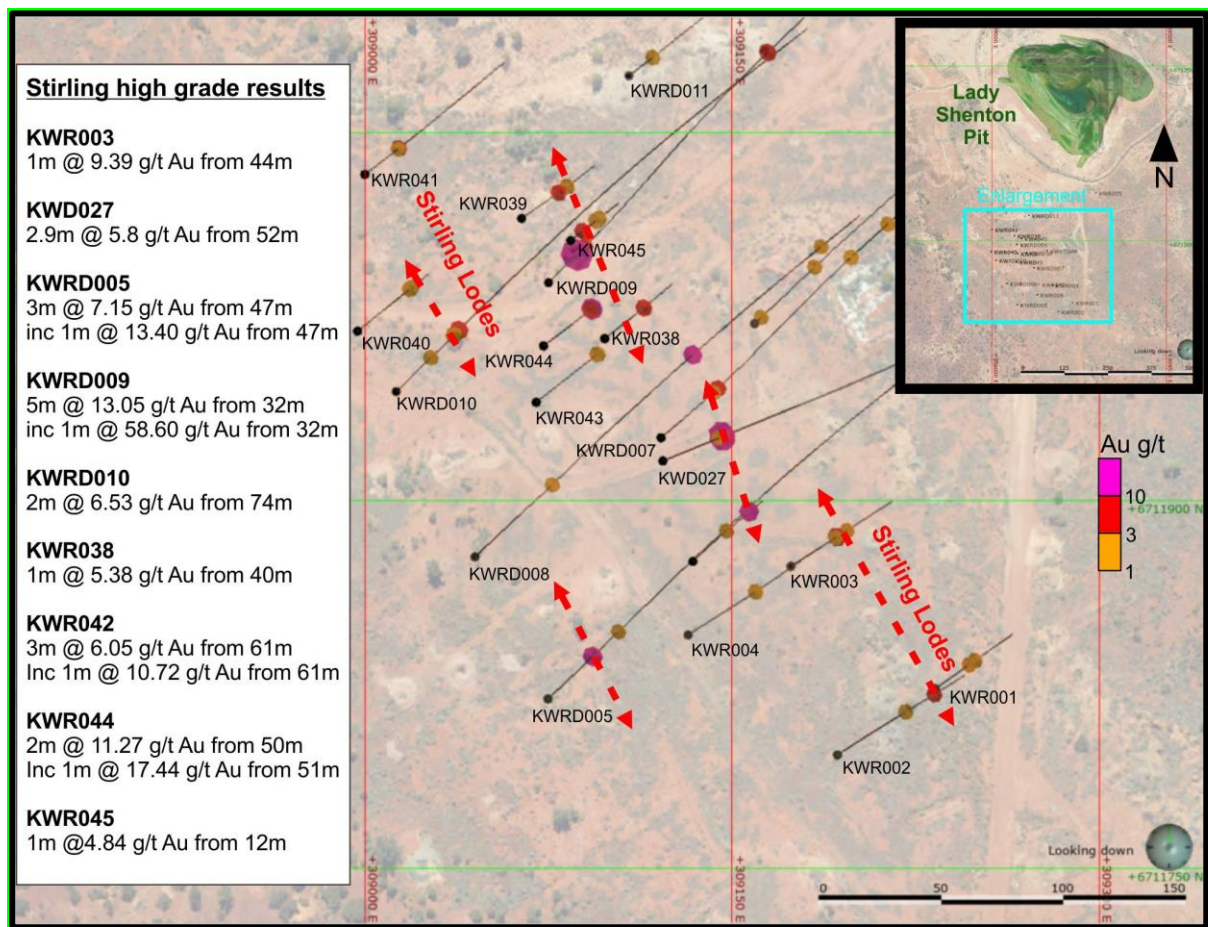


Figure 3: Drill hole traces at the Stirling Prospect within the Lady Shenton System and significant intersections projected to surface

Central Zone

Nineteen RC holes (KWR026 – 037 and KWR046 - 052) were drilled in the Central Zone for a total of 3,210 metres. This is the first testing of the Central Zone by KWR and was designed to test structural targets that are coincidental with numerous lines of historic workings.

The best intersections were **1.0m @ 7.13 g/t Au** from 16m in KWR030, **3.0m @ 4.19 g/t Au** from 42m, **inc. 1.0m @ 7.37 g/t Au** from 43m in KWR033, **6.0m @ 3.41 g/t Au** from 142m, **inc. 1.0m @ 10.88 g/t Au** from 142m and **1.0m @ 7.85 g/t Au** from 147m in KWR047 and **3.0m @ 6.66 g/t Au** from 24m, **inc. 1.0m @ 10.61 g/t Au** from 24m in KWR048 (see Figure 4). These early results confirm that the Central Zone includes numerous mineralised bodies that require further investigation.

A full list of significant intersections is included in Table 1 and drill hole details are included in Table 2.

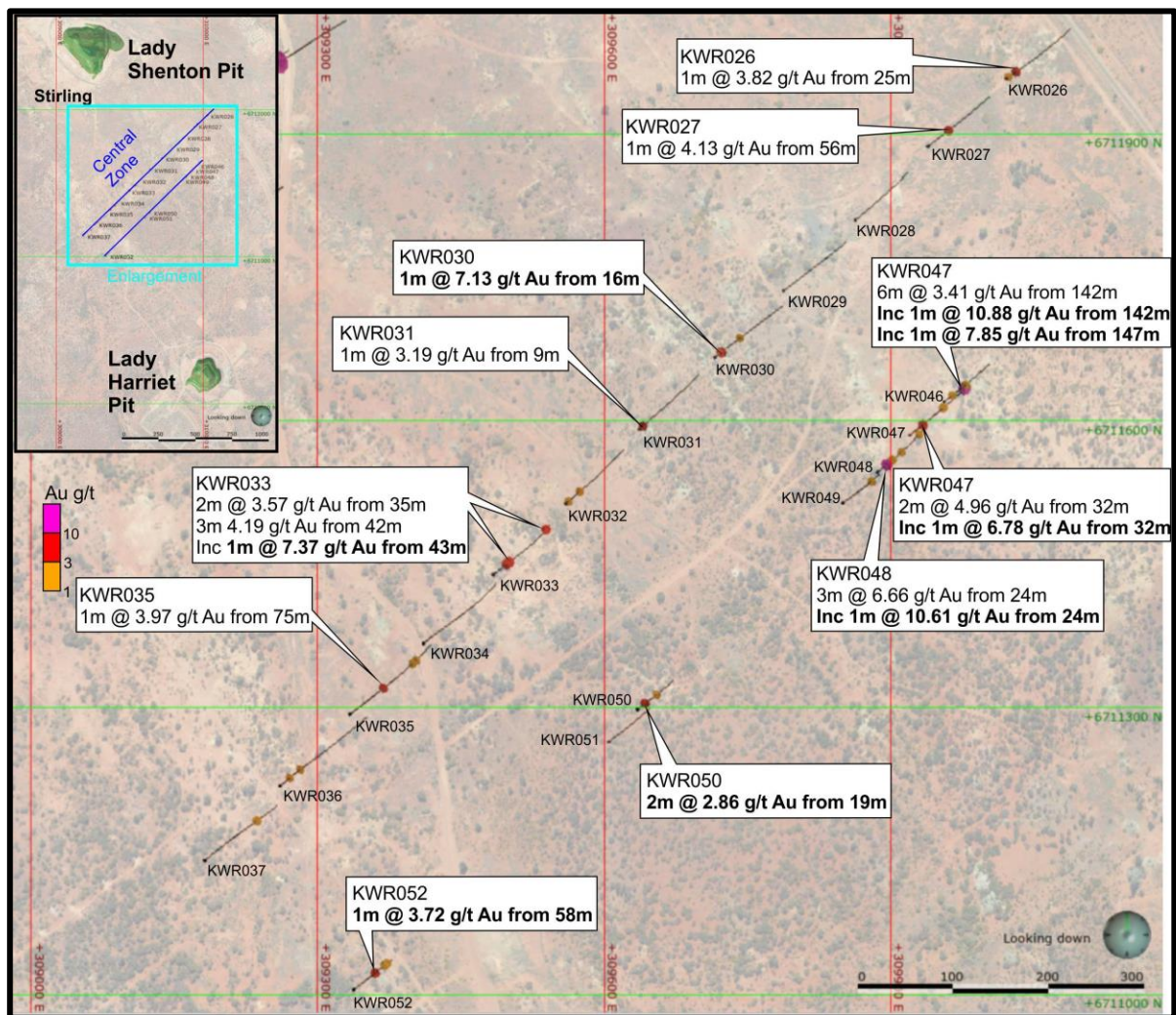


Figure 4: Central Zone RC drill traces with significant intersections projected to surface

Mineral Resources Optimisation Studies

Optimisation Studies of all Mineral Resources at Menzies (Table 3) have commenced to determine the likely economic viability of each deposit. Infill drilling of the best resources will be planned to upgrade the levels of confidence from Inferred to Indicated or Measured Resources and these will lead into Scoping Studies in the second half on 2020.

Additional Mineral Resource Estimates (MRE's) are also being undertaken for the near surface mineralised deposits that have not had previous MRE's completed.



Table 1: 2020 Significant intersections (>1.0 g/t Au over 1.0m).

Hole ID	From	To	Interval	Au g/t	Description
KWR001	32.00	33.00	1.00	1.43	1m @ 1.43 g/t Au from 32m
KWR001	38.00	39.00	1.00	1.51	1m @ 1.51 g/t Au from 38m
KWR002	63.00	66.00	3.00	1.09	3m @ 1.09 g/t Au from 63m
KWR002	90.00	92.00	2.00	2.08	2m @ 2.08 g/t Au from 90m
KWR003	43.00	49.00	6.00	1.96	6m @ 1.96 g/t Au from 43m
Inc.	44.00	45.00	1.00	9.39	Inc 1m @ 9.39 g/t Au from 44m
KWR003	54.00	55.00	1.00	1.12	1m @ 1.12 g/t Au from 54m
KWR004	67.00	70.00	3.00	1.23	3m @ 1.23 g/t Au from 67m
Inc.	67.00	68.00	1.00	2.45	Inc 1m @ 2.45 g/t Au from 67m
KWRD005	47.00	50.00	3.00	7.15	3m @ 7.15 g/t Au from 47m
Inc.	47.00	48.00	1.00	13.40	Inc 1m @ 13.40 g/t Au from 47m
KWRD005	74.00	76.00	2.00	1.19	2m @ 1.19 g/t Au from 74m
KWRD005	423.00	424.00	1.00	2.48	1.00m @ 2.48 g/t Au from 423.00m
KWRD006	67.00	68.00	1.00	1.14	1m @ 1.14 g/t Au from 67m
KWRD006	300.00	301.53	1.53	1.65	1.53m @ 1.65 g/t Au from 300.00m
KWRD006	307.10	308.35	1.25	3.00	1.25m @ 3.00 g/t Au from 307.10m
KWRD007	71.00	73.00	2.00	1.08	2m @ 1.08 g/t Au from 71m
KWRD007	79.00	80.00	1.00	4.04	1m @ 4.04 g/t Au from 79m
KWRD007	293.25	295.00	1.75	1.38	1.75m @ 1.38 g/t Au from 293.25m
KWRD007	346.67	347.33	0.66	1.82	0.66m @ 1.82 g/t Au from 346.67m
KWRD007	379.11	380.46	1.35	1.03	1.35m @ 1.03 g/t Au from 379.11m
KWRD007	464.40	465.63	1.23	6.12	1.23m @ 6.12 g/t Au from 465.40m
Inc.	466.20	466.63	0.43	15.30	0.43m @ 15.30 g/t Au from 466.20m
KWRD008	102.00	103.00	1.00	1.05	1m @ 1.05 g/t Au from 102m
KWRD008	288.60	289.10	0.50	11.30	0.50m @ 11.30 g/t Au from 288.60m
KWRD008	439.72	440.68	0.96	1.02	0.96m @ 1.02 g/t Au from 439.72m
KWRD009	32.00	37.00	5.00	13.05	5m @ 13.05 g/t Au from 32m
Inc.	32.00	33.00	1.00	58.60	Inc 1m @ 58.60 g/t Au from 32m
KWRD009	42.00	43.00	1.00	3.35	1m @ 3.35 g/t Au from 42m
KWRD009	283.37	283.72	0.35	8.20	0.35m @ 8.20 g/t Au from 283.37m
KWRD010	40.00	41.00	1.00	1.62	1m @ 1.62 g/t Au from 40m
KWRD010	67.00	69.00	2.00	2.56	2m @ 2.56 g/t Au from 67m
KWRD010	74.00	76.00	2.00	6.53	2m @ 6.53 g/t Au from 74m
KWRD011	24.00	25.00	1.00	2.34	1m @ 2.34 g/t Au from 24m
KWRD011	215.91	218.32	2.41	2.68	2.41m @ 2.68 g/t Au from 215.91m
KWRD011	251.00	252.00	1.00	1.10	1.00m @ 1.10 g/t Au from 251.00m
KWRD011	280.00	280.70	0.70	5.72	0.70m @ 5.72 g/t Au from 280.00m
KWRD011	372.30	376.00	3.70	3.30	3.70m @ 3.30 g/t Au from 372.30m
Inc.	375.00	376.00	1.00	9.11	1.00m @ 9.11 g/t Au from 375.00m
KWD023	131.19	131.64	0.45	5.01	0.45m @ 5.01 g/t Au from 131.19m
KWD023	198.92	202.00	3.08	1.93	3.08m @ 1.93 g/t Au from 198.9m
Inc.	198.92	200.00	1.08	3.71	1.08m @ 3.71 g/t Au from 198.92m



Hole ID	From	To	Interval	Au g/t	Description
KWD023	321.40	322.00	0.60	2.21	0.60m @ 2.21 g/t Au from 321.40m
KWD026	150.50	151.50	1.00	1.01	1.00m @ 1.01 g/t Au from 150.50m
KWD026	172.66	173.60	0.94	36.60	0.94m @ 36.60 g/t Au from 172.66m
KWRD014	731.47	732.50	1.03	25.40	1.03m @ 25.40 g/t Au from 733.47m
KWRD014W2	752.7	753.5	0.8	3.61	0.80m @ 3.61 g/t Au from 752.70m
KWRD014W2	735.71	736.39	0.68	5.10	0.68m @ 5.10 g/t Au from 735.71m
KWRD014W2	756.41	758.48	2.07	2.19	2.07m @ 2.19 g/t Au from 756.41m
KWRD014W3	759.22	760.32	1.10	5.74	1.10m @ 5.74 g/t Au from 759.22m
KWRD014W3	778.86	779.86	1.00	2.53	1.00m @ 2.53 g/t Au from 778.86m
KWRD014W3	785.78	786.80	1.02	3.66	1.02m @ 3.66 g/t Au from 785.78m
KWRD015	125.21	126.07	0.86	5.90	0.86m @ 5.90 g/t Au from 125.21m
KWRD016	82.67	85.24	2.57	1.90	2.57m @ 1.90 g/t Au from 82.67m
KWRD017	96.80	97.80	1.00	1.69	1.00m @ 1.69 g/t Au from 96.80m
KWRD017	114.60	115.80	1.20	1.53	1.20m @ 1.53 g/t Au from 114.60m
KWRD018	112.96	114	1.04	2.13	1.04m @ 2.13 g/t Au from 112.96m
KWRD018	119.25	120.49	1.24	1.77	1.24m @ 1.77 g/t Au from 119.25m
KWRD019	87.00	88.00	1.00	1.43	1.00m @ 1.43 g/t Au from 87.00m
KWRD019	106.35	107.2	0.85	2.02	0.85m @ 2.02 g/t Au from 106.35m
KWRD019	108.20	108.95	0.75	33.47	0.75m @ 33.47 g/t Au from 108.20m
Inc.	108.65	108.95	0.30	79.40	0.30m @ 79.40 g/t Au from 108.65m
KWRD020	92.36	97.00	4.64	1.56	4.64m @ 1.56 g/t Au from 92.36m
KWRD020	124.40	125.30	0.90	4.78	0.90m @ 4.78 g/t Au from 124.40m
KWRD020	128.00	128.90	0.90	6.35	0.90m @ 6.35 g/t Au from 128.00m
KWR021	210.00	211.00	1.00	3.67	1m @ 3.67 g/t Au from 210m
KWR022	194.00	195.00	1.00	3.65	1m @ 3.65 g/t Au from 194m
KWR022	206.00	207.00	1.00	5.46	1m @ 5.46 g/t Au from 206m
KWR023	180.00	183.00	3.00	158.4	3m @ 158.4 g/t Au from 180m
KWR023	180.00	182.00	2.00	237.5	Inc. 2m @ 237.5 g/t Au from 180m
KWR023	204.00	205.00	1.00	1.65	1m @ 1.65 g/t Au from 204m
KWR024A	187.00	188.00	1.00	2.50	1m @ 2.50 g/t Au from 187m
KWR024A	204.00	207.00	3.00	2.25	3m @ 2.25 g/t Au from 204m
Inc.	206.00	207.00	1.00	4.67	Inc 1m @ 4.67 g/t Au from 206m
KWR024A	256.00	258.00	2.00	2.74	2m @ 2.74 g/t Au from 256m
KWR026	25.00	26.00	1.00	3.82	1m @ 3.82 g/t Au from 25m
KWR027	56.00	57.00	1.00	4.13	1m @ 4.13 g/t Au from 56m
KWR030	16.00	17.00	1	7.13	1m @ 7.13 g/t Au from 16m
KWR030	63.00	64.00	1	1.22	1m @ 1.22 g/t Au from 63m
KWR031	9.00	10.00	1	3.19	1m @ 3.19 g/t Au from 9m
KWR032	7.00	8.00	1	1.32	1m @ 1.32 g/t Au from 7m
KWR032	38.00	40.00	2	1.28	2m @ 1.28 g/t Au from 38m
KWR033	35.00	37.00	2	3.57	2m @ 3.57 g/t Au from 35m
KWR033	42.00	45.00	3	4.19	3m @ 4.19 g/t Au from 42m
Inc.	43.00	44.00	1	7.37	Inc 1m @ 7.37 g/t Au from 43m
KWR033	174.00	175.00	1	3.39	1m @ 3.39 g/t Au from 174m



Hole ID	From	To	Interval	Au g/t	Description
KWR035	75.00	76.00	1	3.97	1m @ 3.97 g/t Au from 75m
KWR035	143.00	144.00	1	1.18	1m @ 1.18 g/t Au from 143m
KWR035	153.00	155.00	2	1.5	2m @ 1.50 g/t Au from 153m
KWR036	22.00	23.00	1	1.11	1m @ 1.11 g/t Au from 22m
KWR036	45.00	46.00	1	2.07	1m @ 2.07 g/t Au from 45m
KWR037	134.00	137.00	3	1.39	3m @ 1.39 g/t Au from 134m
KWR038	40.00	41.00	1	5.38	1m @ 5.38 g/t Au from 40m
KWR039	38.00	39.00	1	3.82	1m @ 3.82 g/t Au from 38m
KWR039	47.00	48.00	1	2.02	1m @ 2.02 g/t Au from 47m
KWR040	56.00	57.00	1	1.36	1m @ 1.36 g/t Au from 56m
KWR040	59.00	60.00	1	1.01	1m @ 1.01 g/t Au from 59m
KWR041	34	36	2	2.33	2m @ 2.33 g/t Au from 34m
KWR042	37	38	1	1.68	1m @ 1.68 g/t Au from 37m
KWR042	61	64	3	6.05	3m @ 6.05 g/t Au from 61m
Inc.	61	62	1	10.72	Inc 1m @ 10.72 g/t Au from 61m
KWR043	64	66	2	1.51	2m @ 1.51 g/t Au from 64m
KWR044	50	52	2	11.27	2m @ 11.27 g/t Au from 50m
Inc.	51	52	1	17.44	Inc 1m @ 17.44 g/t Au from 51m
KWR045	12	13	1	4.84	1m @ 4.84 g/t Au from 12m
KWR045	25	27	2	1.34	2m @ 1.34 g/t Au from 25m
KWR045	29	30	1	1.30	1m @ 1.30 g/t Au from 29m
KWR046	18	19	1	2.24	1m @ 2.24 g/t Au from 18m
KWR046	48	50	2	1.39	2m @ 1.39 g/t Au from 48m
KWR047	32	34	2	4.96	2m @ 4.96 g/t Au from 32m
Inc.	32	33	1	6.78	Inc 1m @ 6.78 g/t Au from 32m
KWR047	83	87	4	1.13	4m @ 1.13 g/t Au from 83m
KWR047	142	148	6	3.41	6m @ 3.41 g/t Au from 142m
Inc.	142	143	1	10.88	Inc 1m @ 10.88 g/t Au from 142m
Inc.	147	148	1	7.85	Inc 1m @ 7.85 g/t Au from 147m
KWR048	24	27	3	6.66	3m @ 6.66 g/t Au from 24m
Inc.	24	25	1	10.61	Inc 1m @ 10.61 g/t Au from 24m
KWR048	38	41	3	1.10	3m @ 1.10 g/t Au from 38m
KWR048	65	66	1	1.51	1m @ 1.51 g/t Au from 65m
KWR048	124	125	1	1.07	1m @ 1.07 g/t Au from 124m
KWR049	73	74	1	2.08	1m @ 2.08 g/t Au from 73m
KWR050	19	21	2	2.86	2m @ 2.86 g/t Au from 19m
KWR050	50	51	1	1.34	1m @ 1.34 g/t Au from 50m
KWR052	58	59	1	3.72	1m @ 3.72 g/t Au from 58m
KWR052	85	86	1	2.92	1m @ 2.92 g/t Au from 85m
KWR052	92	93	1	2.94	1m @ 2.94 g/t Au from 92m



Table 2: 2020 Completed drill hole details.

Prospect	Drillhole ID	Easting	Northing	Elevation (m RL)	Dip	Azimuth	Completed depth	Comments
Lady Shenton	KWR001	309233	6711823	427	60	55	74	RC only
Lady Shenton	KWR002	309193	6711796	425	60	55	122	RC only
Lady Shenton	KWR003	309174	6711873	427	60	55	100	RC only
Lady Shenton	KWR004	309132	6711845	426	60	55	118	RC only
Lady Shenton	KWRD005	309075	6711819	424	60	45	452.54	RC with diamond tail
Lady Shenton	KWRD006	309159	6711972	426	60	45	397.06	RC with diamond tail
Lady Shenton	KWRD007	309121	6711926	429	67	45	492.05	RC with diamond tail
Lady Shenton	KWRD008	309045	6711877	423	65	45	484.27	RC with diamond tail
Lady Shenton	KWRD009	309075	6711989	427	60	45	447.78	RC with diamond tail
Lady Shenton	KWRD010	309013	6711944	426	60	45	450.85	RC with diamond tail
Lady Shenton	KWRD011	309108	6712073	426	60	50	428.07	RC with diamond tail
Yunndaga	KWR012	311950	6706988	408	-60	55	130	RC only
Yunndaga	KWR013	311923	6707030	413	-60	55	136	RC only
Yunndaga	KWRD014	311725	6706285	412	-72	30	835.10	RC with diamond tail
Yunndaga	KWRD014W2	311725	6706285	412	-72	30	778.10	Diamond tail (wedge off KWRD014 from 294.10m)
Yunndaga	KWRD014W3	311725	6706285	412	-72	30	835.00	Diamond tail (wedge off KWRD014W2 from 490.20m)
Yunndaga	KWRD015	311910	6707022	413	-70	55	100	RC with diamond tail
Yunndaga	KWRD016	311880	6707061	407	-50	55	148.00	RC with diamond tail
Yunndaga	KWRD017	311874	6707058	406	-60	55	160.32	RC with diamond tail
Yunndaga	KWRD018	311868	6707054	406	-70	55	172.41	RC with diamond tail
Yunndaga	KWRD019	311832	6707100	415	-55	50	169.35	RC with diamond tail



Prospect	Drillhole ID	Easting	Northing	Elevation (m RL)	Dip	Azimuth	Completed depth	Comments
Yunndaga	KWRD020	311832	6707100	414	-65	50	169.28	RC with diamond tail
First Hit	KWR021	308382	6713641	424	-67	60	322	RC only
First Hit	KWR022	308374	6713675	430	-67	60	296	RC only
First Hit	KWR023	308367	6713703	424	-67	65	296	RC only
First Hit	KWR024A	308339	6713725	429	-65	70	320	RC only
Lady Shenton	KWD023	309203	6712152	429	-60	55	344.50	RC (2019) with diamond tail
Lady Shenton	KWD026	309235	6712100	429	-60	55	374.40	RC with diamond tail (2019)
Lady Shenton	KWR025	309300	6712138	430	-60	50	200	RC only
Central Zone	KWR026	310021	6711958	430	-60	50	200	RC only
Central Zone	KWR027	309939	6711887	430	-60	50	200	RC only
Central Zone	KWR028	309863	6711810	430	-60	50	200	RC only
Central Zone	KWR029	309788	6711736	430	-60	50	198	RC only
Central Zone	KWR030	309716	6711666	430	-60	50	198	RC only
Central Zone	KWR031	309637	6711591	430	-60	50	198	RC only
Central Zone	KWR032	309560	6711513	430	-60	50	198	RC only
Central Zone	KWR033	309484	6711439	430	-60	50	198	RC only
Central Zone	KWR034	309411	6711367	430	-60	50	198	RC only
Central Zone	KWR035	309334	6711293	430	-60	50	198	RC only
Central Zone	KWR036	309261	6711218	430	-60	50	198	RC only
Central Zone	KWR037	309182	6711140	430	-55	50	198	RC only
Stirling	KWR038	309098	6711936	428	-55	50	72	RC only
Stirling	KWR039	309064	6712015	428	-60	50	78	RC only
Stirling	KWR040	308997	6711969	428	-60	50	78	RC only
Stirling	KWR041	309000	6712033	428	-60	50	150	RC only
Stirling	KWR042	309134	6711875	428	-60	50	78	RC only
Stirling	KWR043	309070	6711940	428	-60	50	72	RC only
Stirling	KWR044	309073	6711963	428	-60	50	60	RC only
Stirling	KWR045	309084	6712006	428	-60	50	48	RC only
Central Zone	KWR046	309956	6711620	435	-55	50	102	RC only
Central Zone	KWR047	309920	6711585	435	-60	50	156	RC only
Central Zone	KWR048	309886	6711546	435	-60	50	150	RC only
Central Zone	KWR049	309850	6711514	435	-60	50	102	RC only
Central Zone	KWR050	309635	6711298	435	-60	50	102	RC only
Central Zone	KWR051	309605	6711264	430	-60	50	108	RC only
Central Zone	KWR052	309338	6711005	429	-60	50	108	RC only



Table 3: Menzies and Goongarrie MRE's¹.

MENZIES PROJECT									
Deposit	Indicated Resource			Inferred Resource			Total Resource		
(>1g/t Au)	Mt	Au (g/t)	Oz	Mt	Au (g/t)	Oz	Mt	Au (g/t)	Oz
Yundaga Shallow				1.58	2.03	103,000	1.58	2.03	103,000
Pericles	0.63	1.80	35,800	0.78	1.70	43,700	1.40	1.80	79,500
Lady Harriet-Bellenger	0.30	1.80	17,400	0.18	2.10	11,500	0.48	1.90	28,900
Selkirk				0.09	4.50	12,600	0.09	4.50	12,600
Warrior				0.13	2.30	9,300	0.13	2.30	9,300
TOTAL	0.93	1.77	53,200	2.75	2.03	180,100	3.67	1.97	233,300

GOONGARRIE PROJECT									
Deposit	Indicated Resource			Inferred Resource			Total Resource		
(>1g/t Au)	Mt	Au (g/t)	Oz	Mt	Au (g/t)	Oz	Mt	Au (g/t)	Oz
Goongarrie Lady	0.20	3.30	21,321	0.07	1.64	3,707	0.27	2.86	25,028
TOTAL	0.20	3.30	21,321	0.07	1.64	3,707	0.27	2.86	25,028

TOTAL MENZIES AND GOONGARRIE PROJECTS									
Deposit	Indicated Resource			Inferred Resource			Total Resource		
(>1g/t Au)	Mt	Au (g/t)	Oz	Mt	Au (g/t)	Oz	Mt	Au (g/t)	Oz
Menzies	0.93	1.77	53,200	2.75	2.03	180,100	3.67	1.97	233,300
Goongarrie	0.20	3.30	21,321	0.07	1.64	3,707	0.27	2.86	25,028
TOTAL	1.13	2.04	74,521	2.85	2.00	183,807	3.94	2.03	258,336

¹As announced to the ASX on 13 March 2020 (ASX: KWR)

Financial Commentary – 30 June 2020

The Company's Quarterly Cashflow Report (Appendix 5B) follows this activities report. The Company had \$2.8M in cash as at 30 June 2020. Exploration Expenditure for the quarter was \$1.3M with most of this expenditure being associated with the drilling activities at Menzies. Corporate and other administration expenditure was \$125k for the quarter and the Company also received \$475k from the disposal of various tenements at Leonora.

The total amount paid to related parties of Kingwest and their associates, as per item 6.1 of the Appendix 5B, was \$68k. Included in this amount is \$44k for Directors fees, salaries and superannuation and \$24k paid to Mining Corporate, an entity controlled by Stephen Brockhurst for bookkeeping, accounting and company secretarial fees.



Use of Funds

In line with obligations under ASX Listing Rule 5.3.4, Kingwest Resources Limited provides the following information with respect to its Use of Funds Statement set out in its Prospectus dated 24 May 2018 and its actual expenditure since ASX admission on 24 August 2018.

Expenditure Item	Use of Funds \$'000	Actual Expenditure (24.08.18 – 30.06.20) \$'000	Variance \$'000	Note
Opening cash	361	24	(337)	1
Proceeds from the Offer	5,000	5,000	-	
Total	5,361	5,024	(337)	
Exploration expenses (Leonora tenements)	2,870	1,613	1,257	2
Messina joint venture and royalty	490	490	-	
Administration and overhead costs	1,123	1,826	(703)	3
Expenses of the offer	506	344	162	4
Working capital	372	89	283	3
Interest income (net)	-	(50)	50	
Disposal of Leonora tenements	-	(475)	475	5
Exploration expenses (Menzies Gold Project)	-	3,636	(3,636)	6
Acquisition costs (Menzies Gold Project)	-	1,750	(1,750)	6
Capital raising income – post IPO	-	(7,500)	7,500	6
Capital raising costs – post IPO	-	520	(520)	6
Total	5,361	2,243	3,118	
Remaining Cash			2,781	

Notes:

1. Cash balance on 24 May 2018 varies to cash balance on 24 August 2018 due to payments towards expenses of the Offer and administration expenses over this period.
2. Actual Exploration expenses are \$1,257k below the use of funds budget. Following the IPO the Company completed a drilling campaign totalling 13,188m with mixed exploration success. To complement the existing Leonora assets the Company entered into an Agreement to acquire the Menzies and Goongarrie Gold Project in July 2019 as approved by shareholders in September 2019. Given the exploration success at Menzies since acquisition, the primary focus of the Company and its available funds has been on the Menzies Gold Project.
3. Actual administration and overhead costs are \$703k higher than the use of funds budget due to the additional costs incurred with the acquisition of the Menzies Gold Project and associated capital raisings. Additional costs incurred (separate to direct capital raising costs – refer note 6) included legal and due



diligence costs, costs associated with convening a shareholder meeting to approve the acquisition and corporate advisory costs. The Company utilised excess working capital funds to fund the additional administration and overhead costs.

4. Expenses of the Offer paid for the period are showing as being below the use of funds budget by \$162k due to \$196k in IPO costs paid pre IPO (refer Note 1). Total expenses of the offer were materially consistent with the use of funds budget.
5. Proceeds received during the June 2020 quarter from the disposal of the Emperor Project, King of the West Project and Wells Group of tenements at Leonora.
6. In September 2019 the Company completed the acquisition of the Menzies Gold Project for an initial cash consideration of \$1.75M. KWR completed an initial 6,520m drilling campaign to December 2019 and completed another 12,292m drilling campaign in June 2020. Funding for the cash consideration and exploration expenditure of the Menzies Gold Project was from the capital raising in September 2019 of \$4m and February 2020 of \$3.5m. Direct costs associated with the capital raising were \$520k.

-Ends-

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

Further information contact:

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CEO

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Forward-Looking Statements

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

Competent Person Statement

The information in this report that relates to Exploration results and the stated Exploration Targets is based on information compiled by Mr Peter Spitalny who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Spitalny is a consultant Geologist to Kingwest Resources Limited. Mr Spitalny has sufficient experience that is relevant to the style of mineralisation, type of deposit under consideration and to the activity that they are undertaking to qualify as a Competent Person as defined in the 2012 edition of the 'Australasian Code for Reporting of Exploration Results and consents to the inclusion in this report of the matters based on their information in the form and context in which they appear.

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



APPENDIX 1

Tenement information for the quarter ending 30 June 2020

PROJECT	TENEMENT	TENURE TYPE	STATUS	CHANGE IN INTEREST	KWR CURRENT INTEREST
MENZIES (Western Australia)	E29/984	EXPLORATION	GRANTED	-	100%
	L29/42	MISCELLANEOUS	GRANTED	-	100%
	L29/43	MISCELLANEOUS	GRANTED	-	100%
	L29/44	MISCELLANEOUS	GRANTED	-	100%
	M29/14	MINING	GRANTED	-	100%
	M29/153	MINING	GRANTED	-	100%
	M29/154	MINING	GRANTED	-	100%
	M29/184	MINING	GRANTED	-	100%
	M29/212	MINING	GRANTED	-	100%
	M29/410	MINING	GRANTED	-	100%
	M29/88	MINING	GRANTED	-	100%
	P29/2251	PROSPECTING	GRANTED	-	100%
	P29/2252	PROSPECTING	GRANTED	-	100%
	P29/2253	PROSPECTING	GRANTED	-	100%
	P29/2254	PROSPECTING	GRANTED	-	100%
	P29/2346	PROSPECTING	GRANTED	-	100%
	P29/2366	PROSPECTING	GRANTED	-	100%
	P29/2367	PROSPECTING	GRANTED	-	100%
	P29/2383	PROSPECTING	GRANTED	-	100%
	P29/2384	PROSPECTING	GRANTED	-	100%
	P29/2385	PROSPECTING	GRANTED	-	100%
	P29/2386	PROSPECTING	GRANTED	-	100%
	P29/2387	PROSPECTING	GRANTED	-	100%
	P29/2450	PROSPECTING	GRANTED	-	100%
GOONGARRIE (Western Australia)	E29/966	EXPLORATION	GRANTED	-	100%
	E29/1062	EXPLORATION	GRANTED	-	100%
	E29/996	EXPLORATION	GRANTED	-	100%
	L29/109	MISCELLANEOUS	GRANTED	-	100%
	M29/420	MINING	GRANTED	-	100%
	P29/2380	PROSPECTING	GRANTED	-	100%
	P29/2381	PROSPECTING	GRANTED	-	100%
	P29/2412	PROSPECTING	GRANTED	-	100%
	P29/2413	PROSPECTING	GRANTED	-	100%
CRAWFORD (Western Australia)	M37/1202	MINING	GRANTED	-	75%
	P37/8901	PROSPECTING	GRANTED	-	100%
GAMBIER LASS NORTH (Western Australia)	E37/0893	EXPLORATION	GRANTED	-	75%
KING OF THE WEST (Western Australia)	E37/1253	EXPLORATION	GRANTED	(100%)	-
EMPEROR (Western Australia)	E37/0882	EXPLORATION	GRANTED	(100%)	-
	E37/1054	EXPLORATION	GRANTED	(100%)	-
	E37/1086	EXPLORATION	GRANTED	(100%)	-
	E37/1319	EXPLORATION	GRANTED	(100%)	-



PROJECT	TENEMENT	TENURE TYPE	STATUS	CHANGE IN INTEREST	KWR CURRENT INTEREST
	E37/1321	EXPLORATION	GRANTED	(100%)	-
	E37/1322	EXPLORATION	GRANTED	(100%)	-
ROMAN WELL (Western Australia)	E37/1252	EXPLORATION	GRANTED	(100%)	-
GREYMARE WELL (Western Australia)	E37/1284	EXPLORATION	GRANTED	(100%)	-
BIG WELL (Western Australia)	E37/1285	EXPLORATION	GRANTED	(100%)	-
	E37/1314	EXPLORATION	GRANTED	(100%)	-

Appendix 5B

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

Name of entity

Kingwest Resources Limited

ABN

58 624 972 185

Quarter ended ("current quarter")

30 June 2020

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	-	-
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(44)	(239)
	(e) administration and corporate costs	(83)	(640)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	3	15
1.5	Interest and other costs of finance paid	(1)	(3)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	-	(17)
1.9	Net cash from / (used in) operating activities	(125)	(884)

2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	(1,750)
	(c) property, plant and equipment	-	(30)
	(d) exploration & evaluation	(1,299)	(3,869)
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	475	475
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(824)	(5,174)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	7,500
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	(520)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	-	6,980

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	3,730	1,859
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(125)	(884)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(824)	(5,174)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	6,980

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

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	2,781	2,781

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	2,781	3,730
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	2,781	3,730

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	68
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

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

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

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(125)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(1,299)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(1,424)
8.4 Cash and cash equivalents at quarter end (item 4.6)	2,781
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	2,781
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	1.95
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: Yes	
8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: The Company is currently considering its options with regards to realising value through divesting its non-core assets and also raising additional funds through equity placements. The Company believes it would be successful in raising sufficient funds to continue with the planned level of operations.	

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

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: Yes for the reason noted in 8.8.2 above.

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

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

Date: 27 July 2020

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

Notes

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