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Kingwest Resources Ltd

ASX: KWR

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Exploration to Commence at Goongarrie Gold Project

HIGHLIGHTS

- Kingwest to commence its inaugural 5,000m RAB and aircore drilling program at its Goongarrie Gold Project (GGP)
- The GGP is Kingwest's second major project after Menzies, which is at a more advanced stage of exploration and development
- Kingwest holds 125 square km of the prolifically gold-mineralised Goongarrie greenstone belt, 80% of which lies under thin salt lake cover
- Historic gold production of 162,710oz^{1,5} at GGP was won from the 20% of the area that outcrops
- Three regionally significant gold-mineralised structures run into the GGP mainly under cover and are to be targeted which include an 18km section of the alluvium-covered and virtually unexplored, goldmineralised Victorious Basalt/Black Flag beds contact.
- This contact hosts Bardoc Gold's 1.7Moz¹⁰ Aphrodite gold deposit just 7km south of Kingwest's leases and a further 75km south at Kalgoorlie the same gold-mineralised contact becomes the Golden Mile Dolerite/Black Flag beds contact and hosts 80Moz gold¹³
- The GGP sits on the strike extension of these deposits, has significant historical gold production and is largely unexplored due to cover

Kingwest Resources Limited ("Kingwest" or "KWR") is pleased to announce that, following a comprehensive review of the geological setting and historic exploration completed at the company's Goongarrie Gold Project (GGP), their inaugural field exploration will be commencing there in August. The review has identified numerous high priority targets which will undergo first pass RAB and aircore drilling totalling approximately 5,000 metres.

Kingwest CEO Ed Turner commented that "Our review of historic exploration and gold prospectivity at our Goongarrie Project has identified many high priority gold targets that deserve immediate attention. Despite its obvious gold endowment, the GGP is remarkably underexplored compared to most of the Eastern Goldfields because most of the area lies under shallow lake sediments which has inhibited previous exploration. Modern, cost-effective lake drilling rigs are now readily available to perform this work. Kingwest has tens of kilometres of gold mineralised structures to test along strike from major gold deposits and we look forward to announcing results as we receive them over the coming months."



Goongarrie - An Overlooked Gold Exploration Opportunity

The Goongarrie Project is highly prospective because it hosts an 18km section of the alluvium-covered and virtually unexplored, gold-mineralised Victorious Basalt/Black Flag beds contact, which 75km south at Kalgoorlie becomes the Golden Mile Dolerite/Black Flag beds contact and hosts 80Moz gold¹³ (Figure 1).

The contact hosts Bardoc Gold's 1.7Moz¹⁰ Aphrodite gold deposit just 7km south of Kingwest's leases, has Ardea's 'Aphrodite North' gold discovery at Kingwest's southern boundary⁹, and hosts Julia Mines former Goongarrie Lady and Jenny's Reward open pits within Kingwest's ground (Figure 2).

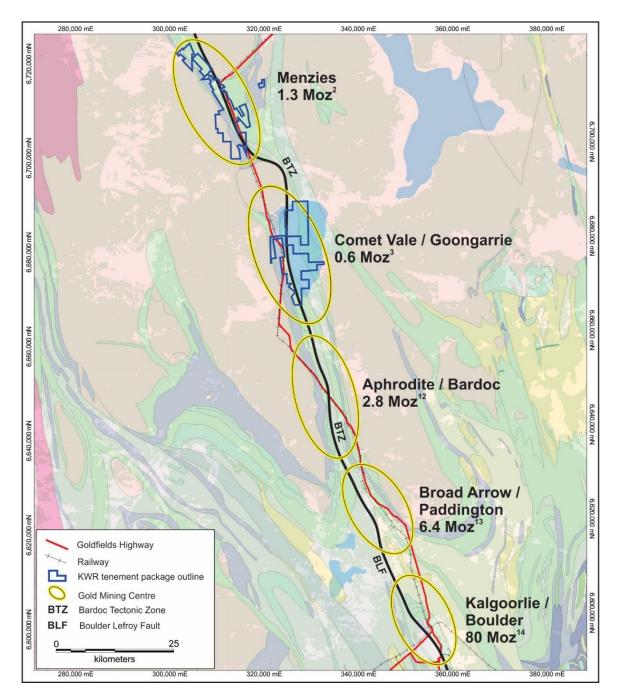


Figure 1: The Regional Gold Endowment of the Bardoc Tectonic Zone.

Other targets at Goongarrie include the gold-mineralised Comet Vale Shear just south of Orminex's Sand Queen gold deposit, and the alluvium-covered strike continuation of the Goongarrie Historic Mine Sequence and gold-mineralised Mt Pleasant sill beneath Lake Goongarrie.

Gold exploration in the Yilgarn has long since moved out from the outcropping historic goldfields into the surrounding regolith covered areas. This has produced spectacular new discoveries, including Kanowna Belle (6Moz) hidden under soils to the west of the outcropping Kanowna reefs (353,087)¹³, and Kambalda-St Ives (18Moz) hidden under Lake Lefroy to the southeast of the outcropping Red hill mining centre (40,000oz)¹⁴. The extensive salt lake covered areas surrounding the 162,710oz historic Goongarrie gold mining centre have yet to be similarly explored. Kingwest has recognised this overlooked opportunity and has acquired 125 square kilometres of leases over the outcropping Goongarrie goldfield and surrounding areas of salt-lake and sand. These covered areas overlie unexplored extensions to this highly mineralised segment of the Bardoc Tectonic Zone.

The Bardoc Tectonic Zone Gold Endowment

The Goongarrie greenstone belt lies on the northern sector of the Bardoc tectonic Zone (BTZ). This is an intensely gold-mineralised regional shear zone that runs from the Kalgoorlie in the south, where it forms the Boulder Lefroy Fault (BLF), to Menzies in the north. The BTZ is part of a complex zone of gold-mineralised strike-parallel regional shears that traverse the Kalgoorlie Terrain greenstones of the Norseman-Wiluna belt. From Kalgoorlie to Menzies it is the locus of numerous large gold deposits with a total gold endowment of over 90Moz^{2,3,12,13,14}. At Goongarrie the BTZ passes beneath salt lake cover, in a similar manner to the BLF south of Kambalda¹⁴. This section of the BTZ has been notably overlooked by previous explorers, but as with the BLF at Kambalda, it may be equally well mineralised. The recessive weathering and salt lake cover may even be indicative of this.

Goongarrie Exploration Targets

Figure 2 shows the major targets of Kingwest's gold exploration at Goongarrie. These are:

- The 18km covered strike of the Victorious Basalt / Black Flag beds brittle-ductile contact within Kingwest's leases. This hosts the 1.7Moz Aphrodite gold deposit¹⁰ 7km just to the south and becomes the Kalgoorlie Golden Mile Dolerite / Black Flag beds contact, hosting 80Moz gold¹³ 75km further south. The 3.5km section of this contact that outcrops within Kingwest's leases hosts Julia Mines former Goongarrie Lady and Jenny's Reward gold deposits and Kingwest believe that the 18km covered section potentially contains additional gold deposits.
- The 15km outcropping and lake covered strike of the Goongarrie historic mine sequence within Kingwest's leases. This sheared mafic volcanic sequence includes the Bent Tree basalts and dolerites and the Mt Pleasant Gabbro sill, which forms the host to both the Paddington gold deposits and the historic Goongarrie gold mines.
- An 8km section of the Missouri Basalt / Walter Williams Ultramafic contact, which is the Comet Vale shear that is host to the high-grade Sand Queen gold deposit just 3km north of Kingwest's tenements. The Sand Queen Mine has historic production of 190,500oz Au¹ and a current resource of 748,000t @ 8.48g/t for 203,100oz Au¹¹.

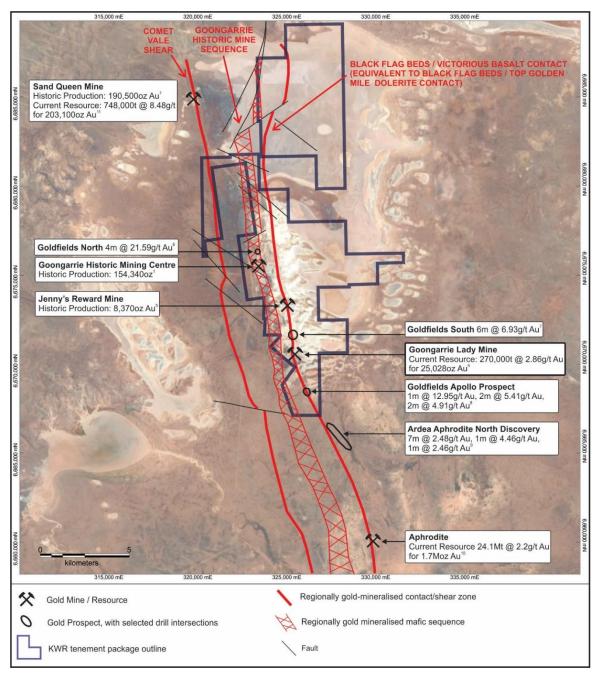


Figure 2: The Goongarrie Project Area and Current Exploration Targets (drill hole details contained in Appendix 1).

Goongarrie Geological Setting

The Goongarrie greenstone belt is a narrow NNW-trending gold-mineralised greenstone sequence that lies between Comet Vale to the north and Broad Arrow to the South. It is bounded to the west by the Goongarrie-Mt Pleasant granite dome and the east by the Scotia-Kanowna dome. It forms a tight NNW-trending, southerly plunging easterly overturned syncline with a western limb of Ora Banda mafic and ultramafic volcanics, an eastern limb of Boorara sequence mafic and ultramafic volcanics and a central core of Black Flag felsic metasediments. This stratigraphy is traversed by the regionally

extensive Bardoc Tectonic Zone, which in detail is made up of a series of NNW-trending, sub-parallel shear zones, that occur on both limbs of the syncline and along its axis¹.

These BTZ shears have formed the regional conduits for extensive gold mineralisation. The mineralisation has been concentrated along brittle-ductile shear structures at specific geological contacts. These contacts are the primary locators of gold mineralisation throughout the Kalgoorlie terrane¹. At Goongarrie they are the site of most of the gold mineralisation and they will be the primary targets of Kingwest's gold exploration.

ABOUT THE GGP

The GGP is located approximately 40km south of KWR's Menzies Gold Project (MGP) and 90km north of Kalgoorlie (Figure 3).

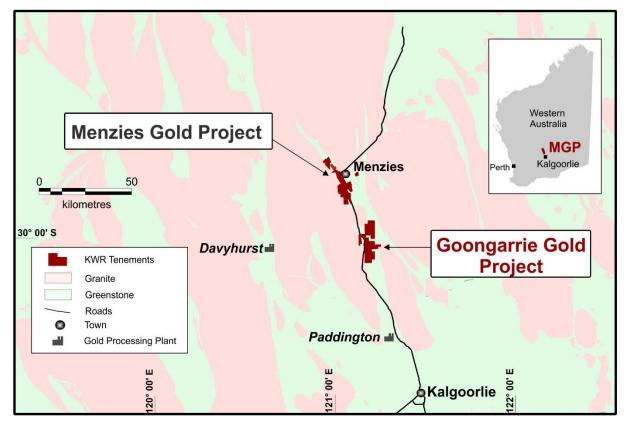


Figure 3: GGP location.

The GGP is a contiguous land package covering approximately 125 square km over a strike length in excess of 25km. Within the GGP a series of structurally controlled high-grade gold deposits have been historically mined and these display extensive exploration potential for high-grade extensions. Modern exploration since closure of the mines over 20 years ago has been limited.

The GGP sits within the Bardoc Tectonic Zone (BTZ) which extends south to Kalgoorlie and north to Menzies. All resources lie within granted Mining Leases and are 100% owned by KWR.

Importantly the GGP lies only 75km north of Kalgoorlie on the Goldfields Highway and is within trucking distance of numerous Gold Processing Plants.

Kingwest released a positive Scoping Study on the Goongarrie Lady gold deposit which sits within the GGP and represents approx. 1.5 % of the land area of the GGP (As announced to the ASX on 16 April 2020). Kingwest is in the process of discussions with third parties about the potential commercialisation of this deposit.

-Ends-

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

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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 involve risks and uncertainties and no assurance can be given that further exploration will result in the estimation of a Mineral Resource.

Competent Person Statement

The information in this report that relates to Exploration results is based on information compiled by Mr Laurence Kirk who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Kirk is a consultant Geologist to Kingwest Resources Limited. Mr Kirk 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 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.

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- Witt, W.K., 1993a: Gold Deposits of the Menzies and Broad Arrow Areas, Western Australia: Part I of a systematic study of the gold mines of the Menzies-Kambalda region. Western Australian Geological Survey Record 1992/13.
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- Roberts, F.I., Witt, W.K., Westaway, J., 2004. Gold mineralization in the Edjudina–Kanowna region, Eastern Goldfields, Western Australia. Western Australia Geological Survey Report 90, 263.

Appendix 1: JORC Code, 2012 Edition – Table 1

Criteria	JORC Code explanation	Commentary				
Sampling techniques	 Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information. 	 Historic drill results are from industry standard drilled RC holes. All holes were sampled on 1m intervals with samples collected in plastic bags from the cyclone. Samples were analysed by Analabs Perth or ALS Kalgoorlie for gold (AAS to 0.1ppm detection limit). 				
Drilling techniques	 Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc). 	 Goldfields north and south prospect drilling utilised a truck mounted multipurpose rig drilling 3.5" holes. A Schramm 685 rig drilling 5.5" holes were used for the Apollo prospect. 				
Drill sample recovery	 Method of recording and assessing core and chip sample recoveries and results assessed. Measures taken to maximise sample recovery and ensure representative nature of the samples. Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material. 	Recoveries were not recorded.				
Logging	 Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. The total length and percentage of the relevant intersections logged. 	 All holes were geologically logged onto paper. Drill holes have not been used in mineral resource estimates. Logging was qualitative. 				
Sub-sampling techniques and sample preparation	 If core, whether cut or sawn and whether quarter, half or all core taken. If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. For all sample types, the nature, quality and appropriateness of the sample preparation technique. Quality control procedures adopted for all subsampling stages to maximise representivity of samples. 	 Samples were collected in plastic bags from the cyclone and riffle split. Standards and blanks were used each sample dispatch. 				

Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
	 Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. Whether sample sizes are appropriate to the grain size of the material being sampled. 	
Quality of assay data and laboratory tests	 The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established. 	 Gold was assayed by industry standard fire assay / AAS.
Verification of sampling and assaying	 The verification of significant intersections by either independent or alternative company personnel. The use of twinned holes. Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. Discuss any adjustment to assay data. 	 Drill data has been reviewed by company geologists and external consultants.
Location of data points	 Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. Specification of the grid system used. Quality and adequacy of topographic control. 	 Drill holes were located using hand held GPS (accuracy ~5m) for the Goldfields north and south prospects and DGPS for the Apollo prospect. Drill hole collars were reported in MGA zone 51.
Data spacing and distribution	 Data spacing for reporting of Exploration Results. Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. Whether sample compositing has been applied. 	 Data has not been used for Mineral Resource Estimate.
Orientation of data in relation to geological structure	 Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material. 	 The mineralisation is dipping steeply west and holes have been drilled to intersect the mineralisation close to perpendicular. No sampling bias has been introduced from drilling orientation.
Sample security	• The measures taken to ensure sample security.	Sample security not reported.
Audits or reviews	• The results of any audits or reviews of sampling techniques and data.	 All data has been reviewed by company geologists and external consultants.

Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary				
Mineral tenement and	 Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title 	 The Goongarrie Project tenements are 100% owned by KWR. The goldfields north prospect is located on a pending Prospecting 				

Criteria	JORC Code explanation	Commentary
land tenure status	 interests, historical sites, wilderness or national park and environmental settings. The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area. 	licence; beneficial interest to be transferred to Kingwest upon grant.All tenements are in good standing and no known impediments exit.
Exploration done by other parties	 Acknowledgment and appraisal of exploration by other parties. 	 Industry standard exploration has been conducted by Intermin Resources, Goldfields, Red Back Mining, Paddington Gold, among others.
Geology	 Deposit type, geological setting and style of mineralisation. 	The Goongarrie greenstone belt lies on the northern sector of the Bardoc tectonic Zone (BTZ). This is an intensely gold-mineralised regional shear zone that runs from the Kalgoorlie in the south, where it forms the Boulder Lefroy Fault (BLF), to Menzies in the north. The BTZ is part of a complex zone of gold-mineralised strike-parallel regional shears that traverse the Kalgoorlie Terrain greenstones of the Norseman-Wiluna belt. From Kalgoorlie and Menzies it is the locus of numerous large gold deposits with a total gold endowment of over 90Moz. At Goongarrie the BTZ passes beneath salt lake cover, in a similar manner to the BLF south of Kambalda. This section of the BTZ has been notably overlooked by previous explorers, but as with the BLF at Kambalda, it may be equally well mineralised. The recessive weathering and salt lake cover may even be indicative of this.
Drill hole Information	 A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: easting and northing of the drill hole collar elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar dip and azimuth of the hole down hole length and interception depth hole length. If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case. 	Drill hole collars are contained in Table A.
Data aggregation methods	 In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated. Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. The assumptions used for any reporting of metal 	Data has been length weighted.

Criteria	JORC Code explanation	Commentary				
	equivalent values should be clearly stated.					
Relationship between mineralisation widths and intercept lengths	 These relationships are particularly important in the reporting of Exploration Results. If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known'). 	Drill holes were angled to intercept mineralisation close to perpendicular to represent a true width.				
Diagrams	 Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views. 	 Figure A shows the location of the drill holes. 				
Balanced reporting	 Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results. 	 Selected historic drill intercepts are included to highlight the potential within the tenement area. 				
Other substantive exploration data	 Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances. 	 No other historic data is reported. 				
Further work	 The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling). Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive. 	 Drilling planned by Kingwest as described in text. 				

Table A: Collar Table

Prospect	HoleID	Company	MGA_E	MGA_N	RL	Dip	Azi	Depth (m)	From (m)	To (m)	Interval (m)	Au (g/t)
Goldfields North	GOR163	Goldfields	323016	6676303	380	-60	90	21	12	16	4	21.59
Goldfields South	JRRC008	Goldfields	324975	6672234	380	-60	90	96	42	48	6	6.93
Goldfields Apollo	SCR212	Goldfields	326078	6668157	380	-60	90	180	47	48	1	12.95
Goldfields Apollo	SCR221	Goldfields	326198	6668157	380	-60	90	138	47	49	2	5.41
Goldfields Apollo	SCR223	Goldfields	326118	6668157	380	-60	90	162	66	67	2	4.91

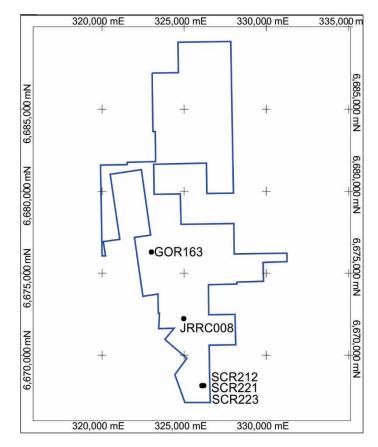


Figure A: Collar Plan