

10 February 2020

## Kingwest Resources Ltd

**ASX: KWR**

**Shares on Issue**  
100,582,726

### Directors & Management

**Chairman**  
Adrian Byass

**CEO**  
Ed Turner

**Non Executive Directors**  
Stephen Brockhurst  
Jonathan Downes  
Jon Price

**Company Secretary**  
David McEntaggart

**Principal Place of Business**  
Unit 3, Churchill Court  
331-335 Hay Street  
Subiaco WA 6008

**Registered Office**  
Level 11  
216 St Georges Terrace  
Perth WA 6000

### Contact

T 08 9481 0389  
E [admin@kingwestresources.com.au](mailto:admin@kingwestresources.com.au)  
W [www.kingwestresources.com.au](http://www.kingwestresources.com.au)

## INVESTOR PRESENTATION

Kingwest Resources Limited (ASX: KWR) ("**Kingwest**" or "**the Company**") provides its Investor Presentation – 2020: Exploration and Development Strategy.

Authorised for release to ASX by the Board of Directors of Kingwest Resources Limited.

For further information contact:

Ed Turner  
CEO  
T: +61 8 9481 0389  
E: [admin@kingwestresources.com.au](mailto:admin@kingwestresources.com.au)



**KINGWEST**  
RESOURCES LIMITED

# **2020 : Exploration and Development Strategy**

**ASX.KWR**

**[kingwestresources.com.au](http://kingwestresources.com.au)**

# Disclaimer

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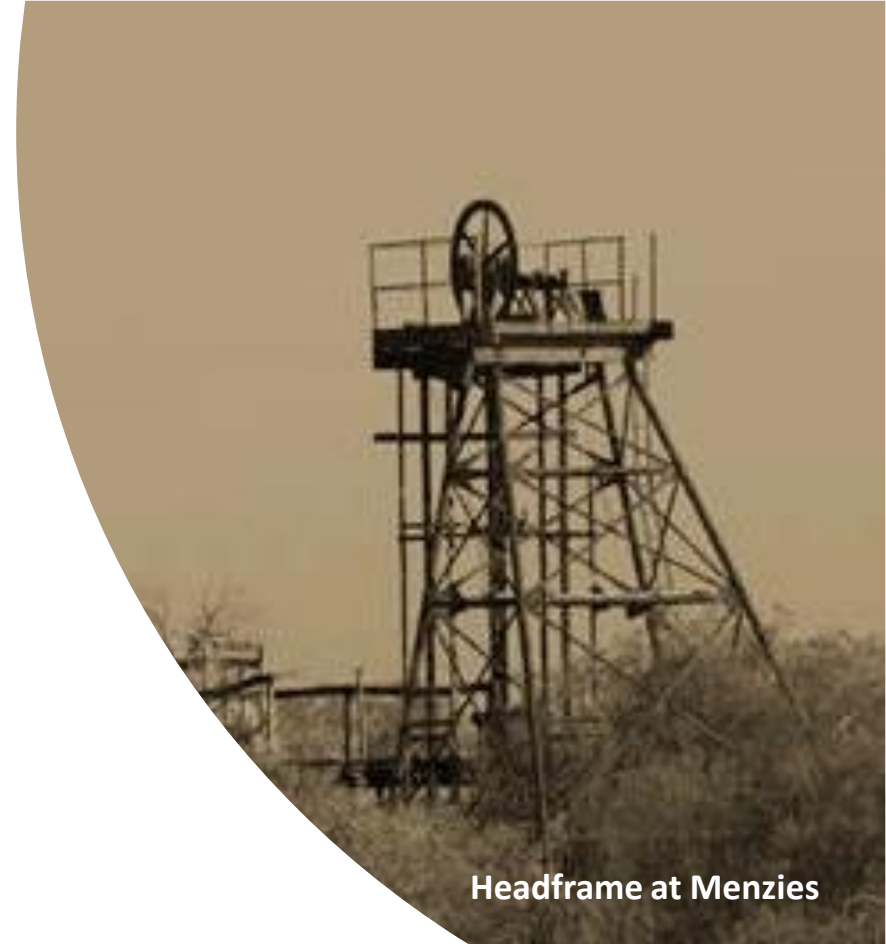
## COMPETENT PERSONS STATEMENT

*The information in this report that relates to Exploration results is based on, and fairly represents information and supporting documentation 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 the information and supporting documentation 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.*

# Grade is King and we are Kingwest

- Located 120km north of the Super Pit in the Goldfields of Western Australia, Menzies is one of the **highest-grade and significant scale** Australian gold fields
- Historic production of **+800,000 oz gold at 19 g/t Au<sup>1</sup>** which included **650,000 oz gold at 22.5 g/t Au** from underground prior to 1950 and **150,000 oz @ 2.6g/t Au** from open cuts in the 1990's
- Clear Brownfields Exploration Drill Targets – Effectively dormant for +20 years, with additional high-grade underground potential yet to be tested
- Only 21 drillholes to 200m depth prior to Kingwest acquisition in 2019
- High-grade and high margin gold reduces investment risk while offering strong growth potential
- Consolidation, gold price and company focus means now is the right time



Headframe at Menzies

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# Advantages of Menzies

## Infrastructure /Ownership /Development Advantages

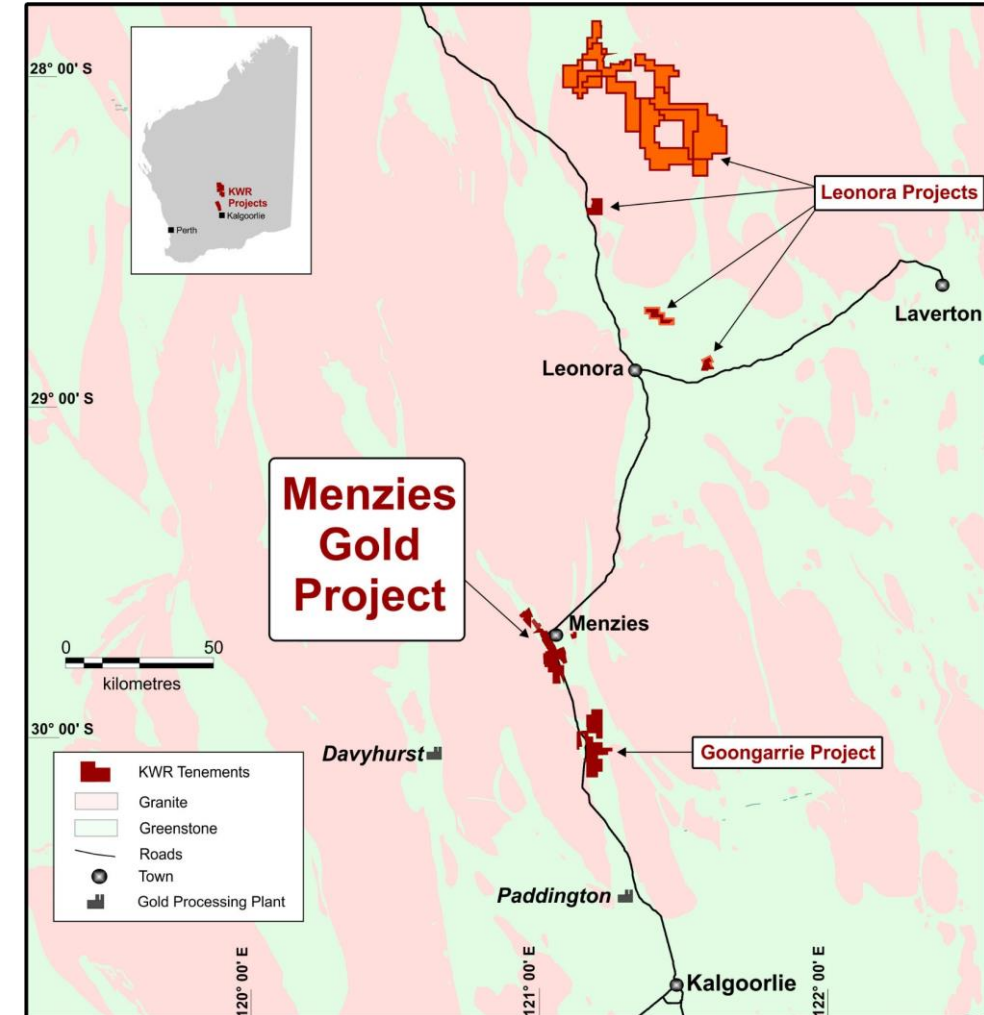
- Granted Mining Leases
- 100% Owned
- Sealed Road to Kalgoorlie (120km south) and Leonora (100km north)
- Proximal to established Process Plants allows rapid production (closest toll mill 80km by sealed road)
- Project has Water, Power and technical skill support being situated in a mining heartland
- Opportunity to enter production with minimal CAPEX





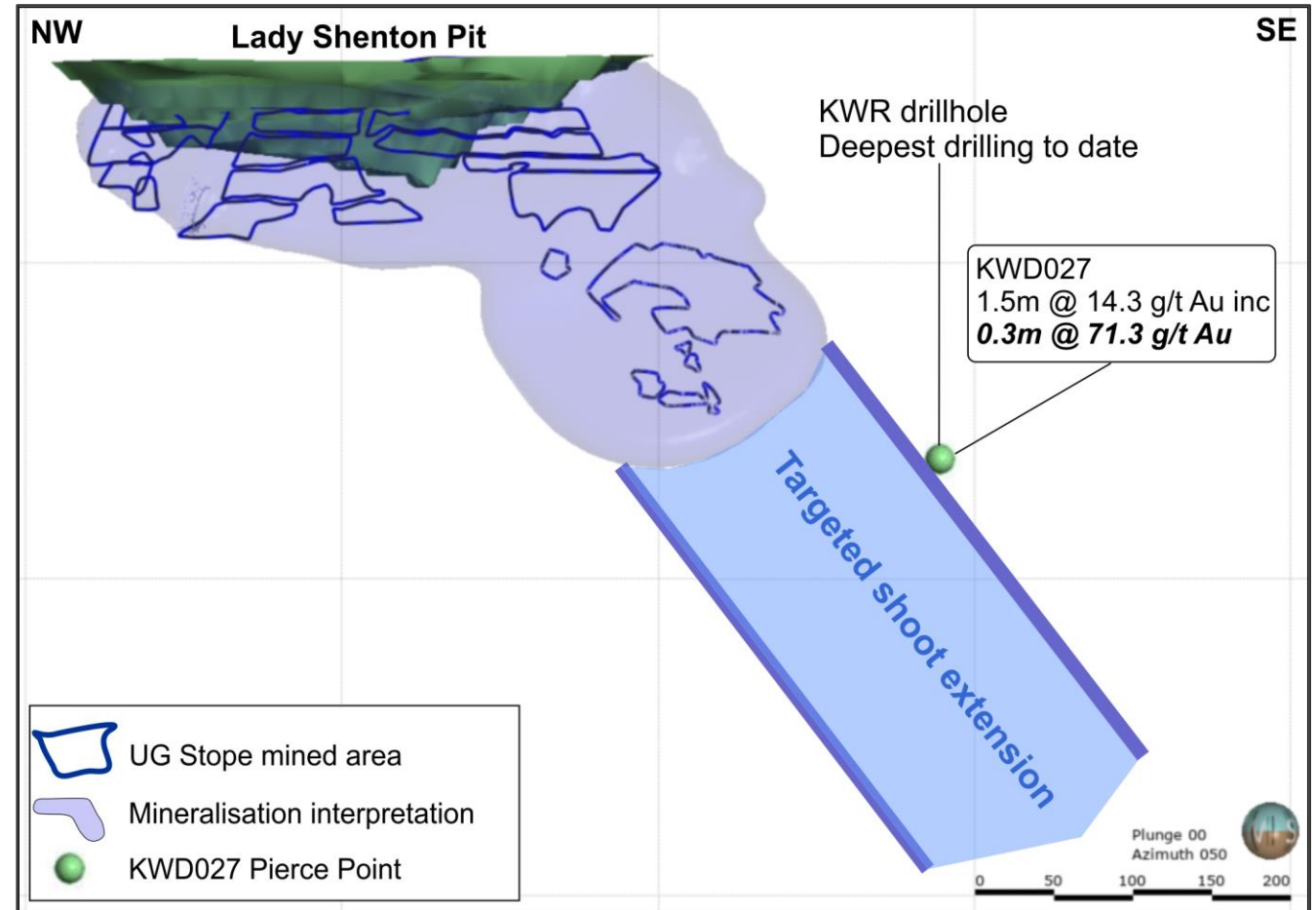
# 2020 and beyond - our strategy

1. **Drill known** high-grade Brownfield targets at Menzies to increase resources with the aim of setting a base for high-margin underground mining
2. **Drill new** exploration targets in belt (defined by KWR geophysics and new structural model) at Menzies
3. **Monetise - Sell** Non Core Leonora Projects (~100k oz Au and exploration package)

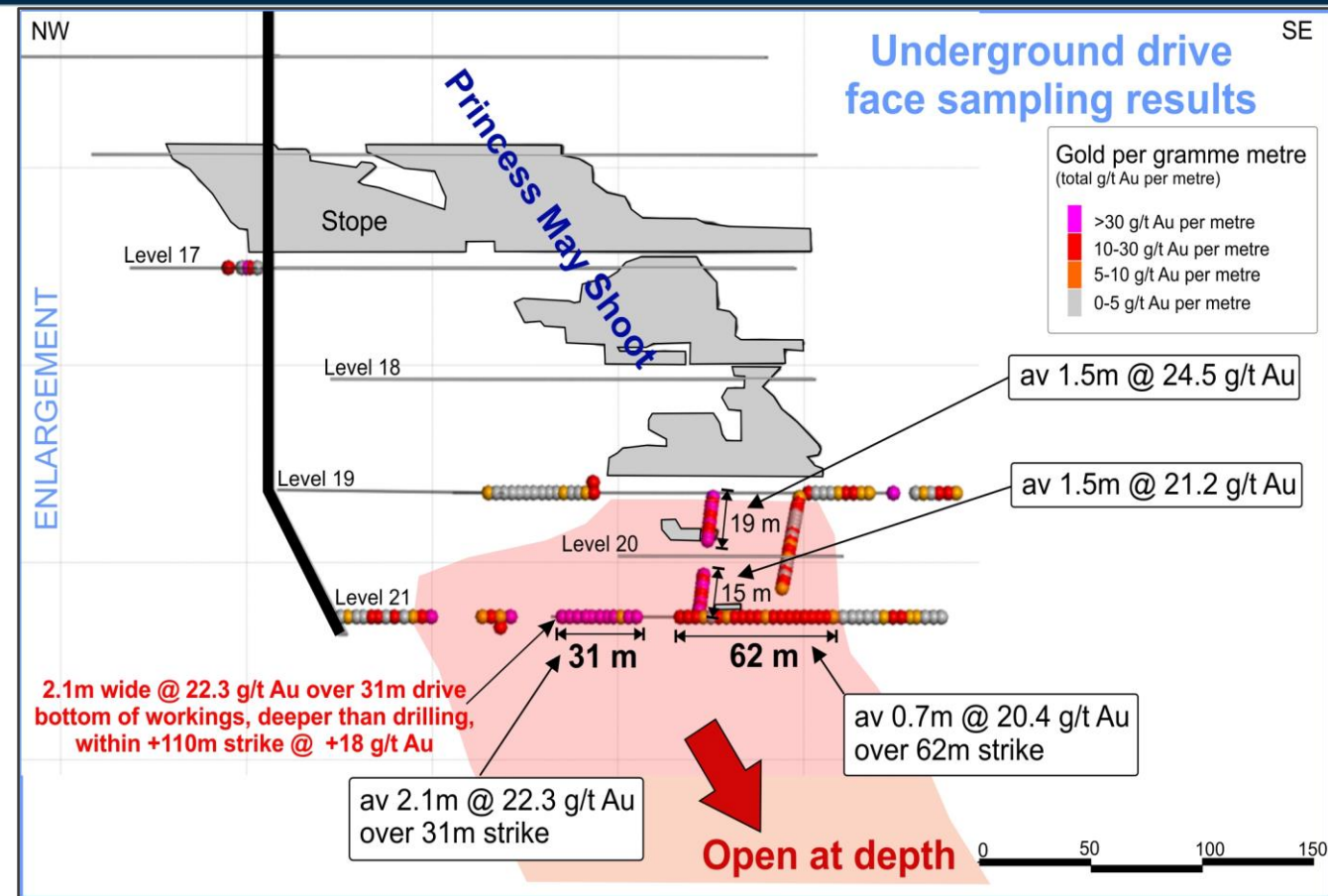
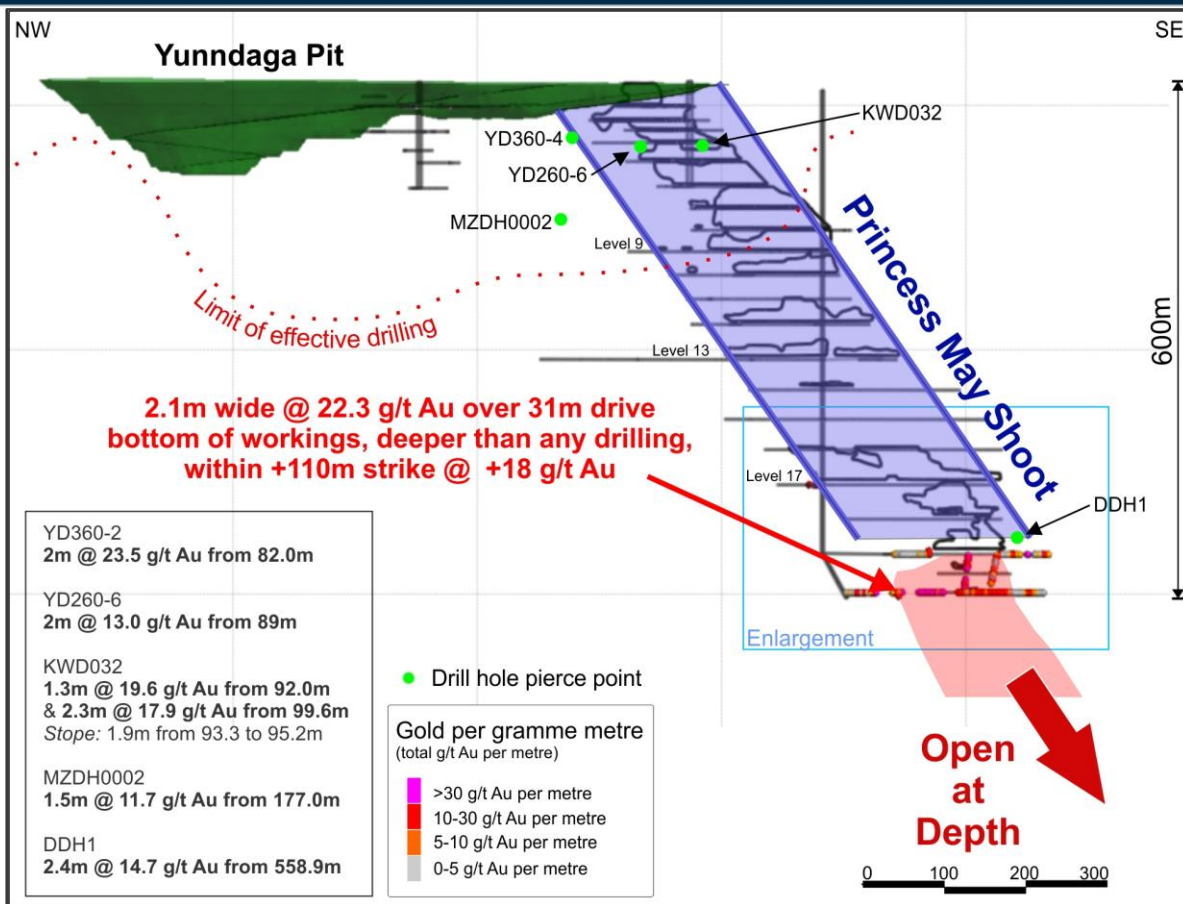


# 1. Drill Menzies -known high-grade targets and extensions

- 2019 KWR programme has confirmed shoot geometry in several places. 2020 drilling plans to focus on these and expand them
- Example - Lady Shenton is one of major historic producers and a key part of Menzies
- Historic U/G production of **185,000t @ 32g/t** for **191,000 oz<sup>2</sup>**
- 2019 drilling included 1.5m @ 14.30 g/t Au on edge of projected high grade shoot extension (hole deviated as targeting the main shoot)<sup>3</sup>
- 2020 drilling planned to test for further extensions to the high-grade shoot



# 1. Drill Menzies -known high-grade targets and extensions

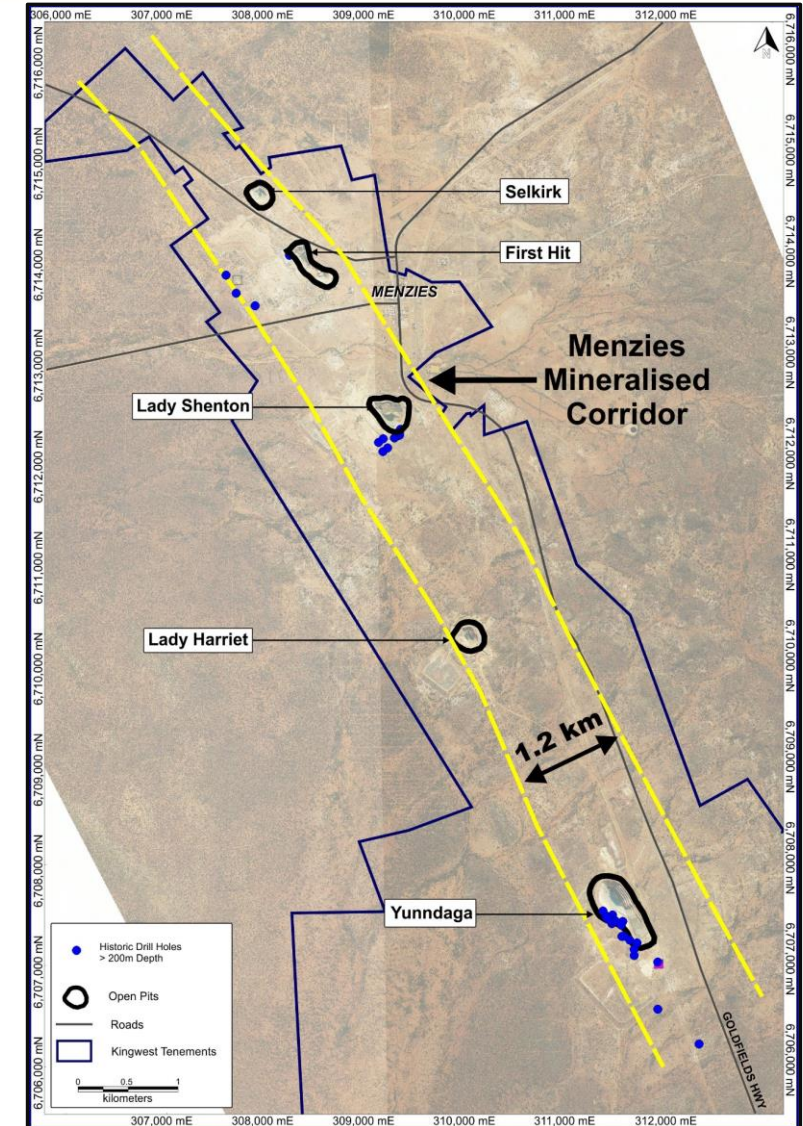


Long sections of Yunndaga deposit<sup>4</sup> (enlargement on right) showing the location of the Princess May Shoot, underground workings and historic underground sampling recorded as gram metres (g/t Au assay x sample width interval). Mineralisation is interpreted to continue at depth. DDH1 is the deepest drillhole at MGP and is located above the Level 19 sampling.



## 2. Drill – New high-priority exploration targets

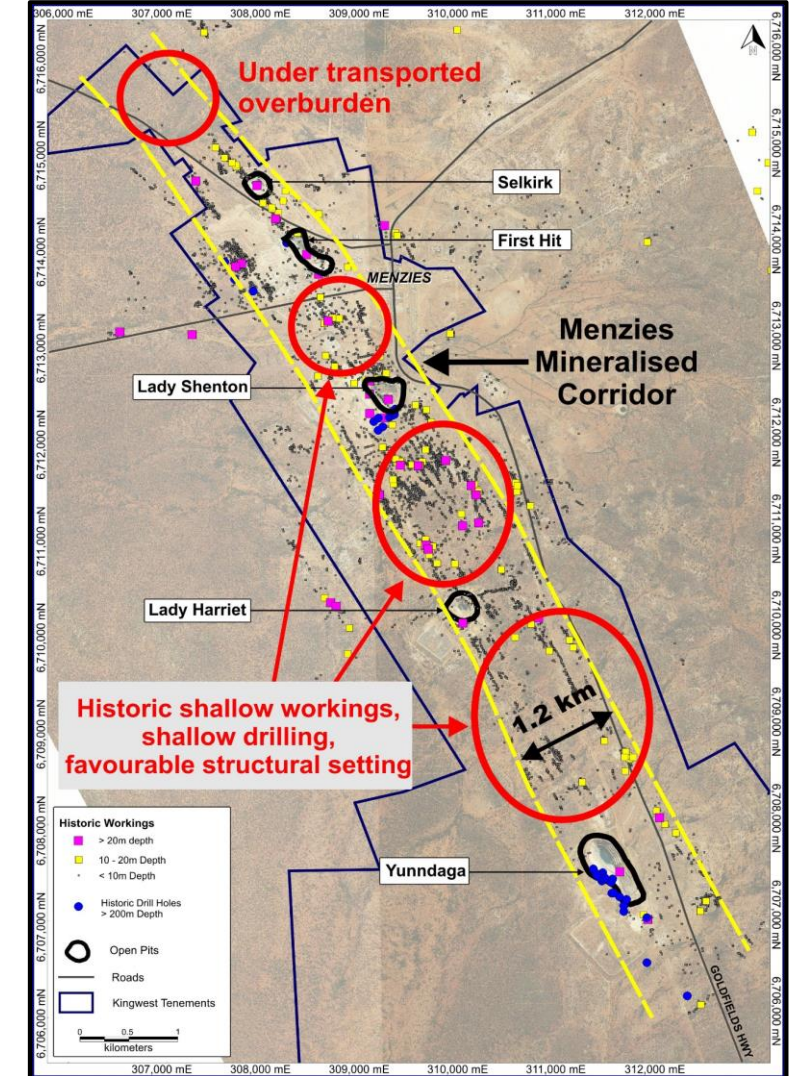
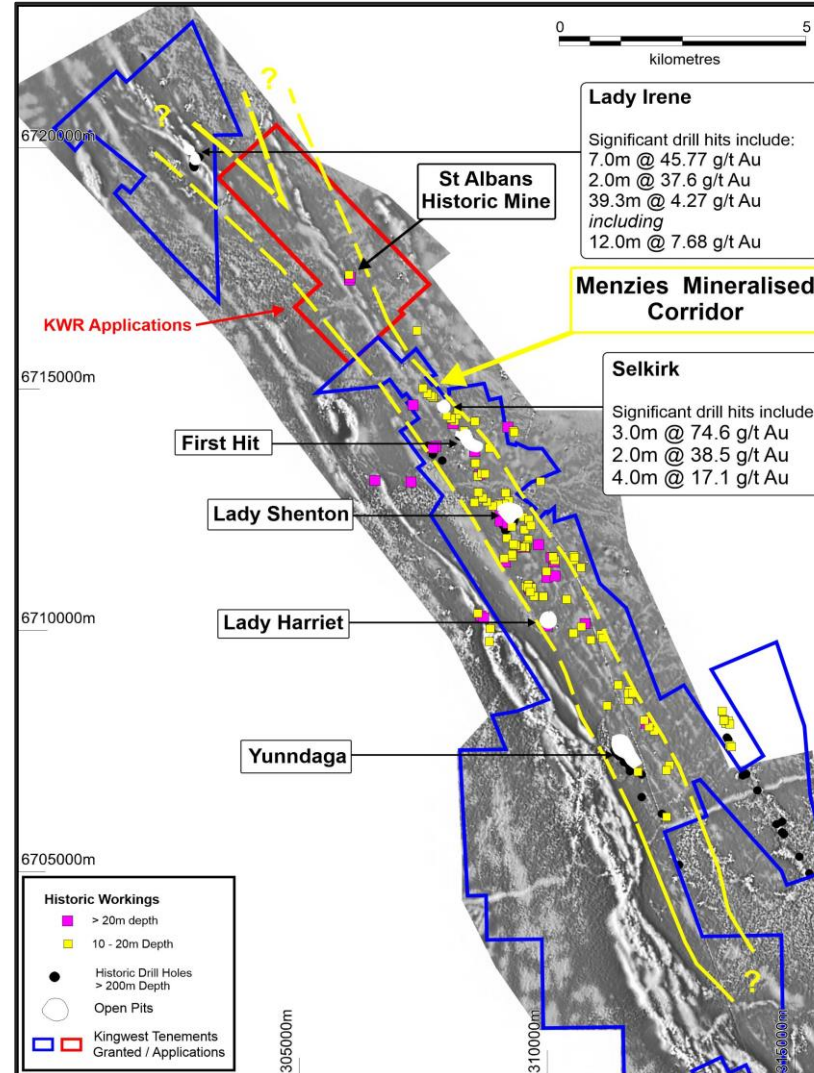
- Menzies Corridor clearly defined
- Mineralisation is structurally controlled and within a bounding set of shear zones (corridor)
- Menzies has produced +800,000oz Au of gold with almost all of it won in the top 200m from surface
- High-grade gold mineralisation is proven to continue to +600m depth
- Limited drilling at depth with +200m holes clustered around edges of known deposits
- No previous coherent structural model existed for Menzies
- 2019 drilling gave us the key to unlock Menzies in 2020





## 2. Drill – New high-priority exploration targets

- Detailed airborne magnetics flown Q4 2019 by KWR and new structural control model being used in identifying new drill targets
- Several 'walk up' targets identified in areas of prolific surface workings but no effective +80m drilling coverage highlighted by aeromagnetic interpretation
- New PL applications add 6km of highly prospective ground covering extensions to the Menzies Mineralised Corridor to explore<sup>5</sup>





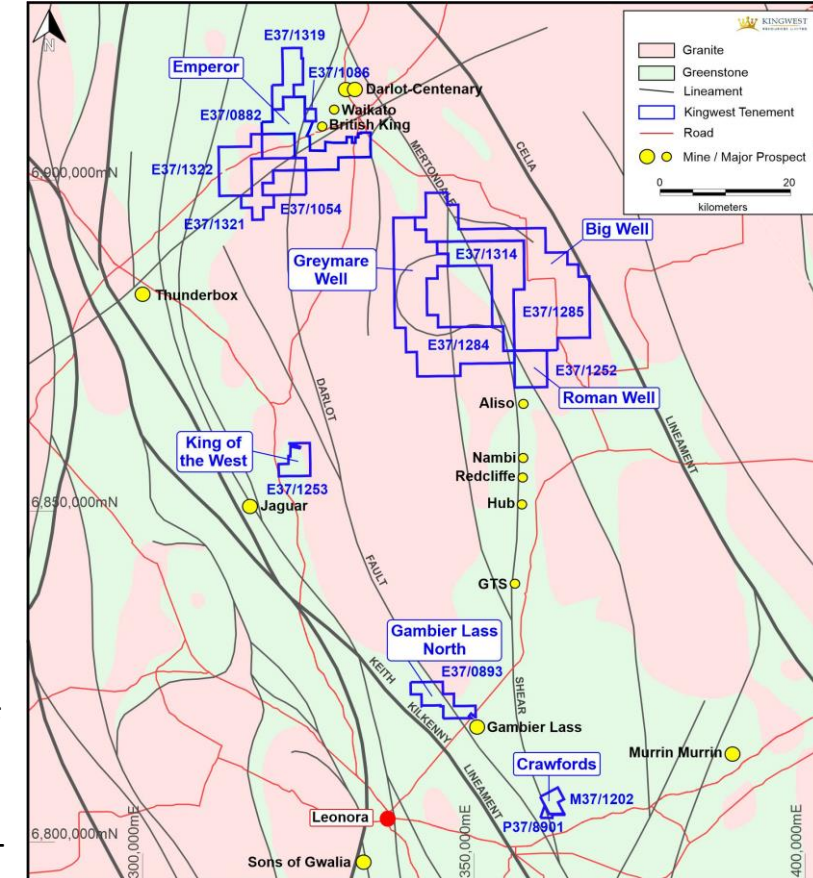
# 1. and 2. Drill – Known and New targets

- Planned drilling of Known targets in H1, 2020 includes 4,000m of diamond core and 5,000m of RC
- Planned drilling of New targets in H1, 2020 includes 3,000m of RC
- Further drilling in H2, 2020 (including Resource Definition drilling) subject to H1 drill results



### 3. Sell – Non-Core Leonora Projects

- Several expanding gold producers in the region
- Multiple parties contacted and NDA's signed with data being assessed and offered expected late February
- The **Crawfords Gold Project** contains a 104,000oz<sup>6</sup> shallow oxide gold resource that is open down plunge and at depth
- The **Emperor Gold Project** covers 196sq km of gold-mineralised greenstones along strike and structure of the 4.5Moz Darlot-Centenary mine and other old gold mines and new gold prospects. It includes three new soil-covered gold exploration targets, defined by magnetics, surface sampling and air core drilling, and has potential for a Darlot-Centenary scale discovery
- The **Roman Well Project** is the 5km soil-covered northern continuation of the gold-mineralised Mertondale Shear at the north end of NTM Gold's GTS-Hub-Redcliffe-Aliso line of gold deposits. Limited shallow air core drilling has encountered widespread low level gold
- The **Gambier Lass North Project** is the 10km soil-covered northwest continuation of the gold-mineralised Pig Well graben, northwest of the outcropping Gambier Lass gold mine. Reconnaissance drill holes carry gold for 1.5km of strike NW of Gambier Lass



<sup>6</sup>As announced to the ASX on 22 August 2018 'Prospectus' (ASX:KWR)



# How does KWR intend to progress the strategy?

- 1) **Drill Known** - RC and diamond core drilling of high-grade gold deposits (infill) and combined with extension drilling to these deposits (proposed ~4,000m of core and ~5,000m of RC in H1 2020)
- 2) **Drill New** - geophysical and structural interpreted targets (3,000 metres in H1 2020)
- 3) **Sell** - Work with the invited parties currently reviewing to transact in H1 2020 on the non-core Leonora assets



# Summary

- We predict the gold market will be moving into high-grade/high-margin mining projects
- Menzies is one of WA's original large scale and high grade gold camps
- Modern work missed underground opportunities
- MGP can delivery quick results - numerous high grade lodes to follow up and drill targets to test
- Drilling success can rapidly Prove high-grade resources
- Granted Mining Licences and existing infrastructure allow rapid and low Capex production





# The Right Team – adding the skills

## **Ed Turner – Chief Executive Officer**

Ed is a geologist with 30 years of experience throughout Europe, South America, Africa and Australia in a range of roles encompassing base, precious and specialty metals for leading mining companies. Technical strengths include exploration, underground mining, resource estimation, feasibility studies and development level work. Ed was previously engaged as the CEO and General Manager of Exploration of Geology for Galena Mining Limited where he delineated the high grade Abra lead-silver deposit that is shaping up to be a highly profitable mine development.

## **Adrian Byass – Non-Executive Chairman**

Adrian is a resource and economic geologist with over 25 years' experience in the mining industry both in listed and unlisted entities globally. Adrian is a Non-Executive and Executive Director of various listed and unlisted mining entities, which have transitioned to production in bulk, precious and speciality metals around the world. Adrian is currently on the Boards of ASX lead-silver, phosphate, nickel and lithium companies. Adrian has ASX and AIM Board experience and specialises in identifying assets that offer strong investor upside.

## **Steve Brockhurst – Non-Executive Director**

Steve is currently Managing Director of Mining Corporate, and holds over 16 years' experience in corporate and capital structuring, corporate advisory, ASX and ASIC compliance requirements, company secretarial services, and capital raising.

He has been involved in the listing of numerous junior resources and mineral exploration companies on the ASX in the past 15 years, and has served or continues to serve as Director and or Company Secretary for many of these companies. This currently includes serving as the Director of Estrella Resources Limited and Nelson Resources Limited.

## **Jon Price – Non Executive Director**

Jon is a highly regarded metallurgist with over 25 years' experience in Australia and overseas across all aspects of the industry including exploration, development, construction and mining operations in the gold and advanced minerals sectors. Jon is currently the Managing Director of Horizon Minerals, a West Australian focused gold development company. Jon graduated as a metallurgist and holds a Masters in Mineral Economics from the Western Australian School of Mines. He then worked in various gold and advanced mineral operations including general manager of the Paddington gold and St Ives gold operations in the Western Australian goldfields.

More recently, Jon was the founding Managing Director of Phoenix Gold Ltd, currently being acquired by Evolution Mining Ltd. During his tenure, Jon oversaw the reconsolidation of under explored tenure in the Western Australian goldfields and realised significant exploration success.

## **Jonathan Downes – Non-Executive Director**

Jonathan has more than 25 years' experience in the mining industry and has worked in various geological and corporate capacities. Jonathan has experience with nickel, gold and base metals and has also been intimately involved with numerous private and public capital raisings. He was a founding director of Hibernia Gold (later Moly Mines Ltd) (ASX: MOL), Ironbark Zinc Limited (ASX:IBG) and Siberia Mining Corporation Ltd (ASX: SIB) and is currently a non-executive director of Galena Mining Limited (ASX: G1A) and Corazon Mining Limited (ASX: CZN)

# APPENDICES



# 2019 High Grade intersections at all tested targets

Significant gm gold drill intersections<sup>7</sup> (>5.0gm) (gm = Au grade multiplied by drill hole intersection width). Intersections >10.0gm highlighted in orange

Prospect	Hole ID	From	To	Interval	Au g/t	gm
Selkirk	KWD001	89.00	92.00	3.00	4.54	13.62
Selkirk	Inc.	90.29	91.43	1.14	12.54	14.30
Selkirk	KWD002	68.64	69.87	1.23	13.60	16.73
Selkirk	Inc.	69.37	70.27	0.50	32.20	16.10
Selkirk	KWD003	105.70	109.00	3.30	6.40	21.12
Selkirk	Inc.	106.22	107.00	0.78	21.60	16.85
Pericles	KWD004	90.17	92.16	1.99	3.18	6.33
Pericles	KWD006	113.86	115.59	1.73	4.93	8.53
Pericles	KWD006	197.80	198.65	0.85	12.60	10.71
Pericles	KWD008	78.00	80.40	2.40	5.45	13.08
Pericles	Inc.	79.00	80.00	1.00	8.08	8.08
Pericles	KWD008	125.27	130.19	4.92	8.44	41.52
Pericles	Inc.	126.27	127.20	0.93	36.20	33.67
Pericles	KWD010	147.70	148.70	1.00	6.52	6.52
Yunndaga	KWD012	165.00	167.00	2.00	6.44	12.88
Yunndaga	Inc.	165.70	166.34	0.64	15.40	9.86
Lady Shenton	KWD027	52.10	55.00	2.90	5.84	16.94
Lady Shenton	Inc.	52.10	52.40	0.30	45.80	13.74
Lady Shenton	KWD027	291.50	293.00	1.50	14.33	21.50
Lady Shenton	Inc.	292.10	292.40	0.30	71.30	21.39
Lady Shenton	KWD029	136.00	136.20	0.20	25.00	5.00
First Hit	KWD030	121.52	124.00	2.48	23.24	57.63
First Hit	Inc.	121.52	122.60	1.08	52.78	57.00
Yunndaga	KWD032	92.00	93.30	1.30	19.82	25.77
Yunndaga	Inc.	92.30	92.60	0.30	64.40	19.32
Yunndaga	KWD032	99.65	101.93	2.28	17.87	40.74
Yunndaga	Inc.	99.65	100.85	1.20	33.80	40.56

- High-grade gold hits common at all targets
- Mineralisation open at depth in every target tested in 2019 drilling
- Many historic workings not yet drilled at depth
- The 2019 programme was important in understanding the controls of mineralisation. The understandings gained are manifest in the increasing 'gram metre' numbers by the end of the campaign.

# Current Resources defined for open pit mining

## Menzies<sup>8</sup>

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
Pericles	0.53	2.49	42,500				0.53	2.49	42,500
Yunndaga				1.58	2.03	103,000	1.58	2.03	103,000
Bellenger	0.24	2.63	19,900				0.24	2.63	19,900
Warrior				0.07	2.49	5,910	0.07	2.49	5,900
<b>TOTAL</b>	<b>0.77</b>	<b>2.52</b>	<b>62,400</b>	<b>1.65</b>	<b>2.05</b>	<b>108,910</b>	<b>2.42</b>	<b>2.2</b>	<b>171,310</b>

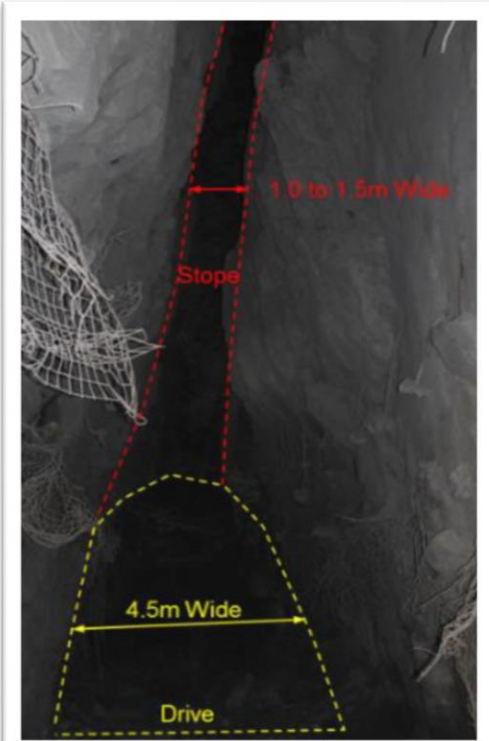
<sup>8</sup> As announced on 9 July 2019 (ASX:KWR)

# East Kundana – An example of narrow high grade gold mining in the Kalgoorlie region

- A review of KWR 2019 drill results show consistent, high-grade gold intersections at all prospects drilled. Historical underground production at Menzies was typically from 1-2-metre-wide veins at Yunndaga, Lady Shenton and First Hit and from narrower lodes at the other deposits. Therefore KWR's 2019 drilling intersection widths and grades are in line with historic producing mines at Menzies.
- When compared to other deposits of similar geological setting and mineralisation style at producing gold mines, such as Northern Stars (ASX.NST, ASX.TBR) East Kundana JV (EKJV) mine located approximately 100km south, the results compare favourably at this relatively early stage of exploration\*.



Narrow high-grade vein in development drive at East Kundana. Note the estimated average width of approximately 1.0m.



Development drive and stope dimensions at East Kundana.