

18 September 2019

**Kingwest Resources Ltd**

**ASX: KWR**

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

**Directors & Management**

**Chairman**  
Adrian Byass

**CEO**  
Ed Turner

**Non-Executive Directors**  
Stephen Brockhurst  
Stephen Woodham  
Jon Price

**Company Secretary**  
David McEntaggart

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**MENZIES GOLD PROJECT ACQUISITION COMPLETED**

Kingwest Resources Limited ("KWR" or "the Company") is pleased to announce completion of the purchase of the Menzies Gold Project ("Menzies", or "MGP") from Horizon Minerals Limited (formerly Intermin Resources Limited) ("HRZ" or "Horizon") (ASX: HRZ). Menzies is one of Western Australia's major historic gold fields. Located 130km north of the globally significant gold deposits of Kalgoorlie, the MGP includes multiple high-grade deposits. Past high-grade production and current resources confirm the significant scale of the Menzies region.

**TRANSACTION COMPLETED**

As previously announced to the ASX on 9 July 2019 (refer ASX Announcement: "Major Acquisition of the Menzies Gold Project") and following shareholder approval received on 10 September 2019, the Company has completed the acquisition of the MGP following satisfaction and/or waiver of all conditions precedent and payment / issue of the consideration (as outlined in Appendix 1).

**DRILLING COMMENCEMENT**

Following settlement of the MGP Acquisition the Company is ready to commence the initial drill testing of the highest priority targets. The field team are on site preparing for the commencement which is scheduled within the next few weeks. The initial programme is for a 26 hole, ~6,500m diamond core drill program to test high grade extensions at Yunndaga, Lady Shenton, Pericles, Selkirk and Lady Irene (refer to ASX Announcement 10 September 2019: "Investor Presentation").

**BOARD CHANGES**

As part of the acquisition the Company confirms the appointment of Ed Turner as CEO. Ed has significant experience as a CEO of ASX listed Companies, most recently as the founding CEO and later GM Geology and Exploration Manager of Galena Mining Limited ("Galena") (ASX: G1A). Adrian Byass, founding Chairman of Galena has also been appointed as Chairman of KWR and Jon Price, Managing Director of project vendor; Horizon Minerals has joined the Board as Non-Executive Director.

In addition, Peter Bennetto has resigned as Chairman and Director of the Company and Stephen Woodham has stepped down as CEO but remains a Non-Executive Director. The Company would like to thank Peter and Stephen for their valuable contribution as Chairman and CEO respectively, during which time the Company successfully listed on the ASX and undertook a significant exploration project on the Roman King tenements. The Company would like to wish Peter well in his future endeavours.

## **PLACEMENT and SHARE ISSUE**

The Company is also pleased to announce it has completed Tranche 2 of the total \$4M Placement to professional and sophisticated investors through the issue of 16,666,667 ordinary shares in the Company at \$0.15 per share to raise \$2,500,000 (before costs). The funds raised were used in part to pay the remaining cash purchase consideration to Horizon for Stage 1 and the balance will be used to fund the proposed exploration activities at the MGP.

The Company has also issued 2,500,000 ordinary shares and 7,850,000 unlisted options expiring 30 June 2022, comprising 2,700,000 options exercisable at \$0.39 ("Class A Options") and 5,150,000 options exercisable at \$0.54 ("Class B Options") to facilitators of the MGP acquisition ("Facilitator Securities") as approved by shareholders on 10 September 2019.

## **KEY TERMS OF APPOINTMENT FOR ED TURNER**

Commencement Date	18 September 2019.
Term	Ongoing basis subject to termination and notice.
Fixed Remuneration	\$225,000 (excluding superannuation).
Termination and Notice	The Company or the CEO may terminate the agreement by providing 3 months' notice in writing.
Other	The CEO received part of the Facilitator Securities being 400,000 ordinary shares, 400,000 Class A Options and 800,000 Class B Options for his role in facilitating the Menzies acquisition.

- ENDS -

For further information, please contact:

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## APPENDIX 1

### Terms of the MGP Acquisition:

- A cash payment of \$1.75M (\$750k was previously paid on signing the Acquisition Agreement);
- Issue of 20M ordinary shares in KWR at a deemed issue price of \$0.15 per share and subject to voluntary escrow from issue until the earlier of (a) 18 months following settlement and (b) 3 months following the payment/issue of the deferred consideration.

Under the terms of the Acquisition Agreement, the Company will also make a deferred consideration payment to Horizon no later than 18 months after settlement of:

- A further \$1.625M in cash; and
- \$1.625M in value of ordinary shares in KWR at a deemed issue price being the lower of \$0.15 per share and a 30 day VWAP (subject to shareholder approval and IRC not exceeding 19.99% ownership in KWR).