

23 October 2020

**ASX via Electronic Lodgement**

**Quarterly Report for the period ending 30 September 2020**

During the September Quarter Kingwest Resources Limited ("Kingwest") completed updated Mineral Resource Estimates (MRE's) and Resource Definition drilling at the Menzies Gold Project (MGP). Kingwest also divested Non-Core Assets at Leonora and Goongarrie and acquired new Prospecting Licences at Menzies and Goongarrie. In addition to this Kingwest raised an additional \$4.3M via a Rights Issue and Private Placement to fund ongoing exploration, Resource Definition drilling and Scoping Studies.

**Highlights**

- Near surface gold resources at the MGP increased by 87% since Kingwest acquired the MGP in September 2019
- Kingwest has completed the sale of two small non-core assets outside the Menzies Gold Project for \$2.1M
- These were Mining Lease (M29/420) for \$1.9M (Goongarrie Lady) and (M37/1202, E37/893 and P37/8901) for \$190,000 (Crawford's and Gambier Lass North) near Leonora
- High grade gold intersections in shallow MGP drilling designed to increase confidence and size of JORC resources include:
  - 4m @ 11.04g/t Au from 47m in KWR075
  - 3m @ 12.28g/t Au from 79m in KWR072
  - 5m @ 6.22g/t Au from 56m in KWR077
  - 2m @ 12.01g/t Au from 91m in KWR072
- Six new Prospecting Licences granted at MGP and six new Prospecting Licences granted at the Goongarrie Gold Project (GGP), significantly expanding the prospective landholdings at each Project

**Kingwest Resources Ltd**

**ASX: KWR**

**Shares on Issue**  
153,693,858

**Directors & Management**

**Chairman**  
Adrian Byass

**CEO**  
Ed Turner

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

**Company Secretary**  
Stephen Brockhurst

**Principal Place of Business**  
Unit 3, Churchill Court  
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)



### **Mineral Resource Estimates (MRE's)**

During the quarter inaugural MRE's were completed for the Lady Shenton Deposit and Stirling Deposit at its MGP (Figure 1) as announced to the ASX on 23<sup>rd</sup> July 2020.

The new estimates are presented in the Table 1 and Table 2 below. Resources at the MGP have increased by 37% since the previous estimate reported in March 2020 and by 87% since September 2019. Menzies Gold Project near surface MRE's now totals 320,000 ounces (Table 5).

The Lady Shenton System (Figure 1) is a significant, structurally controlled mining centre at MGP which has delivered very high-grade production (185kt @ 32 g/t Au for 191k oz Au) prior to 1946 and then later open pit mining in the 1990's which produced 349kt @ 2.7 g/t Au for 30.3k oz Au. Extensions of this mineralisation extend at depth and are repeated adjacent to the main workings, Pericles and Stirling deposits, that have been discovered since completion of open pit mining in the 1990's with Stirling being discovered during KWR drilling in 2019.

The Lady Shenton, Stirling and Pericles deposits are considered one mineralised system by KWR. The Pericles MRE of 1.4Mt @ 1.8 g/t Au for 79.50k oz Au (as announced to the ASX on 14 Feb 2020). Combined with the recently estimated Lady Shenton and Stirling lodes this combined MRE for the Lady Shenton System stands at 166.10k oz Au. Figure 2 and 3 show block models of the Lady Shenton and Stirling lodes.

**Table 1: Lady Shenton MRE.**

<b>Cut-off Au g/t</b>	<b>Resource Classification</b>	<b>Volume thousand m<sup>3</sup></b>	<b>Density g/cm<sup>3</sup></b>	<b>Tonnes kt</b>	<b>Au g/t</b>	<b>Au oz t. oz</b>
0.5	Inferred	391	2.66	1038	2.1	70,700
1	Inferred	298	2.65	791	2.6	64,700

**Table 2: Stirling MRE.**

<b>Cut-off Au g/t</b>	<b>Resource Classification</b>	<b>Volume thousand m<sup>3</sup></b>	<b>Density g/cm<sup>3</sup></b>	<b>Tonnes kt</b>	<b>Au g/t</b>	<b>Au oz t. oz</b>
0.5	Inferred	231	2.60	600	1.5	28,300
1	Inferred	121	2.59	313	2.2	21,900

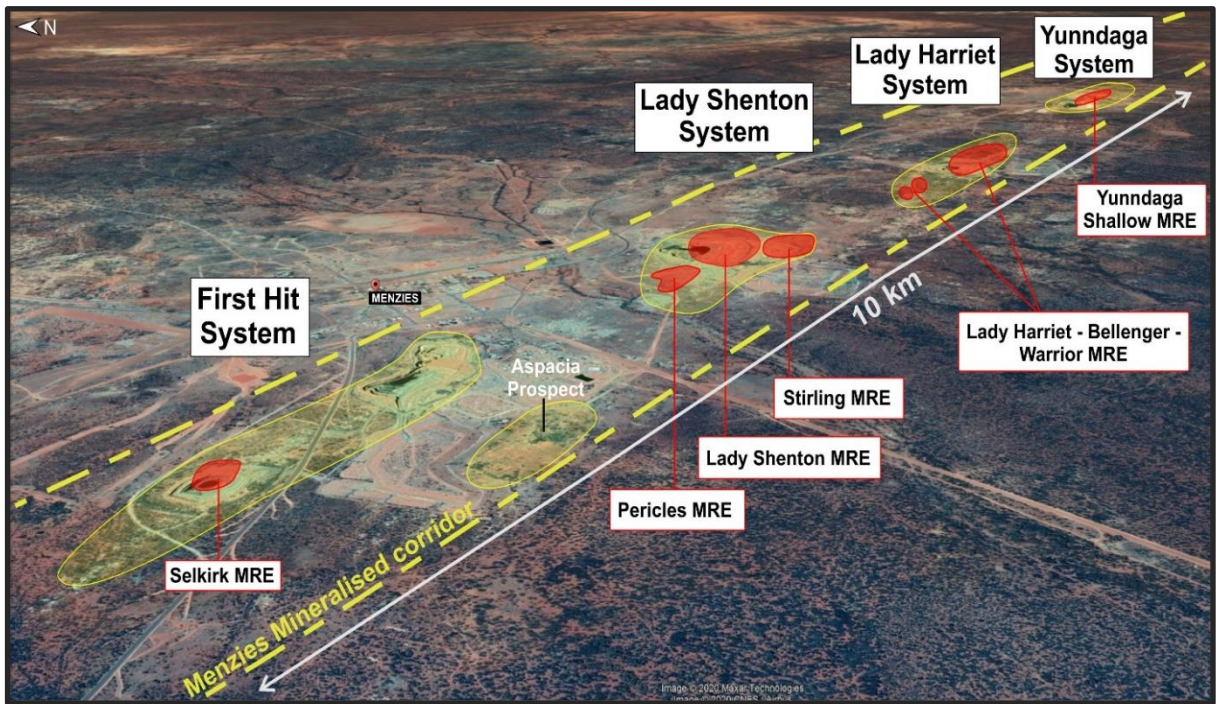


Figure 1: Menzies Gold Project (MGP) aerial view showing the main mineralised systems as well as the Lady Shenton and Stirling MRE locations.

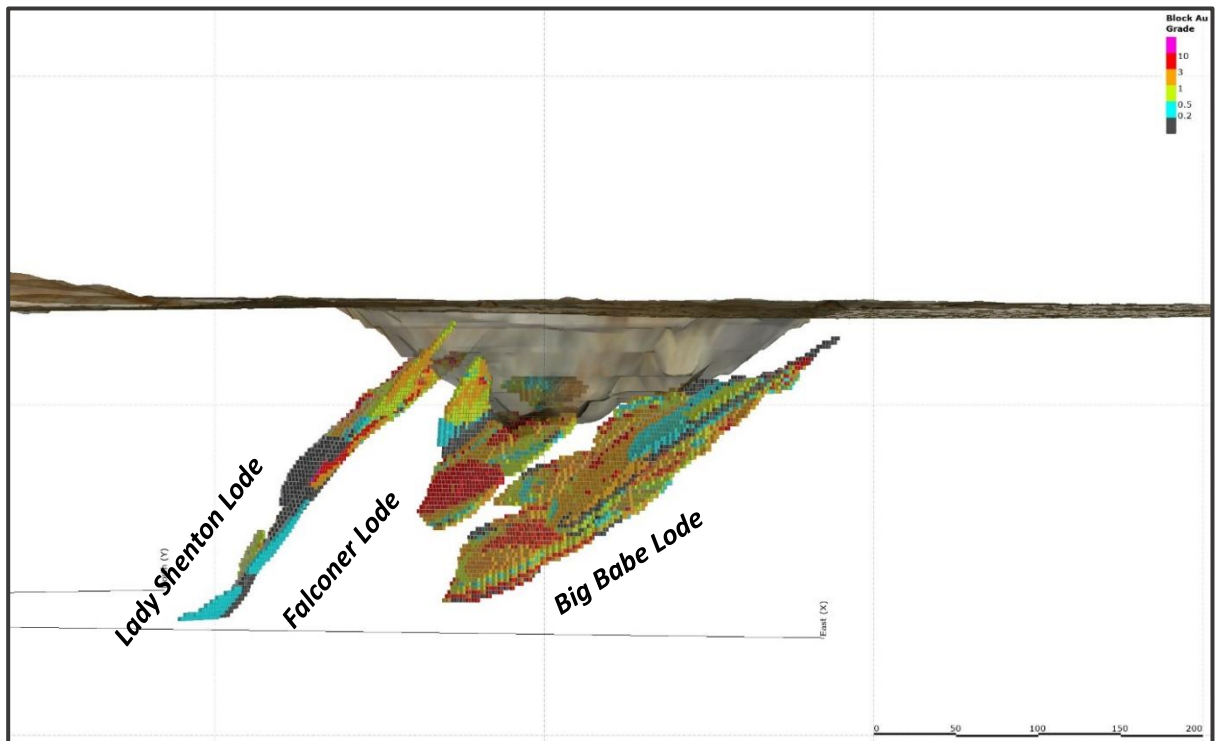


Figure 2: Lady Shenton sectional view looking NE showing major lodes and MRE blocks coloured by gold grade.

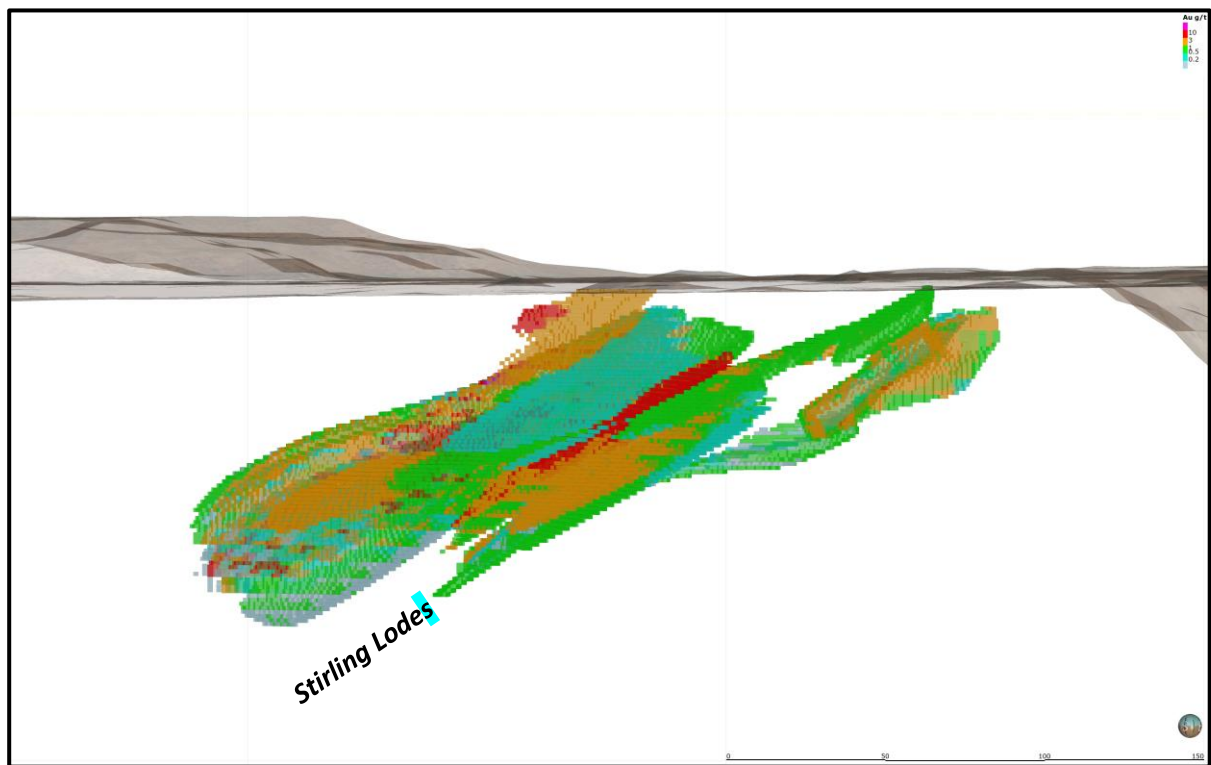


Figure 3: Stirling Prospect oblique view looking NE showing major lodes and MRE blocks coloured by gold grade.

### **Resource Definition Drilling at Menzies**

Kingwest is in the process of completing Resource Definition drilling (infill and extensional) comprising approximately 100 RC holes for 10,000 metres at the MGP. This is designed to upgrade the category level and size of the MRE's, which currently total 319,900 ounces @ 2.08g/t Au (Table 5), mostly in the Inferred category.

Drilling will be spread across the First Hit, Lady Shenton, Lady Harriet, and Yunndaga Systems. To date 42 RC holes (KWR053 – KWR094) have been completed for a total of 4,004 metres. These were within the First Hit and Lady Shenton Systems. Assays have been received for KWR053 – KWR069 and KWR072 – KWR077 with the remainder pending. Table 3 summarises all significant intersections, Table 4 summarises details for all holes completed to date with full results reported to the ASX on 6<sup>th</sup> October 2020.

Within the Lady Shenton System 30 RC holes (KWR058 – KWR087) have been drilled for 2,630 metres at the Pericles Deposit (Figure 4). Assays have been received for KWR058 – KWR069 and KWR072 – KWR077 with the remainder pending.

Within the First Hit System 12 holes (KWR053 – KWR057 and KWR088 – KWR094) have been completed for 1,374 metres. Assays have been received for KWR053 – KWR057 with the remainder pending. At the Selkirk Deposit KWR056 intersected 4m @ 3.39g/t Au from 95m including 1m @ 11.41g/t Au from 95m. This drill-hole is outside the current MRE and demonstrates its potential to grow as more drilling is completed.



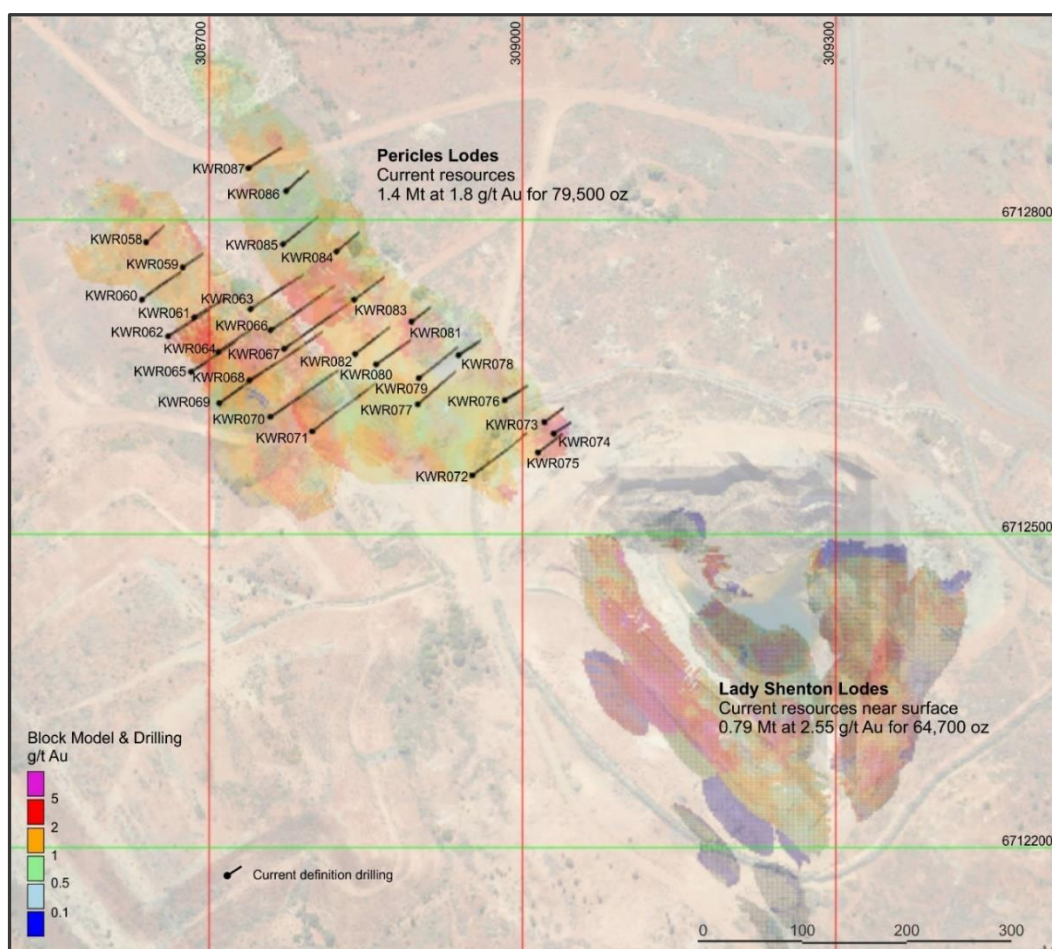


Figure 4: Lady Shenton System drill hole location plan over current MRE block models.

Table 3: Significant drill intersections.

Prospect	Hole ID	From	To	Interval	Au g/t	Description
Selkirk	KWR054	88.00	89.00	1.00	3.71	1m @ 3.71 g/t Au from 88m
Selkirk	KWR055	71.00	72.00	1.00	2.17	1m @ 2.17 g/t Au from 71m
Selkirk	<b>KWR056</b>	<b>95.00</b>	<b>99.00</b>	<b>4.00</b>	<b>3.39</b>	<b>4m @ 3.39 g/t Au from 95m</b>
Selkirk	<b>Inc.</b>	<b>95.00</b>	<b>96.00</b>	<b>1.00</b>	<b>11.41</b>	<b>1m @ 11.41 g/t Au from 95m</b>
Selkirk	KWR057	48.00	49.00	1.00	2.08	1m @ 2.08 g/t Au from 48m
Pericles	KWR058	38.00	40.00	1.00	1.28	2m @ 1.28 g/t Au from 38m
Pericles	KWR059	29.00	30.00	1.00	1.31	6m @ 1.31 g/t Au from 29m
Pericles	<b>KWR060</b>	<b>68.00</b>	<b>69.00</b>	<b>1.00</b>	<b>3.78</b>	<b>6m @ 3.78 g/t Au from 68m</b>
Pericles	<b>Inc.</b>	<b>71.00</b>	<b>72.00</b>	<b>1.00</b>	<b>12.58</b>	<b>1m @ 12.58 g/t Au from 71m</b>
Pericles	KWR061	43.00	44.00	1.00	1.97	1m @ 1.97 g/t Au from 43m
Pericles	<b>KWR061</b>	<b>51.00</b>	<b>55.00</b>	<b>4.00</b>	<b>3.30</b>	<b>4m @ 3.30 g/t Au from 51m</b>
Pericles	<b>Inc.</b>	<b>54.00</b>	<b>55.00</b>	<b>1.00</b>	<b>9.18</b>	<b>1m @ 9.18 g/t Au from 54m</b>
Pericles	KWR061	59.00	60.00	1.00	1.55	1m @ 1.55 g/t Au from 59m
Pericles	KWR062	61.00	62.00	1.00	1.41	1m @ 1.41 g/t Au from 61m
Pericles	<b>KWR062</b>	<b>66.00</b>	<b>72.00</b>	<b>6.00</b>	<b>3.23</b>	<b>6m @ 3.23 g/t Au from 66m</b>



Prospect	Hole ID	From	To	Interval	Au g/t	Description
Pericles	Inc.	66.00	67.00	1.00	5.51	1m @ 5.51 g/t Au from 66m
Pericles	Inc.	71.00	72.00	1.00	12.54	1m @ 12.54 g/t Au from 71m
Pericles	KWR063	19.00	22.00	3.00	2.44	3m @ 2.44 g/t Au from 19m
Pericles	KWR063	79.00	80.00	1.00	1.34	1m @ 1.34 g/t Au from 79m
Pericles	KWR063	84.00	85.00	1.00	2.38	1m @ 2.38 g/t Au from 84m
Pericles	KWR063	109.00	111.00	2.00	1.40	2m @ 1.40 g/t Au from 109m
Pericles	KWR063	116.00	117.00	1.00	2.33	1m @ 2.33 g/t Au from 116m
Pericles	KWR064	44.00	46.00	2.00	7.14	2m @ 7.14 g/t Au from 44m
Pericles	Inc.	44.00	45.00	1.00	10.79	1m @ 10.79 g/t Au from 44m
Pericles	KWR064	54.00	59.00	5.00	1.40	2m @ 2.54 g/t Au from 54m
Pericles	KWR064	58.00	59.00	1.00	1.27	1m @ 1.27 g/t Au from 58m
Pericles	KWR064	62.00	63.00	1.00	1.84	1m @ 1.84 g/t Au from 62m
Pericles	KWR065	72.00	77.00	5.00	3.11	5m @ 3.11 g/t Au from 72m
Pericles	Inc.	73.00	74.00	1.00	6.56	1m @ 6.56 g/t Au from 73m
Pericles	KWR065	81.00	82.00	1.00	2.72	1m @ 2.72 g/t Au from 81m
Pericles	KWR066	16.00	17.00	1.00	2.04	1m @ 2.04g/t Au from 16m
Pericles	KWR066	82.00	84.00	2.00	3.13	2m @ 3.13 g/t Au from 82m
Pericles	KWR066	99.00	108.00	9.00	1.10	9m @ 1.10 g/t Au from 99m
Pericles	KWR067	22.00	24.00	2.00	4.55	2m @ 4.55 g/t Au from 22m
Pericles	Inc.	22.00	23.00	1.00	5.72	1m @ 5.72 g/t Au from 22m
Pericles	KWR067	84.00	86.00	2.00	6.12	2m @ 6.12 g/t Au from 84m
Pericles	Inc.	84.00	85.00	1.00	8.47	1m @ 8.47 g/t Au from 84m
Pericles	KWR067	102.00	110.00	8.00	1.19	8m @ 1.19 g/t Au from 102m
Pericles	KWR068	54.00	55.00	1.00	1.27	1m @ 1.27 g/t Au from 54m
Pericles	KWR068	60.00	64.00	4.00	3.18	4m @ 3.18 g/t Au from 60m
Pericles	KWR068	139.00	142.00	3.00	1.87	3m @ 1.87 g/t Au from 139m
Pericles	KWR069	57.00	58.00	1.00	1.94	1m @ 1.94 g/t Au from 57m
Pericles	KWR069	73.00	81.00	8.00	3.42	8m @ 3.42 g/t Au from 73m
Pericles	Inc.	79.00	80.00	1.00	13.01	1m @ 13.01 g/t Au from 79m
Pericles	KWR072	79.00	82.00	3.00	12.28	3m @ 12.28 g/t Au from 79m
Pericles	Inc.	79.00	80.00	1.00	32.19	1m @ 32.19 g/t Au from 79m
Pericles	KWR072	91.00	93.00	2.00	12.01	2m @ 12.01 g/t Au from 91m
Pericles	KWR074	23.00	24.00	1.00	1.84	1m @ 1.84 g/t Au from 23m
Pericles	KWR075	47.00	51.00	4.00	11.04	4m @ 11.04 g/t Au from 47m
Pericles	Inc.	49.00	50.00	1.00	40.58	1m @ 40.58 g/t Au from 49m
Pericles	KWR076	31.00	34.00	3.00	4.18	3m @ 4.18 g/t Au from 31m
Pericles	KWR077	56.00	61.00	5.00	6.22	5m @ 6.22 g/t Au from 56m
Pericles	Inc.	59.00	61.00	2.00	13.73	2m @ 13.73 g/t Au from 59m

N.B. Minimum 1m @ 1.00g/t Au with maximum 4m of internal dilution



Table 4 : Completed RC drill hole details.

Prospect	Hole ID	Easting	Northing	Elevation	Azimuth	Dip	Depth (m)
Selkirk	KWR053	307807	6714620	419	50	60	108
Selkirk	KWR054	307827	6714603	419	50	50	120
Selkirk	KWR055	307841	6714568	420	50	50	120
Selkirk	KWR056	307889	6714538	422	50	55	120
Selkirk	KWR057	307772	6714657	418	50	50	108
Pericles	KWR058	308640	6712779	422	50	60	72
Pericles	KWR059	308675	6712755	423	50	60	48
Pericles	KWR060	308636	6712724	423	50	60	90
Pericles	KWR061	308686	6712707	422	55	60	72
Pericles	KWR062	308661	6712689	422	55	60	96
Pericles	KWR063	308740	6712715	422	55	55	120
Pericles	KWR064	308709	6712674	422	55	60	72
Pericles	KWR065	308683	6712655	422	55	60	102
Pericles	KWR066	308759	6712695	422	55	55	126
Pericles	KWR067	308772	6712677	421	55	50	120
Pericles	KWR068	308739	6712647	422	55	60	162
Pericles	KWR069	308710	6712625	422	55	60	114
Pericles	KWR070	308759	6712612	422	55	60	162
Pericles	KWR071	308799	6712598	422	50	60	150
Pericles	KWR072	308952	6712556	425	55	60	138
Pericles	KWR073	309021	6712607	425	55	60	46
Pericles	KWR074	309030	6712596	425	55	60	42
Pericles	KWR075	309015	6712578	424	55	60	60
Pericles	KWR076	308983	6712628	424	55	60	54
Pericles	KWR077	308900	6712624	422	50	60	96
Pericles	KWR078	308939	6712671	422	55	60	54
Pericles	KWR079	308901	6712649	422	50	60	96
Pericles	KWR080	308860	6712662	421	55	60	84
Pericles	KWR081	308894	6712703	422	50	60	48
Pericles	KWR082	308840	6712672	421	55	60	84
Pericles	KWR083	308839	6712724	421	50	60	66
Pericles	KWR084	308822	6712770	421	50	60	60
Pericles	KWR085	308771	6712777	422	50	60	90
Pericles	KWR086	308774	6712828	421	50	60	60
Pericles	KWR087	308738	6712850	421	55	60	72
Lady Sherry	KWR090	308034	6714247	421	60	60	120



Prospect	Hole ID	Easting	Northing	Elevation	Azimuth	Dip	Depth (m)
Lady Sherry	KWR091	308013	6714238	421	60	60	120
Lady Sherry	KWR093	308002	6714292	421	60	60	120
Lady Sherry	KWR092	308043	6714321	423	60	60	120
Lady Sherry	KWR088	308070	6714216	422	60	60	120
Lady Sherry	KWR089	308047	6714203	422	60	60	120
Lady Sherry	KWR094	308013	6714405	425	60	60	78

### **Non-Core Asset Sales**

Goongarrie Lady Mining Lease M29/420 and miscellaneous licence L29/109 and related mining information and approvals have been agreed to be sold to Resource Mining Pty Ltd, who are not a related party on an arm's length basis, under the following terms:

- Cash payment of \$1.9M plus GST.
- Royalty payments to KWR of \$20/oz plus GST uncapped production royalty on gold troy ounces produced after the initial 15koz of production from those tenements.
- KWR to retain 14 day first right of refusal on future sale of the assets.
- Resource Mining Pty Ltd to have 14 day first right of refusal on future sale of the royalty.
- Industry standard conditions to completion of the sale, all of which are expected to be satisfied expeditiously.

Leonora Projects Crawford's and Gambier Lass North (M37/1202, E37/893 and P37/8901) have been sold to Specrez Pty Ltd, who are not a related party on an arm's length basis, under the following terms:

- \$190,000 cash plus GST consisting of \$10,000 deposit and \$180,000 on completion.
- 1.75% Net Smelter Return (NSR) Royalty for all production from M37/1202.

### **New Tenements Granted**

Six new Prospecting Licences granted at Menzies (P29/2578 – 2580, 2582, 2584, 2585) and six new Prospecting Licences granted at Goongarrie (P29/2530 – 2533, 2467, 2468) significantly expanding the prospective landholdings at each Project. Exploration programs are being planned for the December Quarter over all of these new tenements.





Table 5: Menzies MRE's.

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
Yunndaga Shallow				1.58	2.00	103,000	1.58	2.03	103,000
Lady Shenton Shallow				0.79	2.60	64,700	0.79	2.55	64,700
Stirling				0.31	2.20	21,900	0.31	2.17	21,900
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
Lady Irene							<i>Not</i>	<i>yet</i>	<i>estimated</i>
First Hit							<i>Not</i>	<i>yet</i>	<i>estimated</i>
Yunndaga Deeps							<i>Not</i>	<i>yet</i>	<i>estimated</i>
<b>TOTAL</b>	<b>0.93</b>	<b>1.80</b>	<b>53,200</b>	<b>3.86</b>	<b>2.15</b>	<b>266,800</b>	<b>4.78</b>	<b>2.08</b>	<b>319,900</b>

#### Financial Commentary – 30 September 2020

The Company's Quarterly Cashflow Report (Appendix 5B) follows this activities report. The Company had \$4.9M in cash as at 30 September 2020. Exploration Expenditure for the quarter was \$1.6M with most of this expenditure being associated with the drilling activities at Menzies. During the quarter the Company successfully completed non-renounceable rights issue to raise \$3.3M followed by an additional placement of \$1M to institutional and sophisticated investors.

The total amount paid to related parties of Kingwest and their associates, as per item 6.1 of the Appendix 5B, was \$73k. Included in this amount is \$49k 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 – 30.09.20) \$'000	Variance \$'000	Note
Opening cash	361	24	(337)	1
Proceeds from the Offer	5,000	5,000	-	
<b>Total</b>	<b>5,361</b>	<b>5,024</b>	<b>(337)</b>	
Exploration expenses (Leonora tenements)	2,870	1,645	1,225	2
Messina joint venture and royalty	490	490	-	
Administration and overhead costs	1,123	2,062	(939)	3
Expenses of the offer	506	344	162	4
Working capital	372	91	281	3
Interest income (net)	-	(52)	52	
Disposal of Leonora tenements	-	(475)	475	5
Exploration expenses (Menzies Gold Project)	-	5,186	(5,186)	6
Acquisition costs (Menzies Gold Project)	-	1,750	(1,750)	6
Capital raising income – post IPO	-	(11,791)	11,791	6
Capital raising costs – post IPO	-	857	(857)	6
<b>Total</b>	<b>5,361</b>	<b>106</b>	<b>5,255</b>	
<b>Remaining Cash</b>			<b>4,918</b>	

#### 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 \$1,225k 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. During the quarter the Company announced that it had disposed of the remaining



Leonora tenements being the Crawford's and Gambier Lass tenements, proceeds from the disposal of these tenements were received subsequent to September quarter end.

3. Actual administration and overhead costs are \$939k 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. Proceeds from the disposal of Crawford's and Gambier Lass tenements were received subsequent to September quarter end.
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. In September 2020 the Company also completed a non-renounceable rights issue to raise \$3.3M from eligible shareholders followed by a follow up \$1M placement to professional and sophisticated investors. Direct costs associated with the capital raisings were \$857k.

**-Ends-**

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

Further information contact:

Ed Turner

CEO

T: +61 8 9481 0389

E: [admin@kingwestresources.com.au](mailto:admin@kingwestresources.com.au)

#### **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 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.

The information in this report that relates to Mineral Resources for the Lady Shenton, Pericles, Stirling, Lady Harriet-Bellinger, Selkirk and Warrior Deposits is based on information compiled by Mr Don Maclean who is a Member of the Australian Institute of Geoscientists and Registered Professional Geologist (Exploration and Mining). Mr Maclean is a consultant Geologist to Kingwest Resources Limited. Mr Maclean 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.

The information in this report that relates to Mineral Resources for the Yunndaga Deposit is based on information compiled by Mr Simon Coxhell. Mr Coxhell is a Member of the Australasian Institute of Mining and Metallurgy. Mr Coxhell was a consultant to Intermin Resources Limited. Some information was prepared and first disclosed under the JORC Code 2004. It has not been updated since (unless indicated) to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported. The remaining exploration results and all of the information relating to resource estimates comply with JORC Code 2012. Mr Coxhell has sufficient experience that is relevant to the style of mineralisation, type of deposit under consideration and to the activity that he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the 'Australasian Code for Reporting of Exploration, Results, Mineral Resource and Ore Reserve's. Mr Coxhell consents to the inclusion in this report of the matters based on their information in the form and context in which they appear.

## APPENDIX 1

### Tenement information

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%





PROJECT	TENEMENT	TENURE TYPE	STATUS	CHANGE IN INTEREST	KWR CURRENT INTEREST
	P29/2578	PROSPECTING	GRANTED	100%	100%
	P29/2579	PROSPECTING	GRANTED	100%	100%
	P29/2580	PROSPECTING	GRANTED	100%	100%
	P29/2582	PROSPECTING	GRANTED	100%	100%
	P29/2584	PROSPECTING	GRANTED	100%	100%
	P29/2585	PROSPECTING	GRANTED	100%	100%
GOONGARRIE (Western Australia)	E29/966	EXPLORATION	GRANTED	-	100%
	E29/1062	EXPLORATION	GRANTED	-	100%
	E29/996	EXPLORATION	GRANTED	-	100%
	P29/2380	PROSPECTING	GRANTED	-	100%
	P29/2381	PROSPECTING	GRANTED	-	100%
	P29/2412	PROSPECTING	GRANTED	-	100%
	P29/2413	PROSPECTING	GRANTED	-	100%
	P29/2530	PROSPECTING	GRANTED	100%	100%
	P29/2531	PROSPECTING	GRANTED	100%	100%
	P29/2532	PROSPECTING	GRANTED	100%	100%
	P29/2533	PROSPECTING	GRANTED	100%	100%
	P29/2467	PROSPECTING	GRANTED	100%	100%
	P29/2468	PROSPECTING	GRANTED	100%	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 September 2020

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
<b>1.</b>	<b>Cash flows from operating activities</b>		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	-	-
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(49)	(49)
	(e) administration and corporate costs	(186)	(186)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	2	2
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	-	-
<b>1.9</b>	<b>Net cash from / (used in) operating activities</b>	<b>(233)</b>	<b>(233)</b>

<b>2.</b>	<b>Cash flows from investing activities</b>		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	(2)	(2)
	(d) exploration & evaluation	(1,582)	(1,582)
	(e) investments	-	-
	(f) other non-current assets	-	-

## 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 (3 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(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)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(1,584)</b>	<b>(1,584)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	4,291	4,291
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	(337)	(337)
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)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>3,954</b>	<b>3,954</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	2,781	2,781
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(233)	(233)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(1,584)	(1,584)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	3,954	3,954

## 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 (3 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	<b>Cash and cash equivalents at end of period</b>	<b>4,918</b>	<b>4,918</b>

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	4,918	2,781
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>4,918</b>	<b>2,781</b>

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	73
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

<b>7. Financing facilities</b> <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>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 <b>Total financing facilities</b>	-	-
7.5 <b>Unused financing facilities available at quarter end</b>		
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.		

<b>8. Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1 Net cash from / (used in) operating activities (item 1.9)	(233)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(1,582)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(1,815)
8.4 Cash and cash equivalents at quarter end (item 4.6)	4,918
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	4,918
8.7 <b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	2.7
<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: N/a	
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: N/a	

## 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: N/a

*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: 23 October 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.