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ASX: KWR

Shares on Issue

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Mining and Processing JV to see Gold Production Recommence at Menzies

- Kingwest Resources and FMR Investments Pty Ltd (FMR) agree to form a mining and processing joint venture (JV) which will recommence underground mining at the Yunndaga Deposit within the Menzies Gold Project
- First commercial step in unlocking the commercial potential of the Menzies Gold Project
- FMR to cover all capital costs and be responsible for all mining, haulage and processing through FMR's Greenfields Mill in Coolgardie
- Profits to be split KWR 40%: FMR 60%
- JV to cover 180,000 gold ounces or 5 years from the commencement of mining (whichever occurs first).
- FMR will pay KWR a non-refundable payment of \$500,000 within 1 month of the signing of the JV Agreement and a further non-refundable payment of \$500,000, due within one month after first cut in the decline is fired (further details below)
- Yunndaga has multiple high-grade shoots and was last mined underground approximately 85 years ago to a depth of 600 vertical metres with the Princess May Shoot which produced 526,000t @ 16g/t Au for 270,000 ounces¹

Kingwest Resources Limited ("Kingwest" or "KWR") is pleased to announce it has entered into a term sheet with FMR Investments Pty Ltd (ACN 624 972 185) ("FMR") for the formation of a 40% KWR / 60% FMR profit share JV to recommence mining at its first high-grade underground MRE at Yunndaga, located 6km south of the town of Menzies within the Menzies Gold Project (MGP) (Figure 1). The Yunndaga underground JORC Mineral Resource Estimate (MRE) comprises 57,000 oz @ 4.6 g/t Au (3.0 g/t Au cut off) or 79,200 oz @ 3.7g/t Au (2.0 g/t Au cut off) - open at depth and to the north (Table 1 and Table 2). The parties agree to negotiate in good faith with a view to entering into a formal joint venture agreement ("JV Agreement") by no later than 30 November 2021 (or such other date as agreed by the parties).

Kingwest CEO Ed Turner commented that "We are very pleased to complete a Joint Venture mining agreement with FMR. To recommence commercial mining at Menzies after more than 20 years since open cut mining finished and 85 years since it was last mined from underground at Yunndaga is very significant.

This is expected to be the first of a number of mining operations at Menzies and to deliver attractive short- and medium-term cash inflow to KWR. KWR will continue to focus on the very exciting potential we are seeing at Goongarrie as well as proving up new gold resources at Menzies over time. I am sure there remains many more ounces of gold to be discovered at both projects."

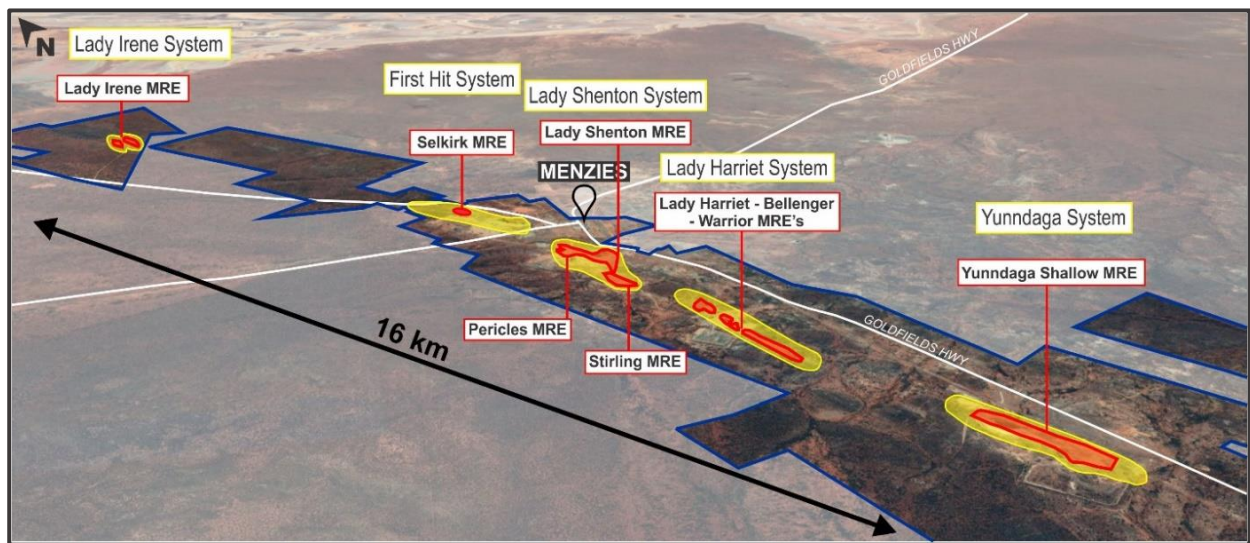


Figure 1: Location of the Yunndaga MRE within the MGP

FMR is a long-established Australian organisation with interests predominantly in mining and mining related industries. FMR originally operated as specialist underground mining contractors until its contracting business, Barminco Limited, was sold in 2007.

Today, FMR operates the Eloise Copper Mine, Gordon Sirdar Gold Mine and the Greenfield Mill at Coolgardie which toll treats ore from a number of regional mining projects.

KEY TERMS OF JV FOR THE YUNNDAGA MINING ZONE (YMZ)

1. JV to cover 180,000 (mined contained) gold ounces produced from the YMZ (Figure 2) or 5 years from the commencement of mining at the YMZ, whichever occurs first. Upon termination of the JV, full control of the YMZ and its operations will revert 100% to KWR.
2. FMR completes drilling from surface at FMR's cost for due diligence purposes. FMR will commit to completing this within 6 months of a signed JV Agreement.
3. FMR will pay KWR a non-refundable payment of \$500,000 within 1 month of the signing of the JV Agreement and a further non-refundable payment of \$500,000, due within one month after first cut in the decline is fired.
4. The YMZ is to be mined and processed according to a Mining and Production Schedule to be agreed between FMR and KWR and included in the JV Agreement.
5. FMR will fund all exploration, development, mining, treatment and rehabilitation activities at the YMZ during the term of the JV.

6. FMR will be responsible for the Project Management Plan for the YMZ. KWR will be responsible for the Mining Proposal (including Mine Closure Plan) and other tenement items such as environmental, bonds, water licensing, waste dump approvals etc.
7. Milling of any ore extracted from the YMZ will occur at FMR's Greenfield's Mill and is to be charged to the JV at a fixed rate per dry metric tonne.
8. The terms sheet remains subject to completion of due diligence by both parties and KWR and FMR entering into a binding JV Agreement.

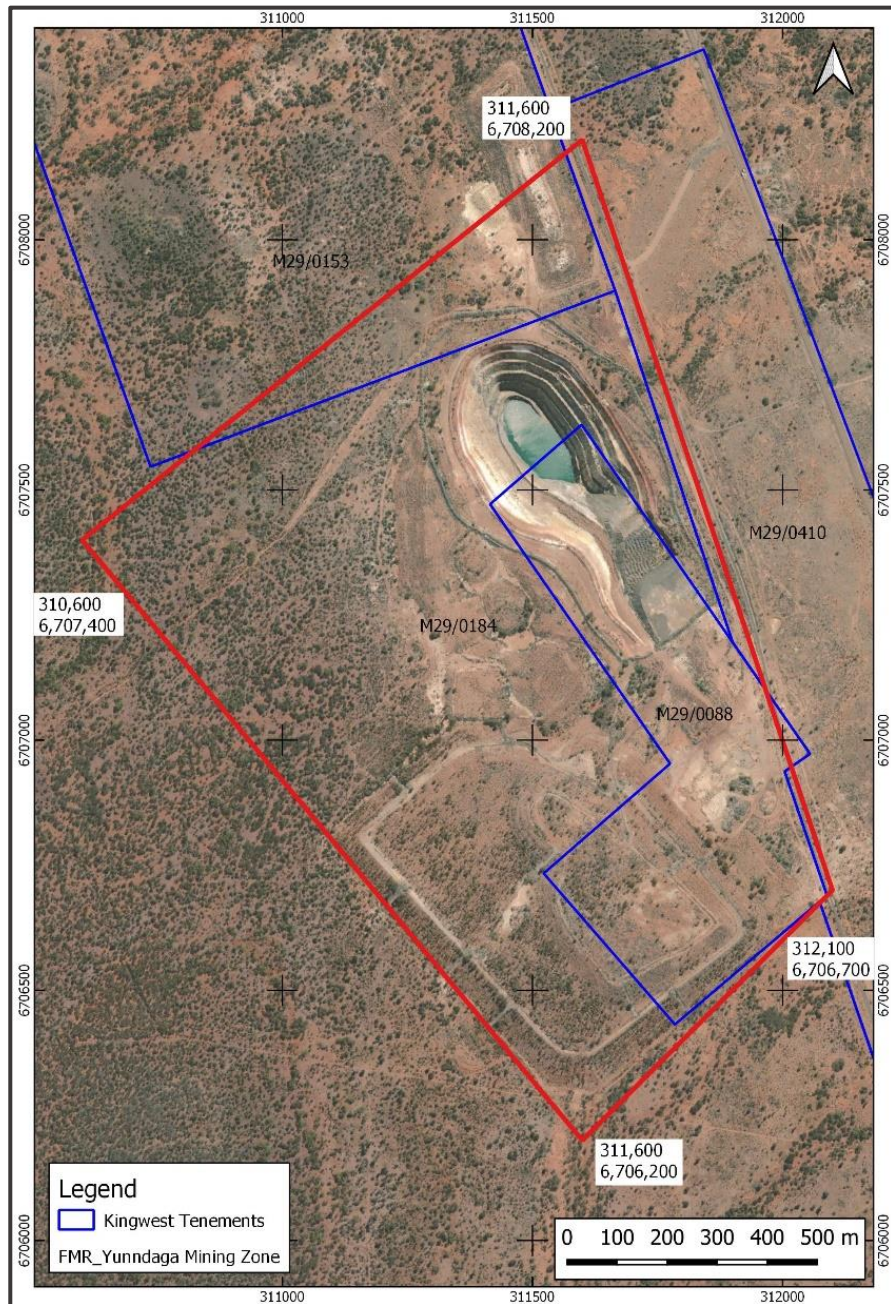


Figure 2: The YMZ

Table 1: Yunndaga MRE using 2.0 g/t Au cut off¹

Au		Above 2g/t Au		
Category	Weathering	Tonnes	Au g/t	Oz
Indicated	OXIDE	1,764	2.31	131
	TRANS	19,361	2.79	1,737
	FRESH	207,868	3.68	24,594
Sub Total		228,993	3.59	26,462
Inferred	OXIDE	8,637	2.54	705
	TRANS	29,244	2.99	2,811
	FRESH	459,380	3.70	54,647
Sub Total		497,261	3.64	58,163
Grand Total		726,254	3.62	84,625

Table 2: Yunndaga MRE using 3.0 g/t Au cut off¹

Au		Above 3g/t Au		
Category	Weathering	Tonnes	Au g/t	Oz
Indicated	OXIDE	53	3.59	6
	TRANS	4,896	3.89	612
	FRESH	116,996	4.62	17,378
Sub Total		121,946	4.59	17,997
Inferred	OXIDE	891	3.34	96
	TRANS	9,002	4.32	1,250
	FRESH	270,559	4.56	39,666
Sub Total		280,452	4.55	41,012
Grand Total		402,398	4.56	59,009

About Kingwest Resources Menzies Gold Project (MGP) and Goongarrie Gold Project (GGP)

The **MGP** is one of Western Australia's major historic gold fields. Located 130km north of the globally significant gold deposits of Kalgoorlie (Figure 3). The MGP covers a contiguous land package over a strike length in excess of 15km. Within the MGP a series of structurally controlled high-grade gold deposits have been historically mined and display extensive exploration potential for high-grade extensions. Modern exploration since closure over 20 years ago has been limited.

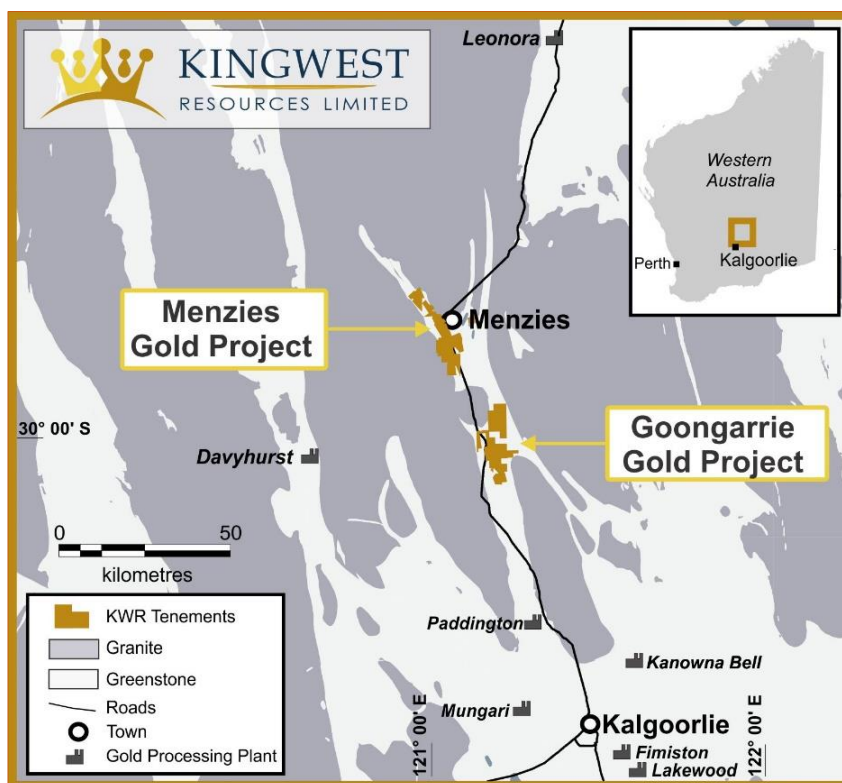


Figure 3: MGP and GGP locations

The **MGP** has recorded historical production of **643,200 oz @ 22.5g/t Au²** from underground (U/G) between 1895 and 1943 plus **145,000 oz @ 2.6g/t Au²** open cut between 1995 and 1999, for a total of **787,200 oz @ 18.9g/t Au²**.

The MGP is hosted along the Menzies Shear Zone. All deposits lie within granted Mining Leases and are 100% owned by KWR (Figure 3). **Current mineral resources total 475,100 oz @ 1.35 g/t Au** using a 0.5 g/t Au cut-off¹ (Table 3) **or 346,100 oz @ 2.06 g/t Au** using a 1.0 g/t Au cut-off¹ (Table 4).

Importantly the MGP lies on the Goldfields Highway, has power and water and is within trucking distance of numerous Gold Processing Plants.

Table 3: Menzies Project updated MRE's, above 0.5 g/t Au¹

Deposit	Indicated			Inferred			Total		
> 0.5 Au	Mt	Au g/t	Ounces	Mt	Au g/t	Ounces	Mt	Au g/t	Ounces
Yunndaga*	1.27	1.31	53,600	2.50	1.40	111,600	3.76	1.36	165,300
Pericles	2.31	1.27	94,600	1.64	1.21	63,900	3.95	1.25	158,500
Stirling	0.24	1.48	11,500	0.74	1.52	36,300	0.98	1.52	47,800
Lady Shenton				0.85	1.59	43,300	0.85	1.59	43,300
Lady Harriet	0.17	2.11	11,800	0.32	1.14	11,600	0.49	1.48	23,300
Bellenger	0.32	0.92	9,400	0.08	0.89	2,400	0.40	0.91	11,800
Selkirk	0.03	6.25	6,200	0.14	1.21	5,300	0.17	2.15	11,500
Warrior	0.03	1.37	1,200	0.19	1.11	6,700	0.22	1.15	8,000
Lady Irene				0.10	1.73	5,600	0.10	1.73	5,600
Total	4.37	1.34	188,300	6.56	1.35	286,700	10.92	1.35	475,100

Table 4: Menzies Project updated MRE's, above 1.0 g/t Au¹

Deposit	Indicated			Inferred			Total		
> 1.0 Au	Mt	Au g/t	Ounces	Mt	Au g/t	Ounces	Mt	Au g/t	Ounces
Yunndaga*	0.44	2.51	35,400	0.97	2.54	79,100	1.40	2.53	114,600
Pericles	1.16	1.82	68,000	0.83	1.67	44,300	1.99	1.76	112,300
Stirling	0.15	1.94	9,500	0.43	2.12	29,300	0.58	2.08	38,800
Lady Shenton	-	-	-	0.63	1.87	38,000	0.63	1.87	38,000
Lady Harriet	0.13	2.62	10,700	0.13	1.68	7,000	0.26	2.14	17,700
Selkirk	0.03	6.35	6,200	0.03	2.95	3,200	0.06	4.55	9,400
Bellenger	0.09	1.43	4,400	0.02	1.24	1,000	0.12	1.39	5,400
Warrior	0.02	1.93	1,000	0.09	1.55	4,400	0.10	1.61	5,400
Lady Irene	-	-	-	0.06	2.40	4,500	0.06	2.40	4,500
Total	2.02	2.08	135,200	3.19	2.05	210,800	5.20	2.06	346,100

*Aug 2021 MRE not limited by 250mRL. All other MRE's have not changed from March 2021 estimates and are limited to above 250mRL as they are only considered for open pitable mining. Yunndaga can be mined from underground.

The **GGP** is located approximately 40km south of the MGP and 90km north of Kalgoorlie. It 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 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 90km north of Kalgoorlie on the Goldfields Highway and is within trucking distance of numerous Gold Processing Plants. Kingwest has so far delineated 10 main target areas that require drill testing and five of these have undergone first pass testing to date (Figure 4).

First pass aircore drilling in February returned stellar gold intersections within **Target A9** including **6m @ 17.2 g/t Au** from 94m within **38m @ 3.1 g/t Au** from 62m in KGA038 to end of hole (blade refusal) and **4m @ 2.5 g/t Au** from 74m within **8m @ 1.3 g/t Au** from 74m in KGA 039 (adjacent hole, 60m east of KGA038)³. Follow up RC drilling intersected **5m @ 8.31 g/t Au** from 73m and **3m @ 4.08 g/t Au** from 89m in KGR001 as well as **5m @ 3.60 g/t Au** from 45m in KGR007⁴. These lie along strike from Ardea Resources discovery immediately south of KWR's tenement boundary as well as 7km north of Bardoc Gold's 1.7M oz Aphrodite deposit.

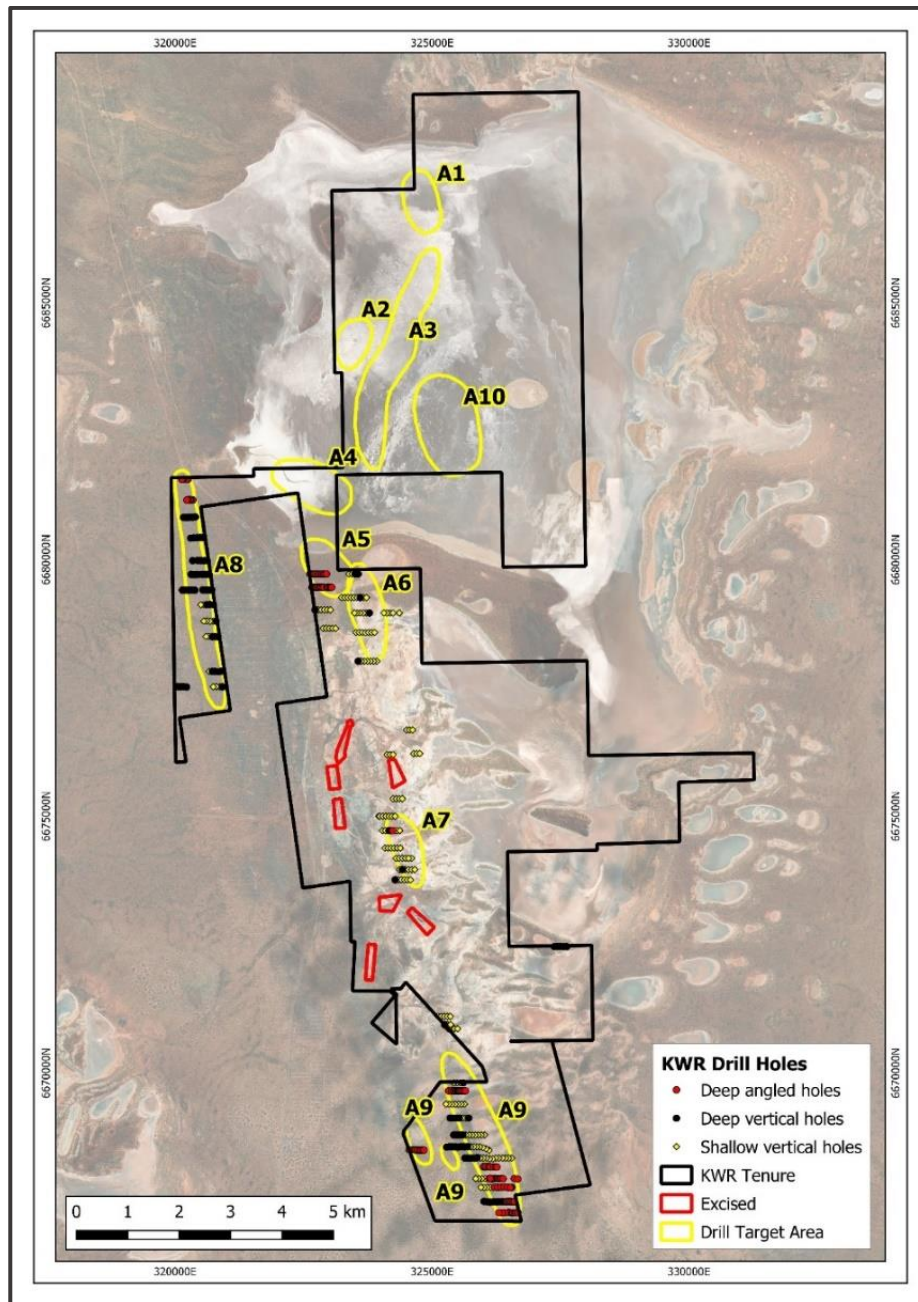


Figure 4: GGP target locations on satellite background

An inaugural 5,638 metre track mounted aircore drilling program of targets A1, A2, A3 and A10 under Lake Goongarrie completed in September 2021 made a significant discovery on Line 5 within Target A10⁵. (Figure 5).

12 holes on the first line intersected significant gold values over a 500m extent. Significant gold mineralisation also intersected 100m north of this. Results include **3m @ 6.5 g/t Au** and **3m @ 4.1 g/t Au**⁵. Kingwest's Kanowna Belle litho-structural model supported. Mineralisation open in all directions. Numerous additional litho-structural targets remain to be tested.

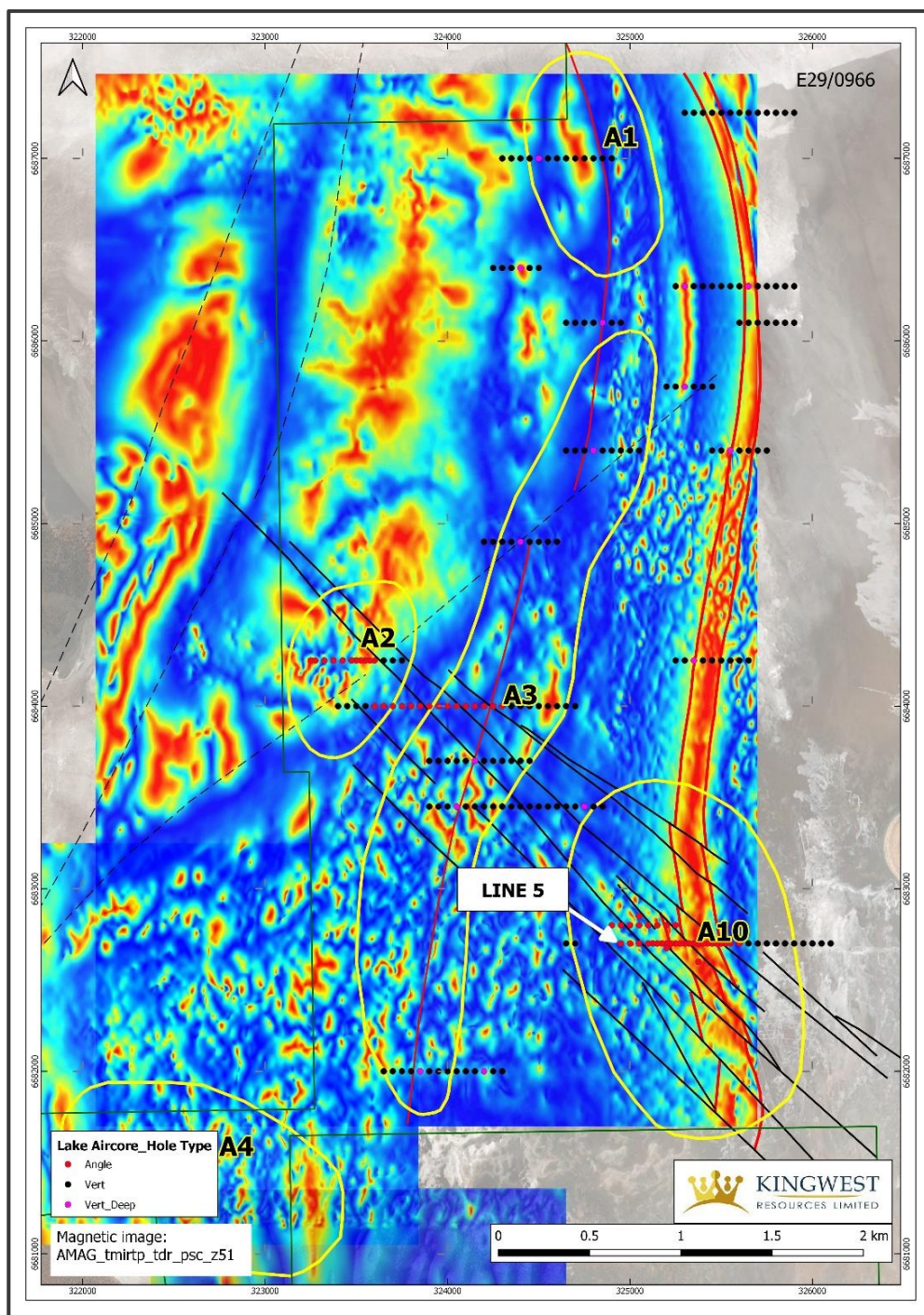


Figure 5: Lake Goongarrie structural and geochemical aircore targets A1-A3 and A10 on an aeromagnetic background

References

- ¹ As announced to the ASX on 6 September 2021 (ASX:KWR)
- ² As announced to the ASX on 19 July 2019 (ASX:KWR)
- ³ As announced to the ASX on 1 February 2021 (ASX:KWR)
- ⁴ As announced to the ASX on 29 July 2021 (ASX:KWR)
- ⁵ As announced to the ASX on 13 September 2021 (ASX:KWR)

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 Ed Turner who is a Member of the Australasian Institute of Geoscientists. Mr Turner is a full-time employee of Kingwest Resources Limited. Mr Turner 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, Mineral Resources and Ore Reserves' 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 Resource is based on information compiled by Mr Mark Zammit who is a Member of the Australian Institute of Geoscientists. Mr Zammit is a Principal Consultant Geologist at Cube Consulting. Mr Zammit 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, Mineral Resources and Ore Reserves' and consents to the inclusion in this report of the matters based on their information in the form and context in which they appear.

Compliance Statement

With reference to previously reported Exploration Results and Mineral Resources, 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, 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.

-Ends-

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

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