

24 September 2019

DRILLING COMMENCES AT MENZIES GOLD PROJECT

Highlights

- **Diamond drilling commences at Menzies targeting the Yundaga, Lady Shenton, Pericles, Selkirk and Lady Irene Deposits**
- **Initial drill program comprising 26 holes for 6,500 metres planned to be completed prior to December**
- **Major Gold Project - Historic Production of ~800,000 oz at 19g/t gold**
- **One of Australia's highest-grade, large-scale gold centres**
- **No coherent exploration strategy targeting historic high-grade extent since underground mining ceased in 1943**
- **The Kalgoorlie Highway runs through the Menzies Gold Project with a network of infrastructure and Processing Plants located nearby**

SUMMARY

Kingwest Resources Limited ("KWR" or "the Company") is pleased to announce drilling has commenced at the high-grade Menzies Gold Project ("Menzies", or "MGP"). 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 production and current resources confirm the significant scale of the Menzies region.

KWR believes the MGP has substantial exploration upside. Since the announcement of the acquisition (ASX announcement 7th July 2019), Kingwest has conducted detailed data and exploration history review including on site mapping which supports the structural control model KWR plans to test. This model is based not only on extensions of known high-grade shoots but repeats of this style of high-grade gold mineralisation.

Orientated diamond core drilling in this programme is specifically designed to provide confirmation and additional information within the structural control model proposed by Kingwest. Additional information regarding the programme are included in the Drilling section following.

PROJECT SUMMARY

The MGP is hosted along the Menzies Shear Zone (Figure 1) which 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.

All deposits lie within granted Mining Leases that are owned 100% by KWR.

Kingwest Resources Ltd

ASX: KWR

Shares on Issue

100,582,726

Directors & Management

Chairman

Adrian Byass

CEO

Ed Turner

Non Executive Directors

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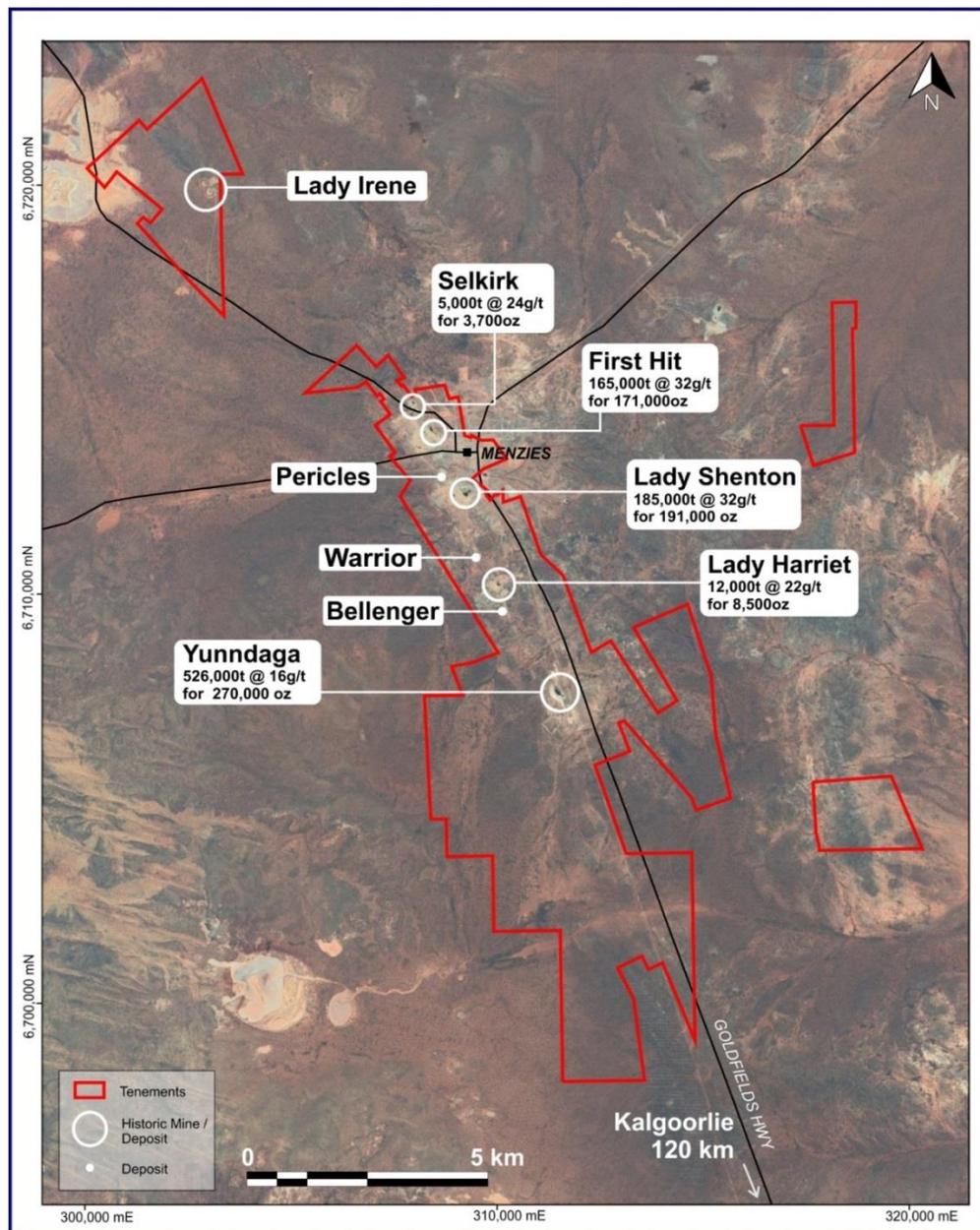


Figure 1: Menzies Project deposits, historic production figures and tenement boundaries.

The MGP has recorded historical production of **643,200 oz @ 22.5g/t Au** from underground (U/G) between 1895 and 1943 plus **145,000 oz @ 2.6g/t Au** open cut between 1995 and 1999, for a total of **787,200 oz @ 18.9g/t Au**. A current 2012 JORC compliant Resource has been defined at the Yunndaga, Pericles, Bellenger and Warrior Deposits. These resources have only been calculated for shallow mineralisation considered suitable for open cut mining at periods of lower gold prices. Higher-grade intersections within this larger mineralisation package have thus been diluted by the low cut-off grade applied. The MGP deposits remain poorly drill tested at depth, along strike and also display considerable potential for en echelon/parallel repeated lodes in a lateral offset under cover.

COMPANY STRATEGY

KWR's strategy will focus on the high-grade, structurally controlled mineralisation which is shown to extend at depth and testing for blind repeating lodes. Whilst KWR believes there is potential to increase the resource inventory close to surface and exploit these with open cut mining the immediate economic potential exists for high-grade underground mining. A high priority target is therefore 'walk up' in defining the extensions to the high-grade shoots with targeted drilling. At the MGP only the Princess May shoot at the Yunndaga Deposit has been mined to more than 200 metres vertical depth and has had no drilling below workings.

The historic production at the MGP of 643,000 oz gold @ 22.5 g/t Au compares favourably to other structurally controlled high-grade gold deposits. KWR believe there is excellent potential for parallel lodes, strike and depth extensions to known lodes and extensions to the main lodes.

PLANNED DRILL PROGRAM

The focus of this initial program is to test the best high-grade targets identified to date and provide structural details to assist in drilling additional targets already identified. This initial drilling program will comprise 26 holes for approximately 6,500 metres at five of the deposits (Lady Irene, Selkirk, Pericles, Lady Shenton and Yunndaga). The program will take approximately 10 weeks to complete and will be dominantly diamond core drilling with some RC pre collars. Industry leader DDH1 has been contracted to complete the diamond core drilling (Figure 2).

The objective is to test the known mineralisation as well as for extensions to the known mineralisation with oriented diamond core in order to verify the structural controls and tenor of the mineralised shoots. This should lead to identifying the deposits with the best chance of defining high grade mineral resources in subsequent programs. Previous drilling has been almost exclusively RC and therefore the exact orientations of the shoots are interpreted and not known for sure. Deeper future drilling and resource estimate drilling cannot currently be done with accuracy and confidence without knowing the strike, dip and plunge of the shoots.



Figure 2: DDH1 drilling at Menzies.

Further information contact

Ed Turner,

CEO

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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 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, Mineral Resources or Ore Reserves is based on information compiled by Mr David O'Farrell and Simon Coxhell. Both are Members of the Australasian Institute of Mining and Metallurgy. Mr O'Farrell is a full time employee of Intermin Resources Limited and Mr Coxhell is 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 O'Farrell and Mr Coxhell have 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 Resource and Ore Reserve s'. Mr O'Farrell and Mr Coxhell consent to the inclusion in this report of the matters based on their information in the form and context in which they appear.