

Stock Commentary

Subject: Kingwest Resources Limited

Goongarrie Salt Lake Drilling:

New Bedrock Gold Intersection 800m South of Sir Laurence Discovery Indicating a Large Gold System Present

Background

Kingwest Resources Limited (ASX:KWR) announced on 16th November 2021 first results of an ongoing aircore program over the Lake Goongarrie salt pan at the Company's wholly owned Goongarrie Gold Project (GGP) in Western Australia.

The drilling currently being undertaken is following up and expanding drill coverage along strike of the Company's recent gold discovery at Sir Laurence prospect, announced 13th September 2021, testing for the first time, litho-structural and geochemical targets.

Initial assay results received from 29 of 80 holes, has further discovered new gold mineralisation, this time located 800m to the south of the original Sir Laurence Discovery. Results include:

- **28m grading 1.9gpt Au from 20m (16m of which is reported in bedrock)**

and

- **8m grading 2.2gpt Au from 12m**

KWR has also reported anomalous results on drill lines B & C and on assay results testing the gold content of the extensive vein quartz gravel intersected on the *Sir Laurence* discovery holes with the gravels assaying **31.0gpt Au** and **5.4gpt Au**

Key Takeaway Points from this Announcement

- 1) We are encouraged with the initial results of this follow-up reconnaissance aircore drilling program, which expanding on the initial Sir Laurence discovery is testing similar highly prospective litho-structural and geochemical targets located beneath the salt pan again with success.
- 2) The new program which commenced on Line A (See Fig 2) has intersected significant gold mineralisation in two holes (**28m grading 1.9gpt Au from 20m** and **8m grading 2.2gpt Au from 12m**). Additional highly anomalous gold intersections were also reported on drill lines B and C including **4m grading 0.6gpt Au** which is a great result bearing in mind aircore is essentially a geochemical sampling tool aimed at providing drill targets for later RC and diamond drilling.
- 3) This mineralisation appears to be geologically located along strike to the Sir Laurence discovery holes on line 5 located 800m to the north. Whether this new mineralisation is directly related/connected to the Sir Laurence mineralisation is currently too early to tell, as assays are still pending for the 5 fence lines of drilling between the two gold discoveries.
- 4) The intersection reporting 28m grading 1.9gpt Au from 20m is particularly important in that we observe that over half of that mineralised intersection is present in the underlying conglomerate bedrock and not just in the overlying lake sediments. This strongly indicates to us the presence of an *in-situ* gold system. Furthermore, the fact that Sir Laurence is located 800m to the north, further indicates the system to be of considerable size which is highly encouraging for the delineation of one or more commercial gold deposits.

- 5) A track mounted diamond rig will arrive shortly (ETA 1 to 2 weeks) which will drill test the depth component to the newly discovered mineralisation and that at Sir Laurence and provide the Company with critical core orientation data. We eagerly look forward to the commencement of that drilling which will also provide *visuals* on the mineralisation.
- 6) Finally we must also not forget that KWR will very shortly drill test 5 other targets of elevated gold values also located beneath Lake Goongarrie. These early gold discoveries whilst they may not initially look exciting are significant as they occur over similar lithostructural targets to that of Sir Laurence i.e. on the intersection of a NW trending D4 fault zone with a magnetically prominent stratigraphic unit (See Fig 5). We look forward to the imminent air core drilling program testing those targets in the very near term following the rig completing its planned 6,000m at Sir Laurence in the coming week or so.

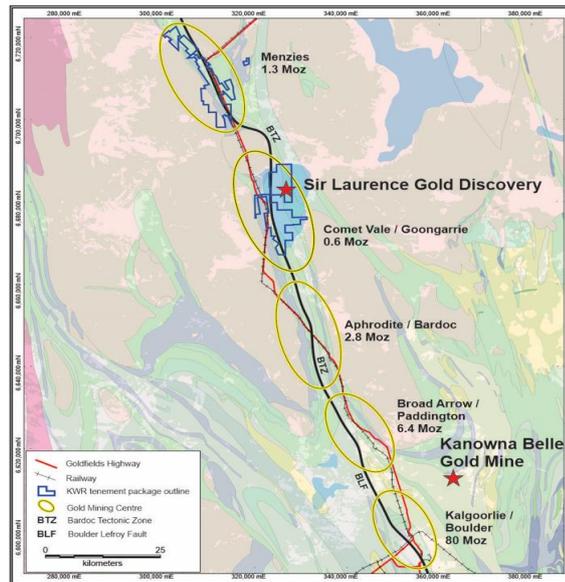


Fig 1 Above; Location of Sir Laurence Gold Discovery & Goongarrie Gold Project in relation to the +6Moz Kanowna Belle Gold Mine

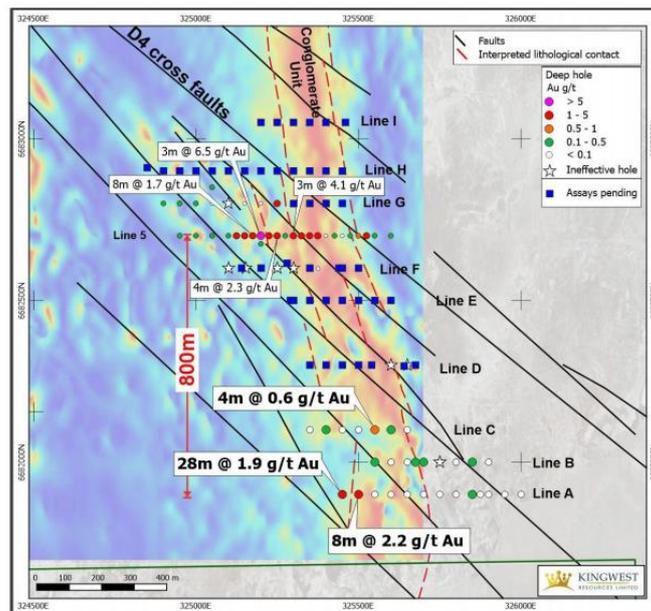


Fig 2 Above; Sir Laurence Prospect Discovery (Drill Line 5) and the Newly announced Gold Intercepts (Drill Line A, B & C) plotted over aeromagnetics highlighting the D4 cross cutting faults and the displacement of the Black Flag Conglomerate unit.

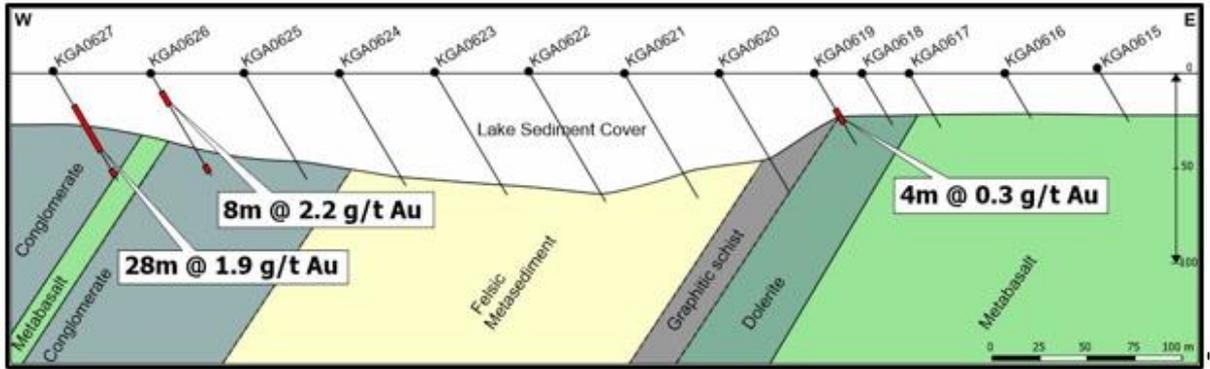


Fig 3 Above: Cross section through drill Line A

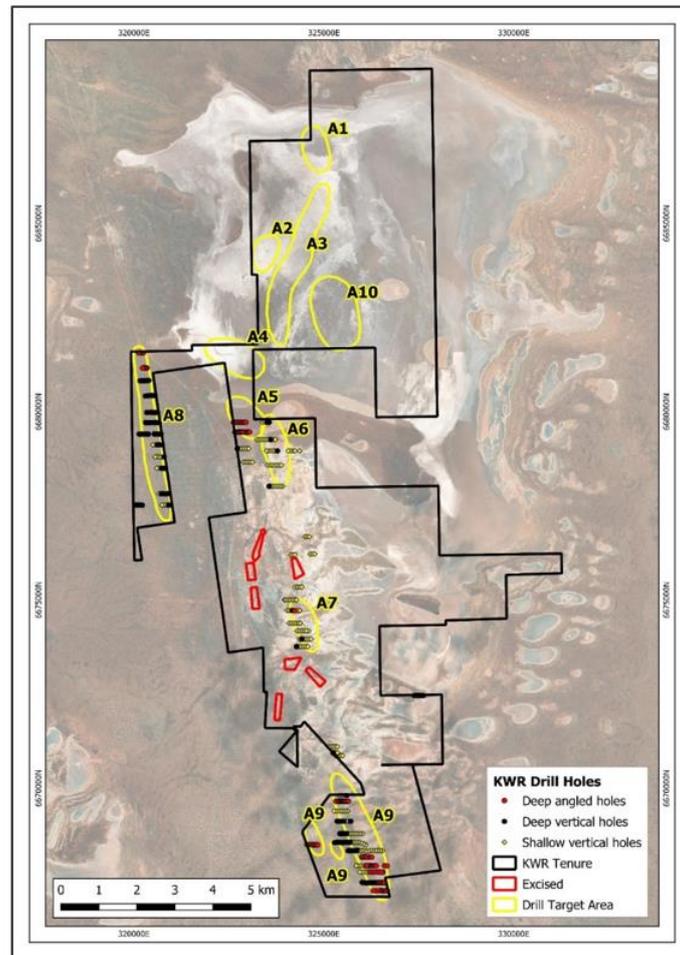


Fig 4 Above: Satellite image of KWR's Goongarrie tenements with recently drilled Targets marked. The New Sir Laurence Gold Discovery and the newly reported intercepts is located in Target Area 10

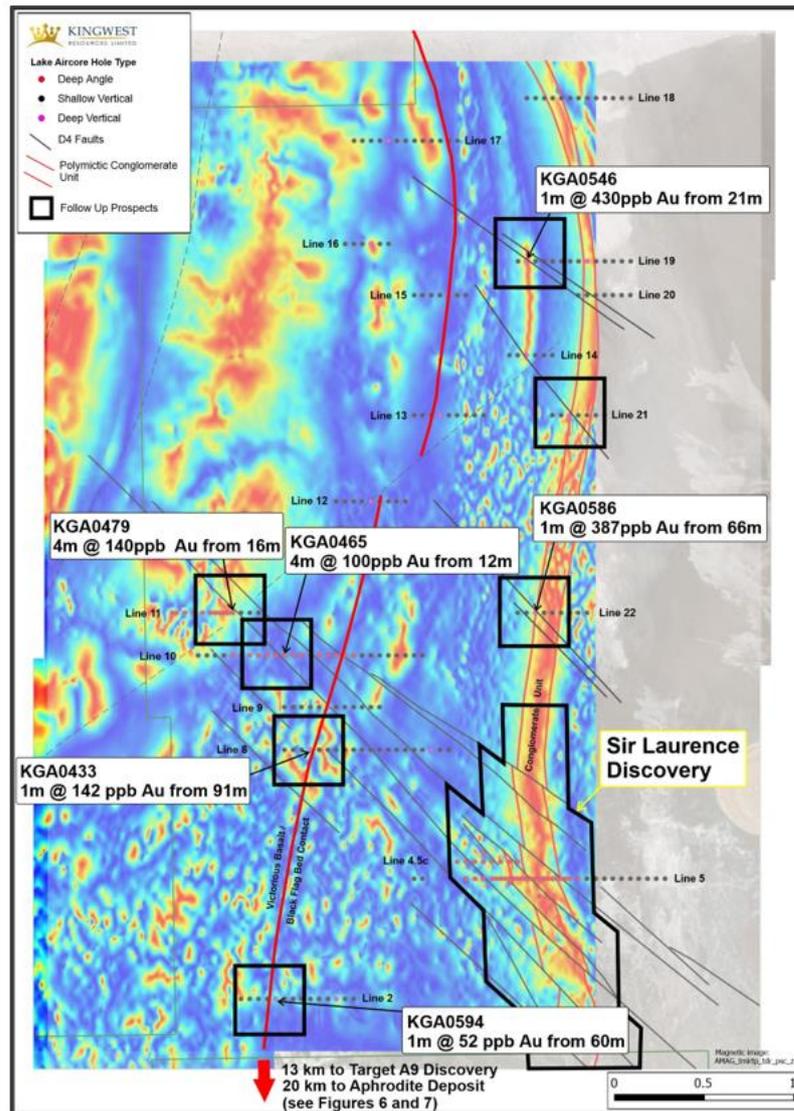


Fig 5 Above: Magnetic image of KWR's Goongarrie tenements with New Anomalous Gold Discovery Targets marked. The New Sir Laurence Gold Discovery is located in Target Area 10. The other targets in Areas 4 & 3 & 2.

The reader of this Stock Commentary is strongly encouraged to obtain a copy of Peloton Capital's Initiating Coverage Research report on KWR dated 20th October 2020 which provides more detail and our view on KWR and its projects.

Disclaimer & Disclosure of Interests: This stock commentary is provided by Peloton Capital Pty Ltd (Peloton) (ABN 22 149 540 018, AFSL 406040) and is general in nature. It is intended solely for the use of wholesale clients. This stock commentary must not be copied or reproduced, or distributed to any person, unless otherwise expressly agreed by Peloton. This document contains only general securities information or general financial product advice. The information contained in this stock commentary has been obtained from sources that were accurate at the time of issue, including the company's ASX releases which have been relied upon for factual accuracy. The information has not been independently verified. Peloton does not warrant the accuracy or reliability of the information in this stock commentary. The stock commentary is current as of the date it has been published.

In preparing the stock commentary, Peloton did not take into account the specific investment objectives, financial situation or particular needs of any specific recipient. The stock commentary is published only for informational

purposes and is not intended to be personal financial product advice. This stock commentary is not a solicitation or an offer to buy or sell any financial product. Peloton is not aware whether a recipient intends to rely on this stock commentary and is not aware of how it will be used by the recipient. Before acting on this general financial product advice, you should consider the appropriateness of the advice having regard to your personal situation, investment objectives or needs. Recipients should not regard the stock commentary as a substitute for the exercise of their own judgment.

The views expressed in this stock commentary are those of the analyst/author named on the cover page. No part of the compensation of the analyst is directly related to inclusion of specific recommendations or views in this stock commentary. The analyst/author may receive compensation partly based on Peloton revenues as well as performance measures such as accuracy and efficacy of recommendations, stock commentaries and research reports.

Peloton believes that the information contained in this document is correct and that any estimates, opinions, conclusions or recommendations are reasonably held or made at the time of its compilation in an honest and fair manner that is not compromised. However, no representation is made as to the accuracy, completeness or reliability of any estimates, opinions, conclusions or recommendations (which may change without notice) or other information contained in this stock commentary. To the maximum extent permitted by law, Peloton disclaims all liability and responsibility for any direct or indirect loss that may be suffered by any recipient through relying on anything contained in or omitted from this stock commentary. Peloton is under no obligation to update or keep current the information contained in this stock commentary and has no obligation to tell you when opinions or information in this stock commentary.

Peloton does and seeks to do business with companies covered in research. As a result, investors should be aware that the firm may have a conflict of interest which it seeks to manage and disclose.

Peloton and its directors, officers and employees or clients may have or had interests in the financial products referred to in this stock commentary and may make purchases or sales in those the financial products as principal or agent at any time and may affect transactions which may not be consistent with the opinions, conclusions or recommendations set out in this stock commentary. Peloton and its Associates may earn brokerage, fees or other benefits from financial products referred to in this stock commentary. Furthermore, Peloton may have or have had a relationship with or may provide or has provided, capital markets and/or other financial services to the relevant issuer or holder of those financial products.

Copyright: Peloton Capital Pty Ltd, 2021. All rights reserved.