

## Stock Commentary

### **Subject: Kingwest Resources Limited: Goongarrie Gold Project**

#### NEW GOLD DISCOVERY

### **2km NNW of Ardea Resources' 2020 Aphrodite North Gold Discovery & 7km N of Bardoc Golds' 1.66Moz Aphrodite Gold Deposit**

#### **Background**

Kingwest Resources Limited (ASX:KWR) announced on 1st February 2021 the results of the first 28 holes of a 381 hole first pass air-core exploration program targeting for the first time several targets at its Goongarrie Gold Project (GGP) located 90 km north of Kalgoorlie in Western Australia.

Drilling has intersected a wide zone of strong new mineralisation previously unknown. Results from this new discovery include:

- (Hole # KGA038)
  - **6.0m grading 17.2gpt Au** from 94m WITHIN 38m grading 3.1gpt Au from 62m with the HOLE ENDING IN MINERALISATION
- and
- (Hole # KGA039)
  - **4.0m grading 2.5gpt Au** from 74m WITHIN 8.0m grading 1.3gpt Au from 74m

#### **Key Takeaway Points**

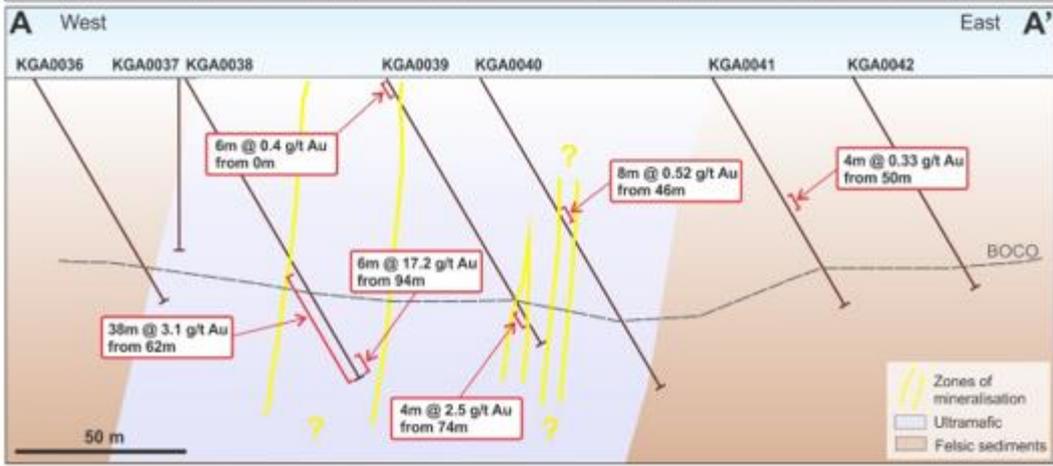
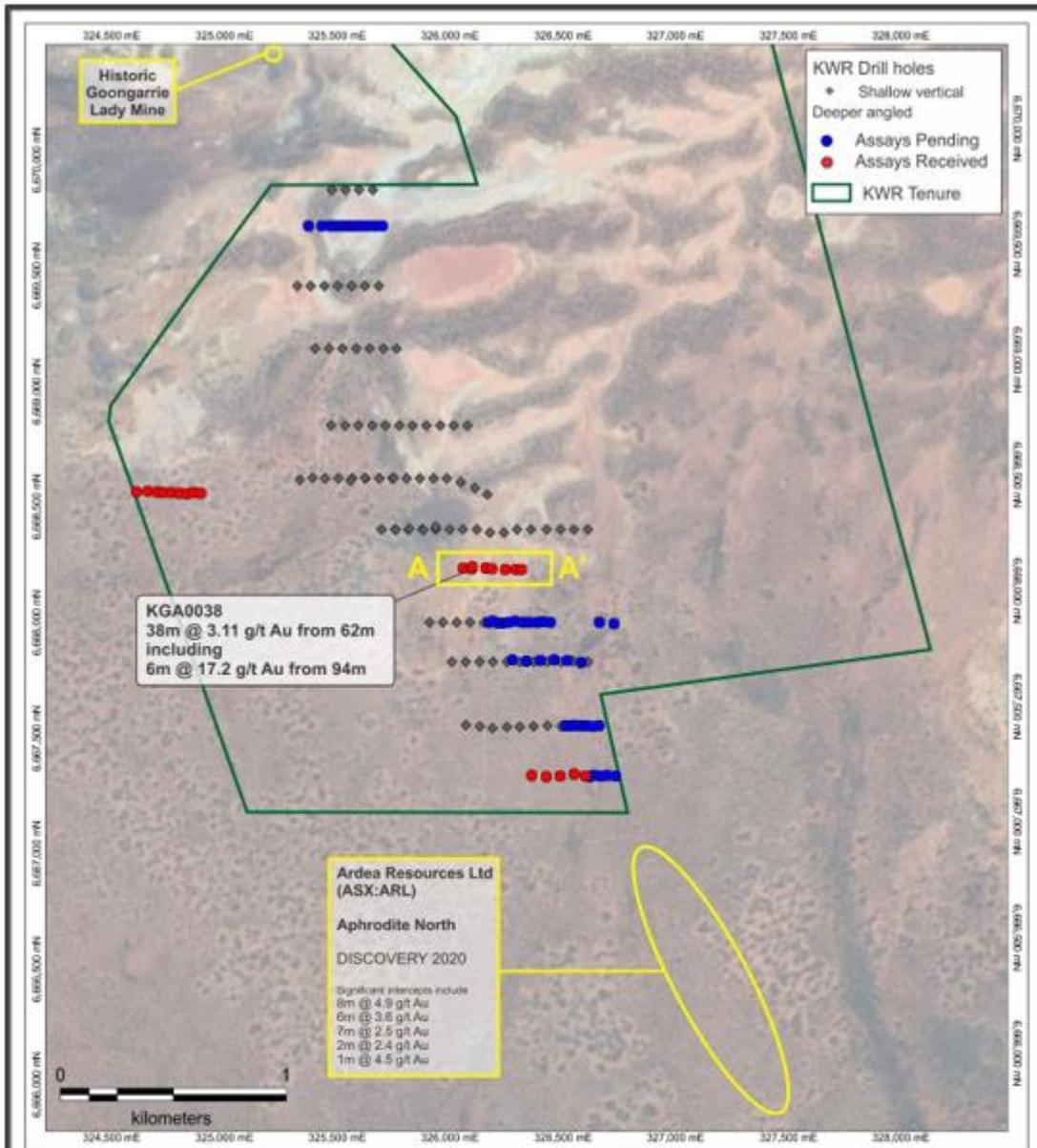
- 1) Whilst it is still early days, this is nothing short of a great result, with KWR clearly discovering a new high grade gold bearing zone of mineralisation previously unknown.
- 2) The mineralisation is located only 2km NNW from Ardea Resources' 2020 Gold discovery at *Aphrodite North* and approximately 7km north of Bardoc Gold Limited's *Aphrodite Gold Deposit* (22.9Mt grading 2.3gpt for 1.66Moz).
- 3) The discovery hole occurs in a sheared ultramafic unit within the lower part of the Black Flag metasedimentary sequence which KWR reports as being similar to that at Goongarrie Lady gold deposit 3km along strike to the north and the Aphrodite North discovery located 2km along strike to the SSE, where the host rock is reported to be a mafic unit within the lower part of the Black Flag metasedimentary sequence.
- 4) Putting the discovery into perspective, one has to bear in mind that this result is only from a *first pass* maiden aircore drilling program, which was largely designed to pick up anomalous gold intervals from targets generated by the Company's technical team ready for follow up RC drilling. The discovery hole ended in mineralisation simply due to the mechanical limits of the aircore drilling technique i.e. *Blade Refusal* when the drill hit fresh/transitional rock and could not drill further.
- 5) Whilst we strongly share the same belief with KWR that GGP is a very prospective area, this is a pleasant surprise this early on and to pick up such strong mineralisation from first pass is a bonus. It also bolsters our firm believe that the GGP which covers one of the least tested parts of the prolifically well endowed Bardoc Tectonic Zone (BTZ) is highly prospective for one or more multi million ounce discoveries.

- 6) We simply observe with interest the discovery intersection is similar in grade and width to Bardoc Golds' Aphrodite Deposit discovery hole which as reported on that Company's website was 10m grading 8.6gpt Au from within the area's weathered bedrock (saprolite).
- 7) We look forward to further reporting of results in the coming days and weeks.

The reader of this Stock Commentary note is also strongly encouraged to read the Peloton Capital Research Report dated 20th October 2020 which provides further detail on GGP, the Company and its other project Menzies Gold Project (MGP). On pages one and eight, we highlighted the "Standout Exploration Projectivity" GGP has, noting at that time: "After an absence of any significant exploration activity for circa 10 years and production for over 30 years, drilling is about to commence following up on historical high grade intercepts and drill testing the BTZ basalt/sediment contact under shallow salt lake cover for the first time. This exciting drilling, is considered highly prospective ground for the discovery of additional multi million ounce deposits on the BTZ."



Fig above: Location of KWR's Goongarrie Gold Project (GGP).  
 NB) The project's close proximity to several mining centres, all with potential toll milling facilities available



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