

24 June 2014



Company Announcements Office
ASX Limited

**Employee share scheme buy-back
Notification of cancellation of shares**

In accordance with Listing Rule 3.8A, we enclose a copy of the Form 484 lodged with ASIC in relation to the cancellation of Shares bought back under Kalnorth Gold Mines' Employee Share Scheme.

Enquiries to:

James Church
Company Secretary
jchurch@connell-lawyers.com.au

Change to company details

Company details

Company name

KALNORTH GOLD MINES LIMITED

Australian Company Number (ACN)

100 405 954

Lodgement details

Who should ASIC contact if there is a query about this form?

Name

James Murray CHURCH

Signature

This form must be signed by a current officeholder of the company.

I certify that the information in this form is true and complete

Name

James Murray CHURCH

Capacity

Secretary

Signature

Date signed

23-06-2014

C1 Cancellation of shares

Reason for cancellation

Shares cancellation details

Reason for cancellation

ss.257H(3) Share buyback - Other buy-back type. A form 280 or 281 must be lodged at least 14 days, and no more than 1 year before the share buy-back can take place

The cancelled shares are listed below:

| Share class code | Number of shares cancelled | Amount paid (cash or otherwise) | |
|------------------|----------------------------|---------------------------------|--|
| ORD | 3486842 | 914500 | |

Earliest Date of cancellation

17-06-2014

C3 Change to share structure

The updated details for this changed share class are shown in the table below.

| Share class code | Full title if not standard | Total number of shares | Total amount paid on these shares | Total amount unpaid on these shares |
|------------------|----------------------------|------------------------|-----------------------------------|-------------------------------------|
| ORD | ORDINARY | 238946696 | 74474199.00 | 0.00 |

Earliest date of change

17-06-2014