



8 September 2014

ASX RELEASE

Signed Converting Loan Agreement

The board of KalNorth Gold Mines Limited (ASX:KGM) ("KalNorth" or the "Company") is pleased to announce that KalNorth had executed a converting loan agreement with the Gold Fresh Limited ("GF") which is an investment company based on Hong Kong.

According to this agreement, GF will provide \$350,000 loan to KalNorth with the term of 18 months, the annual interest rate is 8%. The Converting will be subject to Shareholder approval which will be sought at the 2014 Annual General Meeting of Shareholders.

Lijun Yang
Executive Director & Company Secretary
KalNorth Gold Mines Limited