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28 January 2021

Madeleine Green
Senior Advisor, Listing Compliance
ASX
L 40, Central Park
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Perth WA 6000



Dear Maddie

Re: Kula Gold Price Query (Ref 30012)

The response in relation to the Pricing Query from ASX Price Query dated 28 January 2021 is as follows:

- 1) No
- 2) N/A
- 3) The Company announced preliminary results from an auger drilling program at Airfield Gold Project –Southern Cross. The Company also believes that there is increasing recognition that the Company is undervalued compared to its peers given the location and prospectively of the Company's projects.
- 4) KGD confirms that it is in compliance with ASX Listing Rules, in particular, Listing Rule 3.1.
- 5) The response above has been authorised and approved under its continuous disclosure policy by the Board.

Regards

A handwritten signature in blue ink, appearing to read "Simon Adams".

SIMON ADAMS
Company Secretary



28 January 2021

Reference: 30012

Mr Simon Adams
Company Secretary
Kula Gold Limited

By email:

Dear Mr Adams

Kula Gold Limited ('KGD'): Price Query

ASX refers to the following:

- A. The change in the price of KGD's securities from a low of \$0.043 at the commencement of trade to an intraday high of \$0.057 today, Thursday 28 January 2021.
- B. The significant increase in the volume of KGD's securities traded today, Thursday 28 January 2021.

Request for information

In light of this, ASX asks KGD to respond separately to each of the following questions and requests for information:

- 1. Is KGD aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading in its securities?
- 2. If the answer to question 1 is "yes".
 - (a) Is KGD relying on Listing Rule 3.1A not to announce that information under Listing Rule 3.1? Please note that the recent trading in KGD's securities would suggest to ASX that such information may have ceased to be confidential and therefore KGD may no longer be able to rely on Listing Rule 3.1A. Accordingly, if the answer to this question is "yes", you need to contact us immediately to discuss the situation.
 - (b) Can an announcement be made immediately? Please note, if the answer to this question is "no", you need to contact us immediately to discuss requesting a trading halt (see below).
 - (c) If an announcement cannot be made immediately, why not and when is it expected that an announcement will be made?
- 3. If the answer to question 1 is "no", is there any other explanation that KGD may have for the recent trading in its securities?
- 4. Please confirm that KGD is complying with the Listing Rules and, in particular, Listing Rule 3.1.
- 5. Please confirm that KGD's responses to the questions above have been authorised and approved under its published continuous disclosure policy or otherwise by its board or an officer of KGD with delegated authority from the board to respond to ASX on disclosure matters.

When and where to send your response

This request is made under Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by no later than **3:00 PM AWST Thursday, 28 January 2021**. You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall

within the exceptions mentioned in Listing Rule 3.1A, KGD's obligation is to disclose the information 'immediately'. This may require the information to be disclosed before the deadline set out in the previous paragraph and may require KGD to request a trading halt immediately.

Your response should be sent to me by e-mail at **ListingsCompliancePerth@asx.com.au**. It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

Trading halt

If you are unable to respond to this letter by the time specified above, or if the answer to question 1 is "yes" and an announcement cannot be made immediately, you should discuss with us whether it is appropriate to request a trading halt in KGD's securities under Listing Rule 17.1. If you wish a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.

We require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted. You can find further information about trading halts in Guidance Note 16 *Trading Halts & Voluntary Suspensions*.

Suspension

If you are unable to respond to this letter by the time specified above, ASX will likely suspend trading in KGD's securities under Listing Rule 17.3.

Listing Rules 3.1 and 3.1A

In responding to this letter, you should have regard to KGD's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure*: Listing Rules 3.1 – 3.1B. It should be noted that KGD's obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

Release of correspondence between ASX and entity

We reserve the right to release a copy of this letter, your reply and any other related correspondence between us to the market under Listing Rule 18.7A.

Questions

If you have any questions in relation to the above, please do not hesitate to contact me.

Yours sincerely

Madeleine Green
Senior Adviser, Listings Compliance (Perth)