



ASX Announcement & Media Release

RC Drilling Discovers Previously Unmapped Amphibolite/BIF in the Ghooli Dome

Date: 2 July 2021

ASX Code: KGD

Board of Directors:

Mark Stowell (Chairman)

Mark Bojanjac

John Hannaford

Simon Adams

Shares on Issue:

179,175,632 Ordinary Shares

3,100,000 Options

Cash at Bank:

\$1.7m (Q1 2021)

Highlights:

- RC drilling Discover’s large areas of previously unmapped nor recognised amphibolite/BIF (greenstone) belts in the Airfield Gold Project, part of the Company’s large Southern Cross Gold project;
- The Company has recognised a geophysical signature associated with the results and has identified numerous repeats of similar greenstone prospects in the region so Kula has applied for new applications adding to Airfield covering 570km²;
- Subsequent field verification of Amphibolite/BIF in several areas inside the Ghooli Dome confirm over 25km of strike length to date;

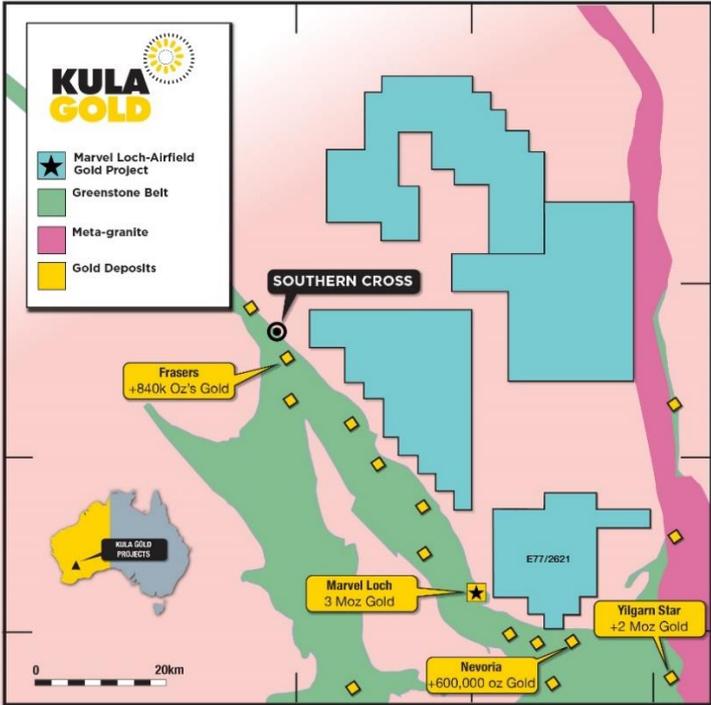


Figure 1. Kula Gold Airfield Project with new licence applications

Kula Gold Limited (Kula or the Company) reports a major technical breakthrough in the Company’s highly prospective Southern Cross Gold project. RC drilling has discovered large areas of previously unmapped nor recognised amphibolite/BIF (greenstone) belts in the Airfield Gold Project (E 77/2621 see Figure 1).



Figure 2. Displaying RC drilling samples

The Company has recognised a geophysical signature associated with the results and has identified numerous repeats of similar greenstone prospects in the region, so Kula has applied for new applications adding to Airfield covering 570km²- refer Figure 1.

Subsequent field verification of amphibolite/BIF in several areas inside the new licences confirm over 25km of strike length to date.



Figure 3. Amphibolite outcrop with BIF float inside the Ghooli Dome on a new licence application

The new information will focus Kula's next Southern Cross exploration program targeting totally unexplored greenstones in this prolific gold producing region, which is gearing up in H2 2021.

Kula's initial interest in the Ghooli area came from a Sons of Gwalia (SOG) low level Au anomaly generated from regional auger regolith sampling. This anomaly appears to be associated with previously unknown, upper greenschist to lower amphibolite facies greenstones with good potential host rocks (BIF, mafic volcanics) in the centre of the Ghooli granite dome. There is no prior exploration work on the Airfield EL other than this 30-year-old work by SOG.

This technical breakthrough endorses Kula's focus of drilling near to operating gold mines as geologically proven areas for discovery, and importantly the development and mining of any discovery is much quicker and far less capex than a greenfields new mine development. The new licences are now targeting previously unrecognised amphibolite zones in the Ghooli Dome which were intersected in the recent Airfield drilling program to the south.

The drilling program consisted of 4 Aircore holes and then 23 RC holes for 1824m of drilling. RC drilling at the Crayfish Prospect intersected silica-epidote altered, quartz-veined amphibolite with zones of pyrite, with only low level gold results, which explains the gold in the auger sampling from the first pass auger. The RC program results as follows, for Au ranged from below detection (BD) to 73ppb gold over 4m, Platinum ranged from BD to 65ppb and Palladium from BD to 60ppb. Drilling confirmed the new additional target of gold in greenstones, so refines the auger sampling in future programs for time and cost savings to identify prospective auger geochemical targets for future RC drill testing.

Kula has completed auger drilling along approximately 51km of lines on the Marvel Loch licence and results will be reported once they are available from the assay laboratory.

Drillholes 21BMRC001-003 were testing a geophysics target and intersected thick approximately 40m vertical zones of kaolin which have been separately sampled and sent to Bureau Veritas and CSIRO in Adelaide for kaolin testwork and results of this testwork will be reported in due course.

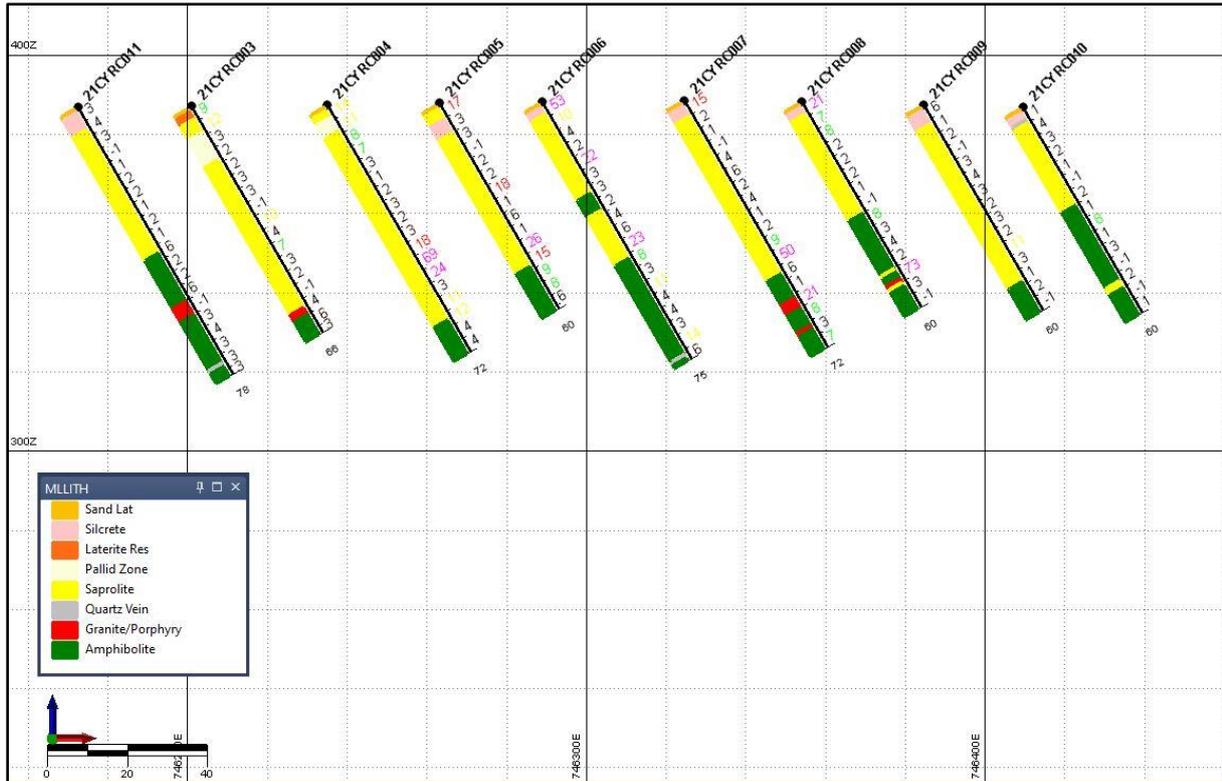


Figure 3 typical Section showing Au results at Airfield/Crayfish Prospect

Next Steps:

1. Resampling some of the RC to one metre samples, (from current 4m composite samples) and a constrained diamond drilling program to provide orientation data and geotechnical information.

April/May Auger Program Outcomes:

2. A compilation of auger results which are inbound from the lab will be performed, followed by infill auger sampling of any generated gold anomalies from the first pass broad program.
3. RC drilling program of any gold anomalies generated from the incoming auger results.

Brunswick Project Exploration

A substantial soil program has been conducted in the Brunswick project, results will be reported in due course.

By order of the Board

For Further Information, Contact:

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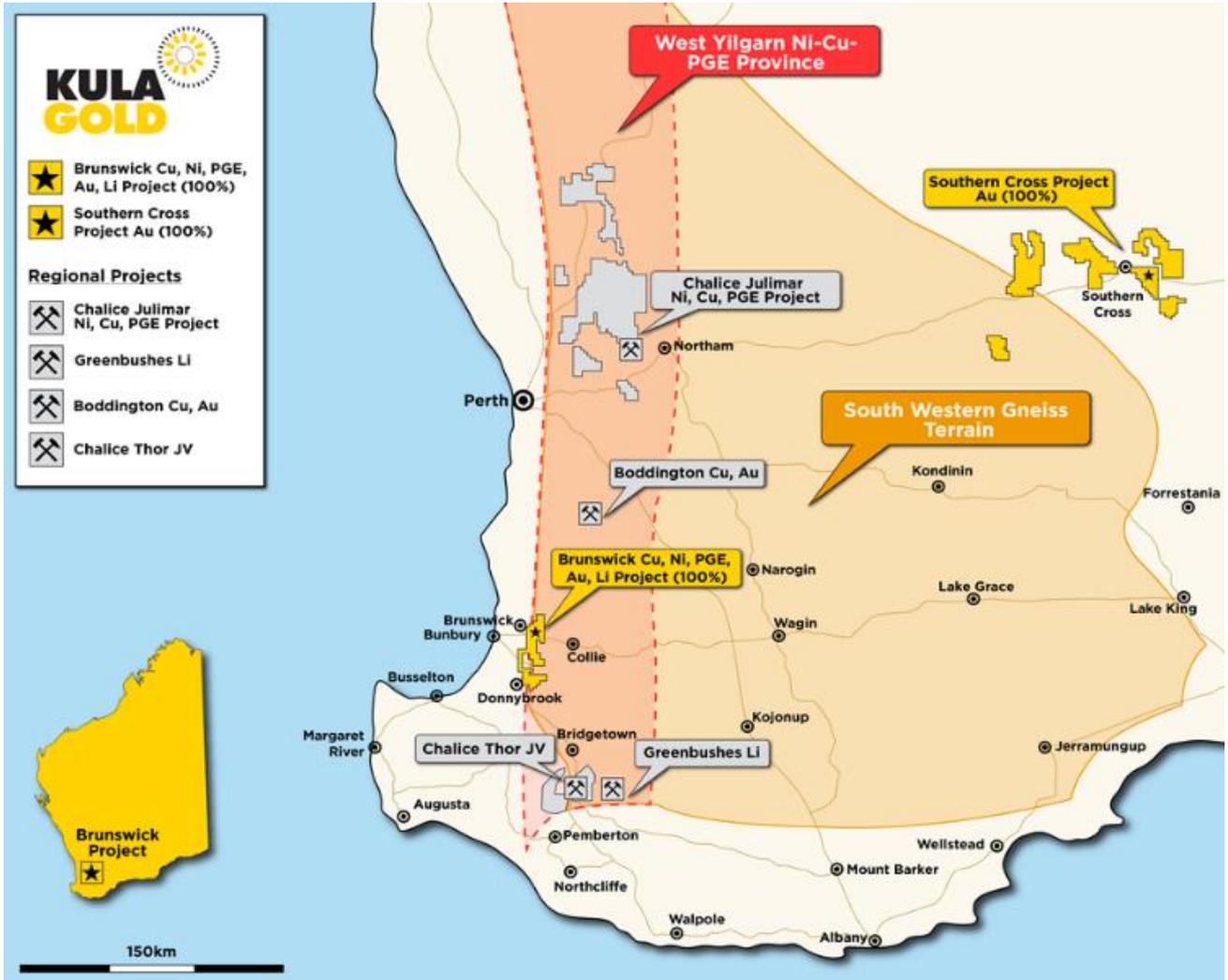
About the Company

Kula Gold Ltd (ASX: KGD) is a Western Australia gold exploration company focussed on large land positions and structural geological settings capable of hosting ~1m oz or equivalent deposits.

The company has projects within the Southern Cross WA region including Rankin Dome and Marvel Loch, as well as near Kurnalpi and Brunswick. The company has a history of large gold resource discoveries with its foundation Woodlark Island project in PNG.

Qualified Person Statement

The information in this report that relates to geology and exploration is based on information compiled by Mr. Adam Anderson, a Competent Person who is a member of the Australian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. Mr. Anderson is a Geology and Exploration Consultant who has been engaged by Kula Gold Ltd. Mr. Anderson has sufficient experience, which is relevant to the style of mineralisation, geology and type of deposit under consideration and to the activity being undertaken to qualify as a competent person under the 2012 edition of the Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves (the 2012 JORC Code). Mr. Anderson consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.



Airfield Project Aircore and RC Drill Collar Information

Prospect	Hole ID	Type	Easting	Northing	RL	Depth	Dip	Azimuth
Crayfish	21CYAC001	Aircore	746422.845	6521041.705	386.763	60	-60	90
Crayfish	21CYAC002	Aircore	746453.526	6521041.452	386.928	40	-60	90
Crayfish	21CYAC003	Aircore	746473.465	6521039.67	386.989	47	-60	90
Crayfish	21CYAC004	Aircore	746498.674	6521032.323	386.866	60	-60	90
Crayfish	21CYRC001	RC	746532.1	6521033.294	386.229	78	-60	90
Crayfish	21CYRC002	RC	746576.91	6521040.608	386.196	60	-60	90
Crayfish	21CYRC003	RC	746200.933	6520947.421	387.162	66	-60	90
Crayfish	21CYRC004	RC	746235.053	6520947.291	387.482	72	-60	90

Prospect	Hole ID	Type	Easting	Northing	RL	Depth	Dip	Azimuth
Crayfish	21CYRC005	RC	746263.159	6520946.513	387.951	60	-60	90
Crayfish	21CYRC006	RC	746288.903	6520947.709	388.294	75	-60	90
Crayfish	21CYRC007	RC	746324.564	6520948.774	388.675	72	-60	90
Crayfish	21CYRC008	RC	746354.043	6520946.875	388.345	60	-60	90
Crayfish	21CYRC009	RC	746384.59	6520948.686	387.573	60	-60	90
Crayfish	21CYRC010	RC	746409.458	6520949.106	386.937	60	-60	90
Crayfish	21CYRC011	RC	746172.402	6520949.729	387.01	78	-60	90
Crayfish	21CYRC012	RC	746170.972	6520848.815	388.216	66	-60	90
Crayfish	21CYRC013	RC	746199.703	6520848.695	387.996	60	-60	90
Crayfish	21CYRC014	RC	746279.133	6520852.876	388.399	72	-60	90
Crayfish	21CYRC015	RC	745926.198	6520125.941	394.102	66	-60	90
Crayfish	21CYRC016	RC	745952.823	6520129.365	393.798	66	-60	90
Crayfish	21CYRC017	RC	745978.67	6520141.808	393.626	72	-60	90
Crayfish	21CYRC018	RC	745555.844	6520137.214	395.576	78	-60	90
Crayfish	21CYRC019	RC	745585.858	6520142.696	395.447	72	-60	90
Crayfish	21CYRC020	RC	745610.227	6520145.579	394.734	66	-60	90
Boomerang	21BMRC001	RC	744044.356	6518929.856	416.996	84	-60	0
Boomerang	21BMRC002	RC	744052.17	6519136.281	414.566	90	-60	0
Boomerang	21BMRC003	RC	744055.344	6519193.998	413.479	84	-60	0

JORC Table 1

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information. 	<ul style="list-style-type: none"> Samples were collected from RC drilling as 4m spear type composites. Up to 3kg is crushed then pulverized and a nominal 40gram charge is taken by the laboratory. The 40 gram charge is then subject to total digest in a four acid digest and the solution is read by an ICP machine using OES to determine Au, Pt and Pd to 1ppb.
Drilling techniques	<ul style="list-style-type: none"> Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc). 	<ul style="list-style-type: none"> RC drilling utilizing a 51/8inch diameter bit with a face sampling hammer.
Drill sample recovery	<ul style="list-style-type: none"> Method of recording and assessing core and chip sample recoveries and results assessed. Measures taken to maximise sample recovery and ensure representative nature of the samples. Whether a relationship exists between sample recovery and grade 	<ul style="list-style-type: none"> Samples sizes were even sized piles. Driller lifted off between metres to maximise sample separation.

Criteria	JORC Code explanation	Commentary
	<i>and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i>	<ul style="list-style-type: none"> There is no relationship between sample recovery and grade.
Logging	<ul style="list-style-type: none"> <i>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i> <i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i> <i>The total length and percentage of the relevant intersections logged.</i> 	<ul style="list-style-type: none"> Individual metres were geologically logged for the entire drillhole. The geological logging is both qualitative and quantitative in nature
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> <i>If core, whether cut or sawn and whether quarter, half or all core taken.</i> <i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i> <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i> <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i> <i>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</i> <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i> 	<ul style="list-style-type: none"> Samples were spear type 4m composites of 1m RC samples. Sample preparation is industry standard where up to 3kg of sample is pulverized and a nominal 40gram charge is taken for fire assay. No field duplicates were taken as it is a first pass program and no significant gold was intersected in the drilling.
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i> <i>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i> <i>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</i> 	<ul style="list-style-type: none"> Fire assay technique is industry standard when assaying for Au, Pt and Pd. Handheld XRF was not used. Appropriate Geostats gold standards were inserted into the sample stream at a rate of 1:40 samples. Results for standards are within industry standard accepted limits of precision and accuracy.
Verification of sampling and assaying	<ul style="list-style-type: none"> <i>The verification of significant intersections by either independent or alternative company personnel.</i> <i>The use of twinned holes.</i> <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i> <i>Discuss any adjustment to assay data.</i> 	<ul style="list-style-type: none"> There were no significant intersections. No holes were twinned as it was a first pass program. Primary data is loaded into an access type database by qualified data people. No adjustments were made to the assay data.
Location of data points	<ul style="list-style-type: none"> <i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i> <i>Specification of the grid system used.</i> <i>Quality and adequacy of topographic control.</i> 	<ul style="list-style-type: none"> Drill collars were surveyed by Southern X Surveys using GNSS (mmGPS) with manufacturers specifications of +/-10mm North & East and +/-15mm RL and 1ppm. Survey control was established from Landgate SSMs and the survey traverse closed within the required accuracy. No DHS have been completed.
Data spacing and distribution	<ul style="list-style-type: none"> <i>Data spacing for reporting of Exploration Results.</i> <i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and</i> 	<ul style="list-style-type: none"> The RC fences were drilled across Kula generated auger geochemistry anomalies effectively as a heel to toe

Criteria	JORC Code explanation	Commentary
	<p><i>classifications applied.</i></p> <ul style="list-style-type: none"> • <i>Whether sample compositing has been applied.</i> 	<p>fence.</p>
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> • <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i> • <i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i> 	<ul style="list-style-type: none"> • Unknown at this stage as it is a first pass program. • It is unknown at such an early stage of exploration.
Sample security	<ul style="list-style-type: none"> • <i>The measures taken to ensure sample security.</i> 	<ul style="list-style-type: none"> • Samples were collected and transported to the transport companies secure depot and delivered directly to the laboratory by the transport company.
Audits or reviews	<ul style="list-style-type: none"> • <i>The results of any audits or reviews of sampling techniques and data.</i> 	<ul style="list-style-type: none"> • Not applicable

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> • <i>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</i> • <i>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</i> 	<ul style="list-style-type: none"> • E77/2621 a granted Exploration Licence 5km east of the Marvel Loch townsite which is 100% owned by Kula Gold Ltd and is not in any JV or have royalties attached. • RSHA signed. • Tenement is in good standing with DMIRS.
Exploration done by other parties	<ul style="list-style-type: none"> • <i>Acknowledgment and appraisal of exploration by other parties.</i> 	<ul style="list-style-type: none"> • Sons of Gwalia auger program previously reported on 5th Nov 2019 – Kula Gold Ltd Press Release “Marvel Loch – Airfield Gold Project”
Geology	<ul style="list-style-type: none"> • <i>Deposit type, geological setting and style of mineralisation.</i> 	<ul style="list-style-type: none"> • Archean lode style gold in granite was the targeted style of mineralisation
Drill hole Information	<ul style="list-style-type: none"> • <i>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:</i> <ul style="list-style-type: none"> ○ <i>easting and northing of the drill hole collar</i> ○ <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i> ○ <i>dip and azimuth of the hole</i> ○ <i>down hole length and interception depth</i> ○ <i>hole length.</i> • <i>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</i> 	<ul style="list-style-type: none"> • Presented above
Data aggregation methods	<ul style="list-style-type: none"> • <i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be</i> 	<ul style="list-style-type: none"> • No data aggregation methods were used. • No metal equivalents were

Criteria	JORC Code explanation	Commentary
	<p><i>stated.</i></p> <ul style="list-style-type: none"> Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. The assumptions used for any reporting of metal equivalent values should be clearly stated. 	used.
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> These relationships are particularly important in the reporting of Exploration Results. If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known'). 	<ul style="list-style-type: none"> No Mineralisation was intersected therefore this section is not applicable.
Diagrams	<ul style="list-style-type: none"> Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views. 	<ul style="list-style-type: none"> Drillhole location plan and type section are included
Balanced reporting	<ul style="list-style-type: none"> Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results. 	<ul style="list-style-type: none"> Both low and higher grades have been reported.
Other substantive exploration data	<ul style="list-style-type: none"> Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances. 	<ul style="list-style-type: none"> No other data besides the auger sampling exists.
Further work	<ul style="list-style-type: none"> The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling). Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive. 	<ul style="list-style-type: none"> Future work will include auger geochemistry of new areas in the licence.