ASX Announcement & Media Release

New Au-Pt-Pd±Cu and Greenstone-Au Prospect— Hippy Lady— Identified at the Brunswick Project

Highlights:

- **First pass soil sampling identifies Au-Pt-Pd±Cu anomalism coincident with magnetic feature at Hippy Lady Prospect**
- **Ni and Cr values confirm amphibolite of ultramafic affinity**

Kula Gold Limited (KGD) reports positive soil sampling results over an area targeted for Julimar Style mineralisation within the 100% owned Brunswick Project.

The sampling has identified a new area of interest, the Hippy Lady Prospect, which is prospective for both 'Julimar-Style' Pt-Pd-Au±Cu mineralisation as well as Archean greenstone-hosted gold mineralisation.

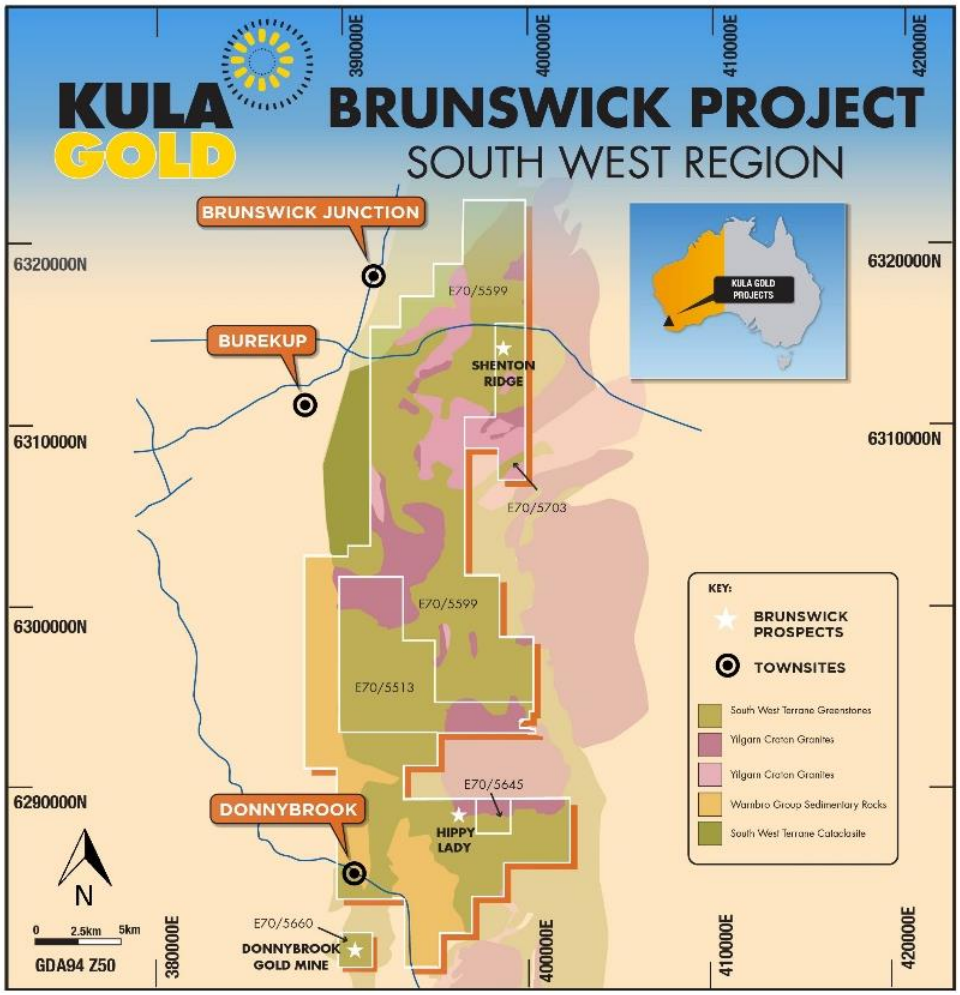

Figure 1. Kula Gold Ltd's Brunswick Project showing location of the new Hippy Lady Au-Pt-Pd±Cu and Greenstone-Au Prospect

ACN: 126 741 259

Date: 11 May 2022

ASX Code: KGD

Board of Directors:
Mark Stowell (Chairman)
Mark Bojanjac
John Hannaford
Simon Adams

Shares on Issue:
215,175,632 Ordinary Shares

Cash (Q1/2022):
$1.1 Million

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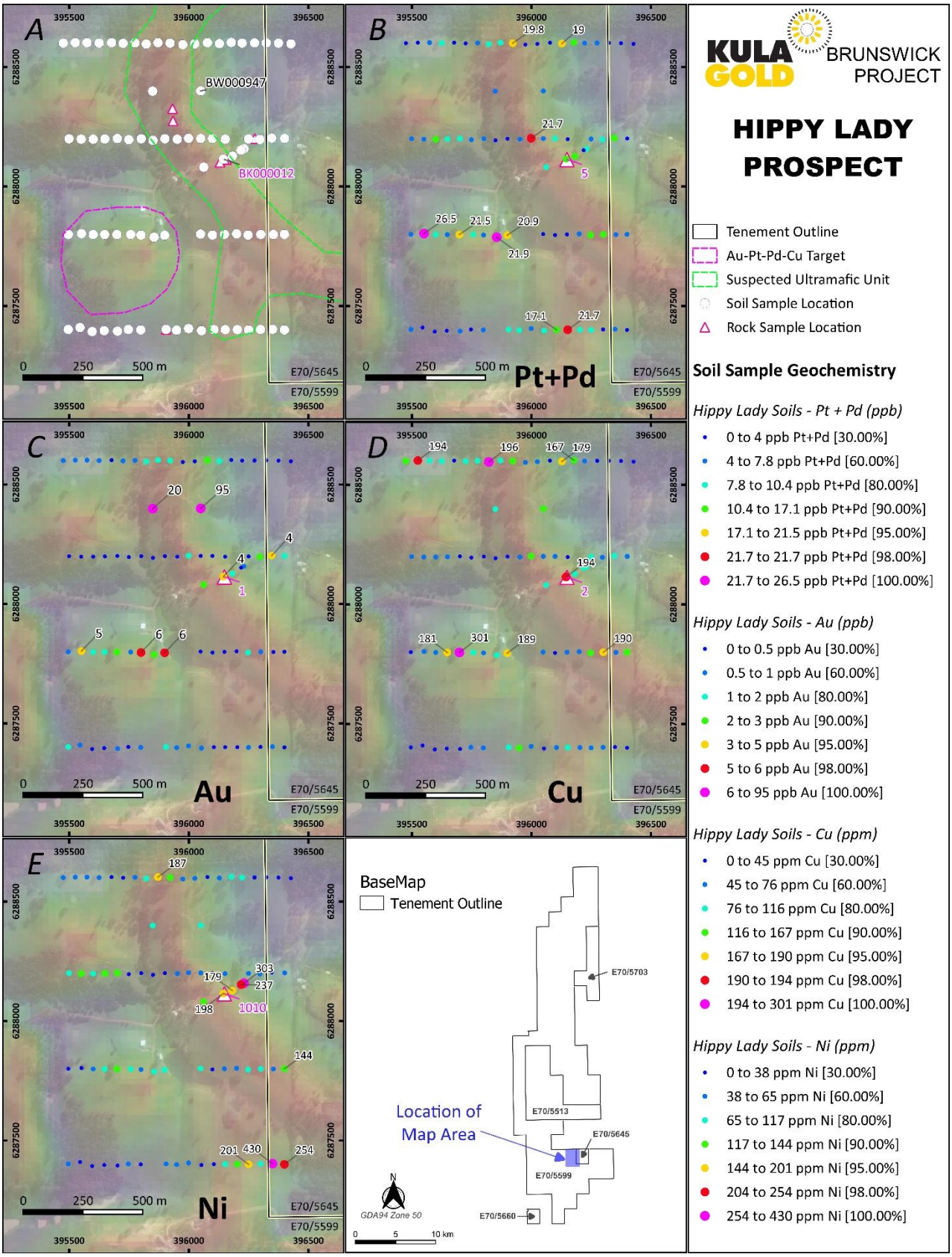

Figure 2: Soil Results over Hippy Lady Prospect (with values for samples > 90th percentile per element labelled) on aerial photograph overlain on tilt magnetics, showing (A) location of soil and rock samples with generalised trend of suspected ultramafic unit and location of Au-Pt-Pd-Cu target area, (B) Pt + Pd soil results, (C) Au soil results, (D) Cu soil results and (E) Ni Soil results.

81 soil samples, targeting a high magnetic responsive unit observed in publicly available magnetics data, were taken over the prospect area. Sample locations and results are provided in Figure 2. Relevant geo-statistics for all elements displayed and discussed are provided in Table 1.

Table 1. Geostatistics for selected elements of the 81 soil samples taken over the Hippy Lady Prospect at the Brunswick Project.

	Mean	Median	Standard Deviation	Min Value	Max Value
Au (ppb)	2.7	1	10.6	<1	95
Pt+Pd (ppb)	7.9	6.3	5.7	<1	26.5
Ni (ppm)	78.7	55	70.7	6	430
Cu (ppm)	79.4	65	57.8	6	301
Cr (ppm)	192.0	130	152.3	22	767
Mo (ppm)	1.4	1	0.9	1	5
S (ppm)	261.9	233	151.0	55	925
W (ppm)	2.5	2.5	0.4	2.5	6
Zn (ppm)	47.2	47	21.1	11	121

Results show statistically relevant Au-Pt-Pd+-Cu anomalism coincident with a circular magnetic feature of approximately 400m in diameter, suggesting potential for Julimar Style mineralisation.

Soil Sample BW000947 returned 95ppb Au along with elevated Cu, Mo, W, S and Zn (Table 2)— elements that are often associated with gold mineralisation in the Yilgarn Craton greenstones. Situated along the contact of the Southwest Terrane Greenstones with Yilgarn Craton Granites (simplified GSWA 1:2 500 000 mapping shown in Figure 1), Hippy Lady is sited in a geologically favourable position for greenstone-Au mineralisation due to the known spatial association of many world-class gold deposits along granite - greenstone contacts throughout the Yilgarn Craton. Table 2. Relevant results of soil sample BW000947

	Au_ppb	Cu_ppm	Mo_ppm	S_ppm	W_ppm	Zn_ppm
BW000947	95	152	5	925	6	101

The soil geochemistry suggests the high magnetic response represents an underlying ultramafic unit, explaining the scattered elevated Ni-Cu-PGE values seen within this trend. The presence of ultramafic rocks is further supported by rock sample BK000012 which returned Ni to Cr ratios consistent with an ultramafic (see Table 3) and is described in the field notes as a coarse-grained amphibolite.

Table 3. Relevant results of ultramafic rock sample BK000012

	Ni_ppm	Cr_ppm	Mg_pct	Ni:Cr
BK000012	1010	870	11.1	1.16

An infill soils program is being planned to further define the extents of anomalism and define a drill target.

Results from exploration in other areas of the Brunswick project are awaiting results and analysis and will be reported in due course.

By order of the Board

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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 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.

Competent Person Statement

The information in this report that relates to geology and exploration is based on information compiled by Mrs. Melanie Hickman, a Competent Person who is a member of the Australian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. Mrs. Hickman is a Geology and Exploration Consultant who has been engaged by Kula Gold Ltd. Mrs. Hickman 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). Mrs. Hickman consents to the inclusion in the report of the matters based on her information in the form and context in which it appears.

JORC Code, 2012 Edition – Table 1 report

Section 1 Sampling Techniques and Data

Criteria	Commentary

Sampling techniques	**Soil Samples:**
	• The sampling crew comprises either a Geologist and 1-2 field assistants, or 2-3 field assistants lead by an experienced field assistant that the KGD Senior Geologist or Exploration Manager have deemed competent at both recognizing the B Horizon and correct sampling technique.
	• A shovel is used to cut a rectangle through the grass sod, which is put to one side. A rectangular hole of approximately 250mm x 350mm is dug through organic A horizon by shovel until the B horizon (marked by a distinct colour change) is reached, with the soil placed on a green plastic bag. To ensure the B horizon has been properly intersected, KGD sampling crews are instructed to dig through until a consistent colour change is observed.
	  ○ In instances of poor B horizon development (typically at the top of ridges), the underlying C horizon is sampled (and documented with a different sample type code in the field ledger).
	  ○ If B/C horizon is not intersected by a depth 800mm, no sample is taken, and the sample site is recorded as 'geologically not sampled' in the field ledger.
	• All A horizon material is cleared out from the hole by hand, before a hand auger is used to break up and homogenize a bulk sample from the upper 150-200mm of the B (or C, where necessary) horizon.
	• A bulk sample of the homogenized material is obtained by a scoop (where possible) or hand and placed into a prenumbered calico bag.
	• The sample bag is weighed using a handheld digital luggage scale and the weight is recorded in the field ledger.
	• Between 2.5 – 4.5kg (depending on the visual clay content) is collected to ensure adequate volume of -75um size fraction is recoverable during subsequent sieving at the laboratory (moisture content prevents sieving directly in the field).
	• Upon completion of sampling, excess soil is poured back into the hole, the grass sod replaced and stamped back into place. The site is not marked to avoid ingestion of marking materials by livestock.
	• All sampling equipment is thoroughly washed and cleaned before moving to the next site.
	• Soil Samples were sent to Intertek Genalysis, where they were dried and systematically sieved down to the -75um size fraction. Material from the -75um size fraction was then analysed for gold, platinum and palladium using a 50g charge fire assay prep with ICP-MS finish. Multi element analyses, for 33 elements was completed via 4 acid digest and ICP-OES/MS finish.
	
	Rock Samples:
	• Rock samples are obtained directly from outcrop, subcrop or float, by KGD geologists using a geological hammer (geopick) and/or chisel.
	• Rock sampling methodology is determined by the KGD geologist at the time of sampling, with consideration of the purpose of the sample and conditions of the sampling site. Rock sampling methods include:
	  ○ Random Grab: rock chips are randomly obtained from the selected sample site / outcrop, therefore, sample can be considered as a general representation of the sample site.
	  ○ Selected Grab: sample is obtained from rock chips that the geologist has specifically selected (with respect to alteration or mineralisation) and therefore the sample is not representative of the whole outcrop / sample site, instead only representing a specifically selected subset.

Criteria	Commentary
	○ Semi Continuous Chip: rock chips of similar size/weight are obtained at regular, closely spaced intervals from a defined traverse across the outcrop/sample site, with traverse length and azimuth noted in the field ledger. Semi continuous chip samples provide a fairly accurate representation of the sample site/outcrop. ○ Continuous Chip: akin to a channel sample, whereby sample is obtained from a chiselling/chipping a continuous line of equally sized rock chips along a defined traverse across the outcrop/sample site, with the traverse length and azimuth recorded in the field ledger. This is the most accurate sampling method for sample site representativity, however, are difficult to obtain in the field without the use of a mechanised hand-held channel drill. • Typically, 1-2kg of rock chips are collected and placed in prenumbered calico bags, and details of the sample, including coding of the sampling methodology is recorded in the field ledger. • Rock samples were sent to either Bureau Veritas Canningvale, or Intertek Genalysis Maddington where they were crushed, split and pulverized to -75um, from which, a 50g (Intertek) or 40g (BV) charge was taken and analysed for gold, platinum and palladium via fire assay with ICP-MS finish. Where requested, multi element analyses, for 33 elements at Intertek or 21 elements at BV, was completed via 4 acid digest and ICP-OES/MS finish.
Drilling techniques	• Soil Samples: A 75mm diameter hand auger was used to break up and homogenise the B/C horizon from which the sample was obtained.
Drill sample recovery	• Sample weights are recorded at the time of collection. • There is no discernable relationship between sample weight and grade.
Logging	• At the time of collection, the KGD sample crew records relevant data for each sample in a field ledger against the sampleID. Quantitative data collected includes coordinates, project, prospect, date sampled, sample type, sample method and sample category (distinguishing primary and duplicate samples), sample depth, sample weight and a record of the people on the sampling crew. Qualitative data recorded includes sample hue/colour, moisture content along with any comments or geological observations that may assist later interpretation of results.
Sub-sampling techniques and sample preparation	• The sampling methodology is deemed appropriate for the nature and style of sampling being undertaken. • Appropriate measures were taken to minimize risk of contamination, including: cleaning the A horizon out of the hole before breaking the up the B Horizon for sampling, cleaning of all equipment on completion of each sample, and no jewelry was permitted to be worn on the hands or arms for the duration of the sampling programs. • Soil Sampling: field duplicates were taken at a rate of 1:40 samples. • No duplicates were taken for rock samples. • Sample size is considered appropriate for the grain size of the sample medium. • Sample representivity: ○ Soil samples: homogenisation of the B (or C) Horizon material in hole prior to sample collection ensures the sample is as a representative as possible. ○ Rock samples: sampling methodology is determined at the time of sampling with respect to the purpose of the sample and the conditions of the outcrop/sampling site. The sampling method is recorded for each sample such that results can be interpreted in consideration of the representativity of the sample taken. Comment on the specific representativity of each sampling method is provided in the *'Sampling Techniques'* section of this table.
Quality of assay data and laboratory tests	• The analytical method and procedure were as recommended by the laboratory for exploration and are appropriate at the time of undertaking. • The laboratory inserts a range of standard samples in the sample sequence, the results of which are reported to the Company. • The laboratory uses a series of control samples to calibrate the mass spectrometer and optical emission spectrometer. • All analytical work was completed by an independent analytical laboratory.
Verification of sampling and assaying	• Results have been reviewed independently by two KGD contract staff Senior Geologists as well as the KGD contract staff Exploration Manager. • Sample records were recorded in field ledgers at the time of sampling, which were then digitalized into spreadsheets by field assistants. The digital data is checked, spatially validated and approved by a KGD geologist prior to submission for loading into the database. • Independent data specialists use automated algorithms to load the data from the spreadsheets into the sharepoint-hosted database, accessible by KGD geologists in read only format. • Independent data specialists upload all assay results to the database directly from the results file received from the lab. • No adjustments have been made to the data.
Location of data points	• The location of each sample site is determined to an accuracy of ±3m using a handheld Garmin GPS. • The grid system used is UTM GDA94 Zone 50.
Data spacing and distribution	• Soil sampling was conducted at 50m spacing along 400m spaced lines, which is appropriate for the early nature of the exploration within the project. • No sample compositing has been applied
Orientation of data in relation to geological structure	• Unknown at this stage as it is a first pass soil sampling program. • It is unknown at such an early stage of exploration.
Sample security	• 5 sequential calico bags containing samples are placed into polyweave bags which are then secured with

Criteria	Commentary
	cable ties. Polyweave bags are transported via KGD Staff or Contractor directly to a secure storage yard where they placed in a bulky bag and collected by GJ Freight who transported the samples directly to the respective laboratory in Perth. On occasion, KGD Staff/Contractor dropped samples directly to the laboratory.
Audits or reviews	• The sampling procedure and methodology was observed in the field by an independent consultant, Steve Sugden, of Sugden Geoscience Pty Ltd, whom states "The sampling procedure demonstrated is fit purpose and overall meets good industry practise for soil sampling in these terrains" in his review.

Section 2 Reporting of Exploration Results

Criteria	Commentary
Mineral tenement and land tenure status	• The Brunswick Project extends from Brunswick Junction down to Donnybrook in the Southwest Region of Western Australia and comprises five granted Exploration licenses: E70/5599, E70/5645, E70/5703, E70/5513 and E70/5660. • All Exploration licenses are 100% owned by Kula Gold Ltd and none are in any JV agreement. E70/5660 has a 1% NSR with a buyout of $250k, whilst the other 4 tenements have no royalties attached. • National forest comprises 9.4% of E70/5703 & 7.9% of E70/5599. • All tenements are in good standing with DMIRS.
Exploration done by other parties	• With the exception of E70/5660 (which hosts the historical Donnybrook Gold Mine), review of open file reports on WAMEX reveals limited previous exploration over the remainder of the project area. Work completed includes: ○ 1983 – 1985: BHP conducted geophysical surveys over their project area as well as completed four (4) soil lines and 2 percussion holes (for 155m) at their Ironstone Rd Prospect which sits within current licence E70/551, as well as five (5) soil lines at their Honky Nut Prospect which sits in the Joshua Creek area of current license E70/5599 (A49464). ○ 1985 – 1986: In JV with BHP, Metana Minerals Pty Ltd conducted sporadic, but extensive, stream sediment sampling from 2nd order drainages and laterite sampling over the area currently held by KGD, as reported in A20415 and A31501. Metana took three (3) stream sediment samples in the direct vicinity of the Hippy Lady Prospect, none of which returned any significant results. ○ 1994 – 1995: Westralian Sands Limited completed RC drilling targeting mineral sands in the Roelands area (A44858) – results of this drill program are not considered relevant to the exploration activities being undertaken by KGD. ○ 1996 – 1997: ISK Minerals Pty Ltd completed a small RC drill program targeting mineral sands in the Burekup area (A50336)—results of this drill program are not considered relevant to exploration activities being undertaken by KGD. • Details of previous exploration on E70/5660 has been previously reported on 30th Sept 2021 – Kula Gold Ltd Press Release "Rock chips up to 7g/t gold collected at the newly acquired Donnybrook Gold Mine".
Geology	• The Brunswick Project is located within the Southwest Terrane Greenstones in the Southwest of the Yilgarn Craton in Western Australia. The Terrane is considered prospective for Greenstone-hosted gold mineralisation, epithermal style gold mineralisation, Julimar-style Cu-Ni-PGE mineralisation. There are also numerous historic and current quarries targeting construction materials and bauxite within the region.
Drill hole Information	• Sample locations are provided within figures contained within this press release. Downhole depth and intercept depth are not applicable nor relevant to the exploration results being reported.
Data aggregation methods	• No data aggregation methods were used. • No metal equivalents were used.
Relationship between mineralisation widths and intercept lengths	• Not applicable to the type of exploration results being reported.
Diagrams	• Maps appropriate to the early stage of exploration and type of exploration results being reported have been included in this press release.
Balanced reporting	• Geostatistics presented within this press release were calculated using the entire soil sample population (n=81) covering the Hippy Lady prospect. Highest and lowest results for each element have been presented, along with mean, median and standard deviation.
Other substantive exploration data	• Due to the early nature of exploration on this prospect, there is no further substantive exploration data to report.
Further work	• Immediate further work on the Hippy Lady Prospect will entail infill soil sampling to better define extents and direction of geochemical anomalism, as well as geological mapping.