

Quarterly Activity Report for the period ended 30 June 2024

Date: 30 July 2024 **ACN:** 126 741 259 **ASX Code:** KGD

Kula Gold Limited ("Kula" or "the Company") reports the quarterly activity for the period ended 30 June 2024.

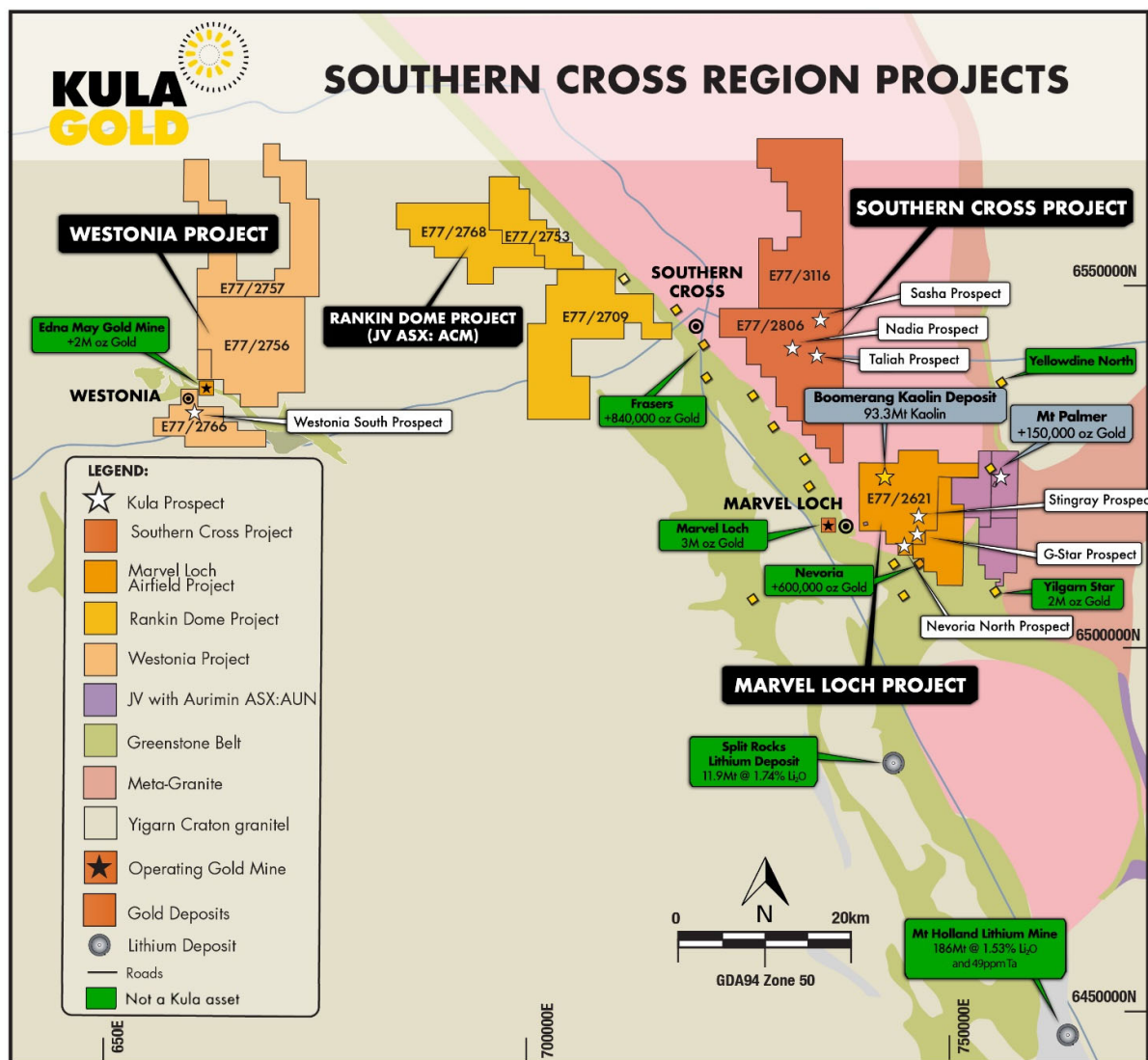


Figure 1: Kula's Southern Cross Projects (noting the non-Kula projects in green).



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Kula Gold Limited ACN 126 741 259

MT PALMER GOLD MINE – 51% (earning to 80%)

The Company has acquired 51% and earning to 80% of the historical Mt Palmer Gold Mine, located near Marvel Loch in the Southern Cross Goldfields in Western Australia, last commercially mined in 1944 down to only the 6th level (~160m) at 15.9 grams/tonne.

Kula acquired 51% of the tenements (M77/0406, E77/2210, E77/2423 & E77/2668) from Aurumin Limited (“Aurumin”) via the issue of 25,000,000 fully paid ordinary shares at the deemed issue price of \$0.01, following shareholder approval.

Kula can earn-in a further 29% by incurring exploration expenditure of \$1m for a period of up to 3 years. Aurumin has, in the event Kula does not earn the additional 29% interest, the right to purchase back a 2% interest for \$1. Thereafter Kula and Aurumin contribute on a prorated basis or Aurumin dilutes. Aurumin’s equity position converts to a 1% net smelter royalty if diluted to less than 10%.

[\(Refer ASX Announcement, dated 31 May 2024, Mt Palmer Gold Mine Acquisition and Placement\).](#)

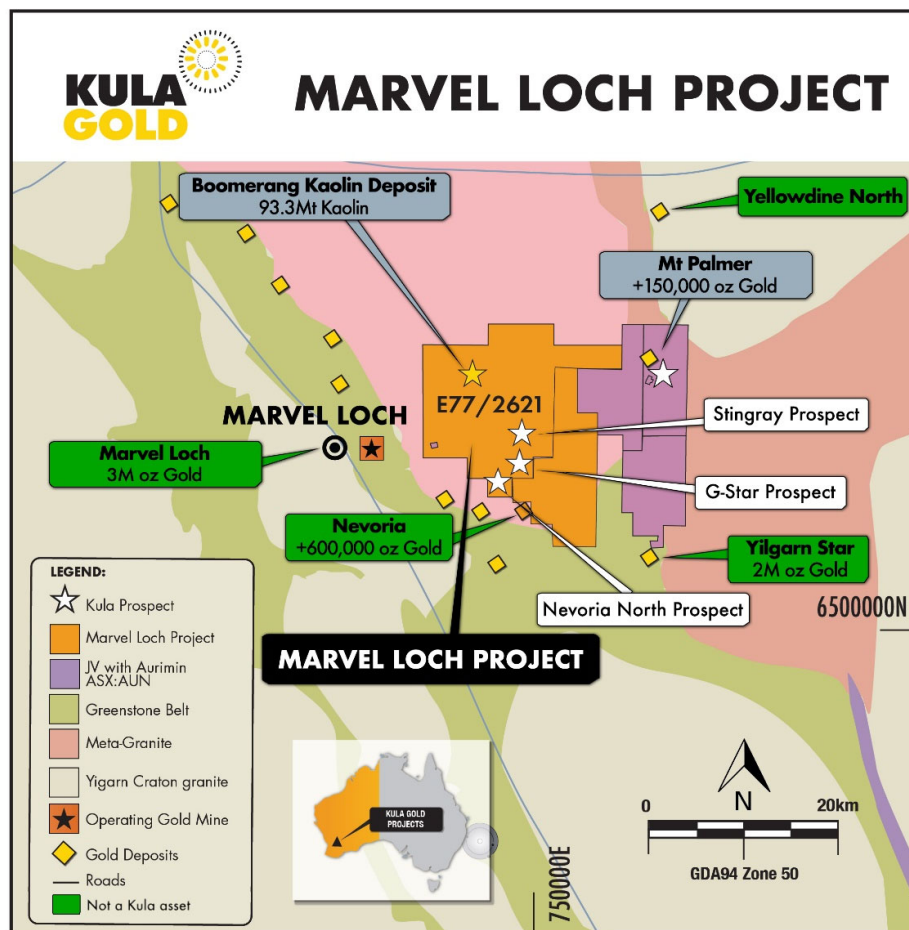


Figure 2: Kula’s Marvel Loch Projects (noting the non-Kula projects in green).

MARVEL LOCH – 100%

Boomerang Gold Prospect

A planned close spaced ultra fine fraction (UFF) geochemical soil sampling programme was completed on a 20m x 20m grid which defined a gold anomaly over 200m in length at the Boomerang Gold Prospect at the Marvel Loch Project, near Southern Cross WA.

RC drilling commenced during the week ended 3 May 2024, testing for gold and rare earth elements. [\(Refer ASX Announcement, dated 3 May 2024, RC Drilling Commenced – Boomerang Gold Prospect\).](#)

The short reconnaissance Boomerang RC drill programme of 4 holes below a soil anomaly did not return any gold assays of significance but intersected 27-32m of Kaolin which is in the process of being assayed to add to the Boomerang Kaolin resource.

Further gold targets are prospective around the previous 1m @ 2.6g/t drill return, for which further analysis is required, including refining the understanding of the surface geochemistry versus the depth profile. [\(Refer ASX Announcement, dated 23 May 2024, Exploration Update – Cammilleri Mine & Surrounds\).](#)

Boomerang Kaolin Deposit

The Company continued discussions during the quarter to advance development of the large Boomerang Kaolin Deposit of 93.3 million tonnes, near excellent infrastructure in Southern Cross WA.

Engineering studies continued for downstream processing on site to produce metakaolin products for the Green Construction Industry. Mineralogical/metallurgical test work by Sedgman has been completed confirming the suitability of the raw material for green cement as well as many uses such as paint, rubber and pesticide production.

Discussions with potential acquirers and developers of the project continue with a view to monetising this asset.

BRUNSWICK PROJECT – 100%

Cammilleri Prospect

Kula completed a rock chipping and mapping programme in the vicinity of the historical Cammilleri/Donnybrook Mine with an assay result of up to 11.19g/t gold. The Company completed a more intensive mapping of the outcropping veins that have haematite alternation.

Following the rock chipping and mapping programme, exploration activities progressed quickly. Extensive relogging and re-assaying of a 2023 drill programme completed by Range Resources Ltd plus gold was panned by the Company's geologist in hole DBRC08 at the interval 27-28m depth. [\(Refer ASX Announcement, dated 4 April 2024, Brunswick Project Update – Sample to 11.2g/t Gold\).](#)

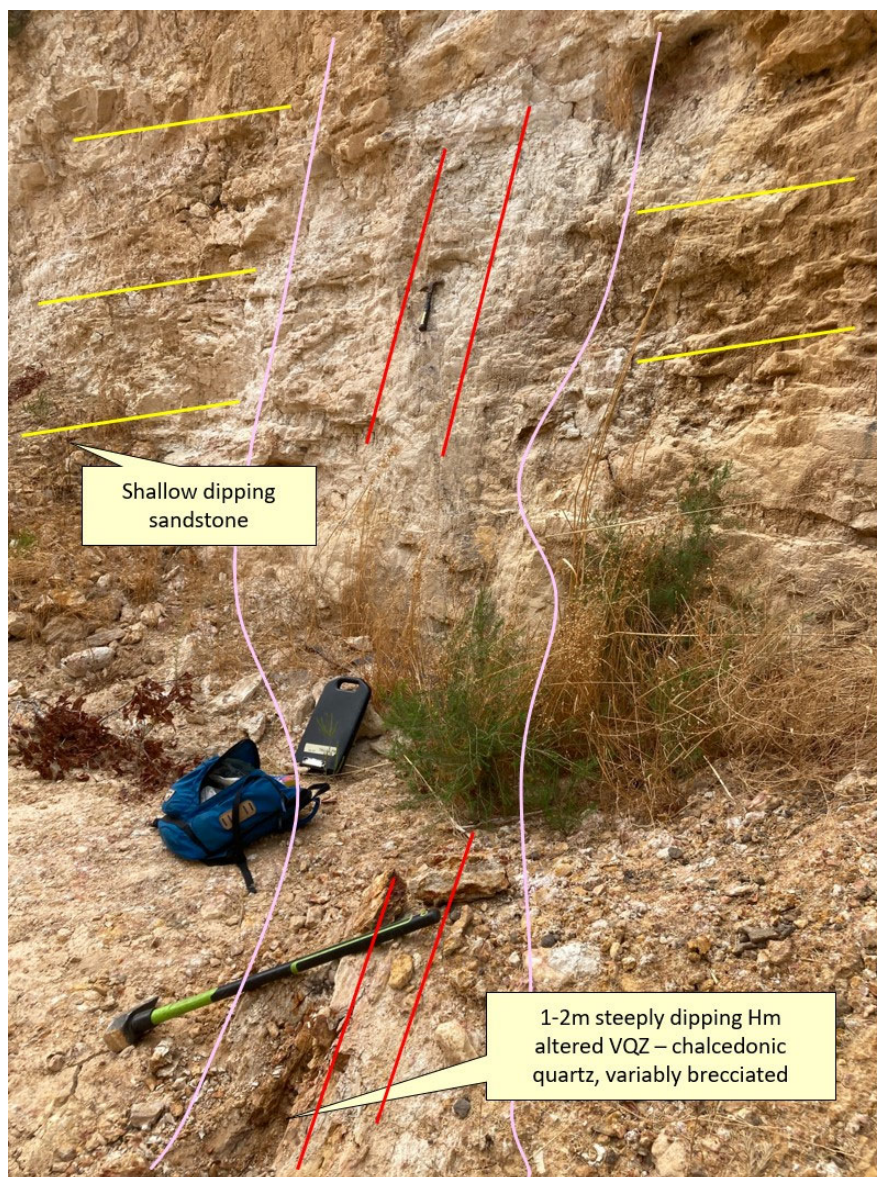


Figure 3: Outcropping predominantly hematite altered chalcedonic quartz veins shallowly dipping sandstones. No visual sulphides are evident.

RANKIN DOME PROJECT – 100%

Joint Venture partner, Australian Critical Minerals (ASX: ACM), currently earning a 51% interest in the Rankin Dome Project, provided an update on the metallurgy testing of RC drill samples and composites.

Australia's Nuclear Science and Technology Organisation (ANSTO) commenced preliminary leach tests on selected samples from RC drilling completed at Rankin Dome in September 2023.

Seven head samples (four composites and three individual samples) were prepared out of 18 samples provided. Sample head grades ranged from 1,148ppm to 1,674ppm TREO.

ACM intends to investigate whether rare earth mineralogy can vary with depth in the weathering profile or between areas within extensive TREO anomaly outlined to date at Rankin Dome.

[\(Refer ACM ASX Announcement, dated 23 April 2024, Beverly and Rankin Dome Exploration Update\).](#)

CORPORATE ACTIVITIES

The Company completed a placement issuing 121,000,000 fully paid ordinary shares to professional and sophisticated investors at an issue price of \$0.01 per share to raise \$1,210,000 before costs of \$77,660. Funds raised from the Placement will be applied towards a drilling programme at the Mt Palmer Gold Mine and for working capital. [\(Refer ASX Announcement, dated 31 May 2024, Mt Palmer Gold Mine Acquisition & Placement\).](#)

Following shareholder approval in May '24, the Company completed a placement to directors or related entities issuing 10,750,000 fully paid ordinary shares at an issue price of \$0.008 per share to raise \$86,000 as part of the placement completed in the prior quarter.

The Company paid a facility fee of \$25,000 to Acuity Capital for the At-the-Market Subscription Agreement ("ATM"). The ATM provides the Company with up to \$1,000,000 of standby equity capital over the period to 31 January 2029.

Payments to related parties during the quarter included in item 1, totalled \$66,321 which included director's fees, consulting fees and office leases.

By order of the Board

For Further Information, Contact:

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Competent Person Statement

The information in this report that relates to geology, exploration and visual estimates is based on, and fairly represents, information and supporting documentation compiled by Mr. Ric Dawson, a Competent Person who is a member of the Australian Institute of Mining and Metallurgy. Mr. Dawson is a Geology and Exploration Consultant who has been engaged by Kula Gold Limited and is a related party of the Company. Mr. Dawson 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). This market announcement is issued with the prior written consent of Mr. Dawson as to the form and context in which the exploration results, visual estimates and the supporting documentation are presented in the market announcement.

References:

MT PALMER GOLD MINE

ASX Release – Mt Palmer Gold Mine Acquisition & Placement – 31 May 2024

BRUNSWICK PROJECT

ASX Release – Brunswick Project Update – Sample to 11.2g/t Gold – 4 April 2024.

ASX Release - Exploration Update – Camilleri Mine & Surrounds – 23 May 2024.

MARVEL LOCH PROJECT

ASX Release – Marvel Loch – Boomerang Gold Exploration Update – 10 April 2024.

ASX Release – RC Drilling to Commence – Boomerang Gold Prospect – 29 April 2024.

ASX Release – RC Drilling Commenced – Boomerang Gold Prospect – 3 May 2024.

RANKIN DOME PROJECT

ASX Release (ASX: ACM) – Beverley and Rankin Dome Exploration Update – 23 April 2024

BOOMERANG PROSPECT

ASX Release – Boomerang Kaolin Deposit – Maiden JORC Resources – 20 July 2022

Kula confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements, and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Persons findings are presented have not been materially modified from the original market announcements.

About the Company

Kula Gold Limited (ASX: KGD) is a Western Australian mineral exploration company with expertise in the discovery of new mineral deposits in WA. The strategy is via large land positions and structural geological settings capable of hosting ~+1m oz gold or equivalent sized deposits including Lithium.

The Company is advancing projects within the South West region of WA for Lithium and Gold at Brunswick, as well as Gold and PGE at Westonia adjacent to the producing Edna May Gold Mine (owned by ASX: RMS) in the WA goldfields.

The Company has a history of large resource discoveries with its foundation being the Woodlark Island Gold project in PNG, (+1m oz Gold) which was subsequently joint ventured and sold to (ASX: GPR).

Kula's recent discovery was the large 93.3mt Boomerang Kaolin deposit near Southern Cross WA – Maiden resource announced 20 July 2022. This project is in the economic study phase and moving to PE funding or trade JV.

The exploration team are busily working towards the next mineral discovery, potentially lithium/tantalum near the world class Greenbushes Lithium Mine and Mt Holland Lithium Mine.

Tenement List

Region	Project	Tenement	Status	Grant Date	Interest Acquired/Granted during the Qtr	Interest Disposed/Surrendered of During the Qtr	Interest At End of Qtr
Southern Cross Region	Rankin Dome ¹	E77/2709	Granted	8/10/2021	-	-	100%
		E77/2753	Granted	8/10/2021	-	-	100%
		E77/2768	Granted	26/03/2021	-	-	100%
	Westonia	E77/2756	Granted	8/10/2021	-	-	100%
		E77/2757	Granted	8/10/2021	-	-	100%
		E77/2762	Granted	8/10/2021	-	-	100%
		E77/2766	Granted	8/10/2021	-	-	100%
	Marvel Loch ²	E77/2621	Granted	3/09/2020	-	-	100%
		M77/1302	Application	-	-	-	-
		L77/0359	Application	-	-	-	-
		E77/2210	Granted	17/11/2014	51%	-	51%
		E77/2423	Granted	26/07/2017	51%	-	51%
		E77/2668	Granted	7/09/2023	51%	-	51%
		M77/0406	Granted	30/03/1990	51%	-	51%
		P77/4527	Granted	2/05/2019	51%	-	51%
	Southern Cross	E77/2806	Granted	19/07/2022	-	-	100%
		E77/3116	Application	-	-	-	-
		E77/3201	Application	-	-	-	-
Southwest Region	Brunswick	E70/5599	Granted	26/07/2021	-	-	100%
		E70/5703	Granted	26/05/2021	-	-	100%
		E70/5513	Granted	23/02/2021	-	-	100%
		E70/5645	Granted	6/05/2021	-	-	100%
		E70/5660	Granted	28/04/2021	-	-	100%
	Kirup ³	E70/5452	Granted	4/01/2021	-	-	70%
		E70/6603	Granted	21/03/2024	100%	-	100%
		E70/6626	Granted	24/05/2024	100%	-	100%
		E70/6627	Application	-	-	-	-
Kurnalpi Region	Lake Rebecca	E28/2942	Granted	21/04/2020	-	100%	-
		E28/3029	Granted	10/03/2021	-	-	100%
Paynes Find	Ninghan	E59/2883	Application	-	-	-	-
Norseman	Norseman	E63/2450	Application	-	-	-	-

¹ On 9 August 2022, the Company entered into a binding Farm-In Agreement with Australian Critical Minerals Limited (ASX: ACM) in respect of the Company's non-core Rankin Dome Project comprising of three tenements being E77/2709, E77/2753 & E77/2768. [\(Refer ASX Announcement, Farm-in & Joint Venture Agreement – Rankin Dome\).](#)

² The Company has a JV Agreement with Aurumin Limited (ASX: AUN), earning to 80%. (P77/4527, E77/2210, E77/2423, E77/2668 & M77/0406). [\(Refer ASX Announcement, Mt Palmer Gold Mine Acquisition & Placement, dated 31 May 2024\).](#)

³ The Company has JV Agreement with Sentinel Exploration Limited in respect of tenement E70/5452. [\(Refer ASX Announcement, Kula To Acquire 70% In Key Lithium Tenement – Kirup Project, dated 28 November 2024.\)](#)

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

KULA GOLD LIMITED

ABN

83 126 741 259

Quarter ended ("current quarter")

30 JUNE 2024

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	(214)	(582)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(252)	(484)
	(e) administration and corporate costs	(62)	(124)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	1	1
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (stamp duty on acquisition of Kirup)	-	-
1.9	Net cash from / (used in) operating activities	(527)	(1,189)
2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation	-	-
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	-	-

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	1,296	1,659
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(103)	(107)
3.5	Proceeds from borrowings	108	108
3.6	Repayment of borrowings	(108)	(108)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	1,193	1,552

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	90	393
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(527)	(1,189)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	1,193	1,552

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	756	756

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	724	59
5.2	Call deposits	32	31
5.3	Bank overdrafts		
5.4	Other (provide details)		
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	756	90

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	(66)
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	-	-
7.5	Unused financing facilities available at quarter end		-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(527)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(527)
8.4 Cash and cash equivalents at quarter end (item 4.6)	756
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	756
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	1.43
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: Yes	
8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: Yes, the Board is reviewing alternatives. The Company has been able to demonstrate a record of securing funds as and when required and is confident that it will be able to continue to do so.	
8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
Answer: Yes, the Company will continue to align operational activity and expenditure with cash reserves available to the Company.	
On 16 July 2024, the Company received a R&D grant tax refund of \$187,628 in relation to the progress of the engineering studies at the Boomerang Kaolin Deposit.	
On 22 March 2024, the Company entered into an At-the-Market Subscription Agreement ("ATM") with Acuity Capital. The ATM provides the Company with up to \$1,000,000 of standby equity capital over the period to 31 January 2029.	
<i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i>	

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date:30 July 2024.....

Authorised by:By the Board.....
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.