

## ASX Announcement & Media Release

### Share Placement in Kula Gold Limited – Farm-in Agreement

As announced by Kula Gold Ltd (ACN 126 741 259) (ASX: KGD) (**Kula**) on 5 July 2017, a variation to condition 7 of Mining Lease 508 has been granted by the Minister for Mining in Papua New Guinea (being an extension by 2.5 years, to 5 January 2020, of the date by which construction and commissioning for the Woodlark Gold Project must be completed) (**Variation**).

The application for the Variation was referred to on page 17 of the Replacement Bidder's Statement issued by Geopacific Resources Limited (**GPR**).

Pursuant to the terms of the Farm-in Agreement dated on or about 25 January 2017 between Kula, GPR and Woodlark Mining Limited (**Farm-In Agreement**), GPR is now required to make an offer to Kula to subscribe for such number of fully paid ordinary shares in the capital of Kula (**Shares**) as would have a value of \$300,000 at an issue price equal to the volume weighted average price (**VWAP**) of Kula Shares for the 30 trading days prior to the date of receipt of the Variation (**GPR Placement**), provided that the GPR Placement shall be capped at 5% of the total issued capital of Kula, and shall be subject to and conditional on any regulatory approvals required.

When the Kula board receives this offer, it will decide, in the context of the current takeover offer by GPR, whether it is appropriate to make the GPR Placement.

The Kula board has determined that the relevant particulars are as follows:

VWAP 30 trading days prior to 29 June 2017	3.0 cents
Shares to be issued under GPR Placement	10,000,000
GPR Placement as a percentage of Kula issued capital*	2.6%

\* Assuming completion of the GPR Placement

For further information please visit our website at [www.kulagold.com.au](http://www.kulagold.com.au) or contact:

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