



## **ASX Announcement & Media Release**

### **QUARTERLY ACTIVITY REPORT For period ending 30 September 2019**

#### **Highlights**

- Successful sale of Kula Gold Ltd's ("Kula" or the "Company") interest in the Woodlark Island Gold project (1m oz gold reserve) to Geopacific (ASX:GPR) and distribution of its 150m GPR shares proceeds to Kula shareholders;
- Gold exploration generative activities commenced with the pegging of two large gold prospective leases in Western Australia;
- Key focus of exploration: Marvel Loch/Southern Cross and Kurnalpi area East of Kalgoorlie;
- Kula's target is to advance its existing prospects that have the scale and geological/structural setting to host +1m oz gold resources.

#### **1. Operational Overview**

The sale of Kula's Woodlark Project interest was completed in July 2019.

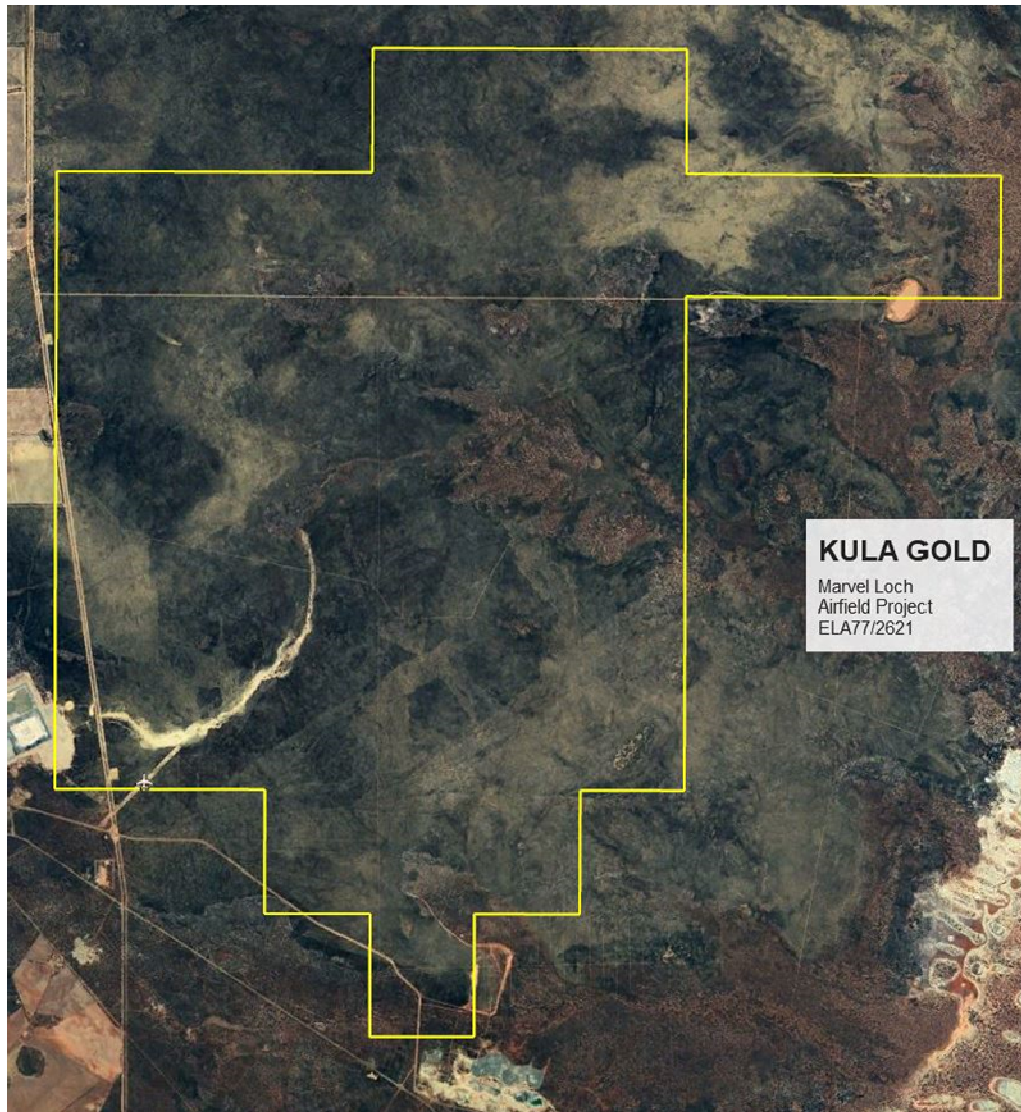
Kula commenced project generation work targeting prospects in the Western Australian goldfields. This entailed reviewing historical data to identify projects based on their geological/structural comparison with proven successful mining operations that may have been overlooked.

The technical team has identified two potential opportunities with gold mineralisation attributes that are similar in style to the successfully discovered Golden Cities project by AMX Resources in the late 1990's. Those discoveries successfully defined a +1Moz resource which the company's team had some involvement in. That expert knowledge and field experience is being drawn upon to identify other potential exploration targets on the Company's current leases.

The key prospects pegged by Kula are the Marvel Loch Gold project and the Kurnalpi Gold project.

### 1.1. Marvel Loch Gold project

The Marvel Loch Gold project covers an area of 120km<sup>2</sup> and is located 5km east of the town of Marvel Loch, a major gold mining centre in Western Australia. This region has seen over 15Moz of historical gold production and the Marvel Loch mine and mill continue production under the ownership of Minjar Gold.



The Southern Cross Greenstone Belt is a strongly deformed, metamorphosed synformal remnant of a once larger greenstone assemblage. It has been shaped and attenuated by the emplacement of syn-tectonic granitoids (Gee, 1995). These granitoid domes include the Ghooli, Parker and Rankin Domes (Gee, 1982; Keats, 1991). On a regional scale, sheared lithological contacts are the primary control on the distribution of gold mineralisation. Most of the belt's production has been derived from shear-hosted deposits (Marvel Loch, Yilgarn Star and Frasers) and to a lesser extent fold hinge deposits, usually in Banded Iron Formation (Copperhead, Golden Pig and Bounty).

Work conducted during the quarter included detailed analysis of historic open file exploration data, a site visit and acquisition of more recent open file aero-magnetics. The data has been re-processed by the company's consulting geophysicist has identified a number of structures with a series of extensional jogs which are co-incident with the historical auger gold in soil anomalies. These targets have strike lengths of over 2km, and some are open to the north and south.

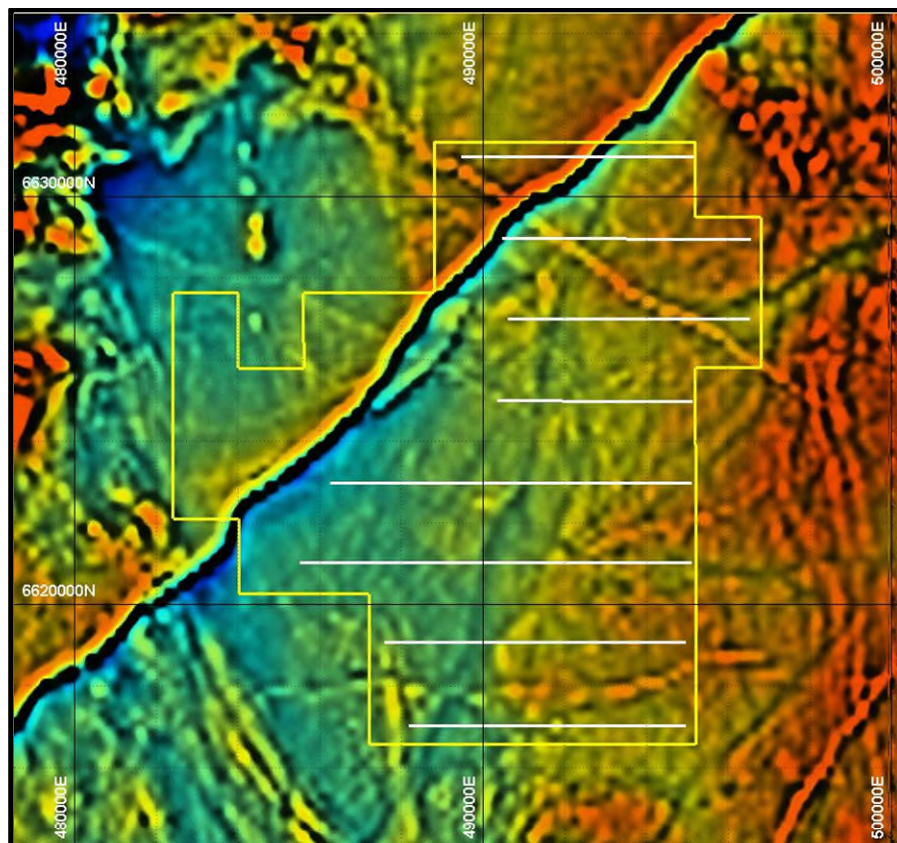
The company is currently moving the project expeditiously to granting status (expected Q1 2020). An initial 380 hole auger drill program followed by 2,500m RAB/Aircore drill program is planned.

## 1.2. Lake Rebecca Gold Project

The Lake Rebecca project is an exploration license which covers 150km<sup>2</sup> and is located south of Lake Rebecca in the Kalgoorlie goldfields.

The Company has acquired open file aero-magnetics. The company's consulting geophysicist has undertaken reprocessing of that data which has identified a number of target structures for initial auger drill testing. Limited historic drilling/sampling work has been undertaken over the area.

Following granting the exploration work of an initial 300 auger drill hole program will commence.



Kula Gold Lake Rebecca gold project magnetics and planned auger drilling lines

## **2. Corporate Overview**

The sale of its interests in the Woodlark Island Gold project to Geopacific Resources Limited (ASX – GPR) was completed on 2<sup>nd</sup> July. Kula's consequent in-specie distribution of the GPR shares received in consideration of that sale was completed on 9<sup>th</sup> July 2019.

Garry Perotti retired from the Board of Directors effective from 1<sup>st</sup> October 2019 after having successfully preserved the Woodlark Island Gold Project for the benefit of Kula shareholders. He has been replaced by Simon Adams as a non-executive director.

The Company continues to operate for minimal cash costs with expenditure focused on progressing the Marvel Loch and Kurnalpi gold projects.

### **For Further Information, Contact:**

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## Tenement Report

Mining Tenements held by Kula Gold Limited for the quarter are:

Project	Location	Tenement Reference	Status	Interest Acquired During the Quarter	Interest Disposed During the Quarter	Interest at the end of the Quarter
<b>Marvel Loch Gold Project</b>	Marvel Loch, W. Australia	E 77/2621	Application	100%	-	100%
<b>Kurnalpi Lake Rebecca Gold Project</b>	Lake Rebecca, W. Australia	E 28/2942	Application	100%	-	100%
<b>Woodlark Island Project</b>	Woodlark Island, Papua New Guinea	EL 1172	Sold	-	49%	-
		EL 1279	Sold	-	49%	-
		EL 1465	Sold	-	49%	-
		LMP 89	Sold	-	49%	-
		LMP 90	Sold	-	49%	-
		LMP 91	Sold	-	49%	-
		LMP 92	Sold	-	49%	-
		LMP 93	Sold	-	49%	-
		ME85	Sold	-	49%	-
		ME 86	Sold	-	49%	-
		ML 508	Sold	-	49%	-

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.