



MARKET RELEASE

16 July 2015

KalNorth Gold Mines Limited

SUSPENSION FROM OFFICIAL QUOTATION

The securities of KalNorth Gold Mines Limited (the "Company") will be suspended from immediately, at the request of the Company, pending the release of an announcement.

Security Code: KGM

Sandra Wutete
Senior Adviser, Listings Compliance (Perth)



16 July 2015

Mr. J Newman
Adviser, Listings Compliance (Perth)
ASX Compliance Pty Ltd
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Dear Mr Newman

VOLUNTARY SUSPENSION

In accordance with Listing Rule 17.2, KalNorth Gold Mines Limited ("KGM" or "the Company") requests a voluntary suspension from quotation of the Company's securities.

On 15 July 2015, the Company sought a trading halt to the quotation of its securities whilst the Board and management were in the process of negotiating plans for the restructuring of various loans as well as settlement of loan interest.

As these negotiations are still in progress, the Directors consider it prudent at this stage to suspend quotation of KGM securities to allow finalisation and implementation of plans to proceed.

The Directors anticipate that the Company will be in a position to finalise its plans, end the voluntary suspension and resume ASX quotation on or around 31 July 2015. The Company is not aware of any reasons why its securities should not be suspended from quotation.

Yours sincerely

A handwritten signature in dark ink, appearing to read "Lijun Yang", is positioned above the printed name and title.

Lijun Yang
Executive Director