



21 December 2015

Company Announcements Office  
ASX Limited

**Buy-Back of Employee Share Plan Shares and Cancellation**

Please find attached an Appendix 3C in relation to a buy-back of 500,000 shares (Shares) under the KalNorth Gold Mines Limited ("Kalnorth" or "the Company") Employee Share Scheme. The buy-back and cancellation is under the terms of the Company's Employee Share Scheme upon maturity of the loan originally granted for the acquisition of the Shares.

There is no cash payable by the Company for the buy-back of the Shares as a loan was made by the Company to the employee to fund the original purchase of the Shares and the loan is being extinguished by the return and cancellation of the Shares.

Lijun Yang  
Company Secretary

# Appendix 3C

## Announcement of buy-back (*except* minimum holding buy-back)

*Information and documents given to ASX become ASX's property and may be made public.*

Introduced 1/9/99. Origin: Appendix 7B. Amended 13/3/2000, 30/9/2001, 11/01/10

Name of entity	ABN/ARSN
KalNorth Gold Mines Limited	55 100 405 954

We (the entity) give ASX the following information.

### Information about buy-back

1	Type of buy-back	Employee Share Scheme buy-back
2	<sup>+</sup> Class of shares/units which is the subject of the buy-back ( <i>eg, ordinary/preference</i> )	Ordinary Shares
3	Voting rights ( <i>eg, one for one</i> )	One vote for each fully paid ordinary share
4	Fully paid/partly paid ( <i>and if partly paid, details of how much has been paid and how much is outstanding</i> )	Fully Paid (prior to buy-back)
5	Number of shares/units in the <sup>+</sup> class on issue	444,488,960
6	Whether shareholder/unitholder approval is required for buy-back	Shareholder approval not required
7	Reason for buy-back	Maturity of loan agreement under which the Shares had been originally acquired.

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<sup>+</sup> See chapter 19 for defined terms.

8	Any other information material to a shareholder's/unitholder's decision whether to accept the offer ( <i>eg, details of any proposed takeover bid</i> )	Nil
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### On-market buy-back

9	Name of broker who will act on the company's behalf	N/A
10	Deleted 30/9/2001.	
11	If the company/trust intends to buy back a maximum number of shares - that number  <small>Note: This requires a figure to be included, not a percentage.</small>	N/A
12	If the company/trust intends to buy back shares/units within a period of time - that period of time; if the company/trust intends that the buy-back be of unlimited duration - that intention	N/A
13	If the company/trust intends to buy back shares/units if conditions are met - those conditions	N/A

### Employee share scheme buy-back

14	Number of shares proposed to be bought back	500,000
15	Price to be offered for shares	Extinguishment of employee share scheme loans totalling \$230,000

## Appendix 3C

### Announcement of buy-back

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#### Selective buy-back

- |    |  |     |
|----|--|-----|
| 16 | Name of person or description of class of person whose shares are proposed to be bought back | N/A |
| 17 | Number of shares proposed to be bought back  | N/A |
| 18 | Price to be offered for shares   | N/A |

#### Equal access scheme

- |    |   |     |
|----|---|-----|
| 19 | Percentage of shares proposed to be bought back   | N/A |
| 20 | Total number of shares proposed to be bought back if all offers are accepted                          | N/A |
| 21 | Price to be offered for shares  | N/A |
| 22 | +Record date for participation in offer<br><br><small>Cross reference: Appendix 7A, clause 9.</small> | N/A |

### Compliance statement

1. The company is in compliance with all Corporations Act requirements relevant to this buy-back.

*or, for trusts only:*

1. The trust is in compliance with all requirements of the Corporations Act as modified by Class Order 07/422, and of the trust's constitution, relevant to this buy-back.
2. There is no information that the listing rules require to be disclosed that has not already been disclosed, or is not contained in, or attached to, this form.



Sign here: ..... Date: 21/012/2015  
(Director)

Print name: Lijun Yang

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<sup>+</sup> See chapter 19 for defined terms.