

## ASX Announcement & Media Release

### KULA-LAKE REBECCA GOLD PROJECT - DRILLING PROGRAM

#### Highlights:

- Gold in soil anomaly defined in recent sampling program;
- Drilling program scheduled for August 2020.

Kula Gold Ltd (“Kula” or the “Company”) advises on the results of its soil and steam-sediment sampling program in May, and planned drilling program at the Kula- Lake Rebecca Gold Project.

The exploration license, which covers 150 km<sup>2</sup> of prospective but under-explored acreage, is located 10km south of Apollo Consolidated Ltd’s (“Apollo”) (ASX: AOP) Lake Rebecca Project approximately 150km NE of Kalgoorlie in the Kurnalpi area.

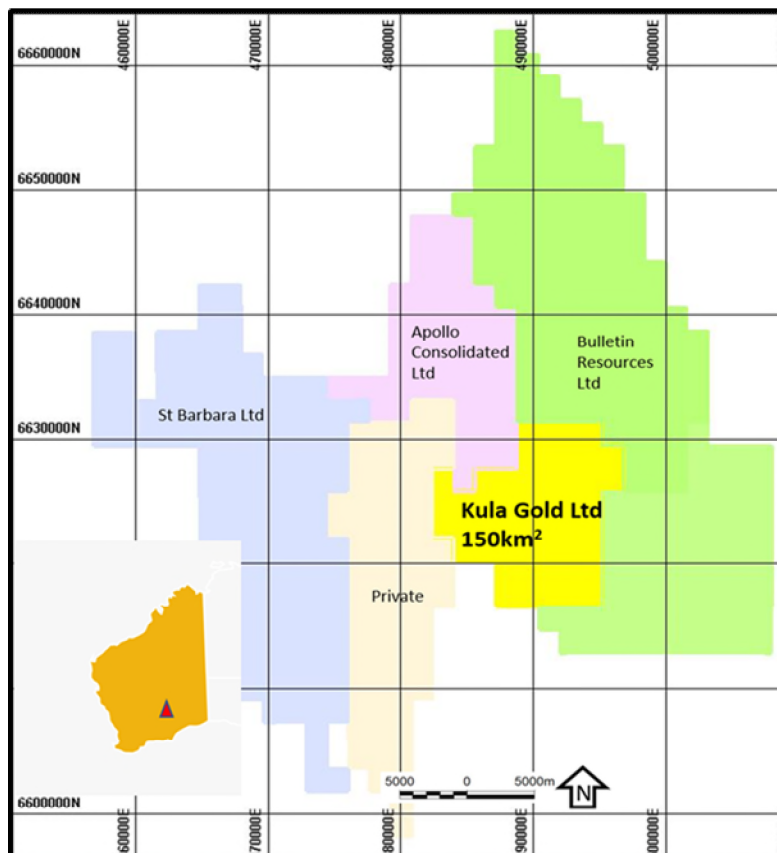


Figure 1 Location Map of Kula’s Licence with surrounding licence holders

Following the field exploration campaign completed during the month of May and with the results now received the company plans to drill test two areas as detailed below. In conjunction with this field work, open file data compilation work and detailed geophysical studies have been completed which have identified two geochemical and co-incident magnetic anomalies on the licence which support a number of drill targets, as well as additional geophysical targets.

## **1. RESULTS OF THE FIELD EXPLORATION CAMPAIGN**

Results from the recent field work program have been received from the laboratory and confirm a 6ppb BLEG Au in stream sediment anomaly near one of the historic Central Kalgoorlie Gold Mines NL ("CKGM") aircore geochemistry anomalies which appear to have a NE trend as shown in Figure 2 below. The NE trend agrees with the magnetic interpretation of structures in the area.

The soil sampling in the residual area in the NW corner of the licence also defined a 500m long, NE trending +9ppb Au in soil anomaly.

A total of 14 -75um Bulk Leach Extractable Gold ("BLEG") stream sediment samples were collected in active streams across the centre of the tenement and 23 -75um soils were collected in the NW corner of the licence (refer Attachment 1).

The stream sediment samples were assayed using the BLEG technique and assayed by ICP-MS for Au, Ag, Cu, Pb, Zn. The -75um soil samples utilised Aqua-regia digest, a partial digest technique, with ICP-MS analysis for gold and a suite of other elements. These soil and stream-sed samples were taken to test areas with residual soil and to test a larger area of the tenement (refer ASX announcement 3 June 2020).

## **2. FOLLOW UP DRILLING AND WORK PROGRAM**

A total of 5 holes for approximately 250m of Aircore drilling will be used to test the recently defined residual Au in soil geochemical anomaly in the NW corner of the licence. The area is relatively flat and therefore one line of drilling should be sufficient to test for the source of the gold.

The Company also plans to follow up the eastern CKGM geochemical gold anomaly which was not drill tested by CKGM and as such the source of the geochemical gold anomalies to date has not been defined. The area of the geochemical anomaly is interpreted to drain to the NW and the easternmost RAB drillholes did intersect weak Ag and Pb anomalism. A program of aircore drilling will be utilised to test the interpretation of the source of the gold in the CKGM anomaly which may be further to the east. The Aircore drilling program is planned to consist of 14 holes for approximately 700m to test this area.

The drilling program is scheduled for August 2020, pending standard DMIR regulatory approvals which have been submitted.

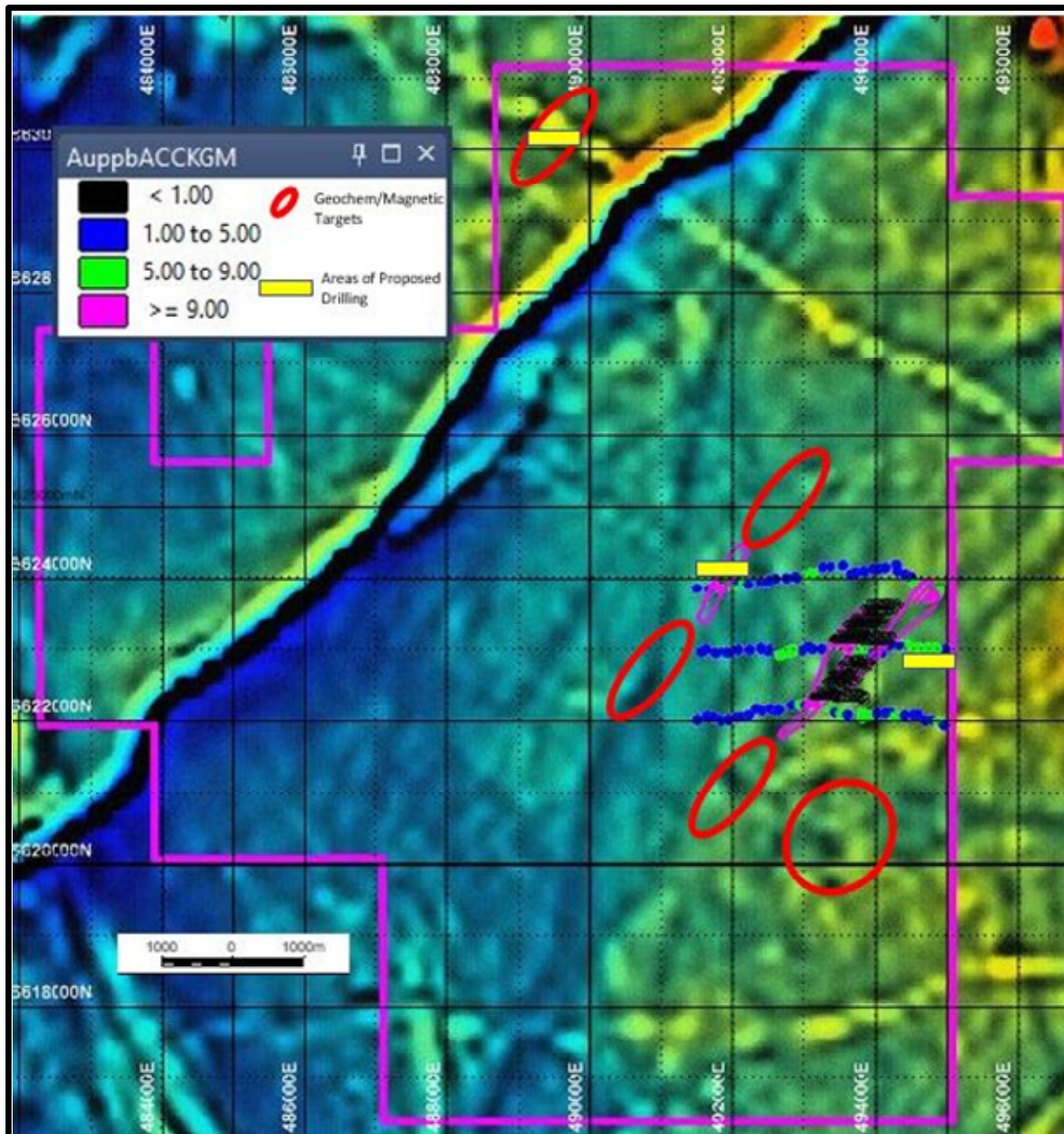


Figure 2 Areas of Proposed Drilling and Geochemical/Magnetic Targets

**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 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.

**Attachment 1****Information relating to BLEG and Soil Samples**

<b>SampleID</b>	<b>East</b>	<b>North</b>	<b>RL</b>	<b>Type</b>
C100000	489294	6631345		B soil
C100002	489350	6631170		B soil
C100004	489390	6631015		B soil
C100006	489420	6630760		B soil
C100008	489415	6630600		B soil
C100010	489400	6630440		B soil
C100012	489432	6630190		B soil
C100014	489436	6629966		B soil
C100016	490140	6628925		B soil
C100018	491440	6624000		B soil
C100019	489425	6631125		B soil
C100020	489617	6631141	392	B soil
C100021	489734	6631197	394	B soil
C100022	490136	6631333	385	B soil
C100023	489400	6631000	388	B soil
C100024	489500	6631120	393	B soil
C100025	489600	6631096	390	B soil
C100026	489700	6631100	392	B soil
C100027	489780	6631098	390	B soil
C100028	489837	6630975	385	B soil
C100029	489700	6630961	384	B soil
C100030	489567	6631950	388	B soil
C100031	489482	6630900	385	B soil
A100000	482407	6625683		Ssed
A100001	483557	6624970		SSed
A100002	490284	6628270		SSed
A100003	489820	6627144		SSed
A100004	488980	6627120		SSed
A100005	491250	6628275		SSed
A100006	492040	6628300		SSed
A100007	492900	6628590		SSed
A100008	493760	6628810		SSed
A100009	494560	6628960		SSed
A100010	495090	6629700		SSed
A100011	491488	6625220		SSed
A100012	492607	6623003		SSed
A100013	492086	6626630		SSed
A100014	491550	6621795		SSed

## Attachment 2

**Table 1 – BLEG and -75um Soil Sampling**

Criteria	JORC Code explanation	Commentary
<i>Sampling techniques</i>	<ul style="list-style-type: none"> <li><i>Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</i></li> <li><i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i></li> <li><i>Aspects of the determination of mineralisation that are Material to the Public Report.</i></li> <li><i>In cases where ‘industry standard’ work has been done this would be relatively simple (eg ‘reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay’). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</i></li> </ul>	<ul style="list-style-type: none"> <li>A total of 14 -75um BLEG stream sediment samples were collected in active streams across the centre of the project and 23 -75um soils were collected in the NW corner of the licence.</li> <li>Samples were collected by the company’s geologist.</li> </ul>
<i>Drilling techniques</i>	<ul style="list-style-type: none"> <li><i>Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</i></li> </ul>	<ul style="list-style-type: none"> <li>No drilling was undertaken</li> </ul>
<i>Drill sample recovery</i>	<ul style="list-style-type: none"> <li><i>Method of recording and assessing core and chip sample recoveries and results assessed.</i></li> <li><i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i></li> <li><i>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i></li> </ul>	<ul style="list-style-type: none"> <li>BLEG samples were collected to a maximum of 500grams and approx. 200grams of sieved soil were collected.</li> </ul>

Criteria	JORC Code explanation	Commentary
Logging	<ul style="list-style-type: none"> <li>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</li> <li>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</li> <li>The total length and percentage of the relevant intersections logged.</li> </ul>	<ul style="list-style-type: none"> <li>The logging simply identified the layer sampled as calcrete, laterite, or the rock type was noted along with the depth of the sample, hole co-ordinations</li> </ul>
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> <li>If core, whether cut or sawn and whether quarter, half or all core taken.</li> <li>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</li> <li>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</li> <li>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</li> <li>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</li> <li>Whether sample sizes are appropriate to the grain size of the material being sampled.</li> </ul>	<ul style="list-style-type: none"> <li>Approx 100kgs of material was sieved to produce a 0.5kg sample for the BLEG analysis so this is considered representative.</li> <li>Approx 20kg of material were sieved down to 0.2kgs for the soil samples and this is also considered representative.</li> </ul>
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> <li>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</li> <li>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</li> <li>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</li> </ul>	<ul style="list-style-type: none"> <li>The BLEG samples were assayed using the Bulk Leach Extractable Gold technique and assayed by ICPMS for Au, Ag, Cu, Pb, Zn</li> <li>The -75um soil samples utilised Aregia digest a partial digest technique with ICP-MS analysis for gold and a suite of other elements</li> </ul>
Verification of sampling and assaying	<ul style="list-style-type: none"> <li>The verification of significant intersections by either independent or alternative company personnel.</li> <li>The use of twinned holes.</li> <li>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</li> <li>Discuss any adjustment to assay data.</li> </ul>	<ul style="list-style-type: none"> <li>Not applicable for soil samples.</li> </ul>

Criteria	JORC Code explanation	Commentary
<i>Location of data points</i>	<ul style="list-style-type: none"> <li>• Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</li> <li>• Specification of the grid system used.</li> <li>• Quality and adequacy of topographic control.</li> </ul>	<ul style="list-style-type: none"> <li>• GPS collar surveys in GDA94 which are accurate enough for the style of exploration.</li> </ul>
<i>Data spacing and distribution</i>	<ul style="list-style-type: none"> <li>• Data spacing for reporting of Exploration Results.</li> <li>• Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</li> <li>• Whether sample compositing has been applied.</li> </ul>	<ul style="list-style-type: none"> <li>• The stream sediments were collected where suitable material could be found on an approx. 1km spacing along the stream.</li> <li>• The soils were collected on an approx. 100m sample spacing.</li> </ul>
<i>Orientation of data in relation to geological structure</i>	<ul style="list-style-type: none"> <li>• Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</li> <li>• If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</li> </ul>	<ul style="list-style-type: none"> <li>• Not applicable</li> </ul>
<i>Sample security</i>	<ul style="list-style-type: none"> <li>• The measures taken to ensure sample security.</li> </ul>	<ul style="list-style-type: none"> <li>• The competent person completed the sampling</li> </ul>
<i>Audits or reviews</i>	<ul style="list-style-type: none"> <li>• The results of any audits or reviews of sampling techniques and data.</li> </ul>	<ul style="list-style-type: none"> <li>• No external audits or reviews were conducted.</li> </ul>

## Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
<i>Mineral tenement and land tenure status</i>	<ul style="list-style-type: none"> <li>• Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</li> <li>• The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</li> </ul>	<ul style="list-style-type: none"> <li>• The EL28/2942 was granted in April 2020 to Kula Gold Ltd.</li> </ul>

Criteria	JORC Code explanation	Commentary
<i>Exploration done by other parties</i>	<ul style="list-style-type: none"> <li><i>Acknowledgment and appraisal of exploration by other parties.</i></li> </ul>	<ul style="list-style-type: none"> <li>The historical exploration work mentioned was all completed by CKGM of Kalgoorlie.</li> </ul>
<i>Geology</i>	<ul style="list-style-type: none"> <li><i>Deposit type, geological setting and style of mineralisation.</i></li> </ul>	<ul style="list-style-type: none"> <li>There is no known deposit in this part of the Gneiss terrain as the exploration is only at the geochemistry stage looking for Archean gold mineralization. The only known deposit in the area is Apollo Consolidated's Lake Rebecca deposits to the north</li> </ul>
<i>Drill hole Information</i>	<ul style="list-style-type: none"> <li><i>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:</i> <ul style="list-style-type: none"> <li><i>easting and northing of the drill hole collar</i></li> <li><i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i></li> <li><i>dip and azimuth of the hole</i></li> <li><i>down hole length and interception depth</i></li> <li><i>hole length.</i></li> </ul> </li> <li><i>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</i></li> </ul>	<ul style="list-style-type: none"> <li>A summary of the samples in the correct format has been provided.</li> </ul>
<i>Data aggregation methods</i>	<ul style="list-style-type: none"> <li><i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</i></li> <li><i>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</i></li> <li><i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i></li> </ul>	<ul style="list-style-type: none"> <li>No data aggregation methods have been used as the results are point data only not drilling intercepts.</li> <li>No metal equivalents have been used.</li> </ul>
<i>Relationship between mineralisation widths and intercept lengths</i>	<ul style="list-style-type: none"> <li><i>These relationships are particularly important in the reporting of Exploration Results.</i></li> <li><i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i></li> <li><i>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</i></li> </ul>	<ul style="list-style-type: none"> <li>The data is point data only so this is not applicable.</li> </ul>

Criteria	JORC Code explanation	Commentary
<i>Diagrams</i>	<ul style="list-style-type: none"> <li><i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i></li> </ul>	<ul style="list-style-type: none"> <li>Maps and sections of the data have been provided.</li> </ul>
<i>Balanced reporting</i>	<ul style="list-style-type: none"> <li><i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i></li> </ul>	<ul style="list-style-type: none"> <li>The Aircore results show a low level Au geochemical anomaly of 10ppb Au.</li> </ul>
<i>Other substantive exploration data</i>	<ul style="list-style-type: none"> <li><i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i></li> </ul>	<ul style="list-style-type: none"> <li>Not applicable.</li> </ul>
<i>Further work</i>	<ul style="list-style-type: none"> <li><i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i></li> <li><i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i></li> </ul>	<ul style="list-style-type: none"> <li>Further auger geochemistry sampling work is planned and approx. 2000m of follow up AC drilling to determine the source of the gold in the currently defined geochemistry anomalies</li> <li>Further mapping and reinterpretation of the data will be completed.</li> </ul>