ASX Announcement & Media Release

New G-Star Gold Prospect at Marvel Loch – Airfield Project.

Highlights:

- **G-Star Gold Prospect identified from first pass Auger geochemistry sampling.**
- **217 follow up auger geochemistry samples recently completed**

Kula Gold Limited (KGD) is pleased to announce a new gold prospect has been identified at the Marvel Loch – Airfield Project (KGD 100%). First pass auger geochemistry sampling has defined the newly named G-Star Prospect, which extends over a strike length of 2,200m in the Southeast of E77/2621 (Figure 1).

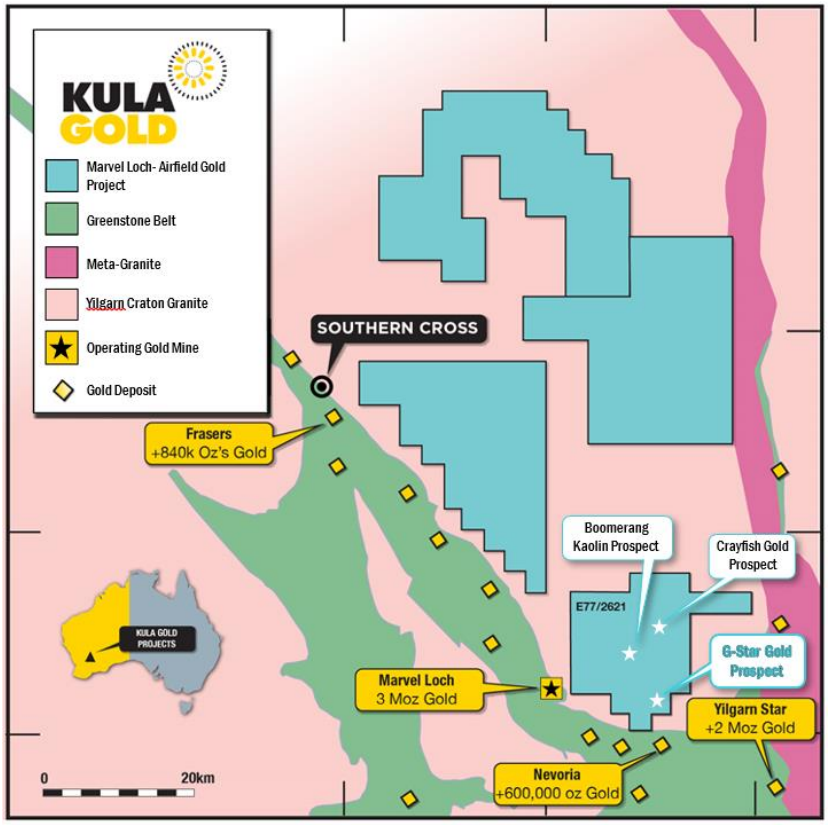

Figure 1. Kula Gold Ltd's Marvel Loch – Airfield Gold Project showing location of the new G-Star Gold Prospect, Boomerang Kaolin Prospect and Crayfish Gold Prospect.

Sahara Operations (Australia) Pty Ltd (Sahara) completed first pass auger geochemistry sampling on behalf of Kula in April 2021 (refer ASX releases 12th April 2021 and 2nd July 2021), with 215 samples taken over the G-Star area (Figure 2). Samples were taken at a median depth of 2m and targeted the interface below the transported cover. Results of up to 18ppb gold define a northwest- southeast striking geochemical anomaly that extends over 2,200m and is open to the northwest (Figure 2).

Kula engaged Sahara's Mobile Auger Rig to complete a further 217 infill auger geochemistry samples at G-Star during October 2021. Company geologists were onsite for the start of the program to ensure sampling of the correct horizon via appropriate sampling technique. Haematitic lateritic soils and saprolite clays—a favourable sampling medium—were observed. Sample locations are provided in Figure 2.

Located 3.5km north of the Nevoria Gold Mine (+600,000oz gold), and 9km east of the 3 Moz Marvel Loch Gold Mine, the G-Star Prospect sits within the Ghooli Dome.

Date: 9 November 2021

ASX Code: KGD

Shares on Issue:
215,175,632 Ordinary Shares
3,100,000 Options

Cash (Q3/2021):
$2.5 Million

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Kula geologists consider the possibility that G-Star is underlain by amphibolite and BIF greenstone (the predominant host rock of most of the gold deposits in WA).

G-Star may be much like the previously unmapped greenstone discovered by Kula in a major technical breakthrough during RC drilling at the nearby Crayfish Gold Prospect (refer ASX release 2nd July 2021).

The highly prospective greenstone belts of the Southern Cross Region have produced over 15m ounces of gold to date, at an average of 3-5g/t gold and are the reason Kula staked this region as its lead project.

Should auger geochemistry provide sufficient data to define a drill target within the prospect area, then a RC drill rig will be mobilised with some urgency to test the target. Results from geochemical assays (gold and multi-element) will be reported in due course.

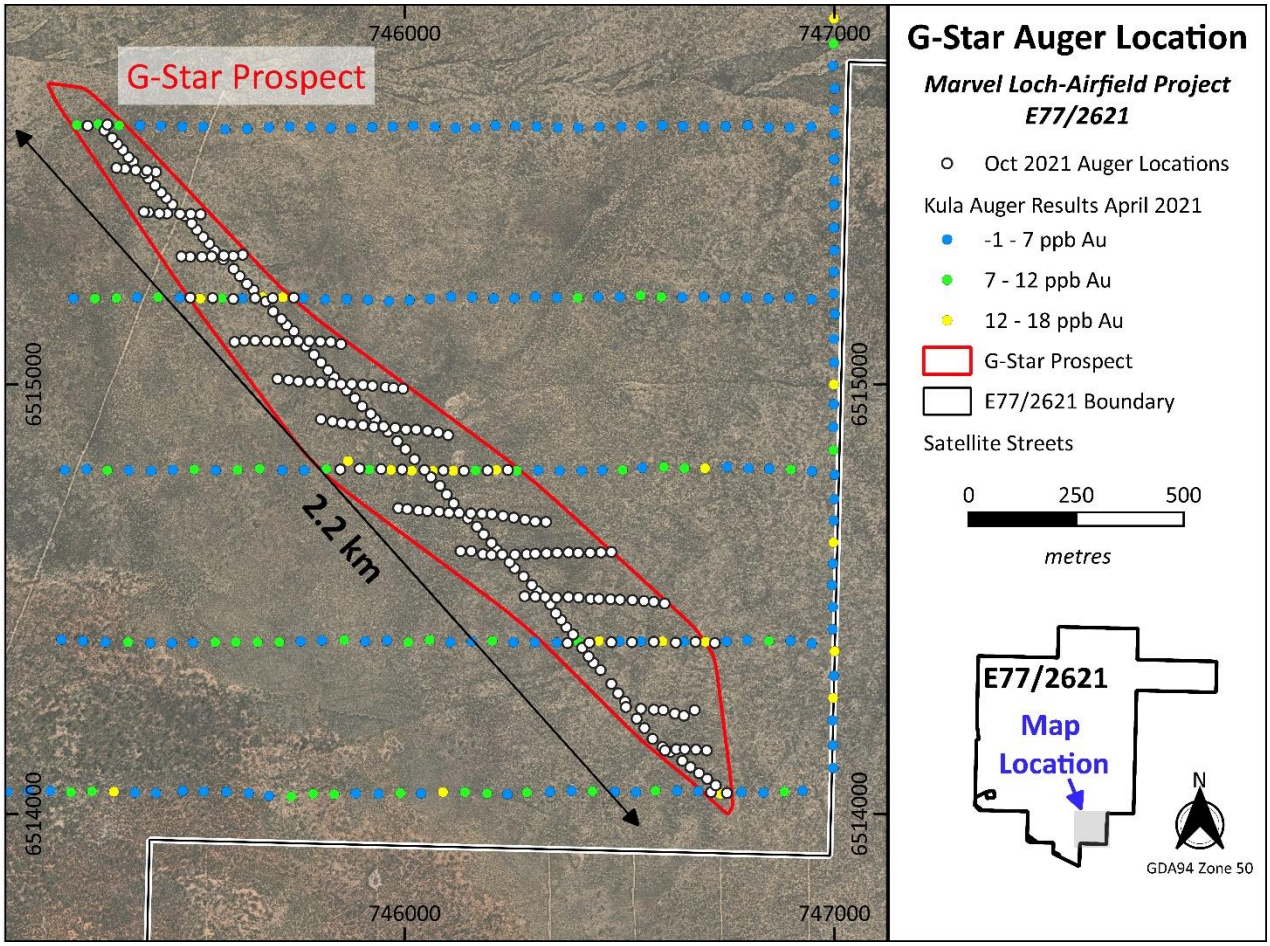

Figure 2. Kula's new G-Star Gold Prospect identified from results of first pass auger geochemistry sampling (yellow, green and blue dots), and location of the recently completed follow up auger geochemistry samples (white dots).

RC drilling of the Boomerang Kaolin Prospect is scheduled to start next week.

By order of the Board

About the Company

Kula Gold Ltd (ASX: KGD) is a Western Australia gold exploration company focussed on large land positions and structural geological settings capable of hosting ~1m oz deposits.

The company has projects within the Southern Cross WA region including Rankin Dome and Marvel Loch, as well as near Kurnalpi and Brunswick. The company has a history of large gold resource discoveries with its foundation Woodlark Island project in PNG.

Competent Person Statement

The information in this report that relates to geology and exploration is based on information compiled by Mrs. Melanie Hickman, a Competent Person who is a member of the Australian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. Mrs. Hickman is a Geology and Exploration Consultant who has been engaged by Kula Gold Ltd. Mrs. Hickman 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). Mrs. Hickman consents to the inclusion in the report of the matters based on her information in the form and context in which it appears.

JORC Code, 2012 Edition – Table 1 report - E77/2621

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *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.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *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.*	• Sampling was completed by personnel employed by the auger contractor, Sahara Operations (Australia) Pty Ltd (Sahara). • Samples were taken on the interface between transported material and saprolite. • Sahara utilised a scoop to take a composite sample (typically 1m maximum but up to 2m where lithologies extended across more than 1m). • The sample was taken by ~ 3 scoops from the sample bucket (representative as possible) to approximately 2kg. The sample placed into a prenumbered calico bag, 10 samples are placed in a polyweave bag and Ziplock tied on site. • Samples were sent to Bureau Veritas Perth, where they were sorted and dried. The whole sample crushed then pulverized and a nominal 40gram charge is taken by the laboratory. • The 40 gram charge is then subject to total digest in a four acid digest and the solution is read by an ICP machine using OES to determine Au, Pt and Pd to 1ppb.
Drilling techniques	• *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).*	• A Landcruiser mounted S10 Auger rig with a 4-inch blade was used. Drill spoil was collected in a plastic container.

Criteria	JORC Code explanation	Commentary
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *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.*	• 10 – 15 kg per metre was recovered (density dependent). • There is no relationship between sample recovery and grade.
Logging	• *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.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• Chips were qualitatively logged for basic lithology, mineralogy and colour.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *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.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• Sample preparation is industry standard where up to 3kg of sample is pulverized and a nominal 40gram charge is taken for fire assay. • No field duplicates were taken as it is a first pass geochemistry program.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *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.*	• Fire assay technique is industry standard when assaying for Au, Pt and Pd. • Repeat samples, randomly selected by the laboratory, were within statistically acceptable limits, and no outliers were noted in the laboratory inserted standards.

Criteria	JORC Code explanation	Commentary
	• *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.*	
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• Sampling was undertaken by personnel employed by the auger company, Sahara Operations (Australia) Pty Ltd • Sahara manually recorded appropriate data in the field, which was then digitized into spreadsheets and sent through to Kula. • Kula geologists checked sample coordinates against designed auger lines and requested sample spacing in GIS software. • Primary data was loaded into an access type database by qualified data people. • No adjustments were made to the assay data.
Location of data points	• *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.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Sample coordinates were obtained using handheld GPS with 3 - 5m accuracy in XY. • Coordinates were collected in GDA94 Zone 50 and reported as such.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *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.* • *Whether sample compositing has been applied.*	• Samples were taken at ~50m intervals along ~400m spaced lines.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *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.*	• Auger holes were vertical which is appropriate for medium being sampled.

Criteria	JORC Code explanation	Commentary
Sample security	• *The measures taken to ensure sample security.*	• Polyweave bags, containing 10 samples, were ziplock tied on site, and then placed into a bulky bag which was then collected and transported to the freight companies secure depot and delivered directly to the laboratory by the freight company.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No independent audits or reviews of sampling techniques and data has been conducted.

Section 2 Reporting of Exploration Results

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

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *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.* • *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.*	• E77/2621 a granted Exploration Licence 5km east of the Marvel Loch townsite which is 100% owned by Kula Gold Ltd. • Native Title: Marlinya Ghoorlie (WC2017/007)— terms have been agreed in principle and royalty agreement currently being drafted.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• There has been no surface geochemistry or drilling at the G-Star prospect by other parties.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• Archean lode style gold in granite was the targeted style of mineralisation, however the Competent Person acknowledges the possibility of greenstone hosted gold mineralisation (refer ASX release 2nd July 2021).

Drill hole Information	• *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:*
	  ○ *easting and northing of the drill hole collar*
	  ○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*
	  ○ *dip and azimuth of the hole*
	  ○ *down hole length and interception depth*
	  ○ *hole length.*
		• Sample locations are provided within Figure 2. Downhole depth and intercept depth are not applicable nor relevant. Auger tested the interface immediately below transported material and therefore results should be regarded and treated as if from surface samples (ie: soil samples) as opposed to drill holes.

Criteria	JORC Code explanation	Commentary
	• *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.*	
Data aggregation methods	• *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.* • *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.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• Not applicable
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *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').*	• Not applicable
Diagrams	• *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.*	• Included within Press Release
Balanced reporting	• *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.*	• For the 215 samples reported in this press release, results ranged from <1ppb Au (below detection) and 18ppb Au.
Other substantive exploration data	• *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.*	• The interface zone on E77/2621 is often associated with Calcrete – a preferred sampling medium for gold and base metals geochemistry.

Criteria	JORC Code explanation	Commentary
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Further work includes follow up infill auger geochemistry sampling at G-Star (completed October 2021) and pending results, RC drilling may be engaged.