ACN: **126 741 259**

Date: **3rd Febuary 2022**

ASX Code: **KGD**

Board of Directors:
Mark Stowell (Chairman)
Mark Bojanjac
John Hannaford
Simon Adams

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

Cash (Q4/2021):
$2.1 Million

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ASX Announcement & Media Release

Auger drilling at Southern Cross Region-Rankin Dome Project Identifies Anomalous Lithium Results

Highlights:

- **First round auger geochemical sampling program was completed at the Rankin Dome project**
- **Lithium cluster co-incident with magnetic feature over initial 1.5km extent has been followed up by an infill auger program which has now been completed**
- **Southern Cross tenement package covers 1,213km^2, all now considered prospective for lithium in addition to gold, base metals, and kaolin**

Kula Gold Limited (**Kula** of the **Company**) reports results from a first pass auger geochemistry program at its 100% owned Rankin Dome project in the Southern Cross region (Fig 1.) shows an anomalous lithium cluster co-incident with the NW trending magnetic structure. (Fig 2.)

Kula's Rankin Dome tenement (the project) is located approximately 130km NW of the world class Mt Holland Lithium mine in the same terrain of the Yilgarn Province. Mt Holland's under development by a joint venture between subsidiaries of Sociedad Química y Minera de Chile S.A. (SQM) and Wesfarmers Limited to develop and operate the Mount Holland Lithium Project, which will be a unique, fully integrated producer of battery quality lithium hydroxide in Western Australia.

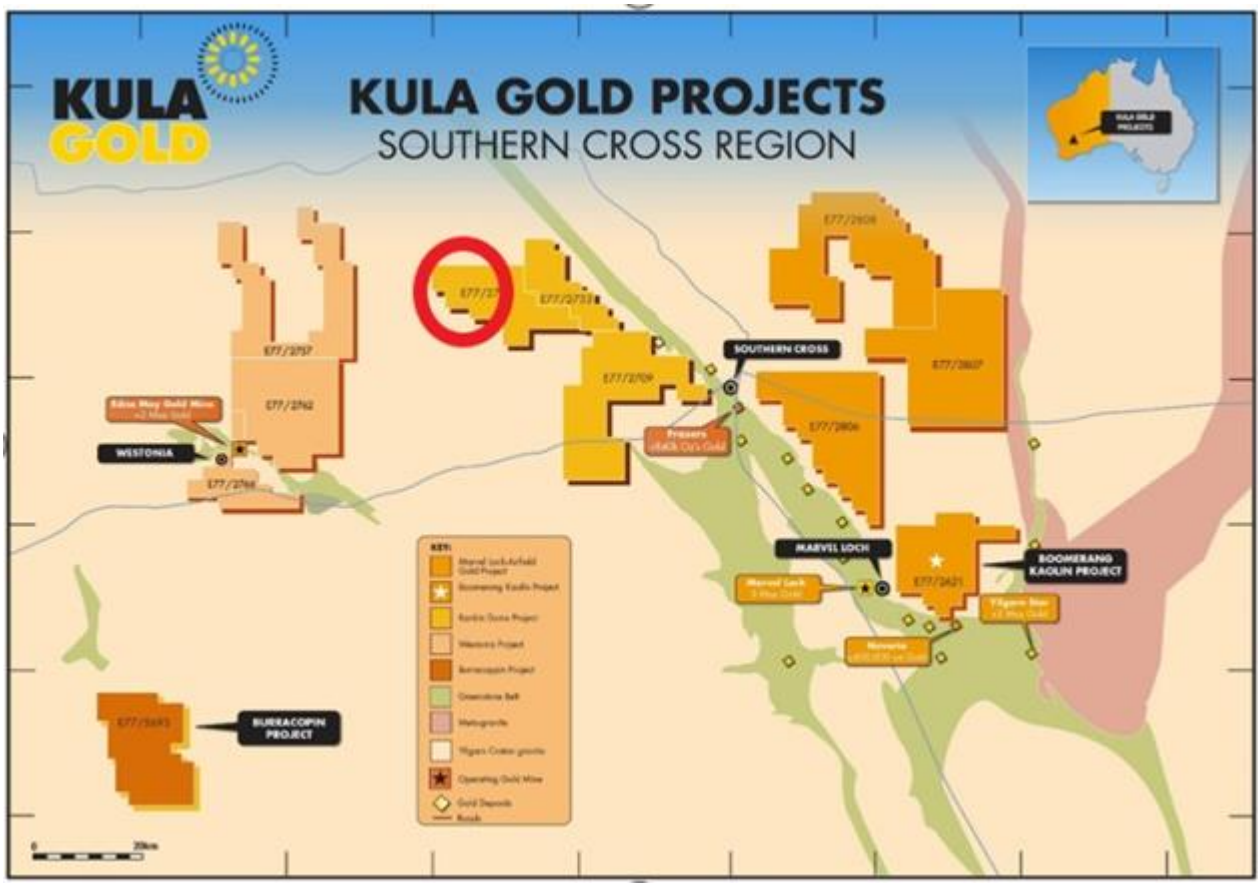

Fig 1. Kula Gold Southern Cross region tenements, Lithium area of interest circled at the Rankin Dome Project

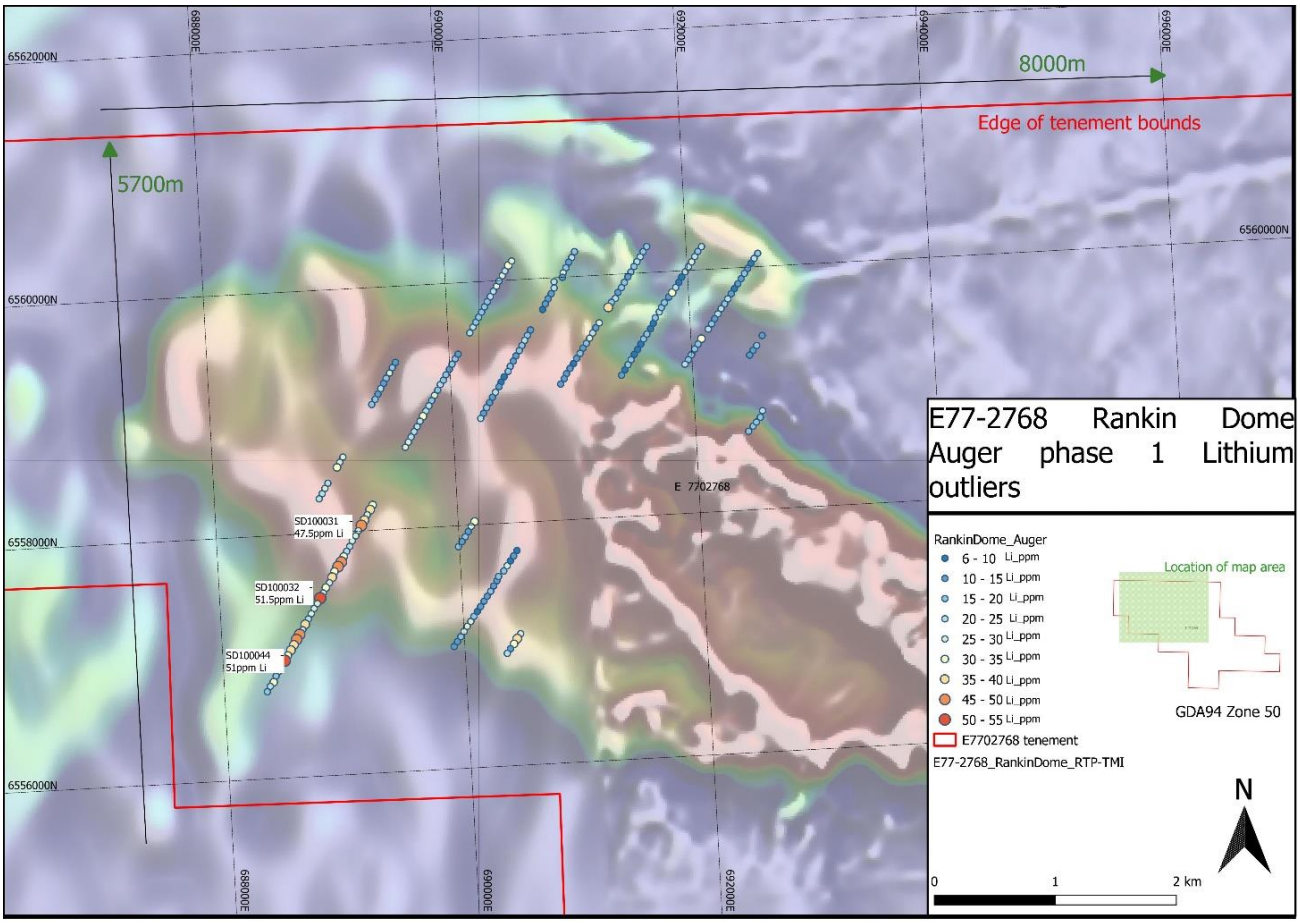

Fig.2 Auger geochemistry results (Lithium) with regional mag underlaying on E77/2768, showing Lithium results in the SW line of auger drilling

The lithium auger results cover an approximate 1.5km extent that remains open in all directions.

No of points	Min ppm	Max ppm	Mean ppm	Median ppm	Std Dev ppm
232	6	51.5	20.45	18.75	8.84

Table 1 Statistics of the Lithium geochemistry results at the Rankin Dome Project

Follow up auger geochemistry sampling has now been completed by the same Sahara rig as used in the initial program.

Other areas of the tenement have also been tested, including for gold, which were under crop at the time of the initial drilling.

By order of the Board

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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 Mr A 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.

JORC Code, 2012 Edition – Table 1 report - E77/2768

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 is dried weighed and crushed and a split portion is then pulverized and a nominal 40gram charge is taken by the laboratory for Fire Assay. • The 40 gram charge is then subject to classical fire assay and the prill is subject to total digest in a four acid digest and the solution is read by an ICP machine using OES to determine Au to 1ppb and Pt and Pd to 5ppb. • Multi Element assaying is done by mixed acid digest. Cr,Cu,Mg,Mn,Ni,S,Sc,Ti,V,Zn have been determined by Inductively Coupled Plasma (ICP) Optical Emission Spectrometry. Ag,As,Ba,Bi,Cd,Co,Li,Mo,Pb,Sr,Te • have been determined by Inductively Coupled Plasma (ICP) Mass Spectrometry
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*	• 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
	diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).	
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. • Mixed Acid Digest MA/ICPMS for multi element on a 0.2g charge. • 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*	• Fire assay technique is industry standard when assaying for Au, Pt and Pd. Mixed Acid digest MA/ICPOES and MS for the multi element.suite described above. • Repeat samples, randomly selected by the laboratory, were within statistically

Criteria	JORC Code explanation	Commentary
	model, reading times, calibrations factors applied and their derivation, etc. • *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.*	acceptable limits, and no outliers were noted in the laboratory inserted standards.
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. within access availability, adjusted where applicable.
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.*	• E77/2768 is a granted Exploration Licence West of Southern Cross and is 100% owned by Kula Gold Ltd. • Native Title: No Native title.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• There has been no surface geochemistry or drilling at the prospect by other parties.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• Archean -Unknown commodity- first pass Geochem for gold and multi element

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.*
	• *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not*
		• 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: geochemical) as opposed to drill holes.

Criteria	JORC Code explanation	Commentary
	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 samples reported in this press release, results ranged from 6ppb Li to 51.5ppb Li.
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 is often associated with Calcrete – a preferred sampling medium for gold and base metals geochemistry.
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or*	• Further work includes follow up infill auger geochemistry sampling and pending results,

Criteria	JORC Code explanation	Commentary
	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.*	RC drilling may be utilized if results warrant follow up work.