ASX Code: KGD
10 May 2017

ASX Announcement & Media Release

Further Significant Intersections from Woodlark Island

Highlights:

- **Strong gold values surrounding Busai 2012 DFS pit design, both at depth and along strike**
- **9m @ 17.29 g/t gold from 28m – hole BS17RC007**
- **42m @ 2.77 g/t gold from 31m – hole BS17DD007**
- **73m @1.5 g/t gold from 73m – hole BS17DD010**

Kula Gold Limited (ASX:KGD) ("**Kula**" or "**the Company**") is pleased to provide further results from ongoing development drilling at the Busai deposit within the Woodlark Island Gold Project ("Woodlark"), in joint venture with Geopacific Resources Limited (ASX:GPR).

Towards the southern end of the Busai deposit, drilling has confirmed the continuity of gold mineralisation below the base of the 2012 pit design. Logging of new drill holes and re-logging of historic drilling has identified that understanding the breccia units is significant, because they appear to influence the grade and distribution of gold. Higher gold grades are located within breccias that have four distinct phases of development. An understanding of the nature of the breccias is greatly improving the interpretation of the mineralisation and aiding more efficient drillhole targeting, evident by the results shown in Figure 1. below.

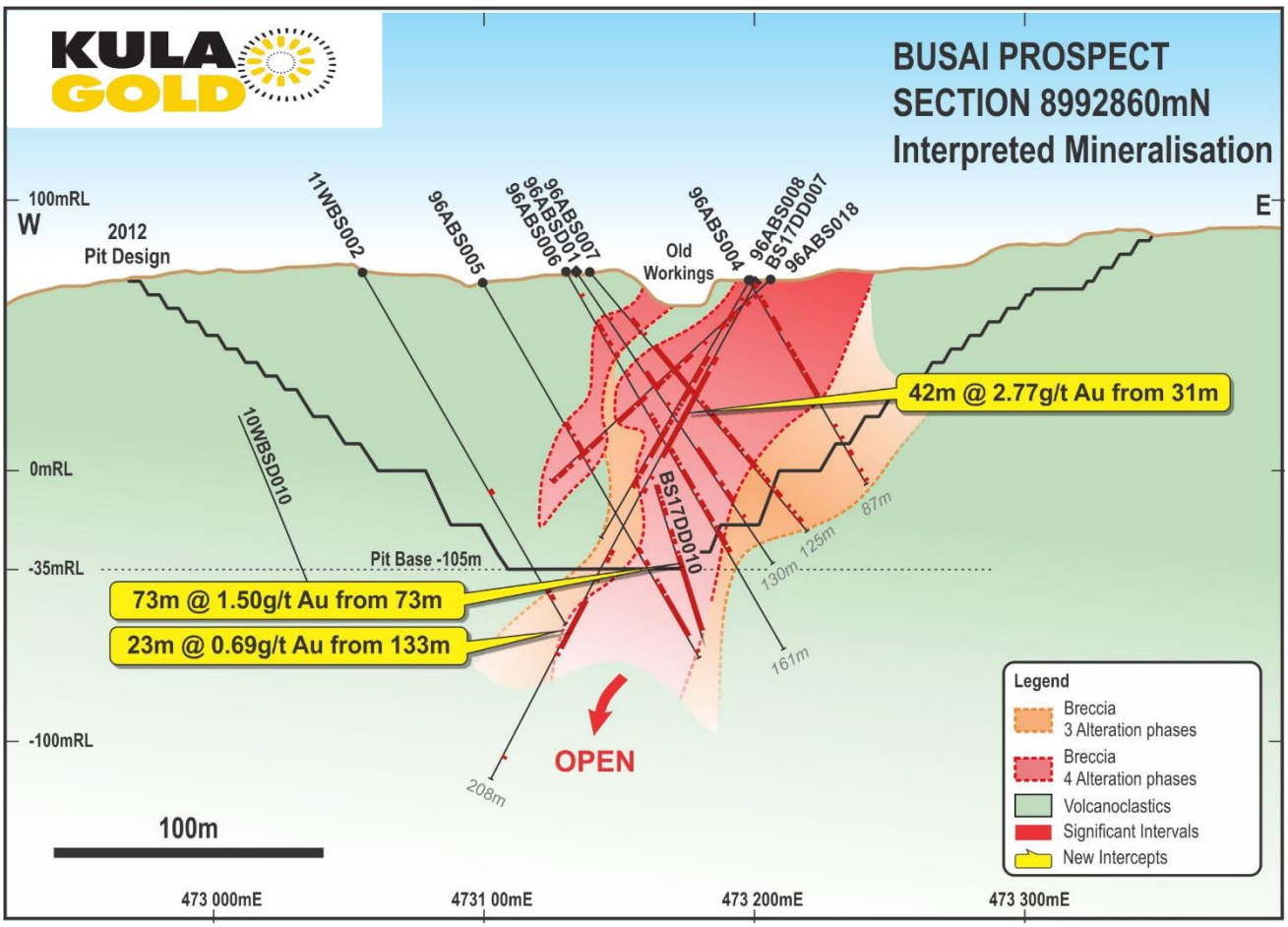

Figure 1: Cross section showing selected results and the alteration phases in the breccia units

Diamond hole BS17DD010 intersected several broad zones of gold mineralisation both within and below the current pit design. Intersections include 73m @1.50 g/t Au from 73m.

Details of the breccia model being used to interpret the geology and grade distribution are shown in Figure 1. The number of alteration phases can usually be readily identified. The interpretation is that the more alteration phases that are present, the higher the gold grade. Modelling of the breccias can then be used to predict the orientation of the gold zones. The number of alteration phases within a breccia are highlighted in the cross section.

Figure 2 below is an oblique long section along the Busai orebody, showing intersections from recent drilling and historical drillhole locations. Greater understanding of the geology has highlighted the plunge of the mineralisation shown in red, extending from the southern end of the 2012 pit design.

High-grade intercepts above 5g/t of gold (magenta) are shown on Figure 2, are both within and outside the 2012 pit designs. Gold mineralisation appears to plunge towards the south-east. This will be followed up with drilling.

High grade results have been encountered at the northern end of the Busai deposit including 9m @ 17.29 g/t gold from 28m in hole BS17RC007. This gold mineralisation is found in a colluvial channel, which was formed when mineralisation that had shed off the ore zone was subsequently covered by the coronus layer (the coronus is a thin layer of limestone, which formed after the gold mineralisation). Some of the colluvial gold appears to have undergone chemical re-deposition, forming delicate wire gold and small nuggets.

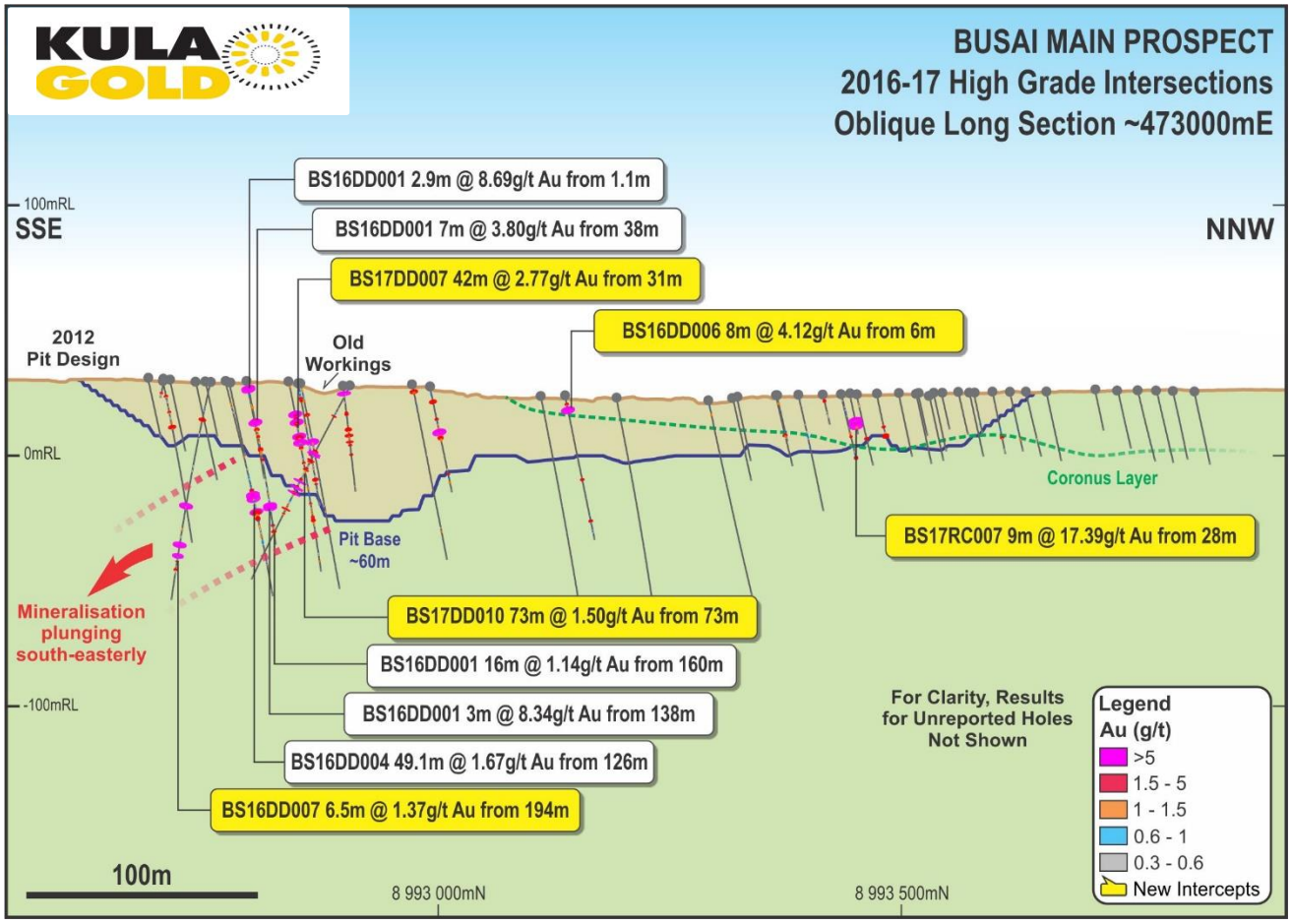

Figure 2: Oblique Long Section of the Busai deposit – recent results shown

In pursuit of the aim of upgrading Resources to improve certainty, drilling has tested potential depth and strike extensions. The mineralisation intersected in the drilling continues to confirm expectations and is consistent with that of the current Resource estimate. The location of the drillholes for recent drilling at Busai are shown in red on the drillhole location plan in Figure 3.

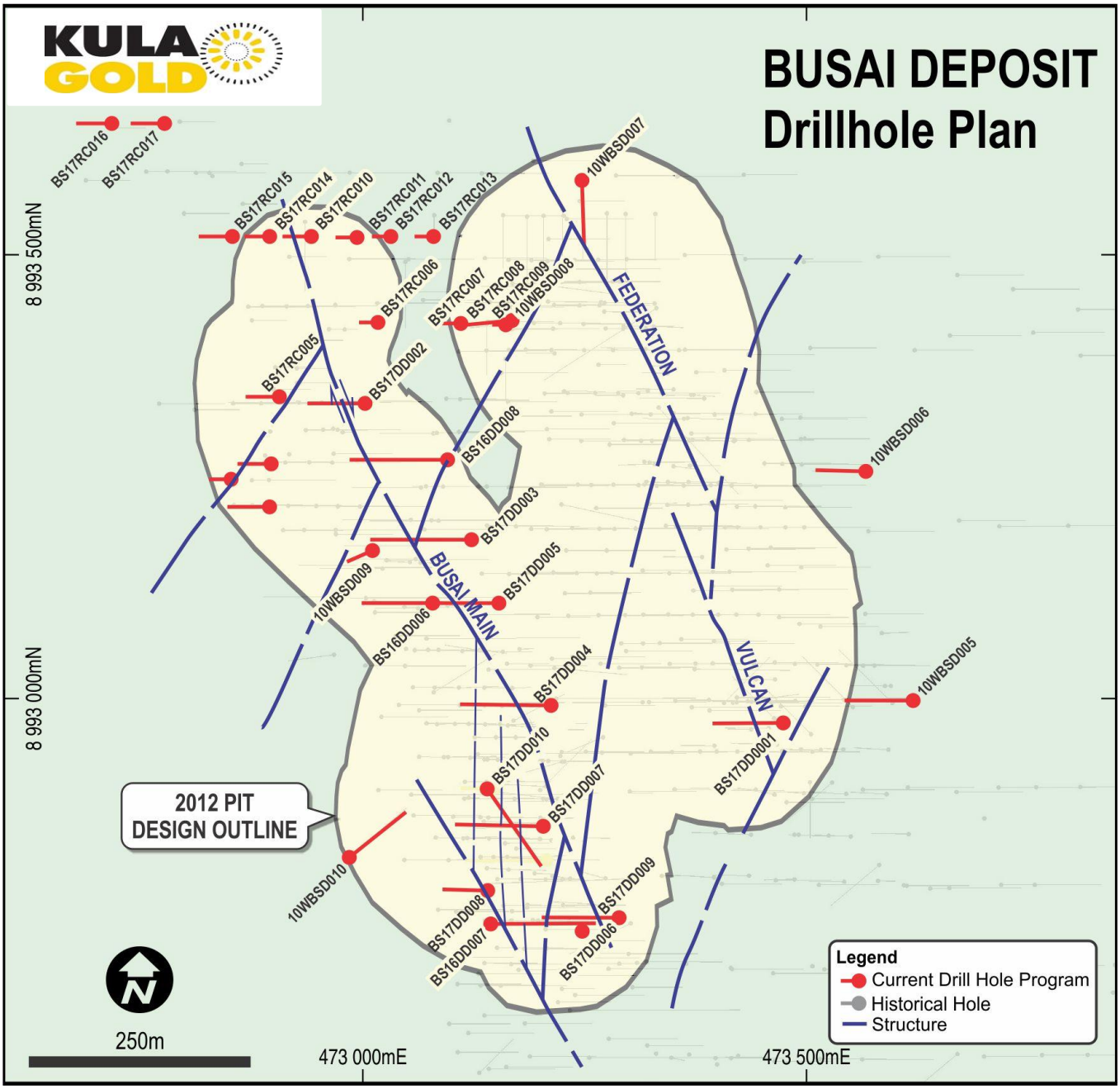

Figure 3: Drillhole location plan at the Busai deposit

Drilling continues and further results will be reported in due course.

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Background on the Woodlark Island Gold Project, PNG

Kula Gold Limited has advanced its Woodlark Island Gold Project to the point where it is permitted and ready to progress to the next stage. The Project is located 600 kilometres east of Port Moresby in the Milne Bay Province, Papua New Guinea.

Kula's Joint Venture Partner Geopacific Resources Limited is funding the next $8 million expenditure to advance the gold reserves to a target of 1.2 million ounces of gold to earn additional equity in the Project.

The Project has excellent upside potential through the conversion of Inferred Resources and numerous nearby exploration targets within a short distance of the proposed process plant location.

The Resource Estimates for the Kulumadau and Busai Deposits were re reported and released on 31 January 2017 in accordance with JORC 2012. The estimates for Munasi and Woodlark King have not been re reported in accordance with JORC 2012, as there has been no additional work within these deposits since the previous estimate.

Kula Gold's Feasibility Study, based on a JORC 2004 Ore Reserve of 766,000 ounces and a gold price of US$1200/ounce, defined a Project with a mine life of nine years, three open pit mining areas and a 1.8Mtpa gravity and carbon in leach plant (KGD ASX release 27 September 2012).

The Company's 95% owned subsidiary, Woodlark Mining Limited, has been granted the Environment Permit and the Mining Lease for the Project.

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The information in this report that relates to geology and exploration is based on information compiled by Mr Paul Dunbar, a Competent Person who is a member of the Australian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. Mr. Dunbar is employed by Dunbar Resource Management, a Geology and Exploration Management consultancy, who has been engaged by Kula Gold. Mr. Dunbar 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. Dunbar consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information relating to the 2012 JORC Resource estimates was initially released in the 31 January 2017 ASX release and is available on the company's website. The company confirms that it is not aware of any new information or data that materially affects the information included in that announcement and that all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed. The company confirms that the form and context of the resource estimates have not been materially modified from the original ASX release.

Appendix A: Table 1. Significant Intersections

Hole No.	Easting	Northing	RL	Dip	Azim UTM	End Depth (m)	From (m)	Intercept	Comment
10WBSD005	473612	8993001	68	-60	270	150	2	1.0m @ 0.66ppm Au	Historical Geotech hole
10WBSD006	473560	8993257	105	-60	270	111.3	27.4	1.0m @ 0.68ppm Au	Historical Geotech hole
10WBSD007	473246	8993580	70	-60	180	141.3	107.7	1.0m @ 1.35ppm Au	Historical Geotech hole
10WBSD007							117.8	4.3m @ 0.84ppm Au	Historical Geotech hole
10WBSD008	473164	8993423	67	-60	265	90.3	22	6.7m @ 0.92ppm Au	Historical Geotech hole
10WBSD009	473010	8993168	54	-60	250	60.2	15	8.0m @ 0.99ppm Au	Historical Geotech hole
10WBSD010	472986	8992826	72	-60	50	160.8	148	1.0m @ 0.78ppm Au	Historical Geotech hole
10WBSD010								3.0m @ 0.86ppm Au	Historical Geotech hole
BS16DD006	473078	8993111	57	-61	270	161.5	0	2.0m @ 0.74ppm Au	
BS16DD006							6	8.0m @ 4.12ppm Au	
BS16DD006							93	1.0m @ 2.17ppm Au	
BS16DD006							137	1.0m @ 0.63ppm Au	
BS16DD006							141	4.0m @ 0.86ppm Au	
BS16DD006							153	1.0m @ 0.87ppm Au	
BS16DD007	473143	8992754	73	-62	90	240.5	30.9	1.1m @ 0.82ppm Au	
BS16DD007							94	1.2m @ 0.58ppm Au	
BS16DD007							139	1.0m @ 10.04ppm Au	
BS16DD007							143.15	1.8m @ 1.02ppm Au	
BS16DD007							181.9	1.0m @ 7.94ppm Au	
BS16DD007							194	6.5m @ 1.37ppm Au	
BS16DD007							208.3	3.7m @ 1.26ppm Au	
BS16DD008	473095	8993270	64	-61	270	233.5	7.4	1.1m @ 0.75ppm Au	
BS16DD008							14.8	2.0m @ 1.07ppm Au	
BS17DD001	473469	8992976	95	-60	270	160.5	0	6.0m @ 0.81ppm Au	
BS17DD001							36	3.1m @ 0.65ppm Au	
BS17DD001							42.6	3.8m @ 1.29ppm Au	
BS17DD001							73	1.0m @ 1.33ppm Au	
BS17DD001							85	1.0m @ 0.53ppm Au	
BS17DD001							95	3.0m @ 0.51ppm Au	
BS17DD001							99	7.0m @ 0.79ppm Au	
BS17DD001							122	1.0m @ 0.51ppm Au	
BS17DD001	473469	8992976	95	-60	270	160.5	128	6.3m @ 0.91ppm Au	
BS17DD001							138.4	1.6m @ 1.18ppm Au	
BS17DD002	473003	8993332	58	-60	270	128.6	40.7	6.7m @ 0.56ppm Au	
BS17DD002							55.6	1.5m @ 0.72ppm Au	
BS17DD003	473119	8993180	65	-61	270	231.9	No significant intersection		
BS17DD004	473210	8992997	81	-61	270	208.8	0	2.0m @ 2.78ppm Au	
BS17DD004							33	1.0m @ 0.73ppm Au	

Hole No.	Easting	Northing	RL	Dip	Azim UTM	End Depth (m)	From (m)	Intercept	Comment
BS17DD004							174	1.0m @ 0.54ppm Au	
BS17DD004							178.4	1.0m @ 1.16ppm Au	
BS17DD005	473152	8993109	81	-60	270	276.8	0	1.6m @ 0.57ppm Au	
BS17DD006	473285	8992761	75	-62	270	181	16	5.0m @ 1.27ppm Au	
BS17DD006							24	1.0m @ 0.51ppm Au	
BS17DD006							34	2.0m @ 1.45ppm Au	
BS17DD006							46	2.0m @ 1.10ppm Au	
BS17DD006							51	5.0m @ 1.72ppm Au	
BS17DD007	473200	8992863	70	-62	270	208	0	1.5m @ 1.16ppm Au	
BS17DD007							31	42.0m @ 2.77ppm Au	
BS17DD007							81	1.0m @ 0.75ppm Au	
BS17DD007							86	3.0m @ 1.02ppm Au	
BS17DD007							112	5.0m @ 0.81ppm Au	
BS17DD007							122	3.0m @ 0.52ppm Au	
BS17DD007							133	23.0m @ 0.69ppm Au	
BS17DD007							191	1.0m @ 0.54ppm Au	
BS17DD007							198	1.0m @ 1.04ppm Au	
BS17DD008	473139	8992792	72	-61	270	105	No significant intersection		
BS17DD009	473243	8992744	72	-60	90	15	11	1.0m @ 1.70ppm Au	
BS17DD010	473140	8992903	70	-61	145	216.6	31	4.0m @ 1.04ppm Au	
BS17DD010							73	73.0m @ 1.5ppm Au	
BS17RC001	472897	8993217	59	-60	270		No significant intersection		
BS17RC002	472854	8993247	58	-60	270	49	6	2.0m @ 1.24ppm Au	
BS17RC003	472898	8993264	59	-59	270	78	40	1.0m @ 0.80ppm Au	
BS17RC003							44	4.0m @ 1.09ppm Au	
BS17RC005	472908	8993339	59	-60	270	72	4	1.0m @ 0.51ppm Au	
BS17RC005							42	1.0m @ 1.41ppm Au	
BS17RC005							46	1.0m @ 1.68ppm Au	
BS17RC005							61	11.0m @ 0.79ppm Au	
BS17RC006	473018	8993422	61	-61	270	48	34	3.0m @ 1.34ppm Au	
BS17RC006							46	2.0m @ 3.56ppm Au	
BS17RC007	473065	8993412	60	-60	270	42	0	1.0m @ 0.77ppm Au	
BS17RC007							28	9.0m @ 17.39ppm Au	
BS17RC008	473110	8993421	63	-60	270	42	2	1.0m @ 0.50ppm Au	
BS17RC008							17	1.0m @ 0.50ppm Au	
BS17RC008							21	3.0m @ 0.54ppm Au	
BS17RC008							28	1.0m @ 0.54ppm Au	
BS17RC009	473160	8993420	67	-59	270	30	3	2.0m @ 1.77ppm Au	
BS17RC009							20	4.0m @ 0.57ppm Au	
BS17RC010	472945	8993517	64	-60	270	69	41	3.0m @ 0.56ppm Au	
BS17RC010							52	1.0m @ 2.11ppm Au	
BS17RC011	472995	8993517	65	-60	270	48	38	1.0m @ 0.88ppm Au	
BS17RC012	473034	8993517	64	-60	270	48	No significant intersection		
BS17RC013	473078	8993517	62	-60	270	40	No significant intersection		
BS17RC014	472898	8993517	63	-60	270	66	32	1.0m @ 0.66ppm Au	
BS17RC014							43	1.0m @ 0.83ppm Au	
BS17RC014							54	1.0m @ 1.29ppm Au	
BS17RC015	472857	8993517	62	-60	270	72	No significant intersection		
BS17RC016	472722	8993644	62	-60	270	80	No significant intersection		
BS17RC017	472780	8993645	63	-60	270	75	44	4.0m @ 6.81ppm Au	

Notes

- Sampling was conducted using diamond drilling (DD) or RC drilling
- DD samples comprised of half core, cut by diamond saw; RC samples were collected on a 1m interval with approximately 2kg collected from a riffle splitter
- Sample preparation undertaken by ITS Laboratories on Woodlark Island (refer Appendix B for details)
- Gold analysis by Fire Assay 50gm charge by Intertek Genalysis Laboratories, Townsville, Australia
- Mineralised intercepts calculated as a weighted average, using a 0.5g/t Au lower cut, maximum of two metres of internal waste.
- Collar coordinates in PNG94 Geodetic System
- Azimuths true bearing

Appendix A: Table 2. Woodlark Island 2012 Resource Table

Reported as per JORC 2012
As of July 2012 at 0.5g/t Au lower cutoff

Deposit	Category	Resource (Mt)	Grade – cut (g/t gold)	Gold – cut (Oz)
Kulumadau	Measured	5	1.78	285,000
	Indicated	4.4	1.75	250,000
	Inferred	8.6	1.4	380,000
	Totals	**18**	**1.6**	**910,000**
Busai	Measured	3.9	1.54	190,000
	Indicated	10.4	1.4	470,000
	Inferred	4.9	1.6	250,000
	Totals	**19**	**1.5**	**910,000**
All	Measured	8.9	1.66	475,000
	Indicated	14.8	1.5	720,000
	Inferred	13.5	1.5	630,000
Totals	**All**	**37.2**	1.5	**1,820,000**

Notes
1: Totals may appear incorrect due to rounding.
2: The Busai Indicated Resource includes 0.4Mt @ 1.4/t Au for 20,000oz from overlying alluvial mineralisation.
3: The Busai Inferred Resources includes 0.4Mt @ 1.2/Au for 14,000oz from overlying alluvial mineralisation.

Appendix A: Table 3. Woodlark Island 2004 Resource Table

Reported as per JORC 2004
As of July 2012 at 0.5g/t Au lower cutoff

Deposit	Category	Resource (Mt)	Grade – cut (g/t gold)	Gold – cut (Oz)
Munasi	Inferred	3.9	0.9	110,000
	Total	**3.9**	**0.9**	**110,000**
Woodlark King	Indicated	3	1.2	115,000
	Inferred[2]	1	1.8	60,000
	Total	**4**	**1.4**	**175,000**
Total	**All**	**7.9**	**1.1**	**285,000**

1: Totals may appear incorrect due to rounding.

2: The Woodlark King Inferred Resource includes 0.3Mt @ 3.0g/t for 30,000oz Au from Watou (1.5km south of Woodlark King)

3: These Resources are reported under JORC 2004 and have not been updated.

Appendix B: JORC Code, 2012 Edition – Table 1 – Recent Drilling

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 (e.g. 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.*	Sampling was conducted using diamond drilling (**DD**) or RC drilling. Sampling of the diamond drilling comprised half core samples taken based on lithological, alteration, and mineralisation breaks observed in geological logging. RC samples were collected on a 1m interval with approximately 2kg collected from a riffle splitter. Samples were sent for fire assay gold and four-acid multi-element analysis by ICPMS method. Blank, duplicate, and standard samples were inserted in at various intervals based on Geopacific's QAQC procedure to ensure assay results are representative and repeatable.
	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 (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 50gm 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 (e.g. submarine nodules) may warrant disclosure of detailed information.*	Core was cut in half using a core saw. Where core competency was low, whole core was wrapped in plastic clingfilm to help maintain integrity of the sampled interval while being cut. RC samples of approximately 2kg were collected on 1m intervals. Samples were prepared on the on-site sample prep laboratory operated by ITS Pty Ltd PNG (Intertek Services Ltd). Standard preparation of samples is to crush ~2kg through a jaw crushed, with a blank bottle wash between each sample. Crushed sample is then transferred to a LM-2 pulveriser for reduction to pulp. A 150gm pulp sample is split from the master sample and submitted for analysis. Coarse reject material and pulps are bagged and stored on site for future reference. Samples were sent for fire assay gold analysis using a 50g charge, as well as multi-element analysis using multi-acid digest with ICP finish at Intertek's Townsville laboratory.

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
Drilling Techniques	*Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. 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.).*	Hole with an RC suffix were drilled by Reverse circulation drilling (RC), using a 139mm hammer. Holes with a DD suffix were drilled PQ or HQ diameter triple tube. All core is oriented using Reflex digital ori tool for all core diameters. Holes with a RD suffix were PQ or HQ diamond drill holes with a RC pre-collar
Drill Sample Recovery	*Method of recording and assessing core and chip sample recoveries and results assessed.*	Core recovery is recorded by measuring the core recovered from the drill hole against the actual drilled metres. RC samples are weighed for each metre and assessed for recovery, contamination and effect of water if present.
	Measures taken to maximise sample recovery and ensure representative nature of the samples.	Triple tube barrel for diamond drilling plus closely monitored drill mud regime. Short drill runs used in areas of broken ground. RC drilling on 1 metre basis using cemented pvc casing to 12m to ensure tight collar seal and minimise outside circulation.
	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.	Sample recovery data shows good recovery throughout the drill holes, consistently above 90%, and as such there is no sample bias introduced because of sample recovery.
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.*	All drill core and chips was geologically logged by Geopacific geologists using Geopacific logging procedure. Geotechnical logging of Rock Quality Designation (RQD), hardness, degree of fracturing and weathering is undertaken by Geopacific staff using Geopacific's logging procedure.
	Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.	Drill core and chips was logged both qualitatively (e.g. lithology, alteration, structure, etc.) and quantitatively (e.g. veining and mineralisation percentage, structural orientation angles, etc.). Drill core is photographed both dry and wet and is stored in plastic core trays in our exploration core yard.
	The total length and percentage of the relevant intersections logged.	All holes are logged their entire length.

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
Sub-sampling techniques and sample preparation	*If core, whether cut or sawn and whether quarter, half or all core taken.*	Core is halved, with one half sent for sample preparation and analysis. The remaining core is stored in the core trays on site.
	If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.	RC samples weighed, and if dry, riffle split using a three-tier system generating a collective 12.5% split of the original metre sample for analysis. In areas of un-mineralised material, a 4-metre composite is taken by 25% splitting each component 1m sample and combining for a single sample for submission. Residual original split material is reserved should anomalous values be encountered and individual metre samples be required. Wet samples are placed in a clean container, mixed and spear sampled, mixed again and spear sampled, with resultant sub sample mixed and spear sampled again for submission.
	For all sample types, the nature, quality and appropriateness of the sample preparation technique.	Samples are crushed to a nominal 2mm by a jaw crusher, with the whole sample pulverised and then split; one 150gm sample for submission with residue stored on site.
	Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.	Field blank, duplicate, and standard samples are introduced to maximise the representivity of the 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.	Field duplicates are inserted in accordance with Geopacific's QAQC procedure at a nominal 1 duplicate in every 20 samples which is in line with industry standards.
	Whether sample sizes are appropriate to the grain size of the material being sampled.	Sample sizes are appropriate to the grain size of the material being sampled.
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.*	Fire assay Au and four-acid digest ICP analysis are thought to be appropriate for determination of gold and base metals in fresh rock, and are considered to represent a total analysis.
	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.	No results from geophysical tools, spectrometers, or handheld XRF instruments are reported in this release.

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
	Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.	Field and lab blank, duplicate, and standard samples were used in the drilling. Results from these QAQC samples were within the acceptable ranges.
Verification of sampling and assaying	*The verification of significant intersections by either independent or alternative company personnel.*	Significant intersections were inspected by senior geological staff.
	The use of twinned holes.	No holes reported in this announcement are twins of previous drilling.
	Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.	Primary assay data is sent electronically from the lab to GPR database administrator and then entered into the database and validated by the database administrator and senior staff.
	Discuss any adjustment to assay data.	No adjustments were made or required to be 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.*	Drill hole collars were located using a total station surveying instrument. Downhole surveys are recorded as being captured by single shot downhole camera
	Specification of the grid system used.	Coordinates are recorded in PNG94 geodetic system
	Quality and adequacy of topographic control.	LiDAR survey data obtained over the licence area, tied in to total station collar readings provide sub-metre accuracy.
Data spacing and distribution	*Data spacing for reporting of Exploration Results.*	Drilling reported in this release relates to infill drilling within the Kulumadau deposit. Existing drilling within the defined deposit area is nominally spaced 25m x 25m, closer in some areas.
	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.	Drilling results released in this announcement indicate new areas of unrecognised mineralisation that may or may not add to a future resource calculation. Data points are somewhat isolated from surrounding information and require additional drill holes to support interpretations and subsequent inclusion in future ore resource calculations.

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
	Whether sample compositing has been applied.	No composite sampling in announced results.
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.*	Current interpretations of the mineralised zones in all areas indicate that the orientation of the drill holes has achieved unbiased sampling of the structures.
	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.	An interpretation of the mineralisation has indicated that no sampling bias has been introduced.
Sample security	*The measures taken to ensure sample security.*	All samples are collected by GPR staff and put into numbered plastic bags, along with a corresponding sample ticket, which are immediately sealed and placed in order on a pallet with other samples in an area directly adjacent to the onsite sample preparation laboratory. and the pallet containing the sealed samples is then delivered directly into the onsite sample prep lab, where chain of custody hands over to ITS Ltd.
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	No audits have been completed, but QAQC data is monitored on a batch-by-batch basis.

Appendix B: JORC Code, 2012 Edition – Table 1

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.*	Geopacific is negotiating a Joint Venture agreement with Kula Gold Ltd (ASX:KGD) to acquire a 75% interest by spending AUD$18.65m over three tranches. In Tranches 1 and 2, Geopacific must spend AUD$8m within the first two years to earn an initial 35% interest in operating company WML. Should Geopacific delineate a Reserve base of >1.2M Oz Au within the two-year period it will be deemed to hold a 51% interest in WML. Geopacific can increase its ownership to 60% of WML by completing the earn-in expenditure (Tranche 3) without delineating the Reserve target of 1.2M Oz Au. Should that target be met as part of Tranche 3 expenditure, Geopacific will be deemed to have earned a 75% interest in WML.
Exploration done by other parties	*Acknowledgment and appraisal of exploration by other parties.*	This announcement is based on work done by Kula Gold Ltd and Geopacific Resources Limited.

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
Geology	*Deposit type, geological setting and style of mineralisation.*	Most of Woodlark Island is covered by a veneer of Plio-Pleistocene limestones (coronus) of variable thickness with associated marine clays and basal conglomerates. A central elevated portion of the island (horst structure) contains Miocene volcanic rocks intruded by late stage, high K porphyritic intrusives and contains the known historical mines. Gold mineralisation within the Woodlark Island Gold Project is principally hosted by andesites and their sub-volcanic equivalents within the Miocene age stratigraphic unit known as the Okiduse Volcanics. The mineralisation is variously associated with lodes, quartz veins, stockwork zones and breccias developed within proximal phyllic and marginal propylitic alteration envelopes regionally associated with intrusive breccia complexes. Gold mineralisation is consistent with low sulphidation, base metal carbonate, epithermal systems typical of the south-west Pacific.
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 detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	See body of text for details.
Data aggregation methods	*In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.*	No top-cuts were used in the reporting of these significant intercept. The interval selected using a cut off value 0.5ppm Au and were calculated using weighted averaging.

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
	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.	Shorter intercepts of higher grade within larger reported intercepts are subsequently highlighted within the summary drilling table.
	The assumptions used for any reporting of metal equivalent values should be clearly stated.	N/A
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 (e.g. 'down hole length, true width not known').*	Data spacing is quite broad for holes KU17RC004 and KU17RC009. At this stage, it is unclear how mineralisation relates to current ore resource blocks and mineralised intercepts in neighbouring holes. More drilling is required to form a clearer picture on orientation and true widths.
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.*	Diagrams relevant to the report content are included in the body of the report.
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.*	Refer to text.
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.*	Refer to text.

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
Further work	*The nature and scale of planned further work (e.g. 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.*	Refer to text.