

ASX Announcement & Media Release

FURTHER IMPRESSIVE GOLD INTERSECTIONS AT WOODLARK including 18m @ 8.89g/t gold and 51m @ 2.82g/t gold

HIGHLIGHTS:

- **Broad, high-grade mineralisation surrounding 2012 pit designs**
- **Best results include:**
 - **51m @ 2.82g/t gold from 35m in KU17DD003**
 - **11m @ 6.03 g/t gold from 44m and 18m @ 8.89g/t gold from 102m in KU17RC038**
 - **13m @ 3.19 g/t gold from 57m in KU17RC024**
 - **4m @ 4.82 g/t gold from 29m in KU17RC027**
 - **6m @ 4.99 g/t gold from 34m and 4m @ 1.13g/t gold 50m in KU17RC028**
 - **4m @1.74g/t gold from 126m and 6m @ 9.17g/t gold from 133m in KU17DD006**
- **Extensive drilling program ongoing with three drill rigs in operation at Woodlark Island – further assays expected in coming weeks**
- **Drilling program highlights significant potential to expand existing Woodlark Island Gold Project Resource inventory in the near-term**

PNG-focused gold development company Kula Gold Limited (ASX:KGD) (“Kula” or “the Company”) is pleased to advise that further high grade drill results have been recorded from the ongoing development drilling program at the Kulumadau deposit located within the Company’s Woodlark Gold Project (“Woodlark”) in Papua New Guinea. The large-scale drilling program is being undertaken in joint venture with and managed by Geopacific Resources Limited (ASX:GPR).

Recent drilling at the Kulumadau deposit has focused on two key areas including firstly, following up the discovery intersection north of Kulumadau East, which confirmed additional broad, high-grade gold values downhole. The close proximity of this area to the 2012 pit designs demonstrates the potential to expand the existing Reserve. Secondly, further improving confidence in the resource classification – with drilling continuing to intersect gold mineralisation inside and surrounding current pit designs at grades consistent with the current resource.

Kulumadau Deposit – Drilling Update

Both RC and diamond drilling methods have been used at the Kulumadau Deposit, with recent drilling including 1,790 metres of diamond and 4,041 metres of RC drilling completed in and around the area. A number of RC holes were drilled as pre-collars, intended for completion with diamond tails.

Many of the RC pre-collars intersected gold mineralisation which falls outside the modelled mineralised Resource envelopes.

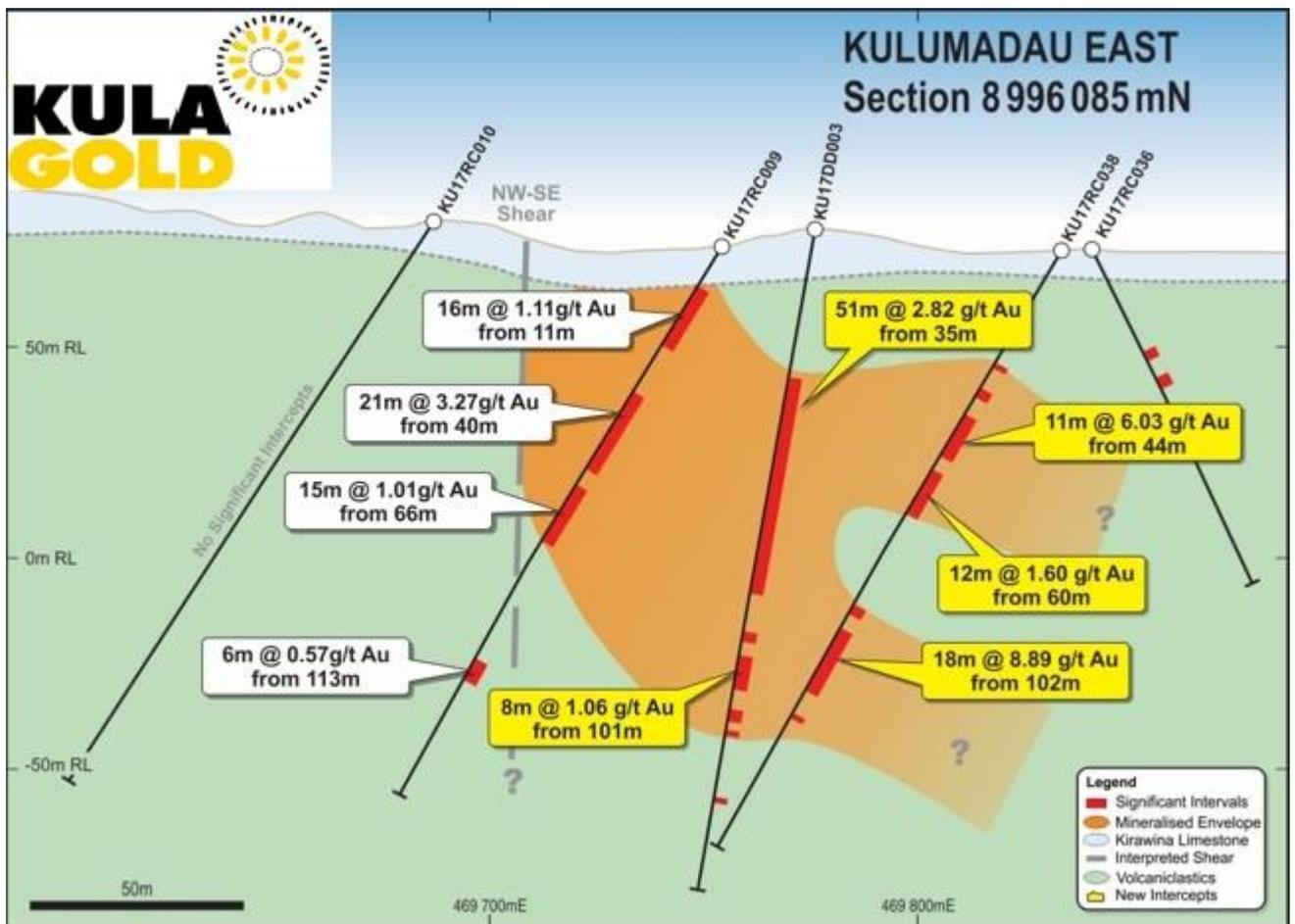


Figure 1: Cross section showing selected results to the north of the Kulumadau East deposit.

Kulumadau East

The results of RC hole KU17RC009 [see ASX release from March 21] are shown in Figure 1. The broad intersections of high-grade mineralisation from surface were sufficiently attractive to warrant follow-up drilling, which has resulted in further success. The Kulumadau East Deposit was discovered with sterilisation drilling and was consequently characterised by shallow holes, some of which end in mineralisation. The impact of this being a shallow, flat-bottomed 2012 pit design with a depth of 80 metres shown in Figure 2.

Drilling targets will look to capture and extend the mineralisation below the 2012 pit designs. Diamond drill hole KU17DD006 intersected significant zones of mineralisation before continuation was impacted by poor ground conditions.

Significant intercepts are displayed in Figure 2 with new results labelled in yellow.

Mineralisation encountered in both diamond and RC drilling falls outside the current resource inventory, approximately 100m north-east of the 2012 proposed East Kulumadau pit boundary as seen in the drillhole location plan Figure 3.

Mineralised intersections were encountered in both sheared volcaniclastic rocks as well as late-stage breccias.

The nature of the significant intersections being broad widths of high-grade, near-surface mineralisation is shown in the cross section below.

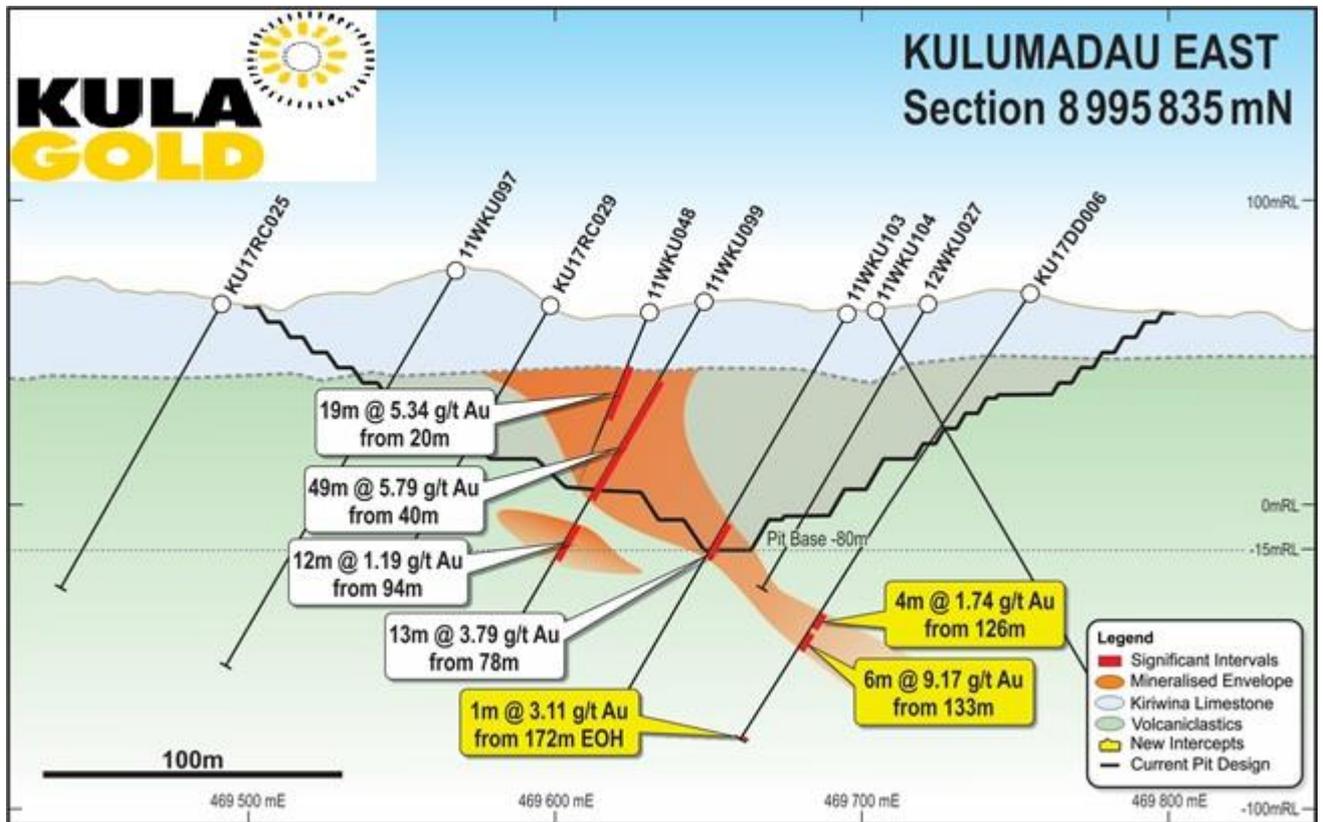


Figure 2: Cross section at the Kulumadau East deposit.

Kulumadau West

Drilling at Kulumadau West is infill drilling aimed at increasing confidence around mineralisation to upgrade the classification of the Resource. The main focus involved testing the depth extensions of mineralisation and infilling existing drilling to improve the resource category of deeper ore blocks from Inferred to Measured and Indicated to allow their inclusion into future Reserve calculations. Drilling began in the north-west of the deposit and the rigs are being moved, drilling progressively towards the south.

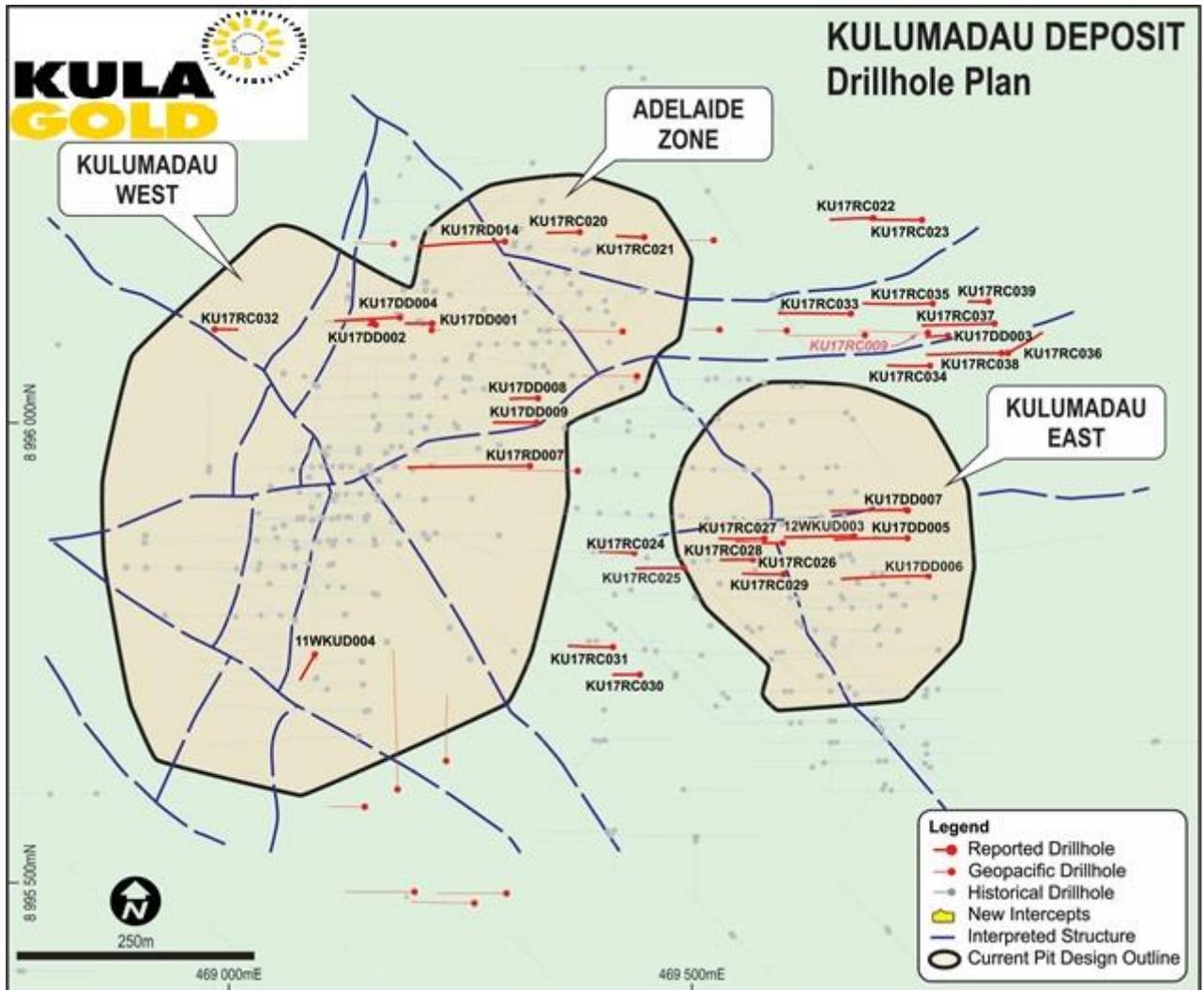


Figure 3: Drillhole location map of Kulumadau.

Geotechnical Holes

Sampling of historical geotechnical drill core revealed several previously unrecognised significant intersections:

- 3m @ 14.88g/t Au from 46m in hole 11WKUD004
- 14m @ 1.19g/t Au from 74m and 11m @ 1.69g/t Au from 94m in hole 12WKUD003

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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.	Hole Type	Easting	Northing	RL	Dip	Azim UTM	End Depth (m)	From (m)	Intercept	Comment
11WKUD004	DD	469094	8995749	63	-60	210	65.7	46	3.0m @ 14.88g/t Au	Historical Geotech hole
12WKUD003	DD	469674	8995878	70	-60	270	149.6	39 74 94	1.0m @ 0.93g/t Au 14.0m @ 1.19g/t Au 11.0m @ 1.69g/t Au	Historical Geotech hole
KU17DD001	DD	469225	8996111	108	-60	270	59	No significant intersections		Hole terminated in poor ground
KU17DD002	DD	469162	8996100	108	-80	270	52.3	35 39	1.0m @ 0.97g/t Au 1.0m @ 0.51g/t Au	Hole terminated in poor ground
KU17DD003	DD	469775	8996094	76	-80	270	158.2	35 95.6 101 114 119 135	51.0m @ 2.82g/t Au 2.4m @ 2.30g/t Au 8.0m @ 1.06g/t Au 2.7m @ 0.89g/t Au 1.0m @ 1.12g/t Au 1.0m @ 1.46g/t Au	
KU17DD004	DD	469185	8996114	104	-69	270	225.6	25 60 128 146 160 173 183 197	1.0m @ 0.91g/t Au 2.0m @ 1.71g/t Au 12.0m @ 0.75g/t Au 2.0m @ 0.89g/t Au 2.0m @ 1.05g/t Au 4.0m @ 3.19g/t Au 5.0m @ 1.23g/t Au 4.0m @ 1.77g/t Au	
KU17DD005	DD	469732	8995875	65	-61	270	177.3	33 111 139 167	2.0m @ 0.94g/t Au 1.0m @ 0.96g/t Au 1.0m @ 0.54g/t Au 1.0m @ 1.36g/t Au	

Hole No.	Hole Type	Easting	Northing	RL	Dip	Azim UTM	End Depth (m)	From (m)	Intercept	Comment
KU17DD006	DD	469754	8995833	69	-54	270	174.4	90.2 105 113 122 126 133 142 149 172	3.8m @ 1.36g/t Au 2.0m @ 0.72g/t Au 6.0m @ 0.89g/t Au 1.0m @ 0.91g/t Au 4.0m @ 1.74g/t Au 6.0m @ 9.17g/t Au 2.0m @ 0.97g/t Au 1.0m @ 1.34g/t Au 1.0m @ 3.11g/t Au	Hole terminated in poor ground
KU17DD007	DD	469730	8995905	64	-60	270	173.1	22 143 165	2.7m @ 0.54g/t Au 1.0m @ 6.72g/t Au 8.1m @ 1.36g/t Au	
KU17DD008	DD	469334	8996026	80	-60	270	63.7	36.2 46	1.1m @ 1.03g/t Au 5.0m @ 0.89g/t Au	
KU17DD009	DD	469332	8996000	80	-60	270	94.9	31	1.0m @ 2.09g/t Au	
KU17DD009								61 71.9 83 90	1.2m @ 1.14g/t Au 1.7m @ 0.92g/t Au 4.0m @ 4.72g/t Au 1.0m @ 0.56g/t Au	
KU17RC020	RC	469379	8996207	102	-61	270	74	No significant intersections		Pre-collar
KU17RC021	RC	469449	8996202	100	-61	270	66	No significant intersections		Pre-collar
KU17RC022	RC	469695	8996223	93	-60	270	96	No significant intersections		Pre-collar
KU17RC023	RC	469748	8996221	89	-60	270	114	No significant intersections		Pre-collar
KU17RC024	RC	469438	8995859	68	-60	270	78	27 37 57 75	7.0m @ 0.95g/t Au 1.0m @ 0.91g/t Au 13.0m @ 3.19g/t Au 2.0m @ 1.50g/t Au	Pre-collar
KU17RC025	RC	469491	8995843	66	-60	270	107	76	2.0m @ 1.07g/t Au	Pre-collar
KU17RC026	RC	469566	8995852	72	-61	270	74	30	8.0m @ 0.79g/t Au	Pre-collar
KU17RC027	RC	469578	8995875	63	-61	270	102	29	4.0m @ 4.82g/t Au	Pre-collar
KU17RC028	RC	469598	8995870	63	-60	270	102	20 34 50 60 84	8.0m @ 0.91g/t Au 6.0m @ 4.99g/t Au 4.0m @ 1.13g/t Au 8.0m @ 0.54g/t Au 2.0m @ 0.86g/t Au	Pre-collar

Hole No.	Hole Type	Easting	Northing	RL	Dip	Azim UTM	End Depth (m)	From (m)	Intercept	Comment
KU17RC029	RC	469598	8995836	65	-61	270	90	25 41 56 63 72 87	2.0m @ 3.77g/t Au 1.0m @ 1.36g/t Au 1.0m @ 1.05g/t Au 1.0m @ 4.27g/t Au 1.0m @ 0.53g/t Au 2.0m @ 2.29g/t Au	Pre-collar
KU17RC030	RC	469444	8995727	61	-60	270	60	34 44 56	2.0m @ 0.95g/t Au 4.0m @ 0.85g/t Au 4.0m @ 0.98g/t Au	Pre-collar
KU17RC031	RC	469415	8995757	63	-61	270	102	80 88 92 98	4.0m @ 0.62g/t Au 2.0m @ 0.72g/t Au 2.0m @ 0.64g/t Au 2.0m @ 0.51g/t Au	Pre-collar
KU17RC032	RC	468986	8996102	130	-61	90	54		No significant intersections	Pre-collar
KU17RC033	RC	469671	8996118	79	-59	270	150		No significant intersections	
KU17RC034	RC	469756	8996062	76	-59	270	90	23	2.0m @ 0.75g/t Au	Pre-collar
KU17RC035	RC	469759	8996129	76	-60	270	150	12 34 50 99 125	2.0m @ 1.82g/t Au 8.0m @ 0.63g/t Au 2.0m @ 1.32g/t Au 1.0m @ 0.90g/t Au 1.0m @ 0.66g/t Au	
KU17RC035								138	2.0m @ 1.04g/t Au	
KU17RC036	RC	469840	8996075	72	-60	60	90	28 35	2.0m @ 1.42g/t Au 3.0m @ 2.16g/t Au	Pre-collar
KU17RC037	RC	469825	8996107	72	-60	270	162	10 28 36	2.0m @ 1.40g/t Au 2.0m @ 0.67g/t Au 5.0m @ 0.95g/t Au	
KU17RC038	RC	469833	8996075	72	-59	270	162	15 20 23 31 37 44 60 97 102 126	1.0m @ 0.55g/t Au 1.0m @ 0.53g/t Au 1.0m @ 0.56g/t Au 1.0m @ 0.75g/t Au 2.0m @ 0.94g/t Au 11.0m @ 6.03g/t Au 12.0m @ 1.60g/t Au 2.0m @ 1.21g/t Au 18.0m @ 8.89g/t Au 1.0m @ 0.77g/t Au	

Hole No.	Hole Type	Easting	Northing	RL	Dip	Azim UTM	End Depth (m)	From (m)	Intercept	Comment
KU17RC039	RC	469819	8996131	72	-60	270	45	7 15	1.0m @ 0.71g/t Au 1.0m @ 0.70g/t Au	Pre-collar
KU17RD007	RC / DD	469325	8995953	77	-59	270	276.6	45 53 126 150 236	1.0m @ 1.66g/t Au 1.0m @ 3.38g/t Au 9.0m @ 1.13g/t Au 3.0m @ 0.91g/t Au 1.0m @ 0.66g/t Au	RC to depth of 84m
KU17RD014	RC / DD	469298	8996197	99	-59	270	188	10	1.0m @ 1.02g/t Au	RC to depth of 60m Hole terminated in poor ground

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	<p><i>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.</i></p> <p><i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i></p>	<p>Sampling was conducted using diamond drilling (DD) or RC drilling.</p> <p>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.</p> <p>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.</p>
	<p><i>Aspects of the determination of mineralisation that are Material to the Public Report.</i></p> <p><i>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.</i></p>	<p>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).</p> <p>Standard preparation of samples is to crush ~2kg through a jaw crusher, 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.</p> <p>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.</p>

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
Drilling Techniques	<i>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.).</i>	<p>Hole with an RC suffix were drilled by Reverse circulation drilling (RC), using a 139mm hammer.</p> <p>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.</p> <p>Holes with a RD suffix were PQ or HQ diamond drill holes with a RC pre-collar</p>
Drill Sample Recovery	<i>Method of recording and assessing core and chip sample recoveries and results assessed.</i>	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.
	<i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i>	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.
	<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>	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	<i>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.</i>	<p>All drill core and chips was geologically logged by Geopacific geologists using Geopacific logging procedure.</p> <p>Geotechnical logging of Rock Quality Designation (RQD), hardness, degree of fracturing and weathering is undertaken by Geopacific staff using Geopacific's logging procedure.</p>
	<i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.</i>	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.
	<i>The total length and percentage of the relevant intersections logged.</i>	All holes are logged their entire length.

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
Sub-sampling techniques and sample preparation	<i>If core, whether cut or sawn and whether quarter, half or all core taken.</i>	Core is halved, with one half sent for sample preparation and analysis. The remaining core is stored in the core trays on site.
	<i>If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.</i>	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.
	<i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i>	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.
	<i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i>	Field blank, duplicate, and standard samples are introduced to maximise the representivity of the samples.
	<i>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.</i>	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.
	<i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i>	Sample sizes are appropriate to the grain size of the material being sampled.
Quality of assay data and laboratory tests	<i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i>	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.
	<i>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.</i>	No results from geophysical tools, spectrometers, or handheld XRF instruments are reported in this release.

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
	<i>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.</i>	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	<i>The verification of significant intersections by either independent or alternative company personnel.</i>	Significant intersections were inspected by senior geological staff.
	<i>The use of twinned holes.</i>	No holes reported in this announcement are twins of previous drilling.
	<i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i>	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.
	<i>Discuss any adjustment to assay data.</i>	No adjustments were made or required to be made to the assay data.
Location of data points	<i>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.</i>	Drill hole collars were located using a total station surveying instrument. Downhole surveys are recorded as being captured by single shot downhole camera
	<i>Specification of the grid system used.</i>	Coordinates are recorded in PNG94 geodetic system
	<i>Quality and adequacy of topographic control.</i>	LiDAR survey data obtained over the licence area, tied in to total station collar readings provide sub-metre accuracy.
Data spacing and distribution	<i>Data spacing for reporting of Exploration Results.</i>	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.

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
	<i>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.</i>	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.
	<i>Whether sample compositing has been applied.</i>	No composite sampling in announced results.
Orientation of data in relation to geological structure	<i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i>	Current interpretations of the mineralised zones in all areas indicate that the orientation of the drill holes has achieved unbiased sampling of the structures.
	<i>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.</i>	An interpretation of the mineralisation has indicated that no sampling bias has been introduced.
Sample security	<i>The measures taken to ensure sample security.</i>	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	<i>The results of any audits or reviews of sampling techniques and data.</i>	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	<p><i>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.</i></p> <p><i>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.</i></p>	<p>Kula Gold Limited has entered a joint venture with Geopacific Resources Limited (GPR) where GPR can acquire up to a 75% interest by spending AUD\$18.65m over three tranches. In Tranches 1 and 2, Geopacific must spend AUD\$8m and complete 15,000m of diamond drilling 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.</p>
Exploration done by other parties	<p><i>Acknowledgment and appraisal of exploration by other parties.</i></p>	<p>This announcement is based on work done by Kula Gold Ltd and Geopacific Resources Limited.</p>

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
Geology	<p><i>Deposit type, geological setting and style of mineralisation.</i></p>	<p>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.</p> <p>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.</p>
Drill hole Information	<p><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></p> <ul style="list-style-type: none"> ○ <i>easting and northing of the drill hole collar</i> ○ <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i> ○ <i>dip and azimuth of the hole</i> ○ <i>down hole length and interception depth</i> ○ <i>hole length</i> <p><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></p>	<p>See body of text for details.</p>

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
Data aggregation methods	<i>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.</i>	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.
	<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>	Shorter intercepts of higher grade within larger reported intercepts are subsequently highlighted within the summary drilling table.
	<i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i>	N/A
Relationship between mineralisation widths and intercept lengths	<p><i>These relationships are particularly important in the reporting of Exploration Results.</i></p> <p><i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i></p> <p><i>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').</i></p>	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	<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>	Diagrams relevant to the report content are included in the body of the report.
Balanced reporting	<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>	Refer to text.

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
Other substantive exploration data	<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>	Refer to text.
Further work	<p><i>The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).</i></p> <p><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></p>	Refer to text.

