



ASX Announcement & Media Release

Lithium and Gold Drilling Commenced Brunswick Project

Date: 18 May 2023 **ACN:** 126 741 259 **ASX Code:** KGD

Drilling to test surface pegmatite and delineated magnetic structure at the Brunswick Project

Highlights:

- Reconnaissance RC drilling is testing structural gold targets and lithium targets from surface pegmatites
- Airborne drone magnetics has defined a structure below a lithium geochemistry anomaly and has generated drill targets coincident with lithium soil anomalies
- Brunswick Project 35kms from Greenbushes lithium mine, one of the largest hard rock lithium mines in the world

Kula Gold Limited (“Kula” or “the Company”) reports that the reconnaissance drilling has commenced at the DBGM Prospect (Figure 5) at its 100% owned Brunswick Project (Figure 1) located 35km from the Greenbushes lithium mine.

Kula’s Chief Executive Officer Ric Dawson said *“We are excited to have commenced our reconnaissance drilling program at the DBGM Prospect. Our team has developed a model to target and now it is time to test it over the coming weeks. The combination of some very encouraging, outcrop, geochemistry and geophysics ranks this high on our priority list and we expect the drilling to be completed at the end of May. We look forward to sharing the outcomes of this work with our Shareholders once the preliminary pLIBS and assay results are returned.”*

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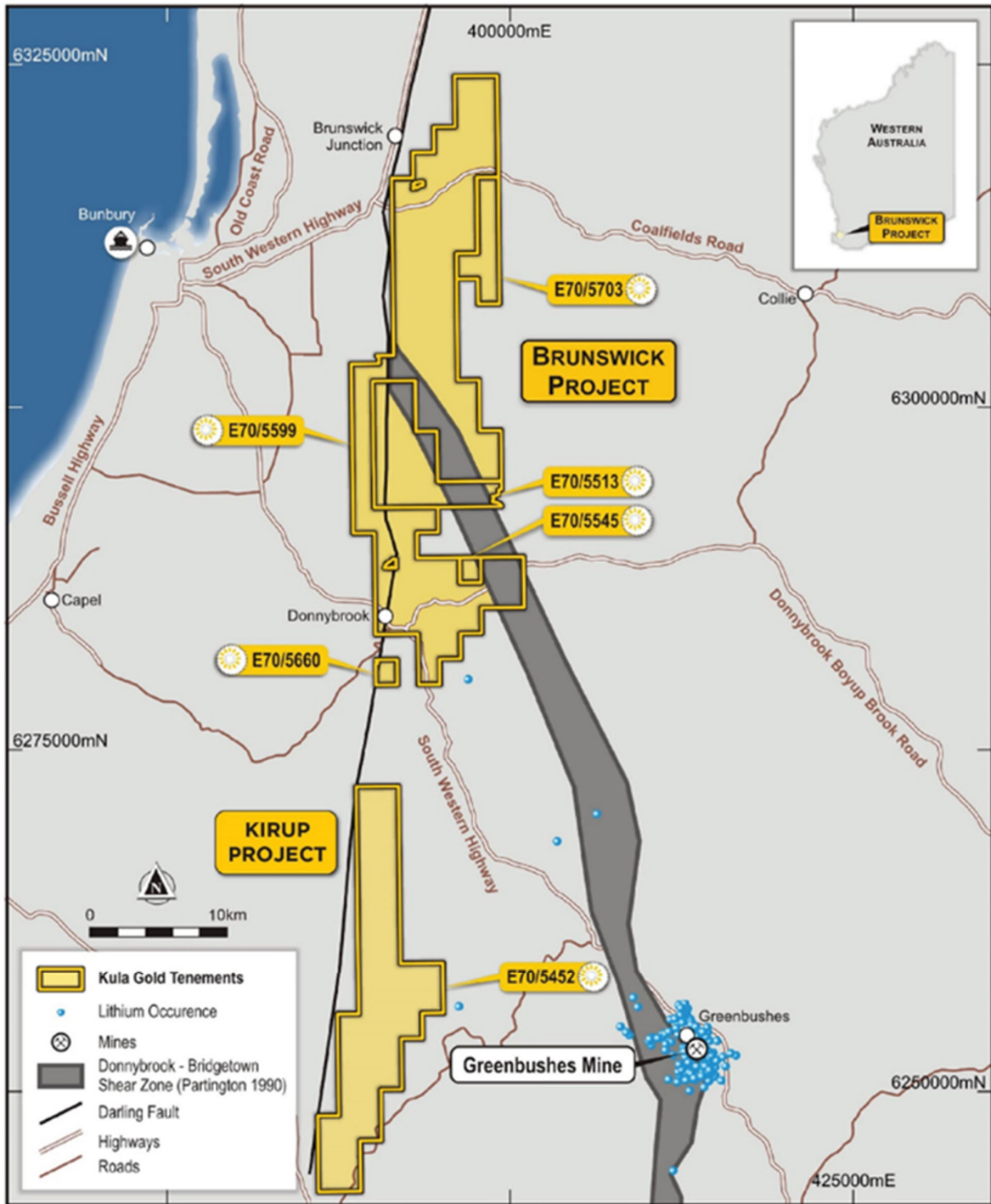


Figure 1: Kula's Brunswick Project, DBSZ and location of Greenbushes Mine and infrastructure



Figure 2: Drilling in an open paddock

DBGM Prospect

Recent mapping has identified pegmatites at surface as per RK002592 and RK002593 (Figure 3 and 4), these have been sent off for laboratory analysis but preliminary pLIBS were able to determine anomalous reading for LCT mineralisation. Owing to the very selective and not representative nature of pLIBS reading for whole rock analysis individual values are not being reported.

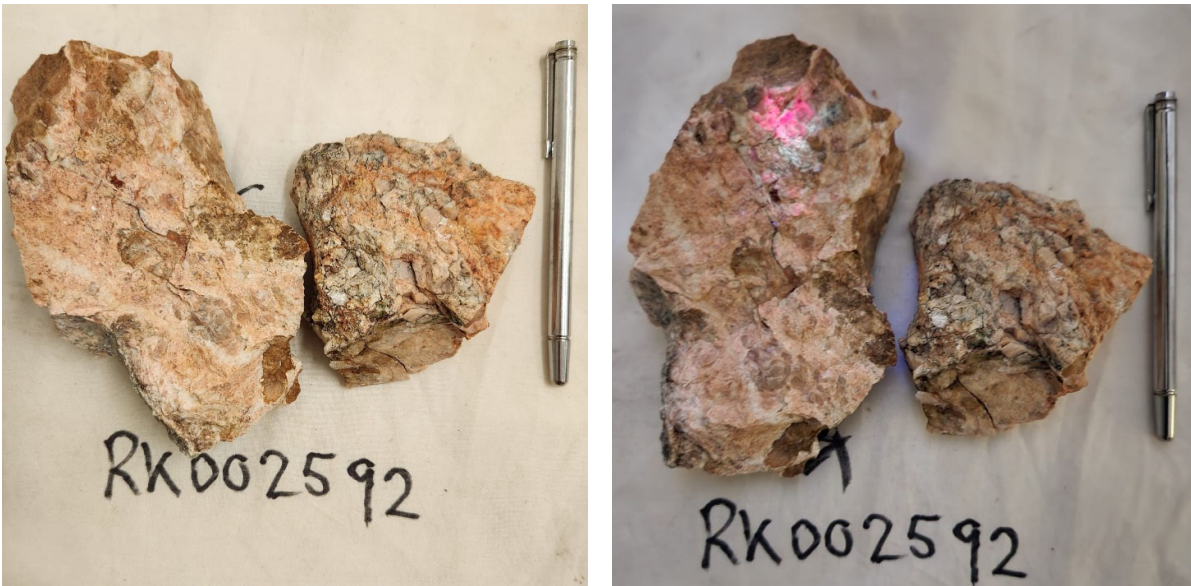


Figure 3: Pegmatite outcrop rock chip RK002592 in natural light on the left and under UV light on the right, noting the pink fluorescence



Figure 4: Pegmatite outcrop rock chip RK002593 in natural light on the left and under UV light on the right, noting the pink fluorescence

Drone Flown Magnetics

The Company engaged Atlas Geophysics to fly a 25m line spacing 25m height drone magnetic survey.

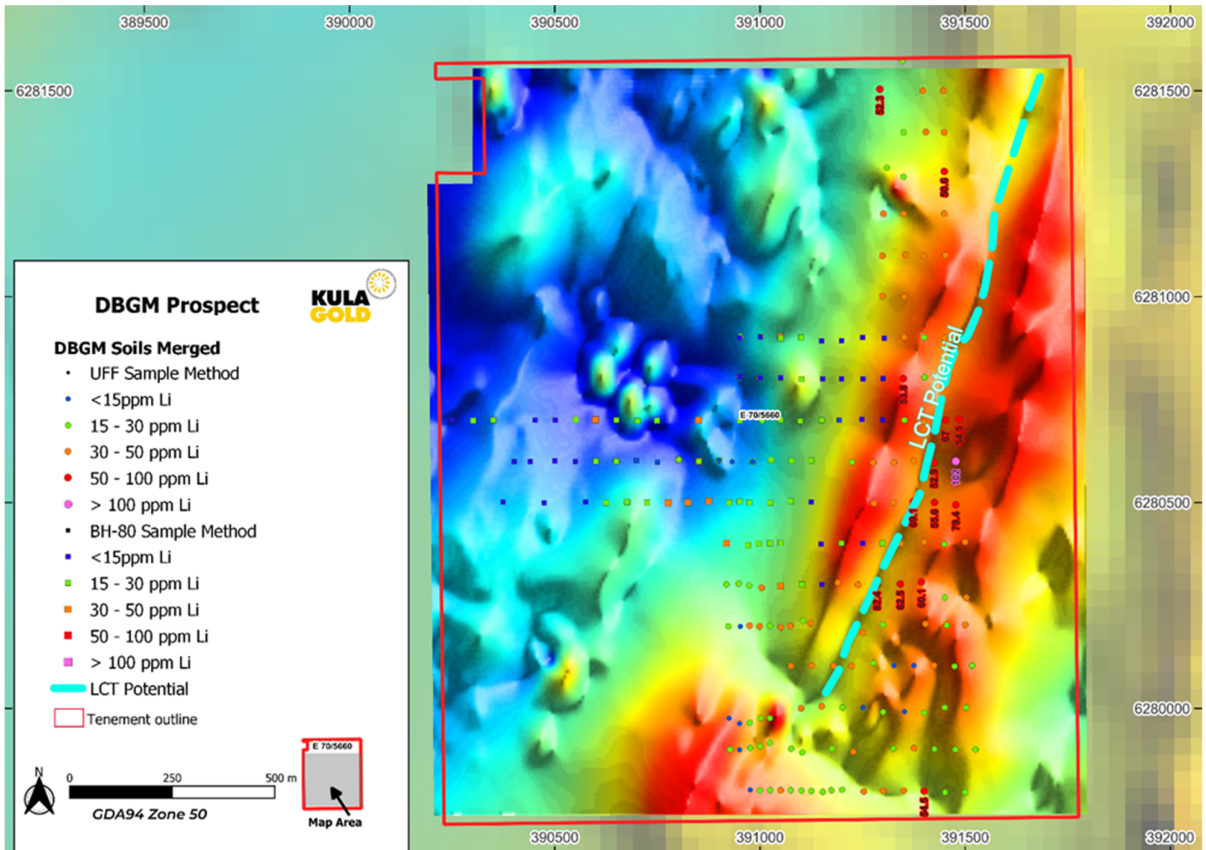


Figure 5: DBGM Prospect with new drone magnetics over regional magnetics TMI_RTP with anomalous lithium geochemistry analysis and interpreted pegmatite adjacent to the historic Donnybrook Gold Mine.

Upcoming Activities

Following on from producing an exploration target model, with these various overlapping exploration techniques, the Company has now commenced with drilling contractor Stark Drilling to proceed with a reconnaissance drill program to test the above anomalous areas. The Company will provide an ASX release upon ongoing operations of significance.

By order of the Board

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Competent Person Statement- General

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

ASX Releases

ASX Release - 4 June 2022 Donnybrook Gold Rock Samples up to 7.95g/t Gold at the Donnybrook Gold Mine Prospect – Brunswick Project Advancing

ASX Release -7 September 2022 Lithium Pegmatites Identified at Brunswick

ASX Release - 11 October 2022 Brunswick Lithium Field Program - 11 Pegmatite Targets Now Identified -

ASX Release - 14 November 2022

Brunswick Project-Lithium Geochem Results, DBGM & Large ~2km x 300m Pegmatite Mapped -

ASX Release - 20 February 2023 Brunswick Project -Lithium Drill Target 1.7km Strike

ASX Release -21 March 2023 Brunswick Projects - Tantalum and Gold Targets

ASX Release – 2 May 2023 Historical BHP Diamond Core - Reveals Lithium Potential and 1m @ 51g/t Gold

About the Company

Kula Gold Limited (ASX: KGD) is a Western Australian mineral exploration company with expertise in the discovery of new mineral deposits in WA. The strategy is via large land positions and structural geological settings capable of hosting ~+1m oz gold or equivalent sized deposits including lithium.

The Company is advancing projects within the South West region of WA for lithium and gold at Brunswick, as well as gold and PGE at Westonia adjacent to the producing Edna May Gold Mine (owned by ASX:RMS) in the WA goldfields.

The Company has a history of large resource discoveries with its foundation being the Woodlark Island gold project in PNG, (+1m oz Gold) which was subsequently joint ventured and sold to (ASX: GPR).

Kula's recent discovery was the large 93.3mt Boomerang kaolin deposit near Southern Cross WA – Maiden resource announced 20 July 2022. This project is in the economic study phase and moving to PE funding or trade JV.

The exploration team are busily working towards the next mineral discovery.

APPENDIX A: JORC Code, 2012 Edition – Table 1 Report

Section 1 Sampling Techniques and Data – Drone Magnetism Geophysical Survey

Criteria	Commentary
Sampling techniques	<ul style="list-style-type: none"> Drone magnetism survey was completed by Atlas Geophysics to fly a 25m line spacing, 25m height drone magnetic survey in March 2023
Drilling techniques	<ul style="list-style-type: none"> Not relevant Planned drilling will be aircore and RC
Drill sample recovery	<ul style="list-style-type: none"> Not relevant
Logging	<ul style="list-style-type: none"> Not relevant
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> Not relevant
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> The details of the geophysical survey were outlined in the ASX Announcement of 20 February 2023 All digital data was inspected daily by the Atlas Geophysics site crew and the Company's consultant geophysicist. The Company received daily reports on production and of any equipment issues. The data was reviewed by the Company's consultant geophysicist and lines re-flown if there were any issues. The data presented here is final data and has undergone processing/levelling by Atlas Geophysics. The Company's consultant geophysicist has completed QA/QC of the data and advised that it is suitable for public domain release.
Verification of sampling and assaying	<ul style="list-style-type: none"> Not relevant
Location of data points	<ul style="list-style-type: none"> Coordinates were collected in GDA94 Zone 50 and reported as such.
Data spacing and distribution	<ul style="list-style-type: none"> Drone magnetism flight lines were spaced 25m apart
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> Drone flight lines were approximately oblique to currently interpreted geological strike
Sample security	<ul style="list-style-type: none"> Not relevant
Audits or reviews	<ul style="list-style-type: none"> Not relevant

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Section 1 Sampling Techniques and Data

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Criteria	Commentary
Sampling techniques	<p>Rock Samples:</p> <ul style="list-style-type: none"> • Rock samples are obtained directly from outcrop, subcrop or float, by KGD geologists using a geological hammer (geopick) and/or chisel. • Rock sampling methodology is determined by the KGD geologist at the time of sampling, with consideration of the purpose of the sample and conditions of the sampling site. Rock sampling methods include: <ul style="list-style-type: none"> ○ Random Grab: rock chips are randomly obtained from the selected sample site / outcrop, therefore, sample can be considered as a general representation of the sample site. ○ Selected Grab: sample is obtained from rock chips that the geologist has specifically selected (with respect to alteration or mineralisation) and therefore the sample is not representative of the whole outcrop / sample site, instead only representing a specifically selected subset. ○ Semi Continuous Chip: rock chips of similar size/weight are obtained at regular, closely spaced intervals from a defined traverse across the outcrop/sample site, with traverse length and azimuth noted in the field ledger. Semi continuous chip samples provide a fairly accurate representation of the sample site/outcrop. ○ Continuous Chip: akin to a channel sample, whereby sample is obtained from a chiselling/chipping a continuous line of equally sized rock chips along a defined traverse across the outcrop/sample site, with the traverse length and azimuth recorded in the field ledger. This is the most accurate sampling method for sample site representativity, however, are difficult to obtain in the field without the use of a mechanised hand-held channel drill. • Typically, 1-2kg of rock chips are collected and placed in prenumbered calico bags, and details of the sample, including coding of the sampling methodology is recorded in the field ledger. • Rock samples were sent to either Bureau Veritas Canning Vale, or Intertek Genalysis Maddington where they were crushed, split and pulverized to -75um, from which, a 50g (Intertek) or 40g (BV) charge was taken and analysed for gold, platinum and palladium via fire assay with ICP-MS finish. Where requested, multi element analyses, for 33 elements at Intertek or 21 elements at BV, was completed via 4 acid digest and ICP-OES/MS finish.
Drilling techniques	<ul style="list-style-type: none"> • No drilling
Drill sample recovery	<ul style="list-style-type: none"> • Rock samples: Sample weights are recorded at the time of collection. There is no discernible relationship between sample weight and grade.
Logging	<ul style="list-style-type: none"> • At the time of collection, the Kula sample crew records relevant data for each sample in a field ledger against the SampleID. Quantitative data collected includes coordinates, project, prospect, date sampled, sample type, sample method and sample category (distinguishing primary and duplicate samples), sample depth, sample weight and a record of the people on the sampling crew. Qualitative data recorded includes sample hue/colour, moisture content along with any comments or geological observations that may assist in later interpretation of results.

<p>Sub-sampling techniques and sample preparation</p>	<ul style="list-style-type: none"> • The sampling methodology is deemed appropriate for the nature and style of sampling being undertaken. • Sample size is considered appropriate for the grain size of the sample medium. • Sample representivity: <ul style="list-style-type: none"> ○ Rock samples: sampling methodology is determined at the time of sampling with respect to the purpose of the sample and the conditions of the outcrop/sampling site. The sampling method is recorded for each sample such that results can be interpreted in consideration of the representativity of the sample taken. Comment on the specific representativity of each sampling method is provided in the 'Sampling Techniques' section of this table.
<p>Quality of assay data and laboratory tests</p>	<ul style="list-style-type: none"> • The analytical method and procedure were as recommended by the laboratory for exploration and are appropriate at the time of undertaking. • The laboratory inserts a range of standard samples in the sample sequence, the results of which are reported to the Company. • The laboratory uses a series of control samples to calibrate the mass spectrometer and optical emission spectrometer. • All analytical work was completed by an independent analytical laboratory.
<p>Verification of sampling and assaying</p>	<ul style="list-style-type: none"> • Results have been reviewed by two Kula contract staff Senior Geologist as well as the Kula contract staff Exploration Manager. • Sample records were recorded in field ledgers at the time of sampling, which were then digitalized into spreadsheets by geologists or field assistants. The digital data is checked, spatially validated, and approved by a Kula Senior Geologist prior to submission for loading into the database. • Independent data specialists use automated algorithms to load the data from the spreadsheets into the Sharepoint-hosted database, accessible by Kula geologists in read only format. • Independent data specialists upload all assay results to the database directly from the results file received from the lab. • No adjustments have been made to the data.
<p>Location of data points</p>	<ul style="list-style-type: none"> • The location of each sample site is determined to an accuracy of $\pm 3m$ using a handheld Garmin GPS. • The grid system used is UTM GDA94 Zone 50.
<p>Data spacing and distribution</p>	<ul style="list-style-type: none"> • This spacing is appropriate for the early nature of the exploration within the project. • No sample compositing has been applied.
<p>Orientation of data in relation to geological structure</p>	<ul style="list-style-type: none"> • No orientation required.
<p>Sample security</p>	<ul style="list-style-type: none"> • Rock Samples: 5 sequential calico bags containing samples are placed into polyweave bags which are then secured with cable ties. Polyweave bags are transported via KGD Staff or Contractor directly to a secure storage yard where they placed in a bulky bag and collected by GJ Freight who transported the samples directly to the respective laboratory in Perth. On occasion, KGD Staff/Contractor dropped samples directly to the laboratory.
<p>Audits or reviews</p>	<ul style="list-style-type: none"> • No audits or review for two rock samples

Section 2 Reporting of Exploration Results

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

Criteria	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> The Brunswick Project comprises five granted Exploration licenses: E70/5599, E70/5645, E70/5703, E70/5513 and E70/5660. All Exploration licenses are 100% owned by Kula Gold Ltd and none are in any JV agreement. E70/5660 has a 1% NSR with a buyout of \$250k, whilst the other 4 tenements have no royalties attached. Freehold Land: A Land Access Agreement has been executed on the freehold land that was part of the soil geochemical survey
Exploration done by other parties	<ul style="list-style-type: none"> With the exception of E70/5660 (which hosts the historical Donnybrook Gold Mine), review of open file reports on WAMEX reveals limited previous exploration over the remainder of the project area. Work completed includes: <ul style="list-style-type: none"> 1983 – 1985: BHP conducted geophysical surveys over their project area as well as completed four soil lines and two percussion holes (for 155m total) at their Ironstone Rd Prospect which sits within current licence E70/5513, as well as five soil lines at their Honky Nut Prospect which sits in the Joshua Creek area of current license E70/5599 (A49464). 1985 – 1986: In JV with BHP, Metana Minerals Pty Ltd conducted sporadic, but extensive, stream sediment sampling from 2nd order drainages, and laterite sampling over the area currently held by Kula, as reported in A20415 and A31501. 1994 – 1995: Westralian Sands Limited completed RC drilling targeting mineral sands in the Roelands area (A44858) – results of this drill program are not considered relevant to the exploration activities being undertaken by Kula. 1996 – 1997: ISK Minerals Pty Ltd completed a small RC drill program targeting mineral sands in the Burekup area (A50336)—results of this drill program are not considered relevant to exploration activities being undertaken by Kula. Details of exploration by other parties on E70/5660 has been previously reported on 30th Sept 2021 – Kula Gold Ltd Press Release “Rock chips up to 7g/t gold collected at the newly acquired Donnybrook Gold Mine”
Geology	<ul style="list-style-type: none"> The Brunswick Project is located within the Southwest Terrane Greenstones in the southwest of the Yilgarn Craton in Western Australia. The Greenbushes Deposit to the south of the licence area is structurally controlled zone LCT pegmatite of Archaean age The Terrane is considered prospective Greenstone-hosted gold mineralisation, epithermal gold mineralisation, and Julimar-style Cu-Ni-PGE mineralisation. There are also numerous historic and current quarries targeting construction materials and bauxite within the region.
Drill hole Information	<ul style="list-style-type: none"> Sample locations are provided within figures in this announcement. Downhole depth and intercept depth are not applicable nor relevant. Results from auger geochemical sampling should be regarded and treated as if from surface samples (ie: geochemical) as opposed to drill holes.
Data aggregation methods	<ul style="list-style-type: none"> No aggregation methods were applied to soil geochemical samples as they are not applicable No metal equivalents were used.

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Criteria	Commentary
<i>Relationship between mineralisation widths and intercept lengths</i>	<ul style="list-style-type: none"> • The mineralisation occurs in pegmatites hosted with significant shear zone. This structure was followed along strike where possible and samples were taken across strike. • Pegmatite samples were taken when appropriate. • No downhole intercept
<i>Diagrams</i>	<ul style="list-style-type: none"> • Included within this announcement
<i>Balanced reporting</i>	<ul style="list-style-type: none"> • Geostatistics presented in the previously announced ASX Releases referred above were calculated and presented for the both the UFF soil sample population (n=123) and the BH-80 soil sample population (n=85), encompassing all soil samples collected by Kula over the DBGGM Prospect. Highest and lowest results for lithium have been presented, along with mean, median and standard deviation.
<i>Other substantive exploration data</i>	<ul style="list-style-type: none"> • Due to early stage of project, there is no further substantive exploration data.
<i>Further work</i>	<ul style="list-style-type: none"> • Further work includes geological mapping, systematic rock chip sampling of the pegmatitic outcrop, • Additional soil sampling is planned at Hippy Lady this quarter • Follow up RC drilling is planned upon DMIRS approvals, and success of this drill programme returning anomalous LCT or gold elements. • The results of RC drilling along with the magnetic survey will also help guide the geophysicist to interpretate other blind pegmatites