



ASX Announcement & Media Release

Rankin Dome Rare Earths Results- Southern Cross Region

Highlights:

- Rankin Dome Project reveals 70% of 375 samples are above 115ppm Total Rare Earth Elements (REE) with 2 samples peaking at 1080ppm from Phase 2 geochemical program

Kula Gold Ltd (KGD or the Company) reports results from the 375 auger sample Phase 2 program, designed to further test the low-level lithium and gold anomalism identified during first pass sampling on its 100% owned Rankin Dome Project within the Southern Cross Region.

Given the region's known Rare Earth Element (REE) potential, Phase 2 samples were analysed for an extended element suite, with results identifying elevated REE concentrations from two potential host sources. Results are presented in Figure 2, with relevant geostatistics provided in Table 1. Two samples returned total REE (tREE) values of over 1000 ppm, and a further 17 samples returned tREE values of over 450 ppm (representing the 95th percentile of results for the sample population).

Total REE values were calculated from the sum of all the Lanthanide elements (excluding Promethium and including Yttrium and Scandium) and are considered representative of the true concentration within the sample medium, as rock chips from the auger samples were pulverised and subjected to a mixed acid digest (as opposed to a sieved sample typical of soils, where physical removal of larger size fraction material prior to analysis results in more concentrated assay values).

ACN: 126 741 259

Date: 13th May 2022

ASX Code: KGD

Board of Directors:

Mark Stowell (Chairman)

Mark Bojanjac

John Hannaford

Simon Adams

Shares on Issue:

215,175,632 Ordinary Shares

Cash (Q1/2022):

\$1.1 Million

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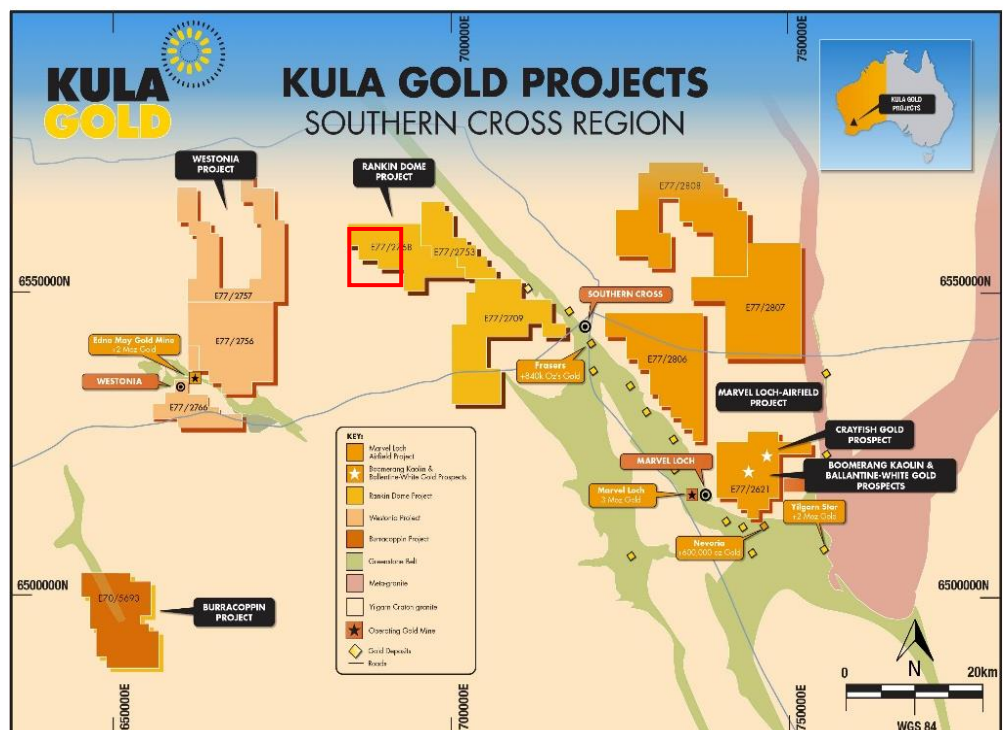
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Figure 1: Location Map of KGD Projects within the Southern Cross Region – Red box indicating the area of interest within the Rankin Dome Project.



Pulps from the initial Phase 1 samples have been resubmitted to the laboratory for the additional multielement analysis for REEs to provide a more complete picture of the tREE anomalism and move the project towards definition of a drill target.

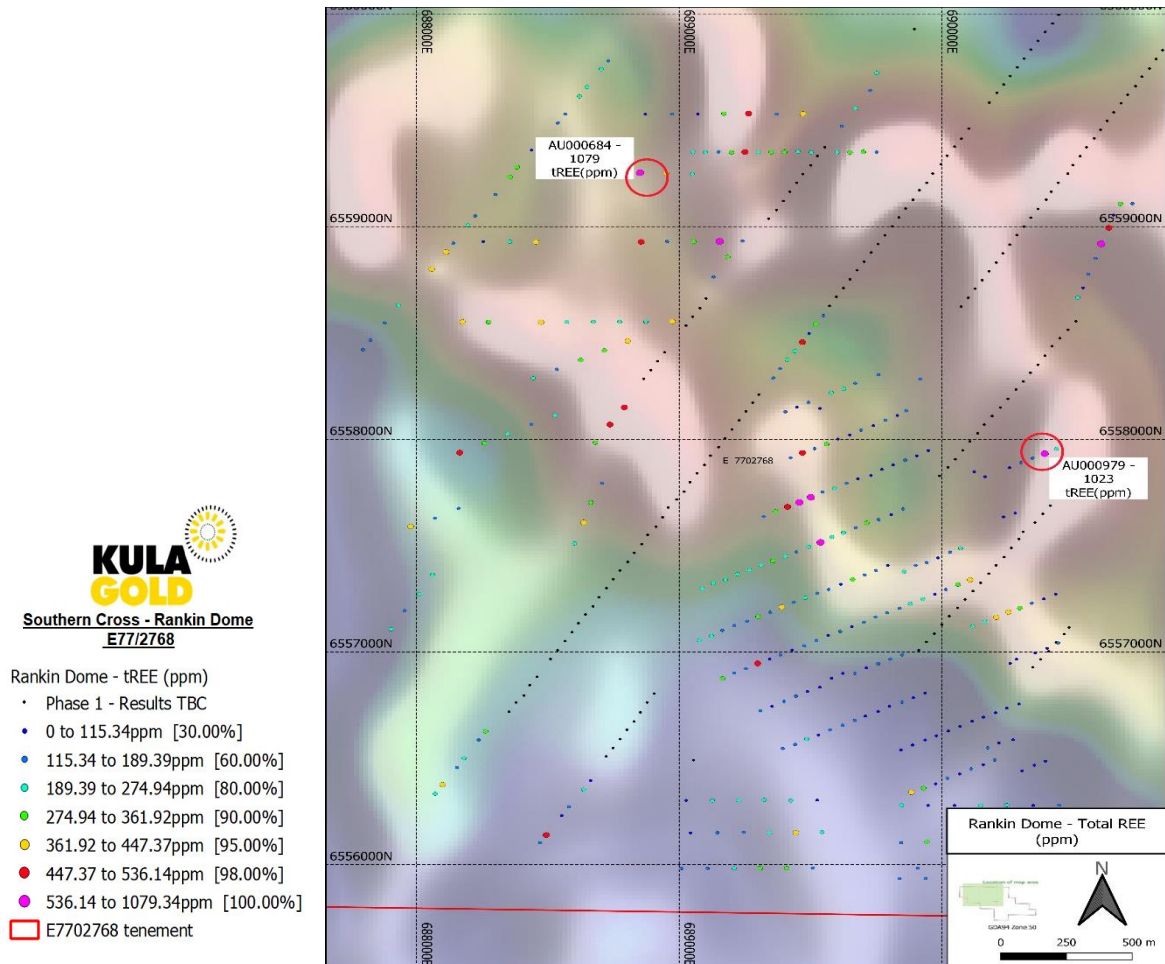


Figure.2 Auger geochemistry results (tREE_ppm) over reprocessed regional RTP-TMI magnetics

The Phase 2 Auger program also aimed to test orientation and extent of the low-level gold anomalism returned in first pass sampling. Results are inconclusive at this stage and further work may be conducted in conjunction with REE exploration.

Geochemical sampling of this target within the NW section of Rankin Dome confirmed the presence of lithium co-incident with a NW trending low magnetic response rock unit, however Lithium values across both phases of sampling once analysed fall within expected normal ranges for the interpreted felsic basement rock and therefore don't warrant further follow up.

The REE results are significant and follow up exploration is in progress, with results to be reported in due course.

By order of the Board

For Further Information, Contact:

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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 Ms. Sarah Dyer - a Competent Person who is a member of the Australian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. Ms Dyer is a Geology and Exploration Consultant who has been engaged by Kula Gold Ltd. Ms Dyer 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). Ms Dyer 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	Commentary
Sampling techniques	<ul style="list-style-type: none"> Details on the phase 1 auger samples have previously been reported: refer KGD ASX release 3rd February 2022 “Auger drilling at Southern Cross Region-Rankin Dome Project Identifies Anomalous Lithium Results”. Phase 1 samples were collected, prepped and analysed in the same manner Phase 2 samples (outlined below), however, Phase 2 samples were run for a further 38 elements, in addition to the Au, Pt, Pd plus 21 multi-elements returned for phase 1 samples. <p>Phase 2 Auger Samples</p> <ul style="list-style-type: none"> 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. Al, Ca, Cr, Cu, Fe, K, Mg, Mn, Na, Ni, P, S, Sc, Ti, V, and Zn, have been determined by Inductively Coupled Plasma (ICP) Optical Emission Spectrometry. Ag, As, Ba, Be, Bi, Cd, Ce, Co, Cs, Dy, Er, Eu, Ga, Gd, Hf, Ho, In, La, Li, Mo, Nb, Nd, Pb, Pr, Rb, Re, Sb, Se, Sm, Sn, Sr, Ta, Tb, Te, Tl, Tm, U, W, Y and Zr have been determined by Inductively Coupled Plasma (ICP) Mass Spectrometry.
Drilling techniques	<ul style="list-style-type: none"> A Landcruiser mounted S10 Auger rig with a 4-inch blade was used. Drill spoil was collected in a plastic container.
Drill sample recovery	<ul style="list-style-type: none"> 10 – 15 kg per metre was recovered (density dependent). There is no relationship between sample recovery and grade.
Logging	<ul style="list-style-type: none"> Chips were qualitatively logged for basic lithology, mineralogy and colour.
Subsampling techniques and sample preparation	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> 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.

	<ul style="list-style-type: none"> Repeat samples, randomly selected by the laboratory, were within statistically acceptable limits, and no outliers were noted in the laboratory inserted standards.
Verification of sampling and assaying	<ul style="list-style-type: none"> Results have been reviewed independently by two KGD contract staff Senior Geologists as well as independently reviewed by a geochemistry specialist. Sample records were recorded in field ledgers by Sahara personnel at the time of sampling, which were then digitalized into spreadsheets by Sahara and sent through to KGD geologists. The digital data is checked, spatially validated and approved by a KGD 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 KGD geologists in read only format. Independent data specialists upload all assay results to the database directly from the results file received from the lab. Assay results for rare earth elements (REEs) have been summed together to produce the total REE (tREE) value. No other adjustments have been made to the data.
Location of data points	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> Phase 1 auger samples were taken at ~50m intervals along ~400m spaced lines, within access availability, adjusted where applicable.
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> Auger holes were vertical which appropriate for medium being sampled.
Sample security	<ul style="list-style-type: none"> Polyweave bags, containing 10 samples, were zip lock 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	<ul style="list-style-type: none"> No independent audits or reviews of sampling techniques and data has been conducted. The resultant data has been reviewed by independent geochemistry expert, Stephen Sugden of Sugden Geoscience Pty Ltd.

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"> 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	<ul style="list-style-type: none"> There has been no surface geochemistry or drilling at the prospect by other parties.
Geology	<ul style="list-style-type: none"> The tenement covers Yilgarn Granites of Archean age (as per GSWA). Deposit type and style of mineralization is unknown at this early stage of exploration – results of phase 1 and phase 2 auger geochemical sampling has identified potential for gold, lithium, and rare earth mineralization within the project.
Drill hole Information	<ul style="list-style-type: none"> 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.

Data aggregation methods	<ul style="list-style-type: none">tREE values were calculated by summing the ppm assay results for 16 of the 17 rare earth elements: Ce, Dy, Er, Eu, Gd, Ho, La, Lu, Nd, Pr, Sc, Sm, Tb, Tm, Y and Yb. Promethium (Pr) has not been assayed and therefore is not included in the tREE value.																												
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none">Not applicable to the type of exploration results being reported.																												
Diagrams	<ul style="list-style-type: none">Maps appropriate to the early stage of exploration and type of exploration results being reported have been included in this press release.																												
Balanced reporting	<ul style="list-style-type: none">Appropriate geostatistics have been presented within this press release.Geostatistics for gold and lithium were calculated using the results from samples taken during both phase 1 and phase 2 auger programsGeostatistics for tREEs were calculated using phase 2 results only as the initial phase 1 samples had not been assayed for the full suite.Highest and lowest results for each element have been presented, along with mean, median and standard deviation. <table><tr><th></th><th>No of points</th><th>Min</th><th>Max</th><th>Mean</th><th>Median</th><th>Std Dev</th></tr><tr><td>Lithium (ppm)</td><td>649</td><td>6</td><td>60</td><td>23.51</td><td>22.5</td><td>9.57</td></tr><tr><td>tREE (ppm)</td><td>375</td><td>37.4</td><td>1079.34</td><td>193.98</td><td>158.44</td><td>135.25</td></tr><tr><td>Gold (ppb)</td><td>649</td><td><LOD</td><td>11</td><td>1.16</td><td>0.5</td><td>1.21</td></tr></table> <p>Table 1 – Univariate statistics for Auger sampling at Rankin Dome E77/2768 for Gold, Lithium and calculated total Rare Earth Elements put this in table 1 below</p>		No of points	Min	Max	Mean	Median	Std Dev	Lithium (ppm)	649	6	60	23.51	22.5	9.57	tREE (ppm)	375	37.4	1079.34	193.98	158.44	135.25	Gold (ppb)	649	<LOD	11	1.16	0.5	1.21
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Other substantive exploration data	<ul style="list-style-type: none">The interface zone is often associated with Calcrete – a preferred sampling medium for gold and base metals geochemistry.																												
Further work	<ul style="list-style-type: none">Pulps from phase 1 auger samples are being analysed for the extended suite of multielement to provide a more complete picture of TREE anomalism over the sampled area. Pending receipt and interpretation of these results (in conjunction with the reported Phase 2 results) and if assays warrant, AC or RC drilling may be utilized to further test tREE potential.Lithium does not appear to be overly anomalous, and the phase 2 auger results have revealed some control in spatial continuity.Gold for this region is still prospective, and the phase 2 auger results have revealed some potential structural control in spatial continuity, AC or RC drilling may be utilized to further test potential for structural or weathering regolith profile controls. Some elemental associations are also warranting further test work/ RC drilling may be utilized if results warrant follow up work.																												