

ASX Announcement

Geopacific Resources Elects to Proceed to Third Earn-in period

- **Geopacific Resources Limited have completed the second earn-in period of the Farm-in Agreement**
- **Geopacific have elected to proceed to the third earn-in period**
 - **A\$10 million spend by Geopacific to earn up to 60% direct ownership**
 - **Complete a Bankable Feasibility Study which shows the project is economically viable at the Applicable Gold Price to earn up to 75% direct ownership**
- **Drilling on regional targets is continuing and results will be announced in due course**

The board of Kula Gold Limited (ASX: KGD) ("**Kula**") advises that Geopacific Resources Limited (ASX: GPR) ("**Geopacific**") has served notice of its completion of the second earn-in period of the Farm-in Agreement ("**Agreement**") and its Election Notice to proceed to the third earn-in period of the Agreement.

Under the Agreement Geopacific will immediately be issued shares in Woodlark Mining Limited to increase its holding to 51% and will now appoint Matthew Smith as a director of Woodlark Mining Limited's board.



Background on the Woodlark Island Gold Project, PNG

Kula Gold Limited owns 49% of the Woodlark Island Gold Project, which has been granted an Environmental Permit and Mining Lease. Geopacific holds 51% of the Project and is also Kula's largest shareholder with 85% of the Company. The Project is located 600 kilometres east of Port Moresby in the Milne Bay Province, Papua New Guinea.

Geopacific, Kula's Joint Venture Partner and holding company, has completed the commitments under the second earn-in period of the Farm-in Agreement and continues to advance the Project by delivering defined milestones, to earn additional equity in the Project.

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

The Resource Estimates for the Kulumadau, Busai and Woodlark King Deposits were reported and released on 12 March 2018 in accordance with JORC 2012 GPR ASX release 12 March 2018).

The Feasibility Study, based on a JORC 2012 Ore Reserve of 1.1 million ounces and a gold price of A\$1,650/ounce, defined a Project with a mine life of nine years, three open pit mining areas and a 2.4Mtpa carbon in leach plant (GPR ASX release 12 March 2018).

For further information, contact:

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Directors and Management

Mark Bojanjac	Chairman
Mark Stowell	Non-executive director
Matthew Smith	Director
Philippa Leggat	Director
Garry Perotti	Executive director

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