



Kula Gold Limited
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16 November 2012

The Manager
ASX – Company Announcements Office
20 Bridge Street
Sydney NSW 2000

KULA GOLD LIMITED (KGD)

Dear Sir,

**APPENDIX 3B – RELEASE OF RESTRICTED SECURITIES FROM MANDATORY ESCROW
ON 16 NOVEMBER 2012**

Please find attached an Appendix 3B application for the quotation of the additional securities and agreement in relation to the 20,414,816 fully paid ordinary shares that will be released from mandatory escrow on 16 November 2012.

As advised by the Company on 2 November 2012, all securities which have been subject to mandatory and voluntary escrow since the Company was admitted to the Australian Securities Exchange will now have been released from restricted trading effective 16 November 2012.

For and on behalf of the Board.

A handwritten signature in black ink, appearing to read "L. Ralph".

Leanne Ralph
Company Secretary

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003, 24/10/2005.

Name of entity

Kula Gold Limited

ABN

83 126 741 259

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|
| 1 | +Class of +securities issued or to be issued | N/A |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | N/A |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | N/A |

4	Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?	N/A	
	If the additional securities do not rank equally, please state:		
	<ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 		
5	Issue price or consideration	N/A	
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	N/A	
7	Dates of entering +securities into uncertificated holdings or despatch of certificates	N/A	
8	Number and +class of all +securities quoted on ASX (including the securities in clause 2 if applicable)	Number 119,603,023	+Class Fully paid ordinary shares
9	Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable)	Number 1,689,233 300,000	+Class KGDOPT ₁ class unlisted options expiring on 1 December 2015 (ASX Code: KGDAO). KGDOPT ₂ class unlisted options expiring on 1 December 2015 (ASX Code: KGDAQ).

		120,000	KGDOPT ₃ class unlisted options expiring on 16 March 2016 (ASX Code: KGDAI).
		100,000	KGDOPT ₄ class unlisted options expiring on 16 March 2016 (ASX Code: KGDAI).
		3,000,000	KGDOPT ₅ class unlisted options expiring on 16 December 2016 (ASX Code: KGDAK).
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	N/A	

Part 2 - Bonus issue or pro rata issue

11	Is security holder approval required?	N/A
12	Is the issue renounceable or non-renounceable?	N/A
13	Ratio in which the ⁺ securities will be offered	N/A
14	⁺ Class of ⁺ securities to which the offer relates	N/A
15	⁺ Record date to determine entitlements	N/A
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	N/A
17	Policy for deciding entitlements in relation to fractions	N/A
18	Names of countries in which the entity has ⁺ security holders who will not be sent new issue documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	N/A

19	Closing date for receipt of acceptances or renunciations	N/A
20	Names of any underwriters	N/A
21	Amount of any underwriting fee or commission	N/A
22	Names of any brokers to the issue	N/A
23	Fee or commission payable to the broker to the issue	N/A
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of ⁺ security holders	N/A
25	If the issue is contingent on ⁺ security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	N/A
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	N/A
28	Date rights trading will begin (if applicable)	N/A
29	Date rights trading will end (if applicable)	N/A
30	How do ⁺ security holders sell their entitlements <i>in full</i> through a broker?	N/A
31	How do ⁺ security holders sell <i>part</i> of their entitlements through a broker and accept for	N/A

the balance?

32 How do ⁺security holders dispose of their entitlements (except by sale through a broker)?

N/A

33 ⁺Despatch date

N/A

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of securities
(tick one)

(a) Securities described in Part 1

(b) All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 If the ⁺securities are ⁺equity securities, the names of the 20 largest holders of the additional ⁺securities, and the number and percentage of additional ⁺securities held by those holders

36 If the ⁺securities are ⁺equity securities, a distribution schedule of the additional ⁺securities setting out the number of holders in the categories

1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

37 A copy of any trust deed for the additional ⁺securities

Entities that have ticked box 34(b)

38	Number of securities for which +quotation is sought	20,414,816 fully paid ordinary shares								
39	Class of +securities for which quotation is sought	Fully paid ordinary shares								
40	<p>Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	Yes								
41	<p>Reason for request for quotation now</p> <p>Example: In the case of restricted securities, end of restriction period</p> <p>(if issued upon conversion of another security, clearly identify that other security)</p>	End of restriction period								
42	Number and +class of all +securities quoted on ASX (including the securities in clause 38)	<table border="1"> <thead> <tr> <th data-bbox="715 1518 1013 1556">Number</th> <th data-bbox="1018 1518 1299 1556">+Class</th> </tr> </thead> <tbody> <tr> <td data-bbox="715 1563 1013 1630">Open Balance: 99,188,207</td> <td data-bbox="1018 1563 1299 1630">Fully paid ordinary</td> </tr> <tr> <td data-bbox="715 1637 1013 1780">Release from Restriction per cl 38: 20,414,816</td> <td data-bbox="1018 1637 1299 1780">Fully paid ordinary</td> </tr> <tr> <td data-bbox="715 1787 1013 1980">Closing Balance: 119,603,023</td> <td data-bbox="1018 1787 1299 1980">Fully paid ordinary</td> </tr> </tbody> </table>	Number	+Class	Open Balance: 99,188,207	Fully paid ordinary	Release from Restriction per cl 38: 20,414,816	Fully paid ordinary	Closing Balance: 119,603,023	Fully paid ordinary
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Open Balance: 99,188,207	Fully paid ordinary									
Release from Restriction per cl 38: 20,414,816	Fully paid ordinary									
Closing Balance: 119,603,023	Fully paid ordinary									

Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.
Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty
- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Sign here:

(Company secretary)

Date: 16 November 2012

Print name: Leanne Ralph

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