

Mining Reserve Established at Kalpini



Date 13 November 2012

ASX Code: KGM

www.kalnorthgoldmines.com

Share Capital: 168.9M ordinary shares

Share Price: \$0.30

Market Capitalisation: \$50.7M

Directors

Laurence Freedman AM, Chairman
John McKinstry Managing Director
Ross Gillon
Robert Schuitema, Company Secretary

Principal Office

12 St. Georges Terrace
Perth WA 6000
+61 8 9225 5544

Mailing Address

GPO Box 2567
Perth WA 6001

Media & Investor Relations

Ron Cameron
Mercury Consulting
+61 2 8256 3308
Ron.cameron@mercuryconsulting.com.au

- Initial pit design completed on Gambia deposit, Kalpini
- Open-cut pit will deliver a Probable Reserve of 567,000t at 2.75 g/t for 50,040oz over two years
- On schedule to commence mining at Lindsay's in January 2013
- Mining at Kalpini to follow Lindsay's

KalNorth Gold Mines Limited (ASX: KGM) is pleased to announce that an initial pit design has been completed on the Gambia deposit at the Kalpini Field, north of Kalgoorlie.

The pit has been designed based on an optimised \$1500/oz shell and will deliver 567,000t of ore at a grade of 2.75 g/t for 50,040oz of gold.

The initial pit is based on trucking to and processing at Saracen's Carosue Dam processing plant, which is approximately 51km from the Kalpini Field by road.

The pit design is based on delivering both oxidised and fresh ore, and mining to a depth of approximately 55m. Metallurgical test work has demonstrated the ore to be free milling, with good recoveries.

The addition of the Gambia pit brings KalNorth's total Probable Reserves to 2.3Mt @ 2.0 g/t for 152,967oz of gold.

At current planned mining rates this will provide two years of ore supply. A larger open pit is dependent on a higher gold price or processing at site. The potential for underground extraction of the remaining Resource is yet to be investigated.

Managing Director John McKinstry said, "Kalpini provides the opportunity for KalNorth to continue mining seamlessly following Lindsay's, and increases certainty in planning ore supply to the Carosue Dam mill.

"KalNorth now has nearly four years of production planned. Cashflow from production will be allocated towards extending and generating new resources/reserves and provide a solid footing to underpin further growth."

Figure 1 Main Gambia pit at Kalpini

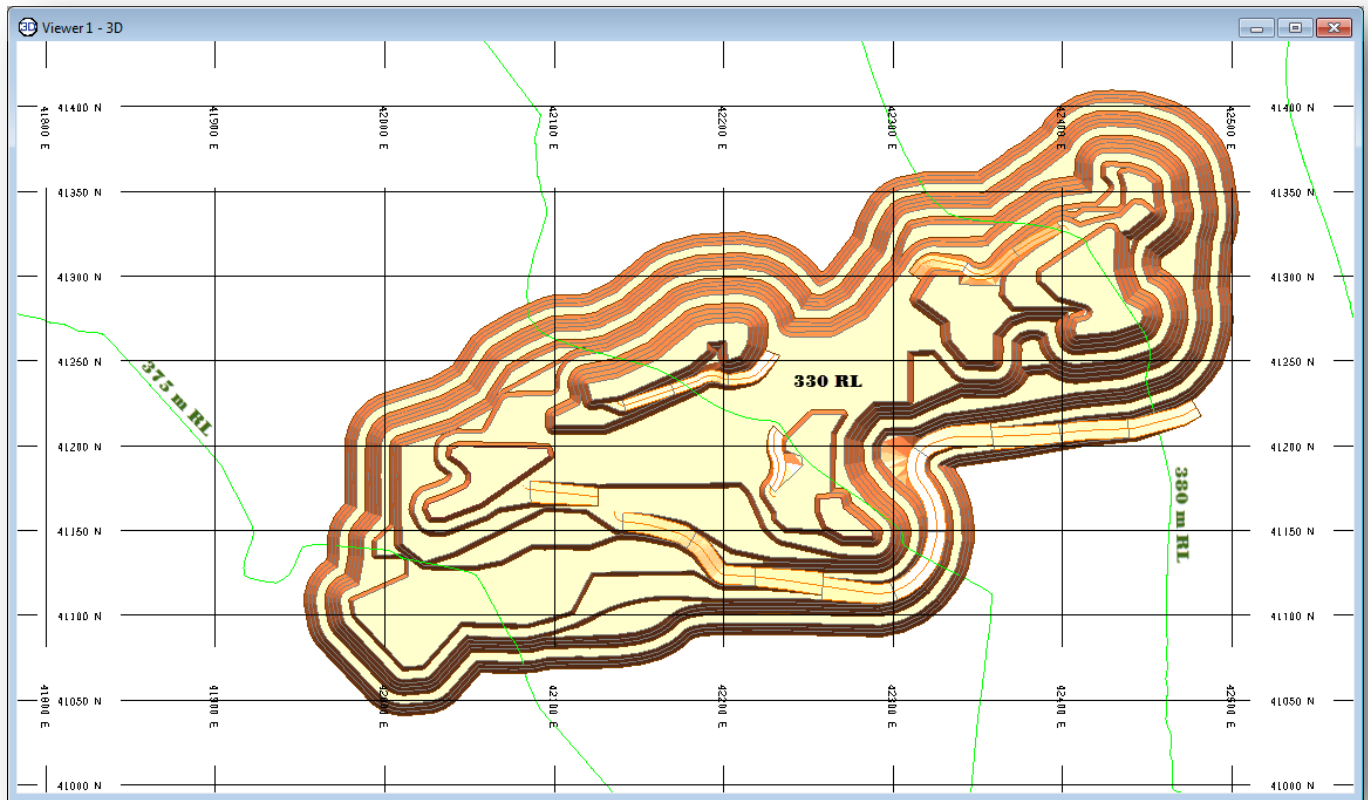
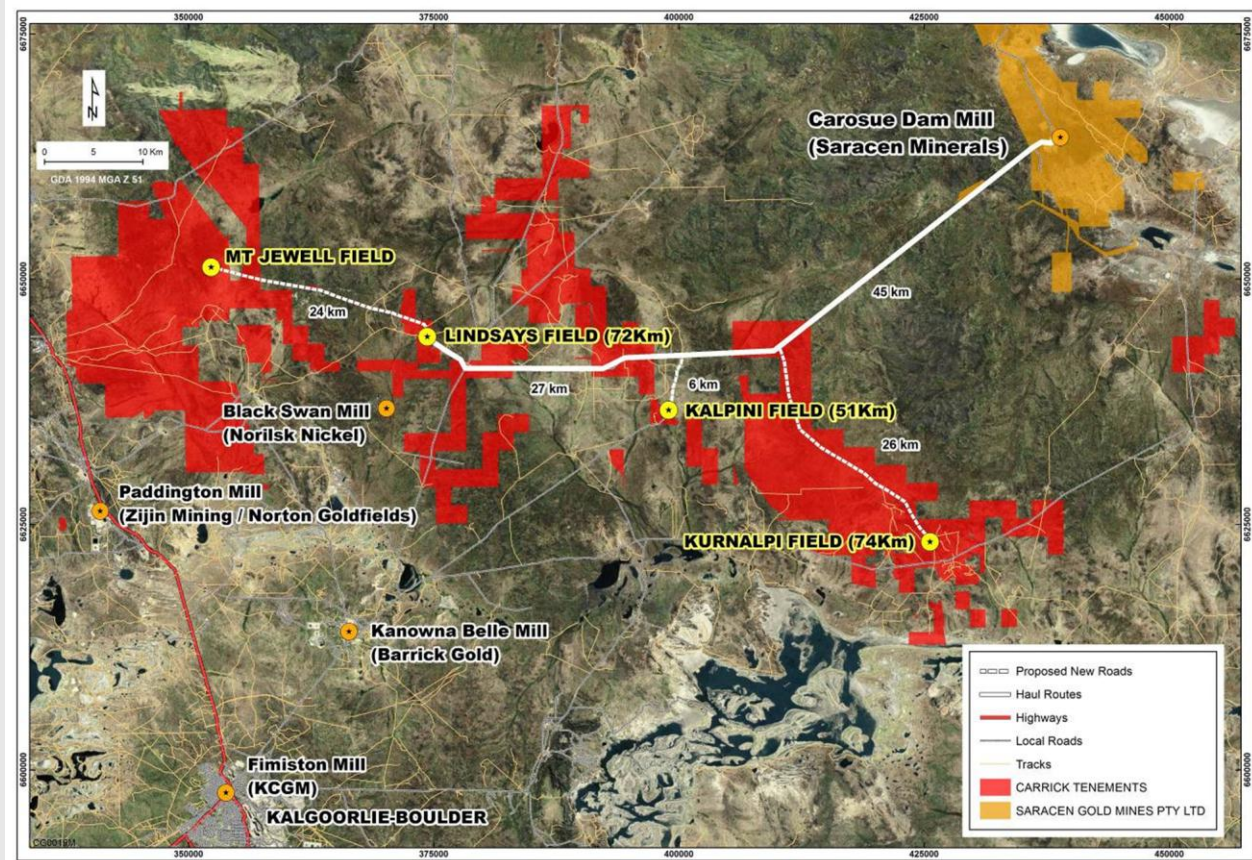


Table 1 KalNorth Probable Reserves

Deposit	Tonnes (t)	Probable		Tonnes (t)	Total	
		Grade (g/t)	Ounces (oz)		Grade (g/t)	Ounces (oz)
Brilliant (3)	1,090,000	1.7	59,930	1,090,000	1.7	59,930
Lindsay's (3)	664,000	2.2	42,997	664,000	2.2	42,997
Gambia	567,000	2.8	50,040	567,000	2.8	50,040
Total	2,321,000	2.0	152,967	2,321,000	2.0	152,967

The information within this document as it relates to mine design and ore reserves was reviewed and approved by Mr Rodney Drown who is a full time employee of KalNorth Gold Mines Limited. Mr Drown is a member of The Australasian Institute of Mining and Metallurgy (AusIMM), and is a Competent Person as defined by the 2004 JORC Code, having more than five years' experience relevant to the mining method and type of deposit described in the Report. This person consents to the inclusion of this information in the form and context in which it appears in this document.

KALNORTH GOLD FIELD



Location map showing roads and local processing plants

About KalNorth Gold Mines Limited

KalNorth Gold Mines Limited (ASX Code: KGM) is a gold exploration and development company based in Perth, Western Australia.

The Company's suite of tenements covers an area of over 1,235km² and is located within 50-80km of the world-renowned gold mining town of Kalgoorlie, Western Australia, where KalNorth Gold Mines maintains an operations base.

Four gold fields are being evaluated for mining – Lindsay's, Kalpini, Kurnalpi and Mt Jewell (collectively the KalNorth Gold Field) and Spargoville.

KalNorth Gold Mines is well-funded to pursue the exploration and development of its projects.

The Company is focused on commencing first mining by January 2013.

As from 22 October 2012 the Company's name changed to KalNorth Gold Mines Limited, from Carrick Gold Limited (ASX code: CRK).