

## ASX Announcement & Media Release

### Kula Gold granted Environment Permit

The Environment Permit for the Woodlark Island Gold Project was issued this week by the PNG Director of Environment, Mr Gunther Joku, to Woodlark Mining Limited, the wholly owned subsidiary of Kula Gold Limited (ASX:KGD).

The issue of the Environment Permit is the result of a 12 month process assessing the Project Environmental Impact Statement (EIS) by the Department of Environment and Conservation (DEC).

The DEC assessment involved a technical review by BMT WBM Pty Ltd, a marine and environmental consultancy, a public consultation process and a final recommendation to the Minister for Environment and Conservation by the PNG Environmental Council, a Government appointed independent group of PNG professionals.

Kula Gold CEO, Mr Stuart Pether said, "The issue of the Environment Permit for the Woodlark Island Gold Project is a significant milestone in the Development of the Project and the Company."

The issue of the Environment Permit now clears the way for the PNG Mining Advisory Council to recommend the grant of the Mining Lease to the Mining Minister.



Figure 1 –Environment Permit for the Woodlark Island Gold Project.



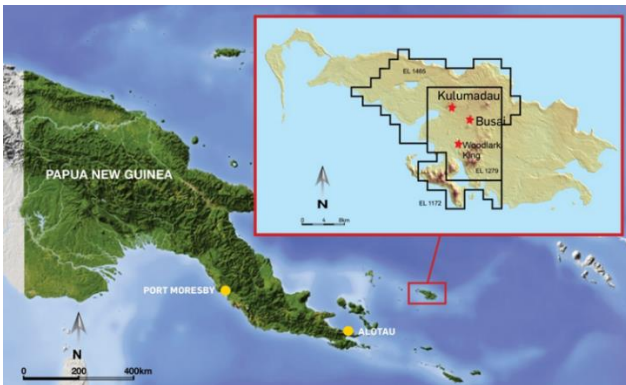
## Background on Woodlark Island Gold Project, PNG

Kula Gold Limited is developing the 100% owned, Woodlark Island Gold Project (Project), located 600 kilometres east of Port Moresby in the Milne Bay Province, Papua New Guinea.

The Feasibility Study, completed in September 2012, defined a 2004 JORC Resource of 2.1 million ounces and an Ore Reserve of 766,000 ounces based on an optimised gold price of US\$1,200 per ounce. The 9 year Project is based around three open pit mining areas and a 1.8Mtpa gravity and carbon in leach plant.

The Company is currently working towards the grant of the Mining Lease for the Project. Thereafter, the Company will be able to seek project funding which will lead to the commencement of the Project construction.

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



For details on Resource and Reserve information please refer to Company Website and Quarterly Report dated 31 January 2014.

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