

## 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.



THE INDEPENDENT STATE OF PAPUA NEW GUINEA

*Environment Act 2000*

*Act, Sec. 65 & 66  
Reg., Sec. 16(1)*

#### ENVIRONMENT PERMIT

An Environment Permit is hereby issued under Section 65 of the *Environment Act 2000*

TO: Woodlark Mining Limited  
OF: C/- O'Brien's Lawyers, Level 5, Defens Haus, NCD Port Moresby.

- (a) to carry out works within ML 508 ("premises") in Samarai-Murura District of Milne Bay Province;
- (b) to discharge wastes into the environment from the premises while carrying out a Level 3 (Sub-category 17.2) activity associated with mechanised mining on a Mining Lease involving chemical processing; and,
- (c) to extract water from surface and ground water sources within the premises while carrying out a Level 3 (Sub-category 17.2) activity associated with mechanised mining on a Mining Lease involving chemical processing.

The activity shall be carried out in accordance with the terms and conditions of this permit.

Permit Number: WD-L3(388)  
Date of Issue: 17 February 2014  
Date of Commencement: 16 March 2014  
Term of Permit: Twenty (20) years  
Date of Expiry: 15 March 2034



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.

For further information, contact:

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