



***20: 20 Investor Presentation***  
***Lee Spencer CEO***

May 2011

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**KULA  
GOLD**

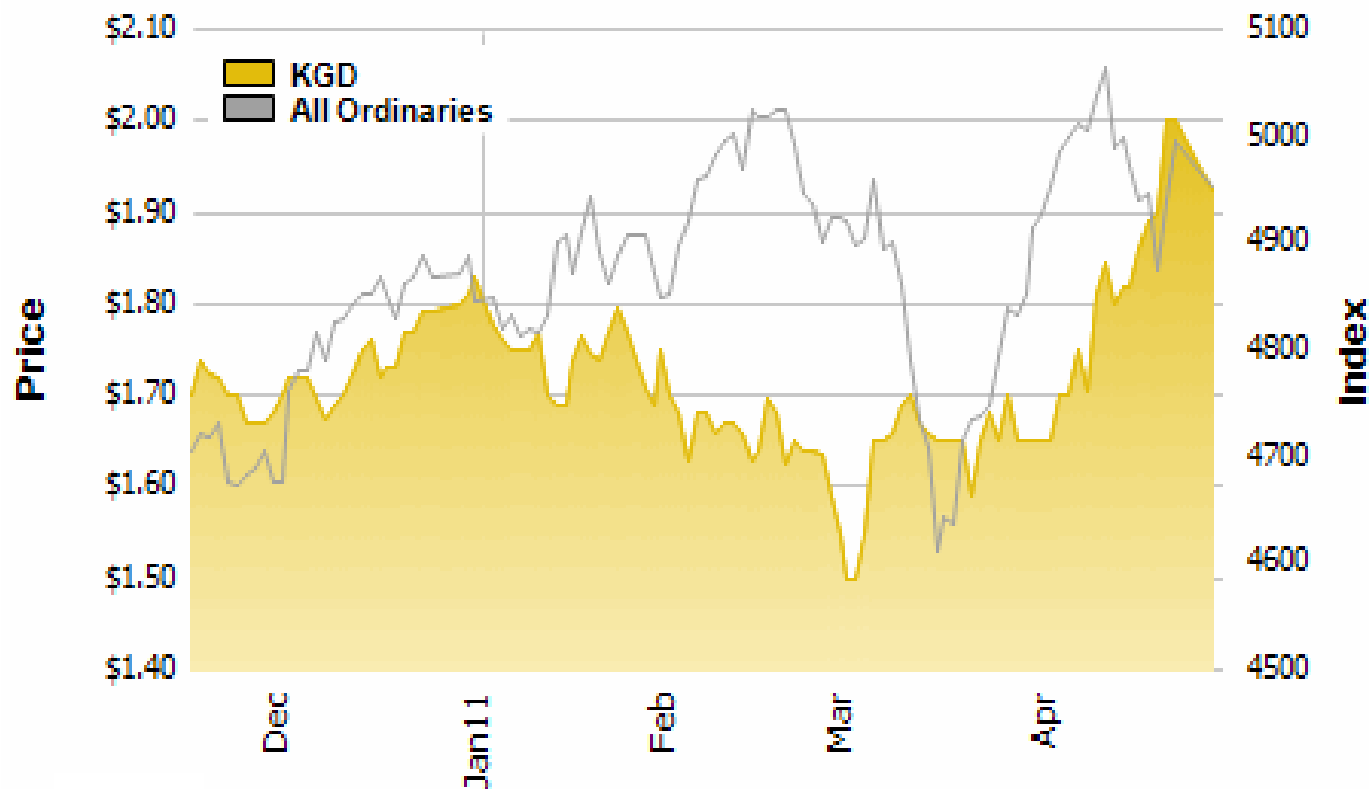
# Disclaimer

## **Forward Looking Statement**

*All statements other than statements of historical fact included in this announcement including, without limitation, statements regarding future plans and objectives of Kula Gold Limited (Kula Gold) are forward-looking statements. When used in this announcement, forward-looking statements can be identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects' or 'intends' and other similar words that involve risks and uncertainties. These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this announcement, are expected to take place. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the company, its directors and management of Kula Gold, that could cause Kula Gold's actual results to differ materially from the results expressed or anticipated in these statements.*

*The company cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this announcement will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements. Kula Gold does not undertake to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this announcement, except where required by applicable law and stock exchange listing requirements.*

# Solid market performance since IPO– Nov 2010



**ASX Code: KGD**

**Issued Shares:**  
112.6 million

**Share Price:**  
\$1.84

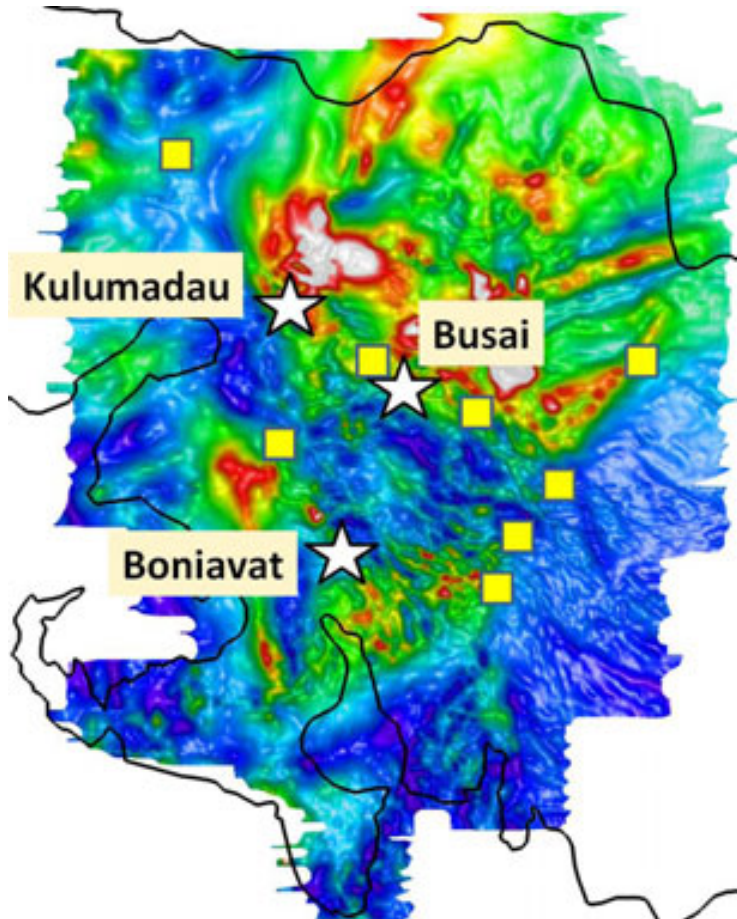
**Market Cap:**  
\$207 million

**Cash (as at 31 March 11):**  
\$40.9 million

# Papua New Guinea: Woodlark Historical Gold District

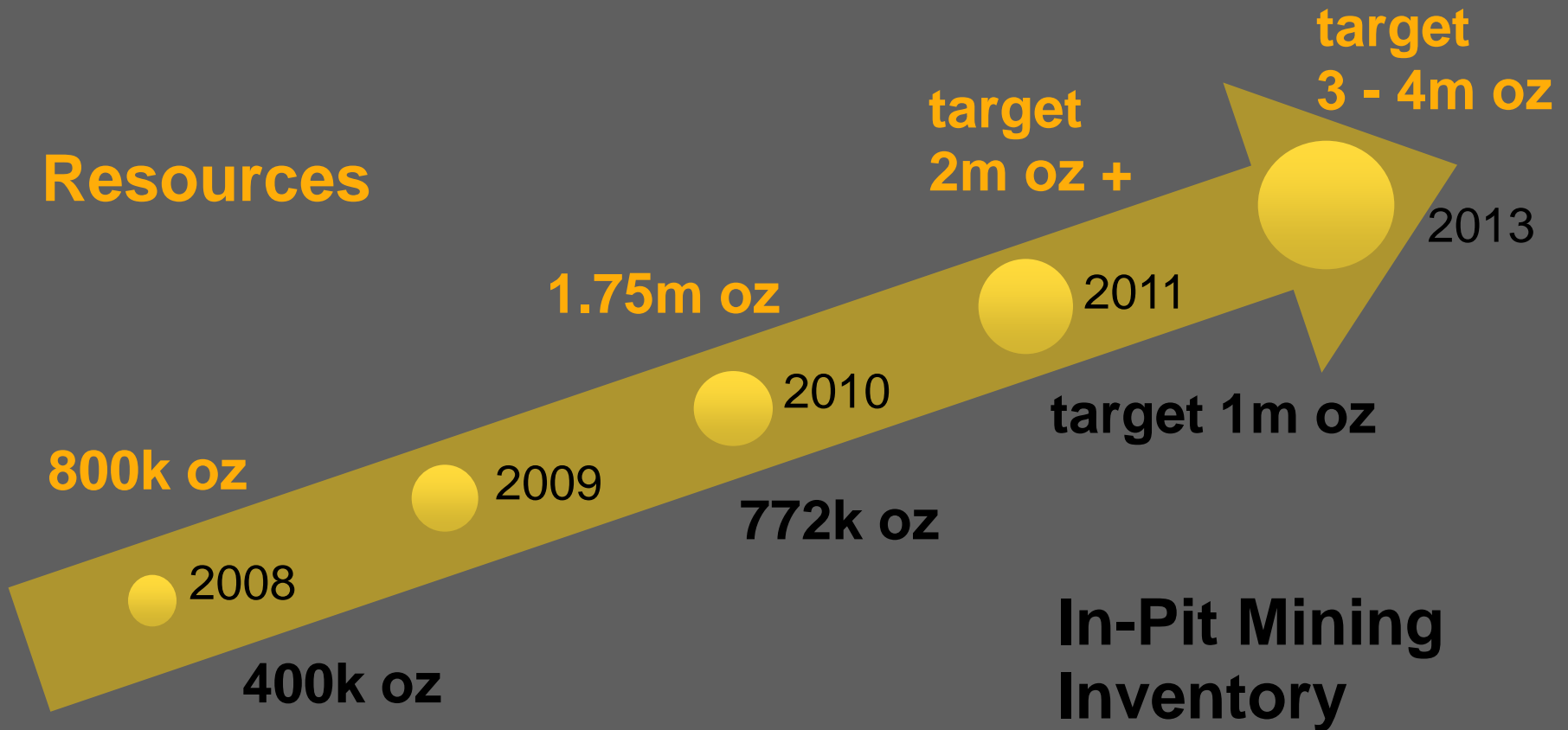


# Significant JORC Resource: 1.75 million ounces and growing



- Positive scoping study completed 2009
- Robust pre-feasibility study completed June 2010 on two open pits
- Definitive feasibility study commenced
- Environmental impact studies (EIS) well advanced
- Targeting short term resource growth

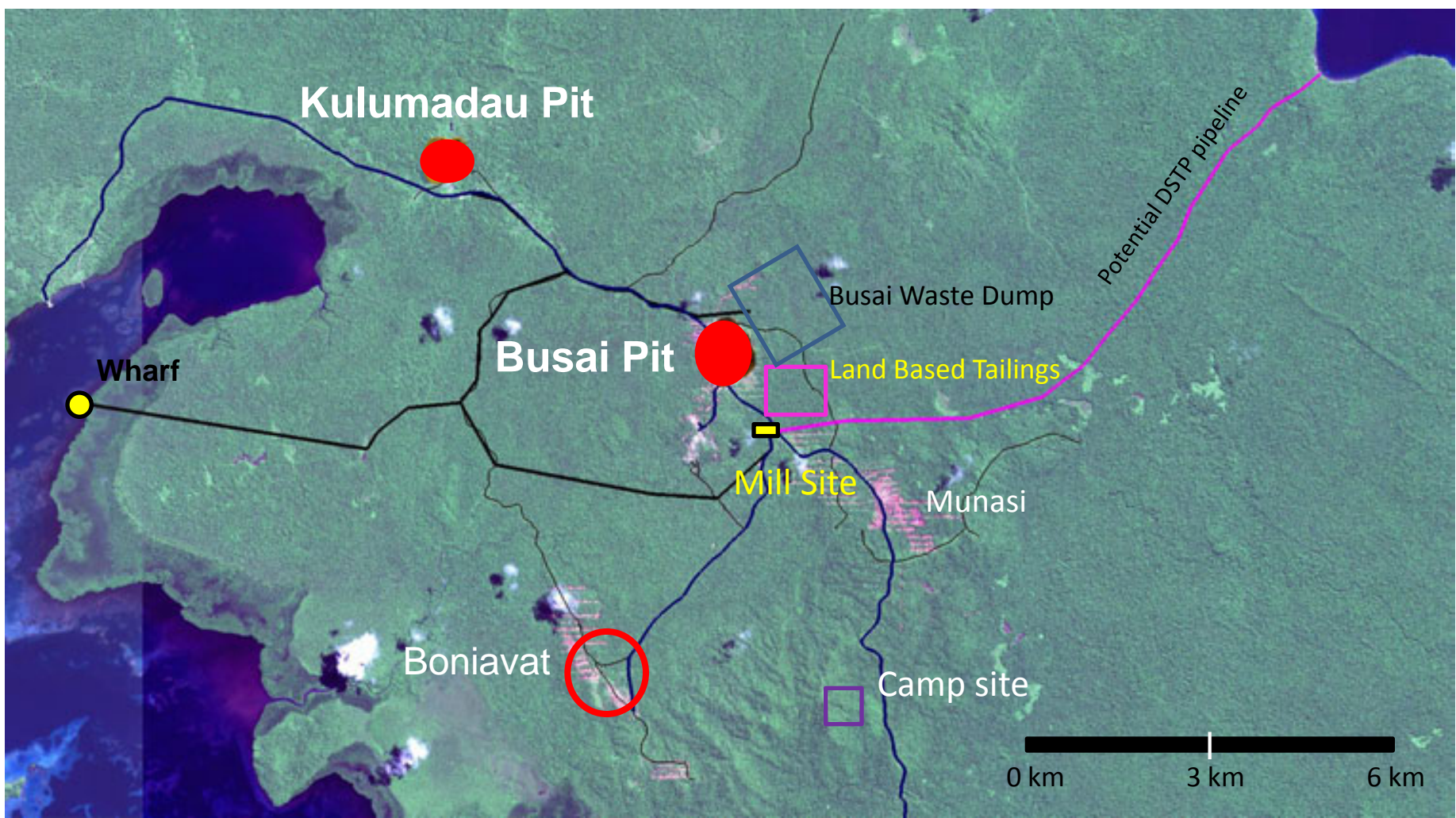
# Project growth: Discovery cost US\$30/oz



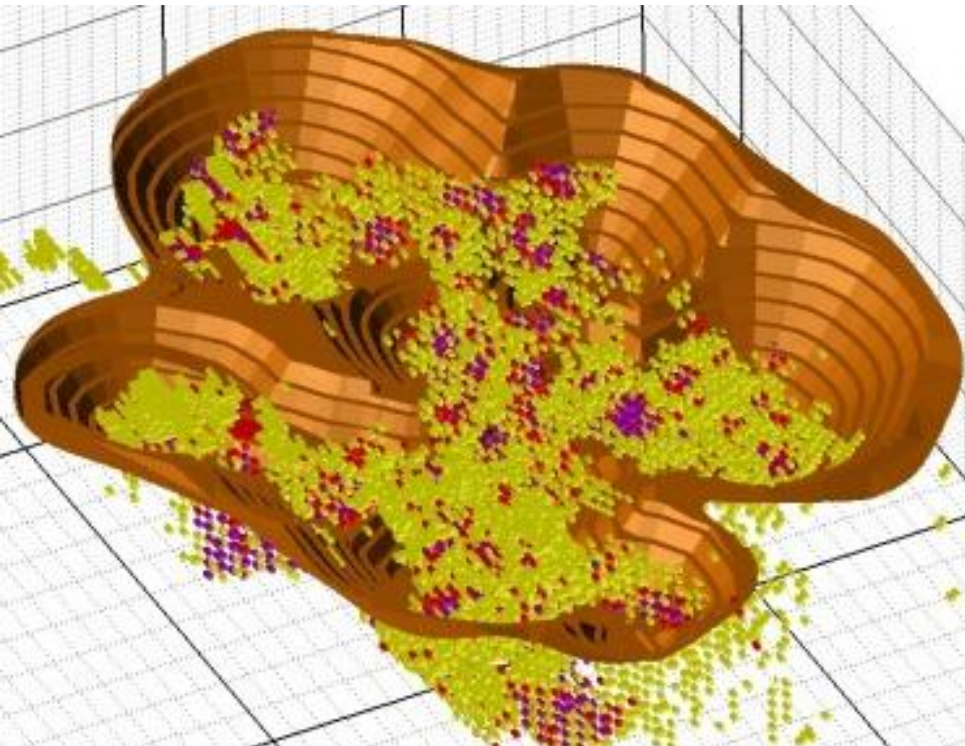


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# ***PFS - Conceptual Layout***



# ***Robust Project: Cornerstone for growth***

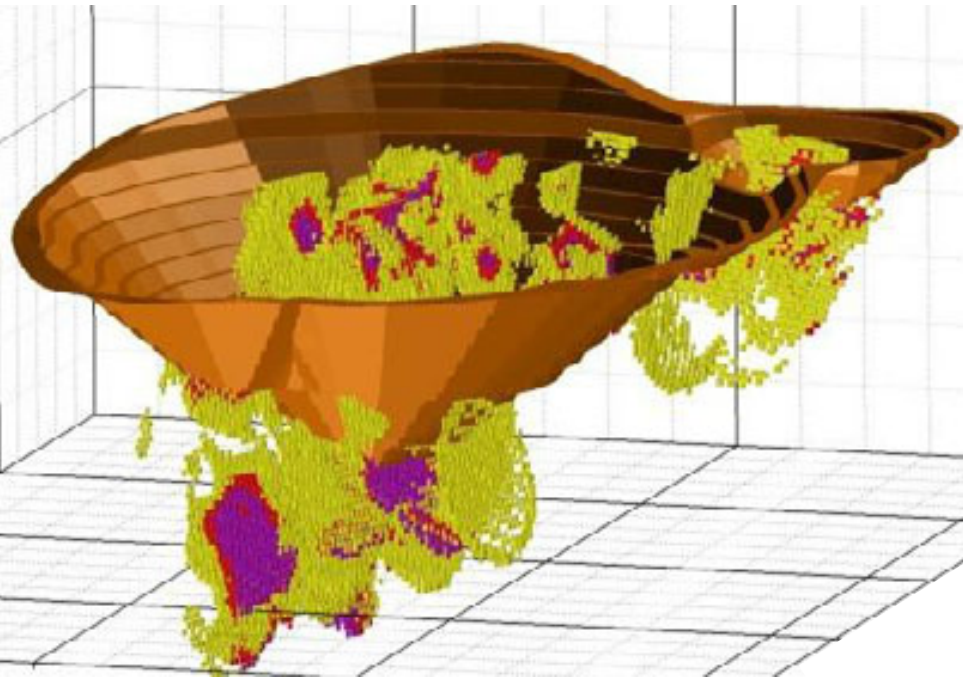


**Busai PFS Open Pit**

## **Mining**

- Gentle topography, island generally undeveloped
- Two open pits, mined sequentially
- 12:1 waste to ore strip ratio, with high proportion of free-dig material
- **Gold production of +700koz over 7 years at head grade of 2.5g/t Au**

# Robust Project: Cornerstone for growth

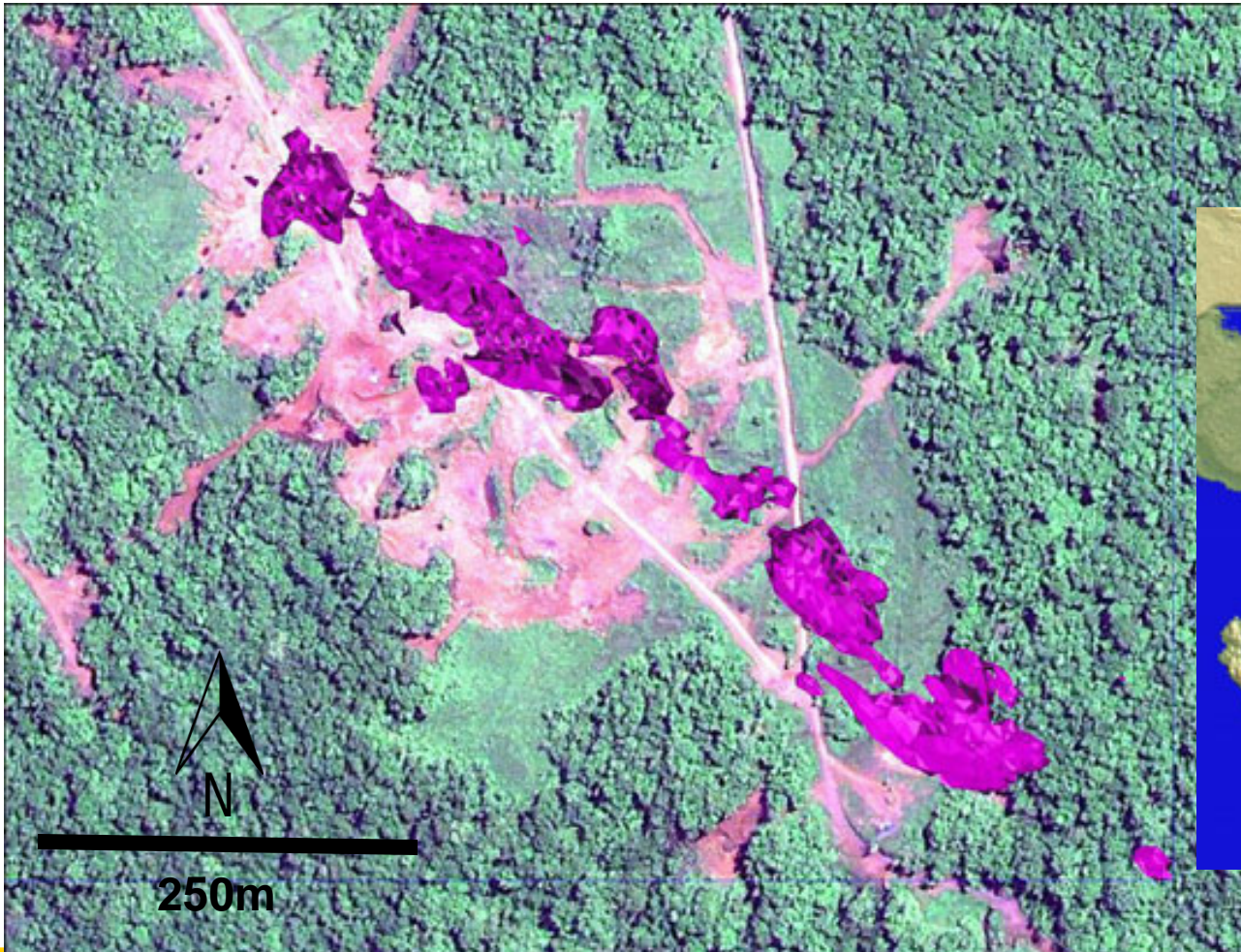


Kulumadau PFS Open Pit

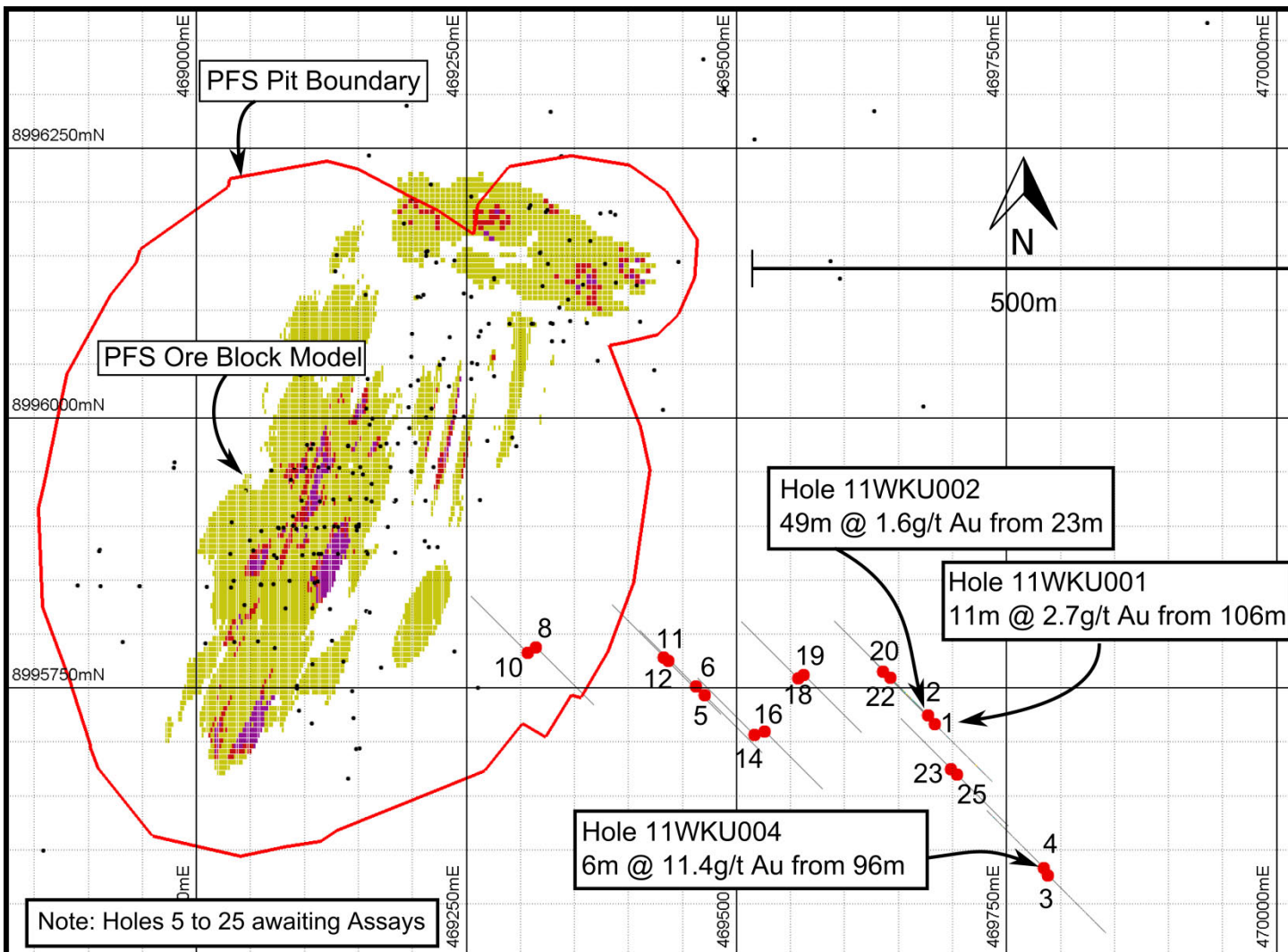
## Processing

- Standard design 1.5Mtpa CIL processing plant
- Simple metallurgy +50% gravity recovery
- Recovery of +90% for head grades of 2.5g/t
- Production of +100,000 oz per year
- Infrastructure scaled to support expansion to 3mtpa
- Estimated Capex: US\$135m
- Estimated Cash Costs: US\$ 550/oz.

# Short Term Growth: Extra Reserve Ounces for DFS



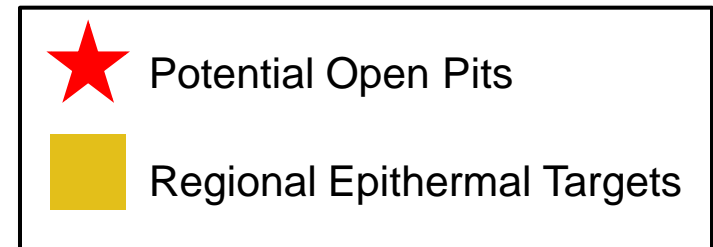
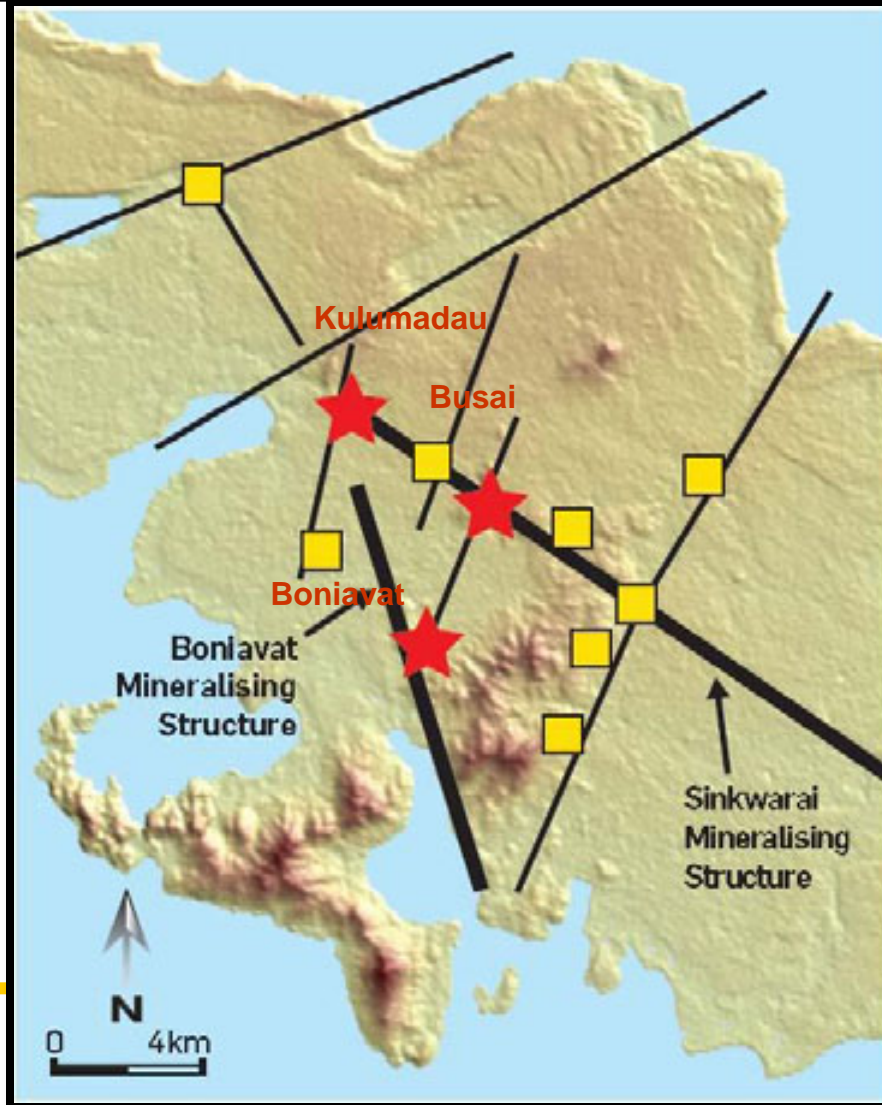
# Short Term Growth: More Ounces for Kulumadau?



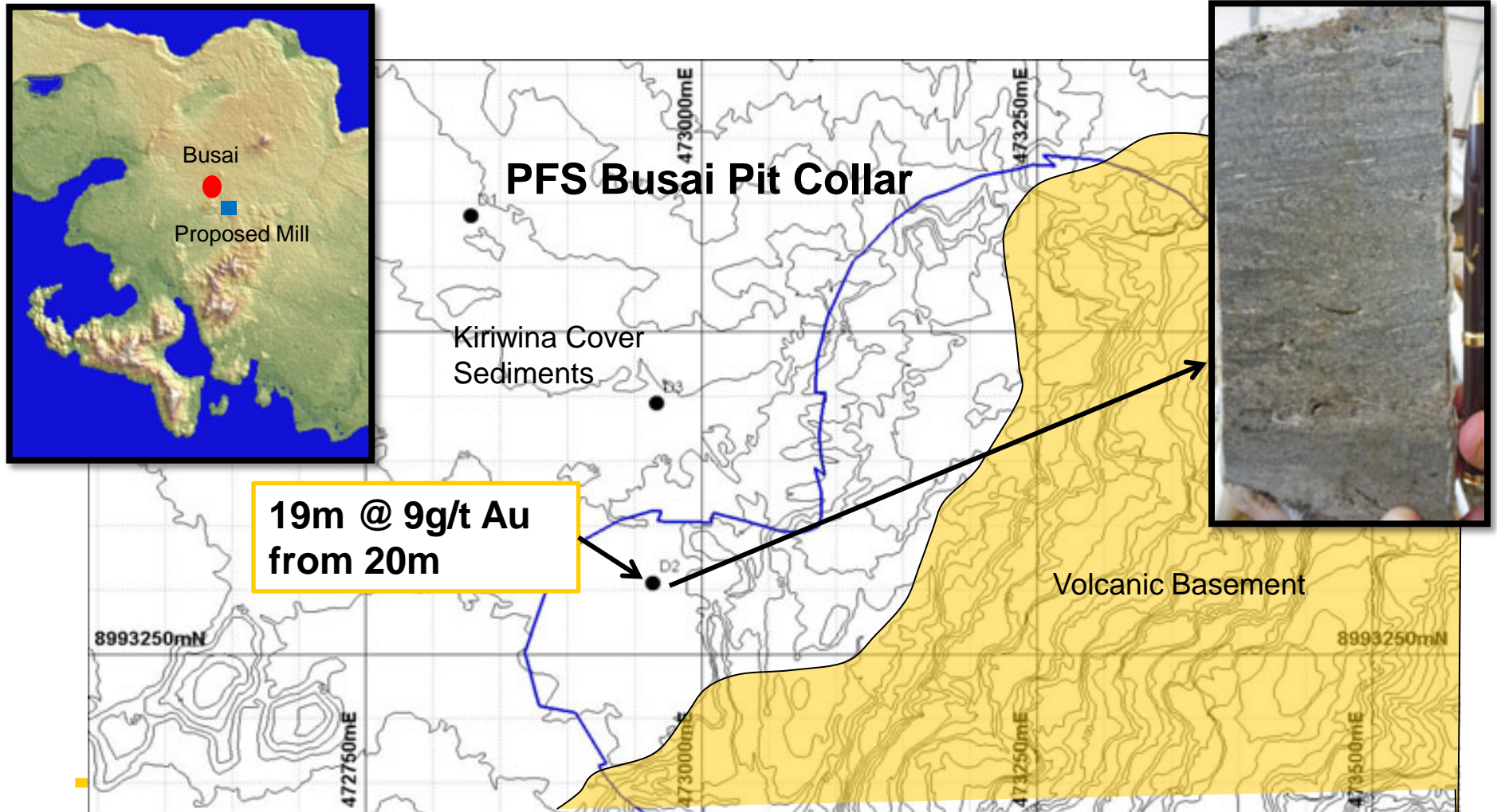


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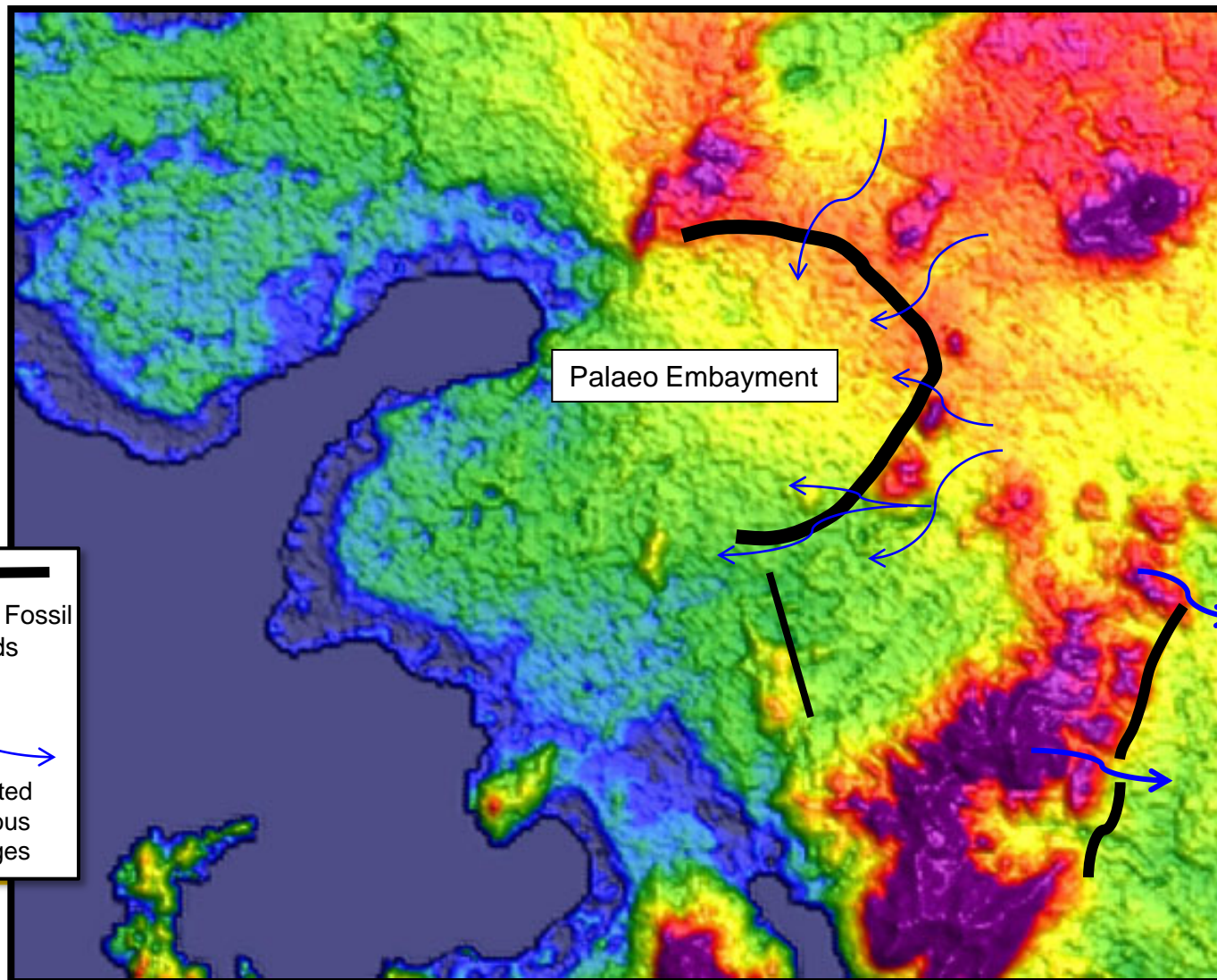
# *Excellent Exploration Upside*



# Mid Term Target: New styles of mineralisation



# Mid Term Target: New styles of mineralisation



— Postulated Fossil Strands

→ Postulated Auriferous Drainages



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# ***Environmental***

- Historically logged
- Site of historical mining
- Topography conducive to land based tailings disposal
- Deep sea trench provides potential for DSTP
- Coffey Environmental Systems managing the EIS
- Environmentally aware management team





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# ***Supportive Local Population***



# ***Clear Path to Production***



**Q4 2011**

**Q3 2012**

**2013**

- ▶ **DFS**
- ▶ **EIS**
- ▶ **MOA**

**Permitting**

**Construction**





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# Key Investment Highlights



- ✓ Advanced stage gold project in world-class gold region
- ✓ First production planned for 2013 (+100k oz pa)
- ✓ Significant resource base (+1.75 million oz)
- ✓ Aggressive exploration program underway to expand resource base “The Right Rocks”
- ✓ Fully funded to DFS  
\$48m in cash and no debt
- ✓ Significantly undervalued relative to peers