

3 August 2011
AFSL: 247 404

INVESTMENT DATA

ASX Code	KBL
Market Sector	Precious & Base Metals
Price (2 Aug 11)	\$ 0.31
Shares on Issue	187.9 m
Market Cap.	c. \$58.2 m
Unlisted Options	2.4 m
12 month high	\$ 0.37
12 month low	\$ 0.17

Kimberley Metals Ltd ACN 129 954 365 ('KBL' or 'the Company') (ASX: KBL) was spun out of CBH Resources ('CBH') in 2008 and listed in 2010. KBL is led by former CBH Chairman Jim Wall, who has over 20 years successful history in mine development.

KBL's aim is to quickly expand its established precious and base metal production. It has assembled a balanced portfolio of assets to achieve this goal.

The Company's key assets are:

- Mineral Hill Mine Precious & Base Metal Project
- Sorby Hills & Manbarrum Precious & Base Metal Projects
- Constance Range Iron Ore Project

Mineral Hill – New High Grade Results – Longer Mine Life?

Kimberley Metals today announced the results of the third diamond drill hole (KMHDD012) in the drilling program targeting the area between the Eastern Ore Zone (EOZ) and Southern Ore Zone (SOZ) at the Company's Mineral Hill Mine. (See Figure)

Assay results received to date for hole KMHDD012 include:

Hole	From (m)	To (m)	Interval (m)	Width (m)	Au (g/t)	Cu (%)
KMHDD012	298.05	303.42	5.37	5.1	4.4	2.5
Including			1.3		12.5	4.9

These results confirm the existence of the high grade Cu-Au structure (ESOZ) previously identified by historical drilling. The mineralized structure has a strike length of more than 350m and has true widths ranging from 4m to 10m.

This structure is parallel and adjacent to existing underground infrastructure and provides an opportunity to add additional tonnes to the Mineral Hill production profile. Significant alteration coincident with this zone indicates potential for a large feeder system at depth. The mineralization is open along strike and both up/down dipping, with indications of a mineralized envelope width of over 200m.

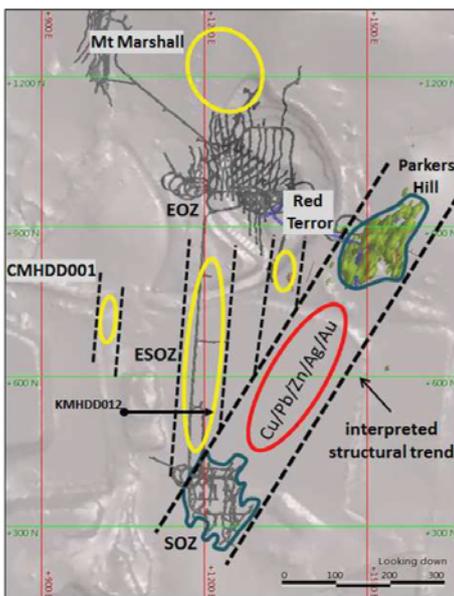
The Au-Cu results represent a similar style of mineralization to the previously mined high grade Au-Cu EOZ deposit directly along strike to the north and the SOZ to the south. The occurrence of this style of mineralization demonstrates the prospectivity of the EOZ/Parkers Hill/SOZ structural corridor.

The current drilling program is designed to provide detailed geological, geotechnical and metallurgical data on the deposit, and increase the understanding of the structural controls on mineralization for a resource upgrade due for release in the Sept Qtr.

The MPS view, after the preparation of the May Research Note and onsite visit, is that the potential for mineralisation at Mineral Hill is far greater than originally expected. The probability of the Parkers Hill mineralisation extending 500m to the SOZ is likely to add 2-3 years to the earlier anticipated mine life of 8 years, and the additional mineralisation announced today in the ESOZ combined with earlier drilling intersections there give the potential for even longer mine life.

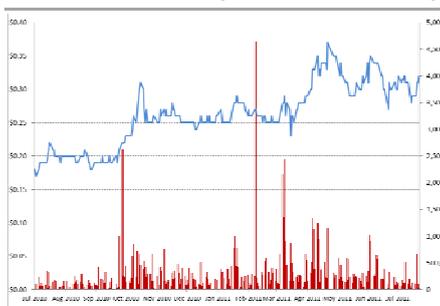
What is more significant however is that the distribution of the mineralisation now at Mineral Hill strongly suggests a much larger mineralising event with potential for substantially greater resources than the 2-3Mt so far suggested.

MINERAL HILL – PARKERS HILL



Source: KBL

KBL SHARE PRICE (JUL 2010-JUL 2011)



Source: Bloomberg

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