



ASX RELEASE

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## **Sorby Hills 2011 drilling campaign update**

- **Further high grade drill results received from D-E Deposit at Sorby Hills, including:**
  - **25m @ 8.4% Pb and 85 g/t Ag from 27m (KSHRC046)**
  - **11m @ 14.2% Pb and 116 g/t Ag from 53m (KSHRC071)**
  - **11m @ 7.8% Pb and 197 g/t Ag from 33m (KSHRC037)**
  - **5m @ 9.0% Pb and 219 g/t Ag from 26m (KSHRC047)**
  - **17m @ 5.6% Pb and 64 g/t Ag from 59m (KSHRC066)**

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Kimberley Metals Limited is pleased to announce on behalf of the Sorby Hills Joint Venture that it has received the results for a further 50 drill holes from the Sorby Hills Project, near Kununurra in the East Kimberley region of Western Australia. The drill holes form part of a major reverse circulation drilling program conducted during September and October of this year, and follow on from the exceptionally high grade results announced to the market on 28 September. Sorby Hills is the largest undeveloped silver-lead deposit at open cut depth in Australia and is jointly owned by Kimberley Metals Ltd (75%) and China's largest lead and silver smelter, Henan Yuguang Gold and Lead Company Ltd (25%).

The drilling program was designed to support the Joint Venture's strategic plan to commence a 500,000 tonnes per annum open cut mining operation from 2013 and has predominantly targeted the shallow



higher grade D-E Deposit (formerly known as D & E Pods<sup>1</sup>). The program also included a number of sterilisation drill holes in areas of proposed mining infrastructure.

To date results have been received for 78 of the 109 holes drilled during the program (Figure 1). Consistent with the previously announced drill holes, the results have returned some exceptionally high grade intersections including but not limited to **25 metres at 8.4% Pb and 85 g/t Ag** in hole KSHRC046, **11 metres at 14.2% Pb and 116 g/t Ag** in hole KSHRC071, and **11 metres at 7.8% Pb and 197 g/t Ag** in hole KSHRC037. All drill holes are vertical and mineralised intervals are close to true thickness as the orebody dips shallowly to the east. A full list of significant intersections from the most recently received drill holes is presented in Table 1.

The new results give the Joint Venture further confidence that the drilling program will lead to a significant conversion of Inferred Resources to the Indicated Resource category and an upgrade in metal content for the D-E Deposit. Work on the new Resource Estimate will begin as soon as the remaining results have been received and should be completed by early December 2011.

The D-E Deposit remains open down dip to the east in most areas, with the recent results suggesting it is likely to merge along strike to the north with the F Deposit. The Joint Venture's strategy remains to focus on shallow high grade mineralisation (<70m deep) amenable to low cost open pit mining operations in C-D-E deposits.

**Kimberley Executive Chairman Mr Jim Wall said today** *"These latest results give added emphasis to the potential for a low cost, high margin open cut operation to be established at Sorby Hills from 2013."*

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<sup>1</sup> Due to the scale of mineralisation and contiguous structure, we now consider the pods at Sorby Hills to be of deposit scale.

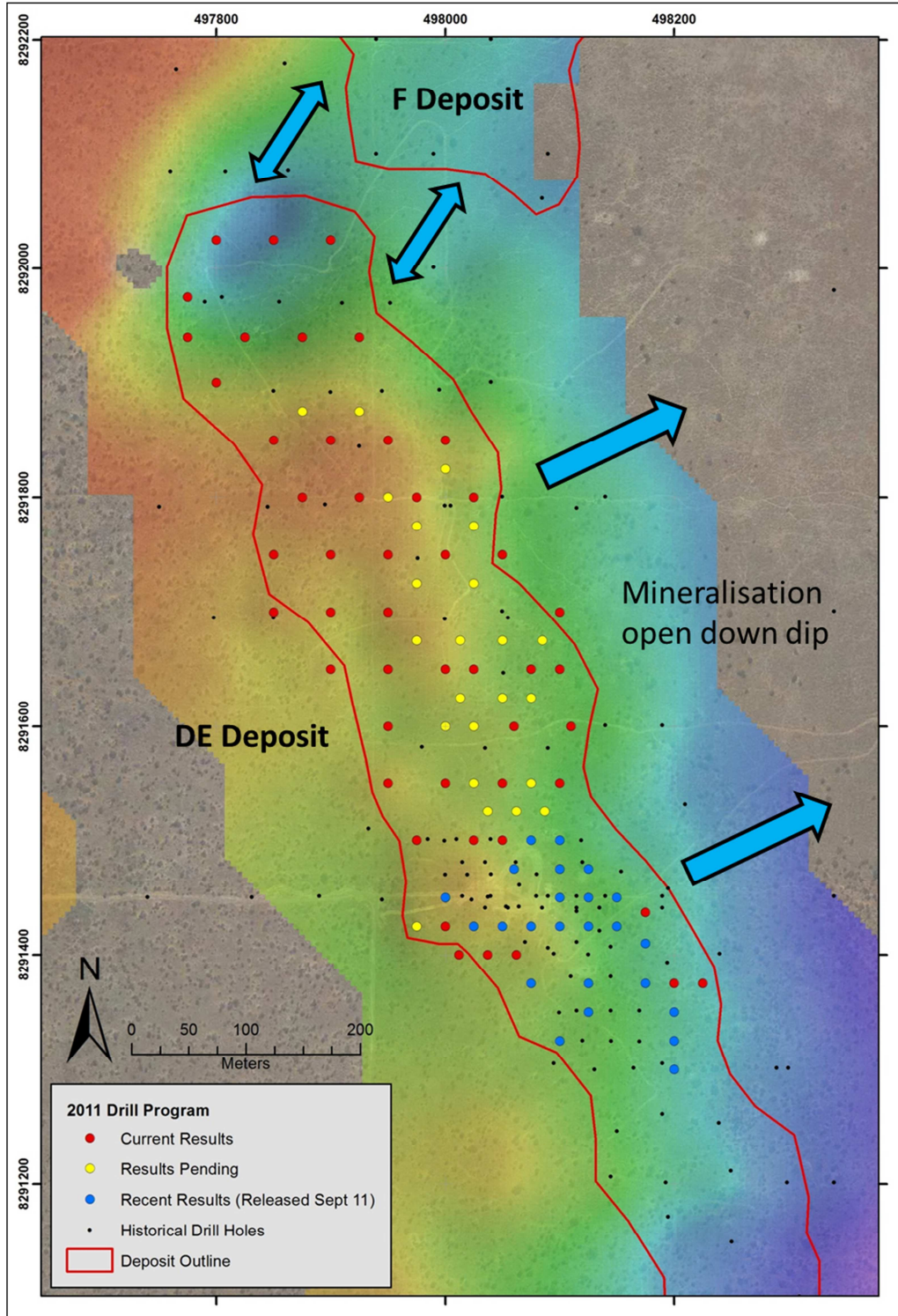
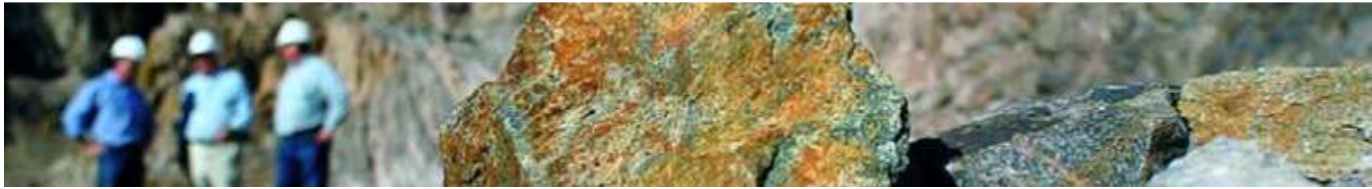


Figure 1. Outline of the D-E Deposit with the current 2011 drill program and results to date. DE Deposit is open down dip to the east and likely to merge with F Deposit in the north.



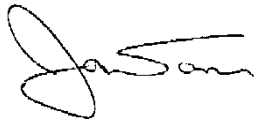
Drill Hole Details				Interval (m)	From (m)	Pb (%)	Zn (%)	Ag (g/t)
Hole	Easting	Northing	Depth (m)					
KSHRC026	498025	8291500	40	1	31	5.7	0.2	17
KSHRC027	497975	8291500	34	5	19	2.9	0.1	43
KSHRC028	498100	8291550	76	4	57	4.3	1.0	41
KSHRC029	498050	8291550	70	3	25	22.2	0.3	107
				3	36	14.3	0.7	106
KSHRC034	498110	8291600	76	3	62	5.9	2.3	66
				2	69	3.2	0.5	23
KSHRC035	498100	8291650	76	5	62	3.2	0.7	22
KSHRC036	498075	8291650	76	2	46	8.8	0.2	89
KSHRC037	498025	8291650	52	11	33	7.8	0.5	197
KSHRC038	498000	8291650	40	1	17	7.5	0.2	141
				3	27	5.1	1.0	104
KSHRC039	497950	8291650	38	3	12	2.7	0.1	29
KSHRC042	497950	8291700	58	4	27	4.5	0.1	62
KSHRC046	498000	8291750	64	25	27	8.4	0.2	85
KSHRC047	497950	8291750	50	8	15	3.9	0.5	33
				5	26	9.0	0.3	219
KSHRC049	497850	8291750	34	3	12	3.1	0.1	23
KSHRC050	498025	8291800	88	2	68	3.7	0.2	25
KSHRC051	497975	8291800	70	3	47	2.4	0.3	29
				1	53	4.8	0.5	53
KSHRC052	497925	8291800	52	1	13	5.2	0.3	84
KSHRC053	497875	8291800	46	3	12	7.8	0.2	67
KSHRC054	498000	8291850	70	3	45	3.9	2.7	45
KSHRC055	497950	8291850	64	2	44	2.5	0.2	20
KSHRC056	497900	8291850	52	13	20	3.9	0.1	49
KSHRC059	497925	8291940	70	16	31	2.8	0.8	23
KSHRC065	497850	8292025	64	2	21	5.4	0.2	38
				4	46	3.0	0.7	46
KSHRC066	497900	8292025	82	3	50	7.4	0.2	95
				17	59	5.6	0.2	64
KSHRC071	498200	8291375	70	2	41	2.3	0.2	16
				11	53	14.2	1.3	116
KSHRC076	498000	8291425	40	6	26	2.9	0.2	16
KSHRC078	498175	8291437	76	1	51	4.3	0.2	38
				4	61	6.0	0.1	37

Table 1: Further significant results from drill program within D-E Deposit. Cut-off grade 2% Pb.



Yours faithfully

**KIMBERLEY METALS LIMITED**



Jim Wall  
Executive Chairman

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**About Kimberley Metals**

Kimberley Metals is an Australian resource company listed on the ASX (ASX:KBL and KBLGA) with focus on precious and base metals. The Company (75%) and Henan Yuguang Gold & Lead Co. Ltd (HYG&L) (25%) own the Sorby Hills Lead-Silver-Zinc deposit in Western Australia, which is one of the world's largest near surface undeveloped lead deposits, close to port infrastructure and a short distance from Asian markets. The Company also owns the Mineral Hill project located in New South Wales, where in 2009 it discovered a high-grade gold resource less than 1km from its existing mining and processing facilities.

The Company is now operating the refurbished processing plant at Mineral Hill to produce copper concentrates. This will generate cash flows to assist development of its other projects. More information can be found on KBL's website at [www.kimberleymetals.com.au](http://www.kimberleymetals.com.au).



### **Competent Persons Statement**

The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by Anthony Johnston, MSc (Hons), who is a Member of the Australasian Institute of Mining and Metallurgy and is a full-time employee of the Company as Chief Geologist. Anthony Johnston has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.' Mr Johnston consents to the inclusion in the announcement of the matters based on his information in the form and context that the information appears