
High grade gold/copper intersection between Eastern Ore Zone & Southern Ore Zone

Kimberley Metals Limited (ASX: KBL) (“Kimberley Metals” or the “Company”) announced today results of the third diamond drill hole in the drilling program underway between the Eastern Ore Zone (EOZ) and Southern Ore Zone (SOZ) at the Company’s Mineral Hill Mine. These results confirm Mineral Hill’s previous status as a precious metal producer.

Assay results received to date for hole KMHDD012 include:

5.4 metre at 2.5% Cu & 4.4g/t Au

Incl : 1.3 metre at 4.9% Cu & 12.5g/t Au

These results confirm the existence of the high grade Cu-Au structure (ESOZ) previously identified by historical drilling (Table 1). The mineralised structure has a strike length of more than 350m, extends for over 150m down dip, and has true widths ranging from 4 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. Narrow mineralised veins parallel to the main interval exist in the hanging and footwall position, indicating a total mineralised envelope width of plus 200m. Significant alteration coincident with this zone indicates potential for a larger feeder system at depth. Mineralisation is open along strike and both up/down dip (Figure 2).

The Au-Cu results represent a similar style of mineralisation to the previously mined high grade Au-Cu EOZ deposit directly along strike to the north and the SOZ to the south (Table 2 – Summary of historical production). The occurrence of this style of mineralisation demonstrates the prospectivity of the EOZ/Parkers Hill/SOZ structural corridor (Figure 1).

The current drilling program is designed to provide detailed geological, geotechnical and metallurgical data on the deposit, and increase the understanding of structural controls on mineralisation for a resource upgrade currently in progress and due for release in the September quarter.

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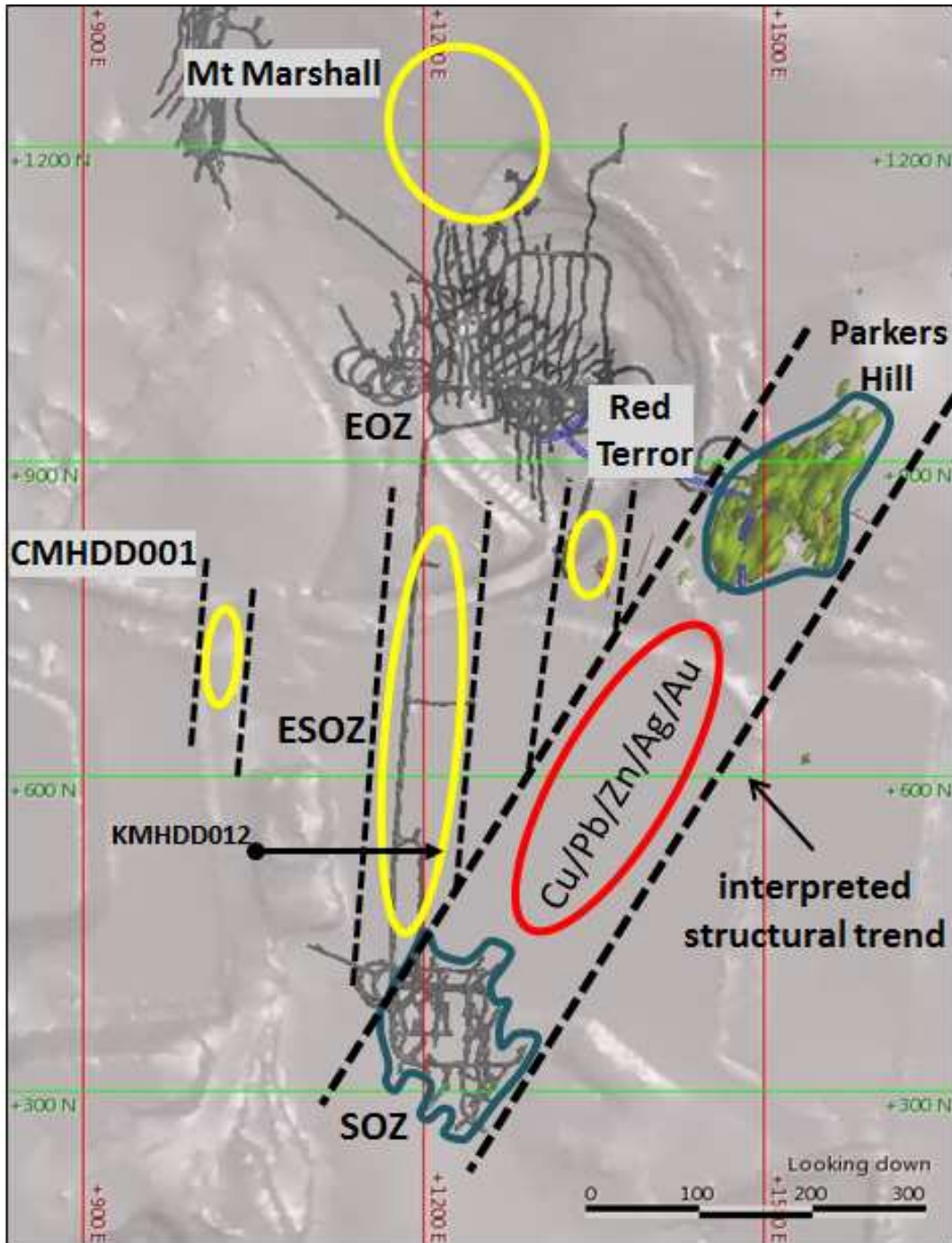


Figure 1. Plan of Mineral Hill with the location of hole KMHDD012 in relation to SOZ, Parkers Hill and EOZ deposits. Additional drill targets are highlighted in yellow (Cu-Au) and red (Cu-Pb-Zn-Ag-Au).

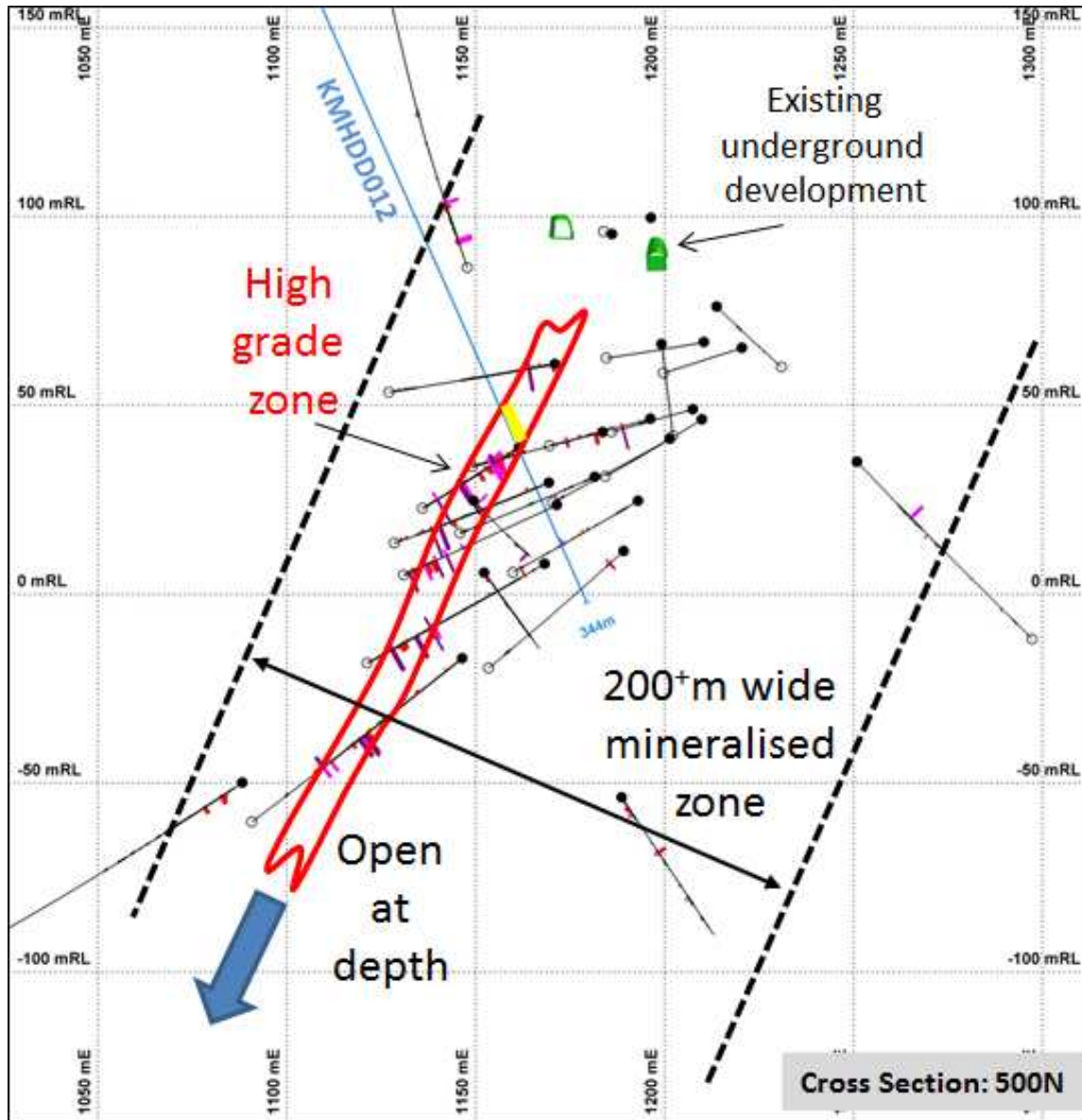


Figure 2. Cross section of Hole KMHDD012 indicating the high grade zone within a 200+m mineralised corridor. Mineralisation is open along strike and both up/down dip.

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Table 1. High grade Au-Cu results from ESOZ structure including historical holes.

Hole	East	North	RL	Azimuth	Dip	From (m)	To (m)	Interval (m)	True Width (m)	Au (g/t)	Cu (%)
KMHDD012	1038	497	311	90	-66	298.05	303.42	5.37	5.1	4.4	2.5
TMH239	1087.99	437	307	80	-80	318.1	326.6	8.5	4.2	6.37	2.83
TMH267	1090	437	307	46	-70	273.5	281.2	7.7	4.4	7.8	0.4
USOZ026	1252	364	100	324	-21	185	194	9	4.2	10.9	0.5
USOZ048	1262	419	79	320	-20	247.8	258.35	10.55	4.1	4.7	0.9
USOZ052	1110	437	66	53	-51	68	73.5	5.5	4.1	13.1	1.1
USOZ067	1110	438	66	60	-52	65.8	71.2	5.4	4.2	20.2	0.7
USOZ068	1109	438	66	40	-43	72.3	78	5.7	4.1	26.1	1.0

Table 2. Historical production from Mineral Hill based on mineralised zone

Ore Zone	Period		Tonnes Treated t	Grade		Recovery		Concentrate		Metal Produced	
	From	to		% Cu	g/t Au	% Cu	% Au	t	% Cu	t Cu	Oz Au
Jacks Hut ¹	1993	1999	705,067	1.80	4.75	94.01	74.59	49,271	24.18	11,913	80,256
Eastern ²	1989	2005	1,071,372	0.61	7.67	73.54	90.99	21,859	21.91	4,790	240,245
Ashes ³	1989	2004	82,984	0.77	6.75	68.80	82.70	2,187	20.07	439	14,876
Parkers Hill	2001	2005	19,840	3.16	1.54	82.80	58.10	2,267	22.90	519	571
Southern	2003	2005	215,548	1.56	5.59	86.40	82.11	12,760	22.75	2,904	31,810
Mill Clean-up											1,220
Total			2,094,811	1.14	6.38			88,344	23.28	20,565	368,978

Notes:

- 1 Jacks Hut Ore Zone was mined in two periods, 1993/94 and 1995/99
- 2 Eastern Ore Zone was mined in three periods, 1989/90, 1994/95 and 1998/2005
- 3 Ashes Ore Zone was mined in three periods, 1989/90, 2000/2002 and 2003/2004

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Yours faithfully

KIMBERLEY METALS LIMITED

A handwritten signature in black ink, appearing to read 'Jim Wall', is written over a light grey background.

Jim Wall
Executive Chairman

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About Kimberley Metals

Kimberley Metals is an Australian resource company listed on the ASX (ASX:KBL) 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, with over 1 million tons of contained metal resources, 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.

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