



ASX RELEASE

Sorby Hills 2011 drilling campaign update

- **Outstanding, high grade drill results from first 24 of 111 holes in an ongoing 6,000m drilling program including:**
 - **11m @ 18.5% Pb and 164 g/t Ag from 39m (KSHRC010)**
 - **9m @ 11.6% Pb and 161 g/t Ag from 19m (KSHRC012)**
 - **15m @ 12.7% Pb and 114 g/t Ag from 13m (KSHRC014)**
 - **12m @ 18.1% Pb and 168 g/t Ag from 33m (KSHRC018)**
 - **12m @ 11.0% Pb and 85 g/t Ag from 28m (KSHRC021)**
- **Drill results confirms Kimberley Metals' strategic plan to commence a 500,000 tonnes per annum open cut mining operations from 2013 at Sorby Hills**

Kimberley Metals is pleased to announce initial results from a 6,000m reverse circulation drilling program currently underway at the Sorby Hills Project, near Kununurra in the East Kimberley region of Western Australia. 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 predominantly to upgrade and extend the D-E Deposit (formerly known as D & E Pods¹) but also support an ongoing pre-feasibility study with sterilisation drill holes in areas of proposed mining infrastructure.

To date results have been received for the initial 24 holes drilled in the program of 111 holes, focused on the south and central portions of the D-E Deposit (Figures 1 & 2). The results have returned some exceptionally high grade intersections including but not limited to **11 metres at 18.5% Pb and 164 g/t Ag** in hole KSHRC010, **12 metres at 18.1% Pb and 168 g/t Ag** in hole KSHRC018, and **15 metres at 12.7% Pb and 114 g/t Ag** in hole KSHRC014. A full list of significant intersections is presented in Table 1.

The Company is highly encouraged by the initial results and is confident that the drilling program will lead to a significant conversion of Inferred to Indicated Resource category and an upgrade in metal content for the D-E Deposit. Drilling is ongoing and a large number of additional assay results are still pending, with visual logging and field portable XRF results indicating further high grade silver and lead mineralisation.

D-E Deposit is open down dip to the east and likely to merge along strike with F Deposit to the north. Kimberley's current strategy is to focus on shallow high grade mineralisation (<70m deep) amenable to low cost open pit mining operations in C-D-E deposits.

A recently completed detailed gravity program along the mineralised corridor outlines the structural/lithological controls on mineralisation. In particular, mineralisation appears to follow the flanks of gravity highs and highlights a number of new targets previously untested by drilling and outside of current Resources.

Kimberley Executive Chairman Mr Jim Wall said today *"The high grade and shallow nature of the mineralisation at the D-E Deposit provides an ideal location for initial low cost, high margin mining operations at Sorby Hills from 2013."*

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

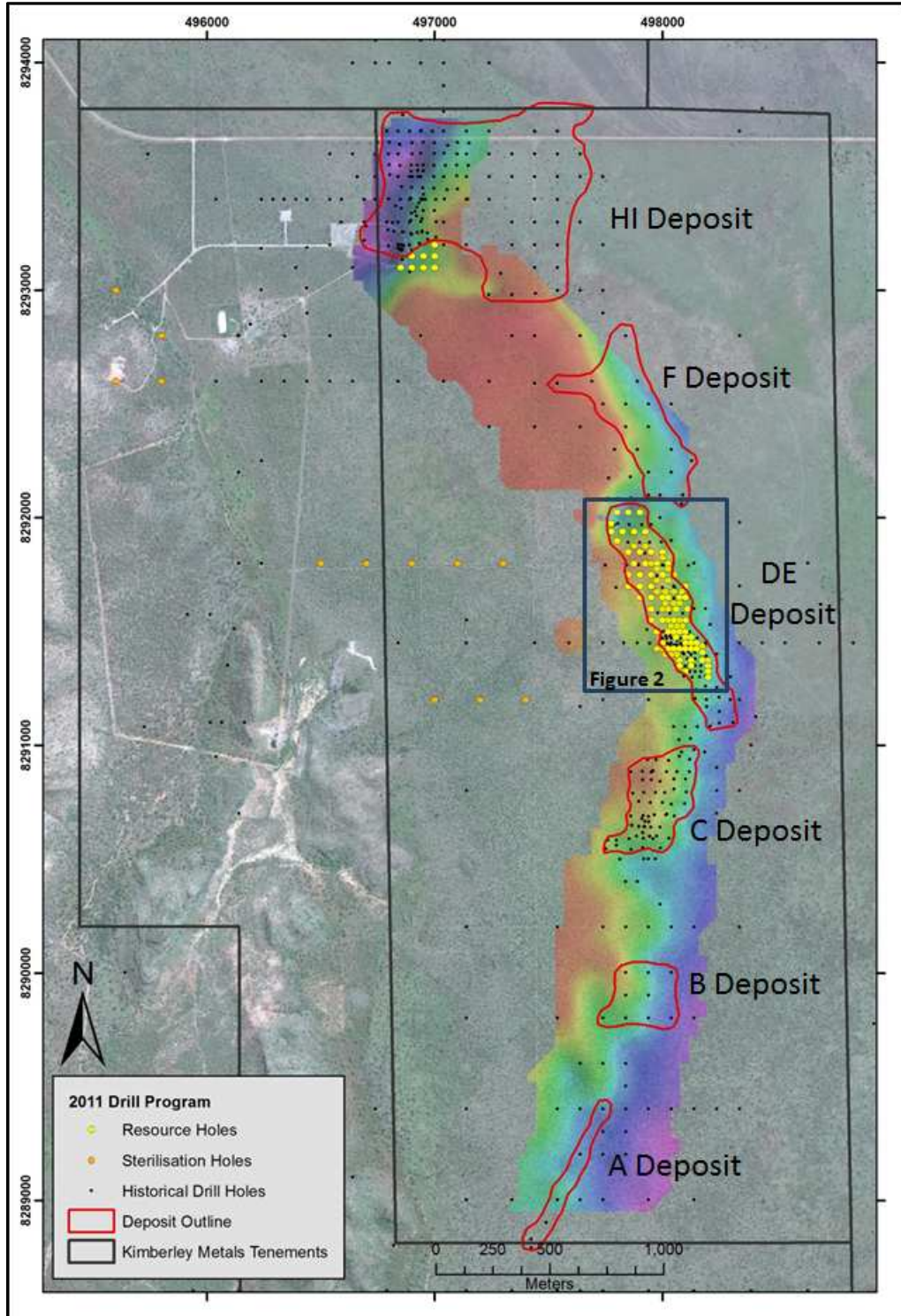


Figure 1. Deposits located along the Sorby Hills mineralised trend overlain on gravity image.

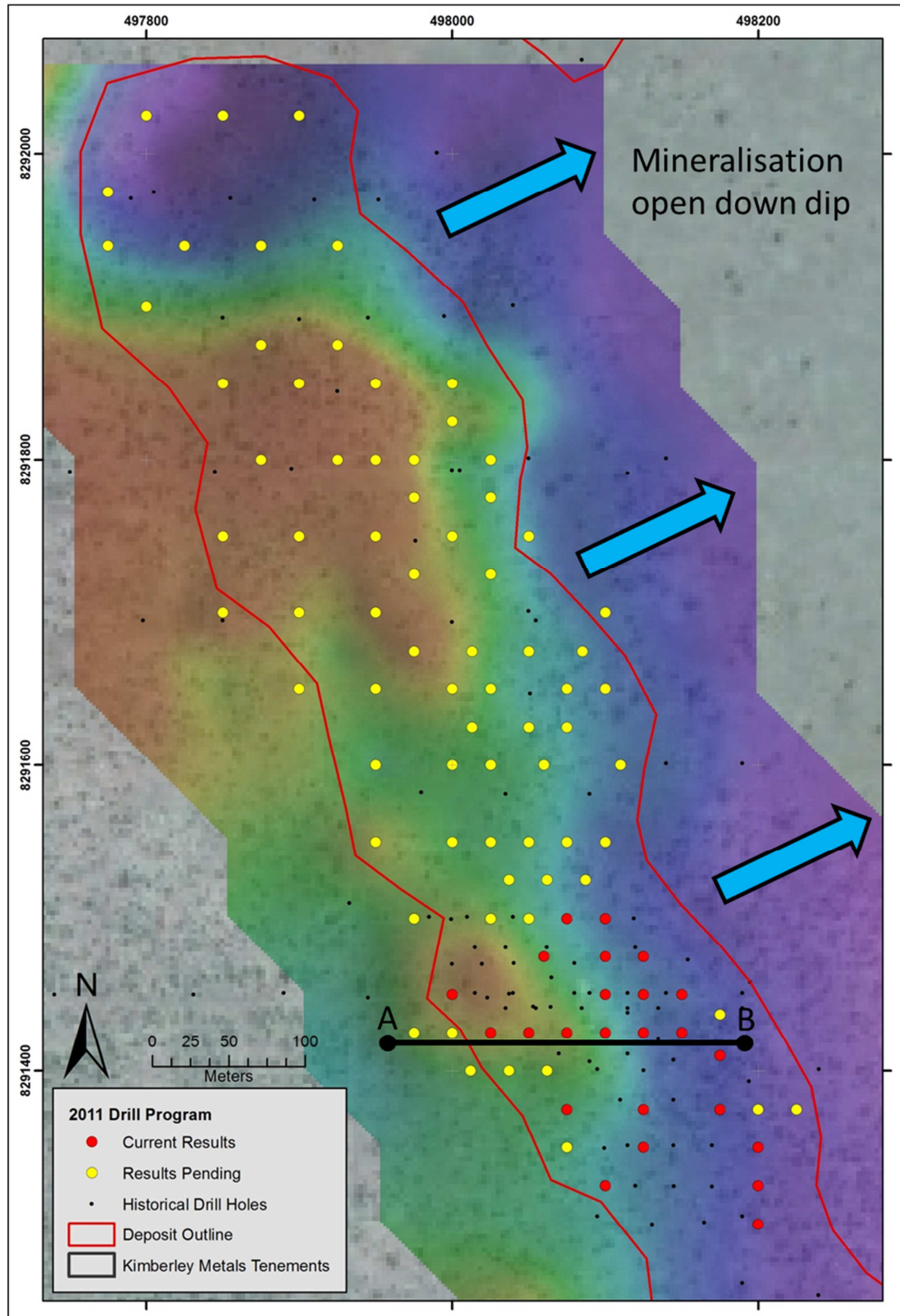


Figure 2. Detailed view of the D-E Deposit with the current 2011 drill program and results to date. Section line A-B is represented in Figure 3.

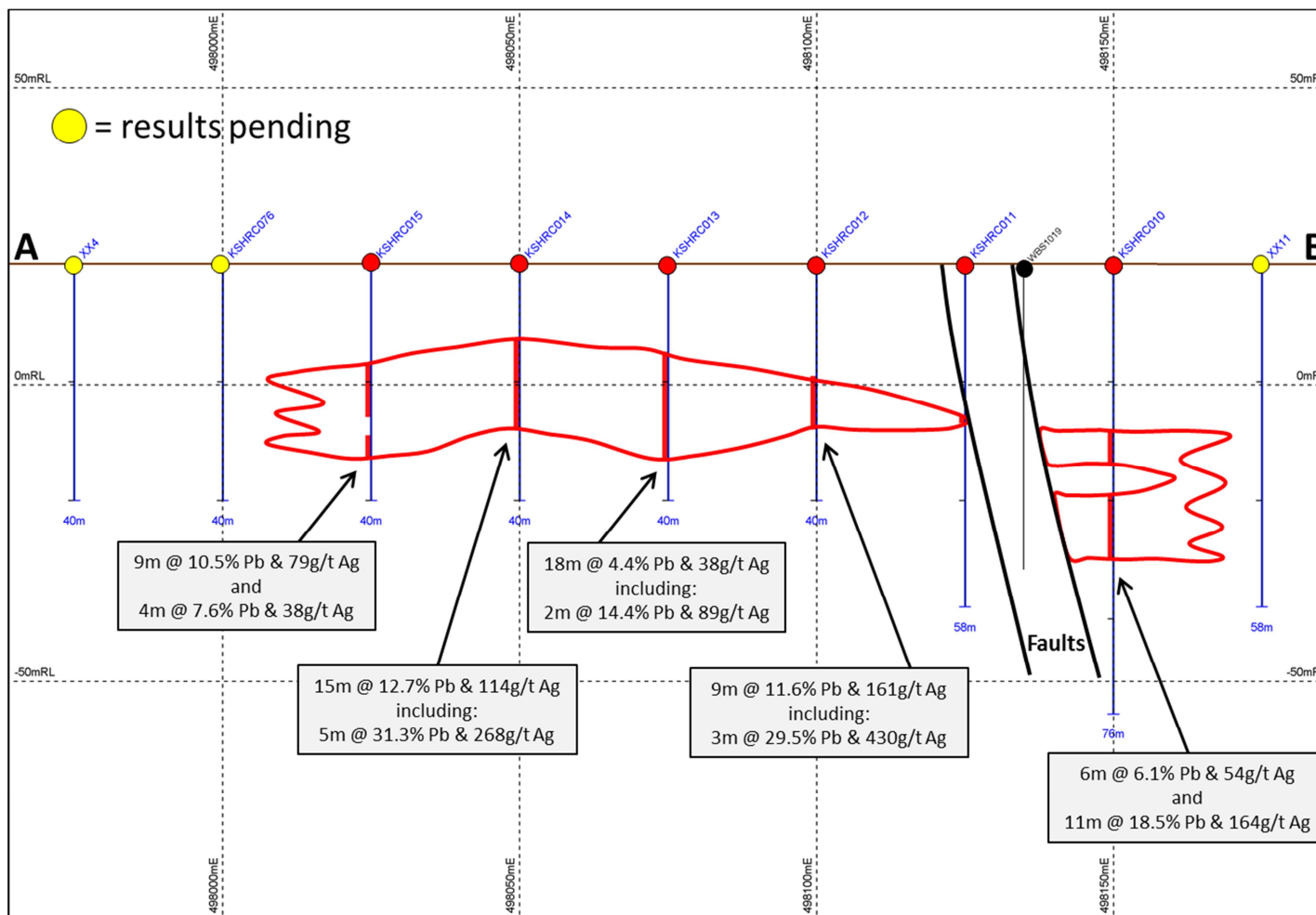


Figure 3. Cross section (A-B) located within D-E Deposit indicating high grade Pb-Ag mineralisation at shallow depths. Mineralised envelope outlined in red.



Drill Hole Details				Interval (m)	From (m)	Pb (%)	Zn (%)	Ag (g/t)
Hole	Easting	Northing	Depth (m)					
KSHRC002	498200	8291325	70	4	34	8.3	0.2	56
KSHRC003	498200	8291350	70	8	40	3.1	0.4	66
KSHRC004	498175	8291375	58	3	33	2.4	0.3	55
				5	43	14.1	1.5	262
KSHRC005	498125	8291375	52	1	17	4.0	0.2	29
				17	21	3.9	0.3	38
			<i>incl:</i>	4	34	7.0	0.6	50
KSHRC006	498125	8291350	50	5	16	3.5	0.1	31
				8	24	5.9	0.1	33
				2	42	4.5	0.2	21
KSHRC008	498075	8291375	40	1	30	4.4	0.5	27
KSHRC009	498175	8291410	70	1	36	8.6	0.2	53
				9	47	6.5	2.8	96
			<i>incl:</i>	3	47	11.4	3.0	154
KSHRC010	498150	8291425	76	6	28	6.1	0.5	54
				11	39	18.5	3.0	164
KSHRC011	498125	8291425	58	1	26	7.4	0.2	85
KSHRC012	498100	8291425	40	9	19	11.6	0.3	161
			<i>incl:</i>	3	25	29.5	0.6	430
KSHRC013	498075	8291425	40	18	15	4.4	0.2	38
			<i>incl:</i>	2	23	14.4	0.7	89
KSHRC014	498050	8291425	40	15	13	12.7	0.2	114
			<i>incl:</i>	5	19	31.3	0.3	268
KSHRC015	498025	8291425	40	9	17	10.5	0.3	79
				4	29	7.6	0.3	38
KSHRC017	498100	8291450	58	7	20	6.3	0.3	143
				4	30	17.3	2.5	178
				1	39	16.7	3.1	73
KSHRC018	498125	8291450	58	2	25	4.0	0.1	49
				12	33	18.1	1.7	168
			<i>incl:</i>	6	36	28.9	2.1	229
KSHRC020	498125	8291475	58	11	41	8.2	0.5	54
KSHRC021	498100	8291475	85	12	28	11.0	0.9	85
			<i>incl:</i>	3	32	29.7	2.8	241
KSHRC023	498100	8291500	58	1	49	6.5	1.7	62
KSHRC024	498075	8291500	40	16	18	11.3	0.7	104
			<i>incl:</i>	6	26	21.6	0.8	186

Table 1: 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.

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