

1 NOVEMBER 2011
AFSL: 247 404

INVESTMENT DATA

ASX Code	KBL
Market Sector	Precious & Base Metals
Price (31 Oct 11)	\$ 0.315
Shares on Issue	188.2 m
Market Cap.	c. \$ 59.3 m
Unlisted Options	2.4 m
12 month high	\$ 0.37
12 month low	\$ 0.19
Convert. Notes	23.13m
Convert. Notes	\$8.8m

RESOURCE ESTIMATE FOR SOUTHERN ORE ZONE LIFTS MINERAL HILL INVENTORY TO 222,000oz Au AND 61,000t Cu

- New 1.96mt resource added at Southern Ore Zone (SOZ), including 400kt at 4.4g/t gold and 0.8% copper
- Overall current JORC-compliant Resources to 5.2 million tonnes containing 222,000oz of gold, 61,000t of copper and 6moz of silver
- Global Resource increases contained Au (+77%), Cu (+38%) and Ag (+21%)
- Increase in resources since June 2011: +96% Cu, +190% Au and +207% Zn
- Mineral Hill mine life likely to extend to 10 years at the expanded production capacity of 400ktpa
- Further high quality exploration targets earmarked for next year

KBL's PROJECTS PROJECT LOCATIONS



Source: KBL

Kimberley Metals' (KBL) key assets include:

1. operating Parkers Hill mine (copper & gold) and developing the Pearse project (gold & silver) at Mineral Hill in NSW; and
2. development of 50mt ore in three new carbonate-hosted Mississippi Valley Type Pb-Ag resources in the Bonaparte Basin N of Kununurra WA/NT.

SOUTHERN ORE ZONE MAIDEN RESOURCE

The SOZ Resource adds significant upside to the Mineral Hill mining operations and importantly supports both an extension to the mine life and the ability to increase gold production.

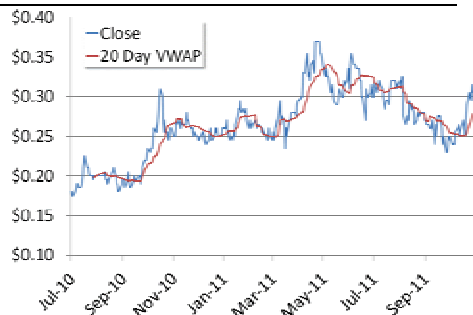
The Resource upgrade delivers a significant uplift in the Global Resource for Mineral Hill when compared with that released to the market by KBL in June 2011.

Summary of JORC-compliant Resource increase from June 2011						
Category	Tonnes	t Cu	t Pb	t Zn	oz Ag	oz Au
New Mineral Hill Global Resource	5,173,879	61,083	83,349	47,528	6,119,721	222,489
Previous Global Resource	2,687,000	31,091	51,768	15,468	4,388,871	76,667
Added since July 2011	2,486,879	29,992	31,581	32,060	1,730,850	145,822
% Change	93%	96%	61%	207%	39%	190%

Source: KBL

The new 1.96 million tonne Resource Estimate for SOZ includes a high grade gold component of 400,000 tonnes at 4.4 g/t Au and 0.8% Cu, a broader copper-gold resource and a separate lead-zinc resource.

KBL SHARE PRICE (Jul10-Oct11)



Source: IRESS

Encouragingly, approximately 72% of these Resources have been classified in the Measured and Indicated categories. The following summarises the maiden Resource estimate for SOZ.

SOZ (Au Zone) Contained Metal Cut-off grade 4g/t Au						
Category	t (000s)	Copper (Kt)	Lead (Kt)	Zinc (KT)	Silver (oz)	Gold (oz)
Measured	162	1.1	0.7	0.5	48,111	21,198
Indicated	74	0.6	0.7	0.7	43,705	9,231
Inferred	165	1.4	0.8	0.9	63,172	26,158
Total	400	3.2	2.1	2.1	154,988	56,587

SOZ (Cu / Au Zone) Cut-off grade 1.5% Cu Eq.*						
Category	t (000s)	Copper (Kt)	Lead (Kt)	Zinc (KT)	Silver (oz)	Gold (oz)
Measured	479	6.8	2.7	2.0	216,065	17,094
Indicated	233	2.2	1.0	0.9	72,789	10,355
Inferred	150	1.6	0.7	0.5	53,497	7,018
Total	862	10.6	4.4	3.4	342,350	34,467

SOZ (PbZn Zone) Cut-off grade 4% Pb+Zn						
Category	t (000s)	Copper (Kt)	Lead (Kt)	Zinc (KT)	Silver (oz)	Gold (oz)
Measured	90	0.7	2.8	2.2	82,916	1,103
Indicated	389	1.5	9.8	10.3	311,595	2,624
Inferred	220	0.7	5.2	6.8	148,472	1,767
Total	699	2.9	17.8	19.3	542,982	5,494

* Cu Eq. = Cu% + (0.66 x Au g/t)

Source: KBL

SOZ is located in close proximity to existing underground drives, meaning SOZ (and the recently announced ESOZ Resources) can be accessed and mining commenced at significantly lower cost and development time.

Expanded de-watering rates are expected to facilitate access to SOZ and ESOZ by late 2012, with mining operations expected to commence during early 2013.

Further Exploration Opportunities At & Around Mineral Hill

Kimberley management are confident that, with drilling of its high priority exploration targets over the next year at Mineral Hill (refer to Figure 2), these Resources may be further upgraded and the current production profile will be materially extended. This would enable an expanded production profile of 400,000 tonnes of ore per annum for at least ten years.



Figure 2: Plan of Mineral Hill showing prioritised mineralisation targets (Source: KBL)

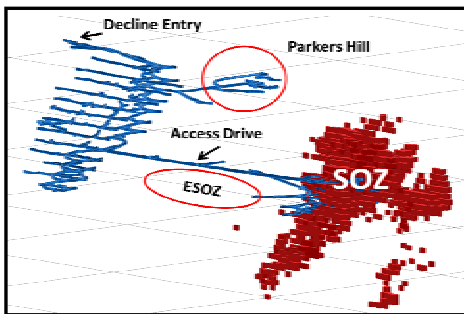


Figure 1: New SOZ Resource showing proximity to pre-existing development (Source: KBL)

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DATA AND DRILL RESULTS INCLUDED IN THIS BRIEFING NOTE HAVE BEEN SOURCED FROM KBL'S ASX ANNOUNCEMENTS AND THE COMPANY'S WEBSITE.

Disclosure

MPS and its associates declare that as of 1 November 2011, they may have a relevant interest in the securities recommended herein, in particular:

- Barry Dawes, Managing Director of MPS, holds shares in Kimberley Metals Limited. This position can change at any time.

MPS has been Broker to Kimberley for its recent capital raising and is Broker to the Placement of the Shortfall of the Convertible Notes from the Company's recent Rights Issue. In its role as Broker MPS has and will earn a fee on the total amount raised by MPS.