



May 17, 2005

ASX Release

COMMENCEMENT OF DRILLING AT JACKPOT

Kalgoorlie-Boulder Resources Ltd ("Company") is pleased to announce the commencement of drilling on the Jackpot Project near Coolgardie in the week commencing 23 May 2005. This is the first stage of drilling at Jackpot with the aim to provide information to finalise the initial pit design prior to the commencement of mining in the December 2005 quarter.

The Jackpot deposit contains a Indicated and Inferred Mineral Resource of 333,000 tonnes at 6.5 g/t for 69,600 ounces. It is planned to mine approximately 5,000 ounces from the initial pit.

A total of 19 holes for approximately 1,000 metres are planned. The part of the Jackpot deposit targeted by this drilling occurs near surface in soft oxide material, with the maximum hole depth of 75 metres and most drill holes between 35 to 50 metres total depth.

Clearing applications and the Notice of Intent will be submitted to the Department of Environment and the Department of Industry and Resources respectively over the next three months to allow mining to commence in the December 2005 quarter.

Discussions have commenced with third parties regarding contract mining and arrangements for the treatment of ore from the Jackpot mine. It is planned to complete agreements for these services in the next quarter.

Results of the drilling programme will be released to the market when they are available.

Planning for the commencement of activities on the Company's five other projects is continuing and announcements on the commencement of these activities will be made in the near future.

Yours sincerely

Trevor Matthews
Managing Director