



**KALGOORLIE-BOULDER  
RESOURCES LTD**  
ABN 48 106 732 487

21 March 2005

**Release to ASX**

**ASX Code: KAL**

### **KBRL INCREASES URANIUM PORTFOLIO**

Kalgoorlie-Boulder Resources Ltd ('Company') has applied for 10 exploration licences in South Australia totalling **2,806 square kilometres which are prospective for uranium**. Many of these tenements have known uranium occurrences and significant radiometric anomalies. The Company is exploring the possibility of **divesting the Company's uranium assets into a new entity with the consideration received being distributed to the Company's shareholders**.

#### **Prospect Hill (ELA 788/05)**

The Company has pegged a 30 square kilometre lease over a radiometric anomaly 45 kilometres north of the Mt Painter and Beverly Uranium Prospects. The lease area is located 141 kilometres north-east of Leigh Creek in the Mount Painter Province. The lease overlies the Terrapinna Granite of the Mt Painter Inlier which is unconformably overlain by the Parabarana Sandstone of the Eromanga Basin. This geological environment could provide a possible host for roll front style uranium mineralisation.

#### **Mirackina (ELAs 754,800,803/05)**

The Mirackina Project is comprised of three leases, Evelyn Creek (918km<sup>2</sup>), Lora Creek (761km<sup>2</sup>), Pootnoora Creek (633km<sup>2</sup>) and is located 82 kilometres north of the town of Coober Pedy. The project area was selected as it contains a previously mapped radiometric high associated with palaeochannel development and it is considered a target for roll front mineralisation such as found at the Beverley deposit of Heathgate Resources Pty Ltd.

#### **Taraleah (ELA 789/05)**

The Taraleah lease is a 252 square kilometre lease located 80 kilometres south-west of Kimba. Taraleah was part of an exploration program for uranium by Chevron Exploration Corporation in 1973. A number of drill holes, drilled by Chevron, showed anomalous radiometric peaks in a sedimentary environment (Chevron Exploration Corporation final report 1974). This project is a possible target for roll front style mineralisation that may be associated with reducing lignite bands in the host Polda and Poelpena Formations.

#### **Mount Hill (ELA 791/05)**

The Mount Hill lease is located approximately 80 kilometres north-east of Port Lincoln. The geological environment may be suitable for roll front style deposits in the sediments overlying uraniumiferous basement rocks and for uniformity mineralisation. This

is the focus of the exploration program by uranium explorer, Cameco Australia Pty Ltd, who control the adjoining tenement.

### **Olary Block (ELA 801,802/05)**

The Olary Block Project area is located 18 kilometres north of Olary in the Curnanoma province and is prospective for Pegmatite mineralisation as well as Tertiary paleo channel roll front style deposits. The leases adjoin PepinNini Minerals Ltd's (ASX: PNN) Outalpa project, where PepinNini have identified copper, silver and uranium prospects, and the Giralia Resources NL (ASX: GIR) Olary creek project.

### **Cleve (ELAs 790/05 and 54/06)**

The Cleve Project is adjacent to the Poonana Mine which was mined primarily for copper but was found to contain Pitchblende (an uraniferous mineral). Coincident magnetic highs and mineral occurrences of silver, lead and copper exist within the lease areas and these have been explored for by previous explorers. The lease is prospective for unconformity as well as vein style mineralisation.

## **URANIUM STRATEGY**

The Company's uranium portfolio now consists of 26 exploration licences or applications covering a total of 5,040 square kilometres in Western Australia and South Australia:

- Gascoyne Region – 10 exploration licences covering an area of 1,184 square kilometres.
- Kintyre East Project – joint venture with Redport Ltd (ASX: RPT) to explore 5 exploration licences covering an area of 868 square kilometres.
- South Australia – 11 exploration licences covering an area of 2,988 square kilometres.

The **spot price for uranium has broken the US\$40 per pound mark for the first time in more than 25 years.** Since April 1976, the first time the uranium price broke the US\$40 per pound barrier, the price has fallen below US\$10 per pound until its recovery in 2003 brought about by ongoing supply shortages.

The Directors are exploring a number of options to realise the inherent value within the Company's uranium assets. Given the increasing forecast demand and spot price for uranium and the recent interest in uranium exploration companies, the Directors are actively exploring the possibility of divesting the Company's uranium assets into a new entity with the consideration received being distributed to the Company's shareholders.

Please do not hesitate to contact the undersigned should you have any queries regarding this announcement or any aspect of the Company's development.

Trevor Matthews  
Managing Director

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## ABOUT KALGOORLIE-BOULDER RESOURCES LTD

The Company's portfolio consists of:

- total gold and base metals licences, leases or applications covering 272.06 square kilometres;
- total uranium licences or applications covering 5,040 square kilometres in Western Australia and South Australia; and
- a 75 percent Working Interest (56.25 percent Net Revenue Interest) in oil and gas leases covering 640 acres in Oklahoma, USA.

A Notice of Intent was submitted to the Department of Industry and Resources in early February to develop an open pit to mine gold bearing ore at the Jackpot Project. The mine plan estimated a Probably Mining Reserve of 55,000 tonnes at 3.1g/t gold to produce 5,300 ounces. Forecasted revenue based on a gold price at the time of A\$660 per ounce (current gold price is in excess of A\$750 per ounce) was approximately A\$3.6 million. On completion of the open pit mining, forecasted to be three to four months from commencement, the Company will be in a position to properly evaluate the deep higher grade Inferred mineralisation for a possible larger scale open pit or underground operation.

Drilling commenced on the Company's Wilson #3-10 well and reached a total depth of approximately 3,200 feet on 12 March 2006. Initial indications from the Company's operator, Metro Energy Group, Inc., are that seven zones appear to be hydrocarbon bearing with an eight, the Wilcox Sandstone, the primary objective of the drilling program, to be penetrated by drilling in with cable tools and tested.

Upon receipt of the analysis of the logs and cores from the Wilson #3-10 drilling, an estimate as to recoverable oil and gas reserves based on volumetric analysis for the conventional oil and gas zones, and based on estimated standard cubic feet of gas content per ton for the unconventional zones will be completed. The Wilcox Sandstone is a conventional oil and gas zone while the Caney and Woodforde shales are the two unconventional zones to be tested. The drilling of the Wilson #3-10 well is the first phase of the current drilling and re-working program.