



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

## **ASX ANNOUNCEMENT**

ASX Code: KAL, KALO

7 November 2006

### **IN-SPECIE DISTRIBUTION – BUREY GOLD LTD SHARES**

In May of this year, the Directors announced the proposed sale of the Company's ('**KBRL**') rights, title and interest in its uranium assets to Burey Gold Ltd ('**Burey**') and the in-specie distribution of the Burey shares to be received as part consideration to KBRL shareholders.

The transaction is conditional upon, among other things, a capital raising by Burey and its admission to the Official List of the Australian Stock Exchange.

Burey have lodged their prospectus with ASIC on 20 October 2006. The prospectus seeks to raise \$5 million by offering by offering 25 million shares at an issue price of 20 cents each. A copy of the Burey prospectus can be obtained from their website at [www.bureygold.com](http://www.bureygold.com).

#### **Option Agreement**

Under the terms of the agreement with KBRL, Burey is granted an exclusive option ('**Option**') to purchase the Company's rights, title and interest in its uranium assets. Burey paid an option fee of \$50,000 to KBRL plus will pay a further \$50,000 and issue 17,200,000 ordinary fully paid shares in the capital of Burey to KBRL. The shares must be distributed by KBRL to its shareholders by way of an in-specie distribution.

The exercise of the Option is subject to conditions precedent which include Burey's shareholders passing all resolutions required to give effect to the provisions of the agreement, and the successful admission of Burey to the Official List of the ASX. The Option will lapse and will have no further effect if the conditions precedent are not fulfilled and it is not exercised within six months of Burey's admission to the Official List of ASX.

#### **Proposed In-Specie Distribution**

Subject to the Option being exercised and subject to Burey and the Company complying with the ASX Listing Rules and Corporations Act including obtaining all relevant shareholder approvals, the Company will distribute the Burey shares in-specie to the Company's shareholders

For the purposes of determining the shareholders to receive the in-specie distribution, when and if the Option is exercised and subject to legal compliance, the Company has resolved that all shareholders who are registered as such on the Company's share

register as at 5.00pm on 20 November 2006 will be entitled to receive the in-specie distribution of Burey shares.

The Company currently has 48,645,694 shares on issue. Consequently, each KBRL shareholder registered as at the abovementioned date would be entitled to receive approximately 3.5 Burey shares for every 10 KBRL shares held. At Burey's issue price of 20 cents per share, the in-specie distribution represents a return to KBRL shareholders of approximately 7 cents per share.

Further details on the proposed in-specie distribution will be announced in due course.

For further information please contact:

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