



**KALGOORLIE-BOULDER
RESOURCES LTD**

ABN 48 106 732 487

ASX Announcement

ASX Codes: KAL, KALO

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SIGNIFICANT INCREASE IN GOLD RESOURCES AT NORSEMAN

- **Mt Henry Indicated and Inferred resource increased 36% to 630,000oz**
- **310,000oz of Mt Henry resource upgraded to Indicated Resource category for first time.**
- **Total Norseman Project indicated and inferred resource increased by 20% to 1.2 Moz,**
- **Additional drilling results from Mt Henry anticipated in two weeks**

Kalgoorlie-Boulder Resources Limited (the "Company") is pleased to announce a significant increase in the total mineral resource base for its 100%-owned Norseman Gold Project.

A resource upgrade at Mt Henry has resulted in a total JORC compliant Indicated and Inferred Resource totalling **10.6 Mt grading 1.9 grams per tonne for 630,000 ounces of gold**, as set out below. This includes for the first time a JORC compliant **Indicated Resource** of 5.0 Mt at 2.0 g/t for **310,000** ounces. This combined Indicated and Inferred Resource represents an increase of 168,000 ounces or 36% on the previously published JORC Inferred Resource at Mt Henry.

Pleasingly, both the grade and tonnage have increased in the latest estimate and 310,000 ounces have moved from Inferred to Indicated Resource category.

The resource upgrade at Mt Henry has increased the total indicated and inferred mineral resource estimate for the entire Norseman Gold Project by 20 %, **using a 1.0 g/t cut-off, to 21 million tonnes at 1.7 g/t Au for 1.2 million ounces of gold.**

The previously reported total inferred resource estimate of 1.23 million ounces calculated for the prior owner of the project used a less robust cut-off grade of just 0.7 g/t. Using a 1.0 g/t cut-off, the previous resource estimate totalled approximately 1 million ounces.

Chairman Michael Atkins said he was delighted with the increase in the size and quality of the mineral resource at Norseman.

“We are extremely pleased to announce this 20% increase in total gold mineral resources at Norseman as well as the upgrade of some of the gold resource into the indicated category as it further strengthens our confidence in the project,” he said.

“This increase in gold resources has not only added significant ounces to our resource inventory but also resulted in improvements in both the grade and tonnage of the resource at Mt Henry, thereby improving the economic potential of the project.”

“The Mt Henry deposit is the first of the four mineralised zones already identified at Norseman to be systematically appraised by our team since the acquisition of the project late last year.”

“With three other mineralised zones to appraise and nine other prospects within the Norseman Gold Project to explore, we are fortunate to have considerable scope for further resource additions in the future.”

The increase in mineral resources at Norseman follows recent drilling, resource development and geological modelling at the Mt Henry deposit [For details please see page 3]. It does not take into account recent and current drilling at Mt Henry, the results of which should be available for release in the next two weeks.

The Company is now well advanced with a scoping study designed to identify the various development options available at the Norseman Gold Project. An important component of this scoping study is the 5,000 metre drilling programme now underway, including resource definition drilling of the existing mineral resources at Mt Henry and Selene and the testing of the three highly prospective areas at Break O Day, Telegraph and Everlasting.

“The scoping study now underway at Norseman has resulted in a better understanding of the current mining scenarios and costs at Norseman,” Mr Atkins said.

“This work has demonstrated that it is appropriate for us to use a higher cut-off grade when calculating mineral resources at Norseman of 1.0 g/t. This cut-off grade will be adopted for the reporting of future resource estimates for the project.”

“We are obviously excited by the progress being made at Norseman. We recently commenced an extensive drilling programme at Mt Henry and Selene and began testing the highly prospective areas at Break O Day, Telegraph and Everlasting.”

“This work forms an integral part of our scoping study and we look forward to reporting the results of this drilling programme shortly.”

Further details on the latest mineral resource estimate are attached.

For further information, please contact:

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About Kalgoorlie-Boulder Resources

Kalgoorlie-Boulder Resources is an ASX-listed minerals exploration company primarily focused on its 100%-owned Norseman Gold Project and its Clinker Hill nickel exploration project NNE of Kambalda.

The Norseman Gold Project covers 124 square kilometres of the prolific Norseman - Wiluna Greenstone belt of the Eastern Goldfields in Western Australia. Norseman is the southernmost gold mining centre of the Norseman-Wiluna gold belt which hosts an endowment of over 270 million ounces of gold. The Norseman region has been a major gold producer with production in excess of 5.5 million ounces of gold from 1935.

The Norseman Gold Project contains a number of mineral resources and Kalgoorlie-Boulder Resources is currently undertaking a drilling programme and scoping study at the project designed to identify the various development options available to the Company.

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Mineral Resource Details

The Norseman Gold Project was acquired by the Company in December 2006. The original resource estimates for the project were provided by Resource Services Group (RSG) to the Company as part of the due diligence study in November 2006.

The Company has now completed an updated mineral resource estimate for the Norseman Gold Project following recent drilling, resource development and geological modelling at the Mt Henry deposit.

The increase in mineral resources is entirely contained within the Mt Henry deposit area.

The updated total JORC indicated and inferred resources at the Norseman Gold Project are set out below:

Prospect	JORC Classification	Tonnes (Mt)	Grade (g/t Au)	Gold ('000 oz)
Mt Henry	Indicated	5.0	2.0	310
Mt Henry	Inferred	5.6	1.8	320
Selene	Inferred	9.6	1.5	470
North Scotia	Inferred	0.3	3.4	36
Abbottshall	Inferred	0.5	2.0	30
Total		21	1.7	1.2 Moz⁽²⁾

1 All resources are reported using a cut-off grade of 1.0 g/t Au.

2 Rounding, conforming to the JORC code, may cause computational errors.

Work currently being performed by the Company on a scoping study for the Norseman Gold Project has demonstrated that it is appropriate to use 1 g/t cut-off grade when calculating mineral resources at Norseman (i.e. Ore blocks under 1.0 g/t are excluded from the resource). The Company has previously reported resources using both 1.0 g/t and 0.7 g/t. This 1.0 g/t cut-off grade will be adopted for the reporting of future resource estimates for the project.”

The resource upgrade at Mt Henry has resulted in a total JORC compliant Indicated and Inferred Resource totalling **10.6 Mt at 1.9 g/t for 630,000 ounces of gold**, as set out below. Inclusive in this Total is a JORC compliant Indicated Resource of 5.0 Mt at 2.0 g/t for **310,000 ounces**.

JORC Classification	Tonnes (Mt)	Grade (g/t Au)	Gold (000's oz)
Indicated	5.0	2.0	310
Inferred	5.6	1.8	320
Total	10.6	1.9	630

1 All resources are reported to a cut-off grade of 1.0 g/t Au.

2 Rounding, conforming to the JORC code may cause computational errors.

This latest mineral resource estimate at Mt Henry represents an increase of 168,000 ounces or 36% on the previously published JORC Inferred Resource at Mt Henry of 8.6 Mt @ 1.7 g/t for 462,000 ounces. Pleasingly, both the grade and tonnage have increased in the latest estimate.

The increase in mineral resources at Mt Henry is the net result of:

- Revisions to the geological model for the Mt Henry deposit;
- Specific gravity test work completed in April 2007;
- An increase in specific gravity for the Banded Iron Formation Ore from 2.6 g/cm³ to a more realistic 3.15 g/cm³; and
- Confirmation drilling completed at Mt Henry earlier this year..

The new mineral resource does not include the recently completed reverse circulation drilling programme at Mt Henry. The results from this programme should be available for release later in November.

Drilling is currently continuing on the nearby Selene deposit with a view to upgrading the Inferred Mineral Resource at Selene.

The new resource model developed at My Henry will also be incorporated into the current scoping study into the development of the Norseman Gold Project.

The Mt Henry mineral resource has been independently audited by Rick Adams from Cube Consulting. Cube Consulting are a Geological and Mining consultancy company providing consulting services to the mining industry, established in 2000.

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Richard Breyley, who is a member of the Australasian Institute of Mining and Metallurgy. Richard Breyley is a full time employee of Kalgoorlie Boulder Resources. Richard Breyley has sufficient experience which is relevant to the style of mineralisation and the type of ore deposit under consideration and 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 Mineral Resources and Ore Reserves'. Richard Breyley consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Definitions

JORC Resources: Joint Ore Reserves Committee. Established in 1971, JORC sets out the minimum standards for reporting of Mineral Resources and Ore Reserves. A Resource statement must comply with the JORC code if announced by an ASX listed company.

Scoping Study: A Scoping Study is an initial desktop conceptual study to evaluate project concepts and to provide an order of magnitude cost, return and viability. The scoping study is based on the current resource, projected commodity prices, mining costs and capital costs. It is an estimate system and only accurate to within 30% through projections and assumptions. After a positive scoping study is produced, the next step is usually to complete a pre-feasibility study and ultimately a feasibility study, each time using more robust financial analysis with increased levels of confidence to determine the project's feasibility prior to making a decision to proceed to development.

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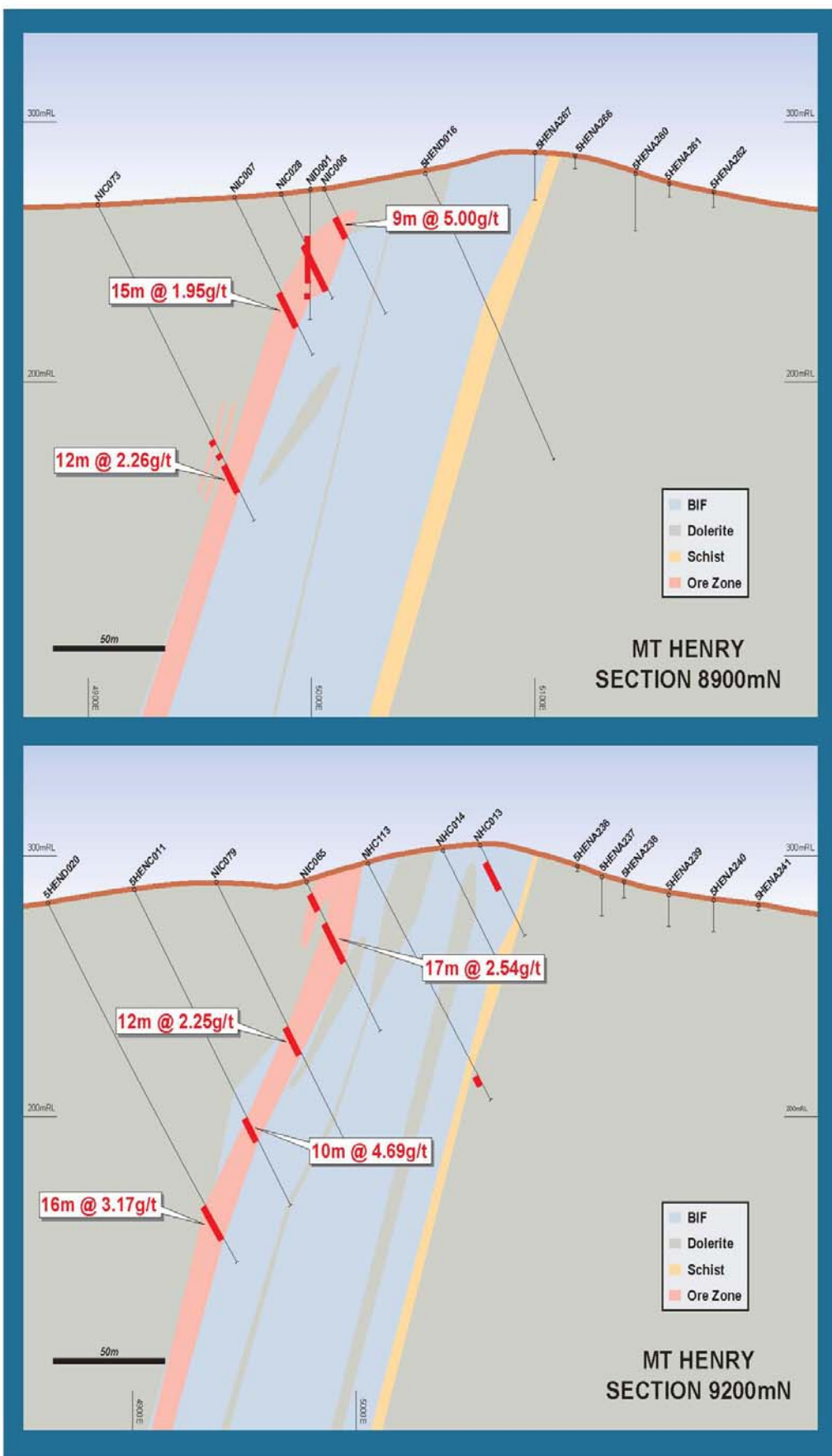


Figure 1: Two Typical Mt Henry Sections.

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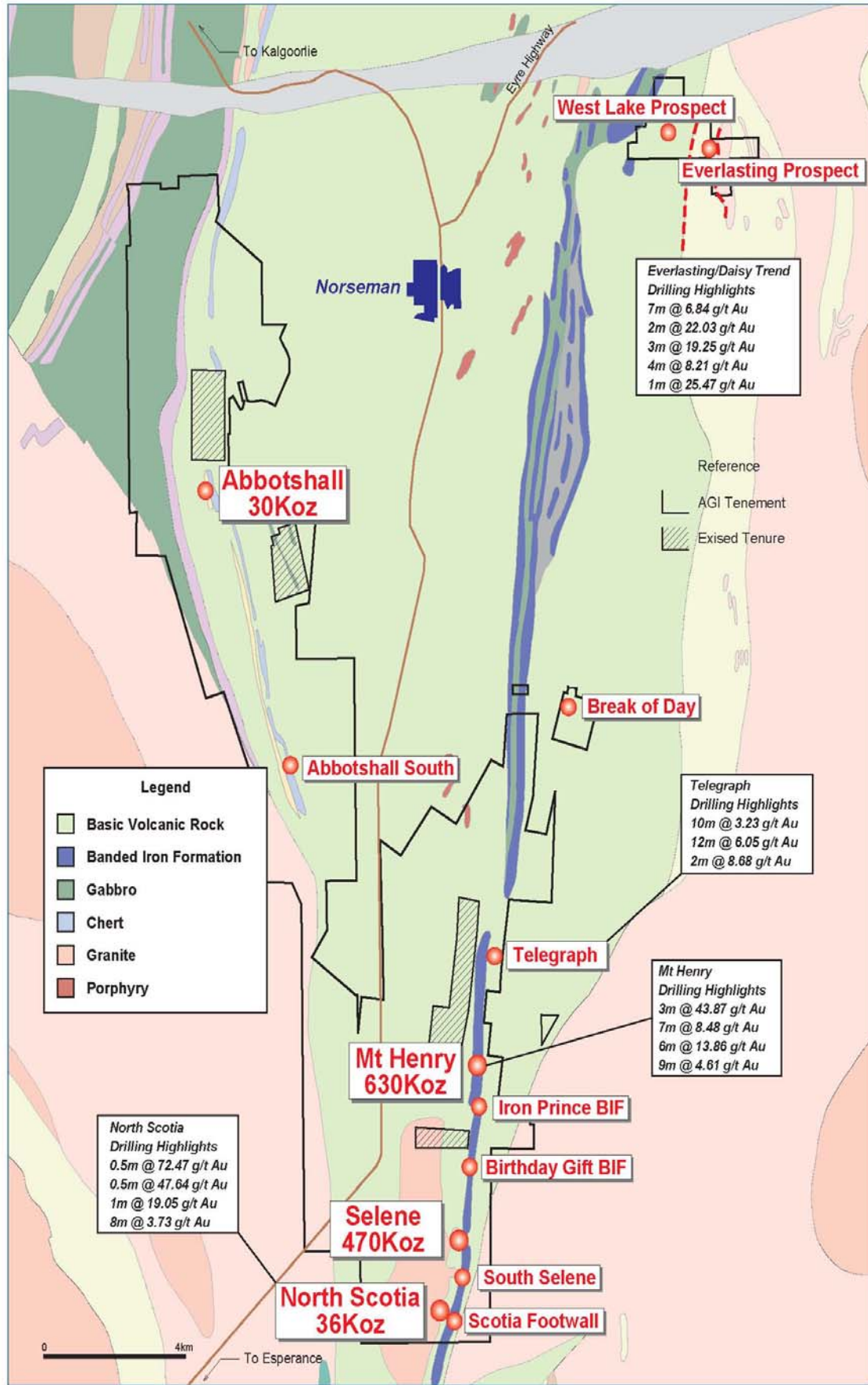


Figure 2: Norseman Project Location and Targets.