KALGOORLIE-BOULDER
RESOURCES LTD
ABN 48 106 732 487

ASX Announcement **ASX Code: KAL**

23 December 2008

SETTLEMENT OF MATSA RESOURCES LIMITED ACQUISITION

Kalgoorlie Boulder Resources Ltd (ASX:KAL) advises that following shareholder approval on 18 December 2008 it has today concluded settlement of the acquisition of Matsa Resources Limited (Matsa).

Under the terms of the agreement the Company has issued 80 million shares and 20 million options at an exercise price of 7 cents per option, expiring 1 July 2011 to acquire Matsa.

Matsa has interests in projects in Western Australia and South East Asia, including an established operational base in Bangkok. Exploration opportunities have been established in Thailand, Laos, Cambodia and Indonesia and a development project in Thailand is currently under negotiation.

Messrs Paul Poli and Andy Viner will be appointed to the Board of Kalgoorlie Boulder and the Company's Executive management team on completion. Mr Poli is a Perth businessman with wide business and investment interests in Australia and SE Asia. Mr Viner is an experienced Perth based geologist and Company Director.

As part of the settlement the Company's biggest shareholder prior to this transaction, RASL, has converted its existing Convertible Notes into 30 million shares pursuant to the terms of the Note. RASL has sold 65 million shares to Messrs Poli and Viner for a total consideration of $1 million. 42.25 million of these shares will be transferred immediately, with the balance being transferred on or before 30 June 2009, subject to RASL's election to retain such transfer shares during this period.

As consideration for RASL converting the Convertible Notes into shares it has receive 3 million options at an exercise price of 7 cents per option, expiring 1 July 2011 and 15 million options at an exercise price of 10 cents per option expiring 1 July 2012.

RASL will continue to act on behalf of the Company in the recovery of an oil related investment in Metro Energy Group Inc made in August 2006. RASL will fund the legal proceedings in the US on behalf of the Company on the basis that it receives any proceeds (after reimbursing the Company its past legal costs on a pro-rata basis).

Unit 10 Vosper House 31 – 33 Dugan St Kalgoorlie
PO Box 10808, Kalgoorlie WA 6430
Tel: 08 90217 200 Fax: 08 90 217 277
admin@kbrl.com.au
www.kalgoorlieboulderres.com.au

For personal use only

Proposed Capital Raising

Following the settlement of the Matsa acquisition the Company has agreed to place 43.75 million shares (on a pre-consolidated basis) at a price of 1.6 cents each to sophisticated investors to raise a total of $700,000 for working capital purposes.

This capital raising is the first tranche of the capital to be raised under the Underwriting Agreement entered into with Messrs Poli and Viner.

Any queries with respect to the above should be directed to the Company's Chairman Michael Atkins.

Yours Sincerely,

Michael Atkins
Chairman

For personal use only