



**KALGOORLIE-BOULDER
RESOURCES LTD**

ABN 48 106 732 487

**ACTIVITIES REPORT
FOR THE QUARTER ENDING 31 MARCH 2006**

HIGHLIGHTS

- *Notice of Intent submitted to develop Jackpot open pit mine*
- *Economics of Jackpot open pit mine improve*
- *A further 10 exploration licences in South Australia totalling 2,806 square kilometres which are prospective for uranium applied for*
- *Offer received for Company's uranium assets*
- *Wilson #3-10 spudded and reaches total depth of 3,200 feet*
- *Wilson #3-10 drilling program reveals several conventional and unconventional zones which appear to be hydrocarbon bearing*

INTRODUCTION

Kalgoorlie-Boulder Resources Ltd (ASX: KAL) is pleased to present the following report on activities for the three months ending 31 March 2006.

GOLD AND BASE METALS

Jackpot Project

In February 2006, the Company submitted a Notice of Intent to the Department of Industry and Resources ('DoIR') to develop an open pit to mine gold bearing ore at the Jackpot Project, 6.3 kilometres east north east of Coolgardie. Approval was received from DoIR in April 2006.

The original mine plan estimated a Probable Mining Reserve of 55,000 tonnes at 3.1 g/t gold to produce 5,300 ounces with forecasted revenue of A\$3.6 million based on a gold price of A\$660 per ounce. The economics of the proposed Jackpot open pit mine have improved as the gold price has increased to A\$825+ increasing the forecasted revenue by approximately 25% to A\$4.4 million based on a gold price of A\$825.

The Company will be in a position to properly evaluate the deeper higher grade Inferred mineralisation for a possible larger scale open pit or underground operation upon the completion of the open pit mining.

Other Projects

The Company's other projects, Broad Arrow, Dunnsville, Clinker Hill, Lake Johnston, and Siberia, have had limited work conducted on them. Work on other projects will follow as resources permit.

Exploration and Evaluation Expenditure

Exploration and evaluation expenditure, including overheads, for the quarter ended 31 March 2006 was approximately \$261,000 (\$353,000 previous quarter).

URANIUM PORTFOLIO

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

- Gascoyne Region (Western Australia) – 10 exploration licences covering an area of 1,184 square kilometres;
- Kintyre East Project (Western Australia) – 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.

On 21 March 2005, the Company announced its intention actively explore the possibility of realising the inherent value within the Company's uranium assets through the divestment into an appropriate development entity. The Company subsequently received an offer for its uranium assets which instigated a trading halt being requested from ASX. The Company is in advanced negotiations with the Offeror.

OIL & GAS

The Wilson #3-10 well was spudded on 3 March 2006 and reached total depth of approximately 3,200 feet on 12 March 2006. The Wilson #3-10 drilling program revealed several conventional and unconventional zones which appear to be hydrocarbon bearing.

Completion of the primary objective, the Wilcox Sandstone, is now underway. The Wilcox Sandstone is being penetrated by drilling in with the cable tools. Estimates of potential oil flow rates will be made following the successful completion of this zone.

Analysis of other hydrocarbon bearing zones within the well, including the Woodford and Mississippian Caney shales is also underway. Upon receipt of the analysis of the logs and cores, 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.

CORPORATE

Shares Released From Escrow

The Company released 1,710,000 fully paid ordinary shares from escrow.

As at 31 March 2006, the Company has:

- An Indicated Resource of 333,000 tonnes at 6.5g/t gold and an Inferred Resource of 40,000 tonnes at 7.00g/t gold containing 69,600 ounces with an open pit mine scheduled to commence in within the June 2006 quarter, located within 10 kilometres of an operating processing plant.
- Oil and gas in Oklahoma covering 640 acres with near term production potential.
- Uranium tenements in Western Australia and South Australia covering 5,040 square kilometres (including the joint venture with Redport Ltd to explore the Kintyre East Uranium Project).
- 43 million fully paid ordinary shares, 14 million 20 cent options expiring on 31 July 2008, 8 million 30 cent options expiring on 31 July 2008, and 2 million 40 cent options expiring on 31 July 2008 on issue.

Trevor Matthews
Managing Director

For further information please contact :

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The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Lindsay Cahill, who is a Member of The Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. Lindsay Cahill is a self employed consultant. Lindsay Cahill has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to 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 Exploration Results, Mineral Resources and Ore Reserves'. Lindsay Cahill consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

KALGOORLIE-BOULDER RESOURCES LIMITED

ABN

48 106 732 487

Quarter ended ("current quarter")

31 March 2006

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (9 months) \$A'000
1.1 Receipts from product sales and related debtors		
1.2 Payments for (a) exploration and evaluation (b) development (c) production (d) administration	(261)	(768)
1.3 Dividends received	(98)	(321)
1.4 Interest and other items of a similar nature received	4	40
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Other (provide details if material) - movement in working capital	73	169
Net Operating Cash Flows	(282)	(880)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a)prospects (b)equity investments (c) other fixed assets	(682)	(2,815)
1.9 Proceeds from sale of: (a)prospects (b)equity investments (c)other fixed assets	-	(1)
1.10 Loans to other entities		(19)
1.11 Loans repaid by other entities		
1.12 Other (provide details if material)		
Net investing cash flows	(682)	(2,835)
1.13 Total operating and investing cash flows (carried forward)	(964)	(3,715)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(964)	(3,715)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	1,562
1.15	Proceeds from sale of forfeited shares		
1.16	Proceeds from borrowings		
1.17	Repayment of borrowings		
1.18	Dividends paid		
1.19	Other (provide details if material) - cost of capital raised	(13)	(130)
	Net financing cash flows	(13)	1,432
	Net increase (decrease) in cash held	(977)	(2,283)
1.20	Cash at beginning of quarter/year to date	1,119	2,425
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	142	142

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	42
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Payment of \$30,000 to Contango Consulting Pty Ltd, a company controlled by Trevor Matthews, for the provision of executive services rendered by Trevor Matthews.
 Payment of non-executive directors fees of \$12,000.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

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2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

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+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	nil	nil
3.2 Credit standby arrangements	nil	nil

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	0
4.2 Development	1,455
Total	1,455

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	142	1,119
5.2 Deposits at call	nil	nil
5.3 Bank overdraft	nil	nil
5.4 Other (provide details)	nil	nil
Total: cash at end of quarter (item 1.22)	142	1,119

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed			
6.2	Interests in mining tenements acquired or increased	<i>Refer to schedule 1 attached to this Appendix 5B</i>		

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference securities <i>(description)</i>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 +Ordinary securities	43,270,694	30,680,650		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs		1,710,000 (release from escrow)		
7.5 +Convertible debt securities <i>(description)</i>				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options <i>(description and conversion factor)</i>	13,632,625 8,250,000 2,250,000	8,632,625 - -	<i>Exercise price</i> 20 cents 30 cents 40 cents	<i>Expiry date</i> 31 July 2008 31 July 2008 31 July 2008
7.8 Issued during quarter				
7.9 Exercised during quarter				
7.10 Expired during quarter				
7.11 Debentures <i>(totals only)</i>				
7.12 Unsecured notes <i>(totals only)</i>				

+ See chapter 19 for defined terms.

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does ~~/does not*~~ (*delete one*) give a true and fair view of the matters disclosed.

Sign here: Date:
(~~Director~~/Company secretary)

Print name: John Coles (Company Secretary)

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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Appendix 5B
Mining exploration entity quarterly report

Schedule 1
Interests in Mining Tenements Acquired or Increased

Tenement reference	Nature of Interest	Interest at beginning of quarter	Interest at end of quarter
ELA 54/06	Application	0%	100%
ELA 754/05	Application	0%	100%
ELA 788/05	Application	0%	100%
ELA 789/05	Application	0%	100%
ELA 790/05	Application	0%	100%
ELA 791/05	Application	0%	100%
ELA 800/05	Application	0%	100%
ELA 801/05	Application	0%	100%
ELA 802/05	Application	0%	100%
ELA 803/05	Application	0%	100%

+ See chapter 19 for defined terms.