



**KALGOORLIE-BOULDER
RESOURCES LTD**

ABN 48 106 732 487

**ACTIVITIES REPORT
FOR THE QUARTER ENDING 31 MARCH 2007**

HIGHLIGHTS

- *Acquisition of significant gold project (Norseman Project).*
- *Inferred Mineral Resource of 1.2mozs.*
- *Drilling commenced at Norseman Project to upgrade resources.*
- *Strategic review commenced.*
- *Restructure of KBRL's Board of Directors with Michael Atkins being appointed Chairman.*
- *Placement and Entitlements Issue to raise \$5.865m completed.*

INTRODUCTION

Kalgoorlie-Boulder Resources Ltd (ASX: KAL and KALO) ('Company' or 'KBRL') is pleased to present the following report on activities for the three months ending 31 March 2007.

The Company has entered into an exciting new phase in its development with the acquisition of the 1.2 million ounce Norseman Gold Project. The restructured Board have commenced a strategic review of the Company's assets and have prioritised the exploration and evaluation of the Norseman Project with a view to upgrading the Inferred mineral resources to JORC compliant Indicated and Measured resources. Drilling commenced on 23 April 2007.

NORSEMAN PROJECT

The newly acquired project, the Norseman Project, is located in the Norseman region of the Eastern Goldfields of Western Australia and comprises a tenement package of 124 square kilometres covering the prospective south Yilgarn Greenstone Belt.

Until recently, the project has been owned and developed by Kinross Gold Corporation, where the company spent approximately \$25 million to evaluate the potential of heap leaching the resources. The studies showed that the project did not have sufficient cash surplus to be developed at that time at a gold price of A\$550. KBRL is planning to prepare a new scoping study to determine the project's feasibility based on current gold prices in excess of A\$800 per ounce.

The Norseman region has been a prolific producer with production in excess of 5.5 million ounces of gold from 1935 at Australia's longest running gold mine. Norseman is the southernmost gold mining centre on the Norseman to Wiluna belt which hosts over 270 million ounces of gold endowment.

The Norseman Project currently has JORC compliant Inferred Mineral Resources of:

Deposit	Inferred Resource +0.7g/t Au		
	Tonnage (Kt)	Au g/t	KOzs
Mt Henry	12,480	1.4	566
Selene	15,550	1.2	624
North Scotia	481	2.6	40
Abbotshall	536	1.8	31
Total	29,047	1.3	1,261

Deposit	Inferred Resource +1.0g/t Au		
	Tonnage (Kt)	Au g/t	KOzs
Mt Henry	8,642	1.70	472
Selene	9,625	1.50	464
North Scotia	325	3.40	36
Abbotshall	466	2.00	30
Total	19,058	1.64	1,002

Drilling Commenced

Drilling commenced at the Norseman Project on 23 April 2007 with the initial campaign of a planned 10,000 metre drill program to be completed during the year.

The objective of the programme is to upgrade and increase the mineral resources at Mt Henry, Selene and Scotia deposits where there are currently inferred resources of 1.23 million ounces at 0.7 g/t cutoff (refer to the resource inventory table above).

It is intended that the drill data will be used to improve these mineral resources to JORC compliant Indicated and Measured Resources. This work will then allow the company to commence studies into the future development of the project. It is intended that these studies will commence in the second half of the 2007 calendar year.

Please refer to the attached map for the location of the main resource and exploration targets in the Norseman project area and the Phase 1 drilling areas the subject of this ASX announcement.

STRATEGIC REVIEW

The Board have commenced a strategic review of all of the Company's assets and corporate activities. As part of this strategic review, the Company has commenced discussions with various interested parties concerning possible joint ventures and other opportunities associated with the non-Norseman projects. The Company is also actively exploring the possibility of expanding the resource inventory around the Norseman Project through the acquisition of JORC compliant resources.

JACKPOT MINE

The completion of the mining and milling of the Jackpot ore has been delayed until June due to the rescheduling of the milling of the ore by the Greenfields Mill.

The following was achieved during the March quarter:

	Mar Q	Dec Q	Sep Q
Mining			
Total Bcm's	28,777	43,968	117,811
Waste Bcm's	25,627	38,145	112,050
Ore Bcm's	3,150	5,822	5,761
Ore tonnes	8,796	16,886	16,316
Ore grade (g/t)	2.24	1.95	1.85
Milling			
Total ore tonnes	-	-	23,909
Reconciled feed grade (g/t)	-	-	2.22
Recovered ounces	-	-	1,603
Recovery (%)	-	-	93.9

On completion of the initial open pit mine at Jackpot, the Company will be in a position to properly evaluate the deep higher grade Inferred mineralisation at the Jackpot Project for a possible larger scale open pit or underground operation.

BOARD RESTRUCTURE

The Company announced the appointment of Michael Atkins as Chairman of the Board of Directors and the appointment of Richard Alter and Stanley Lewis as non-executive directors. In addition, the Company announced the resignation of Ken Allen as a non-executive director of the Company.

CORPORATE

The Company issued and allotted the following securities during the quarter:

Date	Securities	Description
5 Jan 2007	2,500,000 options	Free attaching options associated with placement of 5 million shares on 10 July 2006 following shareholder approval granted at AGM.
9 Jan 2007	10,000,000 shares 10,000,000 options	Successful placement at 10 cents per share with one free attaching option.
17 Jan 2007	19,488,796 shares 9,744,398 options	Completion of entitlements issue at 10 cents per share with one free attaching option for every two shares issued.
15 Feb 2007	29,156,898 shares 14,578,449 options	Placement of 100% of the shortfall of the entitlements issue on the same terms as the entitlements issue.
8 Mar 2007	51,500,000 shares 12 convertible notes	Consideration for the acquisition of 100% of the issued share capital of Australian Gold Investments Pty Ltd, the sole registered and beneficial owner of the Norseman Project ('Consideration Shares').

All the abovementioned options are listed options (ASX: KALO) exercisable at 20 cents expiring on 31 July 2008. All the abovementioned shares, with the exception of 50 million of the Consideration Shares, are quoted on ASX. Of the Consideration Shares, 48.5 million shares have been escrowed for 24 months and the remainder 1.5 million shares escrowed for 12 months. Details of the convertible notes are attached to the Appendix 3B lodged with ASX on 30 March 2007.

Michael Atkins
Chairman

For further information please contact :

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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 2007

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (6 months) \$A'000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors	-	1,292
1.2 Payments for		
(a) exploration and evaluation	(81)	(170)
(b) development	-	-
(c) production	(384)	(2,765)
(d) administration	(316)	(746)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	28	33
1.5 Interest and other costs of finance paid	(4)	(41)
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)		
– Option fee received	-	50
– Movement in working capital	(1,209)	312
Net Operating Cash Flows	(1,966)	(2,035)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) prospects	-	(1,040)
(b) equity investments	-	-
(c) other fixed assets	(1)	(1)
1.9 Proceeds from sale of:		
(a) prospects	-	-
(b) equity investments	-	24
(c) other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other – payment for subsidiary net of cash acquired	(2,615)	(2,991)
Net investing cash flows	(2,616)	(4,008)
1.13 Total operating and investing cash flows (carried forward)	(4,582)	(6,043)

+ See chapter 19 for defined terms.

Appendix 5B – Kalgoorlie-Boulder Resources Ltd
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(4,582)	(6,043)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	5,865	6,865
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	(750)	(750)
1.18	Dividends paid	-	-
1.19	Other (provide details if material) – Cost of capital raising	(427)	(493)
	Net financing cash flows	4,688	5,622
	Net increase (decrease) in cash held	106	(421)
1.20	Cash at beginning of quarter/year to date	360	887
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	466	466

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	108
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 \$12,333 to a company controlled by Trevor Matthews for the provision of executive services rendered by Trevor Matthews. Payment of non-executive directors fees of \$21,001. Please note, three non-executive directors were appointed in March 2007 with fees being paid from the date of their appointment. Bonus payment of \$75,000 paid to David Prentice.

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

Issue of 51.5 million shares to acquire 100% of the issued capital of Australian Gold Investments Pty Ltd as previously disclosed to the market.

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

N/A

+ 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	84
4.2 Development/Production	366
Total	450

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	466	360
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details) – fixed term deposit	-	-
Total: cash at end of quarter (item 1.22)	466	360

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			

+ See chapter 19 for defined terms.

Appendix 5B – Kalgoorlie-Boulder Resources Ltd
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	158,791,388	96,976,344		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	110,145,694	60,145,694		
7.5 +Convertible debt securities <i>(description)</i>	12	-		
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted	12	-		
7.7 Options <i>(description and conversion factor)</i>	50,455,472 8,250,000 2,250,000	45,455,472 - -	<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	36,822,847	36,822,847	20 cents	31 July 2008
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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+ See chapter 19 for defined terms.

Schedule 1
Interests in Mining Tenements Acquired or Increased

Tenement reference	Nature of Interest	Interest at beginning of quarter	Interest at end of quarter
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