



**KALGOORLIE-BOULDER
RESOURCES LTD**

ABN 48 106 732 487

**ACTIVITIES REPORT
FOR THE QUARTER ENDED 30 SEPTEMBER 2007**

HIGHLIGHTS – SEPTEMBER QUARTER

- *Encouraging drilling results at Norseman Gold Project*
- *Confirmation of the nickel sulphide potential at Clinker Hill*
- *Completion of uranium asset sale*
- *Burey Gold shareholding had a market value of \$420,000 at 30 September 2007*
- *Jackpot mine production of 3,700 ounces of gold*

ROAD MAP – DECEMBER QUARTER

- *Complete 5,000 metre drilling program at Norseman*
- *Update resource calculation for Norseman*
- *Complete Norseman scoping study*
- *Test nickel anomalies at Clinker Hill*

INTRODUCTION

Kalgoorlie-Boulder Resources Ltd (ASX: KAL and KALO) (the “Company” or “KBRL”) is pleased to report its production and exploration activities report for the quarter ended 30 September 2007.

NORSEMAN GOLD PROJECT

During the quarter, the Company completed the initial drilling program at its wholly-owned Norseman gold project. The objective of this initial program was to commence infill drilling at the Mt Henry and Selene deposits and to commence step-out drilling at North Scotia in order to increase the current inferred resource.

Encouraging results were received from the initial drilling program in early July 2007. Some of the more significant intersections were:

	North Scotia	
7SSC130	2m @ 9.15g/t	from 66 metres
7SSC132	2m @ 7.97g/t	from 6 metres
7SSC133	2m @ 21.3g/t	from 28 metres
7SSC134	3m @ 3.15g/t	from surface
	Selene	
7SELC041	3m @ 2.31g/t	from 85 metres
	Mt Henry	
7HENC116	3m @ 2.50g/t	from 103 metres

The results confirm the geological model that the Company has developed for the Norseman gold project and strengthen the Company’s understanding of the current inferred resources delineated at Mt Henry and Selene.

The data acquired from this initial drilling program is being modelled as part of the Company’s latest JORC resource calculations at the Mt Henry deposit and has allowed further drill hole planning for the Selene deposit.

The Company commenced the next phase of the drilling program at Norseman in September. The 5,000 metre drilling program will target extensions of the existing inferred resources already delineated at Mt Henry and Selene as well as three highly prospective areas within the Norseman project area at Break O Day, Telegraph and Everlasting.

The aim of the 2007 drilling program is to upgrade and increase the significant JORC mineral resources at Norseman. This work forms an integral component of the Company’s ongoing scoping study into the development of the project.

The current resource estimate at the Norseman gold project is as set out below:

Deposit	Inferred Resource +0.7g/t Au		
	Tonnage (kt)	Au g/t	Ozs’000
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

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Deposit	Inferred Resource +1.0g/t Au		
	Tonnage (kt)	Au g/t	Ozs'000
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

CLINKER HILL NICKEL PROJECT

During the quarter, the Company received positive results from a soil sampling program at its Clinker Hill nickel project. The results show a significant 700ppm nickel anomaly that measures 900 metres by 100 metres in a possibly favourable embayment in the basal contact.

The program also identified a 400ppm nickel anomaly which extends 5 kilometres along the basal contact. Both anomalies are coincident with copper, PGE's (platinum group elements) and cobalt. The Company considers these results to be highly significant as they demonstrate the strong potential for nickel sulphide mineralisation at Clinker Hill.

Following receipt of the results of this soil sampling program, the Company commenced a geochemistry sampling program at Clinker Hill. The program will further test the extent of the nickel anomalism in the northern and south western section of the Clinker Hill project area.

Results of the geochemistry sampling program are expected during the current quarter. The program is expected to lead to a program of ground based EM surveys to identify conductive sulphide bodies which will assist with identifying future drilling targets.

JACKPOT GOLD PRODUCTION

During the quarter, milling of the stockpiled ore from the Company's Jackpot gold mine was completed, producing 3,700 ounces of gold. The following table summarises milling activities of Jackpot ore during the September quarter:

Milling	
Total ore tonnes	43,866
Reconciled feed grade (g/t)	2.83
Recovered ounces	3,700
Recovery (%)	92.0

This milling completes the production at Jackpot where 5,303 ounces were recovered overall over the last 12 months.

COMPLETION OF URANIUM ASSET SALE

The Company completed the sale of its uranium assets to Burey Gold Limited in September. The total consideration payable by Burey Gold was \$1.75 million in cash and 2 million Burey Gold shares. The Company received the cash payment from Burey Gold in the June quarter.

The proceeds received from the sale of the uranium assets, together with the gold produced from the Jackpot stockpiled ore, provided further funds to bolster the Company's exploration and development efforts at Norseman and progress the exploration efforts at the promising Clinker Hill nickel project.

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NEXT QUARTER ACTIVITIES

- 5,000 metre Norseman exploration drilling program completed and results announced.
- Upgrade JORC resource statement at Norseman.
- Complete Norseman scoping study.
- Geochemical testing of nickel anomalies at Clinker Hill.

For further information please contact:

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The information in this report that relates to Exploration Results 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.

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")

30 September 2007

Consolidated statement of cash flows

	Current quarter	Year to date (3 months)
	\$A'000	\$A'000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors	3,123	3,123
1.2 Payments for		
(a) exploration and evaluation	(157)	(157)
(b) development	-	-
(c) production	(1,494)	(1,494)
(d) administration	(272)	(272)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	4	4
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	(871)	(871)
Net Operating Cash Flows	33	33
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	(4)	(4)
1.9 Proceeds from sale of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other – cash backed guarantees	(128)	(128)
Net investing cash flows	(132)	(132)
1.13 Total operating and investing cash flows (carried forward)	201	201

+ 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)	201	201
Cash flows related to financing activities			
1.14	Proceeds from issues of shares, options, etc.	-	-
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 raising	-	-
	Net financing cash flows	-	-
	Net increase (decrease) in cash held	201	201
1.20	Cash at beginning of quarter/year to date	1,006	1,006
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	1,207	1,207

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 SA'000
1.23	Aggregate amount of payments to the parties included in item 1.2	43
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 directors' fees.

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

N/A

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	405
4.2 Development/Production	-
Total	405

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	1,207	1,207
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)	1,207	1,207

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	160,891,388	110,891,388		
7.4 Changes during quarter (a) Increases through issues (a.1) Release from escrow (b) Decreases through returns of capital, buy-backs				
7.5 *Convertible debt securities <i>(description)</i>	12	-		
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options <i>(description and conversion factor)</i>	51,555,472 8,250,000 2,250,000	51,555,472 - -	<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 Release from escrow				
7.9 Exercised during quarter				
7.10 Expired during quarter				
7.11 Debentures <i>(totals only)</i>				

+ See chapter 19 for defined terms.

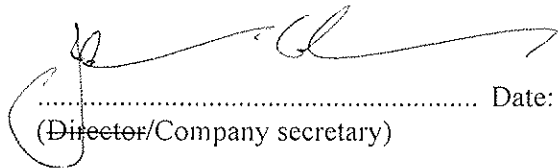
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7.12	Unsecured notes (totals only)		
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Compliance statement

- 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: 26 October 2007

(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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