

Company Reports in Today's Issue

Monday, 21 April 2008

ASX Code	Company	Recommendation
KAL	Kalgoorlie Boulder Resources	Speculative Buy

Market Overview

- ✓ Citigroup's narrower-than-feared first-quarter loss and Google's biggest gain ever amid robust growth spurred a stock rally Friday and gave the Nasdaq Composite one of its best weeks in more than five years.
- ✓ The Dow Jones Industrial Average rose 228.87 points, adding 4.3% for the week, its biggest weekly advance since that ended Feb. 1, bringing the blue-chip index to about 207 points from its 2008 peak on Jan. 3.
- ✓ Google jumped \$89.87 (20%) to \$539.41, its largest gain ever in a single session. The search giant topped Wall Street estimates with its first-quarter earnings, and said the economy hadn't hurt its business as feared.
- ✓ On the Dow, Citigroup rose \$1.08 (4.5%) to \$25.11 even after the largest US bank by assets took a massive write-down and booked a \$5.11bn first-quarter loss. The bank also plans to cut 9,000 more employees in the second quarter. Lehman Brothers Holdings rose \$1.86 (4.3%) to \$45.50.
- ✓ Caterpillar rose \$6.69 (8.5%) to \$85.28.. The maker of construction and excavation equipment said demand from mining and energy customers around the world drove growth, despite a tough economy at home.
- ✓ Similarly, Honeywell International rose \$3.59 (6.3%) to \$60.99 after the industrial manufacturer posted 22% growth in first-quarter profit, helped by demand for its refining and aerospace components.

Market Indices

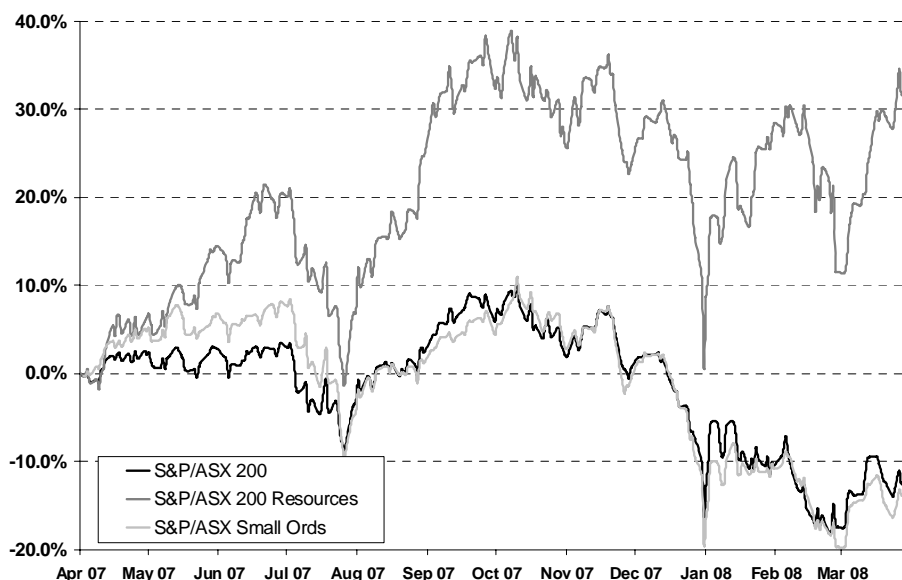
Index	Close	Change	%
All Ord	5,504.1	-83.16	-1.49
S&P/ASX200	5,429.7	-89.30	-1.62
S&P 500	1,390.3	24.77	1.81
NASDAQ	2,403.0	61.14	2.61
FTSE 100	6,056.5	76.10	1.27
Nikkei 225	13,476.5	78.15	0.58
MSCI World	1,488.1	-3.27	-0.22

Commodities

Units/\$US	Latest	Change	%
Gold	916.50	-22.00	-2.34
Aluminium	2,965.0	-72.0	-2.37
Copper	8,630.0	-231.5	-2.61
Nickel	28,645.0	-760.0	-2.58
Lead	2,814.5	-26.5	-0.93
Zinc	2,240.5	-45.0	-1.97
Oil	116.56	1.76	1.53

Currency and Fixed Interest

Name	Latest	Change	%
\$/US\$A	0.935	0.000	0.05
¥/\$A	97.160	0.310	0.32
€/A	0.591	0.000	0.05
\$/NZ\$A	1.181	-0.001	-0.09
10 Year Bond	6.22%	0.013	0.21
90 Day Bill	7.87%	-0.013	-0.16



Kalgoorlie-Boulder Resources Ltd

KAL

Monday, 21 April 2007

Positive results from Norseman scoping study

Recommendation Speculative Buy

Overview

A scoping study on KAL's wholly owned Norseman project has delivered positive results. Based on a throughput of 1.8 million tonnes per year and a gold price of A\$990 per ounce the project has an NPV (10%) of A\$80 million and an internal rate of return of 40%. Annual gold production from open cut operations and CIL processing is forecast at 100,000 ounces over an initial seven year mine life. The project is located 30 km south of Norseman, Western Australia.

The study was based on resources of 25.4 million tonnes averaging 1.7 g/t gold and containing 1.37 million ounces of gold within the Selene and Mt Henry deposits. The larger portion of this is contained within the Selene deposit which is hosted by banded iron formation. This mineralisation dips gently at 20 degrees towards the west. With down hole intersections in excess of 40 metres in length, the low strip ratio and bulk nature of the ore body lends itself to low cost mining methods. Including resources at North Scotia and Abbottshall the global Norseman project resource now totals 26.3 million tonnes averaging 1.7 g/t gold and containing 1.44 million ounces of gold.

Capital costs for the project are estimated at A\$75 million and include A\$56.4 million for the processing plant. Operating costs are projected at A\$660 per ounce. The project is forecast to generate net cash flow of A\$143 million over seven years after allowance for the capital cost. A capital payback period of 32 months is expected before taxation considerations.

During the scoping study, KAL considered conveying and trucking options to toll treat ore at Norseman and Higginsville. Although these options are not optimal when compared to on-site processing, KAL believes that they provide low risk options to realise value for the project. KAL has decided to proceed immediately with a prefeasibility study which it aims to complete before the end of 2008. This study will include infill drilling, resource upgrades, metallurgical testwork, geotechnical considerations and updated capital and operating cost estimates.

The company has recently completed a VTEM survey at the project. It is the first time that such technology has been used for gold exploration in the area and has delineated 16 targets which the company considers as high priority for follow up. KAL is planning a program of follow up ground based EM in order to better define drill targets.

The company is also advancing the Clinker Hill nickel sulphide project in the Kambalda nickel province. The project is in a favourable geological setting on the western margin of the Bulong ultramafic complex. The historic gold mining centre of Bulong is to the north of the project, the Blair nickel mine is located 10 km to the west and the Carnilya Hill nickel mine is located 20 km to the south.

Previous mapping has shown that there is a 7 km strike length of relatively under explored basal contact zone between the west facing Bulong ultramafic complex and a fractionated ultramafic/gabbro sill. The company is currently conducting a SQUID geophysical survey at the project.

Impact

KAL has received encouragement not only from its scoping study but also from an initial VTEM survey that has outlined 16 new anomalies for follow up. Success at any of these could add considerable momentum to the Norseman project.

Snapshot

Last Price	\$0.10
Market Cap (m)	\$17.5
52 Week High	\$0.26
52 Week Low	\$0.054
Sector	Metals & Mining

Investment Fundamentals

Cash reserves	\$2.5 million
Shares on issue	174.8 million
Options on issue	51.4m listed 20 cent July'08 17.1m unlisted options
Directors	Michael Atkins (Chairman) Trevor Matthews (Managing) David Prentice (Non exec) Stanley Lewis (Non exec) Richard Alter (Non-exec)
Major shareholders	RASL AU LLC 31.1%

Price Chart



Business Description

KAL is a mineral exploration company with gold and nickel projects within the Norseman-Wiluna greenstone belt of Western Australia.

Analyst: Paul Gooday

INTERNATIONAL OVERNIGHT NEWS

US Markets

Citigroup's narrower-than-feared first-quarter loss and Google's biggest gain ever amid robust growth spurred a stock rally Friday and gave the Nasdaq Composite one of its best weeks in more than five years.

The Dow Jones Industrial Average rose 228.87 points (1.81%) to 12,849.36. For the week, the Dow added 4.3%, its biggest weekly advance since that ended Feb. 1, bringing the blue-chip index to about 207 points from its 2008 peak on Jan. 3. The Standard & Poor's 500 index rose 4.3% for the week. The Nasdaq Composite was up 112.73 (4.9%) for the week, its biggest weekly point gain since 17 May 2002.

Google jumped \$89.87 (20%) to \$539.41, its largest gain ever in a single session. The search giant topped Wall Street estimates with its first-quarter earnings, and said the economy hadn't hurt its business as feared. That bolstered other Internet stocks, and American depository shares of "the Chinese Google," Baidu.com, rose \$31.25 (10%) to \$341. Shares of the company whose data indicated Google could disappoint analysts with paid-click results, comScore, fell 40 cents (1.7%) to \$23.18, however.

On the Dow, Citigroup rose \$1.08 (4.5%) to \$25.11 even after the largest US bank by assets took a massive write-down and booked a \$5.11bn first-quarter loss. The bank also plans to cut 9,000 more employees in the second quarter.

The hopes that Wall Street banks would finally wipe the slate clean with such radical moves drew buyers elsewhere in the sector. Once expected to face a similar crisis as Bear Stearns, Lehman Brothers Holdings rose \$1.86 (4.3%) to \$45.50.

Caterpillar rose \$6.69 (8.5%) to \$85.28, the largest percentage gainer on the Dow. The maker of construction and excavation equipment said demand from mining and energy customers around the world drove growth, despite a tough economy at home.

Similarly, Honeywell International rose \$3.59 (6.3%) to \$60.99 after the industrial manufacturer posted 22% growth in first-quarter profit, helped by demand for its refining and aerospace components.

Google and Caterpillar echoed Coca-Cola, Intel and International Business Machines and several other large cap companies that beat expectations with their earnings or outlooks, thanks, in part, to their growth overseas.

Oil-and-gas concerns continued their run as crude finished at yet another record high near \$117 a barrel, this time spurred by a supply threat in Nigeria. Dow component Chevron added \$1.19 (1.3%) to \$93.18. Upward momentum stayed with other commodity producers, too: Canadian fertilizer maker Potash of Saskatchewan rose \$10.12 (5.2%) to \$204.67, bringing its gains for the month to date to 32%.

US Economic News

Treasuries took a round trip Friday as investors bought back into a market that has cheapened considerably over the past month. At 7:45 AM (AEST), the 10-year Treasury note was down 1.7 basis points to 3.71% and the five year note was down 0.1 basis points to yield 2.90%.

European Markets

European stocks remained resilient throughout Friday despite the downbeat results from Citigroup, with financials strong on the back of an overall positive flow of first-quarter earnings from the US.

Strong results from US companies including Caterpillar Inc., Google and Honeywell spurred on European markets while Citigroup's first-quarter write-downs were described as severe but certainly no worse than expected.

The Dow Jones Stoxx 600 Index climbed 2.4% to 320.7. France's CAC-40 Index closed up 2.1% at 4,961.7. Germany's DAX Index finished up 2.4% at 6,843.1.

Societe Generale led the Euro Stoxx 50 index for a second day running, closing up 5.9% at EUR75.2. It confirmed its chief executive of 15 years, Daniel Bouton, will bow out of the role, to be replaced by fellow SocGen executive Frederic Oudea. Other European financials remained strong, with Credit Agricole SA rising 5.3% to EUR21.8 and ING Groep NV finishing up 4.4% at EUR25.8.

In other financial news, UBS AG shares rose as outspoken shareholder Olivant reported it has had a "constructive" meeting with the troubled Swiss bank. As investor relations were warmed by the news, UBS was lifted 5.4% to CHF36.1. Spanish bank Bankinter SA said its first-quarter net profit fell 14%. Bankinter, Spain's seventh-largest bank by market value has had to set aside funds to cover bad loans. However, it remained in the black, closing up 3.3% at EUR10.2. But its stock has lost 21% in 2008, as interest in a takeover on the part of its largest shareholder Credit Agricole has begun to wane.

Royal Bank of Scotland Group closed up 4.9% at 384p after it confirmed it is looking into raising billions of pounds through a rights issue to prop up its balance sheet. The news was largely seen as positive in London, with Royal Bank of Scotland's upward share price move being interpreted as good news for the sector overall. Other London-listed banking stocks benefited from this rights issue news. Barclays rose 3.6% to 496p, Alliance & Leicester finished up 4.5% at 533p.

Elsewhere Kazakhmys and Eurasian Natural Resources Corp. shares slumped, with reports that miners may face export duties on their metals. Kazakhmys led the decliners in London, closing down 6.4% at 1,610p and Eurasian Natural Resources fell 4.5% to 1,215p.

Commodities

Base metals traded on the London Metal Exchange were pressured Friday by a weaker euro and market participants said copper is expected to trade lower in the coming sessions due to lessening Chinese demand and a bearish view from the hedge funds.

Gold and silver tumbled Friday on long liquidation spurred by strength in the US dollar and stock market, traders and analysts said.

Currencies

No news today.

AUSTRALIAN OVERNIGHT NEWS

Australian Markets

Local shares are likely to open higher with a broad rally across the board after a solid performance on Wall Street Friday.

Ahead of the local open the June SPI futures were 79 points (1.40%) higher at 5,555.

Companies in the News

Woodside Petroleum (WPL)

Brambles (BXB)

Brambles (BXB) said an 18% plunge in its share price was a "dramatic overreaction" by the market to the company's announcement that its contract with Wal-Mart Stores might be at risk. Brambles said earlier that Wal-Mart is modifying its US pallet management, including its arrangements with the company's CHEP unit and other pallet pooling companies, but is still in negotiations over the role CHEP may play. "Wal-Mart has indicated that it may contract directly with third party pallet management service providers to retrieve and sort pallets at its own facilities in the USA or provide such services itself," said Brambles in a statement earlier. BXB dropped \$1.03 (10.27%) to \$9.00.

Rio Tinto (RIO)

Rio Tinto (RIO) Chief Executive Tom Albanese said the company expects to post production growth of more than 8% a year out to 2015 as a series of growth projects boost output. Albanese also told shareholders at the annual general meeting in London that the miner is receiving no shortage of interest in the assets it has put up for sale as part of a planned US\$15bn divestment program. Chairman Paul Skinner told shareholders the board had rejected the 3.4-for-1 all share takeover offer from rival BHP Billiton (BHP) on the basis that it undervalued the miner's assets and prospects. "The board will not engage in discussion with any party whose proposals do not fully value Rio Tinto," Skinner said. "This (proposal) would need to reflect a significant premium to what we can achieve ourselves - so far we have not seen that." Skinner said demand for metals and minerals remain strong, driven by China, which Rio Tinto expects to post double digit GDP growth in 2008 with metals demand expected to grow faster than GDP. RIO dipped \$6.06 (4.15%) to \$139.94.

Western Areas (WSA)

Western Areas (WSA) announced that the first mineral resource estimate to 200m depth at the Spotted Quoll deposit

has already exceeded the Company's announced target of 30,000t contained nickel. The Spotted Quoll mineral resource comprises a total of 545,600t at an average grade of 6.3% Ni for 34,500t contained nickel. This latest mineral resource has increased the total amount of contained nickel currently defined in mineral resources at the 100% owned Forrestania Nickel Project to 256,600t. Drilling at Spotted Quoll is now testing the potential for significant extensions below the initial mineral resource in a panel extending from approx 200m to 400m depth. WSA added 10 cents (1.32%) to \$7.70.

Herald Resources (HER)

Herald Resources (HER) announced that Tango mining and Shenzhen Zhongjin Nonfermet Co. formed for the takeover of Herald Resources, advised the approval of Zhongjin's shareholders for Tango's recommended \$2.50 per share cash Offer for Herald Resources. HER rose 7 cents (2.52%) to \$2.85.

Australian Economic News

In economic news, a price index of Australian imports rose 2.7% in the first quarter of 2008 from the fourth quarter 2007, the Australian Bureau of Statistics said. The price index for exports rose 3.5% in the first quarter from the fourth quarter. Petroleum, which rose 11%, and gold, which rose 15.9%, contributed to the increase in the import price index, the bureau said. These were partly offset in falls for the prices paid for machinery. Increases in the price of gold, cereals, meat and gas contributed to the increase in the export price index. These were partly offset by falls in the prices of nonferrous metals.

Asian markets were mixed Friday as Chinese stocks sank to their lowest level in more than a year and Japanese shares rose for a fourth straight day.

On the Chinese mainland, the Shanghai Composite Index tumbled 128.07 points (4%) to 3,094.66, its lowest close since 23 March 2007.

Companies Holding AGMs or Trading Ex-Dividend

Companies holding their annual general meeting today are: Dexion and Early Learning Services.

Companies commencing ex-dividend trading today are: Brickworks, Innamincka Petroleum, Gazal Corporation and Tourism Holdings.

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General Advice

These notes represent a brief snapshot of some corporate news and quick reactions to that news and do not purport to be comprehensive. The recommendations are of a general nature and are based on a consideration of the securities alone, and as such are conditional and must not be relied upon without advice from a securities adviser as to the appropriateness to you given your individual investment objectives, financial situation and particular needs. Whilst this document is based on information and assessments that are current at the date of publication, Intersuisse has no obligation to provide revised assessments in the event of changed circumstances.

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