



Level 3, 2 Elizabeth Plaza, NORTH SYDNEY NSW 2060
PO Box 98, NORTH SYDNEY NSW 2059
Fax: +61 2 9927 2050
Website: www.kblmining.com.au

ACN 129 954 365

7 November 2014

Share Purchase Plan

- **KBL to undertake an SPP**
- **Funding will be utilised at Mineral Hill to further delineate the A lode, develop the ore drives and install a zinc circuit**

KBL Mining Limited (ASX:KBL) (“KBL” or “the Company”) is pleased to announce that it proposes to undertake a share purchase plan (“SPP”). This will provide existing eligible shareholders on KBL’s register at 7pm on Thursday 6 November 2014 with registered addresses in Australia and New Zealand with the opportunity to apply for up to A\$15,000 worth of KBL ordinary shares at 3.6 cents per share (“Offer Price”), without incurring brokerage or other transaction costs.

The Offer Price represents a 13.7% discount to the 30 day volume-weighted average price of KBL’s shares traded on the ASX in the period ending on 6 November 2014, being the record date for the SPP.

Full details of the SPP will be sent to eligible shareholders shortly.

KBL is now moving forward on the development of the A lode at the Mineral Hill mine in conjunction with the current mining of copper and gold rich lodes in the Southern Ore Zone. Recent development into the A lode on 40 level has confirmed that the mineralisation extends to 40 level some 350 metres below surface. The delineation of the virgin A lode brings a new era for Mineral Hill and KBL as to date the Company has mined extensions of previously mined lodes that had limited strike extension. For further information on the A lode please refer to the KBL website and the presentation released to the market on 29 October 2014.

The use of funds will be focused at advancing the knowledge, development, production and processing of the A lode.

Infill drilling – Development into the A lode has presented the opportunity to infill and extend the A lode areas that were previously restricted due to historical workings. This drilling will focus on the area between 120mRL and 80mRL as the mineralisation has strong continuity above and below this area. Further exploration will target the down plunge extent of the mineralisation to the south below 50 Rml.

Access- The A lode has been accessed on 40mRL and capital is required to open the stoping blocks on 40 level, drive a 400 metre incline from 80 level to 120 level and develop infrastructure to allow the commencement of mining in early 2015.

Processing – The existing process plant will require the installation of 6 flotation cells for zinc, two cleaners, 8 metre concentrate thickener, storage and associated equipment. KBL has sourced available second hand equipment to fulfil the modifications at a low capital cost.

KBL's Managing Director, Brian Wesson commented: "We are pleased to provide shareholders who have supported the Company with an opportunity to take up stock at this time through the SPP."

Indicative SPP timetable

Event	Date
SPP record date	7:00pm (AEDST), Thursday, 6 November 2014
SPP offer opens	Friday 14 November, 2014
SPP offer closes	5:00pm (AEDST), Friday, 5 December 2014
SPP results announcement	Wednesday, 10 December 2014
Despatch date	Friday, 12 December 2014
SPP shares commence trading	Tuesday, 16 December 2014

This timetable is subject to change. KBL reserves the right to vary the timetable without notice. The commencement of trading of new shares is subject to confirmation from ASX.