

## Gold Tailings Reprocessing

- Gold tailings CIL retreatment commenced in parallel with the existing processing regime
  - 71kt at 3.77g/t Au providing additional feed through to December 2016

**KBL Mining Limited (ASX: “KBL” or “the Company”) is pleased to announce the commencement of the Pearse gold compartment tailings reprocessing in parallel with the existing feed stream from the flotation circuit. This will allow much improved utilisation of the CIL circuit and increased onsite doré production.**

With the early commencement of the Pearse Open Pit in 2015, and to allow treatment of Pearse ore whilst the CIL circuit was being commissioned, a separate (gold rich) tailings storage compartment was constructed for the Pearse tail, allowing this material to be pumped back to the processing plant for later re-treatment.

It is estimated a total of 71kt of material at an average grade of 3.8g/t gold is available and as such, additional to the existing processing regime, the tailings are now being returned to the CIL for treatment in parallel with feed currently sourced from the flotation circuit.

*KBL’s Managing Director, Greg Starr commented “further to the ongoing improvements at the Mineral Hill deposit recently announced we are now maximising the utilisation of the recently built CIL plant by processing previously stored gold tailings. At over 3g/t this will be another source of cashflow in a positive gold price environment.”*

It is expected this material will be treated at a rate of approximately 240 tonnes per day and will provide additional CIL feed through to December 2016.



**For further information, please contact:**

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***About KBL Mining***

*KBL Mining is an Australian Resource Company listed on the ASX (KBL and KBLGA) with a current focus on producing precious metals. KBL's main assets include the Mineral Hill copper-gold-silver-lead-zinc mine near Condobolin in New South Wales and Sorby Hills lead-silver-zinc project in Western Australia. The Company has been operating the refurbished processing plant at Mineral Hill since October 2011 to produce copper-gold concentrates and in 2015 commenced producing a gold-silver concentrate and bullion. KBL also holds Sorby Hills (KBL holds 75% with Henan Yuguang Gold & Lead Co. Ltd (HYG&L) holding 25%) is a large near surface undeveloped silver-lead deposit close to port infrastructure and a short distance from Asian markets.*

*More information can be found on KBL's website at [www.kblmining.com.au](http://www.kblmining.com.au).*