
Strong copper results and new targets from diamond drilling at Parker's Hill

Kimberley Metals Limited (ASX: KBL) ("Kimberley Metals" or the "Company") announced today the initial results of the diamond drilling program underway at the Parkers Hill orebody at the Company's Mineral Hill project.

The program is designed to provide detailed geological, geotechnical and metallurgical data on the deposit, and increase the understanding of structural controls on mineralisation in preparation for mining. Assay results received to date for hole KMHDD008 are very positive, with the following intersection in the main lode:

**23.3 metre at 4.5% Cu, 1.2% Pb, 1.5% Zn & 32g/t Ag
incl. 1.65 metres at 14.9% Cu, 3.8% Pb, 2.0% Zn & 220g/t Ag
and 3.7 metres at 10.3% Cu, 3.1% Pb, 3.6% Zn & 49g/t Ag**

Drill hole details and a full list of significant intersections are given in Table 1 below. In addition to the main lode intersection, several parallel, high grade hanging wall structures were intersected in the drill hole that are not in the current mine plan, including the following:

6.45 metres at 4.4% Cu, 0.3% Pb, 0.8% Zn, 65g/t Ag & 0.8g/t Au

Kimberley Metals is currently investigating the potential of bringing these hanging wall structures into the current mine plan. Additionally, reinterpretation of these structures has indicated that mineralisation is open to the southwest of Parkers Hill and down dip of the current resource, representing high priority drill targets for the near future.

The Company has previously announced its intention to produce copper from the Parkers Hill orebody by mid-year, with refurbishment of the processing plant and underground infrastructure nearing completion. Hole KMHDD008 was drilled at the southern end of Parkers Hill and ore from this area is likely to be accessed shortly after mining commences.

Table 1. Significant intersections for drill hole KMHDD008

East	North	Azimuth	Dip	From (m)	To (m)	Interval (m)	Cu (%)	Pb (%)	Zn (%)	Ag (g/t)	Au (g/t)
1446	804	090°	-72°	72.55	79	6.45	4.4	0.3	0.8	65	0.8
				86	91	5	1.3	0.3	0.6	6	0.3
				99	102	3	3.0	0.2	0.3	12	0.1
				108.8	132	23.2	4.5	1.2	1.5	32	0.1
			<i>incl</i>	115.4	117.05	1.65	14.9	3.8	2.0	220	0.1
			<i>and</i>	123	126.7	3.7	10.3	3.1	3.6	49	0.0

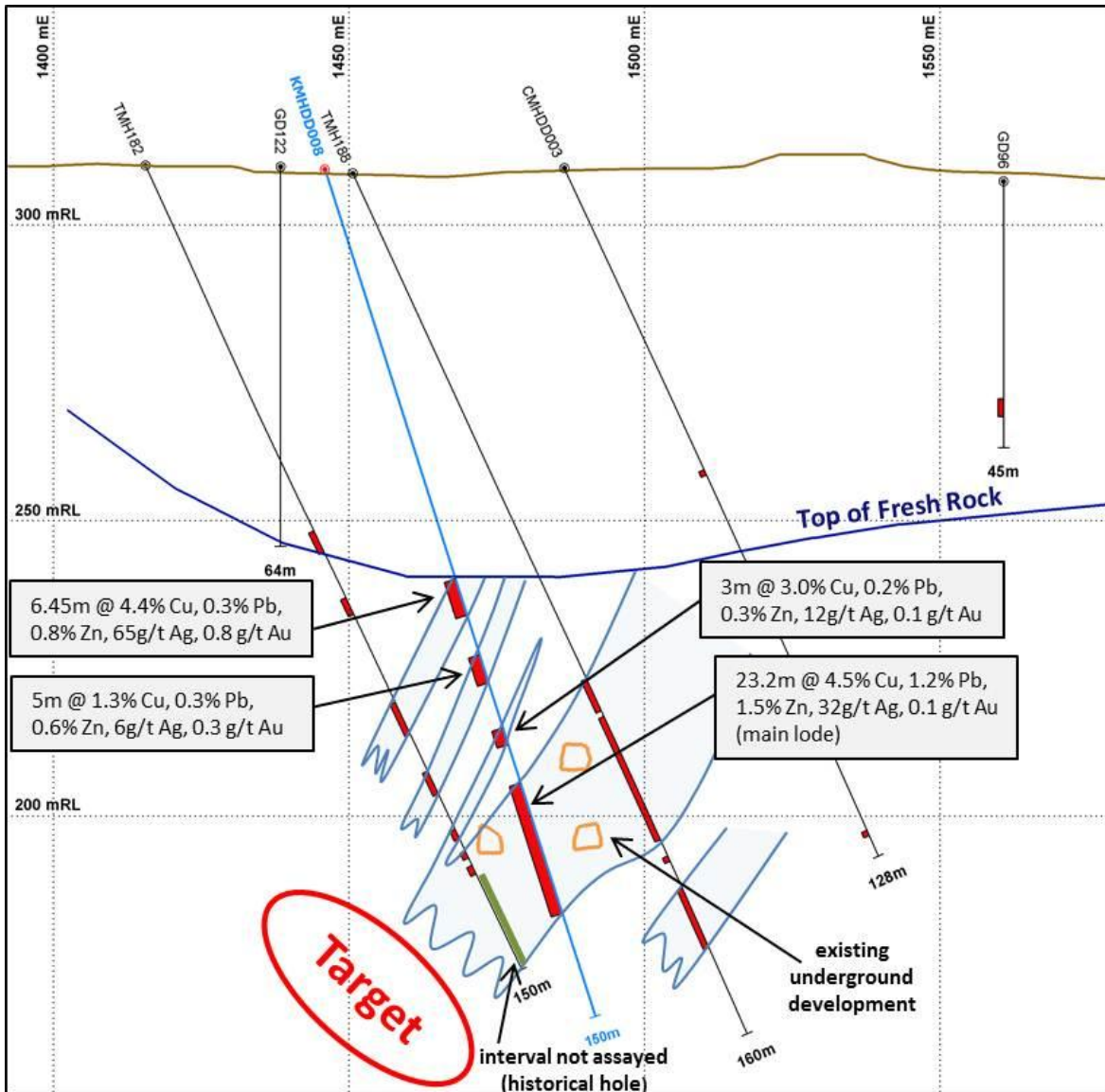


Figure 1. Section at 800N showing hole KMHDD008 in relation to the underground development. Mineralisation open down dip and along strike to southwest of current resource. Intervals (red bars) defined by 1% Cu cutoff.

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Yours faithfully

KIMBERLEY METALS LIMITED

A handwritten signature in black ink, appearing to read 'Jim Wall', written in a cursive style.

Jim Wall
Executive Chairman

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About Kimberley Metals

Kimberley Metals is an Australian resource company listed on the ASX (ASX:KBL) with focus on precious and base metals. The Company (75%) and Henan Yuguang Gold & Lead Co. Ltd (HYG&L) (25%, subject to earning under the Farmin Agreement) own the Sorby Hills Lead-Silver-Zinc deposit in Western Australia, which is one of the world's largest near surface undeveloped lead deposits, with over 1 million tons of contained metal resources, close to port infrastructure and a short distance from Asian markets. The Company also owns the Mineral Hill project located in New South Wales, where it recently discovered a high-grade gold resource less than 1km from its existing mining and processing facilities.

The Company plans to become a gold and copper producer at Mineral Hill within the next three months. This will quickly generate cash flows to assist development of its other projects. More information can be found on KBL's website at www.kimberleymetals.com.au.

Competent Persons Statement

The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by Anthony Johnston, MSc (Hons), who is a Member of the Australasian Institute of Mining and Metallurgy and is a full-time employee of the Company as Chief Geologist. Anthony Johnston has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to 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 Exploration Results, Mineral Resources and Ore Reserves.' Mr Johnston consents to the inclusion in the announcement of the matters based on his information in the form and context that the information appears.