

ASX:KRE

29 NOVEMBER 2011

Kimberley Rare Earths Limited
ABN 20 147 678 779

Directors

Ian Macpherson – Chairman & NED
Tim Dobson – Managing Director
Allan Trench – NED
Gerry Kaczmarek – NED
Peter Rowe – NED

Management

Tim Dobson – CEO
Geoff Collis – GM- Exploration
Darren Crawte – Company Secretary

Principal Place of Business

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Registered Office

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Telephone: +61 8 9463 2463
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Website

www.kimberleyrareearths.com.au

Capital Structure

125.6m shares
6.0m 25c, 2014 unlisted options
2.5m 30c, 2014 unlisted options

For further information, please contact:

TIM DOBSON
Managing Director

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BOARD CHANGES

KEY POINTS

- **Independent non-executive director Peter Rowe will not seek re-election at AGM, but to remain as technical consultant**
- **Board to commence board restructure with a view to completion by end of March, 2012**
- **Non-executive director, Gerry Kaczmarek to stand down once board restructure is complete**

The board of KRE wishes to advise that non-executive director Mr Peter Rowe will be leaving his role on the board. Peter has been reviewing his current board and professional commitments outside of his KRE role and, regrettably, as a result has decided not to stand for re-election at today's Annual General Meeting.

Peter was appointed in the early stages of the formation of KRE, bringing to the table an extensive career record and knowledge base in the Chemical Engineering field. His contribution at both board level and in dialogue with KRE senior management has been greatly appreciated. Whilst Peter's early departure from the board is regrettable, the Company looks forward to his continuing contribution as a technical consultant to KRE.

As a result of Peter's decision, the Company will be withdrawing Resolution 3 from the agenda at today's Annual General Meeting.

(cont.)



BOARD RESTRUCTURE

Non-executive director and current CFO of Navigator Resources Limited (NAV), Mr. Gerry Kaczmarek, has advised that he will also stand down from the board due, in part, to the reduced NAV shareholding resulting from the recent in-specie distribution of KRE shares to NAV shareholders.

With the decision of Peter Rowe and Gerry Kaczmarek to stand down, the KRE board of directors has decided to commence a formal process of board restructure with the objective of appointing up to two independent, non-executive directors with appropriate skill sets to complement the remaining KRE board and senior management. Mr. Kaczmarek has agreed to remain on the board until the restructure is complete.

It is envisaged that the board restructure process will be completed by the end of March, 2012.

Ian Macpherson
Chairman

About Kimberley Rare Earths

Kimberley Rare Earths Limited listed on the Australian Securities Exchange (ASX:KRE) on 18 May 2011, having raised \$18.2m under an oversubscribed Initial Public Offering.

KRE is a specialist rare earths company and holds a 25% interest in the Cummins Range Project in Western Australia. KRE has the right to earn up to 80% of the project by funding exploration and development through to delivery of a bankable feasibility study. KRE's first target is to spend \$10m within four years to increase its interest to 55%. The Cummins Range project comprises 1 granted exploration license (80/2232) in the East Kimberley within which is contained a JORC compliant Inferred Resource of 4.17 Mt at 1.72% TREO (total rare earth oxide), 11.0% P2O5 and 187 ppm U3O8 (using a 1% TREO cut off). The Cummins Range project is one of only a few Australian rare earths projects with a Resource reported under the JORC Code.

KRE has also signed a Heads of Agreement to earn up to a 90% interest in a pegmatite-hosted rare earth project in Mozambique with significant exploration potential, including for xenotime-hosted yttrium, dysprosium and erbium.