



ASX RELEASE

Placement of 8.8 million shares

KBL Mining is pleased to announce that it has agreed to place 8.8 million shares at 25 cents per share to professional and sophisticated investors. The placement was arranged through Martin Place Securities. The issue received strong support and the original \$2 million raising was increased to \$2.2 million. The proceeds will be used to strengthen the Company's working capital.

For further information, please contact:

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About KBL Mining Limited

KBL Mining is an Australian resource company listed on the ASX (ASX: KBL and KBLGA) with focus on precious and base metals. The Company (75%) and Henan Yuguang Gold & Lead Co. Ltd (HYG&L) (25%) own the Sorby Hills Silver-Lead-Zinc deposit in Western Australia, which is one of the world's largest near surface undeveloped silver-lead deposits, close to port infrastructure and a short distance from Asian markets. The Company wholly owns the Mineral Hill Mine located in central New South Wales. Current production of 250,000tpa at Mineral Hill is forecast to increase to 400,000tpa with the introduction of gold and silver dore production from the Pearse open cut from mid-2012. Initial planned production at Sorby Hills will be 500,000tpa from mid-2013.

More information can be found on KBL's website at www.kblmining.com.au.