

kre
KIMBERLEY
RARE
EARTHS



AGM Presentation

29 November 2011

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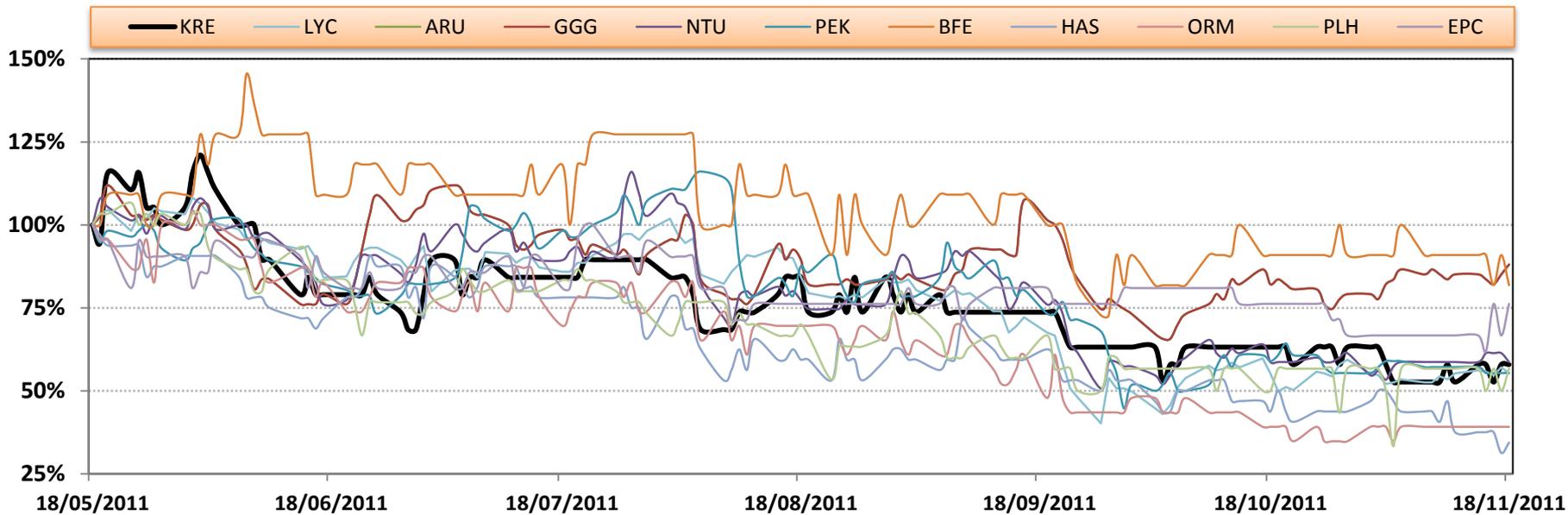
COMPETENT PERSONS STATEMENT

- Information in this presentation that relates to exploration or exploration results is based on information compiled by Mr Geoff Collis, who is a member of the Australasian Institute of Mining and Metallurgy and has sufficient exploration experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activities which are being undertaken to qualify as a Competent Person as defined in the 2004 Edition of the “Australian Code for Reporting of Mineral Resources and Ore Reserves”. Mr Collis consents to the inclusion of these estimates in the form and context in which they appear.
- Information in this presentation that relates to Mineral Resources is based on a resource estimate at Cummins Range performed by Dr Phillip Hellman FAIG, who is a Director of Hellman and Schofield Pty Ltd and who has had sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activities which are being undertaken to qualify as a Competent Person as defined in the 2004 Edition of the “Australian Code for Reporting of Mineral Resources and Ore Reserves”. Dr Phillip Hellman consents to the inclusion of these estimates in the form and context in which they appear.

ASX:KRE	
List Date	18 May 2011
List Price	\$0.20
Shares on Issue	126 million
Shares Quoted	112 million
Options (\$0.30 exercise price)	6 million
Options (\$0.25 exercise price)	5 million
Current Share Price	\$0.11
Current Market Cap	\$13.8 million
Current Cash in Bank	\$15.0 million

TOP 10 SHAREHOLDERS	
NAVIGATOR RESOURCES LIMITED	8.8%
JP MORGAN NOMINEES AUSTRALIA	7.2%
CITICORP NOMINEES PTY LIMITED	6.7%
BT PORTFOLIO SERVICES LIMITED	2.5%
GREGORACH PTY LTD	2.4%
MERRIWEE PTY LTD	2.0%
HSBC CUSTODY NOMINEES	1.9%
BANNABY INVESTMENTS PTY LTD	1.8%
IE PROPERTIES PTY LTD	1.8%
NAVIGATOR RESOURCES LIMITED	1.7%

Since KRE Listing Date (18 May 2011)		
NYSE: Dow Jones Industrial Average	↓	8%
ASX: All Ordinaries Index	↓	11%
Bloomberg Rare Earths Mineral Resources Index	↓	47%
ASX Rare Earths Peer Group (see below)	↓	37%
KRE	↓	42%

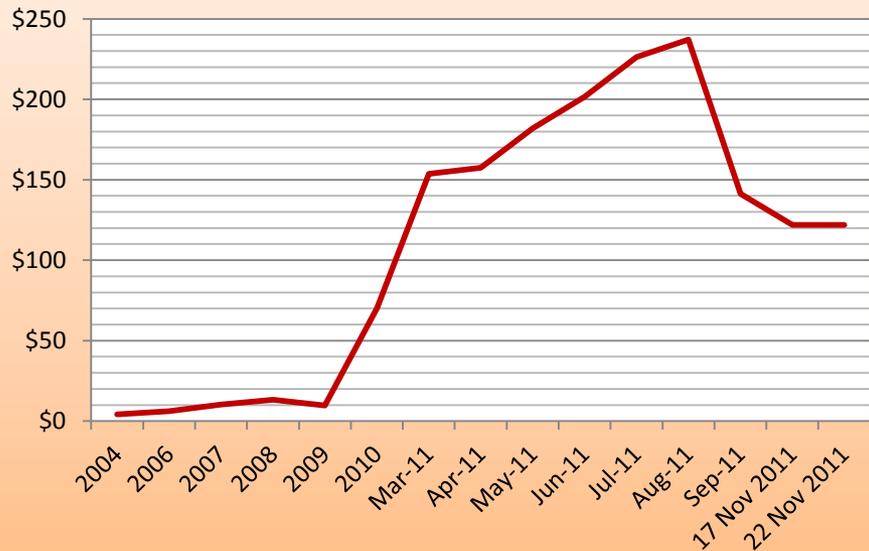


What's Happened To Rare Earth Prices?

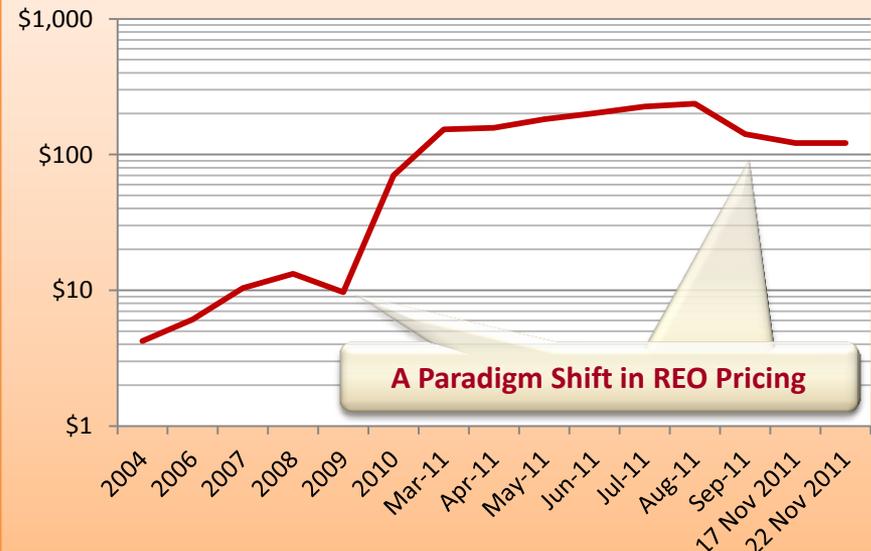
- Rare Earth Oxide prices spiked in 2010 and peaked in August this year
- Thin trading and inventory drawdown has halted the continuous price rise
- Prices however remain an order of magnitude higher than prior to 2010

CUMMINS RANGE RARE EARTH OXIDE BLEND PRICE

On a Linear Scale



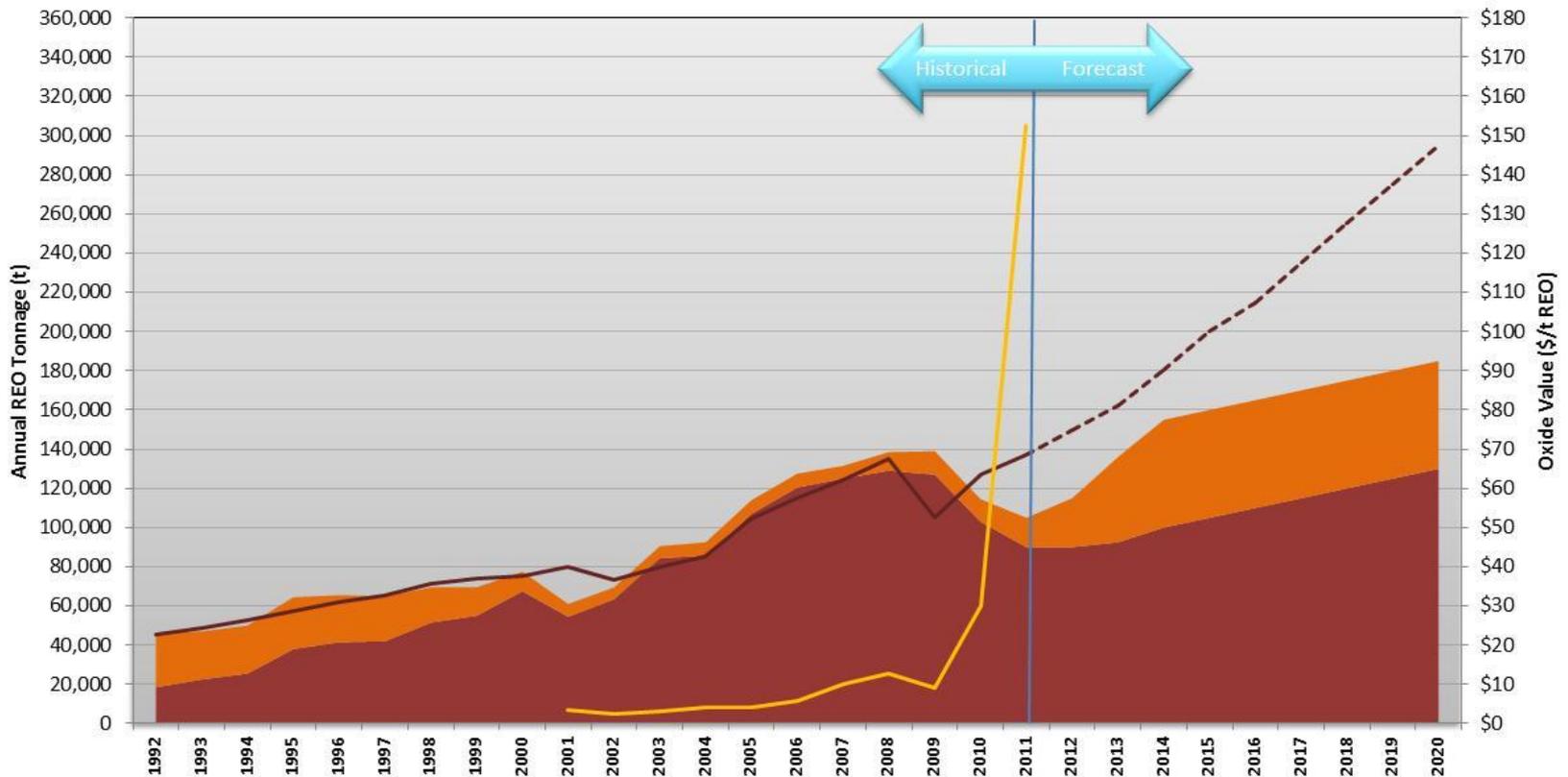
On a Log Scale



A Paradigm Shift in REO Pricing

Market Outlook Remains Unchanged

Rare Earths Supply and Demand



As defined in IPO Prospectus:

- 1. Advance the scale, geological and metallurgical understanding of the Cummins Range rare earths deposit.*
- 2. Undertake metallurgical test work studies targeting the test-scale production of rare earth metal concentrates for the purpose of achieving near term commercial development.*
- 3. Assess and, if warranted, acquire other rare earths projects that have potential to add value to the Company.*



OUR OBJECTIVE

KRE will rapidly take its place amongst the front line of rare earth producers and will be recognised by all stakeholders as a high quality company that delivers

OUR GOALS

GOAL 1 Develop a healthy and robust culture

GOAL 2 Establish KRE as a widely recognised rare earth specialist company

GOAL 3 Justify accelerated ownership of the Cummins Range project

GOAL 4 Rapidly achieve optimum commercial development of the Cummins Range project

GOAL 5 Develop a pipeline of rare earth projects

GOAL 6 Maintain access to capital resources to achieve our goals



Tim Dobson – Focused on company growth

Managing Director

Metallurgist with 23 years of continuous, broad-based experience in a range of ASX-listed and international mining companies including Placer Dome, Lihir Gold Limited, OM Group, and Norilsk Nickel. Technical and management roles in large, complex hydrometallurgical operations including gold pressure oxidation (Porgera and Lihir) and nickel-cobalt laterite (Cawse). Extensive feasibility study, project development and organisational development experience.



Geoff Collis – Managing the project pipeline

General Manager - Exploration

26 years continuous experience as an exploration geologist working throughout Africa and Australia for a number of highly successful companies, across a range of commodities and within a variety of different geological terrains. Involved in the discovery of numerous gold deposits, the discovery of the Youanmi vanadium deposit in Western Australia and the Hartley Platinum Project prefeasibility study. Corporate experience as Exploration Manager ranging from pre-IPO through to successful M&A.



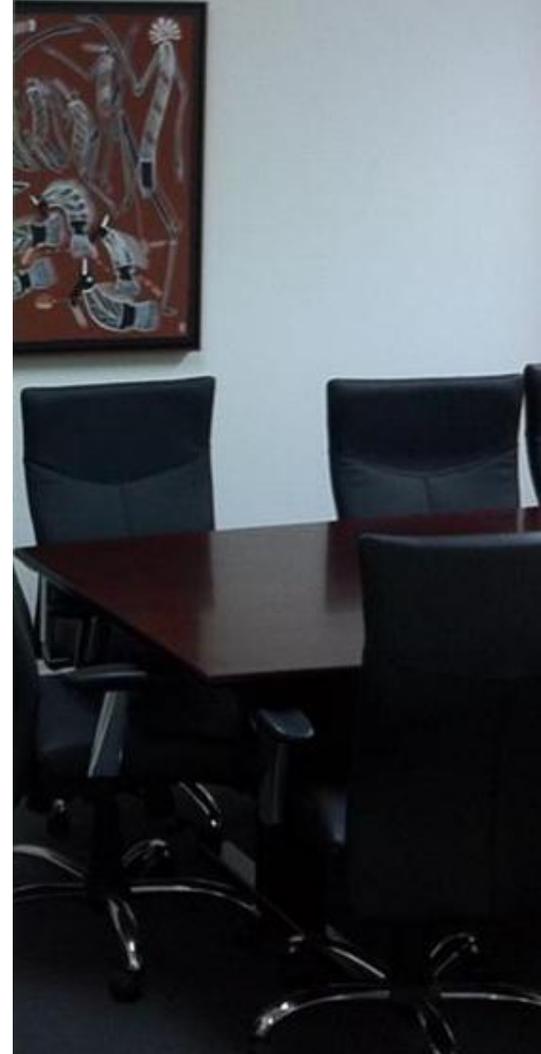
Michael Chan – Developing Cummins Range (commences 12 December)

General Manager – Project Development

Metallurgist with 35 years industry experience in senior operations, project development and commercial roles. 10 years of extensive rare earth project experience including complex metallurgical flowsheet development and co-author of technical papers on Mt Weld rare earths project. Language skills in Mandarin, Malay/Indonesian, Cantonese, Hokkien and residential commercial role experience in China and Malaysia.

CORPORATE

- Established corporate office in Havelock St, West Perth
- Recruited key team members
- Approved Strategic Business Plan and budget
- Completed wide-ranging company marketing and awareness program within Australia
- Completed round up and sale of unmarketable parcels of shares
- Attended specialist rare earths conferences and seminars in China, Toronto and Hong Kong



CUMMINS RANGE

- Established site access, field camp and local relationships
- Completed high impact exploration program at Cummins Range
 - *High resolution aeromagnetic survey*
 - *Ground gravity survey*
 - *Geochemical survey of whole tenement*
 - *4,500 m RC drilling program*
- Identified 5 new drill targets within carbonatite feature
- Assessed metallurgical laboratories
- Commenced flotation test program at AMMTEC on 2007 drill samples



RC Drilling at Cummins Range – September 2011

OTHER PROJECTS

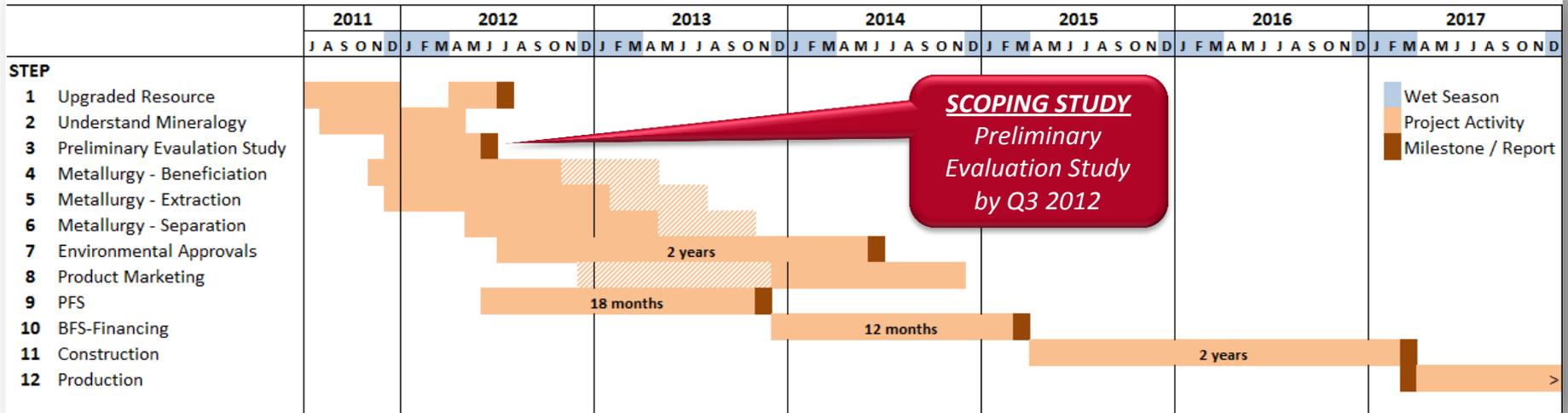
- Commenced project assessment process
 - *Several projects already assessed and rejected*
 - *Currently 5-10 projects under review – both within Australia and overseas*
- Identified and secured second project with excellent heavy rare earth element (HREE) potential
 - *Malilongue, Mozambique*
 - *Legal due diligence to be completed by 16 December*



A large topaz crystal from artisanal workings in pegmatite at Malilongue

1. Manage cash flow in balance with capital markets
2. Publish new resource statement for Cummins Range
3. Complete initial metallurgical assessment and preliminary evaluation of Cummins Range project by July
4. Complete acquisition of Malilongue and commence exploration activities
5. Assess other rare earths projects that may add value to the company, and acquire if warranted

CUMMINS RANGE - Path to Production



Focused On Rare Earths

Principal Place of Business

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lanthanum 57 La 138.91	cerium 58 Ce 140.12	praseodymium 59 Pr 140.91	neodymium 60 Nd 144.24	promethium 61 Pm [145]	samarium 62 Sm 150.36	europium 63 Eu 151.96	gadolinium 64 Gd 157.25	terbium 65 Tb 158.93	dysprosium 66 Dy 162.50	holmium 67 Ho 164.93	erbium 68 Er 167.26	thulium 69 Tm 168.93	ytterbium 70 Yb 173.04
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