



**KALGOORLIE-BOULDER
RESOURCES LTD**

ABN 48 106 732 487

ASX Announcement

ASX Code: KAL

15 August 2008

ACQUISITION OF NEW PROJECTS, PROPOSED CAPITAL RAISING AND NEW CORNERSTONE SHAREHOLDER GROUP

Kalgoorlie Boulder Resources Ltd (ASX:KAL) is pleased to announce that the Company has entered into an Agreement to acquire Matsa Resources Pty Ltd, (Matsa) a private company associated with Mr Paul Poli and Mr Andy Viner and furthermore for Mr Poli and Mr Viner to acquire the majority of shares of the Company's major shareholder RASL AU, LLC.

The acquisition of Matsa, the proposed capital raising and the sale of RASL's shareholding will be subject to due diligence by Mr Poli and Mr Viner (expected to be completed within 14 days) various shareholder approvals and other corporate regulatory requirements.

Acquisition of Matsa Resources Pty Ltd

Matsa has interests in projects in Western Australia and South East Asia, including an established operational base in Bangkok. Exploration opportunities have been established in Thailand, Laos, Cambodia and Indonesia and a development project in Thailand is currently under negotiation.

Kalgoorlie Boulder will issue 80 million shares and 20 million options at an exercise price of 7 cents per option, expiring 01/07/2011 to acquire Matsa.

Messrs Poli and Viner will join the Board of Kalgoorlie Boulder and the Company's Executive management team at completion. Mr Poli is a Perth businessman with wide business and investment interests in Australia and SE Asia. Mr Viner is an experienced Perth based geologist and Company Director.

The Company has been undertaking a strategic review of its operations over the past few months and believes that the acquisition of Matsa and subsequent capital raising will allow the Company to:

1. Continue to develop its Kalgoorlie and Norseman projects; and
2. Expand into new projects and regions that the Company believes will create long term shareholder value.

Proposed Capital Raising

The Agreement provides for a capital raising that will be significantly underwritten by Messrs Poli and Viner and that will give the expanded Company the capital required to enhance the value of its existing projects and to realise the potential of new projects.

Messrs Poli and Viner (Underwriters) will underwrite a proposed 1 for 3 renounceable rights issue to the extent of \$3 million. The rights issue will have an issue price at 80% of the 5 day VWAP at the date of the underwriting agreement. An underwriting fee of 20 million options exercisable at 7 cents per option before 01/07/2011 is payable to the Underwriters.

In addition a fee of 3% of the Offer Price on the sub-underwriter's share will be payable to sub-underwriters.

Sell down by RASL

RASL is currently the registered holder of 50 million shares. Of these 48.5 million shares are subject to voluntary escrow expiring 8 March 2009. The Company has agreed to release these shares from voluntary escrow with effect from 1 September 2008 in order to facilitate a sell down of RASL's interests.

RASL has agreed to convert its existing Convertible Notes into 30 million shares pursuant to the terms of the Note.

RASL will then sell 70 million shares to Messrs Poli and Viner for a total consideration of \$2.1 million.

RASL considers that it is in the Company's best interests to eliminate this debt from its balance sheet to facilitate future funding initiatives. RASL has therefore agreed to convert the convertible notes into shares, even though the value of the convertible notes is considerably in excess of the current market value of the shares, and to forgo all accrued but unpaid interest payable under the convertible notes in order to facilitate the introduction of this new cornerstone investor group.

RASL is currently acting on behalf of the Company in the recovery of an oil related investment in Metro Energy Group Inc made in August 2006. RASL will continue to fund legal proceedings in the US on behalf of the Company on the basis that it receives the first \$1.8 million (after legal costs) and thereafter share any proceeds 25% to RASL and 75% to the Company.

Executive Options

It is proposed that, subject to their appointment as executive directors, and approval by KBRL shareholders, Messrs Poli and Viner will be issued the following options:

1. Mr Poli, 6 million options at an exercise price of 7 cents per option, expiring 01/07/2011 and 30 million options at an exercise price of 10 cents per option expiring 01/07/2012.
2. Mr Viner, 3 million options at an exercise price of 7 cents per option, expiring 01/07/2011 and 15 million options at an exercise price of 10 cents per option expiring 01/07/2012.

Share Consolidation

All the information contained in this Release is on a pre-consolidation basis; however it is proposed to put to shareholders that a 1 for 5 share consolidation be approved.

Working Capital Requirements

The Company has also resolved to immediately place 6.25 million ordinary shares at an issue price of 3.2 cents per share to raise \$200,000 for working capital purposes. The issue will be made to sophisticated investors introduced by Matsa. The placement is not subject to shareholder approval.

Matsa has also agreed to immediately complete the acquisition of the Company's Broad Arrow tenements ahead of time for a consideration of \$250,000.

Shareholders will be kept informed of the progress of the proposed transactions as and when required. A shareholders meeting will be held in due course in order to seek shareholder approval for a number of the terms within the Agreement.

Any queries with respect to the above should be directed to the Company's Chairman Michael Atkins

Yours Sincerely,



Michael Atkins
Chairman