

KCGM MEDIA RELEASE

Tuesday 4th January 2011

Central Corridor Drilling Commencement

KCGM will be conducting an exploration drilling program for potential underground resources at depth between Fimiston and Mt Percy near Williamstown in January with activity in the area anticipated to start this week [Ed note: 5th January, 2011].

The original programme, planned for commencement in October 2010, was delayed following a programme redesign, to reduce the number of drill holes required by intercepting multiple targets from the same drill site [Ed note: Refer attached map].

“The new design will allow us to make more effective use of the initial drill sites so we can reduce the number of holes planned closer to residences,” said General Manager, Russell Cole.

“Our current mine life is 2021, so it is part of our job to find reasons to extend that deadline by maximising our leases potential where possible, but it is just as important that we do it with consideration for our closest neighbours.”

Preparation of the drill pads is expected to commence on the 5th January (weather permitting) and subsequent drilling activities will continue intermittently for approximately 12 months.

There will be up to two rigs operating at any one time in the Central Corridor, with drilling taking place between 7am to 7pm only. The work will comply with all government set regulations and policies outlined in KCGM’s Environmental Management Plan.

To reduce the impacts of the drilling on nearby residences, stacked shipping containers will be used as a visual and sound barrier. Nearby residents should expect to see stacked shipping containers with support vehicles parked outside - the drill mast will rise above the containers.

“Using shipping containers is a unique way to minimise any noise and dust from the drilling program. This coupled with our daytime operational hours and a strict environmental plan should mean that we can possibly be seen - but not heard too much,” said Mr Cole.

Public enquiries about the drilling activity can be directed to the KCGM Public Interaction Line on 9022 1100.

ATTACHED INFORMATION:

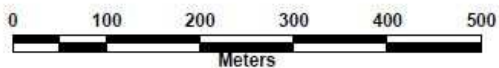
Central Corridor Drilling Programme Map (On following Page)

Refer media release titled ‘Containing Central Corridor Drilling’ supplied 8th October 2010.

MEDIA CONTACT:

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DRILL HOLE LOCATIONS



1:5,000

- Original Drilling Proposal
- Initial Drilling Sites (2 holes at each site)