

The Manager  
Company Announcements Office  
Australian Securities Exchange  
Level 8, Exchange Plaza  
2 The Esplanade  
Perth WA

19 May 2011

## **APPOINTMENT OF CHIEF EXECUTIVE OFFICER**

### **Tim Dobson— BAppSc, MAusIMM,GAICD**

The Board of Kimberley Rare Earths (“KRE”) is pleased to advise the appointment of Tim Dobson as Chief Executive Officer of the Company. It is envisaged that Tim will commence with the company on 27 June 2011.

### **Background**

Tim Dobson has 23 years of continuous, broad-based experience in a range of ASX-listed and international mining companies. Tim’s early career was focused on process/technical roles at large-scale gold operations including the original Boddington Gold Mine, the complex Porgera mine in PNG, and the Granny Smith mine north of Kalgoorlie. Four years with Placer Dome’s project development team followed, including roles in Canada and Chile, before moving into a lead management role commissioning the first nickel laterite operation in Australia - Centaur Mining’s Cawse operation.

Tim then undertook an equally challenging management role at PNG’s giant Lihir Gold Mine before relocating back to Cawse as Operations Director where he oversaw the ownership change from US-based OMG to Russian-based Norilsk Nickel. Tim joined Polymetals Group in November 2008 in the role of Chief Operating Officer / EGM-Operations where he oversaw the implementation of the successful White Dam Gold mine in South Australia, and took part in the Company’s recent successful ASX listing.

Much of Tim’s career has focused on the management and technical challenges of operating complex mineral processing facilities in both PNG and Australia. With ten years management experience, Tim’s technical and project management abilities are supported by strong operational leadership, organisational development and strategic planning skills.

Tim holds a Bachelor of Applied Science (Extractive Metallurgy) degree from the WA School of Mines, is a member of the AusIMM, and is a graduate of the AICD company director program.

Ian Macpherson, Chairman of KRE welcomed Tim's appointment stating:

*"Tim's undoubted skills in both operations and management in complex processing environments will place KRE in a very strong position to build a competent team and rapidly advance our Cummins Range rare earths project"*

### **CEO Remuneration Package**

The Board has approved the following remuneration package for the Chief Executive Officer:

- Salary - \$360,000 per annum including statutory superannuation
- Short term incentive comprising an annual performance bonus of up to 30% of base salary which will be assessed against key performance indicators set by the Board
- Long term incentive comprising 1.5 million options exercisable at 30 cents each on or before 30 June 2014. The options will vest in two equal tranches on 30 June 2012 and 30 June 2013
- Entitlement to participate in an annual equity incentive plan to be adopted by the Company
- The company will also assist in meeting aspects of Mr Dobson's relocation expenses.

The Board looks forward to working with Tim to develop the Cummins Range project.

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### **About Kimberley Rare Earths**

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

KRE was incorporated by Navigator Resources Limited, to be a specialist rare earths company and following listing, now holds a 25% interest in the Cummins Range Project. KRE has the right to earn up to 80% by funding exploration and development through to delivery of a bankable feasibility study. KRE's first target is to spend \$10m within two years to increase its interest to 55%.

The Cummins Range project comprises 1 granted exploration licence (80/2232) in the East Kimberley with an area of 48.5km<sup>2</sup> and within which is contained an independently estimated Inferred JORC compliant resource. The resource contains 4.17Mt at an average grade of 1.72% TREO (total rare earth oxide) for 71,700 tonnes TREO, 11.0% P<sub>2</sub>O<sub>5</sub> and 187ppm U<sub>3</sub>O<sub>8</sub> (using a 1% TREO cut off). The Cummins Range project is one of only a few Australian rare earths projects that has a Resource reported under the JORC Code.

### **Competent Person Statement**

The resource estimate at Cummins Range was performed by Dr Phillip Hellman FAIG, who is a Director of Hellman and Schofield Pty Ltd and who qualifies as a Competent Person under the meaning of the 2004 JORC Code. Dr Phillip Hellman consents to the inclusion of these estimates in the form and context in which they appear,