



ABN: 38 120 284 040

Level 13, 256 Adelaide Terrace, PERTH WA 6000

www.kangaroometals.com.au

ASX Release 4 March 2008

DRILLING COMMENCES ON THREE TARGETS

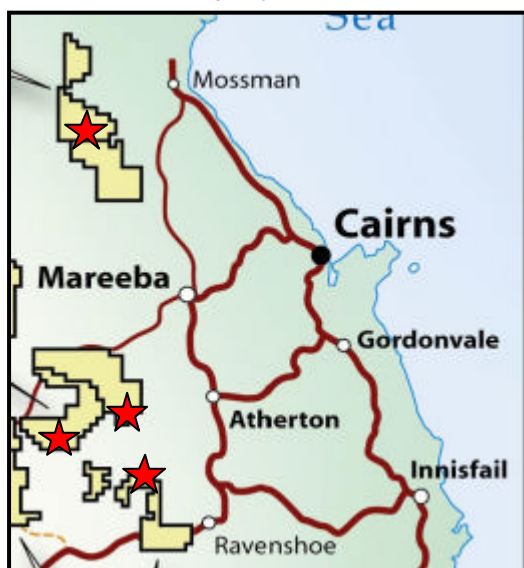
Kangaroo Metals Limited (ASX: KML), a diversified exploration and mining company with projects in North Queensland and Tasmania, would like to report that drilling at the Antimony Reward Project, Stannary East Project, and Silver Valley Projects has commenced. Drilling at the Mt Holmes Project is anticipated for early April.

Monsoonal rains have delayed the commencement of the program with over 500mm of rain falling across the southern project areas, and 800mm over the Mt Holmes project for the first time in over eight years. In order to make the best of the available drill rigs, KML will be drilling

24 hours a day for the 3 week period to ensure the maximum number of metres can be achieved.

The programs across Antimony Reward, Stannary East and Silver Valley are expected to total 2500 metres of RC drilling, a further 2250 metres expected at Mt Holmes in April, with results expected early May.

"KML is very happy to finally be getting drill rods in the ground. The delays due to the lack of rigs in the north have slowed our progress slightly, but we are now very excited to be getting the program underway", stated Dr Brett Teale, Managing Director of Kangaroo Metals.



Dr Brett Teale
Managing Director

This report is based on and accurately reflects information compiled by Mr Brian New, BSc., who is a fulltime employee of the Company. Mr New has sufficient experience which is relevant to the style of mineralization and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Brian New consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.



KML Projects:

Holmes-Carbine Project

KML is currently initiating work at Mt Holmes, Station Creek and additional tin, tungsten and gold targets. Mineralization at Little Plum Creek, Rifle Creek and Lustre Creek are expected to add to the projects metal inventory. KML mapping and site preparation are complete, with a 2250 meter drill program beginning April 2008. Soil and stream geochemistry will also be performed across Socialist Scheelite, Station Creek, Lustre Creek, Rifle Creek, Holmes Creek and Little Plum Creek to determine the economics of gold and tin recovery from these sites.

Crystalhaven Project

The eastern region of the Mungana tenement encompasses the Crystalbrook volcanic neck ("The Neck"). The Neck appears to be under explored, and based on the historic reports of tin, tungsten and gold being sourced from the creeks leading from the volcanic neck itself. A high-density rock chip and soil geochemistry program will commence in the third quarter of 2008, along with a complete analysis for precious and base metals. KML believes The Neck represents a gold target that will be advanced throughout 2008.

Stannary Hills Project

Analysis of the data across the Stannary Hills tenement has identified two distinct metallogenic regions, namely Carbonate Creek (tungsten/molybdenum/bismuth), Central Stannary (tin/tungsten) and Stannary East (tin). Central Stannary and Stannary East have a very high density of historic tin mines which exploited lode tin along continuous structures, several of which were magnetite associated. Soil Geochemistry results have indicated the project zone to have significant soil anomalies for tin. High-resolution aeromagnetics is expected to extend the known mineralised zones delineated by past diggings. Drilling of these targets will begin early 2008. Carbonate Creek will be investigated for molybdenum, bismuth, tungsten and fluorite to extend previous studies on the economics of this deposit. Soil geochemistry data will be reviewed from Carbonate Creek and any additional geochemistry needed will be performed in early 2008.

Silver Valley-Brownville Project

The area in and around Silver Valley shows significant thematic trends based on historic records for tin and tungsten production. Several regions including the Captain mine, Tungsten Ridge, and the regions surrounding Mt Ruby and Windemere will be investigated. Aeromagnetics will be used to identify iron and the underlying geology and targeted geochemistry will also be applied across specific regions to identify the structural controls of the tin-tungsten vein clustering and delineate drill targets.

California Project

The California tenement is divided into three regions north to south. The north is a mixture of intrusive bodies, the middle is tin-bearing, while the south is a clear circular intrusion complex with associated copper mineralisation. The California Project investigations have commenced with an aeromagnetic survey of the southern regions to develop a geological model of the tenement due in early 2008. This, in combination with ground mapping and geochemical surveys, will identify areas of interest to be advanced in the second quarter of 2008.

Maneater Project

The Maneater Project is centred on the breccia structure of Maneater Peak. Previous stream geochemistry indicates anomalous gold in the creeks leading from the structure. Mapping and geochemistry around Maneater Peak will focus on gold and precious metals. Additional studies will be carried out to the south west of Maneater Peak to determine the nature and extent of the previously identified uranium mineralisation.



Borium Project

Situated to the northwest of the Kidston gold mine, Mt Borium hosts a zinc, copper and gold deposit which was initially investigated towards the end of the Kidston mine era. Geochemical sampling identified a gold, lead and copper halo, which was found to be associated to an Induced Polarisation anomaly. Shallowing drilling indicated a broad low-grade gold mineralisation. KML will undertake aeromagnetics and geochemistry to rationalise the previous data and a short drilling program in the first quarter 2008 will be undertaken to test this project before extending the program.

Ewan Project

The Ewan tenement hosts several clusters of historic polymetallic mines that appear to cluster around magnetic anomalies identified by government surveys. KML will undertake high resolution aeromagnetics in early 2008 across these clusters to get clear understanding of the underlying geology followed by a detail geochemical study in the second quarter of 2008 to identify drill targets. Field surveys have identified an alluvial target and sampling of the hardrock copper mine zone has indicated the potential for copper, lead silver deposits worth evaluating once the geophysical data is compiled in mid 2008.

Featherbed Project

The Featherbed Project encompasses a rich mineralisation zone to the southern edge of the tenement. A detailed aeromagnetic survey will be undertaken across the region in early 2008. In addition, earlier mapping around the Antimony Reward prospect identified a base-metal gossan which was interpreted as a possible exhalative unit along the base of the Featherbed volcanic complex. This horizon is equivalent to the unit that hosts the Orient Camp base-metals district further to the east. Geochemistry and drilling of this target will occur in early 2008.

Esmeralda Project

Situated within the Croydon tenement, the Esmeralda project aims to explore pipe-like structures which were the main basis for the historically rich tin lode mines in the region. While alluvial deposits are present across the tenement, the identification of key pipe structures will significantly add to the viability of the project. An aeromagnetic survey is planned for early 2008 across the region to identify controls for these pipe-like structures in order to assist in identifying sample programs and drill targets to commence in the third quarter of 2008. During the same flight program, radiometrics will be undertaken to evaluate a Uranium anomaly, with a high U/Th ratio identified from government surveys. This will be quickly followed up by ground surveys and handheld radiometric studies.