

14 June 2011

KANGAROO APPOINTS FOUR NEW DIRECTORS

EXPERIENCED COAL EXECUTIVES JOIN KANGAROO RESOURCES BOARD

International coal producer Kangaroo Resources Limited ("KRL" or the "Company") is pleased to announce the appointment of four experienced coal executives to its Board as non-executive Directors following completion of its landmark transaction with PT Bayan Resources Tbk.

All four new directors are nominees of Bayan Resources, which is now KRL's largest shareholder with a holding of 56%.

Mr Darcy Wentworth *MSc (Mining), MAusIMM* is an experienced Australian-based mining executive with over 40 years of international experience managing various coal operations around the world, with specific focus and expertise in coal mining and Indonesia. Mr Wentworth was previously the Operations Manager for Bayan's large Gunungbayan coal operation in East Kalimantan for over 10 years until 2009.

Mr Alastair McLeod *CA* is an Indonesian-based mining executive with over 20 years experience in senior finance, accounting and management roles and over 10 years directly relating to the Indonesian resource market. Mr McLeod is currently Chief Financial Officer and a Director of Bayan Resources.

Mr Russell Neil *FCPA CFA* is an Indonesian-based mining executive with approximately twenty years of corporate experience in accounting, finance and management roles within the mining industries of Australia and Indonesia. He is currently Chief Development Officer and a Director of Bayan Resources.

Mr David Low Yi Ngo *BSc (Mechanical Engineering and Production)* is presently acting Marketing Director for Bayan Resources. Mr Low has held various senior management roles within Indonesia and Asia over the past five years.

KRL Chairman, Mr Peter Richards, said: "The Company welcomes the addition of four very experienced mining executives with significant Indonesian coal mining experience. We look forward to working with them and believe that they will add valuable further expertise to the KRL board and assist in the Company's drive towards becoming a significant coal producer in Indonesia."

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Kangaroo Resources Limited (ASX: KRL) is an emerging international mining Company with eight coal projects in the East Kalimantan region of Indonesia.

The Company's projects host significant coking and thermal coal resources which will see KRL emerge as a significant Indonesian coal producer, with first production achieved in December 2009.

KRL is committed to building a sustainable mid-tier mining house, focusing on Indonesian coal and using the considerable experience and expertise of its exceptional in-country partners to fast track development and production.

The Company's medium term strategy entails vending in valuable new coal projects, while at the same time continuing to build production in the short term from up to three existing projects.

ABOUT BAYAN RESOURCES

PT. Bayan Resources Tbk is a leading Indonesian-focused coal producer which is listed on the Indonesian Stock Exchange. Bayan produced approximately 11.8 million tonnes of coal in 2010 from six projects, making it one of Indonesia's largest coal producers. In addition, Bayan owns the Balikpapan Coal Terminal, one of Indonesia's largest coal terminals, as well as an innovative floating transfer station. Bayan is also the joint venture partner with White Energy in a coal beneficiation plant in East Kalimantan.

Both Kangaroo and Bayan see many synergies in their two operating coal businesses in Indonesia and are seeking to take advantage of these as well as realise all available economies of scale.

Appendix 1: KRL Project Location Map – East Kalimantan, Indonesia