

Kidman Resources Limited
ABN 88 143 526 096

**DRILLING AT EARL GREY DELIVERS CONSISTENT HIGH-
GRADE INTERCEPTS IN PREPARATION FOR A MINERAL
RESOURCE UPGRADE**

Corporate Details:

ASX Code: KDR

Issued capital:

350.14M ordinary shares
47.45 listed options (KDRO)

Substantial Shareholders:

EDM Nominees (9.34%)

Directors:

Non-Executive Chairman:

Brad Evans

Managing Director:

Martin Donohue

Non-Executive Director:

David Southam

Chief Financial Officer:

Jason Eveleigh

Company Secretaries:

Justin Mouchacca

Melanie Leydin

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The Board of Kidman Resources Ltd (**KDR** or **the Company**) is pleased to announce that its extensive program of infill and extensional drilling at its Integrated Lithium Project (**the Project**) at Mt Holland, in joint venture with Sociedad Quimica y Minera de Chile SA (**SQM**), continues to deliver outstanding results paving the way for a further increase in the project's Mineral Resource confidence and inventory.

Significant intercepts include:

- **81m @ 1.63% Li₂O from 105m (KEGR132);**
- **79m @ 1.68% Li₂O from 117m (KEGM024);**
- **75m @ 1.80% Li₂O from 99m (KEGR151);**
- **78m @ 1.84% Li₂O from 116.34m (KEGM032);**
- **72m @ 1.80% Li₂O from 137m (KEGM153);**
- **75m @ 1.67% Li₂O from 118m (KEGR134);**
- **42.7m @ 1.68% Li₂O from 61.4m, incl. 22m @ 1.93% Li₂O from 62m and 24m @ 1.94% Li₂O from 115m, (KEGM020);**
- **46m @ 1.73% Li₂O from 103m (KEGR158);**
- **43m @ 1.94% Li₂O from 150m (KEGR160);**
- **49m @ 1.93% Li₂O from 153m (KEGR161);**
- **40m @ 2.00% Li₂O from 159m (KEGR172)**

The exceptional results generated from expansion and infill drilling has continued to increase the confidence in the Mineral Resource and confirms grade continuity. Additionally, the program is identifying multiple new pegmatite intercepts which require follow-up. Given the success of the drilling program, the Company expects to release an upgrade in the Earl Grey Mineral Resource during the March quarter 2018.

Kidman's Managing Director, Mr. Martin Donohue, said "The major focus of the 2017 drilling program has been to expand the already globally significant Earl Grey Mineral Resource to enhance the long-term planning for the Integrated Lithium Project. This clarity in scale provides greater confidence in the supply chain capacity of the Project for potential customers in the automotive and energy storage sectors."

"Kidman has positioned itself over the past twelve months, since the discovery of the Earl Grey deposit, to leverage the long term fundamentals in the lithium market through the dramatic shift to electric vehicles and in the renewable energy sector growth. This leverage is only getting stronger by virtue of our purposeful strategy of not entering into offtake agreements too early in the advancement of Earl Grey."

"Accordingly, by maintaining offtake flexibility, we maintain significant funding optionality which will be further enhanced on the back of any future increase in the Project's Mineral Resource."

The drilling program has also focused on the sterilization of key locations for infrastructure at the Mt Holland Site. The team has taken a long-term view on the proposed operating facilities as the Concentrator will be designed to ensure potential future expansions are easily implemented.

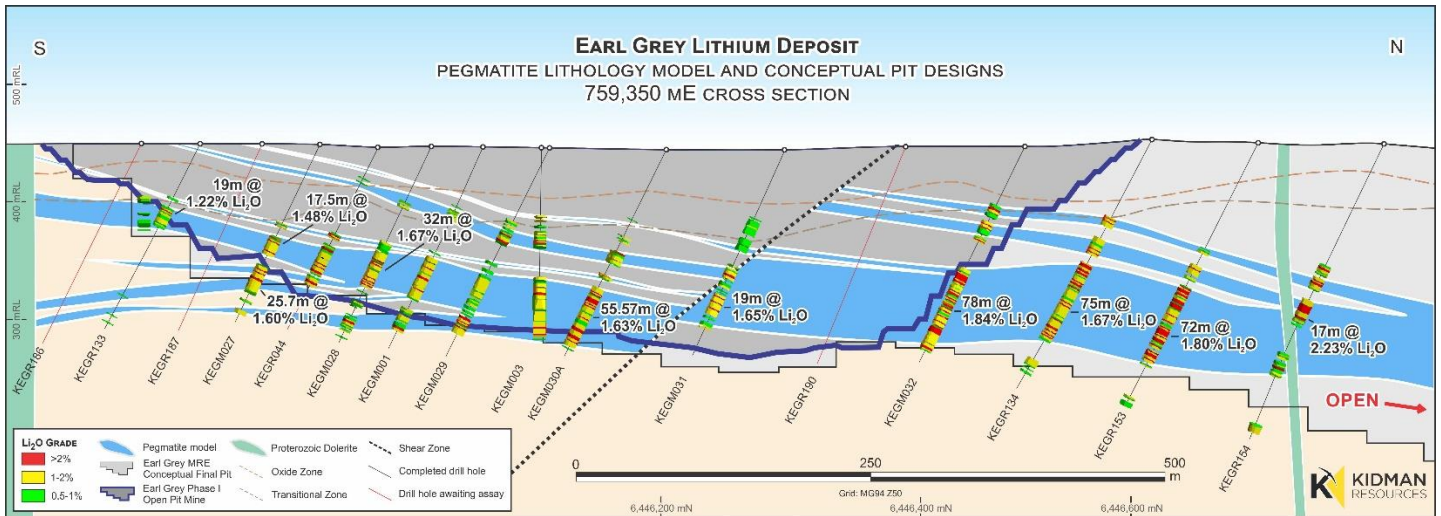


Image 1: Typical section showing increased confidence from Mineral Resource definition drilling in pegmatite model with significant increase in grade profile.

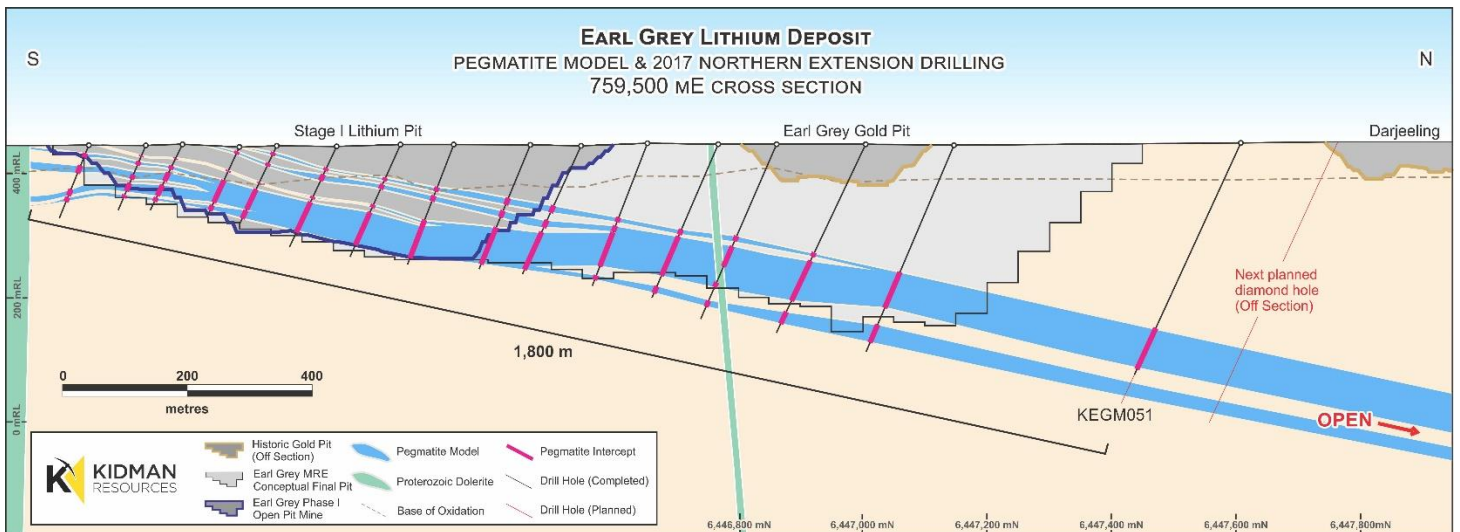


Image 2: Pegmatite extensions into the 2016 Exploration Target. Intersections within typical section showing increased confidence from Mineral Resource definition drilling in pegmatite model with significant increase in grade profile.



Image 3: Core from KEGM051 with coarse grained spodumene throughout a wide interval.

Further Information

The Company is confident that these results will underpin a material increase in the Mineral Resource inventory at Earl Grey, and we expect to finalise the Mineral Resource upgrade during the March quarter 2018. The expected upgrade will emphasize the global significance of the Earl Grey deposit that will underpin a low-cost integrated lithium project that culminates with the proposed Lithium Carbonate and Lithium Hydroxide Refinery we plan to construct with our Joint Venture partners SQM.

Infill drilling within the Earl Grey deposit, as well as extensional drilling immediately east and north of the maiden Earl Grey combined Indicated and Inferred Mineral Resource of 128Mt @ 1.44% Li₂O (*See KDR ASX Announcement 14th December 2016*), demonstrated strong continuity and thickening of the pegmatite zones. Some points of note include:

- Mineralisation continues to the north with further exploration drilling underway which will be integrated into the 2018 Mineral Resource Estimation. The known extent of the Earl Grey Pegmatite has now been delineated contiguously over 2km and remains open, which is a significant increase from December 2016 which defined up to 1.4km.
- Reconnaissance exploration drilling at the **Bounty Pegmatite**, approximately 3km from the Earl Grey Lithium Mineral Resource and adjacent to the proposed location of the Mt Holland Lithium Concentrator, has given an indication of strong first pass results. These include coarse grained spodumene being observed through multiple pegmatite intercepts. The assay results are still to be received, however the mineralogy is very encouraging for delineation of another deposit in the Mt Holland Project area.
- A total of 95 holes for approximately 24,000m have now been completed since the commencement of the second phase of Mineral Resource definition drilling in the September Quarter 2017. The highly successful 2017 drilling program continues on schedule and is aligned to the project timelines set out by KDR and SQM in August 2017. Drilling and therefore assays are expected to continue through into the March quarter 2018.

Results have been received for 50 Reverse Circulation (RC) drill holes and 24 Diamond drill holes from the ongoing drill program. In addition to the goal of targeting extensions to known near surface pegmatites and upgrading the Mineral Resource, the diamond drilling was undertaken for geotechnical test work. Furthermore, large diameter PQ Diamond holes were completed which will be used for bulk sample metallurgical test work.

The metallurgical test work will continue partly through Nagrom based in Perth, Western Australia, however a large bulk sample will also be sent to SQM processing facilities in Chile where SQM has a standalone pilot plant facility that can be used to test multiple process flowsheets enabling the Company to leverage SQM's processing expertise.

Concluding, Martin Donohue said, "The Kidman technical team has performed exceptionally well with their focused and highly targeted ongoing drilling program. It has still only been 18 months since the initial discovery of the deposit however a lot has been achieved this year in terms of drilled metres, geological understanding, site planning and development. This all translates to a significant return on investment in consideration of the potential Mineral Resource growth".

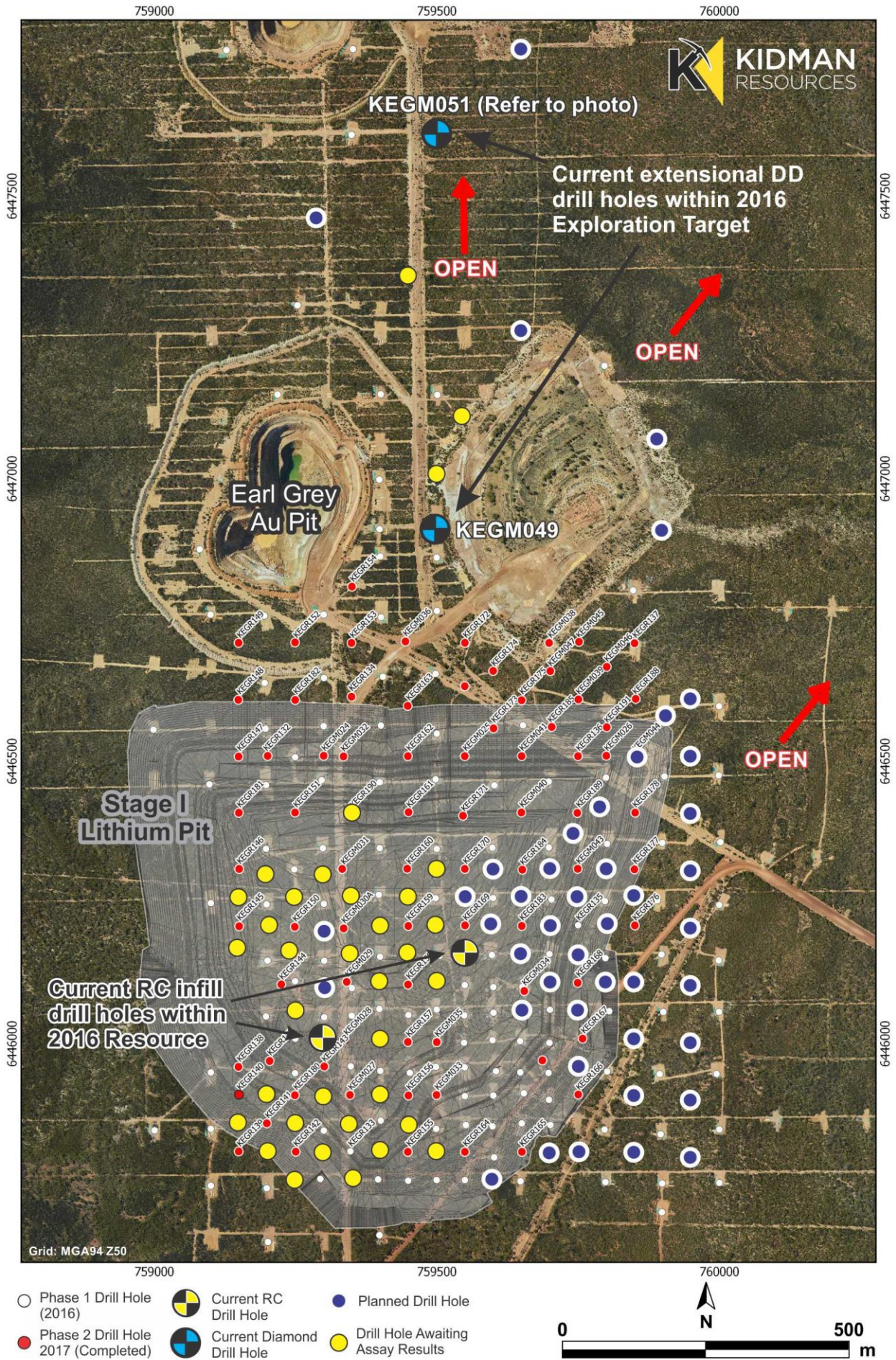


Image 4: Plan view of drill hole locations completed in phase 1 program 2016 and current phase 2 program with drilling continuing through December and into January of 2018.

KIDMAN BACKGROUND

Kidman Resources Ltd (ASX: KDR), a precious and base metals company holds the Tier-1 Globally significant Earl Grey Lithium Deposit (128Mt @ 1.44% Li₂O) as well as the Mt Holland Gold Project located centrally within the Forrestania Greenstone Belt near Southern Cross of Western Australia.

For further information on the company's portfolio of projects please visit www.kidmanresources.com.au

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Managing Director

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Competent Persons Statement:

Exploration:

The information in this release that relates to sampling techniques and data, exploration results, geological interpretation and exploration targets has been reviewed by Mr. M. Green BSc (Hons), MAusIMM. Mr. Green is an employee of the company. Mr. Green is a member of the Australian Institute of Mining and Metallurgy, he has sufficient experience with the style of mineralisation and type of deposit under consideration, and to the activities undertaken, to qualify as a competent person as defined in the 2012 edition of the "Australian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves" (The JORC Code). Mr Green consents to the inclusion in this report of the contained technical information in the form and context as it appears.

Forward Looking Statements and Important notice

This announcement contains certain statements which may constitute forward-looking statements. Such statements are only predictions and are subject to inherent risks, uncertainties and other factors which could cause actual values, results, performance or achievements to differ materially from those expressed, implied or projected in any forward-looking statements.

Forward-looking statements are not statements of historical fact and actual events and results may differ materially from those described in the forward-looking statements as a result of a variety of risks, uncertainties and other factors. Forward-looking statements are inherently subject to business, economic, competitive, political and social uncertainties and contingencies. Many factors could cause the Company's actual results to differ materially from those expressed or implied in any forward-looking information provided by the Company, or on behalf of, the Company. Such factors include, among other things, risks relating to additional funding requirements, metal prices, exploration, development and operating risks, competition, production risks, regulatory restrictions, including environmental regulation and liability and potential title disputes.

Forward looking statements in this document are based generally on the Company's beliefs, opinions and estimates as of the dates the forward-looking statements that are made, and no obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future developments. Although the Company believes the outcomes expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include license applications, the development of economic mineral or metal substitutes and general economic, market or business conditions. While, the Company has made every reasonable effort to ensure the veracity of the information presented they cannot expressly guarantee the accuracy and reliability of the estimates, forecasts and conclusions contained herein. Accordingly, the statements in the presentation should be used for general guidance only.

Appendix 1

TABLE 1: DRILL HOLE DETAILS

Mt Holland, Western Australia									
Drill Hole	Drill Type	Northing (m) MGA94 Zone 50 S	Easting (m) MGA94 Zone 50 S	AHD RL (m)	Inclinatio n (°)	Azimuth (°)	Pre-collar depth (m)	Total length (m)	Location / Deposit
KEGM020	DD	6446210.709	759199.201	447.547	-60	271.5	0	211.2	Earl Grey
KEGM021	DD	6446509.748	759198.959	446.8	-59.35	267.33	0	201	Earl Grey
KEGM022	DD	6445968.622	759682.493	443.84	-70	271.5	0	121.1	Earl Grey
KEGM023	DD	6446209.394	759746.628	443.979	-70	270	0	205.1	Earl Grey
KEGM024	DD	6446506.797	759300.095	447.819	-60	181.5	0	219.9	Earl Grey
KEGM025	DD	6446507.892	759548.622	444.8	-60.13	180.7	0	253.2	Earl Grey
KEGM026	DD	6446506.769	759801.522	439.867	-60	1.5	0	357.67	Earl Grey
KEGM027	DD	6445909.537	759339.662	448.347	-64.89	179.13	0	165.84	Earl Grey
KEGM028	DD	6446005.843	759340.266	446.8	-63	175.5	35.6	183	Earl Grey
KEGM029	DD	6446103.415	759339.475	445.416	-63.9	178.02	50.6	200	Earl Grey
KEGM030	DD	6446205.01	759332.638	443.987	-65.31	177.1	65.6	129.2	Earl Grey
KEGM030A	DD	6446204.832	759330.021	444.006	-64.86	177.99	65.6	195.3	Earl Grey
KEGM031	DD	6446307.447	759331.592	443.665	-65.04	169.5	50	186.7	Earl Grey
KEGM032	DD	6446509.055	759331.714	446.901	-64.79	167.79	45	198.6	Earl Grey
KEGM033	DD	6445908.401	759499.532	446.8	-63.13	182.14	0	107.9	Earl Grey
KEGM034	DD	6446094.036	759652.791	442.959	-67.73	194.29	0	96.6	Earl Grey
KEGM035	DD	6446001.467	759497.702	444.8	-64.34	183.41	0	119	Earl Grey
KEGM036	DD	6446709.722	759442.487	448.8	-65.11	183.78	37.1	258.6	Earl Grey
KEGM037	DD	6446630.868	759548.939	445.904	-59.9	183.05	68.6	234.7	Earl Grey
KEGM038	DD	6446710	759700	444.528	-59.81	211.84	40.6	247.4	Earl Grey
KEGM039	DD	6446610	759750	439.527	-65	181.5	24.3	300.8	Earl Grey
KEGM040	DD	6446410	759650	445.622	-64.58	181.99	0	177.3	Earl Grey
KEGM041	DD	6446510	759650	443.392	-65.65	183.14	42.6	195.7	Earl Grey
KEGM043	DD	6446310	759750	443.38	-64.18	182.4	0	186.44	Earl Grey
KEGR132	RC	6446501.325	759194.373	446.988	-67	181.5		200	Earl Grey
KEGR133	RC	6445807.325	759345.728	448.958	-65	179.5		180	Earl Grey
KEGR134	RC	6446615.399	759348.21	452.8	-65	181.5		250	Earl Grey
KEGR135	RC	6446202.404	759743.684	444.049	-65.24	173.03		180	Earl Grey
KEGR136	RC	6446506.643	759748.996	442.29	-65.23	185.7		200	Earl Grey
KEGR137	RC	6446700.774	759849.126	437.901	-65	181.5		271	Earl Grey
KEGR138	RC	6445957.748	759146.917	450.8	-65	181.5		200	Earl Grey
KEGR139	RC	6445804.412	759147.74	450.8	-65	181.5		220	Earl Grey
KEGR140	RC	6445909.307	759146.423	450.8	-65.53	177.97		210	Earl Grey
KEGR141	RC	6445854.011	759203.138	452.016	-65	181.5		210	Earl Grey
KEGR142	RC	6445808.755	759247.249	452.688	-65	181.5		199	Earl Grey
KEGR143	RC	6445958.222	759299.458	446.8	-65.03	174.92		178	Earl Grey
KEGR144	RC	6446102.944	759223.296	448.8	-65.34	207.69		176	Earl Grey
KEGR145	RC	6446212.841	759148.728	448.8	-64.85	179.22		163	Earl Grey

Mt Holland, Western Australia

Drill Hole	Drill Type	Northing (m) MGA94 Zone 50 S	Easting (m) MGA94 Zone 50 S	AHD RL (m)	Inclination (°)	Azimuth (°)	Pre-collar depth (m)	Total length (m)	Location / Deposit
KEGR146	RC	6446306.878	759146.757	448.8	-65.02	183.24		161	Earl Grey
KEGR147	RC	6446507.998	759144.144	447.846	-63.91	183.6		187	Earl Grey
KEGR148	RC	6446609.36	759146.18	448.826	-64.6	182.08		193	Earl Grey
KEGR149	RC	6446709.681	759147.462	450.8	-64.68	174.51		205	Earl Grey
KEGR150	RC	6446208.06	759245.424	444.8	-63.45	181.3		174	Earl Grey
KEGR151	RC	6446408.011	759249.039	448.8	-64.41	178.06		183	Earl Grey
KEGR152	RC	6446710.187	759248.126	451.815	-64.85	180.37		222	Earl Grey
KEGR153	RC	6446708.305	759346.895	450.129	-64.9	181.7		265	Earl Grey
KEGR154	RC	6446815.556	759354.203	448.8	-65.38	180.73		283	Earl Grey
KEGR155	RC	6445809.525	759449.436	448.459	-65	181.5		127	Earl Grey
KEGR156	RC	6445909.626	759449.783	446.8	-65	181.5		139	Earl Grey
KEGR157	RC	6446008.448	759449.033	445.105	-65	181.5		141	Earl Grey
KEGR158	RC	6446105.64	759447.781	444.8	-65	181.5		157	Earl Grey
KEGR159	RC	6446209.362	759451.075	446.145	-64.64	183.69		181	Earl Grey
KEGR160	RC	6446309.68	759449.916	445.974	-65	181.5		219	Earl Grey
KEGR161	RC	6446410	759450	447.213	-65.29	182.28		229	Earl Grey
KEGR162	RC	6446510	759450	444.8	-65	181.5		229	Earl Grey
KEGR163	RC	6446599.331	759449.368	448.671	-65	170		240	Earl Grey
KEGR164	RC	6445809.595	759547.085	448.464	-63.65	184.84		88	Earl Grey
KEGR165	RC	6445809.92	759646.979	448.112	-65	181.5		55	Earl Grey
KEGR166	RC	6445910.769	759748.657	442.22	-65.15	176.55		91	Earl Grey
KEGR167	RC	6446003.286	759756.298	442.8	-66.21	187.27		117	Earl Grey
KEGR168	RC	6446110	759750	442.8	-66.41	184.7		140	Earl Grey
KEGR169	RC	6446210	759550	443.382	-65	181.58		162	Earl Grey
KEGR170	RC	6446310	759550	445.715	-65	184.5		185	Earl Grey
KEGR171	RC	6446402.98	759546.77	447.551	-65	181.5		201	Earl Grey
KEGR172	RC	6446710	759550	446.8	-65	180		255	Earl Grey
KEGR173	RC	6446557	759597	443.28	-66.55	177.16		220	Earl Grey
KEGR174	RC	6446660	759600	445.505	-65	181.5		238	Earl Grey
KEGR175	RC	6446610	759650	441.549	-70.77	180.9		210	Earl Grey
KEGR176A	RC	6446215	759850	442.019	-64.44	180.69		205	Earl Grey
KEGR177	RC	6446310	759850	441.9	-65	181.5		183	Earl Grey
KEGR178	RC	6446410	759850	442.8	-66.75	183.15		210	Earl Grey
KEGR179	RC	6445971	759204	449.246	-64.9	186.65		210	Earl Grey
KEGR180	RC	6445910	759250	448.063	-65.87	176.64		205	Earl Grey
KEGR181	RC	6446410	759150	448.8	-66.16	178.22		181	Earl Grey

TABLE 2: WEIGHTED GRADE INTERCEPTS FOR REPORTED DRILL HOLES (0.5% Li₂O CUT-OFF)

Earl Grey Pegmatite Intersections; Mt Holland Project, Western Australia										
Drill Hole	Mineralised interval (m)	Weighted Grade Li ₂ O %	Down Hole Depth From (m)	Down Hole Depth To (m)	Included Interval				Drill Type	Year
					Mineralised Interval (m)	Weighted Grade Li ₂ O %	Down Hole Depth From (m)	Down Hole Depth To (m)		
KEGR132	5	1.71	92	97					RC	2017
KEGR132	81	1.63	105	186						
KEGR133	19	1.22	60	79					RC	2017
KEGR134	9	1.68	74	83					RC	2017
KEGR134	16	1.51	94	110						
KEGR134	75	1.67	118	193						
KEGR134	7	1.21	211	218						
KEGR135	36	1.53	55	91					RC	2017
KEGR135	12	1.56	123	135						
KEGR136	5	0.98	90	95					RC	2017
KEGR136	39	1.00	102	141						
KEGR137	11	1.23	192	203					RC	2017
KEGR137	10	0.98	206	216						
KEGR137	3	0.94	230	233						
KEGR137	30	1.78	234	264						
KEGR138	3	1.12	48	51					RC	2017
KEGR138	26	0.63	63	89						
KEGR138	5	1.06	143	148						
KEGR138	16	1.32	153	169						
KEGR139	17	1.01	62	79					RC	2017
KEGR140	4	1.20	59	63					RC	2017
KEGR140	6	1.01	78	84						
KEGR140	10	1.95	159	169						
KEGR140	8	0.82	178	186						
KEGR141	4	0.97	37	41					RC	2017
KEGR141	18	1.41	75	93						
KEGR141	3	0.78	105	108						
KEGR141	11	1.63	175	186						
KEGR141	11	1.15	194	205						
KEGR142	14	1.51	72	86					RC	2017
KEGR142	5	1.02	95	100						
KEGR142	9	0.97	178	187						
KEGR143	31	1.46	92	123					RC	2017
KEGR143	6	1.48	132	138						
KEGR143	9	1.58	149	158						
KEGR143	8	1.02	167	175						
KEGR144	4	1.10	58	62					RC	2017
KEGR144	32	1.76	74	106						
KEGR144	31	1.75	127	158						
KEGR145	32	1.51	60	92					RC	2017
KEGR145	32	1.83	108	140						
KEGR146	38	1.51	70	108					RC	2017
KEGR146	13	1.20	113	126						
KEGR146	16	1.83	131	147						
KEGR147	11	0.77	92	103					RC	2017
KEGR148	10	1.41	93	103					RC	2017

Earl Grey Pegmatite Intersections; Mt Holland Project, Western Australia

Drill Hole	Mineralised interval (m)	Weighted Grade Li ₂ O %	Down Hole Depth From (m)	Down Hole Depth To (m)	Included Interval				Drill Type	Year
					Mineralised Interval (m)	Weighted Grade Li ₂ O %	Down Hole Depth From (m)	Down Hole Depth To (m)		
KEGR148	9	1.27	118	127						
KEGR149	13	1.60	98	111					RC	2017
KEGR149	6	1.55	112	118						
KEGR149	5	1.37	123	128						
KEGR149	23	1.70	137	160						
KEGR149	16	1.65	164	180						
KEGR150	3	1.25	53	56					RC	2017
KEGR150	4	1.74	66	70						
KEGR150	75	1.74	74	149						
KEGR151	3	1.44	66	69					RC	2017
KEGR151	9	1.89	82	91						
KEGR151	75	1.80	99	174						
KEGR152	4	1.26	110	114					RC	2017
KEGR152	32	1.61	134	166						
KEGR152	42	1.13	171	213						
KEGR153	3	1.30	103	106					RC	2017
KEGR153	9	1.68	117	126						
KEGR153	3	1.34	128	131						
KEGR153	72	1.80	137	209						
KEGR153	2	1.12	242	244						
KEGR154	9	1.45	115	124					RC	2017
KEGR154	8	1.73	127	135						
KEGR154	2	1.00	136	138						
KEGR154	21	2.00	148	169						
KEGR154	3	0.77	198	201						
KEGR154	7	1.31	206	213						
KEGR154	3	1.15	216	219						
KEGR154	7	1.41	263	270						
KEGR155	20	1.39	46	66					RC	2017
KEGR156	13	1.80	61	74					RC	2017
KEGR156	21	1.36	82	103						
KEGR156	11	1.35	110	121						
KEGR157	10	1.75	79	89					RC	2017
KEGR157	29	1.60	90	119						
KEGR157	11	1.50	121	132						
KEGR158	15	1.51	46	61					RC	2017
KEGR158	3	1.45	97	100						
KEGR158	46	1.73	103	149						
KEGR159	2	1.79	62	64					RC	2017
KEGR159	3	1.25	67	70						
KEGR159	14	1.49	77	91						
KEGR159	57	1.31	119	176						
KEGR160	4	0.91	79	83					RC	2017
KEGR160	2	1.30	99	101						
KEGR160	7	1.55	103	110						
KEGR160	10	1.41	138	148						
KEGR160	43	1.94	150	193						
KEGR161	10	1.56	93	103					RC	2017

Earl Grey Pegmatite Intersections; Mt Holland Project, Western Australia

Drill Hole	Mineralised interval (m)	Weighted Grade Li ₂ O %	Down Hole Depth From (m)	Down Hole Depth To (m)	Included Interval				Drill Type	Year
					Mineralised Interval (m)	Weighted Grade Li ₂ O %	Down Hole Depth From (m)	Down Hole Depth To (m)		
KEGR161	2	1.87	104	106						
KEGR161	11	1.65	114	125						
KEGR161	49	1.93	153	202						
KEGR161	3	1.48	207	210						
KEGR162	13	2.13	112	125					RC	2017
KEGR162	12	2.20	137	149						
KEGR162	22	1.71	153	175						
KEGR162	2	1.20	179	181						
KEGR162	3	1.90	194	197						
KEGR162	7	1.27	199	206						
KEGR162	4	1.79	209	213						
KEGR163	3	0.78	108	111					RC	2017
KEGR163	16	1.56	122	138						
KEGR163	3	1.43	148	151						
KEGR163	24	1.69	154	178						
KEGR163	4	1.73	183	187						
KEGR163	25	1.49	191	216						
KEGR163	4	1.80	219	223						
KEGR164	2	0.90	27	29					RC	2017
KEGR164	9	1.06	30	39						
KEGR164	5	0.74	47	52						
KEGR164	16	0.95	57	73						
KEGR165	No significant intercept								RC	2017
KEGR166	15	0.97	36	51					RC	2017
KEGR166	3	1.12	54	57						
KEGR166	3	0.82	62	65						
KEGR167	3	0.73	41	44					RC	2017
KEGR167	2	1.25	80	82						
KEGR168	22	1.10	52	74	12	1.47	56	68	RC	2017
KEGR168	10	1.18	98	108						
KEGR169	5	1.02	41	46					RC	2017
KEGR169	4	1.39	57	61						
KEGR169	21	1.59	89	110						
KEGR169	35	1.61	114	149						
KEGR170	Awaiting assay results									
KEGR171	Awaiting assay results									
KEGR172	6	1.79	124	130					RC	2017
KEGR172	15	2.05	137	152						
KEGR172	40	2.00	159	199						
KEGR172	2	1.32	201	203						
KEGR172	4	1.61	206	210						
KEGR172	8	1.31	222	230						
KEGR172	5	2.02	235	240					RC	2017
KEGR172	13	1.14	90	103						
KEGR173	2	1.71	112	114						
KEGR173	52	1.75	132	184						
KEGR173	5	1.11	194	199					RC	2017
KEGR173	7	2.01	200	207						

Earl Grey Pegmatite Intersections; Mt Holland Project, Western Australia

Drill Hole	Mineralised interval (m)	Weighted Grade Li ₂ O %	Down Hole Depth From (m)	Down Hole Depth To (m)	Included Interval				Drill Type	Year
					Mineralised Interval (m)	Weighted Grade Li ₂ O %	Down Hole Depth From (m)	Down Hole Depth To (m)		
KEGR174	5	1.56	107	112					RC	2017
KEGR174	4	1.29	118	122						
KEGR174	6	1.57	132	138						
KEGR174	51	1.78	148	199						
KEGR174	4	1.32	204	208						
KEGR174	9	1.62	221	230						
KEGR175	Awaiting assay results									
KEGR176A	6	0.57	90	96					RC	2017
KEGR176A	30	1.53	99	129						
KEGR177	7	0.58	104	111					RC	2017
KEGR177	27	1.59	116	143						
KEGR177	14	1.40	154	168						
KEGR177	3	1.06	173	176						
KEGR178	4	0.52	123	127					RC	2017
KEGR178	5	0.61	136	141						
KEGR178	14	0.83	166	180						
KEGR178	19	1.35	187	206						
KEGR179	3	1.18	75	78					RC	2017
KEGR179	19	1.63	89	108						
KEGR179	7	1.20	147	154						
KEGR179	13	1.75	158	171						
KEGR180	7	1.11	86	93					RC	2017
KEGR180	16	1.74	97	113						
KEGR180	9	1.43	167	176						
KEGR180	10	1.45	189	199						
KEGR181	25	1.85	92	117					RC	2017
KEGR181	45	1.73	118	163						
KEGM020	42.7	1.68	61.4	104.1	22	1.93	62	84	DD	2017
KEGM020	24	1.94	115	139	7	2.30	115	122		
KEGM021	9.3	1.13	95.6	104.9					DD	2017
KEGM021	2	0.70	109	111						
KEGM022	31	1.36	29.5	60.5					DD	2017
KEGM023	14.28	1.19	64.72	79					DD	2017
KEGM023	10.9	1.44	94.3	105.2						
KEGM024	11	1.78	77	88					DD	2017
KEGM024	79	1.68	117	196						
KEGM025	2.05	1.47	93.85	95.9					DD	2017
KEGM025	20.5	1.33	98.1	118.6						
KEGM025	5.75	1.69	122.85	128.6						
KEGM025	61.7	1.59	138.12	199.82						
KEGM025	11.55	1.68	206.5	218.05						
KEGM026	7	1.80	220	227					DD	2017
KEGM026	7	2.65	241	248						
KEGM026	4	1.75	250	254						
KEGM026	7	1.43	256	263						
KEGM026	32.42	1.80	289	321.42						
KEGM026	13.52	1.91	322.48	336						

Earl Grey Pegmatite Intersections; Mt Holland Project, Western Australia

Drill Hole	Mineralised interval (m)	Weighted Grade Li ₂ O %	Down Hole Depth From (m)	Down Hole Depth To (m)	Included Interval				Drill Type	Year
					Mineralised Interval (m)	Weighted Grade Li ₂ O %	Down Hole Depth From (m)	Down Hole Depth To (m)		
KEGM027	1.95	1.34	73.8	75.75					DD	2017
KEGM027	1.4	2.05	76.6	78						
KEGM027	17.5	1.48	86.4	103.9						
KEGM027	25.7	1.60	114.1	139.8						
KEGM027	1.35	1.10	145.8	147.15						
KEGM027	3.6	1.49	155.4	159						
KEGM028	5.95	1.15	52.5	58.45					DD	2017
KEGM028	4.18	0.94	91.52	95.7						
KEGM028	32.7	1.67	100	132.7						
KEGM028	2.3	1.19	146.7	149						
KEGM028	13.1	1.30	160.9	174					DD	2017
KEGM029	30.35	1.20	122.25	152.6						
KEGM029	15.74	1.71	160	175.74					DD	2017
KEGM030	1.21	1.57	82.21	83.42						
KEGM030	10.96	1.36	96.5	107.46					DD	2017
KEGM030	1.9	1.56	119.5	121.4						
KEGM030A	10.57	1.43	97.23	107.8					DD	2017
KEGM030A	4.13	1.54	118.38	122.51						
KEGM030A	55.57	1.63	130.93	186.5	8	2.10	141	149	DD	2017
KEGM031	15.25	0.74	64.4	79.65					DD	2017
KEGM031	11.44	0.63	83.56	95						
KEGM031	19	1.65	136	155						
KEGM032	4	2.09	59	63					DD	2017
KEGM032	6.64	1.69	72	78.64						
KEGM032	78	1.84	116.34	194.34						
KEGM033	5.85	1.16	40	45.85					DD	2017
KEGM033	17.3	1.42	51	68.3						
KEGM033	17.82	1.66	75.18	93						
KEGM033	4.78	1.67	96.58	101.36						
KEGM034	39.67	1.42	52.74	92.41					DD	2017
KEGM035	39.75	1.67	62.25	102					DD	2017
KEGM035	6.43	1.42	108.07	114.5						
KEGM036	3.22	1.07	127.8	131.02					DD	2017
KEGM036	3.42	1.17	142.58	146						
KEGM036	10.68	1.77	147.44	158.12						
KEGM036	5.2	1.34	159.8	165						
KEGM036	2.5	1.03	169	171.5						
KEGM036	4	1.59	173.3	177.3						
KEGM036	40.2	1.67	179.1	219.3						
KEGM036	3.5	1.32	219.7	223.2						
KEGM036	4.75	1.66	249	253.75					DD	2017
KEGM037	6.4	1.69	117.2	123.6						
KEGM037	0.8	2.46	125.7	126.5						
KEGM037	18.6	1.84	132	150.6						
KEGM037	58.77	1.68	162.26	221.03						
KEGM037	4.4	1.82	224.5	228.9					DD	2017
KEGM038	4.4	1.48	100.6	105						
KEGM038	59	1.84	134.2	193.2						

Earl Grey Pegmatite Intersections; Mt Holland Project, Western Australia

Drill Hole	Mineralised interval (m)	Weighted Grade Li ₂ O %	Down Hole Depth From (m)	Down Hole Depth To (m)	Included Interval				Drill Type	Year
					Mineralised Interval (m)	Weighted Grade Li ₂ O %	Down Hole Depth From (m)	Down Hole Depth To (m)		
KEGM038	20.55	1.69	215.5	236.05						
KEGM039	Awaiting assay results								DD	2017
KEGM040	7.7	1.01	43.3	51					DD	2017
KEGM040	3.6	1.22	53.4	57						
KEGM040	2	0.77	77.4	79.4						
KEGM040	2.6	1.04	86.8	89.4						
KEGM040	2.4	0.83	97	99.4						
KEGM040	36	1.59	100	136						
KEGM041	9	1.67	64	73						
KEGM041	53.7	1.51	100.9	154.6	8	2.08	113	121	DD	2017
KEGM041	1.95	0.84	159.65	161.6						
KEGM041	9.95	1.29	168	177.95						
KEGM041	8.04	1.79	181.16	189.2						
KEGM043	4	1.66	23.8	27.8					DD	2017
KEGM043	2.25	0.74	54.7	56.95						
KEGM043	49.36	1.45	77.3	126.66	7.8	2.22	100.2	108		
KEGM043	13.34	1.86	150	163.34	4	2.28	156	160		

Appendix 3

JORC Code, 2012, Table 1

SECTION 1 SAMPLING TECHNIQUES AND DATA

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling. Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information. 	<ul style="list-style-type: none"> This table relates to recent results from the ongoing surface drill programme at the Earl Grey Deposit. All drill holes completed are listed in Appendix 1. The drill holes listed below are the latest available information from the Mineral Resource definition and geotechnical drill holes for mine design at Earl Grey Lithium Deposit (refer Figures 1 in text) undertaken by Kidman Resources Limited (KDR) at their Mt Holland project. Earl Grey is 3km north-northwest of the Historic Bounty Gold Mine. All metallurgical / geotechnical / Mineral Resource definition drill holes target spodumene bearing pegmatite within and adjacent to the maiden Earl Grey Lithium Mineral Resource announced 14th December 2016. All drill holes being reported, Appendix 1, have had sample intervals selected from them by KDR personnel; on average over 1m intervals, based on return interval and geological logging Selected core sample intervals from cored holes (refer to Appendix 1 and reported previously) were taken from the core trays by lengthwise quarter (or half) core cutting method as per industry standard practice. Samples were selected on a basis of pegmatite intersection in which notable spodumene occurs, or other notable geological feature and hence are not an entirely unbiased sample. However sampling is relevant to the type of deposit being studied and within best industry practice. Samples were forwarded to certified laboratory for analysis where they were weighed, crushed, reweighed, pulverised and split to produce a ~200g pulp subsample to use in the assay process. 5,640 total samples from the drill holes (Appendix1), were assayed by inductively coupled plasma mass spectrometry (ICP) or mass spectrometry (MS) and indicated in the heading of Appendix 2. <ul style="list-style-type: none"> 178 field duplicate samples were in evidence within the reported sampled intervals. 223 check/standard samples were in evidence within the reported sampled intervals.
Drilling techniques	<ul style="list-style-type: none"> Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc). 	<ul style="list-style-type: none"> RC drilled holes (KEGR designation)(Appendix 1 or <i>Sampling Techniques</i>) were drilled by RC technique at a standard RC drilling diameter (92mm – 132mm). Diamond drill holes (KEGM designation) were drilled by DD method using a standard NQ2 (47.6mm) HQ (63.5mm) or PQ (85mm)diameter core technique; this is an industry standard core sizes.
Drill sample recovery	<ul style="list-style-type: none"> Method of recording and assessing core and chip sample recoveries and results assessed. Measures taken to maximise sample recovery and ensure representative nature of the samples. Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material. 	<ul style="list-style-type: none"> Recoveries for RC pre-collar and RC drill holes are not apparent, however are expected to be 70-90% in this geological / geomorphological setting. Recoveries for the DD drill core are in the order of 95-100%. Recoveries are notably less where shear zones or other structural disruptions have been intersected.
Logging	<ul style="list-style-type: none"> Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. The total length and percentage of the relevant intersections logged. 	<ul style="list-style-type: none"> All drill holes were geologically logged and recorded within a database by KDR. Selected sampled intervals from the reported drill holes have been logged and compiled into a database. Both quantitative and qualitative geological information captured by KDR was imported and consolidated into a database, for interpretation, analysis, and verification purposes. All drill hole data includes: <ul style="list-style-type: none"> Geological logging over geological and alteration basis, dependent on observed changes for various parameters (e.g. lithology, mineralogy, weathering, structural occurrence, etc.) Drill core intervals were also logged on a geotechnical basis and a few structural orientation measurements recorded. Drill core was routinely photographed on core tray basis. The geological logging is compiled with appropriate attention to detail. High level of standard practice is apparent in the detail of the logging by KDR. The database has hence been used for interpretation, geological and modelling purposes; database population and development is ongoing.
Sub-sampling techniques	<ul style="list-style-type: none"> If core, whether cut or sawn and whether quarter, half or all core taken. 	<ul style="list-style-type: none"> Selected sample intervals were sub-sampled on a near to 1 metre basis within geological boundaries. Interval samples of

<p>and sample preparation</p>	<ul style="list-style-type: none"> • <i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i> • <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i> • <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i> • <i>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</i> • <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i> 	<p>less than 1m were restricted by geological, mineralogical, alteration or other notable feature boundaries.</p> <ul style="list-style-type: none"> • Diamond core samples were marked up prior to logging and sampling as per standard industry practice. • The core samples selected were cut lengthwise by diamond blade saw to give two half core lengths; in PQ core one half of the length wise cut core sample interval was then again cut lengthwise in half, resulting in two quarter core length splits/cuts. This is standard industry practice. • One half (in NQ or HQ core), or one quarter (in PQ core) of the selected core sample was collected and bagged, labelled and forwarded to a laboratory for chemical analysis. • One half of the selected PQ core sample was collected and bagged, marked up and forwarded to a laboratory for metallurgical analysis. • The remainder of the sample length split samples have been retained. • A total of 5,640 samples were collected from a total drilled length of 9,388 metres. This excludes added field duplicates, blanks and check/standard samples. • Spoil bags selected from RC holes for sampling were cone split after exiting the cyclone, with ¼ of the split being bagged as the sample for analysis. It is standard industry practice to either retain a ¼ split for future studies and/or to retain a chip tray of the spoils for future viewing. • The NATA accredited laboratory is registered to ISO 9001:2008 chemical analyses standards. They use industry best practice in the sample preparation facility and within the laboratory. • The sample preparation procedure used includes the following: <ul style="list-style-type: none"> ○ Sort all samples and note any discrepancies to the submittal form ○ Record a received weight (WEI-21) for each sample, ○ Crush samples to 6mm nominal (CRU-21), ○ Record a crushed samples weight, ○ Split any samples >3.2Kg using a riffle splitter (SPL-21), ○ Generate internal laboratory duplicates for nominated samples, assigning a 'D' suffix to the sample number, ○ Pulverise samples in LM5 pulveriser until grind size passes 90% passing 75µm (PUL-23), ○ Check pulverise size on 1:20 wet screen (PUL-QC), ○ Take ~ 100g work master pulp for 0.2g sample for sodium pentoxide fusion with ICP-OES or ICP-MS finish. • The elements the samples were assayed for in the laboratory are: Al₂O₃, As, CaO, Co, Cr₂O₃, Cu, Fe₂O₃, K₂O, Li₂O, Na, MgO, MnO, Ni, Pb, S, SiO₂, TiO₂, Zn, Cs, Nb, Rb, Sn, Ta, Th, and U; plus for select sections; Au.
<p>Quality of assay data and laboratory tests</p>	<ul style="list-style-type: none"> • <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i> • <i>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i> • <i>Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</i> 	<ul style="list-style-type: none"> • For the all samples reported the elemental concentrations has been determined as per the outline in the proceeding item. • No down hole geophysical survey results are reported. Downhole gamma-gamma data has been collected and is currently being calibrated and interpreted and will be used in future Mineral Resource Estimations. • Field QAQC has been supplied by KDR for the reported intervals. • 5,640 samples were assayed by inductively coupled plasma mass spectrometry (ICP) or mass spectrometry (MS) from the recently completed drilling. • Including 178 field duplicate samples were submitted for the reported sampled intervals. This is ~3% of the total number of samples, representing a ratio of approximately 1 duplicate sample in every 31 samples. <ul style="list-style-type: none"> • A further included 223 check / standard samples were submitted for the reported sampled intervals. This is ~4% of the total number of samples, representing a ratio of approximately 1 check/standard sample in every 25 samples. • Field duplicates composed 3% of the sample assay results – with the majority being less than 4% difference – this is considered acceptable. • QAQC is also reliant upon high standard laboratory practice and supply of laboratory internal QAQC data.
<p>Verification of sampling and assaying</p>	<ul style="list-style-type: none"> • <i>The verification of significant intersections by either independent or alternative company personnel.</i> • <i>The use of twinned holes.</i> • <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i> • <i>Discuss any adjustment to assay data.</i> 	<ul style="list-style-type: none"> • As far as the technical expert is aware no historical pre KDR drill holes have been specifically twinned by KDR. Holes are currently being drilled which will satisfy this criteria. • The result between twinned drill holes have not been compared or checked at this stage. Such work is ongoing. • Industry standard practice is assumed for activities which occurred prior to KDR. • Primary historical data and any re-logging / new sampling data have been compiled into the KDR database. This database has undergone a process of on-going validation, evaluation and consolidation by KDR. This standard practice and is expected to continue as the project progresses. • The technical expert has reviewed a large number of extracts from the drill hole logs and drill hole data, these have been cross referenced to requested laboratory certificates as part

		<p>of the TE audit process, no major discrepancies or inconsistencies have been noted.</p> <ul style="list-style-type: none"> No adjustments or calibrations to the original assay data have been made, all original data is maintained within the database. All reported intercept intervals (Appendix 3) are normalised to the sample interval – weighted average method. These have been audited and compiled by the technical expert.
Location of data points	<ul style="list-style-type: none"> Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. Specification of the grid system used. Quality and adequacy of topographic control. 	<ul style="list-style-type: none"> All co-ordinates are MGA94 zone 50S grid datum. Vertical regional level (RL) is assumed to be Australian height datum (AHD) level as the drill holes have an average RL of 445m whilst a local topographic peak at Mount Holland is 473m above sea level. The drill holes location points were surveyed by hand held GPS initially. Differential survey of drill collars from exploration programmes is normal to be conducted at a later stage. All holes reported have been surveyed by independent survey contractor using DGPS.
Data spacing and distribution	<ul style="list-style-type: none"> Data spacing for reporting of Exploration Results. Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. Whether sample compositing has been applied. 	<ul style="list-style-type: none"> The reported results are based on selective sampling of target identified core (spodumene bearing pegmatite) from completed drill holes being reported (refer to Appendix 1) at Earl Grey Deposit. Samples were selected on a basis of core return interval of pegmatite occurrence; hence may not be an entirely unbiased sample. Though this is common practice for such type of drilling and deposit. The recent spacing of the drill holes being reported (refer to figure 1, Appendix 1 and Appendix 2) alone are not sufficient to establish a high degree of geological and grade continuity appropriate for Mineral Resource and Ore Reserve reporting. They are indicative only of potential extension to the maiden Mineral Resource. Combined with all previous drilling results (refer to preceding KDR announcements covering drill holes KEGR001 to KEGR0131 and maiden Mineral Resource at Earl Grey Deposit) a high degree of geological control, continuity and confidence is evident. Geotechnical and metallurgical drill holes are adding a high degree of confidence and quantification data for the planning of mining operations. All reported intervals (within text and Appendix 3 for recently completed drill holes results) are weighted average grades over the summed thicknesses, this is normal industry practice. Historical and previous KDR drill hole data and surface mapping indicate a high number of pegmatite intersections within the Mt Holland Project leases (refer to ASX Announcement 21 September 2016) and occurrences in application E77/2244 to the north. It is not known if all these intersections are spodumene bearing.
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material. 	<ul style="list-style-type: none"> The orientation and other locality details of the drill holes mentioned in this announcement are given in Appendix 1. Initial geological modelling indicates the majority of drill holes intersected the pegmatite at an acute angle (slightly less than 90°), and therefore the intersect length is less than a representation of the pegmatite's true thickness. True thickness is estimated from the drill holes angle of repose (inclination) and the intersected pegmatite interval; this continues to give an estimated true thickness of 40-80m, dependent upon the drill hole in review. This will be further qualified by the metallurgical drill holes. Current understanding indicates that in the main pegmatite has a gentle north-westerly dip in the drilled section but steepens with depth below the Earl Grey pit area and shallows slightly again to the north west. This is consistent with contact observed in drill core during by previous TE site visit 8th March 2017. However elsewhere in the Mount Holland Project there are other pegmatite occurrences which appear to be southeast dipping and others which are near vertical. The pegmatites can be truncated by east – northeast trending fracture (fault?) zones. Relationship of the pegmatites and local or regional structures has not been fully established. Pegmatites may intrude along fracture zones, the control for pegmatite intrusion orientation has not been fully determined. Several occurrences of shallow angle outward trending narrow extensions (apophysis) from the main pegmatite have been noted in the drilling. These are variably mineralised with spodumene. These may affect mine planning and any modelling/estimation.
Sample security	<ul style="list-style-type: none"> The measures taken to ensure sample security. 	<ul style="list-style-type: none"> Sample chain of custody is managed by KDR via batch sheets and/or computerised batch files, as well as email trail between KDR, transporters and laboratory. Samples were collected and stored on site prior to delivery to the laboratory in Perth by KDR personnel. Whilst in storage samples are kept in a locked yard. Tracking sheets/files are used to track the progress of

<p>Audits or reviews</p>	<ul style="list-style-type: none"> • <i>The results of any audits or reviews of sampling techniques and data.</i> 	<p>batches of samples.</p> <ul style="list-style-type: none"> • Internal review of sampling techniques as well as data handling and validation is conducted by KDR as part of due diligence and continual review of protocols. • Further application of industry best practice in applying statistically valid number of field duplicates and field standards within intervals of high interest and Na (sodium analyses) as indicated by TE have been addressed as part of the ongoing programme. • Discussions regarding drilling / sampling methods and procedures have been on-going throughout the drilling programme between KDR and TE. • A previous technical expert visited site 8th March 2017 and discussed the current drilling programme, handling and sampling procedures with KDR staff. The TE was satisfied with all responses, observation of practices and the high standard of work being conducted.
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SECTION 2 REPORTING OF EXPLORATION RESULTS

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area. 	<ul style="list-style-type: none"> KDR has acquired the Mt Holland package of tenements. M77/1080 is a granted mining lease covering 897.8 Ha held by Montague Resources Australia Pty Ltd, it was granted on 19 May 2004 for a period of 21 years. Earl Grey pegmatite deposit lies wholly with M77/1080. KDR entered a binding Heads of Agreement to acquire MH Gold Pty Ltd the then owner of the Mt Holland gold project group of tenements during March quarter 2016. Settlement commenced in June 2016 subject to conditions being met in relation to pre KDR forfeiture claims. A forfeiture claim is pending a portion of the tenement package however the tenure of KDR has established the tenements to be in good standing. Kidman has also recently acquired E77/2099 and E77/1400. KDR has also entered an Earn-In arrangement with WSA (see ASX Announcement 20th March 2017) Application E77/2244 is has been granted. KDR has begun a process to form a JV with Sociedad Quimica y Minera de Chile SA (NYSE: SQM) a global Lithium developer. The joint venture is for 50% of the Earl Grey Lithium Project No cultural heritage issues have been reported. Environmental monitoring and studies and review are ongoing. The current process being undertaken should not impact upon the project development.
Exploration done by other parties	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	<ul style="list-style-type: none"> Potential first recognised in 1980 by Harmark – Au and Ni In 1985 Aztec conducted soil sampling of the tenement which highlighted a number of discrete zones with values ranging from 100ppb-1000ppb Au within a broad anomalous trend and significant anomalism around the future Bounty pit. The anomalies were then tested with RAB drilling. During 1986 further RAB and follow-up RC intersected the main body of gold (Au) mineralisation which was eventually drilled out on 20x12m. The Au mineralisation was recognised as being associated with the pyrite and pyrrhotite. Transient Electromagnetic surveys (TEM) were conducted over and along strike of the Bounty ore body further delineating the Mineral Resource. This found that the data was dominated by a westerly dipping, near vertical semi-continuous conductive zone, which thickens to the south and extends over the length of the survey. This is associated with sulphides within and peripheral to the contacts of the Bounty horizon. In 1989 mining of the Bounty pit started. The total ore mined from the Bounty, West and North Bounty pits was 640,000t @ 5.55g/t Au or 114,000oz Au. Minor RAB and occasional RC drilling was undertaken north and south testing for strike extension. This effectively closed off the Au Mineral Resource to the north but left it open to the south. In 1997 Forresteria drilled a number of holes to the east of the pit to test for potential nickel mineralisation. No known previous exploration focussed on lithium.
Geology	<ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. 	<ul style="list-style-type: none"> Regional Geology <ul style="list-style-type: none"> The Forresteria greenstone belt is located within the Southern Cross Domain of the Archean Youanmi Terrane, one of several major crustal blocks that form the Archean Yilgarn Craton of south western Australia. The Forresteria greenstone belt and its northern extension, the Southern Cross greenstone belt, form a narrow 5-30 km wide curvilinear belt that trends north-south over a distance of 250 km. The greenstone comprises a lower mafic-ultramafic volcanic succession, and an upper sedimentary succession intruded and bounded by granitoid batholiths. Local Geology <ul style="list-style-type: none"> The Earl Grey pegmatite was emplaced into the steeply dipping north-south trending amphibolite facies mafic and ultramafic lithologies of the Mid-Eastern ultramafic belt in the central Forresteria greenstone belt. The Archean stratigraphy youngs to the west, displaying the typical mafic-ultramafic-sedimentary succession of the belt. Basal tholeiitic and high-Mg basalts in the east are mostly fine to medium grained amphibolites after basalt and dolerite, and primarily composed of hornblende, actinolite and plagioclase with minor tremolite. The komatiitic ultramafic succession is a talc-chlorite (\pm serpentine, tremolite, anthophyllite) schist, with remnant spinifex texture occasionally still visible. There is some repetition of the mafic and ultramafic lithologies, although it is unclear whether this is structural or stratigraphic. A narrow, discontinuous sulphidic banded iron formation occurs within the ultramafic sequence, and hosts most gold mineralisation along the Twinings gold trend. The Mid-Eastern ultramafic belt is overlain to the west by a porphyroblastic quartz-andalusite-garnet-staurolite-biotite schist, and represents a deformed basal unit of the upper

		<p>sedimentary succession. The contact between the upper and lower successions appears to be at least partly structural, and has historically been interpreted as a major regional shear zone. Further west of this contact, the sedimentary units are less deformed and composed mostly of fine pelitic to carbonaceous schists and shales.</p> <ul style="list-style-type: none"> ○ Several Proterozoic dolerite dykes intersect the area, with the largest being the ~400m wide Binneringie Dyke. ● Pegmatite <ul style="list-style-type: none"> ○ The Earl Grey pegmatite is a massive albite-spodumene type pegmatite of the lithium-caesium-tantalum (LCT) family of pegmatites. The pegmatite lacks any concentric zonation, and is composed of a simple albite-spodumene-quartz-microcline dominated composition with accessory muscovite, biotite, petalite and tourmaline. ○ Spodumene (LiAlSi₂O₆) is the dominant lithium mineral throughout the pegmatite. The far western and eastern margin of the deposit also contain petalite (LiAlSi₄O₁₀). Other trace lithium phases include eucryptite, bikitaite, cookeite, elbaite, holmquistite, lithian micas, and amblygonite-montebrazite. ○ The geometry of the pegmatite is simple, consisting of a thick (30-90m), flat lying main body with hangingwall and footwall splays up to 30m in thickness. ○ Several other LCT pegmatites are known from the region and remain to be investigated. These include albite-spodumene, complex spodumene, and complex lepidolite type pegmatites, some of which contain historic records of tantalum and tin bearing phases in addition to lithium. Geochemistry indicates extreme levels of fractionation and rare-element enrichment, with the zonation of the pegmatite field still under investigation. ○ Ongoing geological logging and interpretation work will assist KDR's understanding of this zonation.
Drillhole Information	<ul style="list-style-type: none"> ● A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: <ul style="list-style-type: none"> ● easting and northing of the drill hole collar ● elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar ● dip and azimuth of the hole ● down hole length and interception depth ● hole length. ● If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case. 	<ul style="list-style-type: none"> ● Details of the recently completed drill holes being reported are listed in Appendix 1. ● The interception depths of the pegmatite intervals of greater than 0.5% lithium for the recently completed drill holes are given in Appendix 2. ● All previous drill holes (KEGR001 - KEGR0131) at Earl Grey pegmatite deposit have been outlined in preceding announcements, in particular the maiden Mineral Resource announcement of 12th Dec 2016. ● All horizontal co-ordinates are MGA94 zone 50S grid datum. ● Vertical regional level (RL) is assumed to be Australian height datum (AHD) level as the drill holes have an average RL of 445m whilst a local topographic peak at Mount Holland is 473m above sea level. ● The drill holes location points were surveyed by hand held GPS initially. Within the industry it is not uncommon for collar locations to be surveyed in after the drilling has finished.
Data aggregation methods	<ul style="list-style-type: none"> ● In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated. ● Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. ● The assumptions used for any reporting of metal equivalent values should be clearly stated 	<ul style="list-style-type: none"> ● Sample intervals selected from all other holes as listed in Appendix 1 – Drill Hole Details are based on ~1m diamond drill core (DD) interval lengths ● DD drill holes are logged and generally sampled on ~1m intervals within logged geological boundaries ● All drill holes being reported, Appendix 1, have had sample intervals selected from them by KDR personnel; on average over 1m intervals, based on return interval and/or geological logging ● For assay results greater than (>) 0.5% Li₂O a weighted average result has been reported: <ul style="list-style-type: none"> ○ The assay results are weight averaged to the individual sample lengths over the combined interval. ● No metal equivalent has been used. ● No top cut has been applied.
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> ● These relationships are particularly important in the reporting of Exploration Results. ● If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. ● If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known'). 	<ul style="list-style-type: none"> ● The relationship between sample interval lengths to the pegmatite orientation and drill core orientation has not been fully noted. However, the inclination of the drill to the opposing dipping trend of the pegmatite implies that the drill sample length of 1 m is less than 1m vertical distance. ● Sample intervals are restricted by geological contacts and changes where applicable. ● Initial modelling indicates the drill holes intersect pegmatite at acute angles. ● Pegmatite true thickness intersection is estimated at 40 – 80 m in width from the reported drill holes. ● Current work to define geotechnical and metallurgical details of the pegmatite is ongoing.
Diagrams	<ul style="list-style-type: none"> ● Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views. 	<ul style="list-style-type: none"> ● Diagrams of the location of the drill holes have been provided as Figure 1-3.
Balanced reporting	<ul style="list-style-type: none"> ● Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results. 	<ul style="list-style-type: none"> ● The current results reported constitute all known results for lithium mineralisation within pegmatite intersected by the most recent completed drill holes reported in Appendix 1 at Earl Grey Deposit. ● Appendix 2 is a summary of the announced weighted average lithium mineralisation intersections from the drilling (refer Appendix 1) in this announcement, at Earl Grey Deposit.

<p>Other substantive exploration data</p>	<ul style="list-style-type: none"> • <i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i> 	<ul style="list-style-type: none"> • The preliminary results being reported for drill holes alone are insufficient in numbers to enable only a preliminary geological interpretation of the pegmatite section drilled by these holes. However combined with all previous Mineral Resource model data the current holes add significant data and understanding of the geological / geotechnical model. • The recently completed drill holes being reported (Appendix 1 and Appendix 2) are suitable, in addition to all previous data, to establish a high degree of geological and grade continuity appropriate for mine planning and potential Mineral Reserve reporting
<p>Further work</p>	<ul style="list-style-type: none"> • <i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i> • <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i> 	<ul style="list-style-type: none"> • Any further sampling of spodumene pegmatite intersection from drill holes from within the Mount Holland Project (including Earl Grey Deposit) undertaken by KDR will be reported in accordance with reporting standards. • Results of analyses of samples outstanding, pending or future will be reported in accordance to the 2012 JORC Code. • This work has been and is part of continued and ongoing work aimed at improving the geological knowledge, mineralogy and geochemistry of the mineralised pegmatite at Earl Grey Deposit, extension of the maiden Mineral Resource (December 2016), and planning of mining operations. • The recent chemical analyses results continue from earlier results released during 2016 exploration campaign for drill holes which were drilled into the pegmatite at Earl Grey (ASX Announcement 15th July 2015, ASX Announcement 2 September 2016, ASX Announcement 21 September 2016, ASX Announcement 03 October 2016, ASX Announcement 10 October 2016, ASX Announcement 28 October 2016 and ASX Announcement 08 November 2016). These results are for assessment of the maiden Mineral Resource pegmatite reported December 2016, for mine planning purposes. Additional announcement subsequent is ASX Announcement 23 March 2017, • Continued project-wide geological review and database consolidation is expected to assist in locating further historically mapped pegmatites and or other pegmatites not previously identified.