



ASX RELEASE

SETTLEMENT OF MT HOLLAND TENEMENT EXEMPTION AND FORFEITURE MATTER

10 December 2018

Kidman Resources Limited today announces that it has executed a deed of settlement with the objectors to the applications for exemption from minimum expenditure obligations on Mt Holland tenements.

All objections to the applications for exemption have been withdrawn and forfeiture applications at Mt Holland will be dismissed.

Kidman has formally requested the Minister for Mines and Petroleum to grant exemption certificates for all tenements that were subject to exemption objections and will lodge dismissal orders with the Perth Mining Warden on all other tenements.

The specific terms of the settlement are confidential and not material to Kidman.

This settlement provides certainty for Kidman and its joint venture partner Sociedad Quimica y Minera de Chile S.A. (**SQM**) and will enable Covalent Lithium to progress the integrated project development unimpeded. Conclusion of these matters will trigger payment of SQM's outstanding milestone payments, being US\$25 million directly to Kidman and US\$60 million directly to the Covalent Lithium joint venture (Kidman share 50%).

Further to the funding term sheet announced on 25 October 2018, Kidman and SQM are continuing to progress discussions on legally binding agreements in relation to the US\$100 million capital expenditure facility. This facility, together with the further outstanding milestone payments by SQM, provides Kidman with sufficient funding in relation to joint venture cash calls through to a final investment decision and the initial stages of construction of the Mt Holland Lithium Project.

Kidman Managing Director and CEO, Martin Donohoe, said: "This settlement resolves this matter completely. With the settlement concluded, funding secured through to final investment decision and our recent lithium hydroxide offtake agreements with Tesla, Inc. and Mitsui & Co. Ltd, we will be able to wholly focus on progressing the development of the Mt Holland Lithium Project, secure further strategic offtake agreements with key global partners and continue our discussions in relation to the provision of debt facilities with prospective lenders."

Kidman Resources Limited

ABN 88 143 526 096

NE Suite, Level 30 | 140 William Street | Melbourne Victoria 3000 | Australia

For more information:

Martin Donohue

Managing Director & CEO

Tel: +61 3 9671 3801

Email: info@kidmanresources.com

Frederick Kotzee

Chief Financial Officer

Tel: +61 3 9671 3801

Email: info@kidmanresources.com

For media:

Olivia Brown

MorrisBrown Communications

Tel: +61 409 524 960

Email: olivia@morris-brown.com.au

Hayley Morris

MorrisBrown Communications

Tel: +61 407 789 018

Email: hayley@morris-brown.com.au

ABOUT KIDMAN RESOURCES

Kidman Resources Limited (ASX:KDR) is developing the world class Mt Holland Lithium Project in a 50:50 joint venture called Covalent Lithium with SQM, the world's largest lithium producer. The Mt Holland Lithium Project comprises a Mine & Concentrator and Refinery and will be a globally significant, low cost, integrated producer of battery-grade lithium hydroxide meeting increased demand from the electric vehicle market.

Kidman Resources Limited

ABN 88 143 526 096

NE Suite, Level 30 | 140 William Street | Melbourne Victoria 3000 | Australia