

22 December 2014

ASX Release

Kidman Resources
Limited
ABN 88 143 526 096

Corporate Details:

ASX Code: KDR

Issued capital:

118.16M ordinary shares

Substantial Shareholders:

Holdex Nominees 11.3m
(9.83%)

Directors:

Non-Executive Chairman:
Garrick Higgins
Managing Director:
Martin Donohue
Non-Executive Director:
Brad Evans

Company Secretaries:

Melanie Leydin
Justin Mouchacca

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KBL legal action update

Kidman Resources Limited (ASX: KDR) advises that, at a directions hearing held on Friday, the legal action initiated by KBL Mining Limited (ASX: KBL) in which it is seeking various declarations and other relief, including that KBL is neither insolvent under the General Security Agreement (GSA) nor in default under the GSA, has been set down for hearing on 8 April 2015.

We note that the final date for repayment of the KBL debt secured by the GSA is 15 March 2015.

Kidman maintains its view that Events of Default have occurred and it is entitled to appoint an investigating accountant to consider the financial affairs of KBL.

As the limited financial information provided earlier by KBL was insufficient to give comfort to Kidman that the KBL debt would be repaid by the due date of 15 March 2015, Kidman sought to use other avenues legitimately open to it to seek the required information.

For cost and time reasons, Kidman's preferred method of determining KBL Mining's financial position is to appoint business recovery accountants Nicols & Brien. KBL denied Nicols & Brien access and instead chose to go to court despite the obvious time constraints faced by court action.

At last Friday's directions hearing, despite requests to have the matter expedited, the Court allocated a hearing date after the March 2015 repayment date. This will mean that Kidman's concerns regarding repayment of the debt will now potentially remain unanswered.

If indeed KBL does pursue the declaratory relief foreshadowed in its claim before the NSW Supreme Court, it must put the affidavit material on which it relies concerning KBL's financial position before the Court by 16 February 2015. Kidman now looks forward to reviewing that material.

For more information please contact;

Investors

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