

**ASX Release** - Monday, 17<sup>th</sup> December, 2012

## **New FLEM conductors identified at Home of Bullion, NT**

Kidman Resources Limited ("Kidman" or the "Company") is pleased to announce the results from the recently completed ground based fixed loop electromagnetic (FLEM) survey at the Home of Bullion (HOB) project located near Barrow Creek, NT.

The FLEM survey has identified a further 3 conductors along strike from the Home of Bullion high-grade poly-metallic deposit. The strongest conductor located to the east of the Southern Lens under shallow cover remains untested.

### **Highlights include;**

- Very strong coincident FLEM conductor (3 & 4) and magnetic high east of Southern Lens under cover
- Large FLEM conductor (7) located 800m along strike from the Main Lode
- Multiple DHEM & FLEM targets to rank and prioritise for drill testing

Kidman Resources Ltd, Executive Director Mr Shane Mele said:

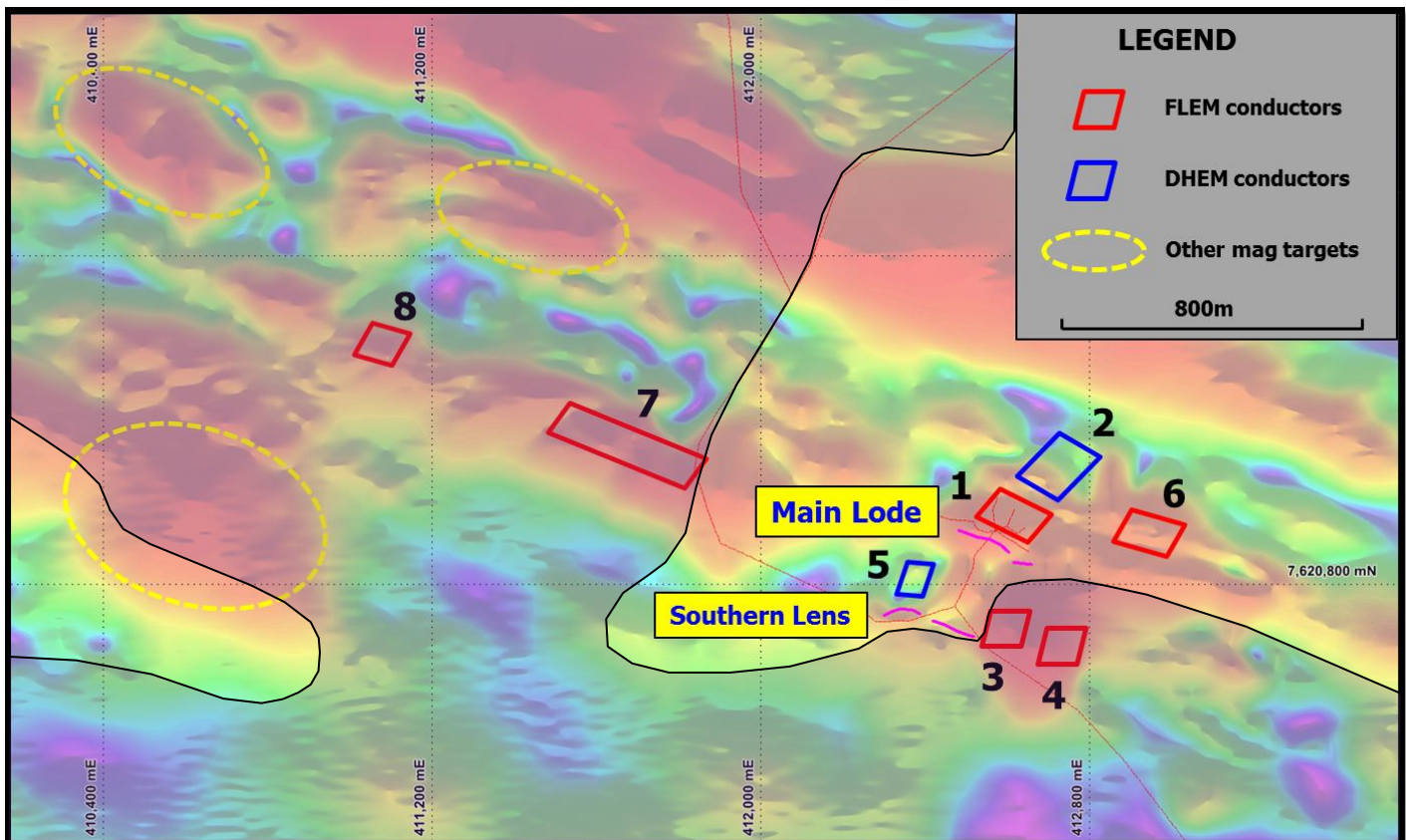
***"We are very excited with the recent FLEM survey results as they confirm strong conductors beneath shallow cover that remain untested and could add significant tonnage to the HOB project. The strongest conductor coincides well with the magnetics anomaly suggesting a magnetite-sulphide association as observed in drillcore on the Main Lode. All targets generated from the DHEM and FLEM surveys will now be ranked and prioritized for a comprehensive drill program early next year".***

The FLEM survey consisted of 5 ground EM loops and was designed to test the 3.6km Home of Bullion magnetic trend for potential extensions of the 2 poly-metallic lenses located at the deposit. Both the FLEM and DHEM data has been modeled utilizing a series of conductor plates that best-fit the EM responses. These modeled conductor plates are shown in figure 1.

Conductor plate 1, identified from the FLEM survey, is a shallow conductor on the Main Lode and correlates well with wider copper mineralized zones observed in the drilling. Conductor plate 2, identified from the DHEM survey, is a strong conductor located on the Main Lode down-plunge of Plate 1. Conductor plates 3 and 4 are the strongest conductors and coincide well with a magnetic high. Both conductors lie under shallow cover immediately along strike from the Southern Lens and will be our priority drill target. Conductor plate 7 has been modeled as a long FLEM that is believed to be deeper target. FLEM anomalies 6 and 8 are weaker conductors which may be a function of depth. Magnetic targets outlined in yellow in figure 1 were not covered in the recent FLEM surveys and will be tested next year.

A systematic exploration program will be designed to thoroughly drill test all EM conductors with further ground based FLEM surveys planned for the remaining magnetic targets located along the 12km HOB corridor. The proposed exploration program will be submitted to the NT Department of Resources in the coming weeks for approval.

**Figure 1.** Home of Bullion – detailed magnetics map with FLEM & DHEM targets (shaded = cover)

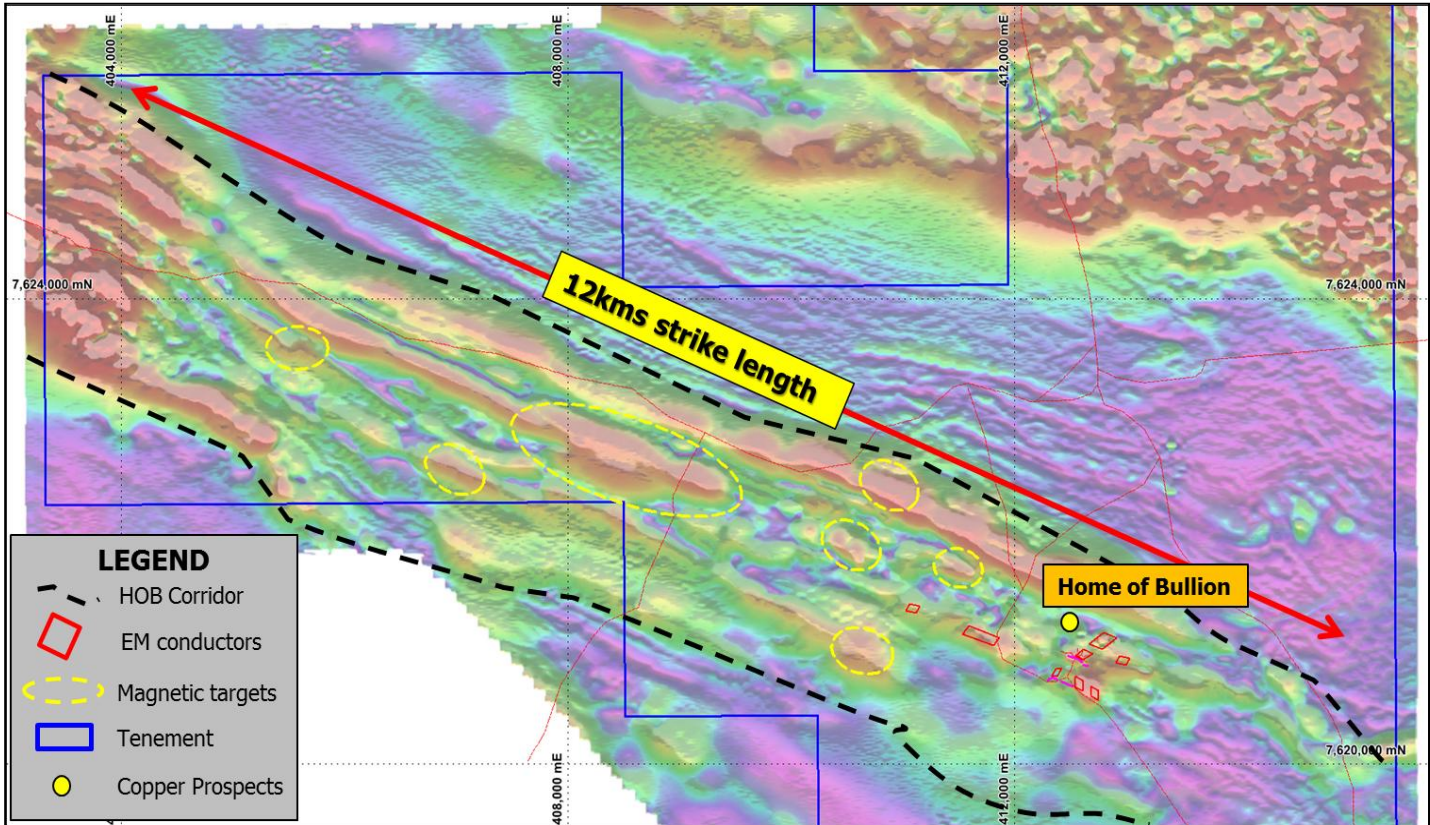


Kidman Resources Ltd acquired 100% of the Home of Bullion copper project in May this year. Home of Bullion is strategically located near the township of Barrow Creek adjacent to significant infrastructure. The Stuart Hwy passes immediately west of the project and the Darwin – Adelaide railway line also passes approximately 10km to the East of the project.

Kidman has since completed two phases of drilling for 5000m to test extensions of previously reported high grade intercepts from the 1950's and mid 2000's. Currently, there are 2 known outcropping areas of copper mineralization, the Main Lode where the majority of the drilling has taken place and the Southern Lens where only preliminary drilling has been completed. Historically, both areas have had some copper production recorded with 8,000 tonnes at 20% copper hand-mined from the Main Lode.

The exploration license covers approximately 137.5 square kilometers and within this area there are up to 12km's of potential strike extensions to the Home of Bullion high grade ore body. Significantly, magnetite was identified in the copper rich ore zone so the company initiated a detailed aeromagnetic survey covering the whole tenement to detect potential extensions to the HOB deposit or HOB look-alikes. The detailed aeromagnetic survey identified a 3.6km magnetic trend coincident with the HOB deposit and numerous other magnetic targets along the 12km HOB corridor. Approximately 75% of this corridor is concealed by shallow cover (see photo 1) and remains untested. Further ground based FLEM will test the remaining magnetic targets in 2013 (see figure 2).

**Figure 2.** Home of Bullion Corridor – 12kms of untested magnetic targets



**Photo 1.** Home of Bullion Corridor - pale yellow outlining shallow cover looking west from HOB.



**Table 1. HOB Drilling Results – Phase 1 and Phase 2 Programs**

Phase 1 - RC Drill Program															
Hole ID	Easting	Northing	Azimuth	Dip	From (m)	To (m)	Interval (m)	Cu %	Ag (g/t)	Pb %	Zn %	Au (g/t)	CuEq %	Target	
HRC001	412500	7620930	199.5	-55	9	16	7	3.75	108.1	1.33	0.84	0.96	6.2	Main Lode	
HRC002	412536	7620935	195.5	-55	24	29	5	1.5	132	3.3	1.8	0.79	4.9	Main Lode	
HRC003	412505	7620938	212.5	-73	36	43	7	2.2	47.6	1.6	3.2	0.1	4.1	Main Lode	
HRC004	412560	7621005	198.5	-52	90	92	2	2.43	82.5	1.12	4.9	0.35	5.2	Main Lode	
HRC005	412562	7621001	187.5	-72	105	111	6	4.3	103.6	2.03	6.96	0.48	8.1	Main Lode	
					including	106	109	3	6.05	61	1.14	6.03	0.58		
HRC006	412539	7621027	208.5	-65	122	123	2	0.02	3.7	0.12	0.25	0.01		Main Lode	
HRC007	412550	7621043	197	-75	NSI	NSI	NSI	NSI	NSI	NSI	NSI	NSI	NSI	Main Lode	
HRC008	412614	7621051	194.5	-65	153	156	3	1.06	28	0.6	2.2	0.1	2.2	Main Lode	
HRC009	412676	7621090	199.5	-60	208	211	3	2.7	45.5	0.45	2.3	0.46	4.2	Main Lode	
HRC010	412694	7621040	193.5	-65	174	179	5	6.5	53	0.63	2.75	0.61	8.4	Main Lode	
					including	175	178	3	9	69.6	0.76	3.6	0.58		
HRC011	412668	7620960	181.5	-75	95	101	6	3.2	94	4.28	15.5	0.29	9.5	Main Lode	
HRC012	412754	7621013	190.5	-65	176	178	2	0.3	12.5	0.46	1.14	0.01	0.9	Main Lode	
					and	181	182	1	0.03	14.5	1.53	1.5	0.01		
HRC013	412725	7620926	193.5	-65	NSI	NSI	NSI	NSI	NSI	NSI	NSI	NSI	NSI	Main Lode	
HRC014	412678	7620882	195.5	-55	50	51	1	0.7	66	1.5	0.2	0.1	1.5	Main Lode	
HRC015	412641	7620898	187.5	-45	NSI	NSI	NSI	NSI	NSI	NSI	NSI	NSI	NSI	Main Lode	
HRC016	412618	7620902	201.5	-55	45	48	8	2.45	124.6	8.7	0.4	0.17	6.4	Main Lode	
HRC017	412591	7620911	201.5	-55	24	29	5	0.58	31.3	1.1	0.43	0.17	2.6	Main Lode	
HRC018	412571	7620935	195.5	-55	40	42	2	0.33	53.3	1.55	0.14	0.57	1.75	Main Lode	
HRC019	412694	7621040	185	-55	158	163	5	4.06	45	1.24	5.37	0.17	6.4	Main Lode	
HRC020	412545	7620937	0	-90	49	53	4	4.7	84.6	1.3	5.1	0.52	7.7	Main Lode	
HRC021	412631	7620984	195	-63	114	117	3	2.2	114.7	2.5	4.6	0.2	6.7	Main Lode	
HRC022	412329	7620718	10.5	-50	74	76	2	0.95	50.5	1.8	1.45	0.01	2.4	Southern Lense	
					including	75	76	1	1.34	74	2.95	1.97	0.01		Southern Lense
HRC024	412482	7620720	195.5	-55	18	25	7	1.78	29.3	0.027	0.03	0.06	2.15	Southern Lense	
					and	25	42	17	0.25						
					and	33	45	12				0.38			
					and	19	29	10		43.8					
HRC025	412488	7620737	195.5	-55	24	25	1	3.2						Southern Lense	
					and	45	49	4	0.47			0.24			
					and	89	90	1	0.35	18	0.16	0.14	0.02		
Phase 2 - Diamond Drill Program															
Hole ID	Easting	Northing	Azimuth	Dip	From (m)	To (m)	Interval (m)	Cu %	Ag (g/t)	Pb %	Zn %	Au (g/t)	CuEq %	Target	
HDD026	7621092	412676	180.0	-75	239.7	241.0	1.3	1.4	15.9	0.24	1.42	0.15	2.1	Main Lode	
HDD029	7621057	412797	204	-75	257.0	258.0	1.0	0.1	0.2	0.03	0.03	0.01	NA	Main Lode	
HDD030	7621189	412732	180	-75	338.4	340.4	2.0	0.1	8	0.38	0.73	0.05	NA	Main Lode	
HDD031	7621134	412805	180	-75	301.6	305.5	3.9	2.6	21.6	0.38	2.5	0.2	3.7	Main Lode	

**For more information please contact :  
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*The information in this release that relates to exploration results and geological interpretation has been compiled by Mr Shane Mele BSc, (Hons) M.Econ.Geol., MAusIMM. Mr Mele is a Member of the Australian Institute of Mining and Metallurgy and he has sufficient experience with the style of mineralisation and types of deposits under consideration, and to the activities undertaken, to qualify as a competent person as defined in the 2004 Edition of the "Australian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (The JORC Code) for reporting the exploration results. Mr Mele consents to the inclusion in this report of the contained technical information in the form and context in which it appear*

Information regarding drilling/assaying data

1. Drilling was completed using a RC face sampling hammer or HQ/NQ diamond core.
2. Sample recoveries were considered adequate for all samples.
3. Drillcore has been, or is still to be, logged in detail based on lithology, mineralisation, and alteration.
4. Samples for analysis were collected by cone splitter sampling, hand spearing or by sawing core in half.
5. Samples were submitted as 4m composite chip samples, 1m chip samples or 1m half-core intervals unless a geological contact was used.
6. Samples were analysed at ALS Chemex utilising methods: Au-AA26 for Au (fire assay); ME-ICP41 for multi-element including Ag, Cu, Pb, Zn; Ag-OG46 for >100 g/t Ag; Cu-OG46 for >1% Cu; Pb-OG46 for >1% Pb; and Zn-OG46 for >1% Zn.
7. Drillhole collars were surveyed by handheld GPS and will be surveyed in using a DGPS
8. Downhole surveys were conducted using a single-shot reflex camera.

\*Copper Equivalent Calculation Explanation:

The copper equivalent (CuEq) calculation represents the total metal value for each metal, multiplied by the conversion factor, summed and expressed in equivalent copper percentage. These results are exploration results only and no allowance is made for recovery losses that may occur should mining eventually result, nor metallurgical flowsheet considerations. The copper equivalent calculation is intended as an indicative value only. Copper equivalent conversion factors and long-term price assumptions used follow: Copper Equivalent Formula  $(CuEq) = Cu\% + Ag(ppm) \times 0.012 + Au(ppm) \times 0.625 + Pb\%/Cu + Zn\%/Cu$ ; Price Assumptions- Cu (US\$7,500/t), Ag (US\$30/oz), Au (US\$1,500/oz), Pb (US\$1,900/t), Zn(US\$1,900/t).

**Monday, December 17, 2012**

**Kidman Resources Limited (ASX: KDR) is an Australian listed company focused on the exploration and development of its Base Metal and Rare Earths discoveries in New South Wales and the Northern Territory.**

**ASX Codes:**

**KDR** – Ordinary Shares

**KDRO** – Listed Options

**Market Cap:**

\$16m @ \$0.19 per share (14/12/2012)

**Projects:**

Home of Bullion (100%) –Copper / Silver/ Lead/ Zinc/ Gold – Barrow Creek, NT

Crowl Creek (100%) – Copper/Silver/Gold /Lead/Zinc – Lachlan Fold Belt, Central NSW

Hale River (100%) – Rare Earths – Alice Springs NT

**Investment Highlights:**

- 2 Drill Phases completed at Home of Bullion – multiple high grade intercepts since acquisition in May2012
- Strong untested DHEM and FLEM targets identified at Home of Bullion
- Acquired 100% Oz Minerals tenements in NSW – strong foothold in highly productive Cobar Belt

**Issued Capital:**

84,405,328,ordinary shares

25,598,752 listed options (20c Nov 2013)

**Directors:**

Garrick Higgins – Non Exec Chairman

Shane Mele – Executive Director

Andrew McIlwain- Non Exec Director

**Company Secretaries:**

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