

1 August 2014

ASX Release

Kidman Resources Limited

ABN 88 143 526 096

Corporate Details:

ASX Code: KDR

Issued capital:

114.98M ordinary shares

Substantial Shareholders:

Holdex Nominees 11.3M (9.82%)

Directors:

Non-Executive Chairman:

Garrick Higgins

Executive Director:

Martin Donohue

Non-Executive Director:

Andrew McIlwain

Company Secretaries:

Melanie Leydin

Justin Mouchacca

Cash at bank –30 June 2014

\$2.94M

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Further positive results at Browns Reef

- **BRD003** returns numerous mineralised zones from 196m -297m downhole as follows:
 - **12m @ 2.23% Zn, 0.80% Pb, 0.55% Cu and 16 g/t Ag from 285m including**
 - 2m @ 5.93% Zn, 2.18% Pb, 1.92% Cu and 54.4 g/t Ag**
 - 19m @ 1.82% Zn, 0.62% Pb, 0.33% Cu and 12.7 g/t Ag from 240m**
 - 7m @ 1.41% Zn, 0.36% Pb, 0.16% Cu and 3.9 g/t Ag from 196m**
 - 1m @ 5.31% Zn, 1.46% Pb, 0.38% Cu and 28.2 g/t Ag from 230m**
- **BRD004 and BRD005** extend strike continuity a further 350m south of previous drilling in primary zone
 - 2.4m @ 5.07% Zn , 1.00 % Pb, 3.7 g/t Ag from 535m (BRD004)**
 - 3.7m @ 5.80% Zn, 3.19% Pb, 0.75% Cu 35 g/t Ag from 417.3m (BRD005)**
- **BRD006** drilled approx. 1.2km to north of previous drilling intersects target horizon in oxide with follow up holes now planned down dip to test primary ore zone
- **Analysis of drill core confirms view Browns Reef is a Cobar style deposit located on edge of basin with no sign of igneous involvement and mineralisation in late stage veins.**
- **Drilling remains ongoing and will now test down dip >450mbs for higher grade zones as per the Cobar deposit model**

Kidman Resources Limited (ASX: KDR, "the Company" or "Kidman") is pleased to announce the results for drill holes BRD003 to BRD006 inclusive from the company's diamond drilling program which is ongoing at the Browns Reef project located in the southern region of the world class Cobar basin of central NSW.

Martin Donohue, Executive Director said ***"The Cobar deposit model has been well documented by numerous companies who have been successful in this exploration area. However, it's the strike extent at Browns Reef that highlights the potential of this project even by Cobar standards. Our first six "shallow" drill holes at Browns Reef were designed to provide valuable information about the geology of the zone at minimal cost and to guide our technical team towards potential higher grade massive sulphide zones at depth for which Cobar deposits are renowned. According to the model, these generally don't appear until approximately 400-450m or more below surface and this area is now part of our focus moving forward. As a result of the positive geological information gleaned from these initial holes the company sought approval and was subsequently granted clearance for additional drill holes to extend the current drill program. This information has assisted greatly in targeting dilation zones and gaining an understanding of the geometry of the ore zone. As a result we now eagerly await assay results from the next batch of drill holes"***

The majority of drilling to date has been focussed on an area approximately 600m wide and to a depth of only 350m. Historic sparse drilling along strike in both directions is only down to the top 100-150m (mainly Oxide) and had identified **continuous base and precious metal mineralisation over a 6km strike length that remains open to the north and south.**

Now that the company has received approval for further drilling from NSW Trade & Investment / Mineral Resources, the program has been extended. Planned future holes have been designed to test down dip and also along strike.

The true widths vary along the currently known mineralised envelope between 2m to 60m and average approximately 25m in the drilling to date. It is the width of this mineralised zone and the strike extent near surface that highlights the potential for significant tonnage. These current holes are interpreted as being between 40-75% of their true width.

Drill hole **BDR003** was drilled on the northern edge of the main zone which remains open and this hole combined with the previously reported holes has given the technical team valuable information with regards to designing the follow up drill holes. The hole intersected numerous zones of mineralisation from between 196m and 297m downhole with some signs of narrower massive sulphide mineralisation.

Drill hole **BRD004** was drilled approximately 125 meters to the south of previous drilling and extends the strike extent in the primary ore zone although the mineralisation was narrower. This hole intercepted 2.4m @ 5.07% Zn, 1.00% Pb and 3.7 g/t Ag from 535m. Further drill holes are now planned in this area to target thicker zones of mineralisation potentially down dip.

Drill hole **BRD005** was drilled approximately 300m south along strike into the primary zone and intersected 3.7m @ 5.80% Zn, 3.19% Pb, 0.75% Cu and 35 g/t Ag from 417.3m. The aim of this hole was to test the continuity of the mineralised zone with an historic hole a further 400m south that intersected ore grade mineralisation in the primary zone and therefore increase the overall strike to over 1km. Further follow up holes are now planned in this area.

Drill hole **BRD006** was the fourth completed hole and was an exploratory step out hole approximately 1.2km to the north designed to target the Browns Reef trend along strike near a geophysical gravity high. The drill hole intersected the target horizon in the oxide zone where base metals are depleted but confirm the structure is present. Now that our technical team have this information in terms of location of the structure along strike (and under cover) follow up drilling down dip testing the primary zone is planned for the current program. The drill hole intercepted 35m@ 0.13% Zn, 0.26% Pb, and 3g/t Ag from 48m.

To the north of the main area of drilling there remains several untested geophysical targets (Gravity Highs) (Refer Figure 2.0). One particular anomaly is located just several hundred meters from BRD003 but is currently covered by a wheat crop.

The company has now completed the initial six diamond drill holes program, and with approval granted by NSW Department for additional drill holes the drilling now remains ongoing with the company currently well advanced on its seventh hole BRD007 which has been designed to test down dip of the main zone. This hole has been designed to intercept the ore zone approximately 450m below surface.

Figure 1.0 Browns Reef Longitudinal Section

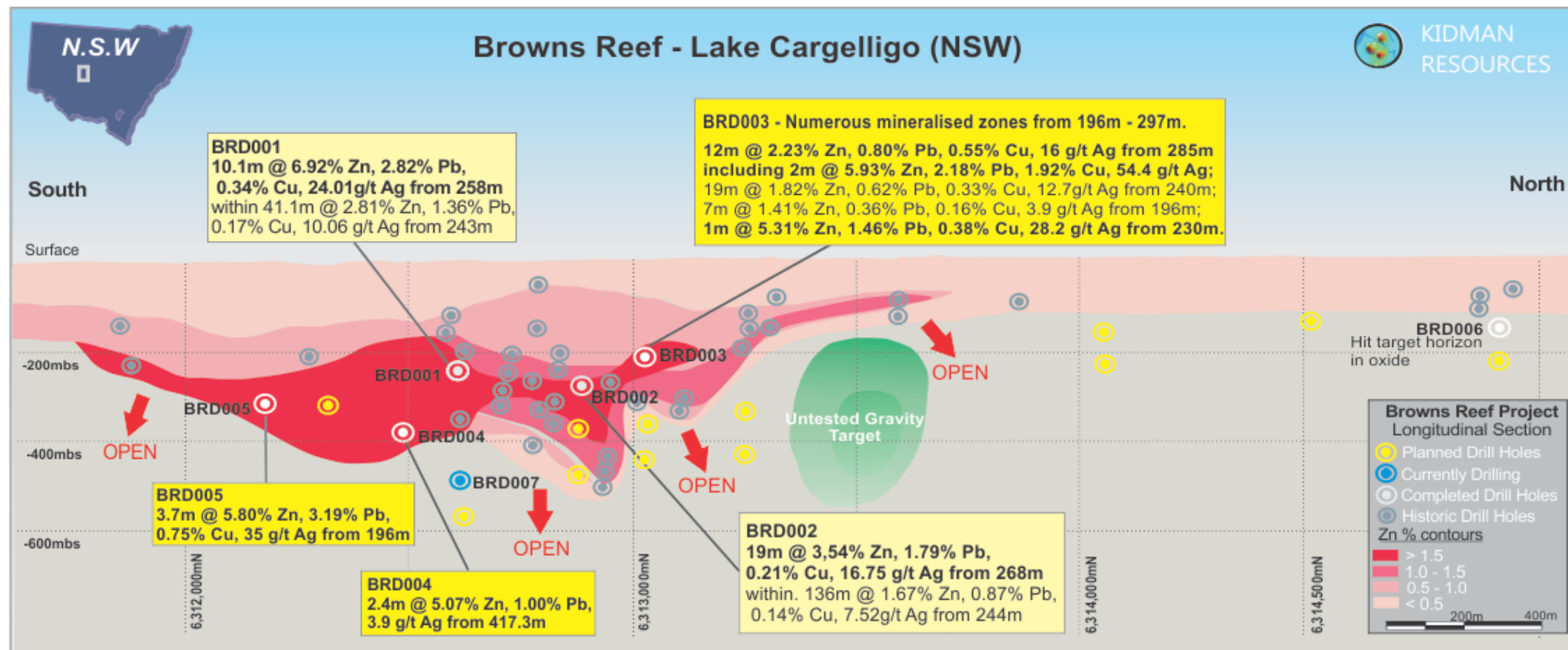
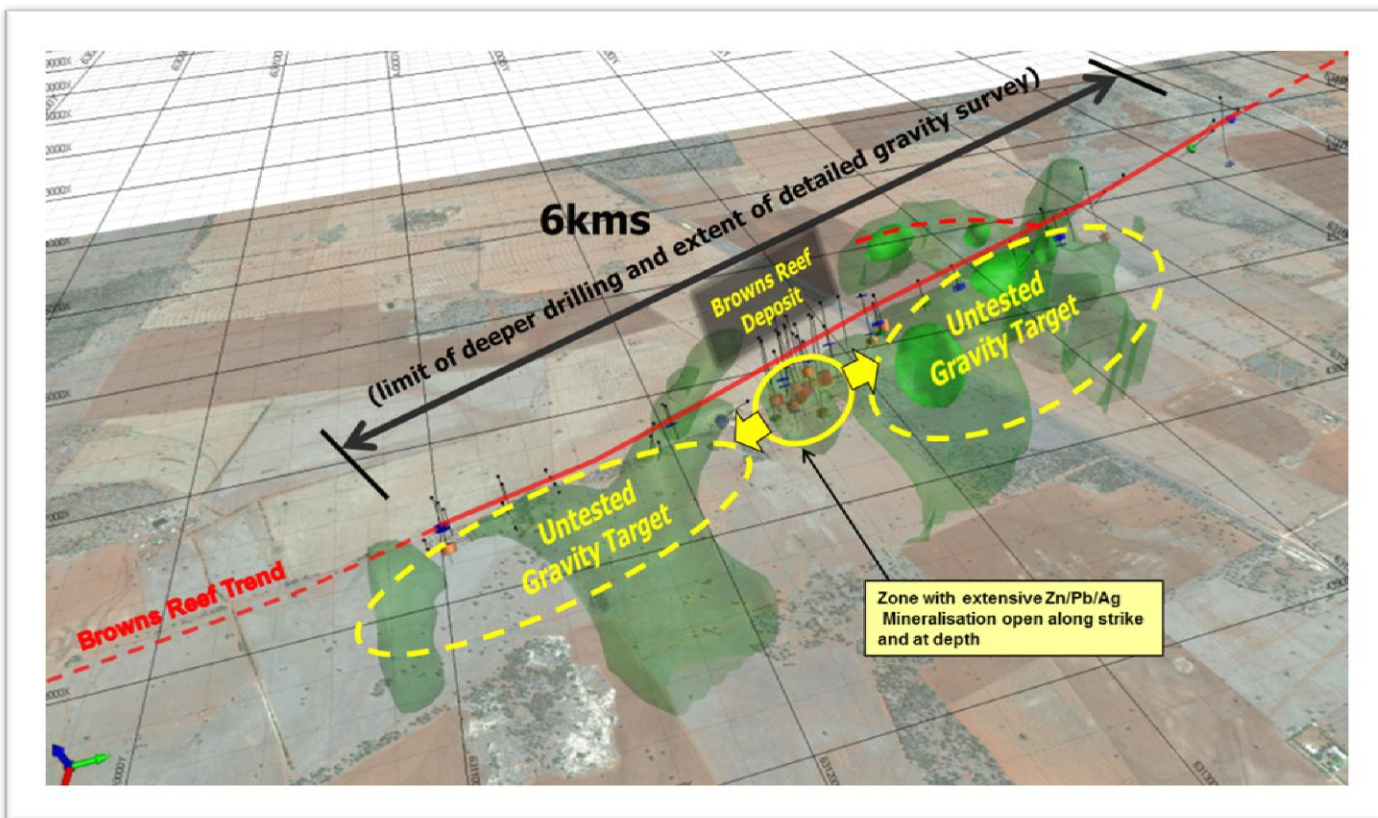


Figure 2.0. Browns Reef trend showing 3d Gravity and strike extent



Company Background

Kidman Resources Ltd is an Australian exploration company focused on base and precious metals. The company has a strong focus on regions and projects that show potential for high grade ore deposits that may be developed into high margin mining operations.

Its flagship assets are the 100% owned Home of Bullion Copper project located near Barrow Creek in the Northern Territory of Australia and the Browns Reef base metal project located near Lake Cargelligo in NSW. Both projects are close to significant infrastructure.

Kidman also holds a portfolio of highly prospective projects in central New South Wales.

For more information please contact;

Martin Donohue (Executive Director)

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Competent Persons Statement

The information in this release that relates to exploration results and geological interpretation has been compiled by Mr. Michael Green BSc (Hons), MAusIMM, an employee of the Company. Mr. Green 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 2012 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. Green consents to the inclusion in this report of the contained technical information in the form and context in which it appear.

Annexure 1:

Hole ID	Site Subtype	Easting	Northing	RL	Grid	Hole Depth	Exploration Company	Azi (°)	Incl. (°)
BRD001	DD	437,425	6,312,570	177.7	GDA94_55S	323.25	KDR	257.1	-55
BRD002	DD	437,368	6,312,475	179.43	GDA94_55S	436.3	KDR	245.8	-54.8
BRD003	DD	437,300	6,312,929	177	GDA94_55S	330.9	KDR	246.9	-55
BRD004	DD	437,532	6,312,475	178.5	GDA94_55S	587.7	KDR	245.5	-60
BRD005	DD	437,601	6,312,177	174	GDA94_55S	465.7	KDR	247.4	-55
BRD006	DD	436,487	6,314,327	190.61	GDA94_55S	277.55	KDR	064	-55

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 (e.g. submarine nodules) may warrant disclosure of detailed information 	<p>The Browns Reef project was sampled using both Reverse Circulation (RC), Auger/Rotary Air Blast (RAB) and diamond drilling techniques. 54 drill holes have been completed on nominal spacing around the main mineralised zone and along strike. A total of 14,492.22 has been drilled. Holes have been angled to optimally test the mineralised zones and modelled geologically boundaries. Generally, most drill holes have been angled towards the ENE. The current drill programme undertaken by Kidman Resources has 5 holes drilling towards the west, constraints on collar positions due to poor ground conditions on highly cultivated agricultural land have driven this decision.</p> <p>Registered Land, Mining, Engineering & G.P.S Surveyors, Langford & Rowe, were employed to perform surveys on Comet drill hole collars, locate historical drill hole collars and selected cultural features. A Real Time Kinematic (RTK) Global Positioning System (GPS) was used, incorporating a GX1230 Leica GPS Geodetic RTK Receiver. The current drill programme utilises Handheld Garmin GPS to locate collar positions to an accuracy of ±1.5m. These holes will be resurveyed to a greater accuracy at the completion of the drill programme</p> <p>RC drill sampling was initially performed by spearing sample bags to form a composite sample over either a four or five metre interval. Diamond core was transported from the drill site to the core yard and geologically logged before any sampling. After logging, the geologist marked intervals of interest for subsequent sampling. Sample intervals were nominally 1m, but may have been constrained by logged lithological, mineralisation or alteration boundaries. The cutting line for core was marked perpendicular to the bedding plane and the core split lengthways using a diamond core saw. Samples were despatched to the primary assay laboratory as either half-core or quarter-core depending on metallurgical or the final assay requirements. Duplicate samples comprise ¼ core intervals in both routine and duplicate samples (comparable sample support) and were taken at a rate of approximately 5%.</p> <p>Kidman Resources has employed the services of ALS Orange for all assaying in the current Diamond Drill programme. The procedure utilised by ALS includes:</p> <ul style="list-style-type: none"> • Sort all samples and note any discrepancies to the client submitted paperwork. Record a received weight (WEI-21) for each sample. Separate out any samples for SG analysis onto a separate trolley to ensure they are not crushed. • Dry samples at 95 degrees until dry. • Perform non wax dipped SG analysis (OA-GRA08) on requested samples and return these to the drying oven once completed. • Crush samples to 6mm nominal (CRU-21) split any samples >3.2Kg using riffle splitter (SPL- 21). • Generate duplicates for nominated samples, assigning D suffix to the sample. • Pulverise samples in LM5 pulveriser until grind size passes 85% passing 75um (PUL-23). Check grind size on 1:20 using wet screen method (PUL-QC). • Take ~400g working master pulp for 50g fire assay, AAS finish (Au-AA26) and 0.5g aqua regia digest, ICP-AES finish base metals analysis (ME-ICP41). Any samples > upper limit of MEICP41 to be re-assayed by 0.35g ore-grade aqua regia digestion, ICP-AES finish analysis (MEOG46).

		<ul style="list-style-type: none"> • Samples were assayed for gold to 0.01ppm and the full 35 element suite, as below. Detection limits are in ppm unless otherwise noted. All preparation and assays were performed at ALS Orange. <p>Comet Resources undertook the following during their drilling programmes and also during the review of historical data.</p> <p>The primary laboratory for all assaying was SGS Laboratories, with samples being submitted to SGS West Wyalong (SGSWY) for sample preparation. The procedure followed by SGSWY includes:</p> <ul style="list-style-type: none"> • sort and record the samples that are received; • load all samples including standards onto the drying rack and place in the drying oven set at 105 degrees Celsius for eight hours; • crush sample using a nugget crusher to 25mm; • pulverise entire sample in LM5 mill (residence time 8-10 minutes); • take 400 gram pulp sample for fire assay; and • take 1 teaspoon of each sample including Comet Resources Standards and place into a smaller pulp packet to be sent for base-metal analysis. <p>Samples were routinely analysed for:</p> <ul style="list-style-type: none"> • Au using 50gm fire assay technique with an AAS finish and detection limit of 1ppb (FAE505 - SGSWY); and • Ag, Cu, Pb, Zn ± As using a multi-acid digest (perchloric, hydrochloric, nitric and hydrofluoric acid) with an AAS finish (AAS42S; 0.4gm charge - SGS Perth). Samples with concentrations above the upper level of detection were re-analysed using an ore grade analysis (AAS43B; 0.25gm charge - SGS Perth) <p>Comet Resources sent routine samples initially for base-metal analysis at SGS Cobar, which employed a three acid digest (perchloric, hydrochloric, nitric) with an AAS finish (AAS22S). Comet's QAQC monitoring highlighted problems with early SGS Cobar analytical processing and as a consequence, all samples were re-analysed and SGS Perth appointed as the primary laboratory for ongoing routine base-metal analyses.</p> <p>Sampling and assaying quality was monitored by Comet during the course of drilling campaigns, not retrospectively and includes:</p> <p>Comet Resources collated and reviewed all QAQC drill data collected during Browns Reef deposit drilling and subsequent historical drill core processing. The QAQC data was exported from the Browns Reef Drill database and reviewed using statistical analysis and quality control software. Kidman Resources subsequently undertook the same process during the transition to operator of the Browns Reef prospect.</p>
Drilling techniques	<ul style="list-style-type: none"> • <i>Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. 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.).</i> 	<p>Auger/RAB, Reverse Circulation and Diamond drilling accounts for 100% of the historic drilling at Browns Reef. Hole depths range from 8m to 587.6 m.</p>
Drill sample recovery	<ul style="list-style-type: none"> • <i>Method of recording and assessing core and chip sample recoveries and results assessed.</i> • <i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i> • <i>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.</i> 	<p>Diamond core and RC recoveries are logged and recorded in the database. Overall recoveries are >95% for Browns Reef. Diamond core was reconstructed into continuous runs on an angle iron cradle for orientation marking. Depths are checked against the depth given on the core blocks and rod counts are routinely carried out by the drillers.</p> <p>RC samples were visually checked for recovery, moisture and contamination. RC drill sampling was initially performed by spearing sample bags to form a composite sample over either a four or five metre interval. Re-sampling on 1m intervals was performed if any significant mineralisation was recorded in composite samples. Mineralisation at Browns Reef is defined by RC and Diamond drilling, sample recoveries at these sites was greater than 95%, as such no sample bias issues are believed to exist.</p>

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. 	<p>Information on structure type, dip, dip direction, alpha angle, beta angle, texture, shape, roughness and fill material is stored in the structure table of the database. All drill holes were logged in full, apart from rock roller diamond hole pre-collar intervals of between 0m to 60 m.</p> <p>RC samples were logged on a one metre basis. Both the dry sample and washed, sieved chips were logged. A small sample of washed and sieved chips from each metre drilled was stored in labelled plastic chip trays. Diamond core was logged over varying intervals, dependent on observed changes for the variable under investigation (e.g. lithology, alteration etc.). The geological logs were carefully compiled with appropriate attention to detail, geologists being equipped with a set of Browns Reef standard logging codes. Kidman Resources utilises Field Marshall as its logging interface, with data recorded on multiple table files, these include geology, alteration, mineralisation, structure, orientation, fracture frequency, veining and recovery.</p> <p>During the Comet Resources tenure, Drilling was logged on a series of Microsoft Excel spreadsheet templates, with individual sheets for lithology, alteration structure, mineralisation and veining.</p>
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> • If core, whether cut or sawn and whether quarter, half or all core taken. • If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry. • For all sample types, the nature, quality and appropriateness of the sample preparation technique. • Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. • 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. • Whether sample sizes are appropriate to the grain size of the material being sampled. 	<p>Sample intervals were nominally 1m, but may be constrained by logged lithological, mineralisation or alteration boundaries. Samples were despatched to the primary assay laboratory as either half-core or quarter-core depending on metallurgical or the final assay requirements. Duplicate samples comprise ¼ core intervals in both routine and duplicate samples (comparable sample support) and were taken at a rate of approximately 5%.</p> <p>The procedure followed by SGSWY includes:</p> <ul style="list-style-type: none"> • sort and record the samples that are received; • load all samples including standards onto the drying rack and place in the drying oven set at 105 degrees Celsius for eight hours; • crush sample using a nugget crusher to 25mm; • pulverise entire sample in LM5 mill (residence time 8-10 minutes); • take 400 gram pulp sample for fire assay; and • take 1 teaspoon of each sample including Comet Resources Standards and place into a smaller pulp packet to be sent for base-metal analysis. <p>Kidman Resources has employed the services of ALS Orange for all assaying in the current Diamond Drill programme. The procedure utilised by ALS includes:</p> <ul style="list-style-type: none"> • Sort all samples and note any discrepancies to the client submitted paperwork. Record a received weight (WEI-21) for each sample. Separate out any samples for SG analysis onto a separate trolley to ensure they are not crushed. • Dry samples at 95 degrees until dry. • Perform non wax dipped SG analysis (OA-GRA08) on requested samples and return these to the drying oven once completed. • Crush samples to 6mm nominal (CRU-21) split any samples >3.2Kg using riffle splitter (SPL- 21). • Generate duplicates for nominated samples, assigning D suffix to the sample. • Pulverise samples in LM5 pulveriser until grind size passes 85% passing 75um (PUL-23). Check grind size on 1:20 using wet screen method (PUL-QC). • Take ~400g working master pulp for 50g fire assay, AAS finish (Au-AA26) and 0.5g aqua regia digest, ICP-AES finish base metals analysis (ME-ICP41). Any samples > upper limit of MEICP41 to be re-assayed by 0.35g ore-grade aqua regia digestion, ICP-AES finish analysis (MEOG46). • Samples were assayed for gold to 0.01ppm and the full 35 element suite, as below. Detection limits are in ppm unless otherwise noted. All preparation and assays were performed at ALS Orange.
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> • The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. • 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. • Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established. 	<p>Comet Resources routinely analysed samples for:</p> <ul style="list-style-type: none"> • Au using 50gm fire assay technique with an AAS finish and detection limit of 1ppb (FAE505 - SGSWY); and • Ag, Cu, Pb, Zn ± As using a multi-acid digest (perchloric, hydrochloric, nitric and hydrofluoric acid) with an AAS finish (AAS42S; 0.4gm charge - SGS Perth). Samples with concentrations above the upper level of detection were re-analysed using an ore grade analysis (AAS43B; 0.25gm charge - SGS Perth). <p>Routine samples were initially sent for base-metal analysis at SGS Cobar, which employed a three acid digest (perchloric, hydrochloric, nitric) with an AAS finish (AAS22S). Comet's QAQC monitoring highlighted problems with early SGS Cobar analytical processing and as a consequence, all samples were re-analysed and SGS Perth appointed as the primary laboratory for ongoing routine base-metal</p>

		<p>analyses.</p> <p>Sampling and assaying quality is monitored by Comet during the course of drilling campaigns, not retrospectively and includes:</p> <ul style="list-style-type: none"> • Assay Accuracy: comparative analysis of Comet standard reference materials (blind standards) and internal SGS reference standards against certified values; • Assay Precision: comparative analysis of pulp repeat sample pairs and inter-laboratory assays on sample pulps; • Sampling Quality: <ul style="list-style-type: none"> - sample pulp sizing data performed using wet sieving (Primary and Check Laboratory); - Comparison of field duplicate ¼ core samples.
Verification of sampling and assaying	<ul style="list-style-type: none"> • The verification of significant intersections by either independent or alternative company personnel. • The use of twinned holes. • Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. • Discuss any adjustment to assay data. 	<p>The Technical Team of Kidman has visually verified significant intersections in diamond core from Browns Reef located at the NSW Core Facility at Londonderry. Primary data was collected for the Browns Reef project using Microsoft excel spreadsheet templates. This data has been reviewed within the Kidman Resources database. All future work will be collected on a set of standard Field Marshall templates on Toughbook laptop computers using lookup codes. The information will then be sent to Geobase for validation and compilation into an SQL database server.</p>
Location of data points	<p>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.</p>	<p>Registered Land, Mining, Engineering & G.P.S Surveyors, Langford & Rowe, were employed to perform surveys on Comet drill hole collars, locate historical drill hole collars and selected cultural features. A Real Time Kinematic (RTK) Global Positioning System (GPS) was used, incorporating a GX1230 Leica GPS Geodetic RTK Receiver. The system has a stated accuracy of:</p> <ul style="list-style-type: none"> • 20mm + 2ppm (2mm error for every 1km) accuracy in position; and • 2 X accuracy in position for Height. <p>All coordinates were presented using the MGA94 (Zone 55) datum and height data was referenced to the 1971 Australian Height Datum (AHD). Local control for the survey was provided by survey datum PM77536 (440085.071mE 6314925.741mN 166.424m).</p> <p>Based on the survey pick-ups performed, a Browns Reef Local Grid to MGA94 grid transform was performed using control points.</p>
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. 	<p>The nominal drill hole spacing is 60 m by 100 m in the core of the Browns Reef Project. The mineralised domains for Browns Reef have demonstrated sufficient continuity in both geological and grade observations to support future definition of Mineral Resources and Reserves, and the classifications applied under the 2012 JORC Code. Samples have been composited to one metre lengths for the Browns Reef and adjusted where necessary to ensure that no residual sample lengths have been excluded (best fit).</p>
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. 	<p>The Browns Reef prospect is drilled towards grid ENE and WSW at angles varying from 65-85° and 250-265° to intersect the mineralised zones at a close to perpendicular relationship for the bulk of the prospect. The majority of holes are drilled at dip angles of 55-80 degrees</p> <p>The Browns Reef prospect is drilled ENE and WSW, which is close to perpendicular to the orientation of the mineralised trend; the intersection angles for the bulk of the drilling are nearly perpendicular to the mineralised domains.</p> <p>Structural logging based on oriented core indicates that main sulphide controls are largely perpendicular to drill direction. No orientation based sampling bias has been identified at Browns Reef in the data at this point.</p>
Sample security	<ul style="list-style-type: none"> • The measures taken to ensure sample security. 	<p>Chain of custody is managed by Kidman. Samples for Browns Reef are stored at the Londonderry Core facility and on site. Historically core and samples were delivered by personnel to the sample preparation lab and assay laboratory by courier service, Tracking sheets have been set up to track the progress of batches of samples.</p>
Audits or reviews	<ul style="list-style-type: none"> • The results of any audits or reviews of sampling techniques and data 	<p>A further internal review of the sampling techniques and data is being conducted by Kidman as part of due diligence and continual review of protocols occurs as a matter of course for all exploration activities undertaken by Kidman Resources</p>

Section 2 Reporting of Exploration Results

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. 	Browns Reef project is wholly located in Exploration Licence EL6321. The Tenement is held by Crowl Creek Exploration Pty Ltd, which is a 100% owned subsidiary of Kidman Resources Ltd. The tenement is in good standing and no known impediments exist.
Exploration done by other parties	<ul style="list-style-type: none"> • Acknowledgment and appraisal of exploration by other parties. 	<p>EL96 1966-1968 Wood, A. J.</p> <p>EL632 PLs Sep 1973-1977 Jennings Industries Limited</p> <p>EL1027 Sep 1977-1979 Electrolytic Zinc (EZ) Company of Australasia Limited</p> <p>EL1030 Jan 1977-1981 EZ</p> <p>EL921 Sep 1976-1978 Shell Minerals Exploration Australia Pty Limited</p> <p>EL1020 Sep 1977-1978 Australian Industrial Refractories Limited</p> <p>EL1337 Mar 1980-1984 EZ</p> <p>EL1902 Jun 1981-1986 Australian Industrial Refractories Limited</p> <p>EL2833 Mar 1987-1989 Costain Australia Limited</p> <p>EL4263 May 1992-May 1994 Dominion Gold Operations Pty Limited</p> <p>EL4817 Mar 1995-1997 Telminex NL</p> <p>EL5374 1999 Nov 2003 Bella Montagna, Jennings/EZ/ESSO JV completed some very comprehensive soil sampling, mapping and drilling programmes at the Browns Reef Project.</p> <p>EL6321 Nov 2004 – Mar 2014</p>
Geology	<ul style="list-style-type: none"> • Deposit type, geological setting and style of mineralisation. 	<p>The Browns Reef deposit is hosted within the steeply dipping, Late Silurian Preston Formation (previously Preston Beds). The Preston Formation comprises medium to coarse grained inter-bedded, volcanoclastic and fossiliferous clastic sediments. The rocks of the Preston Formation represent a shallow marine sub-storm wavebase (fluvial) environment with minor silicic to intermediate volcanism. Common mild anaerobic to dysaerobic conditions are inferred from the presence of pyritic black or grey shales.</p> <p>Previous explorers (Jennings Industries Limited (Jennings) / Electrolytic Zinc Company of Australasia Limited (EZ) / ESSO Exploration & Production Australia (ESSO)) subdivided the Preston Formation into several units (A to S), which were grouped into the Upper (Units A to I), Middle (Units J to L) and Lower (Units M to S) Preston Beds.</p> <p>Mineralisation at Browns Reef is predominantly hosted in the Lower Preston Formation within units N to R. The overlying Unit M consists of poorly bedded black shale to siltstone, which is thought to have acted as an impervious cap to the mineralisation. The underlying Unit S constitutes the basal unit of the Preston Formation and is dominated by coarse conglomerates which unconformably overly the Crossley's Tank Formation.</p>

Drill hole 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"> o easting and northing of the drill hole collar o elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar o dip and azimuth of the hole o down hole length and interception depth o 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. 	Refer to Annexure 1 in body of text.
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. 	<p>High grade massive sulphide intervals internal to broader zones of sulphide mineralisation are reported as included or within intervals.</p> <p>Maximum internal dilution is 2m within a reported interval. In BRD002 one interval of 5m of less than 0.5% Zn occurred, this interval was only reported in the larger interval for the hole, it was not included in the high grade zone from 268m. The zone was included in the broad zone as the prospective stratigraphy was intersected throughout the interval, and visual inspection of the core showed mineralisation that was not sampled due to sampling practice.</p> <p>No grade top cut off has been applied.</p> <p>No metal equivalent is used or applied.</p> <p>A minimum cut-off grade of 0.5% Zn is applied to the reported intervals</p>
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'). 	The Browns Reef prospect is composed of one continuous lode dipping steeply towards the west at 75-85 degrees; drill holes are perpendicular to the North South striking mineralised zone. The holes are inclined making the intercepts approximately 30-70% of true width depending on which side of the lode the drill holes are drilled from.
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. 	Refer to Figures in body of text.
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. 	All results are reported.
Other substantive exploration data	<ul style="list-style-type: none"> • 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. 	Multi element assaying is conducted routinely on all samples for a suite of potentially deleterious elements.