8th September, 2015

ASX Release

Kidman Resources Limited
ABN 88 143 526 096

Contact Details:

Kidman Resources Limited
Suite 3, Level 4
12 - 20 Flinders Lane
Melbourne
Victoria 3000
Australia

Tel: +61 (0)3 9671 3801
Fax: +61 (0)3 9671 3523

Email:
info@kidmanresources.com.au

Website:
www.kidmanresources.com.au

Open pit production starts at Burbanks gold project, WA

AISC cost of A$875/oz from starter pit; Processing of underground ore now underway

Kidman Resources (ASX: KDR) is pleased to advise that planning approval has been received for open pit production at its Burbanks gold project near Coolgardie in WA, with mining to commence immediately. The open pit will supplement current underground production and provide the Company with strong cashflow as it continues to grow its gold inventory.

Based on the recently completed open pit optimisation study Kidman expects to produce 4552oz at 4.32 gpt from the starter open pit at Burbanks during the December quarter. Approximately 80% of these ounces are Probable Ore Reserves with the balance in the Inferred category. The inferred component has less certainty that the production target itself will be realised. C1 costs are forecast to be A$798/oz and all-in sustaining costs are forecast to be A$875/oz providing a robust margin at the current Australian dollar gold price.

At the same time, Kidman is continuing to produce ore from the Burbanks underground mine. Milling of this underground ore has now commenced and Kidman's maiden gold pour is imminent. Ore from the newly approved open pit will be processed over the coming December quarter in conjunction with underground ore and from early 2016 all ore processed will be sourced exclusively from underground.

Resource drilling has now moved underground to the 1280 level to grow the Mineral inventory. This will underpin a mine plan, including production and cost forecasts for the underground mine.

Kidman recently announced an initial combined Indicated and Inferred Mineral Resource of 99,000oz at 5.6gpt (refer ASX release 25th August). It has since released additional strong drilling results from outside the Resource and has just started a 7500m diamond drilling

program as part of its strategy to meet its Exploration target of an additional 80,000-120,000oz (625,000-650,000 tonnes at 4-6gpt). The potential quantity and grade of the Exploration Target is conceptual in nature and at this stage there is insufficient data to include this target within the defined Mineral Resource. It is uncertain if further exploration will result in the determination of an addition to the Mineral Resource of Burbanks.

Kidman Managing Director Martin Donohue said the start of production at Burbanks marked a key milestone in the Company's strategy to become an Australian gold producer.

"This is an important event both because it means Kidman is generating cashflow and it shows that we are delivering on the undertakings we have given to the market since acquiring the project in April this year," Mr Donohue said.

"While the open pit program is relatively small at 4552oz, it supplements the current underground production and the additional free cashflow it will generate next quarter is substantial for Kidman as it transitions into full production"

"This cashflow from the open pit will underpin further underground development and the extensive diamond drilling program which will in turn generate the gold inventory needed to build a mine plan with production and cost forecasts for the Burbanks underground mine.

"Kidman will then have the foundations in place to be a significant goldminer with strong cashflow and exploration upside."

Image 1.0 Burbanks underground gold ore stockpile now being processed

Image 2.0 Burbanks Mill

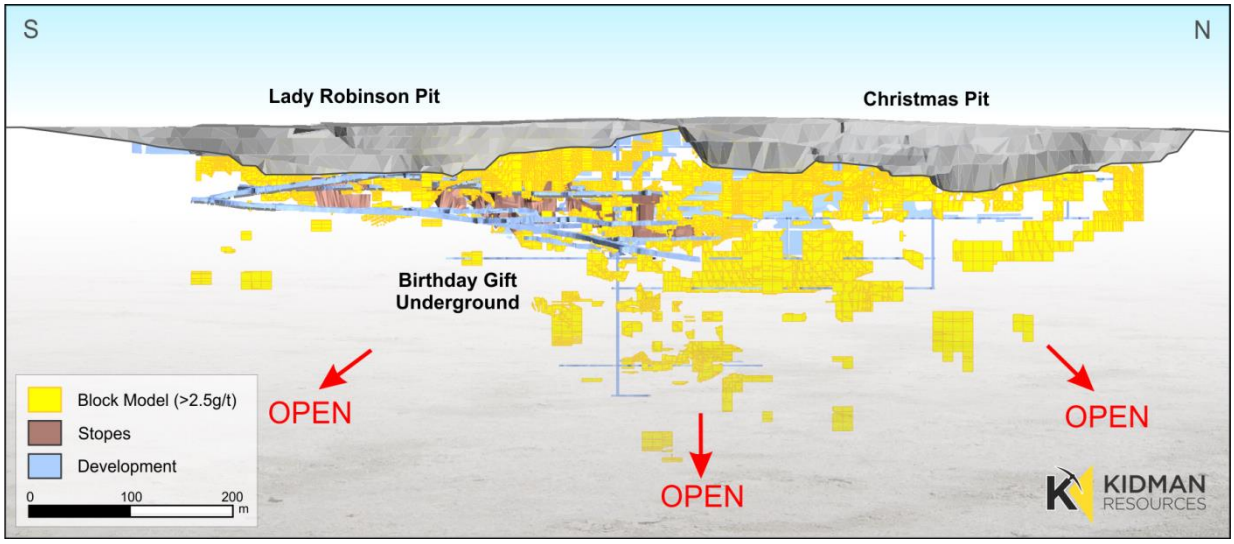

Figure 1.0 Burbanks Mine Long Section with current block model

Kidman Background

Kidman is a diversified resource company currently establishing the Burbanks Gold Mine near Coolgardie in WA for production to commence in the September quarter of 2015.

Kidman also owns advanced exploration projects in the Northern Territory (Home of Bullion – Cu, Au, Pb, Zn, Ag/ Prospect D - Ni, Cu) and New South Wales.

In New South Wales the company has the Crowl Creek Project which is host to numerous projects such as Murrays (Au) Blind Calf (Cu, Au) and Three Peaks (Cu, Pb, Ag).

The company also owns the Brown's Reef project in the southern part of the Cobar Basin (Zn, Pb, Ag, and Cu)

For further information on the Company's portfolio of projects please refer to the website at: www.kidmanresources.com.au

Media:
Read Corporate
Paul Armstrong / Nicholas Read
+61 8 9388 1474

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 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 appears.

Resource Estimation:

The information in this release that relates to the Estimation and Reporting of Mineral Resources has been compiled by Mr. Richard Buerger BSc (Hons). Mr. Buerger is a full-time employee of Mining Plus Pty Ltd and has acted as an independent consultant on the Burbanks Deposit Mineral Resource estimation. Mr. Buerger is a Member of the Australasian Institute of Mining and Metallurgy and of the Australian Institute of Geologists and has sufficient experience with the style of mineralisation, deposit type under consideration and to the activities undertaken to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The JORC Code). Mr. Buerger consents to the inclusion in this report of the contained technical information relating the Mineral Resource Estimation in the form and context in which it appears.

Ore Reserve estimation:

The information in this report which relates to the Burbanks Gold Project's Christmas Pit is based on information compiled by Gary McCrae, Mining Engineer and a full time employee of Minecomp Pty Ltd and who is a member of the Australasian Institute of Mining and Metallurgy. Gary McCrae has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves prepared by the Joint Ore Resources Committee, the Australian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and the Mineral Council of Australia." Gary McCrae consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.

Cautionary Statement

Readers should use caution when reviewing the exploration and historical production results presented and ensure that the Modifying Factors described in the 2012 edition of the JORC Code are considered before making an investment decision.

Tables in relation to Exploration Targets and Resource Estimation at Burbanks Mine, WA

Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *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*	This Table relates to historic sampling completed at the Burbanks Project. The Burbanks Project has been sampled using both Reverse Circulation (RC), Auger/Rotary Air Blast (RAB) and surface/Underground diamond drilling (DD). All DD sampled sections reported are NQ2 or LTK60. Core sample intervals are defined by the geologist to honour geological boundaries ranging from 0.3 to 1.5m in length. RC drill sampling was historically sampled either in one metre intervals or composite sampled by spearing sample bags to form a four or five metre interval. After logging, the geologist marked intervals of interest for subsequent sampling. Sample intervals were nominally 4m, but may have been constrained by logged lithological, mineralisation or alteration boundaries to as small as 1 metre. A total of 113 Reverse Circulation drill holes for 5612.00 m have been drilled by KDR to date. Holes were angled to optimally intersect the mineralised zones in consideration of site accessibility. To date analysis of 6097 samples have been received from the 5642 samples collected and submitted for analysis. Core is aligned and measured by tape, comparing to down-hole core blocks consistent with industry practice. Any discrepancies are immediately highlighted and addressed by the driller and their run sheet. Diamond drilling has been completed to industry standard using varying sample lengths (0.3 to 1.5m) based on geological intervals, which are then crushed and pulverised to produce a ~200g pulp sub-sample to use in the assay process. Diamond core samples are fire assayed (30g charge or 50g charge). Visible gold is occasionally encountered in core.
Drilling techniques	• *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.).*	Previous operators carried out surface and underground diamond drilling by using HQ2, HQ3 and PQ2 (triple tube) LTK60 and NQ2 (standard tube) techniques. All core is routinely orientated using the ORI-shot device or similar (Ezy-Ori, Ezy-Mark). Hole depths range from 5m to 444 m. KDR has undertaken a pit drilling programme using Reverse circulation 5.25" diameter holes which were drilled by VM Drilling.
Drill sample recovery	• *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.*	RC recoveries are logged and recorded in the database. Overall recoveries are >95% for Burbanks Project. Depths were checked against rod counts which were routinely carried out by the drilling contractor. Recoveries are recorded as a percentage calculated from measured core verses drilled intervals. DD drilling results in high core recovery due to the competent nature of the ground. RC samples were routinely visually checked for recovery, moisture and contamination. There is no known relationship between sample recovery and grade.
Logging	• *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.*	All information captured by previous explorers is imported into the Kidman database and verified before reporting. Kidman Resources undertakes industry best practice for any exploration programmes it undertakes. Steps taken are detailed below: 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. Photography of core has not been regularly completed by previous companies, this will be a standard practice by Kidman Resources for future programmes. RC samples are 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 is stored in labelled plastic chip trays. Diamond core is logged over varying intervals, dependent on observed changes for the variable under investigation (e.g. lithology, alteration etc.). The geological logs are carefully compiled with appropriate attention to detail. 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. Data is validated on entry using a library of standardised codes. For pre- Kidman Resources (KDR) activities, best practice is assumed.
Sub-sampling techniques and sample preparation	• *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.*	Core is half cut with a diamond core saw. Sample intervals were defined by a qualified geologist to honour geological boundaries. All mineralised zones are sampled plus associated barren material in contact with MZs. Kidman Resources employees the services of ALS Kalgoorlie for all assaying required in exploration programmes. The procedure utilised include the following: • 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 90% 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) • Samples are assayed for gold to 0.01ppm. Detection limits are in ppm unless otherwise noted. For pre-Kidman Resources (KDR) samples, best practice is assumed.
Quality of assay data and laboratory tests	• *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.*	For all drill core samples being reported, gold concentration is determined by fire assay using the lead collection technique with a 50 gram sample charge weight. An AAS finish is used and considered as total gold digestion. AMALG Resources used the Amdel Lab in Kalgoorlie and used a nominal 50g charge for FA. No geophysical results reported The QAQC protocols used include the following for all drill samples: • The field QAQC protocols used include the following for all drill samples: - Commercially prepared certified reference materials (CRM) are inserted at an incidence of 1 in 20 samples. The CRM used cannot be identified by the laboratory, - QAQC data is assessed when received from the lab and following import by an external database administrator. • The laboratory QAQC protocols used include the following for all drill samples: - Repeat analysis of pulp samples occurs at an incidence of 1 in 20 samples, - The laboratory reports its own QAQC data on with each batch returned • Failed standards are generally followed up by re-assaying a second 50g pulp sample of all samples in the fire above 0.1ppm by the same method at the primary laboratory. Both the accuracy component (CRM's checks) and the precision component (duplicates and repeats) of the QAQC protocols are thought to demonstrate acceptable levels of accuracy and precision
Verification of sampling and assaying	• *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.*	To date KDR has not twinned any drill holes. Primary data was collected using a set of standard logging templates on laptop computers using lookup codes. Once data collection is complete the information was sent to Geobase Australia for additional validation and compilation prior to loading into the company's into an Azeva Database Management System. KDR undertakes continual data integrity checks and validation. No adjustments or calibrations were made to any assay data. Holes drilled to date by KDR have been located with a Total Station and are assumed to be accurate to ± 0.1 m. This is considered appropriate for the current drill hole spacing. Single Shot Downhole surveys were completed as deemed appropriate.

Location of data points	*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.*	All horizontal coordinates are based on the Burbank Mine Grid and converted to GDA94_51S grid system. Drillhole collar locations have been surveyed using Total Station method/s by Minecomp personnel. These accuracy of the surveying ranges between 0.1 and 0.1 m All maps and plans are presented in in MGA 94 Zone 51 or in Burbanks Mine Local Grid which is oriented 43 degrees magnetic-sub parallel to the strike of the major lithological units and structural features of the Burbanks area
Data spacing and distribution	• *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.*	Historical pit drilling has predominantly been drilled on a 10m x 20m spacing, Underground exploration and definition drilling has been drilled on a range of spacing, from 10m to 50m The mineralisation at Burbank's has demonstrated sufficient continuity in geological observations, but due to the high nugget effect of the ore body sludge drilling is often used to further delineate ore zones. Sludge holes are not reported as they do not meet adequate QAQC standards; they are however used as an operational control. Diamond and RC samples are measured as 1 metre intervals or cut to match geological boundaries.
Orientation of data in relation to geological structure	• *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.*	M15/161 lies axially along the Burbanks shear over a distance of ~6km. The shear trends northeast and dips steeply northwest. It is 60-100m wide within a package of basalts with intercalated gabbro/dolerite and sediments. The mineralised lodes form sub-parallel to the Burbanks Shear.
Sample security	• *The measures taken to ensure sample security.*	Sample chain of custody is managed by Kidman. Samples for the Project are stored on site and delivered to the laboratory in Kalgoorlie by Kidman Resources personnel. Whilst in storage the samples are kept in a locked yard that is monitored by CCTV. Tracking sheets tracks the progress of batches of samples.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data*	A further internal review of the sampling techniques and data is being conducted by Kidman Resources as part of due diligence and continual review of protocols, this occurs as a matter of course for all exploration activities undertaken by Kidman Resources. Pre-KDR data audits were found to be minimal in regards to QAQC, though in line with industry standards of the time.

Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *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.*	The drilling was undertaken on tenement ML15/161 and forms part of the company's Coolgardie project located in Western Australia. All tenements are in good standing. There are no heritage issues within the current exploration package. All leases and licences to operate are granted and in the order of 2 to 15 years. M15/0161 Barra Resources Caveat $25/OZ M15/0026 SV 132.80H Royalty 2%, M15/0518 M15/0637, M15/1272 SV9.3H Philip Scott Milling Caveat, M15/1361, P15/4848, P15/4849, P15/4851, P15/4852, P15/5234, P15/5235 The Burbanks and Gunga projects consist of 1184Ha.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	Previous Explorers in the tenement and Project area include Unknown, WMC, Jarrafire, Pettingill, Barra, Callion, Normandy, AMALG, Barra Resources, Perseverance, Jones Mining, Blue Tiger. In total including KDR exploration there has been o 1812 Drillholes holes for 118,481.19 m o 389 Grade Control Drilling and Face Samples taken for 4907.90 m 1885-1914 The Birthday Gift mine was established following the discovery of Gold at Burbanks in 1885, the greatest period of production occurred from 1897-1903. Work then ceased at the project with the commencement of the First World War. 1946-1951 New Coolgardie Mines acquired and consolidated the operations at Burbanks. Management of the project was then assumed by Western Mining from 1948-1951.

		From the early 1950s to 1978 the old mine workings at Burbanks were covered by some 20GMLs. In 1978 Jones Mining NL acquired all 20 GMLs and pegged two prospecting licences to the north. In 1985 these tenements were amalgamated into a single mining lease M15/161. 1985-1991, in 1986 Jones Mining reached a joint agreement with Callion Mining Pty Ltd, a partnership with Metallgesellschaft of Australia Pty Ltd and Lubbock Nominees, whom conducted several phases of shallow RAB exploration. 1991-1999 Amalg Resources purchased the Burbanks mining lease from Metallgesellschaft in 1991, Amalg then proceeded to establish the Christmas Open pit. Amalg Resources then sold ML15/161 to Barra Resources whom commenced a drill programme to target the 7 level mineralisation mined by WMC and to extend the mineralised lodes within the Christmas and Lady Robinson Pits. The Burbanks Project then became fully acquired by Blue Tiger Mines (a private entity) in 2013. All previous work is accepted and assumed to be industry standard at that time
Geology	• *Deposit type, geological setting and style of mineralisation.*	The Burbanks Project is located within the southern extents of the northeast – southwest trending, reverse - dextral Burbanks Shear Zone. The stratigraphy is characterised by a sequence of steeply west-dipping to sub-vertical, fine grained high MgO basalts (typically pillowed) grading to fine-medium grained and massive-ophitic dolerites. This sequence trends northeast – southwest, largely parallel with the Burbanks Shear Zone. Intruding this sequence are a series of fine to medium grained, garnetiferous diorite bodies. The dioritic intrusives are commonly sub-vertical, 2 – 50m thick, and sub-parallel to the surrounding mafic sequence, exhibiting strike lengths from 20-250+m. Mafic – diorite contacts are not always sharp, owing to the later reheating and partial assimilating with the mafic host sequence. Earlier structural observations (Knight et al, 1993) have identified that ore zones at Burbanks are characterised by NE striking, laminated and highly boudinaged, steeply dipping quartz - carbonate lodes. Recent mining activity from July 2006 to present confirms the nature of these mineralised systems while also emphasising the importance of both mafic and intermediate (diorite) rocks as hosts to mineralisation **Mineralisation** Three main styles of mineralisation have been observed at Burbanks, each related to a specific host rock sequence. The Jesson and Hadfield lodes provided the greatest contribution to historical tonnes and ounces at Burbanks. Both lodes lie on the western edge of the known mineralised system at Burbanks, hosted within a sequence of moderately foliated pillow basalt grading to fine grained dolerite. Mineralisation commonly occurs as thin, sub vertical to steeply east dipping highly boudinaged, attenuated and ptygmatic, anastomosing quartz – carbonate veins, surrounded by a moderate to strong biotite – amphibole – chlorite – carbonate alteration assemblage with lesser (1 – 5% pyrrhotite). The recently discovered Dahmu lode (located on the far eastern edge of known mineralisation) bears some similarities with Jesson and Hadfield. The second style, of which the Tailor system is an example, is hosted mostly within fine to medium grained dolerite, and displays more brittle textures. Quartz veining is more frequent with both laminated and breccia textures noted. Both larger scale open folds and tighter, superimposed ptygmatic folds are also observed throughout. An alteration assemblage of biotite – silica – amphibole - chlorite – carbonate is commonly noted, with 5 – 15% pyrite and pyrrhotite present within high-grade zones. The Wahloo and Eastern lodes represent the third major ore style at Burbanks. These systems are hosted almost exclusively within fine to medium grained, garnetiferous diorite. Unlike the previous styles, veining within Wahloo and Eastern is represented by highly irregular, often chaotic quartz – carbonate stringers and as such, were poorly understood when mined historically. Alteration accompanying quartz veining is characterised by silica – sericite – carbonate, with 5 – 20% fine disseminated pyrite and pyrrhotite within high-grade

		intervals. Development and spatial setting of ore systems at Burbanks have been influenced by several factors; most notably stratigraphy and competency contrast. As highlighted in the previous section, Wahloo and Eastern ore zones are focused almost exclusively within diorite. Highest grading ore typically focuses along both the eastern and western diorite contacts. During deformation, diorite (owing to its high silica content) acts in a more brittle manner than the surrounding mafic sequence, allowing auriferous fluids to preferentially focus into these host units. Jesson and Tailor style mineralisation exhibit a more ductile texture due primarily to being hosted within mafic sequences. Orientation of these lodes are subsequently sub-parallel to the regional Burbanks Shear Zone and exhibit a boudinaged, poddy and discontinuous style in keeping with their more ductile setting.
Drill hole Information	*• 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:* *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.*	See previous announcements by KDR for a table of Significant historical intercepts.
Data aggregation methods	*• 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.*	High grade intervals internal to broader zones of mineralisation are reported as included or within intervals. Maximum internal dilution is 2m within a reported interval. No grade top cut off has been applied. No metal equivalent is used or applied. A minimum cut-off grade 0f 0.1g/t Au is applied to the reported gold intervals
Relationship between mineralisation widths and intercept lengths	*• 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').*	M15/161 lies axially along the Burbanks shear over a distance of ~6km. The shear trends northeast and dips steeply northwest. It is 60-100m wide within a package of basalts with intercalated gabbro/dolerite and sediments. The mineralised lodes form sub-parallel to the Burbanks Shear. Underground drilling is predominantly perpendicular to the lodes, as the thickness of most lodes has been established from face and backs mapping underground true widths of drill intercepts are easily calculated.
Diagrams	*• 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	*• 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.*	Representative results have previously been reported in Announcements by KDR
Other substantive exploration data	*• 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 has historically been conducted routinely on samples for a suite of potentially deleterious elements. Forthcoming work will include this type of analysis. The results shown are from historic work completed before the acquisition by Kidman Resources

Further Work	• *The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).*	KDR is currently undertaking an RC programme to delineate the Dahmu Lode south of the Christmas Pit. An Underground Diamond drilling programme is also planned to commence in September which will look to further define lodes accessible in the Birthday Gift Underground Operation. Face sampling and back mapping is routinely undertaken during Underground production activities.

SECTION 3 ESTIMATION AND REPORTING OF MINERAL RESOURCES

(CRITERIA LISTED IN SECTION 1, AND WHERE RELEVANT IN SECTION 2, ALSO APPLY TO THIS SECTION.)

Criteria	*JORC Code Explanation*	**Commentary**
Database integrity	• *Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.* • *Data validation procedures used.*	A complete drilling database was supplied by Kidman in the form of csv files extracted from an access database. The database is managed by a third party administrator. Mining Plus completed a review of all files for syntax, duplicate values, from and to depth errors and EOH collar depths. The assays received for the recent drilling undertaken by Kidman were verified for consistency with the values in the data base by the Competent Person during the site visit. Once loaded into 3D software, Mining Plus completed a review of all survey data by visually validating all hole traces for consistency.
Site visits	• *Comment on any site visits undertaken by the Competent Person and the outcome of those visits.* • *If no site visits have been undertaken indicate why this is the case.*	The Mining Plus Competent Person completed a site visit to the Burbanks deposit in August 2015. The visit entailed a review of site operations, practices and procedures, plus a visit to the surface and underground workings to validate the mineralisation geometry, style and controls. While on site the CP reviewed the drilling and data management protocols, density determination methods, mine geology procedures, ore reconciliation and diamond drilling and sampling.
Geological interpretation	• *Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.* • *Nature of the data used and of any assumptions made.* • *The effect, if any, of alternative interpretations on Mineral Resource estimation.* • *The use of geology in guiding and controlling Mineral Resource estimation.* • *The factors affecting continuity both of grade and geology.*	The geological information is built out of 1,813 drill-holes within the Burbanks deposit. Supergene mineralisation was interpreted using drill-hole logs, depth of weathering in the exposed pit walls and the mineralisation continuity. The data used in the geologic model is a combination of diamond core, underground mapping and sampling and RC drilling. Additional production drilling and blast hole data included in the dataset was used to constrain the mineralisation interpretation but was not used in the resource estimation. Detailed structural and lithological polygons were supplied by Kidman to Mining Plus, which were utilized when creating the geological wireframes in Leapfrog and/or Vulcan software. The geological interpretation was built around grouping similar rock types (of similar bulk density) to enable the model to be coded with a specific density estimate to produce reasonable estimates of tonnage. The completion of additional diamond drilling from underground locations would result in a more robust geological model as the information gained from diamond drill core is of greater detail than

		that obtained from RC chips. This should result in a more refined model and a more robust estimate. In general, the majority of mineralization is hosted adjacent to intrusive contacts and along structural planes. Areas of intense structural displacement, whether folded of faulted, provide the highest grades and thickest mineralisation in the model. The main mineralized lodes are continuous over almost the entire deposit, although the grade and thickness shows a high degree of variability in areas of limited structural disruption. The greatest continuity in grade and thickness occurs in zones of structural complexity, either in fold hinge zones or associated with syn to late fault zones.
Dimensions	• *The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.*	The 2015 Burbanks Mineral Resource Estimate extends 1,350m along strike in the north/south direction by 350m across strike in the east/west direction. The mineralisation is generally steeply dipping and extends to a maximum depth of 400m below surface.
Estimation and modelling techniques	• *The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.* • *The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.* • *The assumptions made regarding recovery of by-products.* • *Estimation of deleterious elements or other non-grade variables of economic significance (e.g. sulphur for acid mine drainage characterisation).* • *In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.* • *Any assumptions behind modelling of selective mining units.* • *Any assumptions about correlation between variables.* • *Description of how the geological interpretation was used to control the resource estimates.* • *Discussion of basis for using or not using grade cutting or capping.* • *The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.*	Mineral Resource estimation is completed within Maptek Vulcan V9.1 Resource Modelling software. Three dimensional mineralisation wireframes are completed within Vulcan, using a 0.5 g/t Au cut-off grade for the mineralisation near the surface, with a 1 g/t Au cut-off utilized for the deeper mineralisation. All wireframes were snapped to appropriate assay intervals. An Inverse Distance weighting interpolation technique is used to estimate the Mineral Resource as it is considered appropriate given the nature of mineralisation and mineralisation configuration. The Mineral Resource database is uniquely flagged with mineralisation zone codes as defined by wireframe boundaries and then composited into 1m lengths and these are used for estimating the Mineral Resource. The composites are extracted with minimum passing of 70% and best fit such that no residuals are created. Statistical and geostatistical analysis are undertaken within Snowden's Supervisor™ software. Histograms, log-probability plots and mean variance plots are considered in determining the existence of extreme values and if present, the appropriate cut-offs for each mineralised zone. The points of inflexion in the upper tail of the distribution on the log-probability plots as well as their spatial distributions are examined to help identify extreme values and decide on the treatments applied. These extreme values are either treated with the application of a top-cut or high grade spatial restriction or a combination of both. All grade values greater than the cut-off grade are set to the cut-off value (capped). Due to the thin nature of the mineralisation, consistent and robust variograms were not able to be obtained for the majority of the lodes, hence an Inverse Distance weighting interpolation technique was used. Only gold was estimated in the resource model. Drill hole spacing is in the majority of the Indicated Resource portion of the deposit is approximately 20m (x) x 20m (y) x 10m (z). A block model was created for the Burbanks project area in Vulcan ® Version 9.1 using a parent block

		size of 10mE by 10mN by 10mRL. The sub-blocking functionality in Vulcan was employed utilizing 1m x 1m x 1m sub-blocks, which were estimated within the parent block. The block size is considered appropriate for the drill-hole spacing. No assumption has been made regarding selective mining units. Estimation of gold utilized three interpolation runs with each run increasing the search ellipse size and decreasing the minimum number of samples required for each block to populate with grade: The 1st pass utilized a 25m x 10m x 5m search ellipse oriented along the strike and dip of each lode with a minimum of 4 and a maximum of 20 composites used during the interpolation with a maximum of two samples used from each drill-hole. The 2nd pass utilized a 50m x 20m x 10m search ellipse oriented along the strike and dip of each lode with a minimum of 2 and a maximum of 20 composites used during the interpolation with a maximum of two samples used from each drill-hole. The 3rd and final pass utilized a 200m x 60m x 30m search ellipse oriented along the strike and dip of each lode with a minimum of 1 and a maximum of 20 composites used during the interpolation. The process of validation includes standard model validation using visual and numerical methods: The block model estimates are checked against the input composite/drillhole data with sufficient spot checks completed on sections and plans. The block model estimated global means for each mineralised domain are checked against the composite mean grades to ensure they are within acceptable limits. Swath plots of the estimated block grades and composite mean grades are generated by easting's, northings and elevations and reviewed to ensure acceptable correlation. Although mining has occurred at Burbanks in the past both from underground and open pit sources, no reliable production or reconciliation data was able to be sourced to further validate the relative accuracy of the block model.
Moisture	• *Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.*	Tonnages are estimated on a dry basis
Cut-off parameters	• *The basis of the adopted cut-off grade(s) or quality parameters applied.*	Multiple cut-off grades are used for the Burbanks deposit. An area between 5400m N and 5700m N, to a depth 1300m RL is reported at a 1 g/t Au cut off. This material is planned to be mined utilizing open pit methods. All other mineralisation is reported at a cut-off grade of 2.5 g/t Au and is planned to be mined using underground mining extraction methods – the close proximity of the underground development to these lodes has resulted in a slightly lower cut-off being applied to the underground portion of the resource. The Burbanks Mineral Resource has been reported by cut-off grade and Mineral Resource Category.

Mining factors or assumptions	• *Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.*	All material inside the area bound 5400m N and 5700m N, to a depth 1300m RL is planned to be mined utilizing open pit methods. Selective mining methods are planned for this section of the deposit. The remainder of the mineralisation is planned on being mined by underground methods, utilizing a combination of mining methods dependent on mineralisation geometry, grade and thickness.
Metallurgical factors or assumptions	• *The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.*	Previous toll treatment through a number of third part processing plants by the previous owner have indicated no issues with metallurgical recoveries in the CIL/CIP plant similar to the Ramelius owned mill that will be used to process the ore.
Environmental factors or assumptions	• *Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.*	The Burbanks project is constructed with a fully lined Tailings Storage Facility and the low degree of sulphidation within the mineralized and un-mineralised rocks indicates no issues with PAF material.
Bulk density	• *Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.* • *The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc.), moisture and differences between rock and alteration zones within the deposit.* • *Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.*	Bulk density determinations are made on selected diamond drill samples using the wax coated water displacement method by site geologists. Tonnages are estimated on a dry basis. A total of 1,667 bulk density measurements; Density values were assigned to the block model by rock type. Mineralisation is assigned a value in keeping with quartz vein hosted material. A factor was not applied to account for void spaces or moisture differences. Density values were incorporated into the Mineral Resource model. Density data are considered appropriate for use in Mineral Resource and Ore Reserve estimation.
Classification	• *The basis for the classification of the Mineral Resources into varying confidence categories.* • *Whether appropriate account has been taken of all relevant factors (ie relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).*	The Mineral Resources has been classified into Measured, Indicated and Inferred categories following the guidelines of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code 2012). The classification is based on drill hole intercept spacing, geological confidence, grade continuity and estimation quality. A combination of these factors guides the manual digitising of strings on drill sections to construct envelopes that were are

	• *Whether the result appropriately reflects the Competent Person's view of the deposit.*	to control the Mineral Resource categorisation. This process allows review of the geological control/confidence on the deposit. No part of the Burbanks Mineral Resource has been classified as a Measured Resource. Indicated Resource were based on a drill hole spacing of 25 m by 25 m was required and population of blocks during the first interpolation pass. Inferred Resources were based on a drill hole spacing of up to 100 m by 100 m with population of blocks on the second interpolation pass. Results reflect the Competent Persons' view of the deposit
Audits or reviews	• *The results of any audits or reviews of Mineral Resource estimates.*	No other independent audits or reviews have been undertaken on the Mineral Resource estimate.
Discussion of relative accuracy/ confidence	• *Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate.* • *The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.* • *These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.*	The Mineral Resources has been reported in accordance with the guidelines of the 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves and reflects the relative accuracy of the Mineral Resources estimates.

SECTION 4 ESTIMATION AND REPORTING OF ORE RESERVES

In the July quarter the Company utilised the services of Minecomp Pty Ltd to produce a feasibility level open pit mine design study for the Christmas Pit.

The feasibility level open pit mine design study resulted in a Probable Ore Reserve of 28,000t @ 4.3g/t and 3,900 ounces of contained gold.

Further this Probable Ore Reserve is mined in conjunction with 152,230bcm of waste material resulting in an stripping ratio (waste volume:ore volume) of 14.8:1. The feasibility level open pit mine design study resulted in the recovery, after processing of 3,600oz of gold at an all-in operating cash cost per ounce of $895/oz.

Criteria	Explanation
Mineral Resource estimate for conversion to Ore Reserves	• The Mineral Resource estimate used as the basis for the conversion to an Ore Reserve comprised a standard Vulcan block model format file titled "burbanks_op_res_design.bmf". The au_pref gold grade attribute was the gold grade estimate used for this Ore Reserve study and was also the attribute used for the announced Mineral Resource estimate. Additional attributes contained within this Mineral Resource estimate model and utilise for the purpose of this Ore Reserve Study were density, weathering, mined status and the resource classification. • The Mineral Resources are reported inclusive of the Ore Reserves.

Site Visits	• A site visit to the Burbanks Gold Project was undertaken prior to the commencement of open pit cutback design work. • The site visit enabled a visual assessment of the existing open pit wall conditions to be undertaken. Two wall failures on the western side of the existing open pit were noted and attributed to historical underground workings. Vegetation growth on the slip rill material indicated that these slip areas have been stable for a lengthy period of time. All other walls appeared seemingly good in condition. • As a result of this visual assessment it was decided to position the design ramp as far as possible from the wall failure areas. This was readily achieved with minimal impact on the mining inventory.
Study Status	• An open pit optimisation and subsequent safe, practical and workable open pit cutback design study to feasibility level standards has been performed and generated for the Christmas Pit.
Cut-off Parameters	• Cut-off grades were calculated using the formula:- (Sum of Treatment Costs)/[(Mill Recovery)*(Gold Price-Royalty)] Costs included ore haulage and milling costs, grade control costs and the ore/waste differential costs
Mining Factors and assumptions	• The Mineral Resource was converted to an Ore Reserve by initially performing an optimisation study using Whittle software and then completed by generating a detailed, safe, practical and workable open pit mine design based upon the results of the Whittle optimisation study. • The Christmas Pit is readily amenable to open pit mining using standard open pit mining techniques and equipment. It has been assumed that the equipment selected to mine the deposit will be suitable to the geometry, size and geological setting of Christmas Pit. • Geotechnical parameters used throughout the course of the study were as recommended in the MCKID021_Burbanks_Geotech, geotechnical assessment dated 27th July 2015. • Grade Control will comprise blast hole sampling of 2.6m x 3.0m x 5.0m deep pattern. Sampling will occur at 2.5m intervals. • A mining dilution factor of 20% @ 0.00g/t was incorporated in the Ore Reserve calculations. This figure was considered adequate for a deposit of the geometry, size and geological setting of the Christmas Pit. • A mining recovery factor of 95% was incorporated in the Ore Reserve calculations. This figure was considered adequate for a deposit of the geometry, size and geological setting of the Christmas Pit. • No allowances for minimum mining widths were required to be made for the Christmas open pit cutback design. • Any portion of the Inferred Mineral Resource which is extracted as a consequence of mining the proposed open pit design has been classified as waste material. • All infrastructure requirements including site and administration offices, laydown and service areas, on-site camp and associated messing facility, explosive magazines, dewatering bores and fuel storage tanks are pre-existing
Metallurgical Factors and assumptions	• The Ore Reserve is to be treated through a conventional CIP/CIL processing plant. This will be conducted at Third Party Toll Treatment facility. • This method of metallurgical processing is has been proven as an appropriate proven method of treatment in past Burbanks open pit and underground mining campaigns. • The ore treated in these past campaigns is similar in nature to that mined by the Christmas Pit. • Past Burbanks Project ore processing campaigns through a CIP/CIL processing plant have achieved metallurgical recoveries of 93% for primary ore. • The Christmas Pit mining reserve inventory comprises solely of primary ore.
Environmental	• The waste rock characterizations, residue storage and waste dump design have all been addressed in the Mining Proposal and Project Management Plans, which has been lodged with the Western Australian Department of Minerals and Petroleum.
Infrastructure	• The infrastructure, availability of land, power, water, ore haulage, labour and accommodation have all been addressed in the Mining Proposal and Project Management Plans, which have been lodged with the Western Australian Department of Minerals and Petroleum.
Costs	• The projected capital costs and assumptions made were based upon the costs experienced on recent similar sized operations. • The mining operating cost estimates and assumptions were based upon the current industry standard for operations of similar size and nature. Ore milling charges are based figures quoted during discussions between Kidman (KDR) and various regional custom milling facilities. • All costs used throughout this study are in Australian dollars.

	• Supplier quoted prices have been used for ore transport costs. • Gold refining is to be performed by Australian Gold Refineries. The refining charge is of such minor magnitude that it has not been included in the financial evaluation. • The Western Australian Stage Gold Royalty of 2.5% of revenue and a 3rd Party Royalty of $25/oz recovered have been catered for in the Ore Reserve calculations and subsequent financial evaluations.
Revenue Factors	• A gold price of AUD$1,450/oz has been used for the basis of the Ore Reserve calculations and subsequent financial evaluations.
Market Assessment	• All gold produced is to be marketed through Australian Gold Refineries in Perth, Western Australia.
Economic	• As the Christmas open pit-cutback is expected to be completed in under 6 months no discount rate has been applied. • Deemed not applicable.
Social	• Social impacts have all been addressed in the Mining Proposal and Project Management Plans, which have been lodged with the Western Australian Department of Minerals and Petroleum.
Other	• No material naturally occurring risks has been identified for the Christmas Pit. • All gold produced will be marketed to the Western Australian based Australian Gold Refineries. • The necessary Mining Proposal and Project Management Plans have been lodged with the Western Australian Department of Minerals and Petroleum.
Classification	• Ore Reserves for the Christmas Pit have been classified as Probable as per with JORC Code 2012. • This classification appropriately reflects the Competent Person's, Gary McRae's view of the deposit. • No proportion of the Probable Ore Reserves has been derived from Measured Mineral Resource.
Audits or Reviews	• The Ore Reserve estimates have been reviewed by upper management levels of KDR. This gives additional confidence to this Ore Reserve estimate.
Discussion of relative accuracy/confidence	• Factors which have the potential to affect the global Ore Reserve estimate include the gold "spot" price, the Ore Resource estimate in terms of resource geometry, estimated gold grades, mining dilution and recovery factors and the metallurgical recovery factors applied. With the proposed open pit cutback design indicating highly robust economics (with an estimated all-in operating cost of Au$895/oz) it would be more than reasonable to conclude that the Christmas Pit would yield a high profitable open pit, even allowing for variation in the factors which have the potential to affect the Ore Reserve estimate.