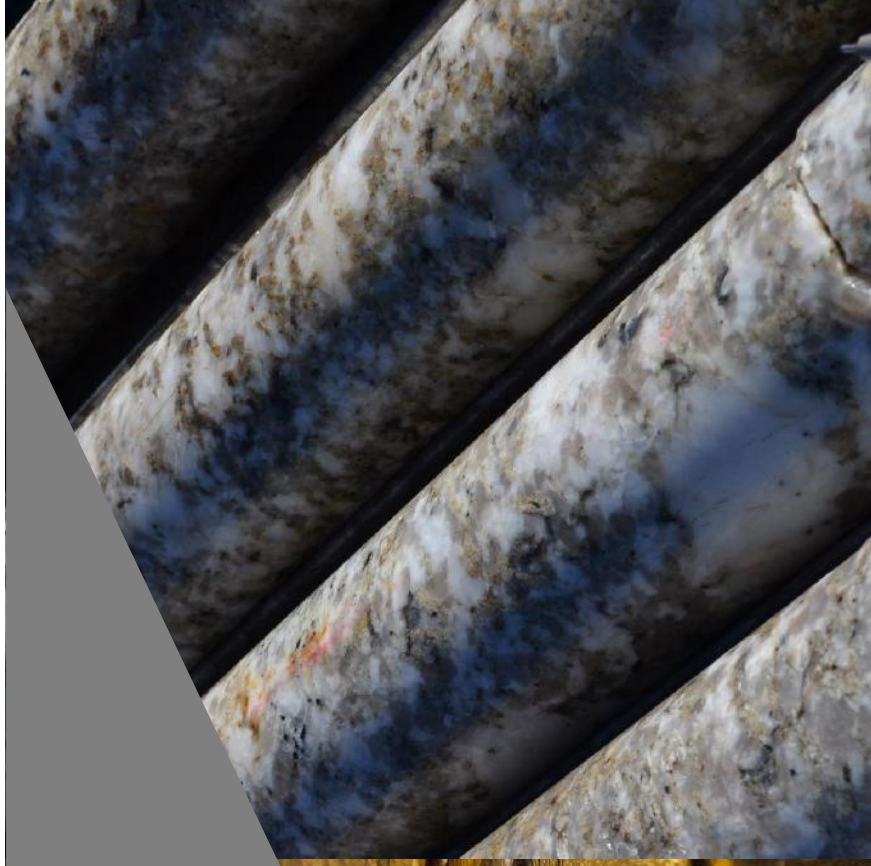




**KIDMAN**  
RESOURCES

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Melbourne Mining Club – Cutting Edge Series  
Mt Holland Project WA- The game changer

July 2016

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## Competent Person Statements

The information contained within this public announcement is extracted from the report entitled Convergent Minerals Limited Annual Report to Shareholders created on 30/09/2014 and is available to view on the ASX website. The Competent person responsible for the information contained within this report is Mr. Robin Rankin MSc DIC MAusIMM(CP). The company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources or Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

The information contained within this public announcement is extracted from the report entitled Convergent Minerals Limited Presentation for Resources Symposium Broken Hill 2015 created on 26/05/2015 and is available to view on the ASX website. The Competent person responsible for the information contained within this report is Mr. David Price FAusIMM. The company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources or Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

**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 undertaken, 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. Green is a shareholder in KDR. 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 - Burbanks:** 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.

**Resource Estimation - Gunga West:** The information in this release that relates to the Estimation and Reporting of Mineral Resources has been compiled by Ms. Lisa Bascombe BSc. Ms. Bascombe is a full-time employee of Mining Plus Pty Ltd and has acted as an independent consultant on the Gunga West Deposit Mineral Resource estimation. Ms. Bascombe is a Member 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)". Ms. Bascombe 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.

# CORPORATE AND FINANCIAL OVERVIEW



## Capital Structure

ASX Code	KDR
Shares on Issue	237.3m
Share Price	\$0.34
Market Cap	\$79.5 M

## Directors & Key Management

Peter Lester	Chairman, Non-Executive Director
Martin Donohue	Managing Director
Brad Evans	Non-Executive Director
Chris Williams	General Manager - Operations
Michael Green	Exploration Manager
Jason Eveleigh	Chief Financial Officer
Justin Mouchacca	Company Secretary

KDR: Year-to-Date Share Price Performance



## Options

Listed KDR	15c strike European style option
	Expiring 30 <sup>th</sup> April 2018

# BOARD AND MANAGEMENT



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**CHAIRMAN, Peter Lester**

Peter is a mining engineer with more than 40 years experience in the mining industry including construction, project and mine management. Corporate and financial advisory services and in business development with responsibility for strategic planning and corporate development, predominantly in precious and base metals. He has worked in operational roles at Mt Isa and Broken Hill, as well as senior executive positions with North Ltd, Newcrest Mining Limited, Oxiana / Oz Minerals Limited and most recently with Citadel Resources Group Limited. Peter is also currently chairman Doray Minerals (DRM).

**MANAGING DIRECTOR, Martin Donohue**

Martin Donohue was the founder of Kidman Resources which listed on ASX in 2011 and he subsequently took on the role of Managing Director in October 2014 with the aim of making strategic acquisitions during the resource sector downturn. Martin has around 20 years' experience in equity capital markets and the natural resources sector where he has been directly involved in evaluating mineral projects at various stages of development and raising capital.

Martin is a director of several private and public companies focused on precious and base metals in Australia and New Zealand. He is Non Executive Chairman of E2 Metals which is a gold exploration and development company and is also the principal of Penstock Advisory, a private consulting and investment company based in Melbourne that specialises in identifying, managing and developing mineral projects in Australia and overseas.

**NON EXECUTIVE DIRECTOR, Brad Evans**

Brad is a mining engineer with over 17 years' experience within the mining industry and is currently General Manager of Mining Plus, an international Mining Consultancy. He has a multitude of experience ranging from mine production, planning and management on mine sites, to organisation leadership within Mining Plus. He has led the growth of Mining Plus from 10 to 60 employees and it now has offices in five countries around the world. He is the holder of a First Class Mine Manager's Certificate of Competency in both Western Australia and New South Wales.

**GENERAL MANAGER OPERATIONS, Chris Williams**

Chris is a mining engineer who has over 30 years experience in underground and open pit mining operations and management roles throughout Australia. Before joining Kidman Chris worked for 12 years at Panoramic Resources in a number of senior roles including General Manager Operations for the Savannah and Lanfranchi nickel mines and General Manager Projects and Technical Services. Prior to Panoramic Resources Chris was Mine Superintendent for New Hampton Goldfields and Harmony Gold Mines at their Jubilee Operation near Kalgoorlie.

**GEOLOGY MANAGER, Michael Green**

Michael is an experienced and accomplished Geologist with 10 years experience. He spent 6 years at Newmont working in both the Regional Exploration Team in Qld, NSW and the NT before moving to the Tanami Operations where he was responsible for both near mine and District exploration. During that time at Newmont Michael was a part of the team that made the Oberon Regional discovery, and the near mine Auron Ore body discovery which has significantly increased the LOM at Newmont Tanami Operations. Responsible for near mine resource development and delineation with a significant component involving the management of contractors and a large geology team.

# KIDMAN OVERVIEW



## PURELY AUSTRALIAN FOCUSED RESOURCE COMPANY BASED IN MELBOURNE

### **GOLD**

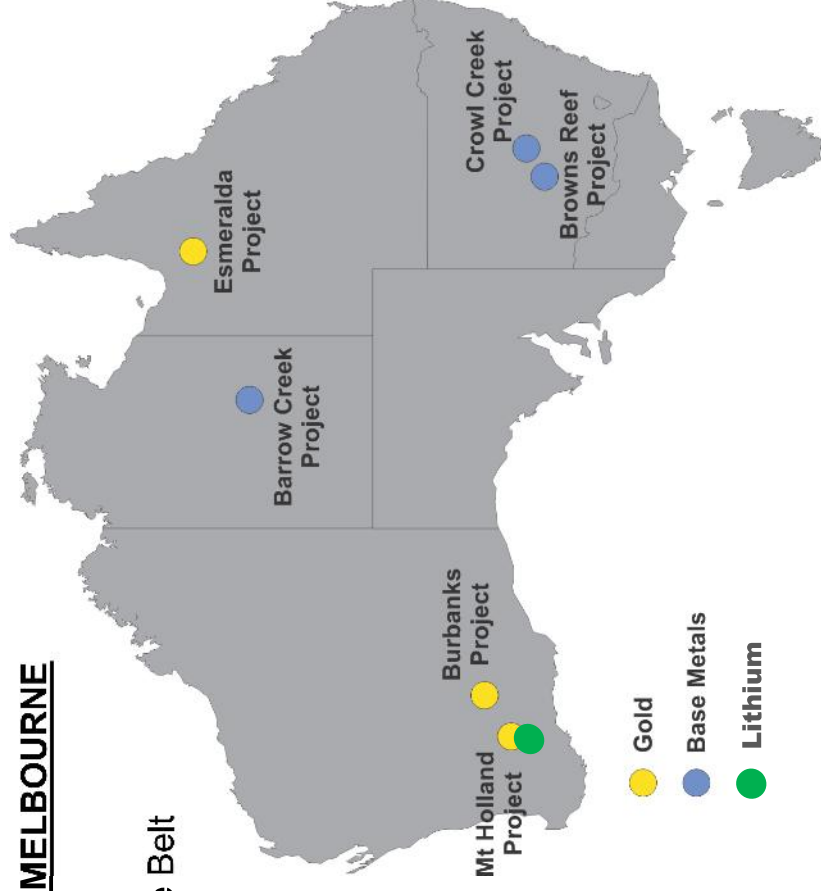
- Mt Holland Project WA- 50km of strike over the Forrestania Greenstone Belt
- Burbanks Mine WA- Producing Gold mine located near Kalgoorlie
- Esmeralda Qld- Early stage highly prospective Gold exploration project

### **LITHIUM**

- Mt Holland Project WA- Recent drill assays confirm significant new discovery with both high grades and significant near surface tonnage potential on granted mining leases

### **BASE METALS- Cu, Ni, Pb, Zn**

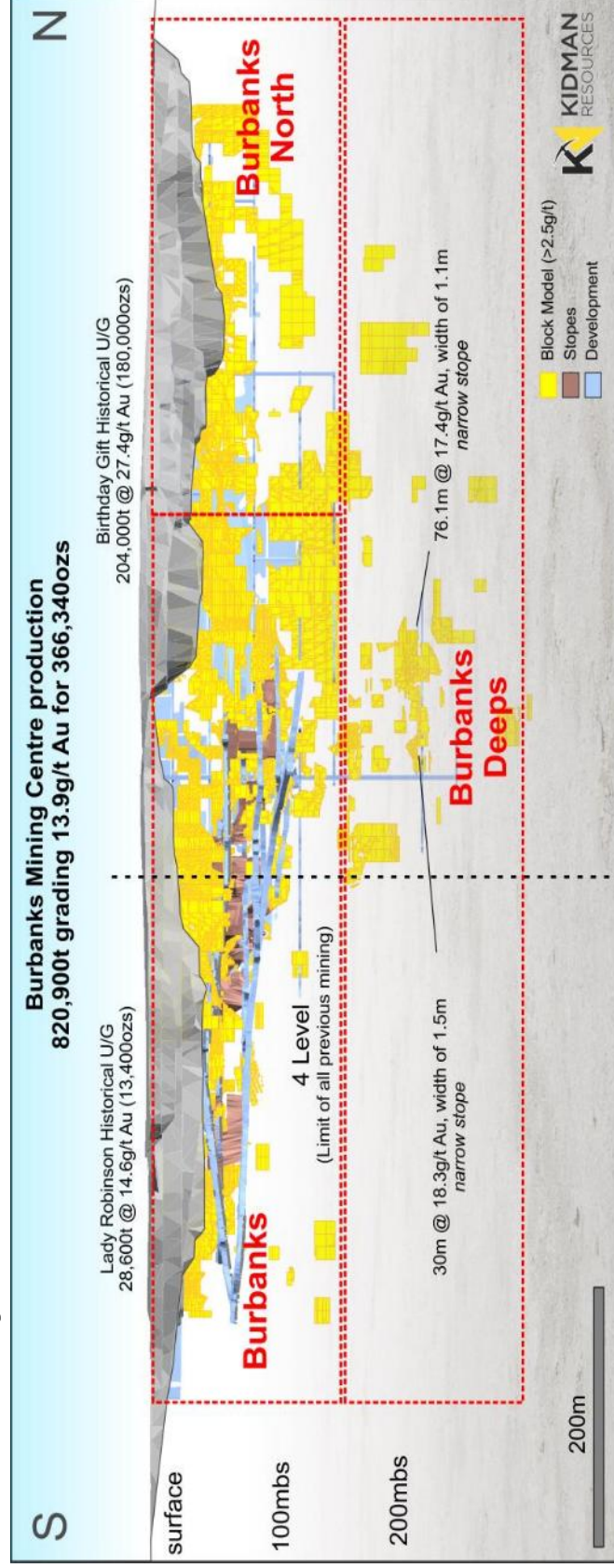
- Barrow Creek NT- Home of Bullion and Prospect D base metal project including combined Inferred and Indicated Resource
- Browns Reef NSW- Cobar Basin base metal project
- Crowl Creek NSW- Projects adjacent to Mineral Hill mine



# BURBANKS GOLD MINE - WA



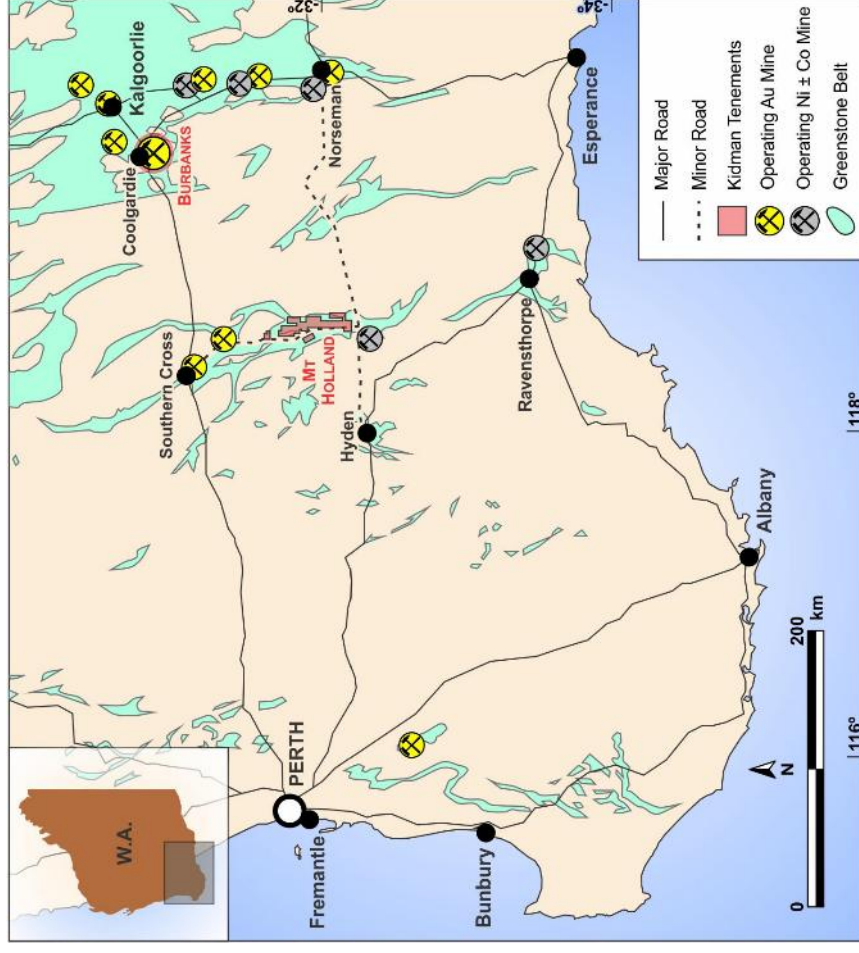
- Acquired in June 2015 during downturn for \$5.4 mil including Gunga West satellite open pit ( Gunga subsequently sold for up to \$2.5m to Metals X)
- No Resource at time but Combined Measured, Indicated and Inferred Resource of 99,000 oz at 5.6 g/t by Aug 2015 (Refer to KDR announcement 25<sup>th</sup> August 2015)
- Historical production of 366,000 oz's at 13.9 g/t with mineralised zones still open at depth and along strike
- Kidman poured first gold mid September 2015
- Changed mining contractors January 2016 and undertook significant capital improvements
- Production now recommencing from Dahmu lode



# MT HOLLAND PROJECT WA – The game changer



- Agreed to acquire out of recent administration in Dec 15 for only \$3.5 mil or \$3.20 per gold ounce or less than the cost of discovery
- Completed acquisition early July 2016 after shareholder approval
- Located near Southern Cross about 4hrs drive east of Perth
- Extensive existing infrastructure and gold endowment (Refer ASX release Dec 18<sup>th</sup> 2015 for details)
- Significant new Lithium discovery with both high grades and large tonnage potential
- Many targets remain open
- Fully permitted with Granted Mining Leases
- Relatively underexplored ground holding with 50km of the Forrestania greenstone belt
- Aggressive drilling programs now commencing



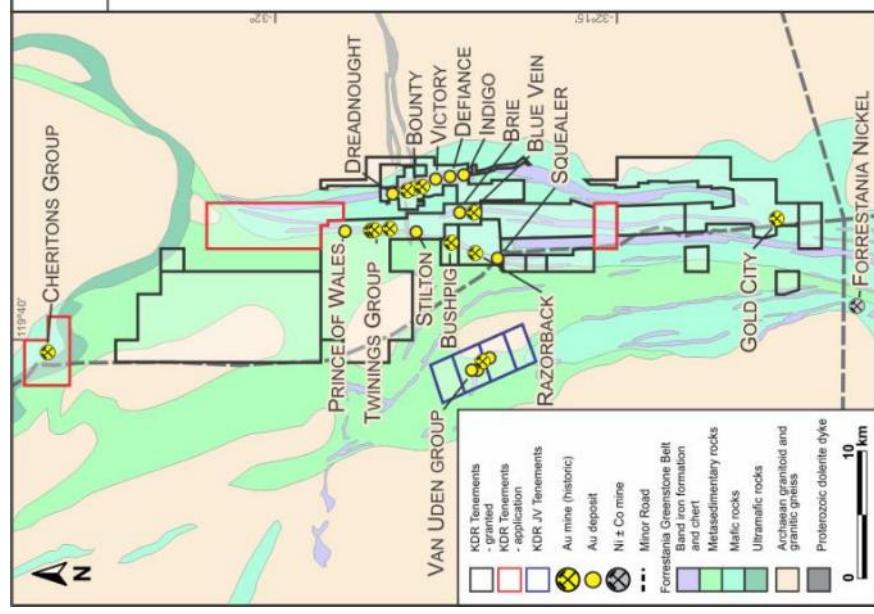
# MT HOLLAND - MULTIPLE TARGETS OVER 50KM = OPTIONALITY



Blue Vein	Gold*
Van Uden	Gold*
Twinings Group	Gold*
Victory	Gold
Gold City	Gold
Bushpig	Gold
Razorback	Gold
Cheritons	Gold
Squealer	Gold
Earl Grey	Lithium*
Prince of Wales	Lithium*
Texas	Lithium
Bounty	Lithium

- Project wide data review has now defined priority Gold and Lithium targets.....

\* ***Current priority targets all on granted mining leases***





# MHG EXISTING INFRASTRUCTURE



- Granted Mining Leases
- Existing haulage roads, public road, airstrip & tailings storage facility
- Existing site office and staff accommodation including all amenities in place
- Western Power substation located on site
- Water sourced from the flooded Bounty underground mine/ borefield
- Communications facilities
- Pit ramp to existing open pit
- Cleared ROM pad area (sufficient for stockpile and haulage loading)

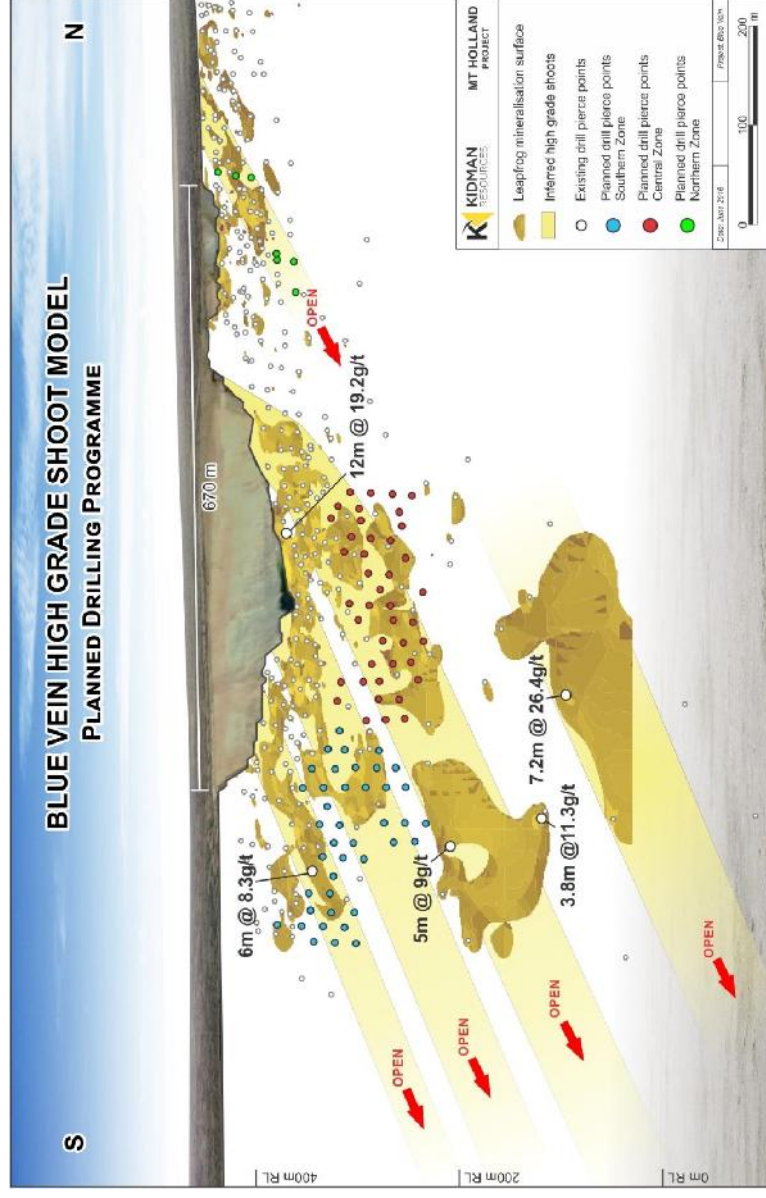


# GOLD - BLUE VEIN GOLD DEPOSIT



- Blue Vein deposit remains open in multiple directions  
*Refer ASX release Dec 18th 2015 for more details on Resource*

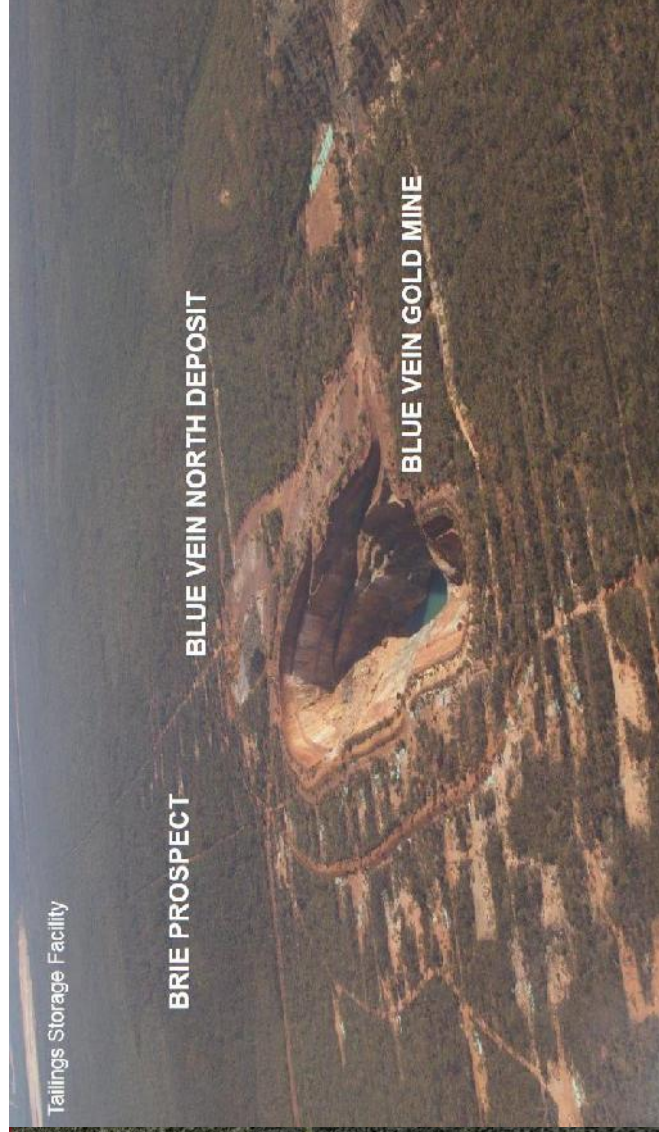
- Results include 14.5m @ 13.6 g/t and 4m @ 10.7 g/t
- Leapfrog modelling and drill optimisation complete
- Significant down dip potential as considered an analogue to the Bounty Mine which was mined to 1.2km depth producing 1.2 mil ounces
- Aiming to increase confidence as well as grade and tonnes for increased mine life
- Commencing drill out has been planned with approximately 90 hole program over next 3-4 months
- Significant near term news flow in an improving gold market



# BLUE VEIN DEPOSIT - AERIAL VIEW OF HISTORIC OPEN PIT



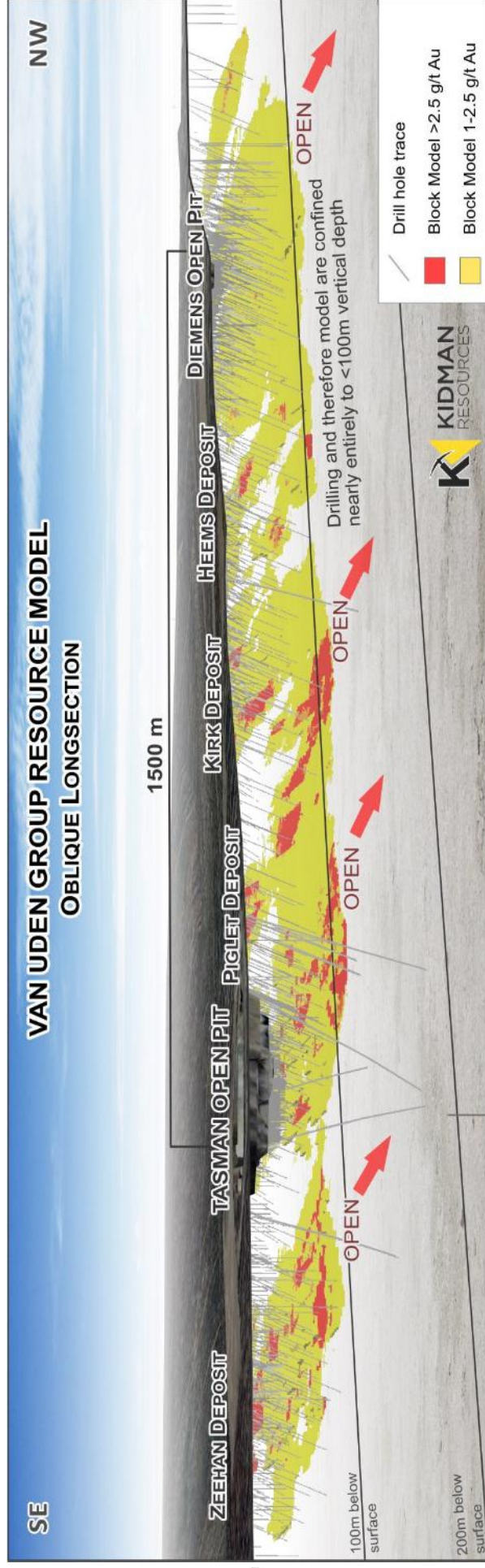
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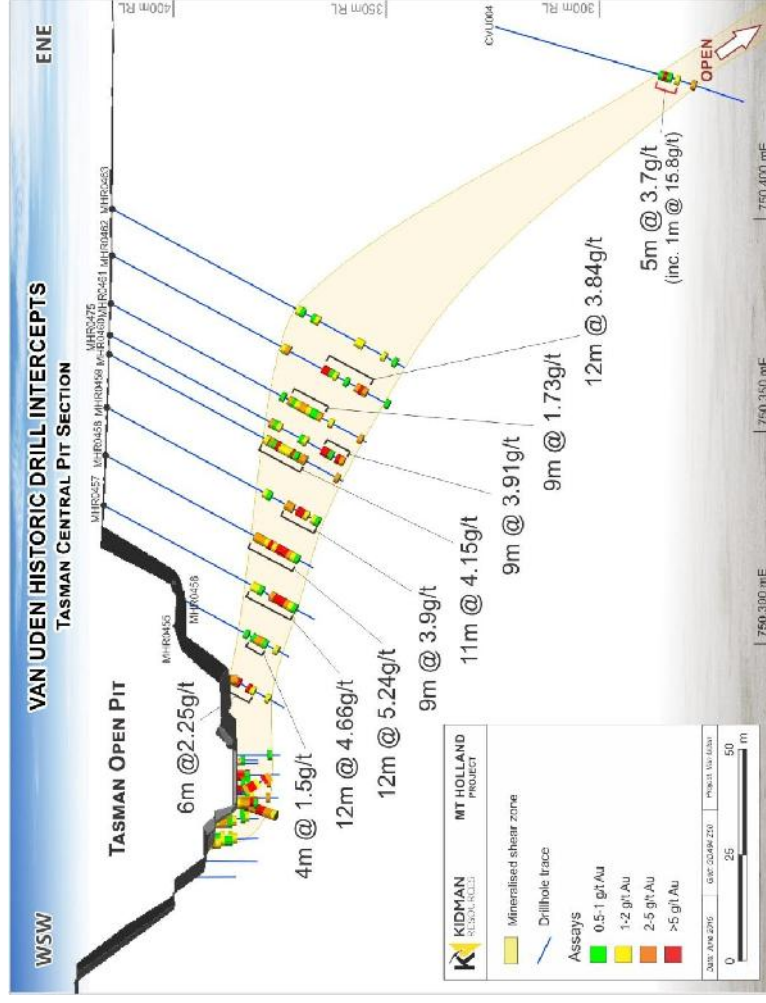
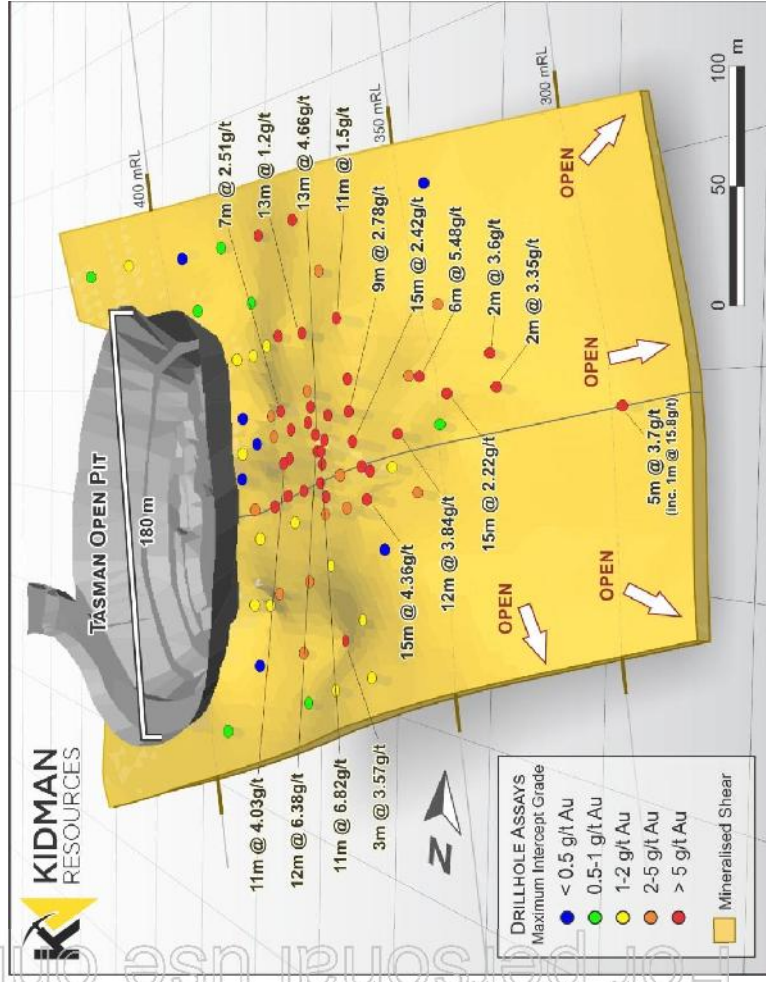
# GOLD – VAN UDEN GOLD DEPOSIT



- Existing open pit mining potential on granted mining lease. Refer ASX Release 18<sup>th</sup> Dec 2015 for resource details
- 8000m of drilling now planned
- Aiming to upgrade existing resource which is open along strike and *at depth* with only 8 of 2058 holes drilled deeper than 100m below surface, none below 200m
- Pit optimisation study already underway to further define drill targets
- Results include; 12m @ 6.38 g/t from 41m, 15m @ 4.36 g/t from 65m , 13m @ 4.66 g/t from 41m



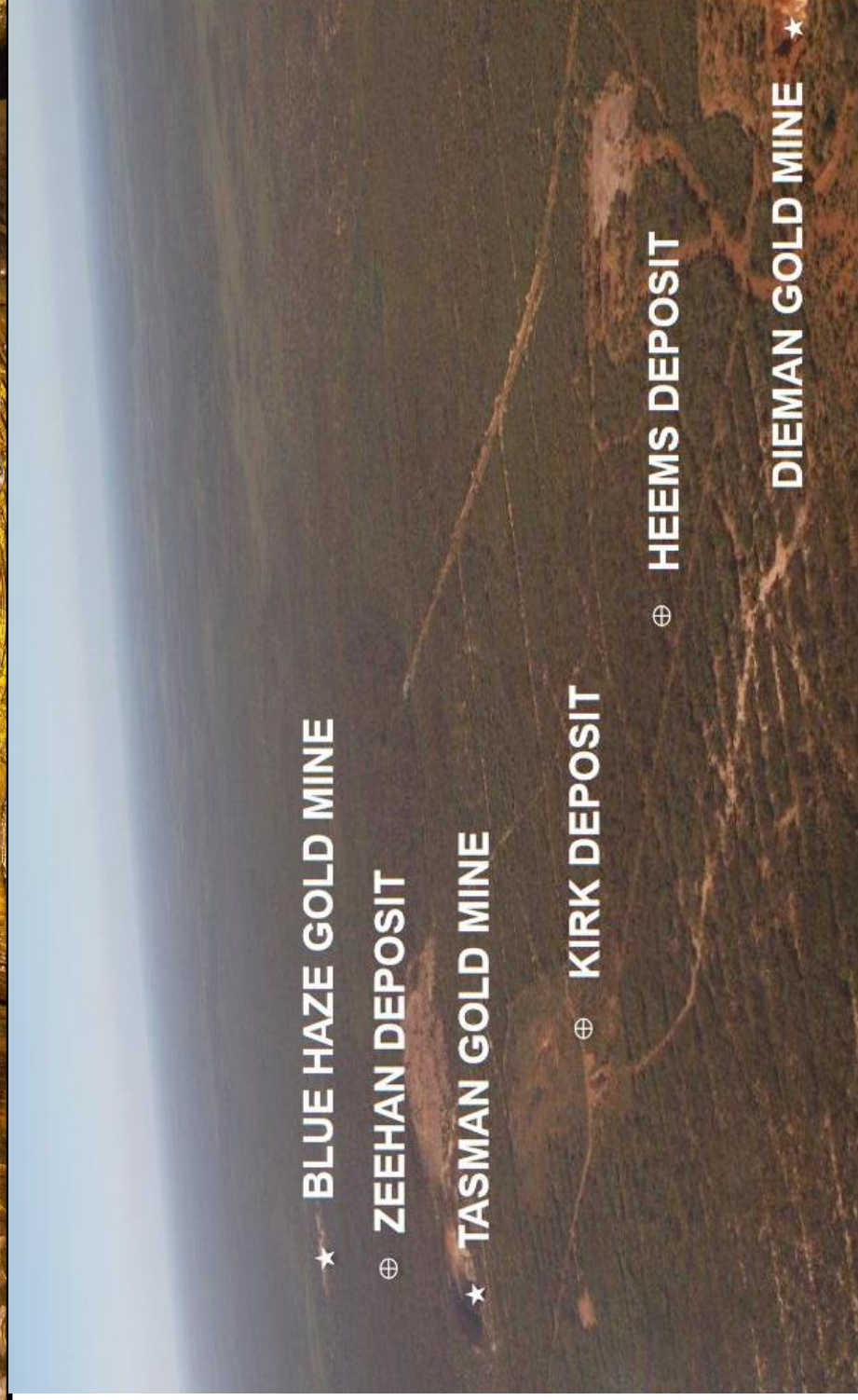
# VAN UDEN – TASMAN PIT REMAINS OPEN



# VAN UDEN GROUP DEPOSIT



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★ BLUE HAZE GOLD MINE

⊕ ZEEHAN DEPOSIT

★ TASMAN GOLD MINE

⊕ KIRK DEPOSIT

⊕ HEEMS DEPOSIT

★ DIEMAN GOLD MINE

# GOLD - TWININGS GROUP GOLD DEPOSITS



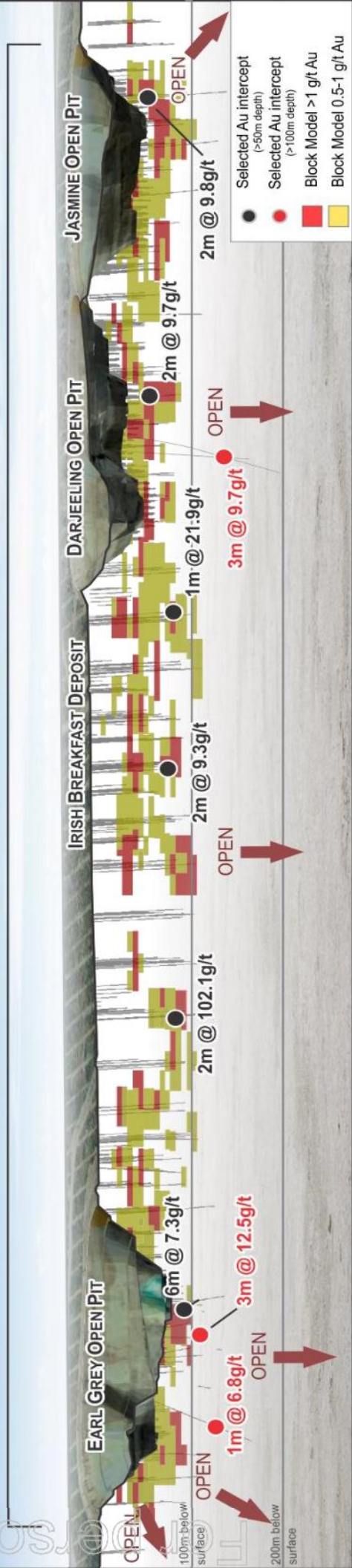
- Existing open pit mining potential on granted mining lease- underground mining potential to also be tested
- 6200m of drilling planned for Darjeeling high grade shoot and Irish Breakfast deposit
- Aiming to upgrade existing gold resource which remains open with only 481 drill holes over 1.4km of which 27 are drilled to between 100m-200m and 1 hole deeper than 200m
- Results include ; 14m @ 8.36 g/t from 19m, 5m @ 8.04 g/t from 165m, 13m @ 5.16 g/t from 21m

## TWININGS GROUP RESOURCE MODEL DRILLING WITH KEY DEEP INTERCEPTS



S

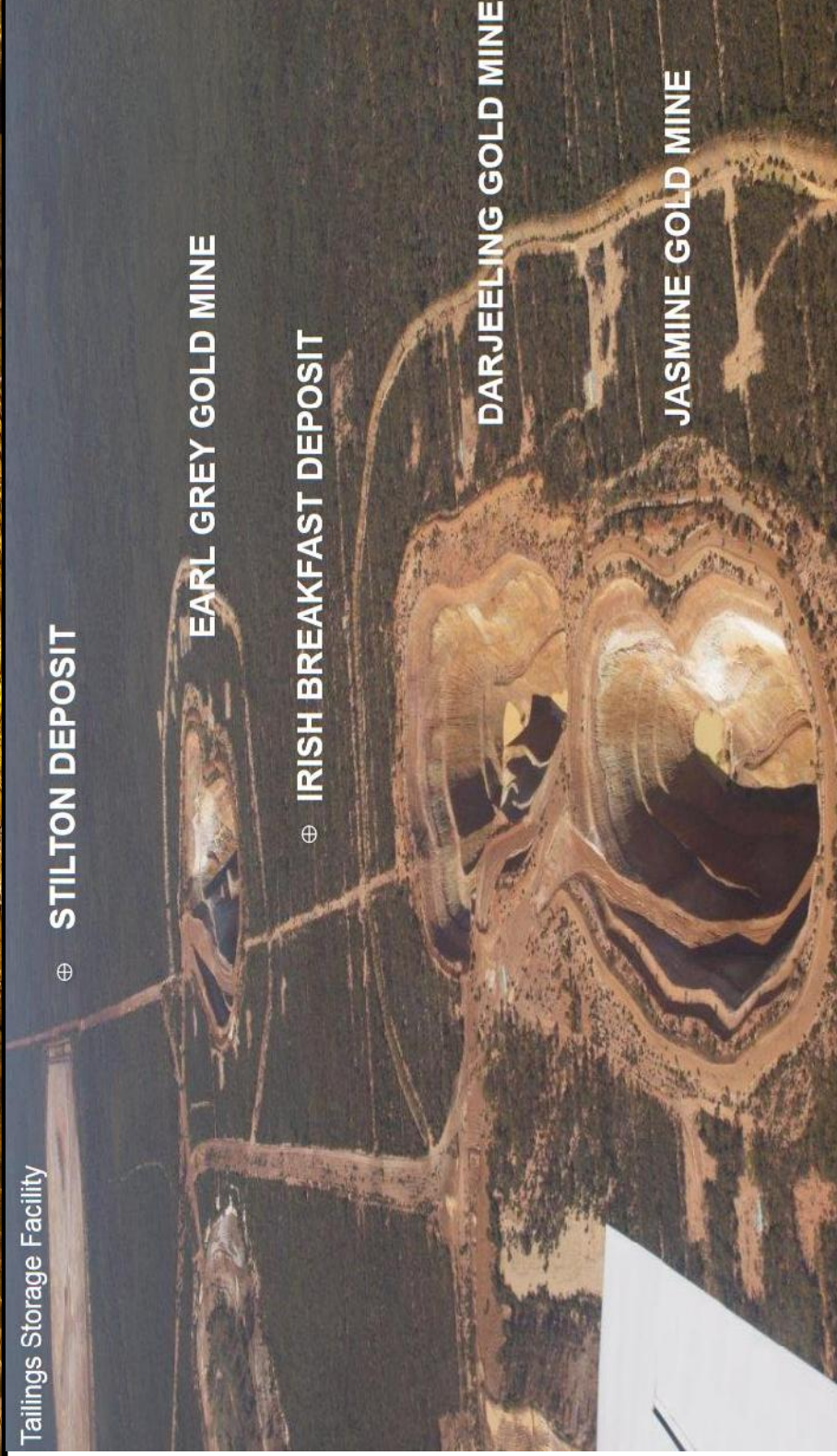
1.4 km



# TWININGS DEPOSIT



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# LITHIUM / EARL GREY - SUBSTANTIAL NEW DISCOVERY



- First RC drill hole results last week
- All holes were *terminated in mineralisation* so *actual thickness of the pegmatite still unknown*
- Extensive Spodumene mineralisation; very high Lithium grades with individual samples up to 3.94% Li<sub>2</sub>O and outstanding widths already at 50m true width
- Mineralisation dips around 20-25 degrees- good open cut potential for low strip ratio
- 45m @ 1.81% Li<sub>2</sub>O including **7m @ 2.23% Li<sub>2</sub>O**
- 39m @ 1.93% Li<sub>2</sub>O including **12m @ 2.46 % Li<sub>2</sub>O**
- 52m @ 1.53% Li<sub>2</sub>O (see KDR ASX Announcement 15 July 2016)
- Plans already underway to mobilise a rig to site for an extensive drilling program
- Targeting maiden resource
- Located on granted mining lease with existing infrastructure.

*All holes were terminated in mineralisation so actual thickness of the pegmatite still unknown*

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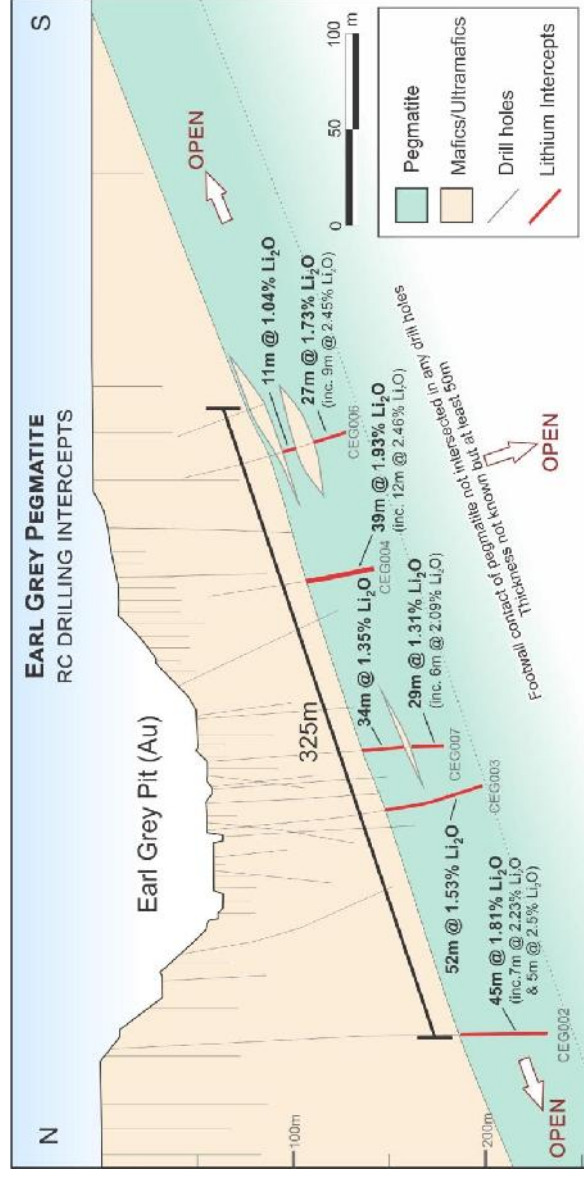
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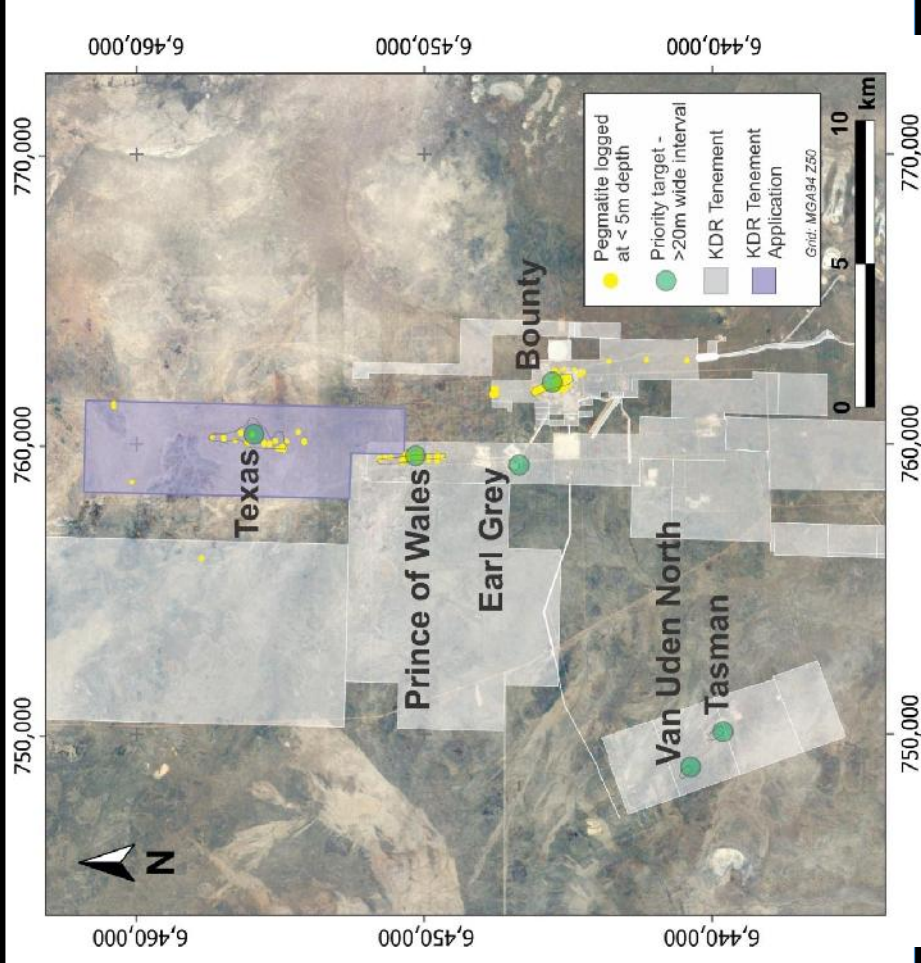
Located on granted mining lease with existing infrastructure.



# OUTSTANDING LITHIUM POTENTIAL



- Much more than just the Earl Grey Lithium discovery
- Data review highlights multiple large near surface pegmatites over 25km
- All confirmed by historic drilling that has never assayed for Lithium
- Many pegmatites are located on granted mining lease
- Compelling exploration potential as a major Lithium field with major tonnage potential
- Other priority targets include **Prince of Wales** which sits at surface along strike from the Earl Grey discovery with drill data confirming the pegmatite is 2.2km long , up to 340m wide and open
- **Texas** pegmatite is 6.3km long based on drill data
- **Bounty** pegmatite confirmed as spodumene bearing with recent drill results on June 2<sup>nd</sup> of 54.2m @ 1.53% Li<sub>2</sub>O and 33.5m @ 1.39% Li<sub>2</sub>O



# INVESTMENT HIGHLIGHTS



- Kidman currently in production at its Burbanks Gold Mine in WA
- Recently completed the acquisition of Mt Holland Gold / Lithium project in WA
- Both Gold and Lithium targets on granted mining leases with significant infrastructure already in place
- Mt Holland aggressive drilling programs on both Gold and Lithium targets to provide multiple share price catalysts
- Highly significant new Lithium discovery showing both exceptional grades and near surface tonnage potential
- Lithium drill program commencing shortly at Earl Grey and other shallow targets like Prince of Wales
- Resource drill out on high grade Blue Vein gold deposit underway with further drill programs at Van Uden imminent
- Divesting non core base metals projects to focus on core assets in Gold / Lithium

# APPENDIX: BURBANKS RESOURCE



Mineral Resource Estimation for the Burbanks Deposit - as of the end of July 2015							
Area	Cut-Off	Indicated			Inferred		
		Tonnes	Grade	Ounces	Tonnes	Grade	Ounces
Open Pit Resource	1.0	30,000	4.5	4,500	10,000	4.7	1,500
Underground Resource	2.5	185,500	5.8	34,500	325,000	5.6	58,500
<b>Total Resource</b>	<b>1.0/2.5</b>	<b>215,000</b>	<b>5.6</b>	<b>39,000</b>	<b>335,000</b>	<b>5.5</b>	<b>60,000</b>

The preceding statements of Mineral Resources conforms to the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code) 2012 Edition. All tonnages reported are dry metric tonnes. Minor discrepancies may occur due to rounding to appropriate significant figures.

Refer to KDR announcement 25<sup>th</sup> August 2015



# KIDMAN RESOURCES

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## For Further Information:

Martin Donohue  
Managing Director  
[martin@kidmanresources.com.au](mailto:martin@kidmanresources.com.au)

# APPENDIX 1

Table 1: Drill hole details

<b>Mt Holland, Western Australia</b>											
Drill Hole	Easting GDA94 (m)	Northing GDA94 (m)	Mine RL (m)	Dip (o)	Azimuth (o)	Total length (m)	From	To	Interval	Grade (g/t)	Location to Mine
VTWP009	759247.51	6446992.85	411.46	-60	88.92	50	21	34	13	5.16	Surface
MHDG013	759197.05	6446985.83	420.24	-60	88.92	160.5	115	122	7	6.22	Surface
CEG007	759401	6446963	452	-55	270	246	165	170	5	8.04	Surface
CJD002	759124	6447908	457	-55	270	204	188	196	8	3.27	Surface
CJD001	759358	6447913	452	-55	90	264	163	166	3	9.76	Surface
TMHP538	759281.31	6447137.56	444.51	-60	90	75	19	33	14	8.36	Surface
MHR198	759206.82	6447504.83	449.11	-60	90	45	32	44	12	5.55	Surface
CVU004	750472	6439430	400	-70	250	180	135	140	5	3.7	Surface
MHD01	750367.56	6439391	415	-60	270	100	42	54	12	6.38	Surface
MHD02	750436.25	6439448	414.2	-60	270	120	100	102	2	3.6	Surface
MHD03	750441.81	6439433.5	414	-60	270	123.1	101	103	2	3.35	Surface
MHR0001	750365.81	6439390.5	415	-60	270	85	42	53	11	6.82	Surface
MHR0018	750403.31	6439404.5	414.4	-60	270	85	66	81	15	2.22	Surface
MHR0024	750371.94	6439447	415.3	-60	270	65	45	56	11	1.5	Surface
MHR0106	750346.19	6439384	415.5	-60	270	71	36	47	11	4.03	Surface
MHR0107	750384.5	6439397	414.6	-60	270	80	49	64	15	2.42	Surface
MHR0124	750348.56	6439437.5	415.9	-60	270	59	42	55	13	1.2	Surface
MHR0165	750397.75	6439375.5	414.1	-60	270	80	65	80	15	4.36	Surface
MHR0452	750377.88	6439314.5	413.7	-60	270	63	59	62	3	3.57	Surface
MHR0455	750308.94	6439356.5	418.1	-60	270	51	37	43	6	2.25	Surface
MHR0456	750320.81	6439360.5	417	-60	270	51	41	45	4	1.5	Surface
MHR0457	750332.5	6439364.5	416.2	-60	270	57	40	52	12	4.65	Surface
MHR0458	750344.13	6439369	415.6	-60	270	56	40	52	12	5.24	Surface
MHR0459	750355.31	6439373	415.1	-60	270	57	48	57	9	3.9	Surface
MHR0460	750367.88	6439378	414.8	-60	270	63	42	53	11	1.54	Surface
MHR0461	750379.94	6439382	414.5	-60	270	69	48	57	9	1.73	Surface
MHR0462	750391.44	6439386.5	414.3	-60	270	75	57	69	12	3.84	Surface
MHR0474	750382.69	6439409.5	414.9	-60	270	63	49	58	9	2.78	Surface
MHR0475	750372.38	6439372	414.5	-60	270	63	57	63	6	3.84	Surface
MHR0477	750363.56	6439396.5	415.2	-60	270	57	41	54	13	4.66	Surface
VUDDH003	750320.31	6439397	417.5	-88.3	347.55	72.9	35	42	7	2.51	Surface
VURC152	750408.94	6439430.5	414.8	-60	270	82	76	82	6	5.48	Surface

# JORC Code, 2012 Edition – Table 1 report template

## SECTION 1 SAMPLING TECHNIQUES AND DATA

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> <li>Nature and quality of sampling (eg 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.</li> <li>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</li> <li>Aspects of the determination of mineralisation that are Material to the Public Report.</li> <li>In cases where 'industry standard' work has been done this would be relatively simple (eg '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 (eg submarine nodules) may warrant disclosure of detailed information.</li> </ul>	<ul style="list-style-type: none"> <li>This table relates to Historic Surface diamond drilling of the Twinings and Van Uden projects undertaken by previous operators of the Mt Holland project. Core sample intervals selected are variable in length (Table 2) though average at 1m and RC/RAB samples collected over 1m.</li> <li><u>Van Uden</u></li> <li>A total of 23 Diamond drill holes for 1321m, 2048 RC holes for 20,159m and 1703 RAB/Aircore holes for 58933.3m have been drilled by previous operators.</li> <li>Holes were angled to optimally intersect the mineralised zones in consideration of site accessibility.</li> <li>To date analysis of 72515 samples have been received from the 72515 samples collected and submitted for analysis.</li> <li><u>Twinings</u></li> <li>A total of 20 Diamond drill holes for 2233m, 2395 RC holes for 76494.8m and 832 RAB/Aircore holes for 36585.7 have been drilled by previous operators.</li> <li>Holes were angled to optimally intersect the mineralised zones in consideration of site accessibility.</li> <li>To date analysis of 92256 samples have been received from the 92256 samples collected and submitted for analysis.</li> <li>Core was 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</li> <li>KDR assumes 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.</li> <li>Diamond core samples are fire assayed (30g charge or 50g charge).</li> <li>Visible gold is occasionally encountered in core.</li> </ul>
Drilling techniques	<ul style="list-style-type: none"> <li>Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg 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).</li> </ul>	<ul style="list-style-type: none"> <li>All sampled drill holes are from surface</li> <li>These were undertaken by multiple Drilling contractors</li> <li>Selected holes were standard NQ 47.6mm diameter core.</li> <li>The selected drill holes total lengths ranged from 0m to 276m.</li> </ul>
Drill sample recovery	<ul style="list-style-type: none"> <li>Method of recording and assessing core and chip sample recoveries and results assessed.</li> <li>Measures taken to maximise sample recovery and ensure representative nature of the samples.</li> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>RC recoveries are logged and recorded in the database. Overall recoveries are &gt;95%. 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.</li> <li>Core samples were routinely visually checked for recovery, moisture and contamination. There is no known relationship between sample recovery and grade.</li> <li>For pre- Kidman Resources (KDR) activities, best practice is assumed.</li> </ul>
Logging	<ul style="list-style-type: none"> <li>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.</li> <li>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</li> <li>The total length and percentage of the relevant intersections logged.</li> </ul>	<ul style="list-style-type: none"> <li>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:</li> <li>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 is standard practice by Kidman Resources.</li> <li>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.</li> <li>Kidman Resources utilises a spreadsheet 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.</li> <li>For pre- Kidman Resources (KDR) activities, best practice is assumed.</li> </ul>
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> <li>If core, whether cut or sawn and whether quarter, half or all core taken.</li> <li>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</li> <li>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</li> <li>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</li> <li>Measures taken to ensure that the sampling is representative of</li> </ul>	<ul style="list-style-type: none"> <li>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.</li> <li>Kidman Resources employs the services of ALS Kalgoorlie for all assaying required in exploration programmes.</li> <li>The procedure utilised include the following:</li> <li>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</li> </ul>

	<p><i>the in situ material collected, including for instance results for field duplicate/second-half sampling.</i></p> <ul style="list-style-type: none"> <li>• Whether sample sizes are appropriate to the grain size of the material being sampled.</li> </ul>	<p>ensure they are not crushed. Dry samples at 95 degrees until dry.</p> <ul style="list-style-type: none"> <li>• Perform non wax dipped SG analysis (OA-GRA08) on requested samples and return these to the drying oven once completed.</li> <li>• Crush samples to 6mm nominal (CRU-21) split any samples &gt;3.2Kg using riffle splitter (SPL- 21).</li> <li>• Generate duplicates for nominated samples, assigning D suffix to the sample.</li> <li>• 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).</li> <li>• Take ~400g working master pulp for 50g fire assay, AAS finish (AA-26)</li> <li>• 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.</li> </ul>
<p><i>Quality of assay data and laboratory tests</i></p>	<ul style="list-style-type: none"> <li>• The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</li> <li>• 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.</li> <li>• Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</li> </ul>	<ul style="list-style-type: none"> <li>• 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.</li> <li>• No geophysical results reported</li> <li>• The QAQC protocols used include the following for all drill samples:</li> <li>• The field QAQC protocols used include the following for all drill samples: <ul style="list-style-type: none"> <li>- 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,</li> <li>- QAQC data is assessed when received from the lab and following import by an external database administrator.</li> <li>- The laboratory QAQC protocols used include the following for all drill samples: <ul style="list-style-type: none"> <li>- Repeat analysis of pulp samples occurs at an incidence of 1 in 20 samples,</li> <li>- The laboratory reports its own QAQC data on with each batch returned</li> </ul> </li> </ul> </li> <li>• 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.</li> <li>• 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</li> </ul>
<p><i>Verification of sampling and assaying</i></p>	<ul style="list-style-type: none"> <li>• The verification of significant intersections by either independent or alternative company personnel.</li> <li>• The use of twinned holes.</li> <li>• Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</li> <li>• Discuss any adjustment to assay data.</li> </ul>	<ul style="list-style-type: none"> <li>• To date KDR has not twinned any drill holes.</li> <li>• Primary data was collected using a set of standard logging templates on laptop computers using lookup codes.</li> <li>• 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.</li> <li>• KDR undertakes continual data integrity checks and validation. No adjustments or calibrations were made to any assay data. Single Shot Downhole surveys were completed as deemed appropriate.</li> </ul>
<p><i>Location of data points</i></p>	<ul style="list-style-type: none"> <li>• 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.</li> <li>• Specification of the grid system used.</li> <li>• Quality and adequacy of topographic control.</li> </ul>	<ul style="list-style-type: none"> <li>• All horizontal co-ordinates are assumed to be GDA94 zone 51 grid system. A DGPS is used to locate collar positions</li> <li>• A local topographic peak at Mount Holland is 473 m above sea level.</li> <li>• Best practice is assumed for activities which occurred prior to KDR.</li> </ul>
<p><i>Data spacing and distribution</i></p>	<ul style="list-style-type: none"> <li>• Data spacing for reporting of Exploration Results.</li> <li>• 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.</li> <li>• Whether sample compositing has been applied.</li> </ul>	<ul style="list-style-type: none"> <li>• The mineralised domains have demonstrated sufficient continuity in both geological and grade continuity to support the classifications applied under the 2012 JORC Code. Surface exploration and definition drilling has been drilled on a range of spacing, from 10m to 200m</li> <li>• The mineralisation at Van Uden and Twinings has demonstrated sufficient continuity in geological observations, but due to the Diamond and RC samples are measured as 1 metre intervals or cut to match geological boundaries.</li> </ul>
<p><i>Orientation of data in relation to geological structure</i></p>	<ul style="list-style-type: none"> <li>• Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</li> <li>• 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.</li> </ul>	<ul style="list-style-type: none"> <li>• Holes have been drilled by previous operator's perpendicular to the mineralised lodes where possible. KDR does not believe any sample bias has been observed due to orientation of drilling</li> </ul>
<p><i>Sample security</i></p>	<ul style="list-style-type: none"> <li>• The measures taken to ensure sample security.</li> </ul>	<ul style="list-style-type: none"> <li>• 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.</li> <li>• Tracking sheets tracks the progress of batches of samples.</li> </ul>
<p><i>Audits or reviews</i></p>	<ul style="list-style-type: none"> <li>• The results of any audits or reviews of sampling techniques and data.</li> </ul>	<ul style="list-style-type: none"> <li>• 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.</li> <li>• Pre-KDR data audits were found to be minimal in regards to QAQC, though in line with industry standards of the time.</li> </ul>



SECTION 2 REPORTING OF EXPLORATION RESULTS

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> <li>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.</li> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>KDR has recently acquired 100% of MH Gold Pty Ltd the entity that owns the Mt Holland tenement package</li> <li>There are forfeiture actions afoot in relation to some tenements in the Mt Holland tenement package.</li> <li>The author is not aware of issues which may impede KDR tenure position and understands the tenements are in good standing.</li> <li>No cultural heritage issues have been reported.</li> </ul>
Exploration done by other parties	<ul style="list-style-type: none"> <li>Acknowledgment and appraisal of exploration by other parties.</li> </ul>	<p><u>Van Uden</u></p> <ul style="list-style-type: none"> <li>1987 – 1994 Reynolds The Van Uden deposit was discovered by Reynolds Australia Mines Pty Ltd. Reynolds completed a large RAB and RC drilling program which defined the initial gold resource. Reynolds completed a trial heap leach and undertook comprehensive mine designs which were later used by Forrestania Gold NL.</li> <li>1994 – 1998 Oriole Resources Limited (Camelot) Camelot only completed 32 RAB holes and a soiling sampling program at Van Uden. Camelot then changed its name to PacMin Mining Corporation and completed a joint venture agreement with Forrestania Gold NL.</li> <li>1998 – 2001 Forrestania Gold NL – Viceroy Australia Pty Ltd Forrestania commenced mining in 1999 at the Tasman and Kirk deposits. Forrestania was bought by Viceroy Australia who continued mining at the Tasman, Kirk, and Dieman deposits until early 2000. A total of 136,023tons of ore was mined containing an average grade of 2.54g/t Au totalling 11,142oz Au. Viceroy went into administration during 2001.</li> <li>2001 – 2004 Sons of Gwalia NL Sons of Gwalia NL (SGW) bought the tenements of Viceroy and rehabilitated the mine site to the required specifications detailed in the Notice of Intent to mine. SGW completed RC and RAB drill holes and later went into administration.</li> <li>2004 – 2010 St Barbara Mines Limited St Barbara only completed desktop studies on Van Uden.</li> <li>2010 – 2015 Convergent Minerals Limited In 2010 Convergent entered into a Joint Venture agreement with St Barbara Mines (now Han King Gold Mining Pty Ltd)</li> <li>2015- Present Kidman Resources entered into a Binding Agreement with MHGold to acquire the Mt Holland Project.</li> </ul> <p><u>Twinnings</u></p> <ul style="list-style-type: none"> <li>1960s Amax Exploration (Australia) Inc. in joint venture with Amoco Minerals (Australia) Company conducted nickel sulphide exploration throughout the Forrestania Belt;</li> <li>1980 - 1985 Harmark Pty Ltd (“Harmark”) acquired the Bounty tenements and entered into a joint venture with Minerals Estate Ltd and Aztec Mining Co. Ltd. (“Aztec”) in 1984. Aztec subsequently became manager/operator of the joint venture;</li> <li>1985 - 1994 exploration drilling by Aztec intersected the Bounty gold deposit, with production commencing in 1988;</li> <li>1994 – 1996 Posgold Limited (“Posgold”) acquired Aztec’s stake in the Bounty operation;</li> <li>1996 - 1997 Harmark, who was now operating as Forrestania Gold NL (“Forrestania Gold”), acquired Posgold’s stake to assume 100% ownership of the Bounty project;</li> <li>1997 - 1999 LionOre International Ltd (“LionOre”) acquired Forrestania Gold;</li> <li>1999 - 2001 Viceroy Australia Pty Ltd (“Viceroy”) through its subsidiary Bounty (Victoria) Pty Ltd acquired the Bounty project;</li> <li>In 2002 a ‘goodbye cut’ was completed in March, processing continued until April 2002; and</li> <li>2004 - 2007 Montague announced that its tenement applications over the former Bounty mine and surrounding area had been granted. Montague subsequently entered into a MoA with Nickel Australia.</li> <li>2007 - 2008 On the 31st July 2007, Simon Roger Coad, of Level 2, 45 Stirling Highway, Nedlands, WA 6009 was appointed as the Administrator of the company pursuant of the Corporations Act. The Administrator was appointed pursuant to a Default Event under the Loan Agreement (loan contract dated 14 December 2006 made between Troika Capital Pty Ltd ACN 059 728 282 and Montague Resources Australia Pty Ltd).</li> <li>28 July 2008, Montague enters into a Deed of Company Arrangement Convergent Minerals Limited.</li> <li>2015- Present Kidman Resources entered into a Binding Agreement with MHGold to acquire the Mt Holland Project.</li> </ul>

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<p>Geology</p>	<ul style="list-style-type: none"> <li>• <i>Deposit type, geological setting and style of mineralisation.</i></li> </ul>	<p>Regional Geology</p> <ul style="list-style-type: none"> <li>• The Forrestania Greenstone belt trends north/north-west for over 300km from Carterton (north) to Hatters Hill (South) (Harvey 2001). The belt contains two distinct geological packages. Package One is represented by a mafic-ultramafic suite intercalated with a sequence of immature clastic sediments. Package Two encompasses a mafic-ultra mafic sequence and is overlain by Package One.</li> <li>• Both packages are regionally folded and display a north plunging synform with steep west, and shallow east limbs (West and East ultramafic-mafic domains) with a core of Package One ultramafic-mafic-sedimentary rocks) (Harvey 2001).</li> <li>• The Forrestania Greenstone Belt was metamorphosed to amphibolite grade facies with localised zones of annealed (retrograde) greenschist facies. The belt is bounded by syngenetic ovoid granite-gneiss complexes. Numerous roughly east-west striking Proterozoic dolerite dykes cross-cut the north trending granite-greenstones) (Harvey 2001).</li> <li>• The Eastern Domain's basal unit is a thick sequence of tholeiitic basalts (minor interflow sedimentary horizons) upon a stratigraphically younger intrusive granitoid (east). Stratigraphically above the basal basalts is an approximately 600m thick package of (from low to high) komatiitic high MgO olivine mesocumulate (Forrestania Belt Ni host); then a komatiitic low MgO olivine mesocumulate with locally developed dolerite-gabbro differentiates and intercalated banded iron formations (BIF); then finally a unit of high MgO basalts. This stratigraphic sequence typifies the Eastern Domain (Harvey 2001).</li> <li>• The Western Domains' basal rocks are a thin suite of clastic metasediments which sit upon a younger intrusive granitoid (west). Stratigraphically above the basal metasediments are a thick package of (from low to high) komatiitic high MgO olivine orthocumulate; then a low MgO pyroxenite with locally developed dolerite-gabbro differentiates and intercalated flow sediments; then finally a unit of high MgO basalts with intercalated flow sediments. This stratigraphic sequence typifies the Western Domain (Harvey 2001).</li> <li>• The Central Domain is a thick (approx. 1000m) unit consisting of psammitic/pelitic +-Garnet schists, minor graphite schists, and thin BIFs (Harvey 2001).</li> <li>• Major shear zones are recorded within the Forrestania Belt and separate the three domains. The Mt Holland Shear defines the Central and Eastern Domain's contact. Likewise, the Van Uden Shear separates the Central and Western Domains. Additional shear zones are recorded as parallel and cross-cutting stratigraphy dominantly orientated north south; and north north-west to south south-east (Harvey 2001).</li> </ul> <p>Local Geology Van Uden The geology at Van Uden is split into two major, and one minor groups, 1) ultramafic-mafic suite; 2) metasediments; and 3) pegmatites. Structurally, the gold mineralisation is focussed along the Van Uden shear, which is a shallow east dipping fault system which separates the western ultramafic-mafic (footwall) from the eastern metasediments (hanging wall). In fresh rock the mineralisation is associated with both pyrite and arsenopyrite.</p> <p>Local Geology Twinings Gold mineralisation at the Twinings, Bushpig, and Razorback deposits is focussed along the Mt Holland shear. Mineralisation at the Bounty package and at Blue Vein occurs within a sub-parallel shear along a BIF which separates two mafic units.</p>
<p>Drillhole Information</p>	<ul style="list-style-type: none"> <li>• <i>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:</i></li> <li>• <i>easting and northing of the drill hole collar</i></li> <li>• <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i></li> <li>• <i>dip and azimuth of the hole</i></li> <li>• <i>down hole length and interception depth</i></li> <li>• <i>hole length.</i></li> <li>• <i>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.</i></li> </ul>	<ul style="list-style-type: none"> <li>• See Table included in Announcement</li> </ul>
<p>Data aggregation methods</p>	<ul style="list-style-type: none"> <li>• <i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</i></li> <li>• <i>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.</i></li> <li>• <i>The assumptions used for any reporting of metal equivalent values should be clearly stated</i></li> </ul>	<ul style="list-style-type: none"> <li>• High grade intervals internal to broader zones of mineralisation are reported as included or within intervals.</li> <li>• Maximum internal dilution is 2m within a reported interval.</li> <li>• No grade top cut off has been applied.</li> <li>• No metal equivalent is used or applied.</li> <li>• A minimum cut-off grade of 0.1g/t Au is applied to the reported gold intervals</li> </ul>

<p><i>Relationship between mineralisation widths and intercept lengths</i></p>	<ul style="list-style-type: none"> <li>• <i>These relationships are particularly important in the reporting of Exploration Results.</i></li> <li>• <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i></li> <li>• <i>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known')</i></li> </ul>	<ul style="list-style-type: none"> <li>• Mineralised widths are indicative of supergene enrichment around the main mineralized structure above the base of oxidation</li> </ul>
<p><i>Diagrams</i></p>	<ul style="list-style-type: none"> <li>• <i>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.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Refer to Figures in body of text</li> </ul>
<p><i>Balanced reporting</i></p>	<ul style="list-style-type: none"> <li>• <i>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.</i></li> </ul>	<ul style="list-style-type: none"> <li>• All results to date are reported in the table provided from the RC drill program.</li> </ul>
<p><i>Other substantive exploration data</i></p>	<ul style="list-style-type: none"> <li>• <i>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..</i></li> </ul>	<ul style="list-style-type: none"> <li>• Multi element assaying has not 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.</li> </ul>
<p><i>Further work</i></p>	<ul style="list-style-type: none"> <li>• <i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i></li> <li>• <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i></li> </ul>	<ul style="list-style-type: none"> <li>• KDR is about to undertake a Drilling programme at Mt Holland to delineate future mining areas within the Blue Vein area. Further work will include Geophysical, geological mapping and RC Exploration drilling</li> </ul>

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