May 23, 2016

ASX Release

Kidman Resources Limited
ABN 88 143 526 096

Corporate Details:
ASX Code: KDR

Issued capital:
237.3M ordinary shares
29.66 listed options (KDRO)

Substantial Shareholders:
Capri Holdings (9.63%)
Acorn Capital (8.85%)

Directors:
Non-Executive Chairman:
Peter Lester
Managing Director:
Martin Donohue
Non-Executive Director:
Brad Evans

Chief Financial Officer (CFO):
Melanie Leydin

Company Secretary:
Justin Mouchacca

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MT HOLLAND LITHIUM POTENTIAL CONFIRMED

Kidman Resources' (ASX:KDR) ongoing review of the lithium potential at the Mt Holland project (see ASX release dated April 13, 2016) has completed the first assessment and analysis of historic Bounty drill core.

Five (5) historic Bounty Mine **(Figure 3)** drill core holes were selected for their notable spodumene bearing pegmatite intersections in core stored in the onsite core farm. The details of these drill holes are tabulated in Appendix 1, **Table 1**. The sampled intervals were selected from historical drill hole geological logs and re-logging by KDR, with samples taken where spodumene was observed. KDR noted that several historically logged thicker pegmatite intersections were missing from the remaining stored core and hence selected samples from available, thinner pegmatites. No other analyses of intercepted pegmatites are known to have been conducted on any other historic drill core to date. KDR have not undertaken any recent drilling campaigns at the Mt Holland project as at the time of reporting. Kidman has since identified two broader pegmatite intervals which have been processed and submitted for assay.

Thirty nine (39) samples of variable length were taken by means of lengthwise quarter cut core from these drill holes intersections. Samples were forwarded to Australian Laboratory Services (ALS) in Perth for analysis. A table of all sample intervals with related analysis results is given in Appendix 2.

Best analyses of selected historical drill hole pegmatite intersections include:

- MDA084A, from 0 to 2.8m:
  - 2.8m @ 2.38% Li_2O, 211 ppm Cs_2O, and 56 ppm Ta_2O_5
- BUG0010, from 238.7 to 239.3m:
  - 0.6m @ 1.33% Li_2O, 337 ppm Cs_2O, and 27 ppm Ta_2O_5
- BUG0170, from 194 to 199m:
  - 5m @ 1.79% Li_2O, 160 ppm Cs_2O, and 50 ppm Ta_2O_5

Lithium analyses of all samples ranged from less than detection of 0.02% to 2.35% Li_2O.

Conversion of Li_2O results to Li has been done by weight percent calculation. Of the 39 samples 32 samples have assays for Li_2O above the detection limit, and upon conversion to Li values range from 186 to 14,114 ppm Li; with 17 of those 32 being over 1000 ppm Li. Cesium (Cs) ranges from 13.5 to 318 ppm. Tantalum pentoxide, Ta_2O_5, results range from 12.5 to 237.5 ppm.

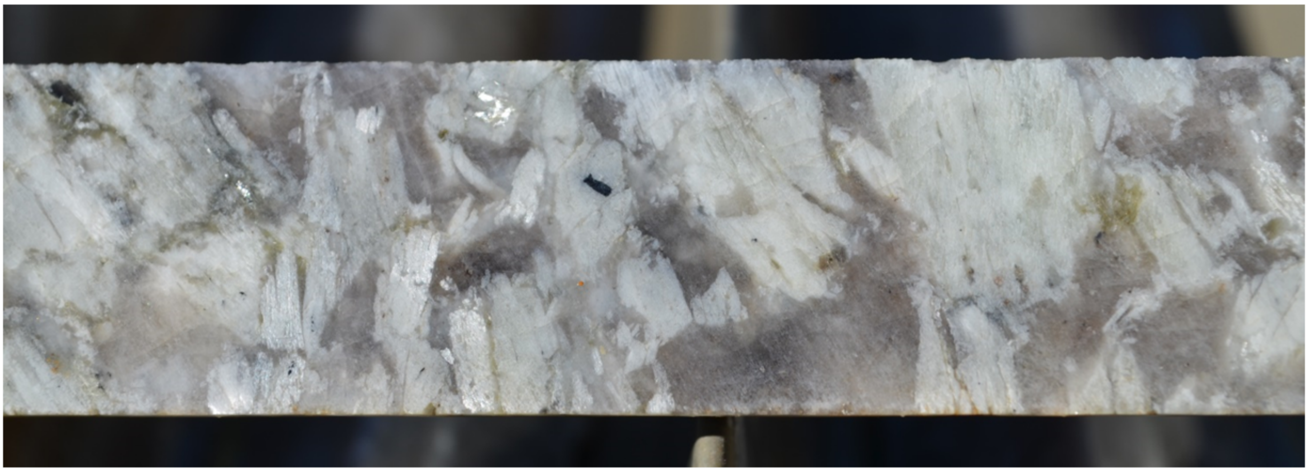

Figure 1: BUG0170 quarter core containing abundant spodumene crystals

The current chemical analysis of historical drill core samples results indicate the historic Bounty Mine lease drill core hosts pegmatites containing lithium-caesium-tantalum (LCT) zones. This specific type of spodumene-bearing pegmatite is known to host economic lithium-tantalum mineralisation such that at Talison Lithium's Greenbushes deposit.

Previous work over Kidman's Mt Holland project area focused almost exclusively on gold and nickel. Kidman's ongoing data review of the Forrestania Greenstone Belt and specifically that area with the Mt Holland tenure (Figure1) have noted significant historically mapped pegmatite over approximately 6km of strike on tenement E77/2244 (see ASX release dated April 13, 2016). In addition a pegmatite with LCT characteristics (i.e. prospective for lithium) was noted east of the Mt Holland project. These are in addition to the sampled pegmatites within the Bounty Mine lease. The missing intervals of thicker pegmatites as indicated by the historical geological logging from the Bounty Mine drill holes suggest that there are significantly more pegmatites within the Bounty mine lease that offer good potential for lithium enriched zonation.

Figure 2: NBD001 Spodumene-rich pegmatite; core currently being processed.

The geology, mineralogy and geochemistry of these pegmatites has not been fully determined at this early stage, and further ongoing work is intended to address these matters. Continued project-wide geological review and database consolidation may also locate further historically mapped or drilled pegmatites.

Very good potential exists for further LCT pegmatites to be discovered within the 50km of prospective strike in the Mt Holland tenement package.

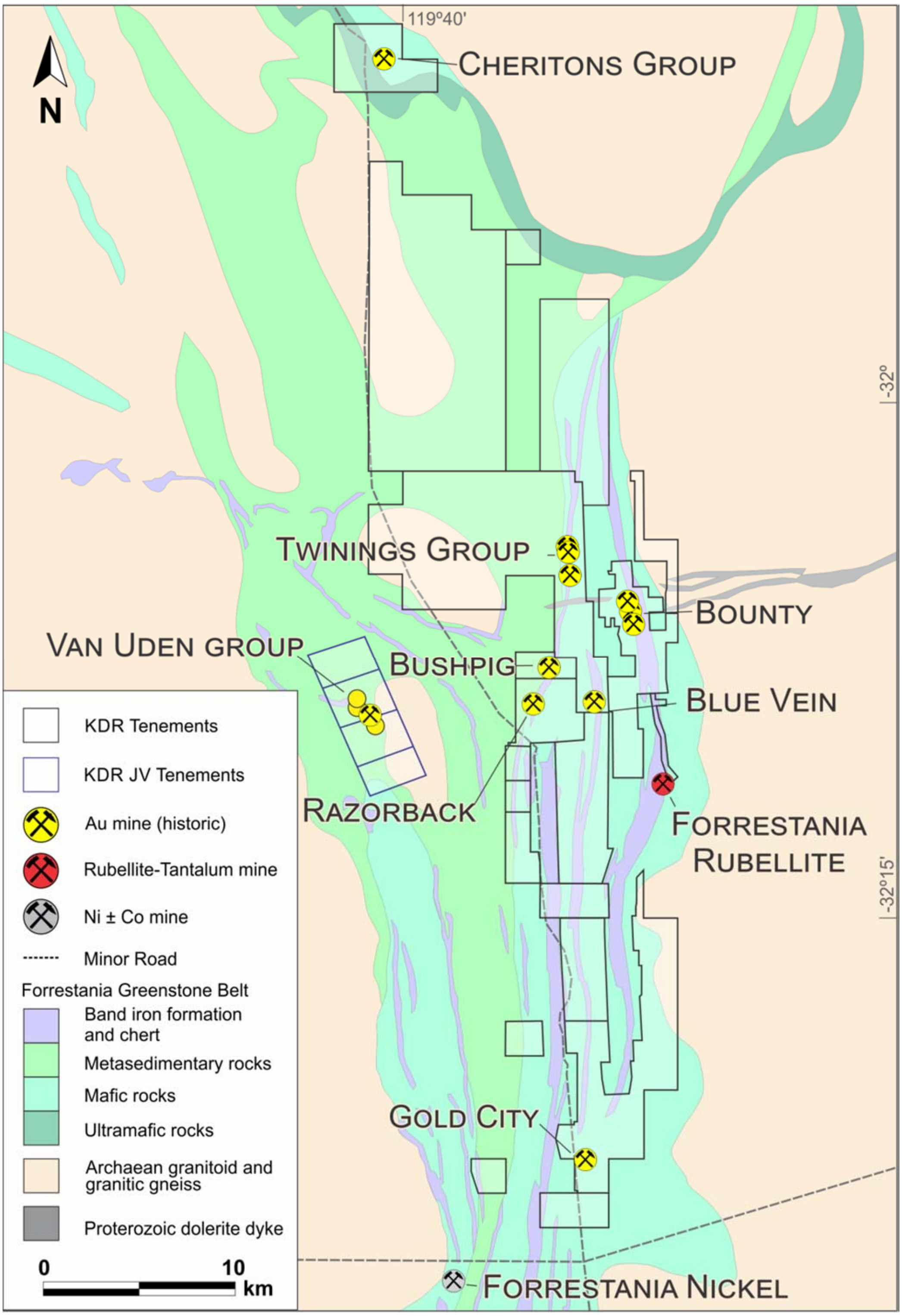

Figure 3: Location of Bounty Mine (Bounty) within Mt Holland Tenement package. Samples have been collected from 5 drill core holes at Bounty Mine only.

Kidman Background

Kidman is a diversified resource company currently in production at the Burbank's Gold Mine near Coolgardie in WA, production commenced in the September quarter of 2015.

Kidman has also entered into a Binding Agreement to acquire the 1moz Mt Holland gold field near Southern Cross in WA. The company intends to upgrade the existing gold resource at Mt Holland with a significant RC and Diamond drilling program, followed by an update to the feasibility study.

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

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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 reviewed by Mr L Sawyer M.App.Sc. Mr Sawyer is not an employee of the company, but is employed by Geos Mining as a contract consultant. Mr Sawyer is a member of the Australian Institute of Geoscientists, he has sufficient experience with the style of mineralisation and type of deposit 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). Mr Sawyer consents to the inclusion in this report of the contained technical information in the form and context as it appears.

Cautionary Statement:

Readers should use caution when reviewing the exploration and historical information results presented and ensure that the Modifying Factors described in the 2012 edition of the JORC Code are considered before making an investment decision. Potential quantity and grade is conceptual in nature, that there has been insufficient exploration to define a Mineral Resource, and that it is uncertain if further exploration will result in the determination of a Mineral Resource.

APPENDIX 1

Table 1: Drill hole details

Mt Holland, Western Australia							
Drill Hole	Easting GDA94 (m)	Northing GDA94 (m)	Mine RL (m)	Inclination (°)	Azimuth (°)	Total length (m)	Location to Mine
MD088	761708	6445942	1426	-70	090	439	Surface
MD084A	761713.6	6445135	1426	-85	085	736	Surface
BUG0010	20703.2	34920	1272.1	5	080	245.7	Underground
BUG0170	20492	34548	664	33	124	266	Underground
HNED417	760012.6	6439921	1435.5	-59.8	83.9	275	Surface
NBUG017	20632.5	35390.5	1310.5	51	059	128.3	Underground

APPENDIX 2

Table 2: Sample analysis results

					Analysis Method	WEI-21	ME-ICP89	ME-ICP89	ME-ICP89	ME-ICP89	ME-ICP89	ME-ICP89	ME-ICP89	ME-ICP89	ME-ICP89	ME-ICP89	ME-ICP89	ME-ICP89
					Element	Received Wt.	Al2O3	As	CaO	Co	Cr2O3	Cu	Fe2O3	K2O	MgO	MnO	Ni	Pb
					unit of measure	kg	%	%	%	%	%	%	%	%	%	%	%	%
Drill Hole	Depth From (m)	Depth To (m)	Interval (m)	Sample Number	limit of detection	0.02	0.02	0.01	0.01	0.005	0.01	0.01	0.01	0.01	0.01	0.01	0.005	0.01
MD088	76.9	77.9	1	U15337		2.08	14.95	0.01	0.59	<0.005	0.01	<0.01	1.47	1.9	1.16	0.04	<0.005	<0.01
MD084A	0	1.4	1.4	U15338		1.24	15.1	0.01	0.14	<0.005	0.01	<0.01	0.89	3.07	0.03	0.08	<0.005	<0.01
MD084A	1.4	2.8	1.4	U15339		1.52	15.4	0.02	0.13	<0.005	0.01	<0.01	0.89	1.04	0.02	0.05	<0.005	<0.01
HNED417	164.3	165.6	1.3	U15340		1.41	14.4	0.01	0.64	<0.005	<0.01	0.01	0.51	0.48	0.07	0.03	<0.005	<0.01
BUG0010	224.3	225.5	1.2	U15341		0.76	16.6	<0.01	0.18	<0.005	0.01	<0.01	0.76	0.25	0.3	0.03	<0.005	<0.01
BUG0010	225.5	226.5	1	U15342		0.97	16	0.01	0.1	<0.005	0.01	<0.01	0.61	1.89	0.22	0.02	<0.005	<0.01
BUG0010	226.5	227.4	0.9	U15343		0.84	17.55	<0.01	0.24	<0.005	<0.01	<0.01	0.67	1.46	0.08	0.04	<0.005	<0.01
BUG0010	227.4	228.4	1	U15344		0.89	16.8	0.01	0.49	<0.005	<0.01	<0.01	1.03	2.84	0.18	0.08	<0.005	<0.01
BUG0010	228.4	229.4	1	U15345		0.93	18.15	<0.01	1.22	<0.005	<0.01	<0.01	0.44	2.14	0.02	0.02	<0.005	<0.01
BUG0010	229.4	230	0.6	U15346		0.36	19.35	<0.01	0.88	<0.005	<0.01	<0.01	0.72	2.47	0.07	0.02	<0.005	0.01
BUG0010	230	231	1	U15347		0.6	19	<0.01	0.52	<0.005	<0.01	<0.01	0.62	2.08	0.07	0.02	<0.005	<0.01
BUG0010	231	232	1	U15348		0.93	19.2	<0.01	0.57	<0.005	<0.01	<0.01	0.42	1.3	0.03	0.03	<0.005	<0.01
BUG0010	232	233	1	U15349		1.04	19.35	<0.01	0.49	<0.005	<0.01	<0.01	0.49	0.9	0.07	0.02	<0.005	0.01
BUG0010	233	234.1	1.1	U15350		0.9	15.25	<0.01	0.7	<0.005	<0.01	<0.01	0.82	3.79	0.2	0.1	<0.005	<0.01
BUG0010	234.1	235	0.9	U15351		0.89	16.05	<0.01	0.38	<0.005	<0.01	<0.01	0.56	5.13	0.03	0.04	<0.005	<0.01
BUG0010	235	236	1	U15352		1	15.75	<0.01	0.6	<0.005	<0.01	<0.01	0.67	2.18	0.03	0.04	<0.005	<0.01
BUG0010	236	237.3	1.3	U15353		1.34	15.9	<0.01	0.29	<0.005	<0.01	<0.01	0.56	5.02	0.05	0.03	<0.005	<0.01
BUG0010	237.3	238.7	1.4	U15354		1.36	13.85	0.01	0.39	<0.005	0.01	<0.01	1.3	3.16	0.27	0.08	<0.005	<0.01
BUG0010	238.7	239.3	0.6	U15355		0.68	15.7	0.01	0.49	<0.005	0.02	<0.01	0.9	4.18	0.23	0.04	0.009	<0.01
BUG0010	239.3	240	0.7	U15356		0.68	16.7	0.01	0.22	<0.005	0.01	<0.01	0.49	6.81	0.1	0.04	<0.005	<0.01
BUG0010	240	240.9	0.9	U15357		0.83	14.75	0.02	0.15	<0.005	0.01	<0.01	0.51	8.2	0.05	0.01	<0.005	<0.01
BUG0010	240.9	241.4	0.5	U15358		0.51	15.6	0.01	0.59	<0.005	0.01	<0.01	0.94	4.89	0.38	0.06	<0.005	<0.01
BUG0010	241.4	242	0.6	U15359		0.35	15.45	<0.01	0.38	<0.005	0.01	<0.01	1.22	4.06	0.35	0.07	<0.005	<0.01
BUG0010	242	243	1	U15360		0.85	14.85	0.01	0.24	<0.005	0.01	<0.01	0.9	3.64	0.07	0.03	<0.005	<0.01
BUG0010	243	244	1	U15361		0.95	15.5	0.01	0.31	<0.005	0.02	<0.01	1.02	1.52	0.12	0.02	<0.005	<0.01
BUG0010	244	245	1	U15362		0.8	10.55	0.01	0.92	<0.005	0.01	<0.01	1.12	1.69	0.07	0.06	<0.005	<0.01
BUG0010	245	245.7	0.7	U15363		0.63	14.6	<0.01	0.25	<0.005	<0.01	<0.01	0.57	0.69	0.02	0.01	<0.005	0.01
BUG0170	193.3	194	0.7	U15364		0.79	15.4	<0.01	0.34	<0.005	0.01	<0.01	0.8	3	0.03	0.05	<0.005	<0.01
BUG0170	194	195	1	U15365		1.23	14.15	0.01	0.24	<0.005	0.01	<0.01	1.04	1.64	0.03	0.07	<0.005	<0.01
BUG0170	195	196	1	U15366		1.18	16.15	<0.01	0.25	<0.005	0.02	<0.01	1.16	1.79	0.03	0.11	<0.005	<0.01
BUG0170	196	197	1	U15367		1.17	15.25	<0.01	0.27	<0.005	0.02	<0.01	1	2.57	0.05	0.09	<0.005	<0.01
BUG0170	197	198	1	U15368		1.2	15.95	0.01	0.24	<0.005	0.01	<0.01	0.96	3.87	0.03	0.08	<0.005	<0.01
BUG0170	198	199	1	U15369		1.17	16.45	0.01	0.21	<0.005	0.01	<0.01	1.04	2.55	0.03	0.1	<0.005	<0.01
NBUG017	63.7	65	1.3	U15370		1.23	16	0.01	1.02	<0.005	0.01	<0.01	0.71	1.06	0.1	0.02	<0.005	<0.01
NBUG017	65	66	1	U15371		0.93	15.8	<0.01	0.27	<0.005	0.02	<0.01	0.69	2.37	0.08	0.01	<0.005	<0.01
NBUG017	66	67	1	U15372		0.88	15.75	<0.01	0.22	<0.005	0.01	<0.01	0.57	3.47	0.12	0.01	<0.005	0.01
NBUG017	67	68	1	U15373		0.87	15.25	0.01	0.17	<0.005	0.01	<0.01	0.83	4.89	0.08	0.01	<0.005	<0.01
NBUG017	68	69	1	U15374		0.83	17.55	0.01	0.32	<0.005	0.02	<0.01	0.94	6.9	0.12	0.01	<0.005	<0.01
NBUG017	69	70	1	U15375		0.84	16.75	0.01	0.29	<0.005	0.02	<0.01	1.47	6.08	0.12	0.03	<0.005	<0.01

					Analysis Method	ME-ICP89	ME-ICP89	ME-ICP89	ME-ICP89	ME-ICP89	ME-ICP89	ME-MS91	Calculated	ME-MS91	ME-MS91	Calculated	ME-MS91	ME-MS91
					Element	S	SiO_2	TiO_2	Zn	Be	Li_2O	Cs	Cs_2O	Nb	Rb	Rb_2O	Sn	Ta
					unit of measure	%	%	%	%	ppm	%	ppm	ppm	ppm	ppm	ppm	ppm	ppm
Drill Hole	Depth From (m)	Depth To (m)	Interval (m)	Sample Number	limit of detection	0.01	0.2	0.02	0.01	20	0.02	0.2		5	0.5		5	0.5
MD088	76.9	77.9	1	U15337		0.01	73.2	0.05	0.01	130	0.04	37.7	39.97	69	866	947.06	43	80
MD084A	0	1.4	1.4	U15338		<0.01	71	<0.02	0.01	110	1.23	178.5	189.24	61	2350	2569.96	60	44.4
MD084A	1.4	2.8	1.4	U15339		<0.01	75.5	<0.02	0.01	70	2.17	106	112.38	38	934	1021.42	37	21
HNED417	164.3	165.6	1.3	U15340		<0.01	76.6	<0.02	0.01	160	<0.02	24	25.44	78	369	403.54	16	86.2
BUG0010	224.3	225.5	1.2	U15341		<0.01	74.7	<0.02	0.01	100	0.22	19.5	20.67	37	156.5	171.15	7	20.5
BUG0010	225.5	226.5	1	U15342		<0.01	73.6	<0.02	0.01	40	0.04	75.7	80.26	42	1085	1186.56	<5	20.4
BUG0010	226.5	227.4	0.9	U15343		<0.01	71	<0.02	<0.01	30	0.04	77.2	81.85	82	927	1013.77	<5	49.5
BUG0010	227.4	228.4	1	U15344		0.02	74	<0.02	0.01	120	0.19	193	204.62	111	1875	2050.50	7	82.6
BUG0010	228.4	229.4	1	U15345		0.02	70.2	<0.02	<0.01	70	<0.02	101.5	107.61	117	1300	1421.68	5	81.5
BUG0010	229.4	230	0.6	U15346		0.02	68.9	<0.02	<0.01	<20	<0.02	135.5	143.66	101	1485	1624.00	6	68.8
BUG0010	230	231	1	U15347		0.02	69.7	<0.02	0.01	<20	<0.02	87.5	92.77	101	1260	1377.94	7	76.9
BUG0010	231	232	1	U15348		0.01	68.7	<0.02	<0.01	20	<0.02	66.5	70.50	87	815	891.29	<5	52.6
BUG0010	232	233	1	U15349		0.02	70.4	<0.02	<0.01	30	<0.02	31.9	33.82	106	519	567.58	5	72.9
BUG0010	233	234.1	1.1	U15350		0.03	73.8	<0.02	0.01	60	0.58	181.5	192.42	35	2470	2701.20	12	21.4
BUG0010	234.1	235	0.9	U15351		0.01	75.1	<0.02	0.01	100	0.13	279	295.79	91	3190	3488.59	8	31.1
BUG0010	235	236	1	U15352		0.02	75.1	<0.02	0.01	120	0.54	252	267.17	41	1440	1574.79	13	24.5
BUG0010	236	237.3	1.3	U15353		<0.01	76.4	<0.02	0.01	100	0.09	290	307.45	61	3040	3324.55	40	32.8
BUG0010	237.3	238.7	1.4	U15354		<0.01	74	<0.02	0.01	380	0.26	241	255.51	368	1920	2099.71	47	144
BUG0010	238.7	239.3	0.6	U15355		<0.01	73.4	<0.02	0.01	80	1.33	318	337.14	35	2180	2384.05	17	21.9
BUG0010	239.3	240	0.7	U15356		0.01	71.9	<0.02	0.02	40	0.11	270	286.25	44	3520	3849.48	15	34.6
BUG0010	240	240.9	0.9	U15357		0.01	71.4	<0.02	0.01	20	0.04	285	302.15	66	4200	4593.13	8	38
BUG0010	240.9	241.4	0.5	U15358		0.04	70	<0.02	0.02	90	0.52	214	226.88	123	2940	3215.19	80	194.5
BUG0010	241.4	242	0.6	U15359		<0.01	74	<0.02	0.02	40	0.45	165	174.93	97	2230	2438.73	24	52.7
BUG0010	242	243	1	U15360		0.01	74	<0.02	0.01	80	0.04	130	137.82	45	1775	1941.14	14	22.4
BUG0010	243	244	1	U15361		0.03	73.6	0.02	<0.01	80	0.04	63.7	67.53	61	715	781.92	13	33.9
BUG0010	244	245	1	U15362		<0.01	77.4	<0.02	<0.01	130	0.04	70.8	75.06	67	793	867.23	5	43.1
BUG0010	245	245.7	0.7	U15363		0.03	73.8	<0.02	<0.01	60	<0.02	31.4	33.29	41	304	332.45	<5	26.3
BUG0170	193.3	194	0.7	U15364		0.02	72.1	<0.02	0.01	110	0.47	87.1	92.34	92	1235	1350.60	55	33.1
BUG0170	194	195	1	U15365		<0.01	73.2	<0.02	0.01	100	1.49	56	59.37	95	784	857.38	59	36.4
BUG0170	195	196	1	U15366		0.02	76.4	<0.02	0.01	190	2.35	100.5	106.55	73	930	1017.05	52	42.6
BUG0170	196	197	1	U15367		<0.01	75.9	<0.02	0.01	110	1.49	118.5	125.63	66	1205	1317.79	38	38.5
BUG0170	197	198	1	U15368		0.03	77.7	<0.02	0.02	120	1.46	215	227.94	70	1740	1902.87	47	40.1
BUG0170	198	199	1	U15369		0.01	75.9	<0.02	<0.01	110	2.15	264	279.89	62	1295	1416.21	65	46.1
NBUG017	63.7	65	1.3	U15370		0.01	72.7	0.03	<0.01	40	0.24	13.5	14.31	16	467	510.71	5	26.1
NBUG017	65	66	1	U15371		0.02	74.7	<0.02	<0.01	100	0.28	18.5	19.61	52	989	1081.57	14	74.9
NBUG017	66	67	1	U15372		0.01	74.2	<0.02	<0.01	20	0.24	25.6	27.14	16	1430	1563.85	14	33.6
NBUG017	67	68	1	U15373		0.01	73.8	0.03	<0.01	40	0.13	22.6	23.96	9	1730	1891.93	<5	11.4
NBUG017	68	69	1	U15374		0.02	69.5	0.04	<0.01	70	0.04	54.4	57.67	9	2710	2963.66	7	10.2
NBUG017	69	70	1	U15375		0.03	73.4	0.08	<0.01	40	0.04	19.6	20.78	30	1820	1990.35	<5	35

					Analysis Method	Calculated	ME-MS91	ME-MS91
					Element	Ta2O5	Th	U
					unit of measure	ppm	ppm	ppm
Drill Hole	Depth From (m)	Depth To (m)	Interval (m)	Sample Number	limit of detection		0.5	0.5
MD088	76.9	77.9	1	U15337		97.68	3.6	6.3
MD084A	0	1.4	1.4	U15338		54.21	2.7	7.4
MD084A	1.4	2.8	1.4	U15339		25.64	1.6	3.5
HNED417	164.3	165.6	1.3	U15340		105.25	4.5	3
BUG0010	224.3	225.5	1.2	U15341		25.03	2	2.9
BUG0010	225.5	226.5	1	U15342		24.91	1.3	2.2
BUG0010	226.5	227.4	0.9	U15343		60.44	5.1	9.1
BUG0010	227.4	228.4	1	U15344		100.86	5.3	10
BUG0010	228.4	229.4	1	U15345		99.52	7.7	16.7
BUG0010	229.4	230	0.6	U15346		84.01	4.8	10.8
BUG0010	230	231	1	U15347		93.90	6.3	12.7
BUG0010	231	232	1	U15348		64.23	7	6.8
BUG0010	232	233	1	U15349		89.01	7.5	10.6
BUG0010	233	234.1	1.1	U15350		26.13	2.2	8.3
BUG0010	234.1	235	0.9	U15351		37.97	10.3	6.4
BUG0010	235	236	1	U15352		29.92	3.4	5.4
BUG0010	236	237.3	1.3	U15353		40.05	3.3	2.9
BUG0010	237.3	238.7	1.4	U15354		175.83	18.1	21.6
BUG0010	238.7	239.3	0.6	U15355		26.74	1.6	3.1
BUG0010	239.3	240	0.7	U15356		42.25	2	2.4
BUG0010	240	240.9	0.9	U15357		46.40	1.2	2.5
BUG0010	240.9	241.4	0.5	U15358		237.49	5.5	10.8
BUG0010	241.4	242	0.6	U15359		64.35	5.6	2.9
BUG0010	242	243	1	U15360		27.35	4	4.2
BUG0010	243	244	1	U15361		41.39	5.5	5
BUG0010	244	245	1	U15362		52.63	4.1	4.8
BUG0010	245	245.7	0.7	U15363		32.11	3.5	3.4
BUG0170	193.3	194	0.7	U15364		40.42	4.3	5.8
BUG0170	194	195	1	U15365		44.45	4.8	6.1
BUG0170	195	196	1	U15366		52.02	4.2	5.1
BUG0170	196	197	1	U15367		47.01	3.2	4.5
BUG0170	197	198	1	U15368		48.96	3	5.4
BUG0170	198	199	1	U15369		56.29	3.7	5.7
NBUG017	63.7	65	1.3	U15370		31.87	3.3	2.2
NBUG017	65	66	1	U15371		91.46	7.4	7.7
NBUG017	66	67	1	U15372		41.03	1.6	2.1
NBUG017	67	68	1	U15373		13.92	2.9	2
NBUG017	68	69	1	U15374		12.45	2.2	3.2
NBUG017	69	70	1	U15375		42.74	6.7	6.6

JORC Code, 2012 Edition – Table 1 report template

Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *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.* • *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 (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.*	• This table relates to recent selective sampling of target identified drill core (spodumene bearing pegmatite) from historical underground and surface drill holes at Bounty Gold Mine undertaken by KDR at the Mt Holland project. Core sample intervals selected are variable in length (Table 2) though average at 1m. • A total of 5 drill holes (Table 1) had sample intervals selected from them by KDR in this programme. • Selected core sample intervals were retrieved from the stored core and cut lengthwise into quarter split core samples as per industry standard practice. • Samples were forwarded to certified laboratory for analysis where they were weighed, crushed, reweighed, pulverised and split to produce a ~200g pulp subsample to use in the assay process. • The core samples were assayed by Inductively coupled plasma mass spectrometry (ICP) or mass spectrometry (MS). • No field duplicate samples were in evidence. • Laboratory QAQC documentation is pending.
Drilling techniques	• *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).*	• All sampled drill holes are diamond drill core holes, 2 holes are drilled from surface and 3 are from underground workings. • These were undertaken by previous operators of the Bounty Gold Mine and not be KDR. • Selected holes were standard NQ 47.6mm diameter core. • The selected drill holes total lengths ranged from 128m to 736m.
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.*	• Diamond core drill holes had been geologically logged and recorded within a database. • Selected intervals from the targeted drill holes have been re-logged and entered into a database by KDR. • Historical recoveries for these selected intervals are of apparent >90%. • Samples were selected on a basis of high spodumene occurrence, hence are not an unbiased sample.
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 workers is imported and consolidated into a database by KDR, for interpretation, analysis, and verification purposes. • Historical diamond core drill hole data includes: o Geological logging over varying intervals, dependent on observed changes for various parameters (e.g. lithology, alteration, mineralogy etc.) • The geological logs and re-logging are compiled with appropriate attention to detail. • Industry standard practice is assumed for activities which occurred prior to KDR.
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.*	• The select diamond core intervals were quarter cut lengthwise with a circular diamond blade saw. • A quarter of the core has been retained. • A total of 38.5 m in 39 samples was collected. • The NATA accredited laboratory is registered to ISO 9001:2008 standards. They use industry best practice. • The laboratory procedure used includes the following: o Sort all samples and note any discrepancies to the submittal form o Record a received weight (WEI-21) for each sample, o Crush samples to 6mm nominal (CRU-21), o Record a crushed samples weight, o Split any samples >3.2Kg using a riffle splitter (SPL-21), o Generate internal laboratory duplicates for nominated samples, assigning a 'D' suffix to the sample number, o Pulverise samples in LM5 pulveriser until grind size passes 90% passing 75µm (PUL-23), o Check pulverise size on 1:20 wet screen (PUL-QC), o Take ~ 100g work master pulp for 0.2g sample for sodium pentoxide fusion with ICP-OES or ICP_MS finish. • *The elements the samples were assayed for are: Al_2O_3, As*, CaO, Co, Cr_2O_3, Cu, Fe_2O_3, K_2O, MgO, MnO, Ni, Pb, S, SiO_2, TiO_2, Zn, Be, Li_2O, Cs, Nb, Rb, Sn, Ta, Th, and U. The code for the method used, the method units of measure, limits of detection are shown in Table 2 in the text above.
Quality of assay data and laboratory	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is*	• For the drill core samples being reported elemental concentrations have been determined as per the outline in the proceeding item. • Laboratory QAQC documentation is pending.

tests	*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 (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• No geophysical results are reported. • No field QAQC has been supplied by KDR. • It is recommended that future sampling programmes incorporate field QAQC best practice as used by KDR on other projects.
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.*	• Historical drill holes have not been twinned by KDR to date. • Industry standard practice is assumed for activities which occurred prior to KDR. • Primary historical data and any re-logging / new sampling data have been compiled into the database. This database is being re-evaluated and consolidated by KDR in an ongoing activity. • No adjustments or calibrations to the assay data have been made. • Oxides of Cs, Rb, and Ta (Table 2) have been calculated based on atomic weight proportion percentile. • Values for Li in the report text have also been calculated by atomic weight proportion percentile from the assay Li_2O% value.
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 co-ordinates are assumed to be GDA94 zone 51 grid system. • Vertical regional level (RL) is assumed to be a Bounty Gold Mine level as the surface drill holes have an RL of 1426m and a local topographic peak at Mount Holland is 473 m above sea level. • Best practice is assumed for activities which occurred prior to KDR. • No resurvey of the hole collar co-ordinates has been undertaken by KDR.
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.*	• The reported results are based on selective sampling of target identified drill core (spodumene bearing pegmatite) from historical underground and surface drill holes at Bounty Gold Mine. • Samples were selected on a basis of high visual spodumene occurrence, hence are not an unbiased sample. • The recently assay sample spacing is not sufficient to establish a high degree of geological and grade continuity appropriate for Mineral resource and Ore reserve reporting. • No sample compositing has been applied to the samples being reported. • Historical drill hole data and surface mapping does show a high number of pegmatite intersections in the Bounty Mine lease and occurrences in E77/2244 to the north.
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.*	• The orientation of the targeted drill holes for selective sampling is given in Appendix1, Table 1 in the document. • The orientation of the drill holes in relation to the pegmatites sampled has not been interpreted by KDR. • Discussions with KDR personnel indicated that in the main the pegmatites are flat lying with a gentle westerly dip. There are exceptions which appear to be southeast dipping and others which are near vertical. The pegmatites can be truncated by east – northeast trending fracture zones. • Relationship of the pegmatites and local or regional structures has not been fully established by KDR at this early stage.
Sample security	• *The measures taken to ensure sample security.*	• Sample chain of custody is managed by KDR. • Samples were collected and stored on site prior to delivery to the laboratory in Perth by KDR personnel. • Whilst in storage samples are kept in a locked yard. • Tracking sheets are use d to track the progress of batches of samples.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• Internal review of sampling techniques as well as data handling and validation is conducted by KDR as part of due diligence and continual review of protocols. • Further application of industry best practice in applying field duplicates and field standards needs to be addressed in future sampling programmes. • Recording of LOI from sample analyses is also recommended to be included in all sample results in future programmes, as is analysis for Na_2O or Na. • Industry best practice is assumed for activities which occurred prior to KDR.

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	• *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.*	• KDR has signed a binding agreement to acquire the Mt Holland gold project package of tenements. • The author is not aware of issues which may impede KDR tenure position and understands the tenements are in good standing. • No cultural heritage issues have been reported. •
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Potential first recognised in 1980 by Harmark – Au and Ni • In 1985 Aztec conducted soil sampling of the tenement which highlighted a number of discrete zones with values ranging from 100ppb-1000ppb Au within a broad anomalous trend and significant anomalism around the future Bounty pit. The anomalies were then tested with RAB drilling. • During 1986 further RAB and follow-up RC intersected the main body of Au mineralisation which was eventually drilled out on 20x12m. The Au mineralisation was recognised as being associated with the pyrite and pyrrhotite. • Transient Electromagnetic surveys (TEM) were conducted over and along strike of the Bounty ore body further delineating the resource. This found that the data was dominated by a westerly dipping, near vertical semi-continuous conductive zone, which thickens to the south and extends over the length of the survey. This is associated with sulphides within and peripheral to the contacts of the Bounty horizon. • In 1989 mining of the Bounty pit started. • The total ore mined from the Bounty, West and North Bounty pits was 640 000t @ 5.55g/t Au or 114 000oz Au. • Minor RAB and occasional RC drilling was undertaken north and south testing for strike extension. This effectively closed off the Au resource to the north but left it open to the south. • In 1997 Forrestania drilled a number of holes to the east of the pit to test for potential nickel mineralisation. • No known previous exploration focussed on lithium.
Geology	• • *Deposit type, geological setting and style of mineralisation.*	• Regional Geology • N-S trending linear greenstone stratigraphy • E-W cross-cutting Proterozoic dykes • Alternating peridotitc and basaltic komatiites to the east, overlain by sheared and brecciated metasediment, which in turn has a sheared upper contact with the overlying dolerite. • Intrude by granite to the east and west. • Local Bounty Mine Geology • Bounty Horizon BIF (a variably deformed Fe-Am-chert formation) is the western most and youngest horizon of an ultramafic sequence of basaltic and peridotitic komatiite and associated sediments known as the Bounty sequence; strike N-S. • Hanging wall dolerite has a mylonitised chloritic sheared contact. • Sequence is a near-vertical, westerly dipping (75°–85°) semi-continuous horizon with discontinuities due to cross cutting fracture zones. • Fracture zones are intruded by pegmatites and younger north-northeast trending dykes i.e. the 280m wide Proterozoic Binneringie dyke. • Mineralisation • Spodumene (lithium containing mineral) bearing pegmatite zonation within larger pegmatite body. • Zonation of pegmatites with the Mt Holland project is not fully understood or has not been fully investigated at this stage..
Drillhole 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:* • *easting and northing of the drill hole collar* • *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* • *dip and azimuth of the hole* • *down hole length and interception depth* • *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.*	• All horizontal co-ordinates are assumed to be GDA94 zone 51 grid system. • Vertical regional level (RL) is assumed to be a Bounty Gold Mine level as the surface drill holes have an RL of 1426m and a local topographic peak at Mount Holland is 473 m above sea level. • Industry standard practice is assumed for activities which occurred prior to KDR. • No resurvey of the hole collar co-ordinates has been undertaken by KDR..

Data aggregation methods	• *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.* • *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*	• Oxides of Cs, Rb, and Ta (Table 2) have been calculated based on atomic weight proportion percentile. • Values for Li in the report text have also been calculated by atomic weight proportion percentile from the assay Li2O% value. • Core sample intervals selected are variable in length (Table 2) though average at 1m. • For assay results greater that 1% Li2O a weighted average result has been reported: • The assay results weighted averaged to the individual sample lengths and the average of those used for the combined interval. • No metal equivalent has been used. • No top cut has been applied.
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 (eg 'down hole length, true width not known').*.	• The relationship between sample interval lengths to the pegmatite orientation and drill core orientation is has not been noted at this early stage. • Further work needs to be done to define the orientation of the pegmatites and hence define the true thickness of any future sample intervals
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.*	• Diagrams of the location of the drill holes have not been provided at this stage as the data is still undergoing consolidation. • These preliminary results are not sufficient in numbers to enable any significant interpretation of the pegmatite in plan or section to be made. Any such attempt may bias the future interpretations. • Plans and sections will be added as further investigation continues and interpretations qualified..
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.*	• The current results reported constitute all known results for lithium mineralisation within pegmatites. • All results to date are reported in Appendix 2, table 2.
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..*	• Systematic sampling and multi element assaying of the pegmatites has not historically been conducted. • Forthcoming work is aimed at improving this situation.
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• KDR has undertaken further sampling of spodumene pegmatite intersection from historic drill holes from Bounty Gold Mine. Results of analyses of these samples are pending and will be reported in accordance to the 2012 JORC Code. • The geology, mineralogy and geochemistry of these pegmatites has not been fully determined at this early stage, further ongoing work is intended to assist in addressing these matters. • Continued project-wide geological review and database consolidation may assist in locating further historically mapped pegmatites and or others not previously identified