

18 March 2014

ASX Release

Kidman Resources
Limited
ABN 88 143 526 096

Kidman Resources Acquires Advanced Base Metals Project and surrounding tenements in NSW

Corporate Details:

ASX Code: KDR

Issued capital:

109.98M ordinary shares

Substantial Shareholders:

Soaraway Dev	12.2m (10.62%)
Blumont Group	11.3M (9.83%)
Sunsuper	6.01M (5.26%)

Directors:

Non-Executive Chairman:
Garrick Higgins
Managing Director:
Shane Mele
Non-Executive Director:
Andrew McIlwain

Company Secretaries:

Melanie Leydin
Justin Mouchacca

Cash at bank – 31 Dec 2013

\$3.74M

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- **Purchase of Browns Reef Project for \$500,000**
 - Lead-Zinc-Copper-Silver deposit located in central NSW
 - More than 5km of continuous base metal mineralisation along strike from Browns Reef, limited exploration completed and open in all directions
- **Joint Venture (JV) farm-in agreements cover approximately 80km of the Browns Reef trend containing;**
 - Mt Boorithumble - single drill hole intersected **3m @ 2% Pb, 2% Zn, 1.2% Cu, 0.5g/t Au & 150g/t Ag** from 117m near strong IP anomaly – follow-up drilling required
 - Other prospects such as Achilles 3, Billys, and North Shepherds
 - \$300,000 spend to earn 80% interest over three years
- **EL applications compliment highly prospective ground;**
 - Recent applications for 2 extensive tenement packages provide 100% ownership for extensions of the Browns Reef trend

Kidman Resources Limited (ASX: KDR, “the Company” or “Kidman”) is pleased to announce the acquisition of the Browns Reef Project located 5km west of Lake Cargelligo in Central NSW.

Kidman has also entered into farm-in joint venture agreements with neighbouring tenements which surround the Browns Reef deposit.

Commenting on the opportunistic terms of the acquisition, Kidman Resources Managing Director Shane Mele said:

“We are delighted to be in a position to secure an advanced project of this size and quality while the general market conditions are depressed.

“Along with progressing our lead project, the Home of Bullion deposit in the Northern Territory, we also expect to convert Browns Reef into a maiden resource for minimal cost to the company and further advance this underexplored and highly prospective region of NSW during 2014.”

Key Terms of Transactions

Browns Reef (EL6321)

- \$500,000 to purchase Browns Reef outright from Comet Resources Limited (ASX: CRL) (KDR 100%)

Two Joint Ventures (JV's) – Tenements surrounding Browns Reef

- 1. KDR / Variscan Mines Limited (ASX: VAR) / Thomson Resources Limited (ASX: TMZ) (EL7746 & EL7931)**
 - 1st Year – earn 51% by spending \$70,000
 - 2nd & 3rd Years – earn further 29% by spending \$140,000
 - Parties then contribute pro rata or may elect to be free carried where Kidman will earn up to 90%
- 2. KDR/Lassiter/Thomson (EL7891)**
 - 1st Year – earn 51% by spending \$30,000
 - 2nd-3rd Years – earn further 29% by spending \$60,000
 - Parties then contribute pro rata or may elect to be free carried where Kidman will earn up to 90%

Browns Reef Deposit – located 5kms west of Lake Cargelligo, NSW

Browns Reef is a base metal deposit containing Lead-Zinc-Copper-Silver and gold. It was discovered in the mid 1970's by Electrolytic Zinc Company of Australasia Limited targeting a lead-zinc-copper soil anomaly.

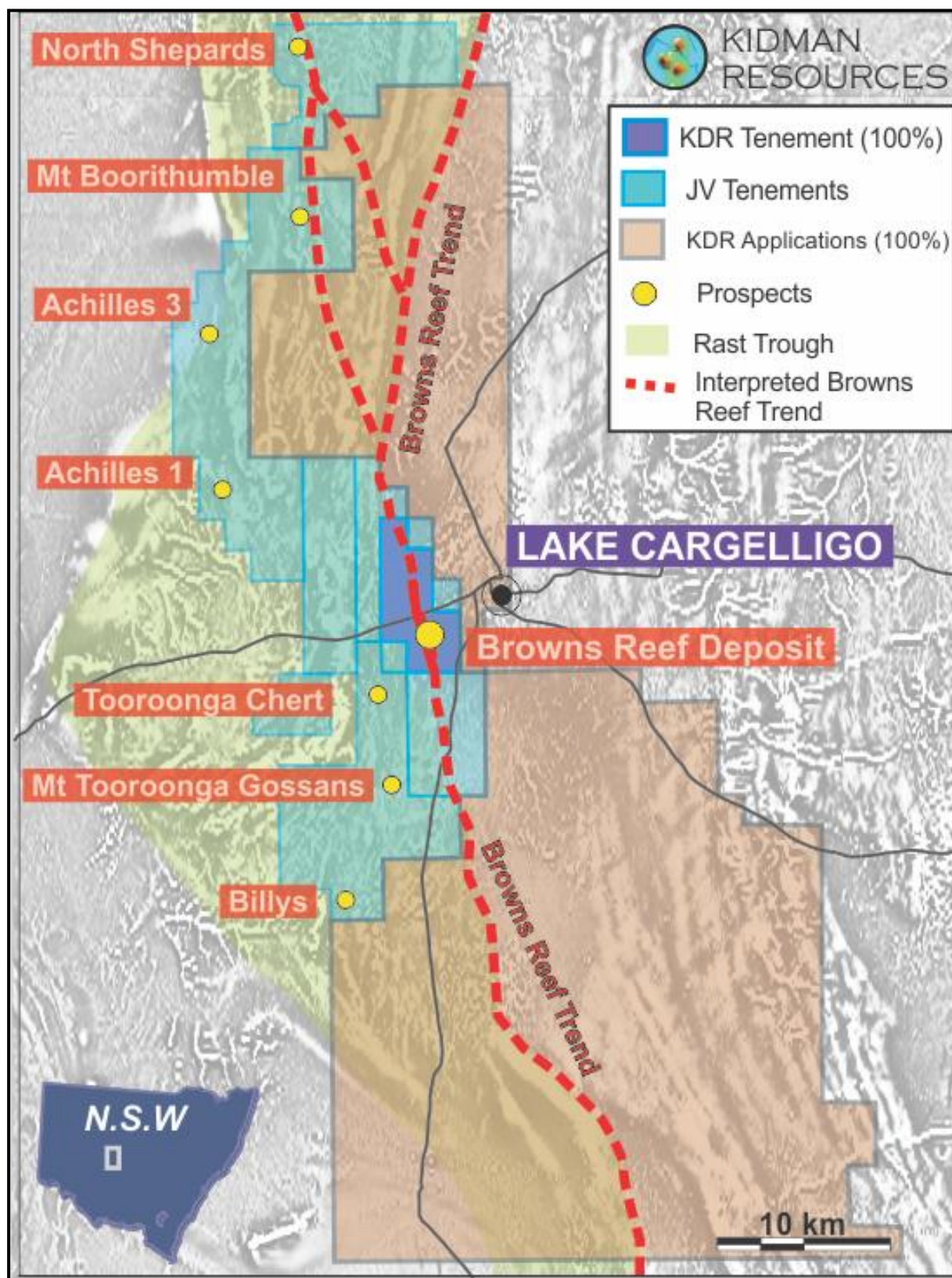
Geologically, the project is situated within the Siluro-Devonian Rast Trough and Wagga-Omeo Zone of the central-western Lachlan Fold Belt. The Rast Trough is a narrow, meridional rift, which together with the Cobar, Mt Hope and Melrose Troughs, forms part of a larger Siluro-Devonian rift event. A broadly transgressive-regressive sequence is contained within the Rast Trough, reflecting the opening and fill of the trough. The sequence comprises basal syn-rift, coarse basement-derived alluvial fan clastics (Boothumble and Square Head Formations), overlain by quartz-rich turbidites (Crossleys Tank Formation), which are in turn conformably overlain by mud dominated basinal clastics of the Preston Formation and the silicic Ural Volcanics.

At Browns Reef, the mineralisation is hosted within the steeply west dipping Preston Formation and in close proximity to the Woorara Fault Zone (Browns Reef trend) which may have acted as a conduit or feeder zone to the deposit. The mineralisation consists mainly of pyrite, sphalerite, galena and chalcopyrite with traces of arsenopyrite, covellite and bornite. Sulphide mineralisation occurs as disseminations, blebs and stringers within silicified metasediments and in quartz-muscovite-Fe chlorite-carbonate vein stockworks.

The Browns Reef deposit shows similarities to other known Cobar-style deposits such as the CSA and Nymagee-Hera and has the potential to contain high-grade massive sulphide zones yet to be discovered.

A single drillhole at the Mt Boorithumble prospect (see figure 1) intersected **3m @ 2% Pb, 2% Zn, 1.2% Cu, 150g/t Ag and 0.5g/t Au from 117m downhole**. Mt Boorithumble is located 25kms along strike from Browns Reef and also contains a strong and untested induced polarization (IP) anomaly associated with it. This warrants follow-up drilling and ranks highly on our priority list of targets.

Figure 1. Lake Cargelligo Group Tenements – 100% Owned, JVs and EL applications



Significant historical drill intercepts at Browns Reef include;

- **45.3m @ 1.71% Pb, 3% Zn, 0.1% Cu, 8g/t Ag from 291m (BR002) including 20m @ 2.77% Pb, 4.95% Zn, 0.16% Cu, 14g/t Ag from 302m**
- **58m @ 0.9% Pb, 1.92% Pb, 0.41% Cu, 18.7g/t Ag from 316m (BR018) including 6m @ 4.57% Pb, 11.05% Zn, 1.18% Cu, 71g/t Ag from 368m**

Significant drill intercepts along strike of Browns Reef include;

- **15.8m @ 1.17% Pb, 1.45% Zn, 0.14% Cu, 8g/t Ag from 443.5m (WS001)** located 2km north of Browns Reef
- **5.3m @ 1% Pb, 2.2% Zn, 0.1% Cu, 13g/t Ag from 184.5m (BS001)** located 1.5km south of Browns Reef

Limited drilling along strike from Browns Reef (refer to figure 3) has extended base metal mineralization for up to 5.4km's and remains open in all directions.

Figure 2. Browns Reef Plan (EL6321) – Mineralised trend and key drillhole intercepts

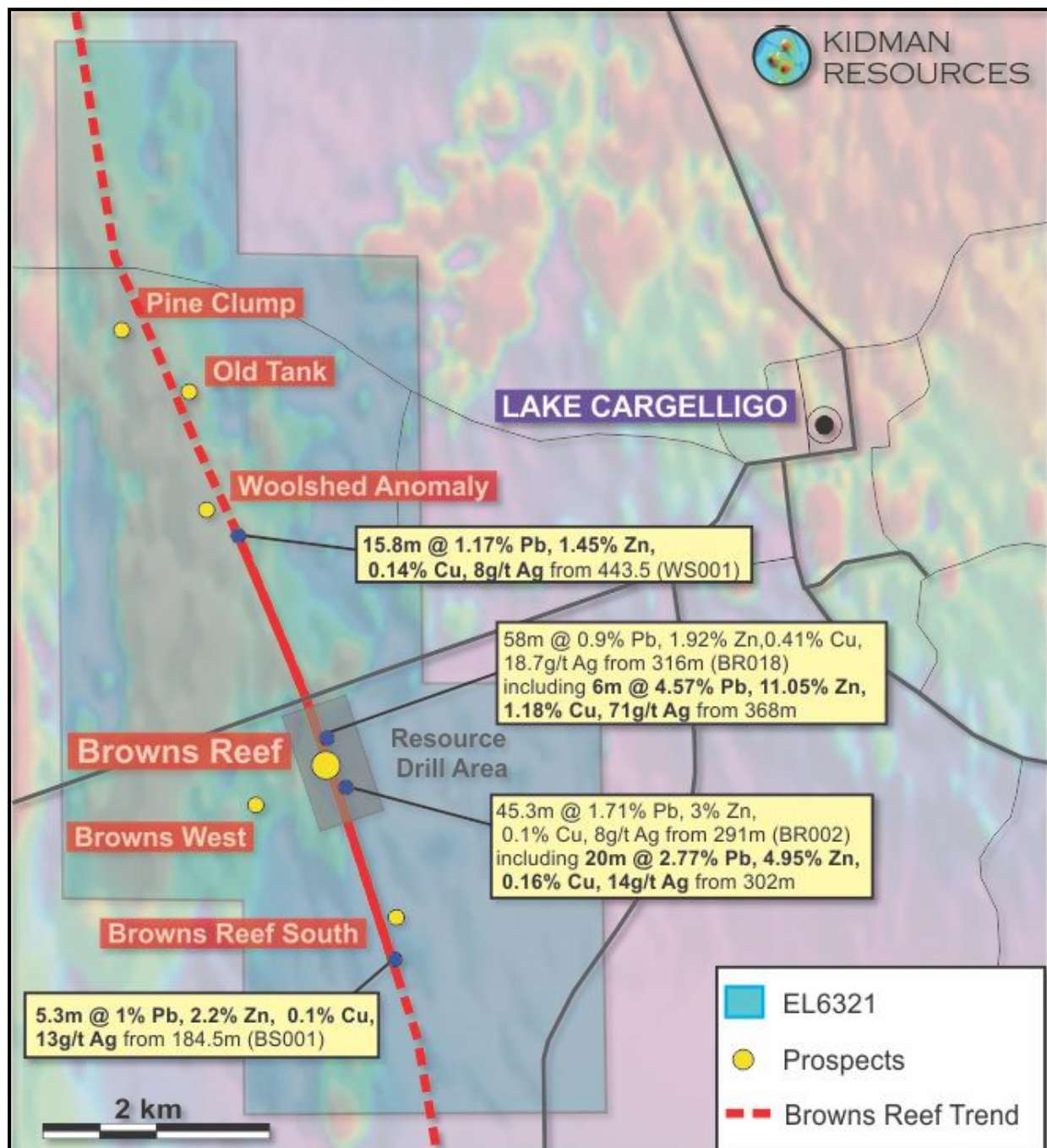


Figure 3. Browns Reef Long-section (looking west) with key drill intercepts

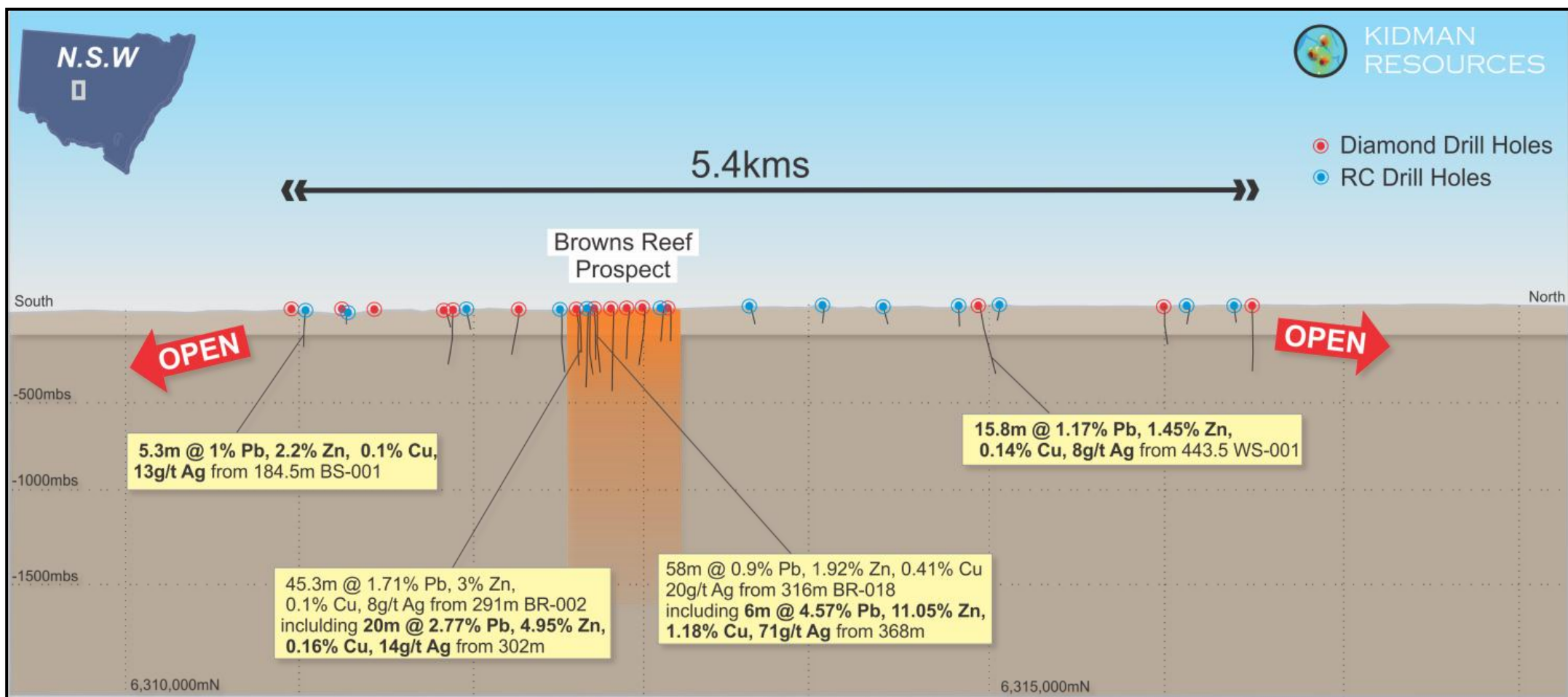
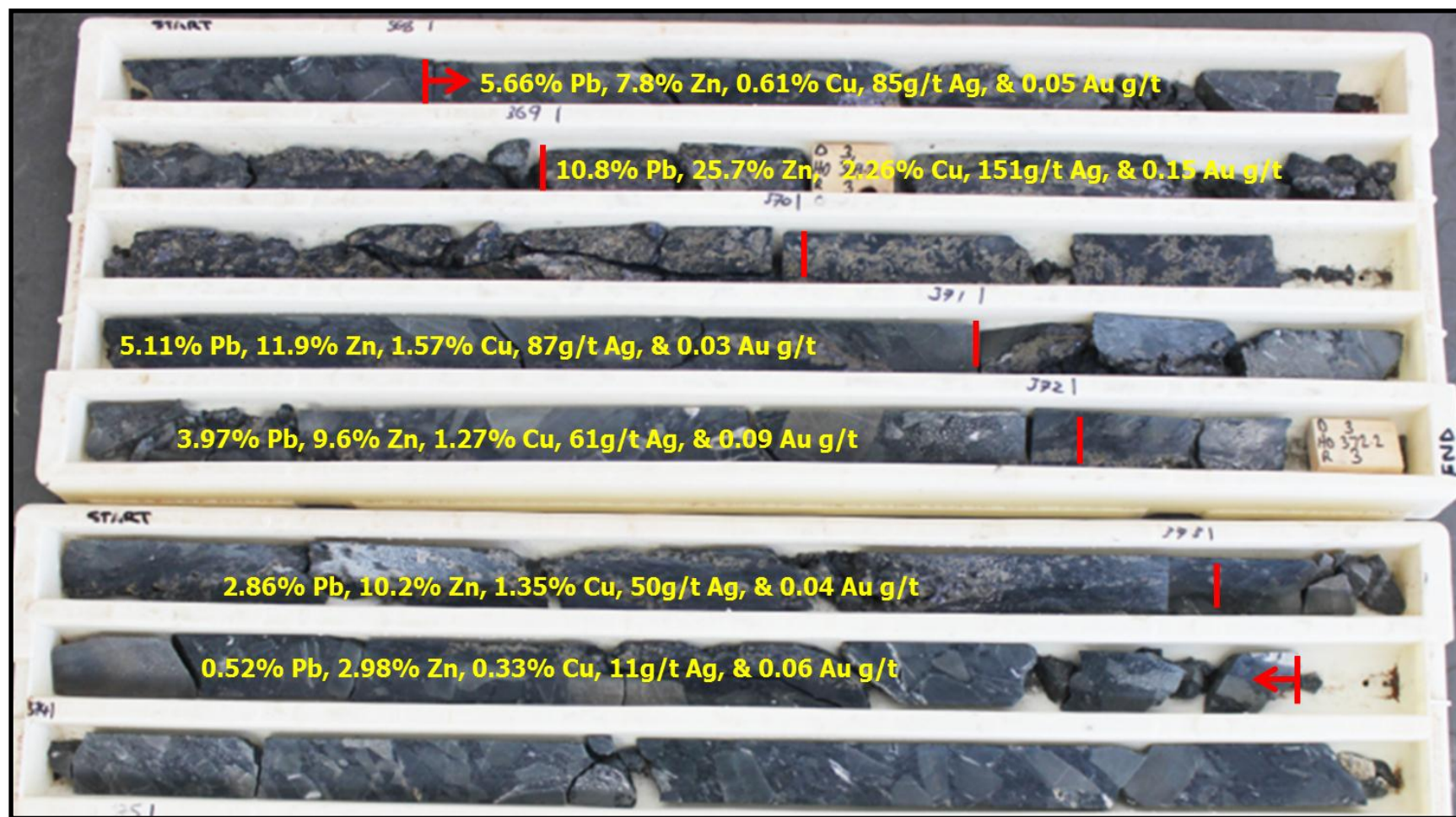


Photo 1. Drillcore (BR018) showing high-grade base metal zone at Browns Reef deposit from 368m downhole.



Kidman will initially focus on drilling in and around Browns Reef to define a significant maiden resource at minimal cost while utilizing proven modern geophysical methods to provide further regional drill targets along the Browns Reef – Woorara Fault trend.

Exploration Update

At Barrow Creek in the NT, a ground-based moving loop electro-magnetic (MLEM) survey is now well advanced after a significant delay caused by an extended wet season. The survey covers Mulbangas, Prospect D South, and Donkey Creek prospects.

A multipurpose drill rig is onsite in readiness to recommence drilling once all the MLEM survey data has been processed and assessed.

In NSW, the Helicopter-borne survey utilizing the VTEM-max time-domain system has been completed over Belmore, Jumble Planes, and Wilga Grove prospects. Results from this survey are expected within the next 3-4 weeks.

Table 1. Browns Reef - Significant Historical Drill Hole Intersections

HOLE	MGA94_E	MGA94_N	MGA_AZIMUTH	DIP	FROM	TO	Width (m)	Ag_ppm	Au_ppm	Cu_pct	Pb_pct	Zn_pct
BR0001	437139.75	6312668.34	79.4	-55	165.0	200.4	35.4	11		0.20	1.33	0.83
BR0002	437078.09	6312657.34	81.4	-65.5	291.0	336.3	45.3	8		0.10	1.71	3.00
incl					302.0	322.0	20	14		0.16	2.77	4.95
BR0003	437143.86	6312514.92	81.4	-65	256.0	299.3	43.3	13		0.14	1.17	1.88
incl					256.0	260.2	4.2	35		0.44	1.47	3.8
incl					268.5	273.7	5.2	19		0.13	1.49	1.89
incl					279.4	285.2	5.8	5		0.12	2.14	3.87
incl					289.8	293.1	3.3	12		0.18	1.25	2.87
BR0003A	437143.86	6312514.92	81.4	-65	273.7	306.0	32.3	5		0.10	1.04	1.85
BR0004	437038.94	6312803.25	81.4	-66	266.3	330.7	64.4	4		0.08	0.79	1.69
incl					267.6	274.0	6.4	8		0.12	1.77	3.52
incl					303.6	309.4	5.8	6		0.12	1.47	2.94
BR0005	437060.23	6312655.00	81.4	-74.5	312.8	322.8	10.0	10		0.13	0.92	2.34
incl					315.9	320.8	4.9	14		0.19	1.27	3.35
					340.8	379.9	39.1	9		0.11	0.93	2.08
BR0006	436970.58	6313146.05	81.6	-55	161.5	177.5	16.0	10		0.18	1.06	1.83
incl					161.5	165.8	4.3	8		0.05	1.38	2.7
BRR0006	437225.76	6312683.68	81.8	-60	92.0	93.0	1.0	5	0.71	0.07	0.44	0.10
BRR0004	437725.85	6311279.20	81.8	-60	33.0	34.0	1.0	6	0.54			
					79.0	80.0	1.0	1	2.63			
BRR0006	437225.76	6312683.68	81.8	-60	92.0	93.0	1.0	5	0.71	0.07	0.44	0.10
BS0001	437711.54	6311028.27	81.6	-65	89.3	90.3	1.0		1.78			
					101.2	102.0	0.8		0.87			
					126.3	126.9	0.6		0.52			
					128.0	128.4	0.4		0.78			
			81.6	-65	184.5	194.3	9.8	9		0.16	0.68	1.44
					201.4	209.2	7.8	3		0.20	0.52	1.11
BS0002A	437565.63	6311904.84	250.6	-72.5	256.7	266.0	9.3	12	0.02	0.18	2.67	4.28
BS0003	437562.68	6312306.19	261.6	-42.5	286.1	298.1	12.0	5		0.12	0.42	1.25
RC01EG01	435640.57	6316398.66	261	-60	84.0	90.0	6.0	2		0.05	0.33	0.72
RC01EG05	436465.97	6314378.99	69	-60	104.0	106.0	2.0	5		0.03	1.45	1.40
					110.0	114.0	4.0	9		0.03	2.51	3.70
RC01EG07	436853.51	6313622.06	69	-60	104.0	106.0	2.0	4	0.04	0.11	1.47	0.71
RC02BR10	437451.47	6311974.35	71	-60	89.0	90.0	1.0	4	0.03	1.34	0.05	0.03
WS0001	436070.38	6314909.31	60	-65	243.8	245.0	1.2		0.79			
					443.5	459.3	15.8	8		0.14	1.17	1.45

Table 2. Browns Reef - Significant Recent Drill Hole Intersections

HOLE	MGA94_E	MGA94_N	MGA_AZIMUTH	DIP	FROM	TO	Width (m)	Ag_ppm	Au_ppm	Cu_pct	Pb_pct	Zn_pct
BR0007	437086.74	6312606.98	82.1	-65	333.0	373.0	40.0	7	0.05	0.14	0.80	1.84
incl					358.0	363.0	5	12	0.09	0.07	1.49	3.84
incl					369.0	373.0	4	14	0.07	0.31	1.76	3.68
BR0008	437069.36	6312706.22	82.1	-60	268.0	299.0	31.0	12	0.07	0.18	0.93	1.93
incl					284.0	290.0	6	23	0.19	0.15	1.77	3.67
BR0009	436979.70	6312638.48	82.1	-67.5	455.0	458.0	3.0	3	0.01	0.06	0.57	0.85
BR0010	437037.16	6313107.53	82.1	-60	89.0	91.0	2.0	11	0.02	1.13	0.47	0.05
BR0010					95.0	104.0	9.0	4	0.01	0.17	1.45	0.04
BR0011	436946.95	6313090.92	82.1	-60	132.0	150.0	18.0	10	0.04	0.29	0.32	0.79
BR0011					208.0	217.0	9.0	13	0.04	0.64	0.48	1.09
BR0011					220.0	234.0	14.0	9	0.07	0.38	0.59	1.44
BR0012	437135.35	6312820.36	82.1	-60	82.0	87.0	5.0	3	0.00	0.08	0.72	0.03
BR0013	437250.17	6312536.18	82.1	-60	127.0	132.0	5.0	11	0.03	1.17	0.13	0.07
BR0014	437121.30	6312513.81	83.1	-70	378.0	389.0	11.0	10	0.06	1.23	0.30	0.98
incl					378.0	381.0	3	19	0.12	3.04	0.28	0.61
BR0015	437015.06	6312799.23	82.1	-75	494.0	496.0	2.0	9	0.13	0.29	0.22	1.99
					504.0	508.0	4.0	14	0.03	0.29	0.21	1.97
BR0016	436935.51	6312887.20	82.1	-60	350.0	362.0	12.0	10	0.07	0.33	1.41	3.44
incl					356.0	359.0	3	18	0.06	0.89	3.58	9.49
BR0017	436918.69	6312986.03	90	-60	366.0	370.0	4.0	5	0.03	0.09	0.59	0.97
BR0017					376.0	380.0	4.0	11	0.07	0.16	0.42	3.02
BR0017					393.0	397.0	4.0	4	0.01	0.05	0.57	1.10
BR0017					402.0	404.0	2	2.5	0.03	0.04	0.34	0.98
BR0018	436990.82	6312692.70	80.1	-60	316.0	374.0	58.0	20	0.05	0.41	0.90	1.92
incl					368.0	374.0	6	71	0.07	1.18	4.57	11.05
BR0019	437116.56	6312612.28	80.1	-60	236.0	256.0	20.0	3	0.05	0.04	0.77	1.32
BR0019					261.0	277.0	16.0	3	0.01	0.01	0.76	1.97
BR0019					283.0	285.0	2.0	3	0.01	0.02	0.36	0.79
BR0019					287.0	289.0	2.0	3	0.01	0.02	0.36	0.79

Company Background

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

Its flagship asset is the 100% owned Home of Bullion Copper project located near Barrow Creek in the Northern Territory of Australia. The project is close to significant infrastructure including the Darwin / Adelaide railway (9km East), the Stuart Hwy (20km West) and the gas pipeline.

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

For more information please contact;

Shane Mele (Managing Director)

Email: info@kidmanresources.com.au

Competent Persons Statement

The information in this release that relates to exploration results and geological interpretation has been compiled by Mr Shane Mele BSc, (Hons) M.Econ.Geol., MAusIMM. Mr Mele is a Member of the Australian Institute of Mining and Metallurgy and he has sufficient experience with the style of mineralisation and types of deposits under consideration, and to the activities undertaken, to qualify as a competent person as defined in the 2012 Edition of the "Australian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (The JORC Code)" for reporting the exploration results. Mr Mele consents to the inclusion in this report of the contained technical information in the form and context in which it appear

Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> • <i>Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling.</i> • <i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i> • <i>Aspects of the determination of mineralisation that are Material to the Public Report.</i> • <i>In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information</i> 	<p>The Browns Reef project was sampled using both Reverse Circulation (RC) Auger/Rotary Air Blast (RAB) and diamond drilling techniques. 48 drill holes have been completed on nominal spacing around the main mineralised zone and along strike. A total of 12070.92m were drilled. Holes have been angled to optimally test the mineralised zones and modelled geologically boundaries. Generally, most drill holes have been angled towards the ENE.</p> <p>Registered Land, Mining, Engineering & G.P.S Surveyors, Langford & Rowe, were employed to perform surveys on Comet drill hole collars, locate historical drill hole collars and selected cultural features. A Real Time Kinematic (RTK) Global Positioning System (GPS) was used, incorporating a GX1230 Leica GPS Geodetic RTK Receiver.</p> <p>RC drill sampling was initially performed by spearing sample bags to form a composite sample over either a four or five metre interval. Diamond core was transported from the drill site to the core yard and geologically logged before any sampling. After logging, the geologist marked intervals of interest for subsequent sampling. Sample intervals were nominally 1m, but may have been constrained by logged lithological, mineralisation or alteration boundaries. The cutting line for core was marked perpendicular to the bedding plane and the core split lengthways using a diamond core saw. Samples were despatched to the primary assay laboratory as either half-core or quarter-core depending on metallurgical or the final assay requirements. Duplicate samples comprise ¼ core intervals in both routine and duplicate samples (comparable sample support) and were taken at a rate of approximately 5%.</p> <p>Comet Resources undertook the following during their drilling programmes and also during the review of historical data.</p> <p>The primary laboratory for all assaying was SGS Laboratories, with samples being submitted to SGS West Wyalong (SGSWY) for sample preparation. The procedure followed by SGSWY includes:</p> <ul style="list-style-type: none"> • sort and record the samples that are received; • load all samples including standards onto the drying rack and place in the drying oven set at 105 degrees Celsius for eight hours; • crush sample using a nugget crusher to 25mm; • pulverise entire sample in LM5 mill (residence time 8-10 minutes); • take 400 gram pulp sample for fire assay; and • take 1 teaspoon of each sample including Comet Resources Standards and place into a smaller pulp packet to be sent for base-metal analysis. <p>Samples were routinely analysed for:</p> <ul style="list-style-type: none"> • Au using 50gm fire assay technique with an AAS finish and detection limit of 1ppb (FAE505 - SGSWY); and • Ag, Cu, Pb, Zn ± As using a multi-acid digest (perchloric, hydrochloric, nitric and hydrofluoric acid) with an AAS finish (AAS42S; 0.4gm charge - SGS Perth). Samples with concentrations above the upper level of detection were re-analysed using an ore grade analysis (AAS43B; 0.25gm charge - SGS Perth) <p>Routine samples were initially sent for base-metal analysis at SGS Cobar, which employed a three acid digest (perchloric, hydrochloric, nitric) with an AAS finish (AAS22S). Comet's QAQC monitoring highlighted problems with early SGS Cobar analytical processing and as a consequence, all samples were re-analysed and SGS Perth appointed as the primary laboratory for ongoing routine base-metal analyses. Sampling and assaying quality was monitored by Comet during the course of drilling campaigns, not retrospectively and includes:</p> <p>Comet Resources collated and reviewed all QAQC drill data collected during Browns Reef deposit drilling and subsequent historical drill core processing. The QAQC data was exported from the Browns Reef Drill database and reviewed using statistical analysis and quality control software.</p>

Drilling techniques	<ul style="list-style-type: none"> • Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc.). 	Auger/RAB, Reverse Circulation and Diamond drilling accounts for 100% of the historic drilling at Browns Reef. Hole depths range from 8m to 549.3 m.
Drill sample recovery	<ul style="list-style-type: none"> • 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. 	<p>Diamond core and RC recoveries are logged and recorded in the database. Overall recoveries are >95% for Browns Reef. Diamond core was reconstructed into continuous runs on an angle iron cradle for orientation marking. Depths are checked against the depth given on the core blocks and rod counts are routinely carried out by the drillers.</p> <p>RC samples were visually checked for recovery, moisture and contamination. RC drill sampling was initially performed by spearing sample bags to form a composite sample over either a four or five metre interval. Re-sampling on 1m intervals was performed if any significant mineralisation was recorded in composite samples. Mineralisation at Browns Reef is defined by RC and Diamond drilling, sample recoveries at these sites was greater than 95%, as such no sample bias issues are believed to exist.</p>
Logging	<ul style="list-style-type: none"> • Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. • Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography. • The total length and percentage of the relevant intersections logged. 	<p>Information on structure type, dip, dip direction, alpha angle, beta angle, texture, shape, roughness and fill material is stored in the structure table of the database. All drill holes were logged in full, apart from rock roller diamond hole pre-collar intervals of between 0m to 60 m.</p> <p>RC samples were logged on a one metre basis. Both the dry sample and washed, sieved chips were logged. A small sample of washed and sieved chips from each metre drilled was stored in labelled plastic chip trays. Diamond core was logged over varying intervals, dependent on observed changes for the variable under investigation (e.g. lithology, alteration etc.). The geological logs were carefully compiled with appropriate attention to detail, geologists being equipped with a set of Browns Reef standard logging codes. Drilling was logged on a series of Microsoft Excel spreadsheet templates, with individual sheets for lithology, alteration structure, mineralisation and veining</p>
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> • If core, whether cut or sawn and whether quarter, half or all core taken. • If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry. • For all sample types, the nature, quality and appropriateness of the sample preparation technique. • Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. • Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. • Whether sample sizes are appropriate to the grain size of the material being sampled. 	<p>Sample intervals were nominally 1m, but may be constrained by logged lithological, mineralisation or alteration boundaries. The cutting line for core was marked perpendicular to the bedding plane and the core split lengthways using a diamond core saw. Samples were despatched to the primary assay laboratory as either half-core or quarter-core depending on metallurgical or the final assay requirements. Duplicate samples comprise ¼ core intervals in both routine and duplicate samples (comparable sample support) and were taken at a rate of approximately 5%.</p> <p>The procedure followed by SGSWY includes:</p> <ul style="list-style-type: none"> • sort and record the samples that are received; • load all samples including standards onto the drying rack and place in the drying oven set at 105 degrees Celsius for eight hours; • crush sample using a nugget crusher to 25mm; • pulverise entire sample in LM5 mill (residence time 8-10 minutes); • take 400 gram pulp sample for fire assay; and • take 1 teaspoon of each sample including Comet Resources Standards and place into a smaller pulp packet to be sent for base-metal analysis.

Quality of assay data and laboratory tests	<ul style="list-style-type: none"> • The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. • For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. • Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established. 	<p>Samples were routinely analysed for:</p> <ul style="list-style-type: none"> • Au using 50gm fire assay technique with an AAS finish and detection limit of 1ppb (FAE505 - SGSWY); and • Ag, Cu, Pb, Zn \pm As using a multi-acid digest (perchloric, hydrochloric, nitric and hydrofluoric acid) with an AAS finish (AAS42S; 0.4gm charge - SGS Perth). Samples with concentrations above the upper level of detection were re-analysed using an ore grade analysis (AAS43B; 0.25gm charge - SGS Perth). <p>Routine samples were initially sent for base-metal analysis at SGS Cobar, which employed a three acid digest (perchloric, hydrochloric, nitric) with an AAS finish (AAS22S). Comet's QAQC monitoring highlighted problems with early SGS Cobar analytical processing and as a consequence, all samples were re-analysed and SGS Perth appointed as the primary laboratory for ongoing routine base-metal analyses. Sampling and assaying quality is monitored by Comet during the course of drilling campaigns, not retrospectively and includes:</p> <ul style="list-style-type: none"> • Assay Accuracy: comparative analysis of Comet standard reference materials (blind standards) and internal SGS reference standards against certified values; • Assay Precision: comparative analysis of pulp repeat sample pairs and inter-laboratory assays on sample pulps; • Sampling Quality: <ul style="list-style-type: none"> - sample pulp sizing data performed using wet sieving (Primary and Check Laboratory); - comparison of field duplicate ¼ core samples.
Verification of sampling and assaying	<ul style="list-style-type: none"> • The verification of significant intersections by either independent or alternative company personnel. • The use of twinned holes. • Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. • Discuss any adjustment to assay data. 	<p>The Managing Director of Kidman has visually verified significant intersections in diamond core from Browns Reef located at the NSW Core Facility at Londonderry. Primary data was collected for the Browns Reef project using Microsoft excel spreadsheet templates. This data has been reviewed within the Kidman Resources database. All future work will be collected on a set of standard Field Marshall templates on Toughbook laptop computers using lookup codes. The information will then be sent to Geobase for validation and compilation into an SQL database server.</p>
Location of data points	<p>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. Specification of the grid system used. Quality and adequacy of topographic control.</p>	<p>Registered Land, Mining, Engineering & G.P.S Surveyors, Langford & Rowe, were employed to perform surveys on Comet drill hole collars, locate historical drill hole collars and selected cultural features. A Real Time Kinematic (RTK) Global Positioning System (GPS) was used, incorporating a GX1230 Leica GPS Geodetic RTK Receiver. The system has a stated accuracy of:</p> <ul style="list-style-type: none"> • 20mm + 2ppm (2mm error for every 1km) accuracy in position; and • 2 X accuracy in position for Height. <p>All coordinates were presented using the MGA94 (Zone 55) datum and height data was referenced to the 1971 Australian Height Datum (AHD). Local control for the survey was provided by survey datum PM77536 (440085.071mE 6314925.741mN 166.424m).</p> <p>Based on the survey pick-ups performed, a Browns Reef Local Grid to MGA94 grid transform was performed using control points..</p>
Data spacing and distribution	<ul style="list-style-type: none"> • Data spacing for reporting of Exploration Results. • Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. • Whether sample compositing has been applied. 	<p>The nominal drill hole spacing is 60 m by 100 m in the core of the Browns Reef Project. The mineralised domains for Browns Reef have demonstrated sufficient continuity in both geological and grade observations to support future definition of Mineral Resources and Reserves, and the classifications applied under the 2012 JORC Code. Samples have been composited to one metre lengths for the Browns Reef and adjusted where necessary to ensure that no residual sample lengths have been excluded (best fit).</p>
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> • Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. • If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material. 	<p>The Browns Reef prospect is drilled towards grid NNE and SSW at angles varying from 65-85° and 250-265° to intersect the mineralised zones at a close to perpendicular relationship for the bulk of the prospect. The majority of holes are drilled at dip angles of 60-80 degrees</p> <p>The Browns Reef prospect is drilled NNE AND SSW, which is close to perpendicular to the orientation of the mineralised trend; the intersection angles for the bulk of the drilling are nearly perpendicular to the mineralised domains.</p> <p>Structural logging based on oriented core indicates that main sulphide controls are largely perpendicular to drill direction. No orientation based sampling bias has been identified at Browns Reef in the data at this point.</p>

Sample security	<ul style="list-style-type: none"> The measures taken to ensure sample security. 	Chain of custody is managed by Kidman. Samples for Browns Reef are stored at the Londonderry Core facility and on site. Historically core and samples were delivered by personnel to the sample preparation lab and then to the assay laboratory. Tracking sheets have been set up to track the progress of batches of samples.
Audits or reviews	<ul style="list-style-type: none"> The results of any audits or reviews of sampling techniques and data 	A further internal review of the sampling techniques and data is being conducted by Kidman as part of due diligence protocols in preparation for the commencement of exploration activities in 2014

Section 2 Reporting of Exploration Results

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

Drill hole Information	<ul style="list-style-type: none"> • A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: <ul style="list-style-type: none"> o easting and northing of the drill hole collar o elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar o dip and azimuth of the hole o down hole length and interception depth o hole length. • If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case. 	Refer to Annexure 1 in body of text.
Data aggregation methods	<ul style="list-style-type: none"> • In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated. • Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. • The assumptions used for any reporting of metal equivalent values should be clearly stated. 	High grade massive sulphide intervals internal to broader zones of sulphide mineralisation are reported as included intervals. The copper equivalent (CuEq) calculation represents the total metal value for each metal, multiplied by the conversion factor, summed and expressed in equivalent copper percentage. These results are exploration results only and no allowance is made for recovery losses that may occur should mining eventually result, nor metallurgical flow sheet considerations. The copper equivalent calculation is intended as an indicative value only. Copper equivalent conversion factors and long-term price assumptions used follow: Copper Equivalent Formula (CuEq) = Cu% + Ag(ppm)x0.012 + Au(ppm)x0.625+ Pb%/Cu+Zn%/Cu; Price Assumptions- Cu (A\$7,500/t), Ag (A\$25/oz.), Au (A\$1,350/oz.), Pb (A\$2,200/t), Zn(A\$1,900/t).
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> • These relationships are particularly important in the reporting of Exploration Results. • If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. • If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known'). 	The Browns Reef prospect is composed of one continuous lode steeply dipping; drill holes are perpendicular to the North South striking mineralised zone. The holes are inclined making the intercepts approximate to true width.
Diagrams	<ul style="list-style-type: none"> • Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views. 	Refer to Figures in body of text.
Balanced reporting	<ul style="list-style-type: none"> • Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results. 	All results are reported.
Other substantive exploration data	<ul style="list-style-type: none"> • Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances. 	Multi element assaying is conducted routinely on all samples for a suite of potentially deleterious elements.