



**KIDMAN RESOURCES
AGM 10th NOV 2017**

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MANAGING DIRECTOR
KIDMAN RESOURCES

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Competent Person Statements

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

The information in this release that relates to sampling techniques and data, Exploration Results, geological interpretation relating to gold exploration has been compiled by Mr. Michael Green BSc (Hons), MAusIMM, an employee of the Company. Mr. Green is a Member of the Australian Institute of Mining and Metallurgy and he has sufficient experience with the style of mineralisation and types of deposits under consideration, and to the activities undertaken, to qualify as a competent person as defined in the 2012 Edition of the "Australian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (The JORC Code). 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 – Earl Grey:

The information in this release that relates to the Estimation and Reporting of Mineral Resources has been compiled by Mr. David Billington BE (Mining). Mr. Billington is a full-time employee of Mining Plus Pty Ltd and has acted as an independent consultant on the Earl Grey Deposit Mineral Resource estimation. Mr. Billington is a Member of the Australasian Institute of Mining and Metallurgy (109676) 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. Billington 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. Cautionary Statement Readers should use caution when reviewing the exploration and any 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.

Metallurgy:

The information in this release that relates to metallurgy and metallurgical test work has been reviewed by Mr N. O'Brien, FAusIMM, MBA, B. Met Eng.. Mr O'Brien is not an employee of the company, but is employed as a contract consultant. Mr O'Brien is a Fellow of the Australasian Institute of Mining and Metallurgy, he has sufficient experience with the style of processing response 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 O'Brien consents to the inclusion in this report of the contained technical information in the form and context as it appears.

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Corporate snapshot – Kidman Resources



Kidman Resources (ASX: KDR)

Melbourne-based lithium and gold development company

100% owner of world-class Mt Holland Lithium Project, Western Australia*

*(50% owner once KDR / SQM Joint Venture completes.)

Martin Donohue
Managing Director

Brad Evans
Non-Executive Director

David Southam
Non-Executive Director

Substantial shareholders

EDM Nominees Pty Ltd **9.30%**

KDR Capital Structure

Shares on issue (KDR)	350.14 million
Options on issue (KDRO)	47.45m (15c exercise price, 30/4/18)
Share Price (Nov 9 2017)	A\$1.62
Market Capitalisation	A\$ 567.3 million
52 Week Range	A\$0.59 - \$1.62
Cash (Sept 2017)	A\$6.23 million
Debt ¹	A\$6.3 million

1. A\$6.3 million due on or before 1 May 2018.
Includes flat interest charge of \$100,000 due upon repayment in 2018



Corporate snapshot – SQM



Sociedad Quimica y Minera de Chile (NYSE: SQM)

Santiago-based world leader in specialty businesses: lithium and solar salts, potassium nitrate, iodine

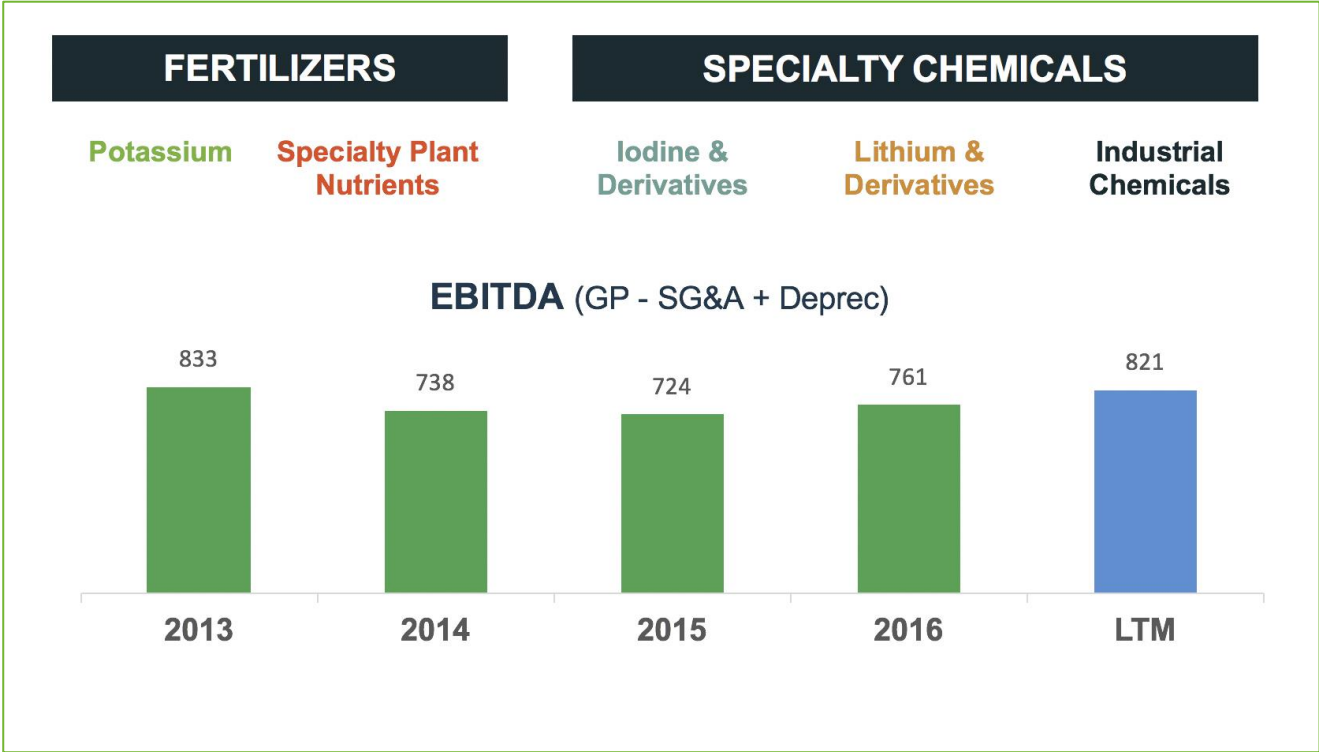
Revenue LTM ¹	\$US2.1b
EBITDA LTM ²	\$US821m
EBITDA Margin LTM*	39%

1. LTM: Twelve months ended March 31, 2017

2. EBITDA: gross profit – SG&A + depreciation

Healthy Credit Metrics

NFD/EBITDA	0.40
Moody's:	Baa1
Standard and Poor's	BBB
Market Cap (9/11/17)	15.75 billion



The Mt Holland JV – Partners of choice



SQM Operations, Chile

SQM to invest US\$110m to earn 50% equity in Mt Holland JV:

- US\$30m cash payment to Kidman
- US\$80m capital contribution to fund mine development
 - US\$80m used to undertake:**
 - Completion of Mine Feasibility study
 - Mine, Concentrator, and Infrastructure development and construction
 - Feasibility study into Refinery
- SQM to advance Kidman US\$21.5m convertible note to accelerate project development until conditions precedent are satisfied and documentation is finalised
- Studies and development for both the Mine/Concentrator as well as the Refinery to occur in parallel
- Aiming for Production in the shortest possible timeframe

Joint venture affords Kidman the right to participate up to 50% in Refinery project

Kidman's intention is to take up its option to participate in the refinery with SQM.



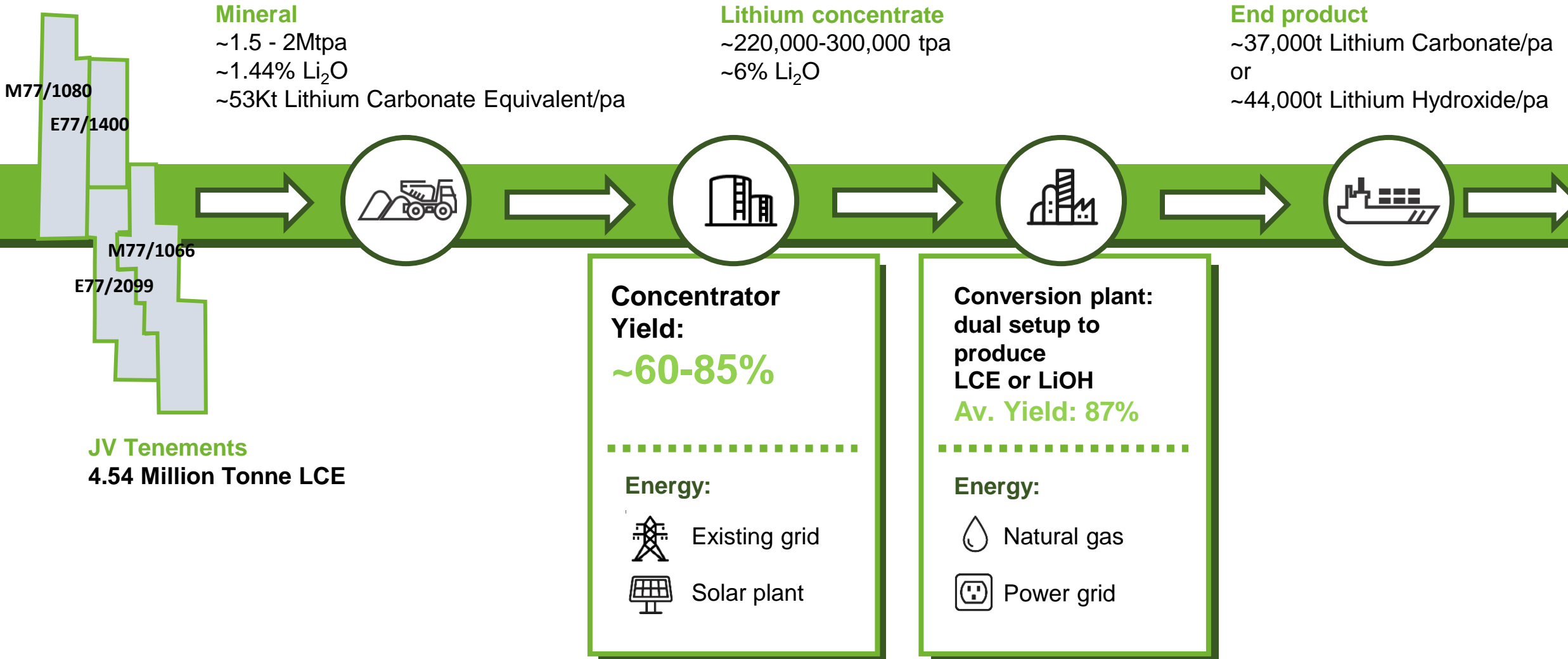
Why the integrated Refinery model?

- Substantially higher margins than spodumene concentrate operations
- Lithium Carbonate and Lithium Hydroxide prices approx. US\$12-25K/tonne in recent years versus US\$500-900/tonne for spodumene concentrate
- General rule that 7 tonnes spodumene concentrate converts to 1 tonne of Lithium Carbonate / Hydroxide
- Industry average Refinery conversion costs approx. US\$2,500-4,500/tonne
- Equals significantly higher NPVs than traditional spodumene concentrate operations
- Project of State Significance for Western Australian Economy
- Refinery Feasibility Study underway with HATCH retained and managed by SQM
- SQM technical knowledge / intellectual property underpins refinery design and operation
- Opportunity to create significantly more shareholder value

SQM Operations, Chile

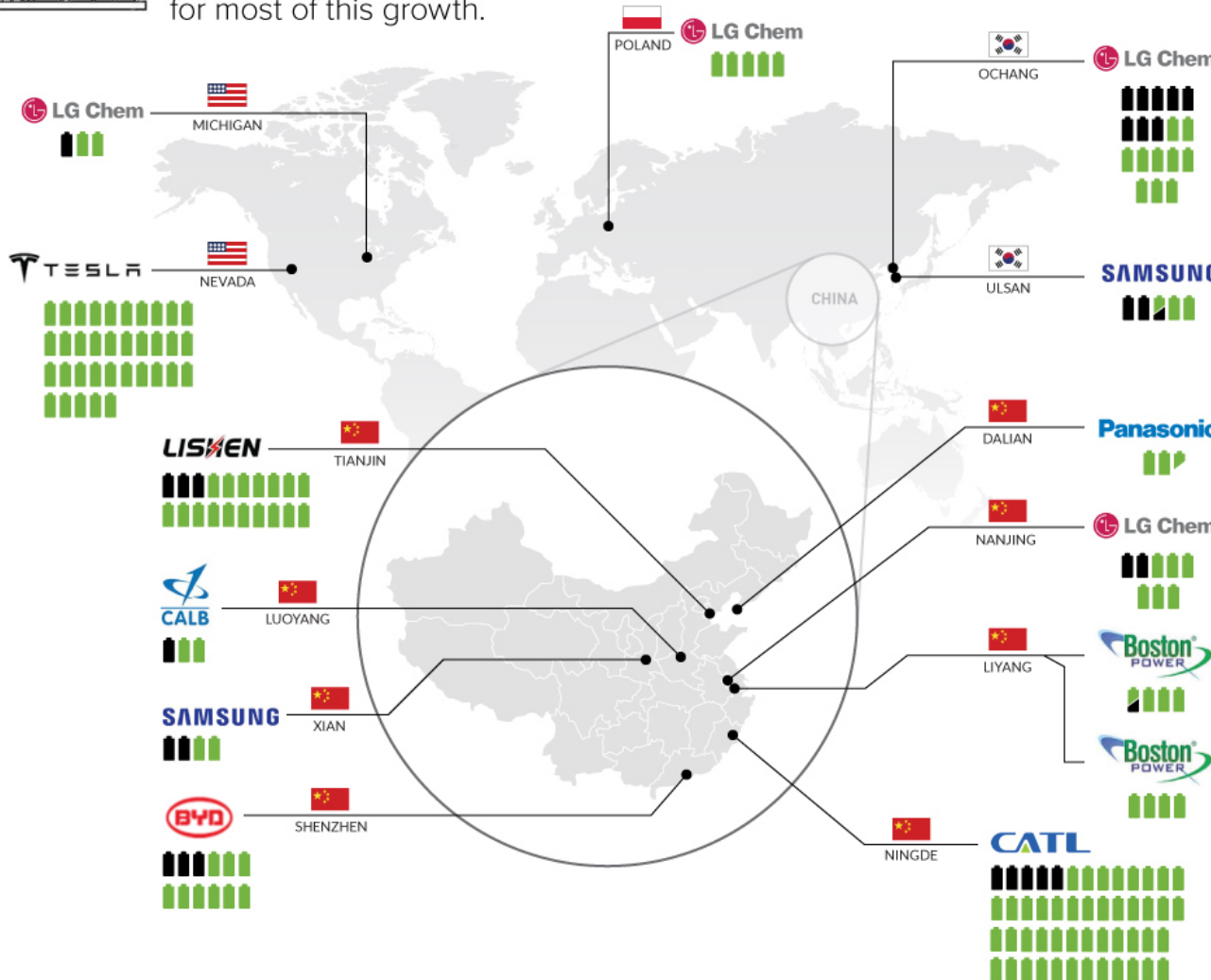


Conceptual KDR-SQM Integrated project flow chart



Lithium markets global growth

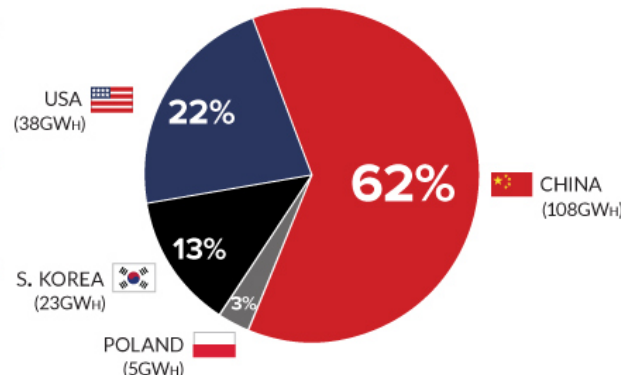
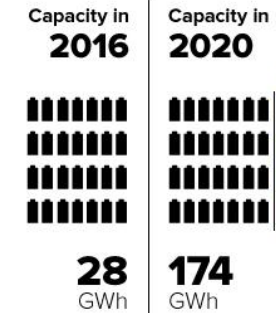
China's battery sector continues to be a hub for most of this growth.



CHINA IS LEADING THE CHARGE

Lithium-ion megafactories in China to grow capacity 6X by 2020

Global lithium-ion battery production capacity will increase by **521%** between 2016 and 2020.



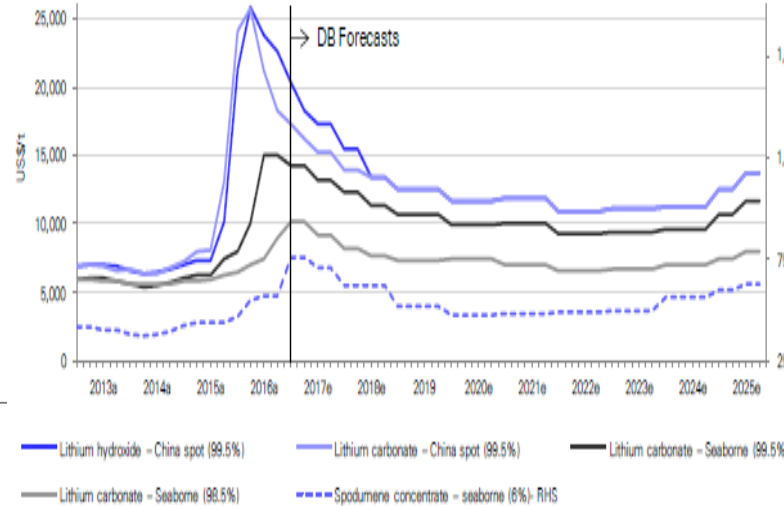
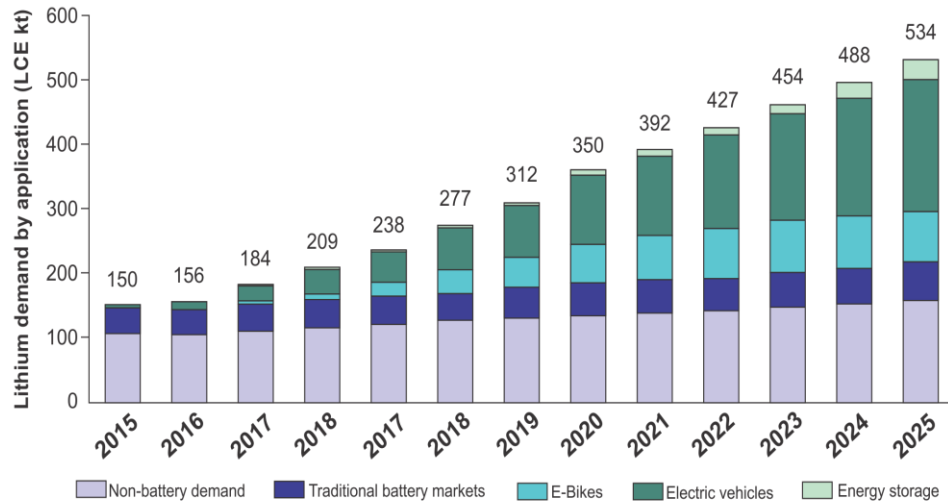
By 2020, mass production of lithium-ion batteries will still be concentrated in just **four countries**.

Flexibility in product market

How Much Lithium is in Everyday Items?



Projected Lithium Demand 2015-2025



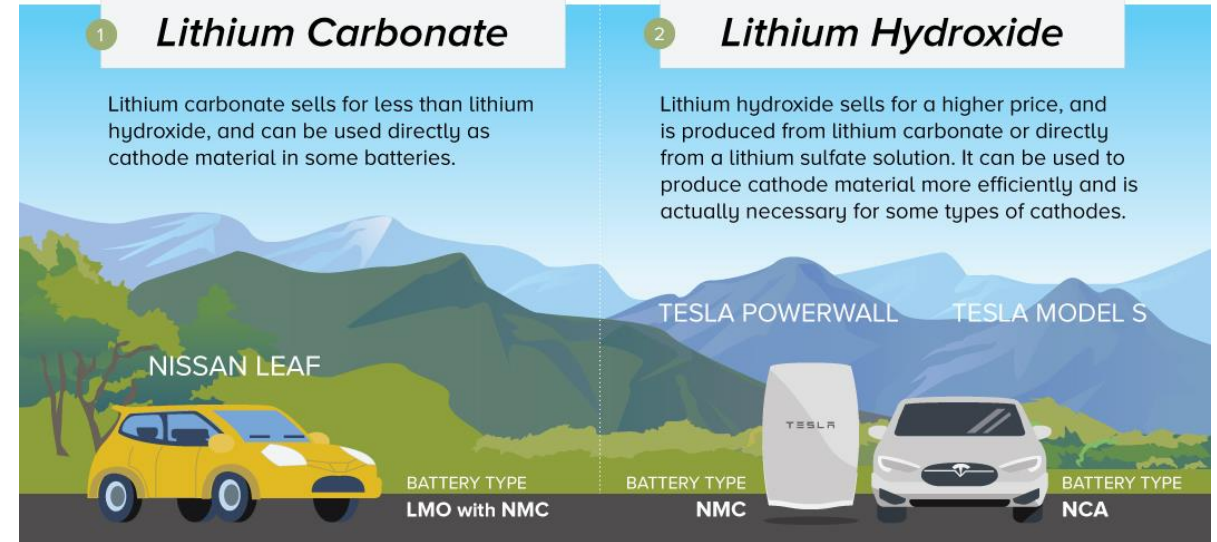
Source: Deutsche Bank, Asian Metals

1 Lithium Carbonate

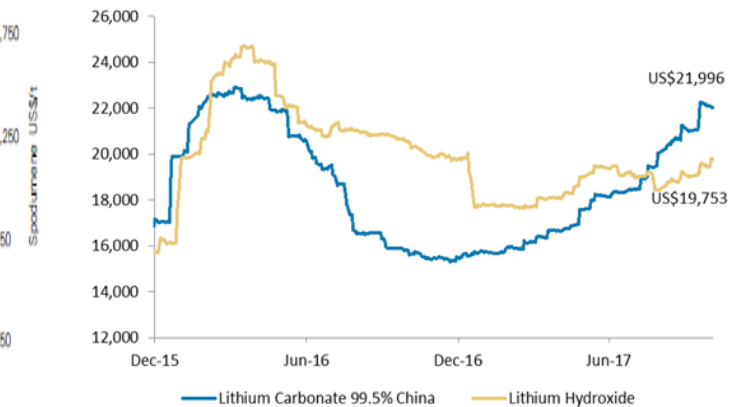
Lithium carbonate sells for less than lithium hydroxide, and can be used directly as cathode material in some batteries.

2 Lithium Hydroxide

Lithium hydroxide sells for a higher price, and is produced from lithium carbonate or directly from a lithium sulfate solution. It can be used to produce cathode material more efficiently and is actually necessary for some types of cathodes.



ded by Benchmark Mineral Intelligence and compiled by VisualCapitalist



Developing a world-class lithium project

Earl Grey Resource: 128 Million Tonnes at 1.44% Li₂O for 4.54Mt Lithium Carbonate Equivalent (LCE)

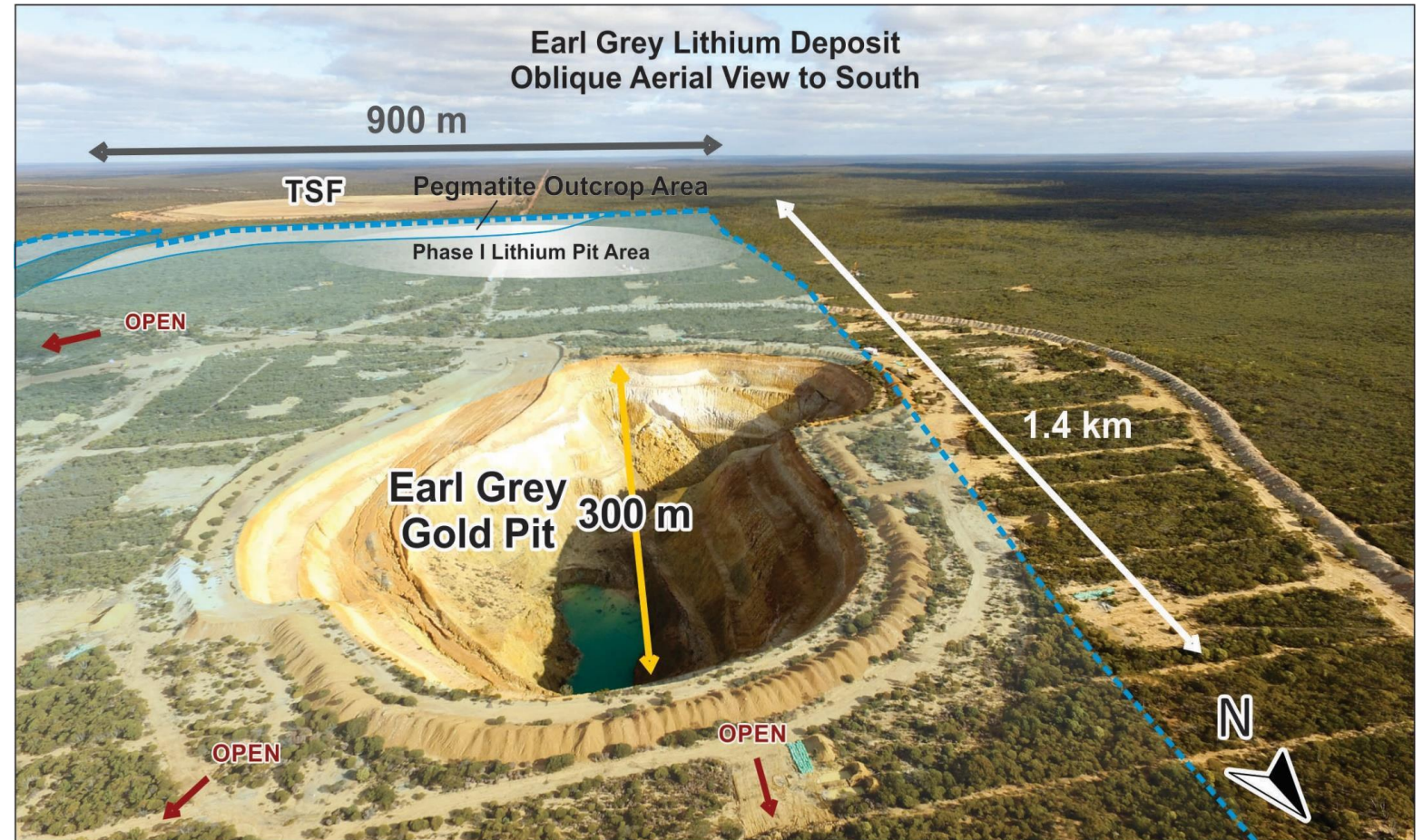
The JV creates a strategy for growth and streamlines development of the Mt Holland lithium project, Western Australia

Combines Kidman's Geological and Technical Team with SQM's global lithium expertise, Intellectual Property and existing customer network

Based on world-class hard-rock lithium deposit, with exploration potential to expand on this Resource base.

Clearly defined **strategy** and **path** for production through to end users

Guarantees long-term supply for a **new high-margin lithium products refinery** in Western Australia



Lead Agency Service for the Mt Holland Project

The Western Australian Government has granted the Integrated Mt Holland Project '**Level 2 Lead Agency Service**'

This assists with streamlining of project development activities, including:

- Assessment of each strategic industrial site for the refinery
- And further advance the feasibility study and approvals for the mining and concentrator operation

The Department of Jobs, Tourism, Science and Innovation is the lead agency for resource projects of **strategic importance to the State**.

Examples include:

- Gorgon Project on Barrow Island
- Roy Hill iron ore project in the Pilbara

This decision reinforces the potential economic contribution of the proposed integrated Mining operation and refinery.



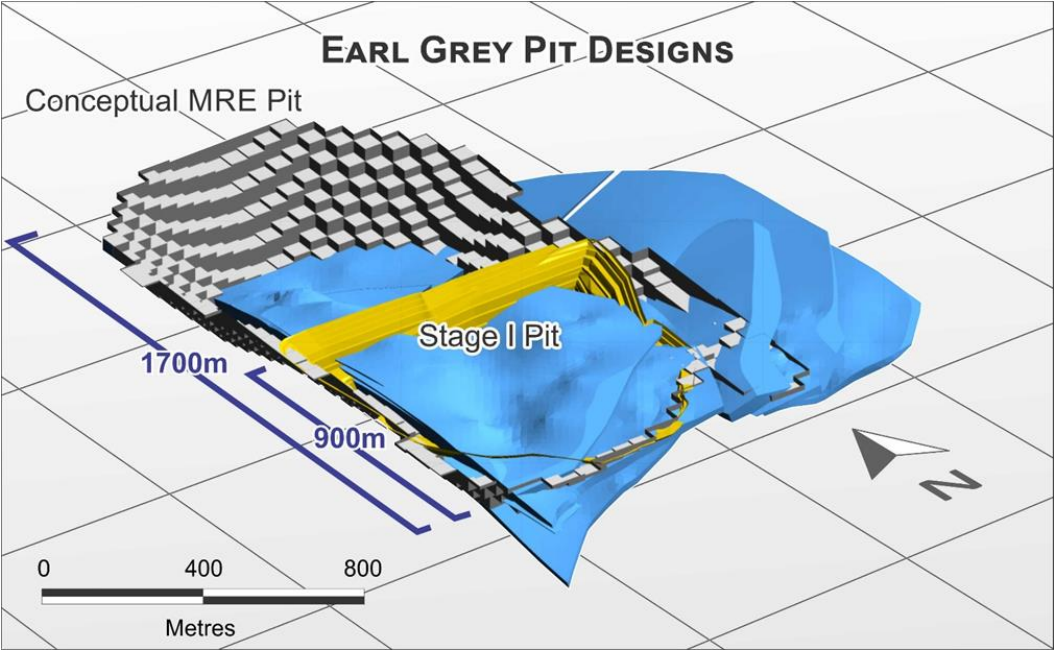
2017 Scoping Study on Mt Holland Mining Operation

- Low strip ratio 2.3 reducing to 1.9 after pre-strip
- Low technical risk using open pit mining and conventional processing
- Large scale resource provides significant opportunity to expand mine life at potentially higher annual processing rates, and
- Long life should support an investment in downstream refining infrastructure to produce lithium carbonate or hydroxide.

Parameter	Value
Proposed start of construction	August 2018
Duration of Construction	10 – 12 months
Start of Production	First quarter FY 2019 /20
Potential Mine Life (Years)	25
Target LOM ore mined (Mt)	47
Indicated Resources (%)	85
Inferred Resources (%)	15
Annual ore throughput (Mtpa)	2.0
Life of Mine Strip ratio (waste to plant feed)	2.3 reducing to 1.9 after pre-strip
Average feed grade (% Li ₂ O)	1.4%
Plant Recovery	60%
Potential Annual Production (tonnes 6% Li ₂ O concentrate)	288,000
Pre-production Capital Cost: +/- 35%incl. 20% contingency (USD\$M)	111
Royalty rate (lithium concentrate)	5%
Average C1 Cash Cost (USD\$/t concentrate)	205
Long Term Concentrate Price (USD\$/t concentrate)	685
Approximate Lithium Carbonate Equivalent Units Produced	1 Million
Revenue from Payable Metals (USD\$)	4,527
Gross operating expenses (USD\$)	1,540
Base case Project Pre-Tax NPV _{10%} (USD\$M)*	861 (A\$1,148M)
Base case Project Post Tax NPV _{10%} (USD\$M) (30% Corporate tax)*	565 (A\$754M)
Range of Project Post Tax NPV _{10%} (USD\$M) (30% Corporate tax)*	430-670
Project IRR	57%
USD : AUD Rate long term	0.75

* See KDR ASX Announcement 3rd October 2017

2017 Scoping Study on Mt Holland Mining Operation



Above: Isometric view of the pit design within the larger long term conceptual pit
 Below: Earl Grey Landscape

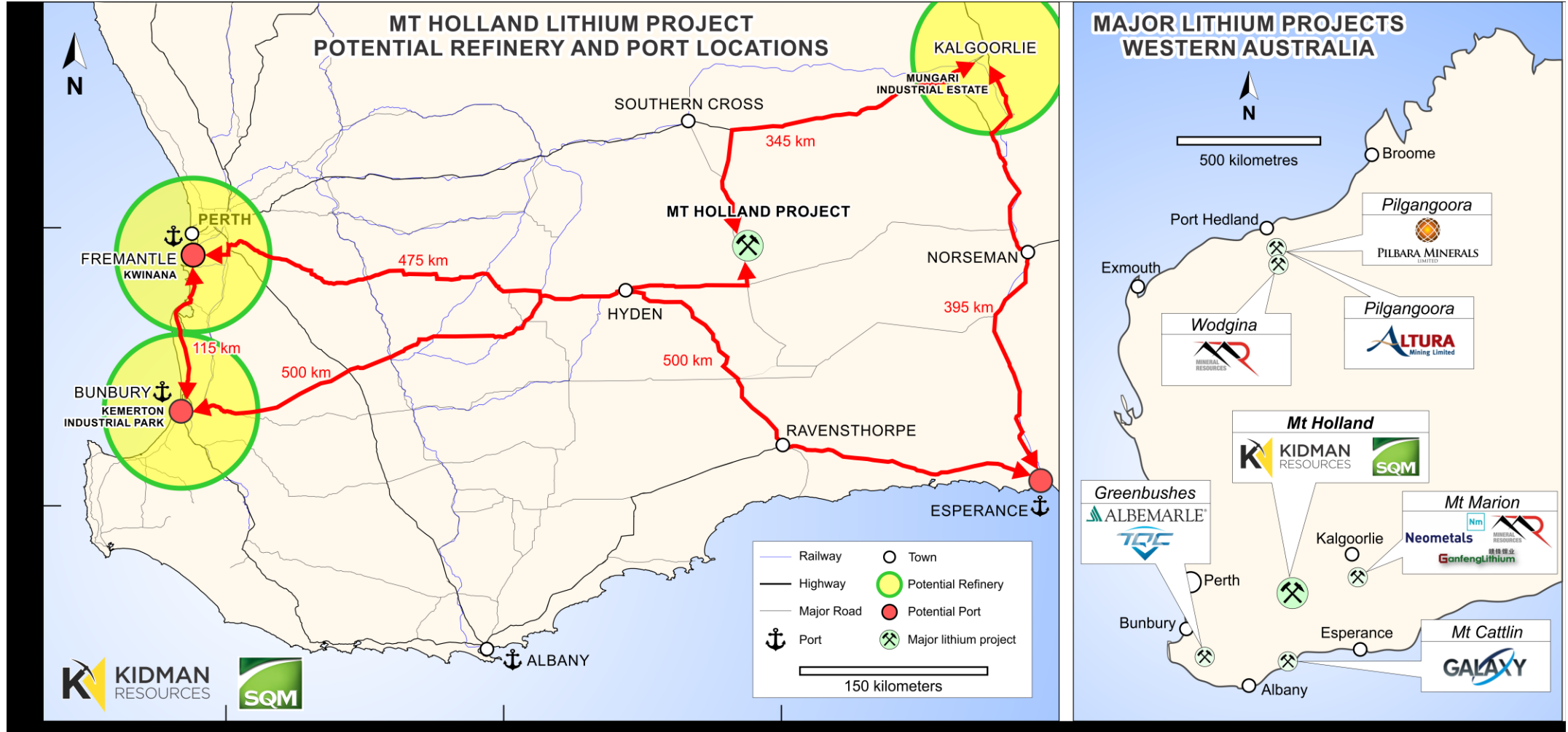


Above: Potential General Arrangement of the Mt Holland mine

Proposed refinery sites in Western Australia

Discussions underway to confirm proposed site.

Three options being considered: Fremantle, Bunbury and Kalgoorlie Industrial Sites



Global lithium projects – comparisons

- Kidman / SQM JV now places Kidman as the only *integrated* spodumene project based in Western Australia listed on the ASX

Type	Company	Name	Region	Source	Project Commencement	Commercial Production	Announced Capacity (Thousand MT)
Integrated Operations	SQM/LAC	Cauchari	ARG	Brine	2009	2019	50
	Energi Group	Rincon	ARG	Brine	1989	2018	50
	COMIBOL	Salar de Uyuni	BOL	Brine		2019	30
	Galaxy Resources	Salar de Vida	ARG	Brine		2020+	25
	ERAMAT	Centinario	ARG	Brine	2010	2018	20
	Orocobre	Olaroz Phase II	ARG	Brine	2007	2019	22.5
	Orocobre	Olaroz Phase I	ARG	Brine	2007	2016	17.5
	Orocobre	Salinas	ARG	Brine	2007	2020+	10
	Rio Tinto	Jadar	SRB	Jadarite	2009	2020+	50
	Bacanora Minerals	Sonora	MEX	Clay	2007	2018	35
	Nemaska Lithium	Whabouchi	CAN	Spodumene	2010	2018	27
	Kidman/SQM	Earl Grey	AUS	Spodumene	2016		40
Mine Only	Pilbara Minerals	Pilgangoora	AUS	Spodumene	2014	2018	48
	Altura Mining	Pilgangoora	AUS	Spodumene	2014	2018	13
	Mineral Resources	Wodgina	AUS	Sodumene	2016	2017	-
	Galaxy Resources	Mt Cattlin	AUS	Spodumene	2007	2017	15
	NeoMetals	Mt Marion	AUS	Spodumene	2009	2017	30



A game changing transaction



**Strategic joint
venture partner**
World leader



Mt Holland
World class asset



Certainty in delivery
SQM Proven Track record in
Lithium , Technical expertise,
Project Funding, Government
Support

Thank you



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