

## Appendix 5B

# Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

### Name of entity

KIDMAN RESOURCES LIMITED

### ABN

88 143 526 096

### Quarter ended ("current quarter")

31 December 2017

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(4,542)	(5,257)
(b) development	-	-
(c) production	-	-
(d) staff costs	(236)	(624)
(e) administration and corporate costs	(1,220)	(2,516)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	11	17
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other	-	-
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(5,987)</b>	<b>(8,380)</b>

<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-

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<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (6 months) \$A'000</b>
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	55	55
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other <sup>1</sup>	4,704	4,704
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>4,759</b>	<b>4,759</b>

<sup>1</sup> The amount above represents initial instalment of the purchase price for the transfer of 50% of the SQM Joint Venture interest of net US\$3.5m (refer to Section 8.4 for further information).

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of shares	-	-
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	427	855
3.4	Transaction costs related to issues of shares, convertible notes or options	-	-
3.5	Proceeds from borrowings	-	5,743
3.6	Repayment of borrowings	-	(100)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>427</b>	<b>6,498</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	6,232	2,554
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(5,987)	(8,380)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	4,759	4,759
4.4	Net cash from / (used in) financing activities (item 3.10 above)	427	6,498
4.5	Effect of movement in exchange rates on cash held	-	-
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>5,431</b>	<b>5,431</b>

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<b>5. Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1 Bank balances	5,325	6,045
5.2 Call deposits	106	187
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
<b>5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>5,431</b>	<b>6,232</b>

**6. Payments to directors of the entity and their associates**

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

**Current quarter  
\$A'000**

136

-

Consultancy fees and wages paid to director related entities and directors during the December 2017 quarter.

**7. Payments to related entities of the entity and their associates**

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

**Current quarter  
\$A'000**

-

-

Nil

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8. <b>Financing facilities available</b> <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	5,000	5,000
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

In April 2015, the Company entered into a Cash Advance Financing Facility with Capri Trading Pty Ltd. The remaining balance of the loan and interest (\$5 million) is due payable on or before 1 May 2018.

Between June and September 2017, Sociedad Química y Minera de Chile S.A (SQM) advanced the Company loans totalling USD\$6.1m under a Convertible Loan facility provided as part of the arrangements relating to the establishment of a joint venture to develop the Mt Holland Project. On 21 December 2017, following satisfaction of the relevant conditions precedent, the Company sold 50% of its interest in tenements at Mt Holland and formally established an unincorporated Joint Venture to develop the Mt Holland Project. As a result of the cash flows on completion of the transaction, including SQM making its required joint venture contributions, the Convertible Loan Facility was settled in full.

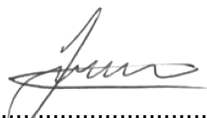
9. <b>Estimated cash outflows for next quarter</b>	\$A'000
9.1 Exploration and evaluation	2,000
9.2 Development	-
9.3 Production	-
9.4 Staff costs	250
9.5 Administration and corporate costs	800
9.6 Other (provide details if material)	-
<b>9.7 Total estimated cash outflows</b>	<b>3,050</b>

10. <b>Changes in tenements (items 2.1(b) and 2.2(b) above)</b>	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	M 15/0161	Sale of Coolgardie Mining Company Pty Ltd	100%	-
	M 77/1080	Transfer of licence to JV*	100%	50%
	M 77/1066	Transfer of licence to JV*	100%	50%
	E 77/1400	Transfer of licence to JV*	100%	50%
	E 77/2099	Transfer of licence to JV*	100%	50%
	G 77/129	Transfer of licence to JV*	100%	50%
	L 77/0176	Transfer of licence to JV*	100%	50%
	L 77/0193	Transfer of licence to JV*	100%	50%
	L 77/206	Transfer of licence to JV*	100%	50%
	L 77/208	Transfer of licence to JV*	100%	50%
		* Pending formal transfer		
10.2 Interests in mining tenements and petroleum tenements acquired or increased	-	-	-	-

**Compliance statement**

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here:

  
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(Company secretary)

Date: 25 January 2018

Print name: Justin Mouchacca

**Notes**

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.