

# ASX ANNOUNCEMENT

2 August 2021

## ABOUT CALIDUS RESOURCES

Calidus Resources is an ASX listed gold company that is developing the 1.5Moz Warrawoona Gold Project in the East Pilbara district of Western Australia.

## DIRECTORS AND MANAGEMENT

Mr Mark Connelly  
NON-EXECUTIVE CHAIRMAN

Mr David Reeves  
MANAGING DIRECTOR

Mr John Ciganek  
NON-EXECUTIVE DIRECTOR

Mr Keith Coughlan  
NON-EXECUTIVE DIRECTOR

Mr Paul Brennan  
PROJECT DEVELOPMENT

Mr Richard Hill  
CHIEF FINANCIAL OFFICER

Ms Julia Beckett  
COMPANY SECRETARY

[calidus.com.au](http://calidus.com.au)

## Diggers & Dealers Mining Forum Presentation

Calidus Resources Limited (ASX:CAI) advises that Managing Director, Mr David Reeves, will be presenting at the Diggers & Dealers Mining Forum today at 1:55pm WST. The Forum is being held in Kalgoorlie, Western Australia.

The presentation associated with this event is attached and is also available on the Company's website:

[www.calidus.com.au](http://www.calidus.com.au)

For best results, view presentation in Chrome web browser.

The presentation can also be downloaded from the Diggers and Dealers website via the following link:

[Diggers and Dealers Mining Forum](#)

For the purpose of ASX Listing Rule 15.5, the Managing Director has authorised for this announcement to be released.

For further information please contact:

**Dave Reeves**

Managing Director

✉ [info@calidus.com.au](mailto:info@calidus.com.au)

## ASX : CAI

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West Perth WA 6005  
AUSTRALIA

# WARRAWOONA GOLD PROJECT

AUSTRALIA'S NEXT GOLD PRODUCER

TARGETING 130,000 OZ PA | DIGGERS AND DEALERS 2021

ASX:CAI



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## COMPLIANCE STATEMENT - WARRAWOONA GOLD PROJECT

The information in this presentation that relates to Exploration Results, Mineral Resources, Mineral Reserves and Production Targets (and the forecast financial information derived from the production targets) at the Warrawoona Gold Project has been previously released to the ASX on 29 September 2020. The Company confirms it is not aware of any new information that materially affects the announcement and that all material assumptions underpinning the Exploration Results, Mineral Resources, Mineral Reserves and Production Targets (and the forecast financial information derived from the production targets) continue to apply and have not materially changed.

## COMPLIANCE STATEMENT - BLUE SPEC GOLD / ANTIMONY PROJECT

The information in this presentation that relates to Exploration Results and Mineral Resources at the Blue Spec Gold / Antimony Project that has been previously released to the ASX on 2 October 2020. The Company confirms it is not aware of any new information that materially affects the announcement and that all material assumptions underpinning the Exploration Results and Mineral Resources continue to apply and have not materially changed.

# AUSTRALIA'S NEXT GOLD PRODUCER

## DEVELOPING THE WARRAWOONA GOLD PROJECT IN WA

- ✔ Stage 1 – Under construction (50% complete)
  - Average production of 90koz pa
  - LOM AISC \$1,290/oz - Initial 8-year mine life
  - **First gold due 1H 2022**
- ✔ Stage 2 – Expansion to 130koz pa via inclusion of Blue Spec Project funded through operational cashflows
- ✔ Expand 1.7Moz Resource Base through near-mine and regional exploration
- ✔ Management team are proven mine developers & operators with a strong track record of wealth creation



# CORPORATE SUMMARY

## CAPITAL STRUCTURE


SHARES ON ISSUE	400M
MARKET CAP <sup>1</sup>	\$199.7M
CASH (21 July 2021)	\$27M
DEBT FACILITY (25M drawn)	\$110M
LISTED INVESTMENTS (30 Dec 2020)	\$0.5M
OPTIONS	9.9M

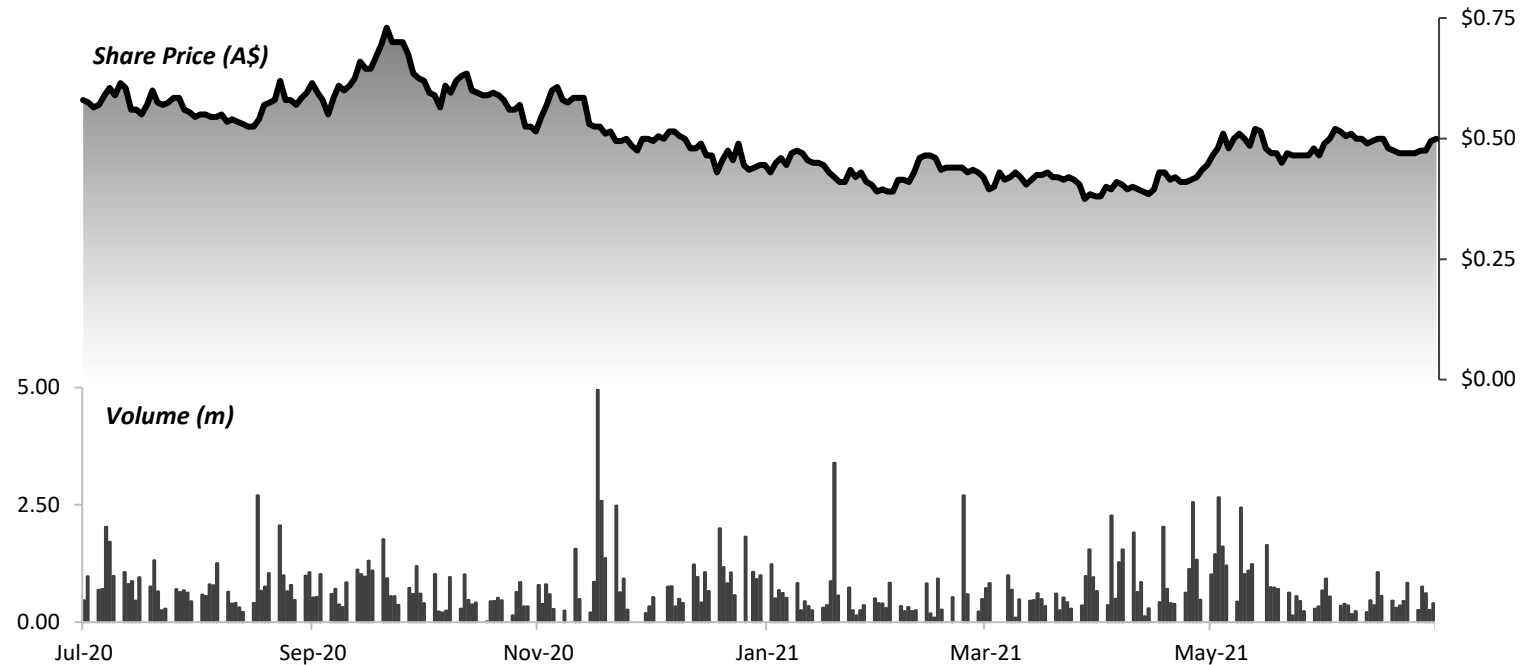
1. Using share price of 0.50 as at 30th July 2021

## MAJOR SHAREHOLDERS

ALKANE RESOURCES (ASX:ALK)	9.6%
BOARD AND EXECUTIVES	6.2%

## ANALYST COVERAGE

 BLUE OCEAN EQUITIES	Stuart McIntyre
CANACCORE Genuity	Paul Howard
EURØZ HARTLEYS	Jon Bishop

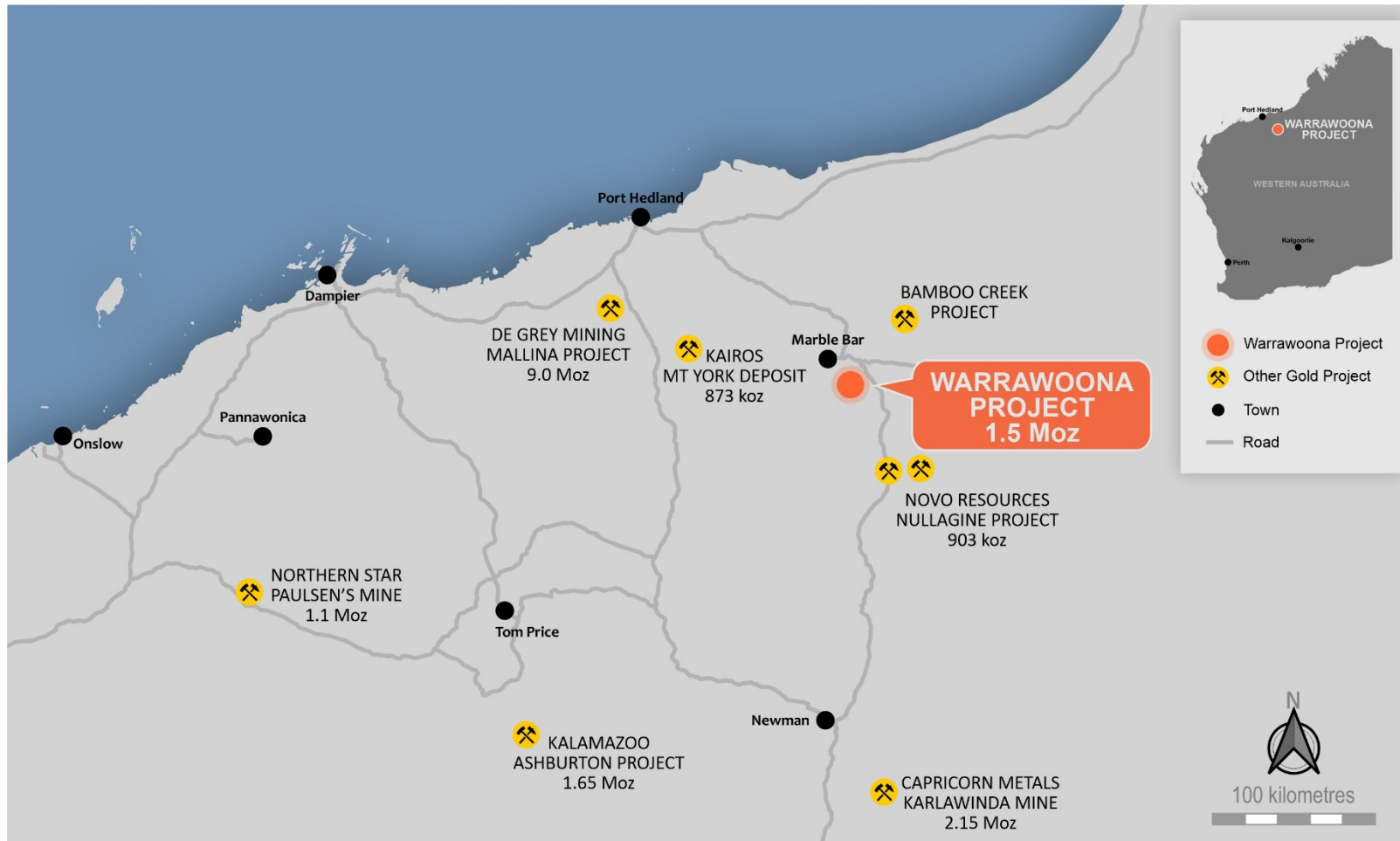


## DIRECTORS AND MANAGEMENT (+100 YEARS IN PRECIOUS DEVELOPMENT PROJECTS)

MARK CONNELLY	NON-EXEC CHAIRMAN	RICHARD HILL	CFO
DAVE REEVES	MANAGING DIRECTOR	PAUL BRENNAN	BD & PROJECTS
KEITH COUGHLAN	NON-EXEC DIRECTOR	DON RUSSELL	GM WARRAWOONA
JOHN CIGANEK	NON-EXEC DIRECTOR	STEVE SHEPPARD	REGIONAL GEOLOGY

# WARRAWOONA GOLD PROJECT

## LOCATED IN AN INFRASTRUCTURE RICH AREA OF WESTERN AUSTRALIA



### WA Gold – Premier Gold Jurisdiction

- Two gold mines recently commissioned:
  - Capricorn metals (ASX:CMM)
  - Novo Resources (TSX:NVO)
- One being built – Warrawoona
- Major discoveries – De Grey
- Major infrastructure previously established from Iron ore mining

# VIDEO FLYOVER

# DEVELOPMENT UPDATE

**50% COMPLETE, ON TIME AND ON BUDGET**

## KEY INFRASTRUCTURE IN PLACE

### Completed to Date:

- Access road
- 240 room accommodation village
- Communications
- CIL tanks under construction
- Structural steel erection
- Mechanical equipment on site

### Works currently underway:

- Tailings dam construction
- Pioneer Mining
- Borefields





# PROGRESSIVE ESG

## COMMITMENTS TO MAINTAIN SOCIAL LICENCE TO OPERATE



### ENVIRONMENTAL & SUSTAINABILITY

#### Carbon reduction strategies

- 2MW double-sided solar farm reduces carbon emissions - 8,500t p.a.
- Locally sourced LNG - reduces carbon emissions - 10,500t p.a.

#### Cyanide destruction

- Destruction of cyanide in tailings prior to discharge
- Minimize the exposure of wildlife to chemical outputs

#### Contribution to Pilbara Environmental Offset Fund (PEOF)

- Calidus contributed \$600,000 to PEOF to broker access for offsets on land

#### Native wildlife protection

- 32ha conservation zone initiative for the protection of native wildlife

### COMMUNITY & PEOPLE

#### Upgrading local infrastructure

- Upgrade of the Marble Bar Airstrip with the Shire of East Pilbara
- Key travel route, Corunna Downs Rd

#### Sponsorships & Opportunities

- Indigenous Arts Program at Marble Bar and Warralong schools
- Establish apprenticeships and opportunities for locals

#### Extensive Heritage Surveys

- Heritage surveys completed – no sites disturbed

#### Rain water harvesting

- Tailings dam to reduce pressure on local aquifers in cyclonic events

# WARRAWOONA GOLD PROJECT

## STAGE 1- OPERATIONAL & FINANCIAL METRICS

- Simple large open pit and underground operation
- Conventional 2.0-2.5Mt pa CIL plant with 95% LOM recovery

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- MRE of 1.5 Moz Au (Appendix 1)
- 702koz Au Mining Inventory with low LOM strip ratio of 3.4x

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- Fully funded with A\$110m debt facility and \$27m cash (July 2021)
- 125koz hedged at A\$2,355/oz - c.19% of total gold production

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- Average production of 90kozpa over 8 year LOM
- Average EBITDA \$92M at A\$2,355/oz

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- Low pre-production CAPEX of A\$120M
- ~A\$1,290/oz AISC over life of mine

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- After-tax NPV<sub>8%</sub> of \$245m, IRR of 57% @ A\$2,355/oz Au (hedge price)
- 15-month post-tax payback at A\$2,355/oz Au



# KEY VALUE DRIVERS

## ACHIEVE GOLD PRODUCTION AND COSTS

### DERISKING IS KEY

#### Grade and Tonnes

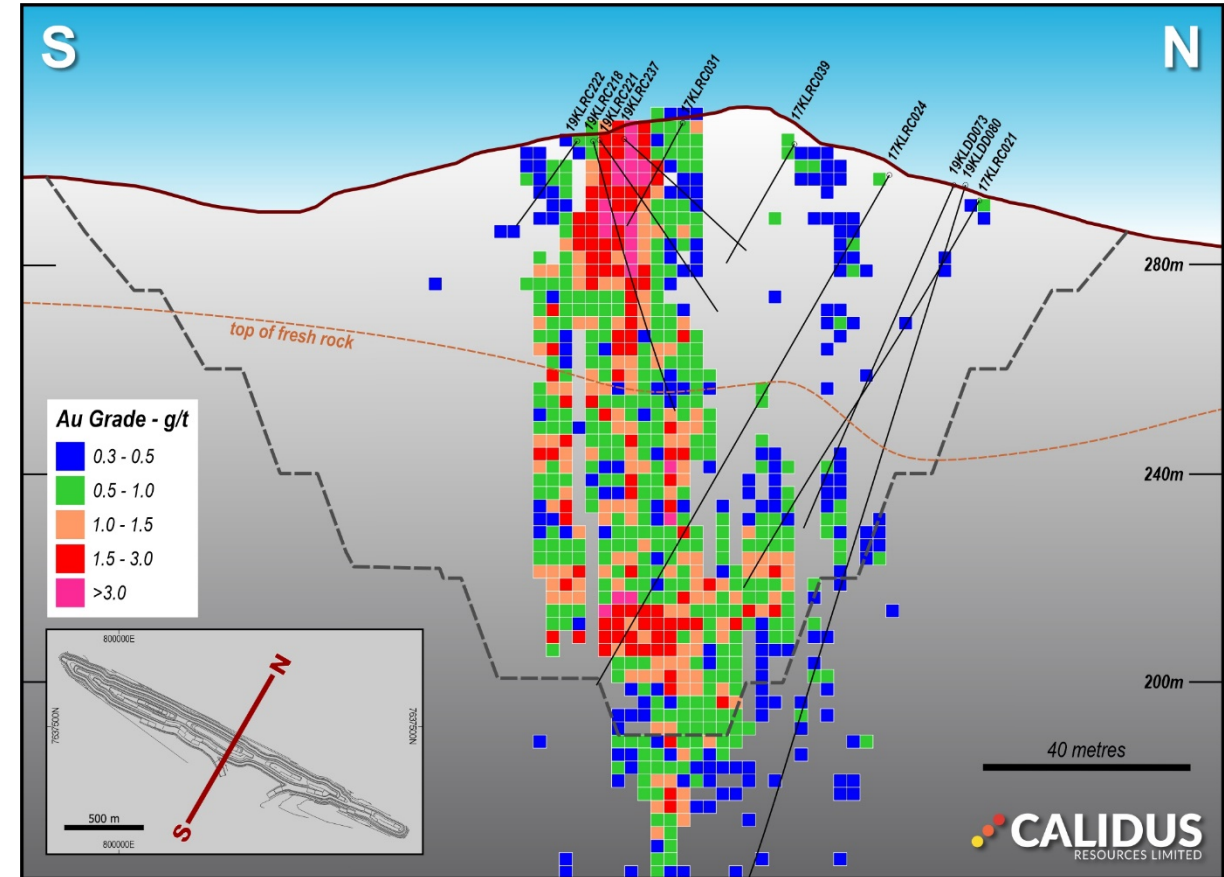
- 1 Year of Measured Resource (12.5m by 12.5m drilling)
- Remainder of pit Indicated (25m by 25m spacing)
- Staged mining approach with competent contractor – Macmahon
- 250,000t high grade stockpile ahead of mill commissioning
- Multiple options to increase production due to outcropping orebody and low strip ratio of 3.6:1

#### Throughput and Recovery

- GRES designed plant – normally outperforms requirements
- Extensive metallurgical testing

#### Costs

- Unit rates locked in for mining
- Fixed power costs per kw/hr
- Labour – anticipating cost implications
- Consumables – Rising AUD creates potential to save
- Costs mainly dependent on ounces produced, see above



# KEY VALUE DRIVER

## FINALISE DFS ON INTEGRATION OF HIGH - GRADE BLUE SPEC DEPOSIT

- Modified Avoca with cemented rock fill mining method
- Truck 8.6g/t ore to Warrawoona's 150ktpa Sulphide Plant
- Float and sell high grade concentrate (antimony credit pays for smelting charge)
- Utilise Warrawoona Infrastructure and overheads to lower costs
- DFS prior to first Stage 1 gold pour

*Refer to Calidus Resources website for downloadable version of this video.*

# WARRAWOONA GOLD PROJECT

## STAGE 2- OPERATIONAL & FINANCIAL METRICS

- Integrate Blue Spec Underground Project
  - Expand DFS sulphide plant located next to CIL plant to 150kt pa
- 
- Total MRE of 1.7 Moz Au (Appendix 1)
  - Total 876koz Au Mining Inventory
- 
- Average production of 130koz pa at full production
  - Increased average production of 110koz pa over 8 year LOM
- 
- Capital of \$28M funded from Stage 1 Cashflows
  - ~A\$1,292/oz AISC over life of mine
- 
- After-tax NPV<sub>8%</sub> of \$302m and IRR of 65% at A\$2,355/oz gold
  - Post-tax cashflow increased by \$92m to \$472m
- 
- Completion of Feasibility Study scheduled for H1 CY2022



*Underground at Blue Spec Deposit when operated by Anglo*

# WARRAWOONA GOLD PROJECT

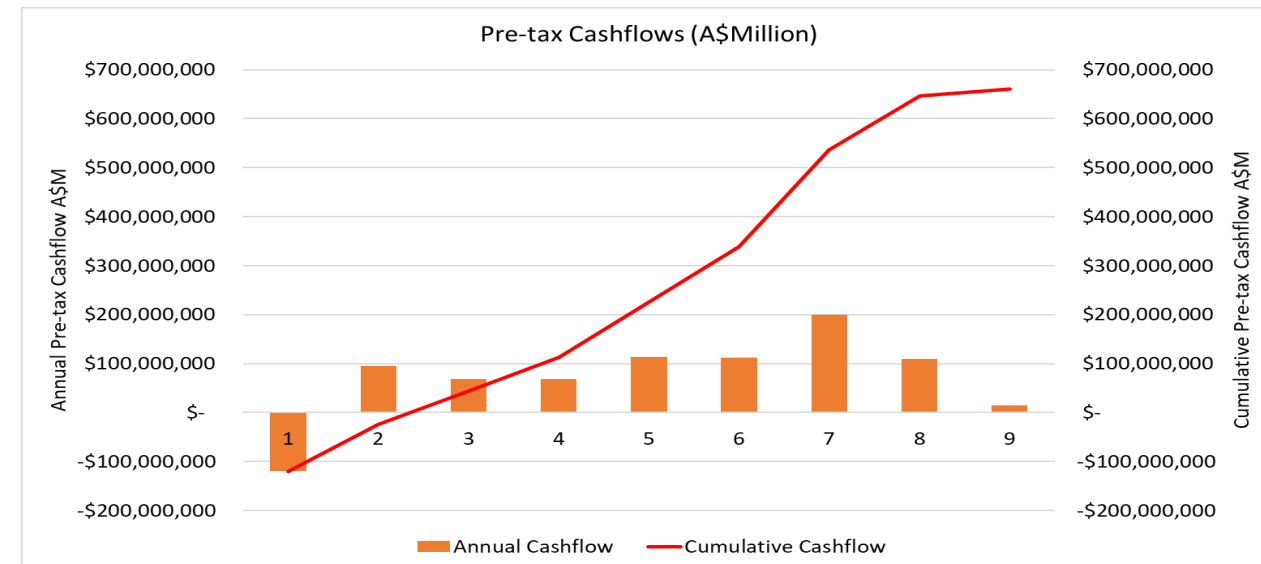
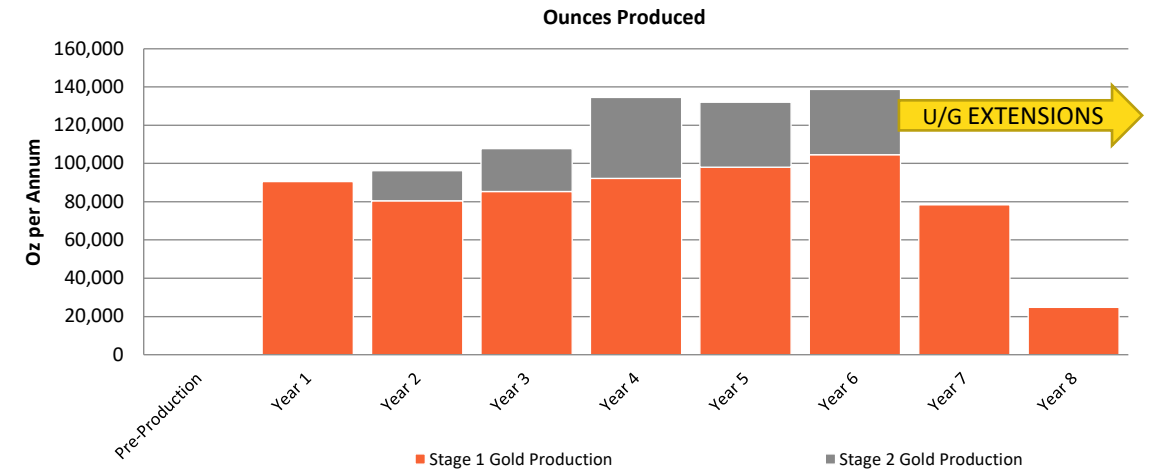
## STAGE 2 METRICS

### Stage 2 - Project Cashflows and AISC

Key Financials	Units	Total	Yr 0	Yr 1	Yr 2	Yr 3	Year 4	Year 5	Year 6	Year 7	Year 8
Cashflow (Pre-tax)	A\$M	662	-120	95	68	69	114	112	199	109	15
Cashflow (Post-tax)	A\$M	472	-120	95	68	41	67	88	168	53	6
(AISC)	A\$/oz	1,292	0	1,177	1,311	1,452	1,484	1,504	921	971	1,762

### Stage 2 - Ore Processed and Ounces Recovered

Key Financials	Units	Total	Yr 0	Yr 1	Yr 2	Yr 3	Year 4	Year 5	Year 6	Year 7	Year 8
Ore Processed	kt	18,144	0	2,327	2,430	2,259	2,163	2,184	2,150	2,193	2,102
Processing Grade	g/t	1.5	0	1.3	1.4	1.6	2	2	2.1	1.2	0.4
Ounces Recovered	oz	807,081	0	90,586	96,222	107,750	134,514	131,990	138,700	78,829	24,835



# GROWTH STRATEGY

## UNLOCKING THE POTENTIAL OF THE EAST PILBARA GOLDFIELD IN WESTERN AUSTRALIA

### 1

#### NEAR MINE

- Klondyke Deposit open along strike
- Multiple Warrawoona structural trends
- Additional underground potential as the deposit remains open at depth

### 2

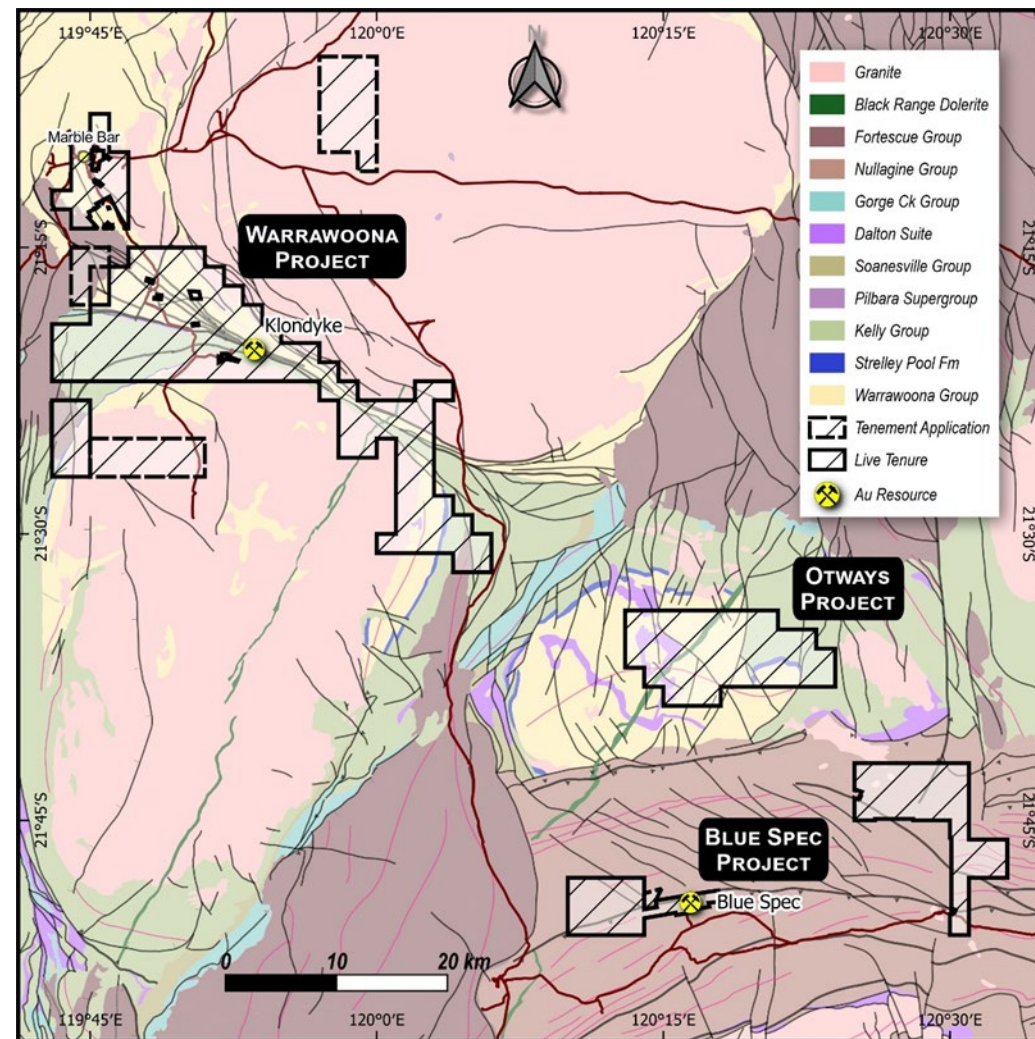
#### WARRAWOONA REGIONAL

- Consolidated 669km<sup>2</sup> contiguous landholding remains largely untested

### 3

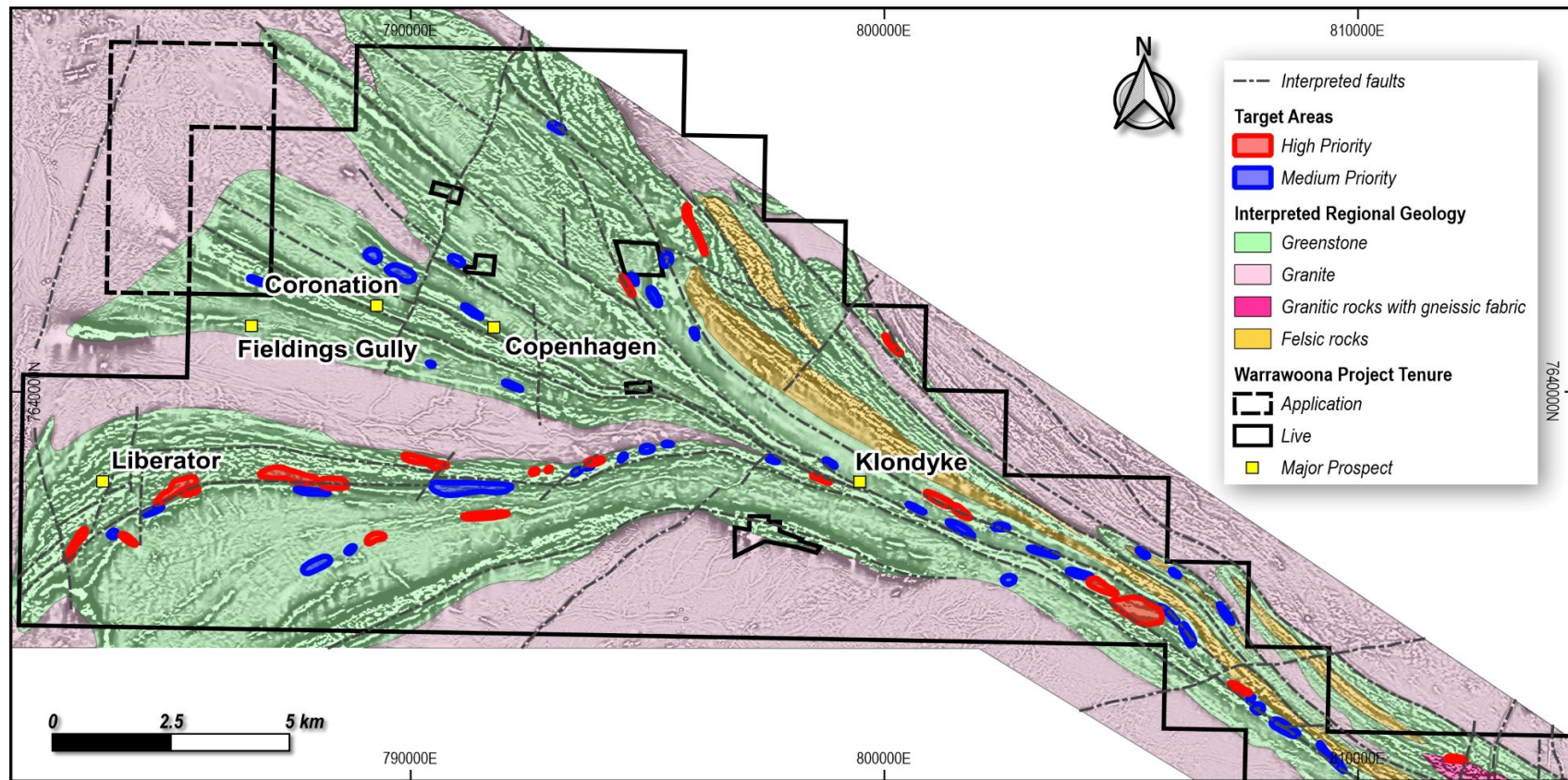
#### BLUE SPEC

- Blue Spec: 219koz at 16.3g/t Au, remains open down dip and along strike
- 8km of Blue Spec Shear strike secured



# WARRAWOONA REGIONAL UPSIDE

## TENEMENT PACKAGE REMAINS LARGELY UNTESTED



Exploration to date has just scratched the surface

- Recent aeromagnetics and radiometric survey has identified 95 targets, of which 22 are high priority
- A large portion lie on an undrilled shear to the west of Klondyke



# DEVELOPMENT AND EXPLORATION TIMELINE

## DELIVERING NEAR-TERM CATALYSTS ON THE ROAD TO PRODUCTION

	2021				2022			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
<b>PERMITTING</b>								
Operating Permits	✓							
<b>CONTRACTS AND FINANCE</b>								
Award all Contracts	✓							
Commence Debt Drawdown		✓						
<b>DEVELOPMENT ACTIVITIES</b>								
Bulk Earthworks begins	✓							
Pioneer Mining Commences			✓					
Main Mining Commences								
Mill Commissioning and First Gold								
<b>EXPLORATION AND FEASIBILITIES</b>								
Blue Spec Integration Scoping Study	✓							
Drilling Blue Spec		✓						
DFS Blue Spec								
Blue Spec (Regional) Stream Sediment Sampling		✓						
Regional Exploration Drilling								

# CALIDUS RESOURCES LIMITED (ASX:CAI)

## A NEW AUSTRALIAN GOLD MINER

- ✓ **Management team are proven mine developers & operators with a track record of wealth creation**
- ✓ **Stage 1 - DFS production of 90koz pa – 105koz pa at LOM AISC \$1,290/oz - initial 8-year mine life**
- ✓ **Stage 2 - Increased production to 130koz pa through Blue Spec integration**
- ✓ **Fully funded and main construction commenced – first gold pour due H1 2022**
- ✓ **Dual strategy of project development and aggressive exploration**
- ✓ **Re-rate through delivery of major milestones – large upside available on all peer comparisons**



# Appendix 1 - Resources and Reserves

## Mineral Resource Estimate

Deposit	Cut-Off	Measured			Indicated			Inferred			Total		
	(g/t)	Mt	Au (g/t)	KOz	Mt	Au (g/t)	KOz	Mt	Au (g/t)	KOz	Mt	Au (g/t)	KOz
Klondyke Open Pit	0.3	2.3	0.98	72	29.0	0.90	844	8.3	0.81	217	39.6	0.89	1,133
Klondyke Underground	1.5				1.0	2.87	89	1.8	3.31	162	2.7	2.83	250
Copenhagen	0.5				0.2	5.58	34	0.1	2.65	9	0.3	4.54	43
Coronation	0.5							0.5	2.19	34	0.5	2.19	34
Fieldings Gully	0.5				0.3	1.80	16	0.3	1.87	20	0.6	1.84	36
Blue Spec	3.0				0.1	29.1	79	0.2	12.20	92	0.3	16.70	171
Gold Spec	3.0				0.1	12.4	27	0.0	21.60	21	0.1	15.20	48
<b>Total</b>		<b>2.3</b>	<b>0.98</b>	<b>72</b>	<b>30.6</b>	<b>1.10</b>	<b>1,088</b>	<b>11.3</b>	<b>1.60</b>	<b>555</b>	<b>44.1</b>	<b>1.21</b>	<b>1,714</b>

## Reserves

Deposit	Cut-Off	Proven			Probable			Total		
	(g/t)	Mt	Au (g/t)	koz	Mt	Au (g/t)	koz	Mt	Au (g/t)	koz
Klondyke Open Pit	0.33-0.36	2.1	1.0	66	10.0	1.0	335	12.1	1.0	401
Klondyke Underground	1.2				1.9	2.1	120	1.9	2.1	120
St George Open Pit	0.36-0.39				0.2	1.2	9	0.2	1.2	9
Copenhagen Open Pit	1.88				0.1	5.5	17	0.1	5.5	17
<b>Total</b>		<b>2.1</b>	<b>1.0</b>	<b>66</b>	<b>12.3</b>	<b>1.2</b>	<b>481</b>	<b>14.3</b>	<b>1.2</b>	<b>547</b>