

ASX ANNOUNCEMENT

18 January 2022

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

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NON-EXECUTIVE CHAIRMAN

Mr David Reeves
MANAGING DIRECTOR

Mr John Ciganek
NON-EXECUTIVE DIRECTOR

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AUSTRALIA

Calidus forms new Pilbara lithium exploration venture

Lithium rights covering more than 1,000sqkm in the East Pilbara of WA

Calidus Resources Limited (ASX: CAI) is pleased to announce that it has a 50 per cent interest in a new Pilbara lithium exploration company.

The company, Pirra Lithium Pty Ltd (Pirra Lithium), is owned equally by Calidus and Haoma Mining NL (Haoma).

Pirra Lithium will be assigned tenements and lithium rights across the most prospective lithium ground in the Calidus and Haoma portfolios. These tenements and lithium rights cover 1,063km².

Substantial pegmatites have already been mapped on the tenements, several of which are associated with known tin-tantalum fields.

Calidus Managing Director Dave Reeves said the formation of the joint venture with Haoma gives Calidus a low-cost opportunity to gain exposure to an increased area of ground that has been targeted for its lithium potential.

“Pirra Lithium creates a highly-leveraged exploration opportunity for our shareholders,” Mr Reeves said.

“There is clearly potential to unlock substantial value by exploring what is highly prospective lithium ground in one of the world’s best lithium provinces.

“We can capitalise on this opportunity without it having any impact on our core asset at Warrawoona, where we are on track to pour first gold in the coming quarter.

“As part of this strategy to create additional value for our shareholders while maintaining our sharp focus on Warrawoona, we are establishing a separate dedicated team to pursue this lithium opportunity.”

Location

Pirra Lithium has access to tenements totaling 1,063km² as shown in Figure 1. The tenements were selected based on lithium prospectivity from Calidus’ and Haoma’s extensive landholdings in the East Pilbara.

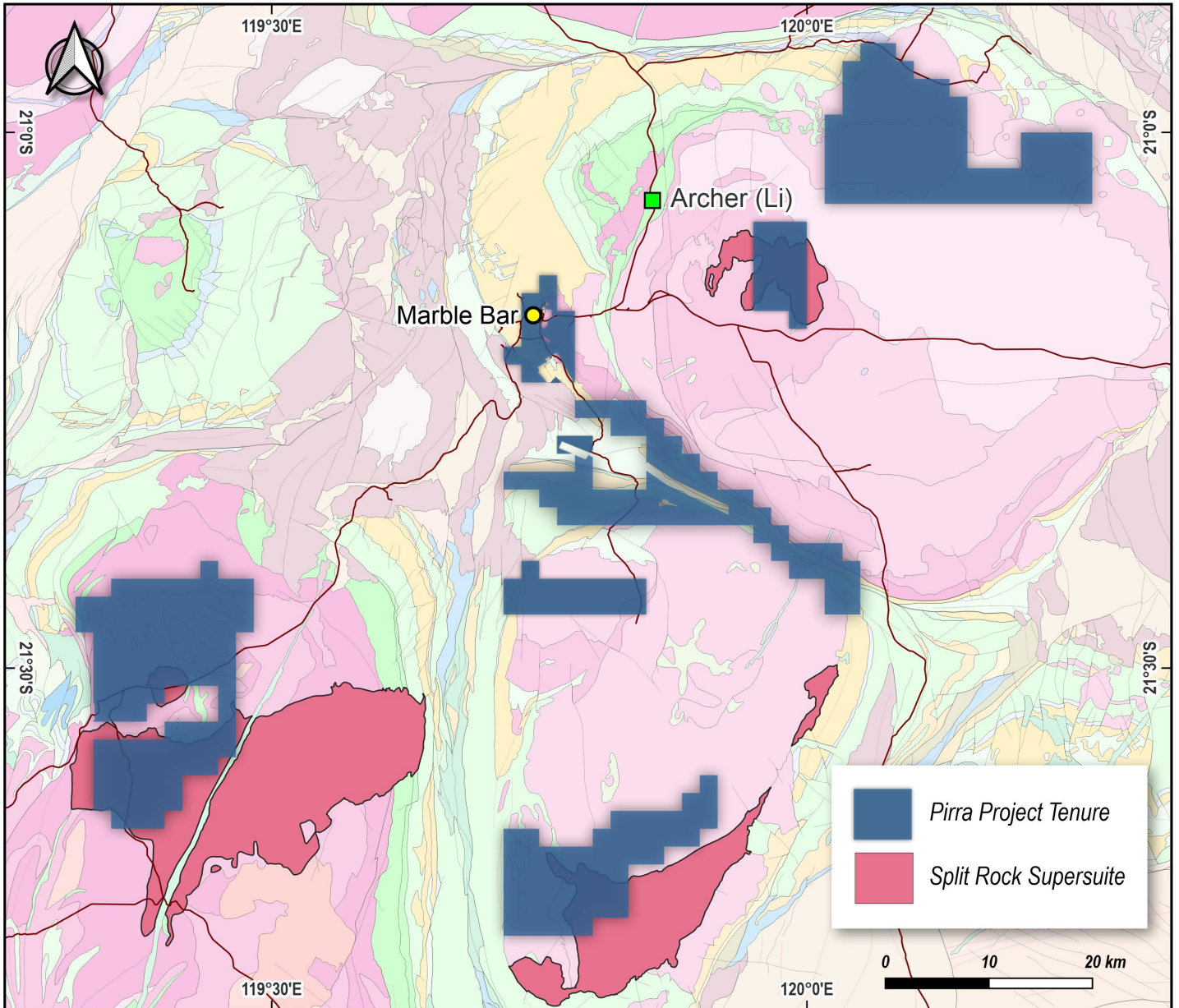


Figure 1 – Tenement holdings and lithium rights of Pirra Lithium on a background of Geological Survey of WA’s (GSWA’s) 1:500,000 state geology bedrock and linear structures layers.

Geology

Across the Pilbara Craton, including at Wodgina, Pilgangoora, and Global Lithium’s Archer deposit near Marble Bar, lithium is hosted in pegmatites associated with granites of the 2890-2830 Ma Split Rock Supersuite¹. Abundant granites of the Split Rock Supersuite are present on tenements on which Pirra Lithium has the lithium rights (refer Figure 1).

There is also a strong spatial coincidence between the location of lithium discoveries with historic tin and tantalum fields; for instance, the Archer lithium deposit and the Moolyella tin field, the Wodgina lithium deposit and the Wodgina tin field, and the Pilgangoora lithium deposit and the Pilgangoora tin deposits.

In the Spear Hill (Pirra) area, tin deposits of the Shaw River tin field² are associated with granite and pegmatite of the Split Rock Supersuite. In the late 1980s Greenex documented the occurrence of lepidolite in pegmatites³ in the field in their pre-feasibility study of alluvial tin-tantalum deposits for Western Australia Rare Metals Co. Ltd and Greenbushes Ltd.

Proposed Exploration Programme

The various tenements will be initially ranked for their lithium potential. For the highest priority target areas, field mapping will be carried out immediately to determine the distribution, size, orientation, and mineralogy of the pegmatites. Particular attention will be paid to the nature of any lithium-bearing minerals (e.g., spodumene, lepidolite). A handheld laser-induced breakdown spectroscopy (LIBS) analyser will be used to confirm the presence and composition of lithium minerals during field mapping. This will enable rapid identification of the highest priority areas for drilling, and for applications for Programs of Work (PoWs) to be submitted to DMIRS and requests for heritage surveys to be submitted without delay.

Representative samples will be sent to a laboratory in Perth to provide more precise and accurate determinations of lithium concentrations. In addition, studies will be carried out to determine the deportment of lithium in the samples.

Transaction Details

Pirra Lithium will be owned 50% by Calidus and 50% by Haoma. Calidus will contribute the first \$1M of funding for exploration and manage the exploration using existing infrastructure in the area. At that point, both parties will contribute equally to the funding of the Company. Calidus will also issue \$1M in scrip at an issue price equal to the 5-day VWAP to Haoma as compensation for previous exploration. Completion of the transaction is conditional on the parties agreeing to a formal mineral rights sharing agreement to govern the grant of the lithium rights to Pirra Lithium.

Pirra Lithium will hold the following tenements and rights.

Tenements to be transferred to Pirra

Tenement ID	Holder	Size (Ha)	Renewal	Ownership/ Interest
E46/1421	Keras (Pilbara) Gold Pty Ltd	16,551.70	Application	100%
E45/5747	Keras (Pilbara) Gold Pty Ltd	3,826.11	15/12/26	100%
E45/5748	Keras (Pilbara) Gold Pty Ltd	5,111.83	15/12/26	100%
E45/4856	Keras (Pilbara) Gold Pty Ltd	1,594.27	20/5/23	100%

Lithium Rights to be transferred to Pirra

Tenement ID	Holder	Size (ha)	Renewal	Ownership/ Interest
E45/4586	Haoma Mining NL	1,889	03/072022	100%
E45/4587	Haoma Mining NL	956	03/072022	100%
E45/5846	Haoma Mining NL	7,962	Application	100%
E45/5834	Haoma Mining NL	13,705	Application	100%
E45/5938	Haoma Mining NL	13,751	Application	100%
E45/5835	Haoma Mining NL	638	Application	100%
E45/5944	Haoma Mining NL	12,147	Application	100%
E45/6054	Haoma Mining NL	4,782	Application	100%
P45/2974	Haoma Mining NL	127.11	22/09/2019 (extended)	100%
P45 2975	Haoma Mining NL	158.37	22/09/2019 (extended)	100%
P45/2973	Haoma Mining NL	95.16	22/09/2019 (extended)	100%
E45/3381	Keras (Pilbara) Gold Pty Ltd	7,802.45	16/03/2023	100%
E45/3615	Keras (Pilbara) Gold Pty Ltd	1,594.62	22/11/2020	100%
E45/4236	Keras (Pilbara) Gold Pty Ltd	956.69	19/10/2024	100%
E45/4555	Keras (Pilbara) Gold Pty Ltd	1,915.22	01/03/2022	100%
E45/4622	Keras (Pilbara) Gold Pty Ltd	4,216.80	04/05/2022	100%
E45/4857	Keras (Pilbara) Gold Pty Ltd	1,275.37	20/05/2023	100%
E45/4905	Keras (Pilbara) Gold Pty Ltd	638.00	29/11/2022	100%
E45/4906	Keras (Pilbara) Gold Pty Ltd	319.00	29/11/2022	100%
E45/5172	Keras (Pilbara) Gold Pty Ltd	4,291.17	30/05/2024	100%

1. Sweetapple, M.T. and Collins, P.L.F., 2002, Genetic Framework for the Classification and Distribution of Archean Rare Metal Pegmatites in the North Pilbara Craton, Western Australia: Economic Geology v. 97, 873-895.
2. Blockley, J.G., 1980, The Tin Deposits of Western Australia with Special Reference to the Associated Granites: GSWA Mineral Resources Bulletin 12.
3. Kimber, P. and Bale, D., 1988, Pilbara Tin-Tantalum-Rare Earth Project, 1988 Pre Feasibility Study: DMIRS Statutory Report A24569.

This announcement has been authorised for release by the Board.

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FORWARD LOOKING STATEMENTS

This announcement includes certain “forward looking statements”. All statements, other than statements of historical fact, are forward looking statements that involve risks and uncertainties. There can be no assurances that such statements will prove accurate, and actual results and future events could differ materially from those anticipated in such statements. Such information contained herein represents management’s best judgement as of the date hereof based on information currently available. The Company does not assume any obligation to update forward looking statements.

DISCLAIMER

References in this announcement may have been made to certain ASX announcements, which in turn may have included exploration results and Minerals Resources. For full details, please refer to the said announcement on the said date. The Company is not aware of any new information or data that materially affects this information. Other than as specified in this announcement and mentioned announcements, the Company confirms it is not aware of any new information or data that materially affects the information included in the original market announcement(s), and in the case of estimates of Mineral Resources that all material assumptions and technical parameters underpinning the estimates in the relevant announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person’s findings are presented have not been materially modified from the original announcement.