

ASX ANNOUNCEMENT

27 January 2022

ABOUT CALIDUS RESOURCES

Calidus Resources is an ASX listed gold company that is developing the 1.7Moz 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

ASX : CAI

✉ info@calidus.com.au

📍 Suite 12, 11 Ventnor Ave
West Perth WA 6005
AUSTRALIA

December 2021 Quarterly Activities Report

Gold production on track for June Quarter of 2022

HIGHLIGHTS

- Warrawoona Gold Project in WA's Pilbara is on track to pour first gold in the June quarter of 2022
- Construction at Warrawoona 81% complete and construction of the processing plant 88% complete
- Total cash on hand and debt facilities available of \$49.1M and remaining Warrawoona development expenditure to first gold of \$24.6M
- Key construction milestones in the quarter included:
 - Construction of tailings dam was completed
 - Mining and recruiting activities ramped up
 - SAG mill fully installed including motor and mill has been inched (turned)
 - Laboratory for grade control samples operational
- Renewable microgrid to be constructed at Warrawoona
- Blue Spec DFS ramps up with successful drilling campaign
- Exploration drilling of priority targets commenced
- Calidus forms new Pilbara lithium exploration venture covering more than 1,000km² in the East Pilbara of WA



Figure 1: ROM Pad ore stocks increasing as the process plant approaches completion

CORPORATE

- Calidus had \$20.6 million of cash, \$27.5 million in available debt facilities and \$250,000k in listed investments at 31 December 2021
- \$82.5 million drawdown from Project Loan Facilities to date

Calidus Resources (ASX:CAI) is pleased to report further strong progress in the construction of its Warrawoona Gold Project in WA during the December 2021 Quarter. Construction at Warrawoona is advancing in line with budget and schedule, ensuring Calidus is on track to be Australia's next gold producer.

At quarter-end, the project construction was estimated to be 81% complete with no lost time injuries recorded to date. During the quarter, \$21.7 million was incurred on the Warrawoona development with expenditure of \$24.6 million remaining to first gold production.

Warrawoona is forecast to produce up to 105,000oz a year. However, this has the potential to increase to 139,000 when the nearby Blue Spec deposit is developed. Blue Spec has a JORC Resource of 415,000t at 16.3gpt for 219,000oz and is now the subject of a Definitive Feasibility Study (DFS) which is due in the June quarter of 2022.¹

Project highlights for the quarter included:

- GR Engineering is constructing the 2.4 million tonne per annum (Mtpa) gold processing plant and associated infrastructure via a fixed price turnkey Engineer Procure and Construction (EPC) contract. EPC construction is 88% complete with significant progress made during the quarter including:
 - Crusher, apron feeder and associated conveyors installed
 - Ore transfer station and stockpile conveyors substantially installed
 - SAG Mill fully installed including motor and mill has been inched (turned)
 - Gravity circuits installed
 - CIL tanks complete
 - Gold room mechanicals including elution columns, elution heaters, carbon regeneration kilns installed
 - Reagent tanks and stores substantially complete
 - Workshop, stores, processing offices and laboratory installed
 - 99% of processing plant structural material is now on site, with focus turning to final electrical and mechanical installations with dry commissioning activities to commence in the March quarter
 - Laboratory for grade control samples operational
 - All orders for critical spares have been placed
 - Orders for first fills (reagents) have been placed
 - Dedicated commissioning team in place for the process plant to focus on operational readiness (operating and maintenance) for handover at completion of the Performance tests for the plant
- Zenith Pacific have been mobilised to site to construct the 8MW gas fire Power station and civil works have been completed
- The initial 400,000L Fuel Farm facility has been installed and commissioned
- The tails dam is now completed and will provide enough storage for the first three years of operation
- Mining is underway, including RC Grade control drilling for ongoing de-risking as pit floor opens up
 - Day shift mining activities ramping up to 90,000 BCM per month to open up areas for main diggers in March/April 2022
 - ROM pad build continuing, crusher backfill complete

¹ Refer to ASX announcements dated 29 September 2020, 23 March 2021 and 9 September 2021. The Company confirms that it is not aware of any information or data that materially affects the information included in the market announcements, and that all material assumptions and technical parameters underpinning the estimates continue to apply.

- 120t digger has arrived on site to replace 85t digger and ramp up production
- Macmahons (ASX:MAH) mobilisation has commenced for main mining contract, civil works now complete

- Recruitment of key positions are well advanced with recruitment for all positions for operations commenced

Project highlights post quarter included:

- Zenith Pacific to construct a renewables microgrid comprising a 4MW Solar Farm with 3MW battery storage system at Warrawoona Gold Project under a Power Purchase Agreement (**PPA**)
 - Construction of the solar farm is part of the PPA whereby Calidus purchases power from Zenith on a unit rate for power construction
 - The renewables microgrid will be constructed in H2 of C2022 and will feed into the distribution line between the power station and accommodation village

At 31 December 2021, the Company's hedge book consists of 145,000 ounces at an average forward price of A\$2,368/oz for delivery from 30 September 2022 to 30 September 2025



Figure 2: Process Plant



Figure 3: Crusher Area



Figure 4: Tailings Dam Completion



Figure 5: Mining Area

BLUE SPEC ASSAY RESULTS CONFIRM RESULTS OF UP TO 101 G/T HIGH GRADE NATURE

During the quarter Calidus was pleased to report assay results from the recently completed DFS drilling program at the Blue Spec Project in WA's Pilbara.²

Calidus aims to start development of Blue Spec once steady-state production is achieved at Warrawoona. Blue Spec is anticipated to increase annual production at Warrawoona to 130,000oz per annum when in full production.

Highlights included:

- Multiple occurrences of visible gold identified
- Assay results to form part of Mineral Resource update for DFS
- Geotechnical, metallurgy test work and mining studies underway
- Environmental base line studies underway

Results included:

- **4.1m @ 33.6g/t Au** from 194.9m (21BSDD005) incl. **2.2m @ 60.4g/t Au** and incl. **1.1m @ 100.7g/t Au** from 196m
- **2.55m @ 44.1g/t Au** from 413.25m (21BSDD002) incl. **1.9m @ 58.5g/t Au**
- **3.1m @ 20.4g/t Au** from 449.9m (BSDD001) incl. **2.1m @ 28.4 g/t Au**

The results from the four diamond holes will be used to update the Mineral Resource Estimate (**MRE**) for Blue Spec.

² Refer to ASX announcement dated 8 November 2021 entitled "Results of up to 101 g/t AU at Blue Spec". The Company confirms that it is not aware of any information or data that materially affects the information included in the market announcements, and that all material assumptions and technical parameters underpinning the estimates continue to apply

Geotechnical logging of the holes was also completed with preliminary advice received from the Geotechnical Consultant which was also in line with expectations. Cut-off grades are calculated using a Net Smelter Return (NSR) of the Antimony-Gold Concentrate.

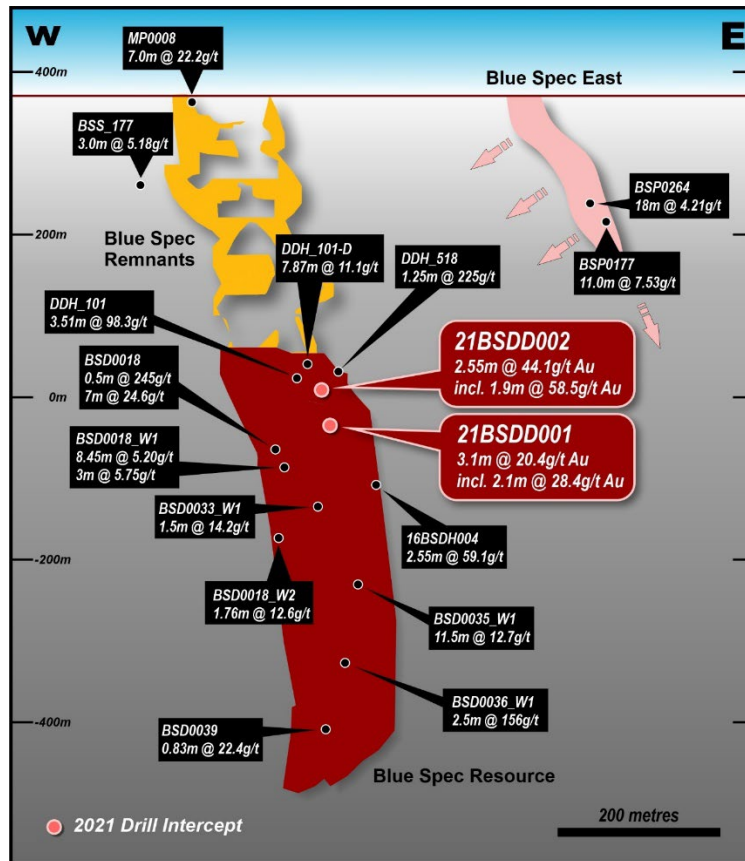


Figure 6: Blue Spec Long Section (showing Blue Spec East) and significant drill intercepts

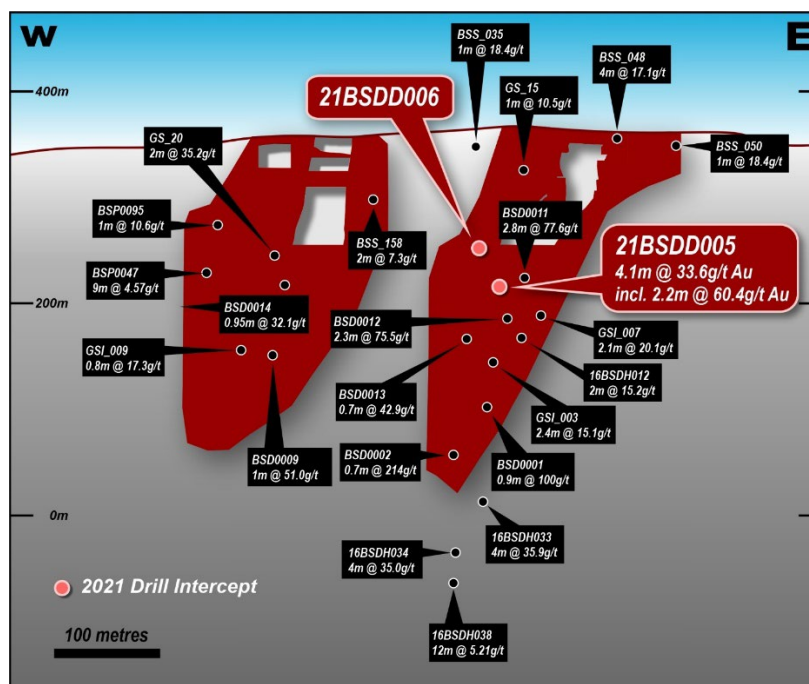


Figure 7: Gold Spec Long Section and significant drill intercepts

Table 1: Significant Intercept tables

Hole ID	Depth (m)	Northing	Easting	RL	Dip	Azimuth	From (m)	To (m)	Width (m)	Au Grade (g/t)	Comments
21BSDD001	521.8	7584708.373	218264.220	345.514	-60.6	152.6	449.90	453.00	3.10	20.4	<i>incl 2.1m @ 28.4g/t Au from 449.9m</i>
21BSDD002	480.4	7584698.088	218247.465	345.373	-56.6	150.0	401.30	402.08	0.78	5.59	<i>incl 1.9m @ 58.5g/t Au from 413.9m</i>
							413.25	415.80	2.55	44.1	
							418.00	420.00	2.00	2.73	
21BSDD005	235.35	7584128.357	217119.523	382.816	-58.9	0.8	194.90	199.00	4.10	33.6	<i>incl 2.2m @ 60.4g/t from 194.9m</i>
											<i>incl 1.1m @ 100.7g/t Au from 196m</i>
21BSDD006	232	7584128.359	217120.004	382.852	-54.9	351.3	164.00	165.00	1.00	2.50	

COMMENCEMENT OF DRILLING AT GREENFIELDS GOLD TARGETS

Calidus commenced several programs of RC drilling as part of the Company's strategy to grow the Warrawoona Gold Project in WA's Pilbara. The RC program will test multiple high priority gold targets at Warrawoona and the nearby Blue Spec deposit.

Highlights included:

- RC drilling will test greenfields, shear-hosted gold targets at Warrawoona and nearby Blue Spec deposit
- This includes testing high-grade gold in quartz reefs at Marble Bar
- The drilling will also determine the potential for shallow gold mineralisation at Blue Spec East
- Results from a stream sediment sampling program over part of the Blue Spec Project expected shortly

At the Blue Spec Project, Government gravity data and multi-client aeromagnetic data have been reprocessed and interpreted by Southern Geoscience Consultants (SGC). RC drilling will target a newly identified zone of carbonate-sericite alteration and quartz-ankerite±pyrite veins south of the Blue Spec shear.

At the Company's flagship Warrawoona Gold Project, RC drilling will target a high-grade quartz reef at Marble Bar, which was the focus of historic mining, and carbonate-sericite alteration with quartz-ankerite±pyrite veins west of the Klondyke deposit.

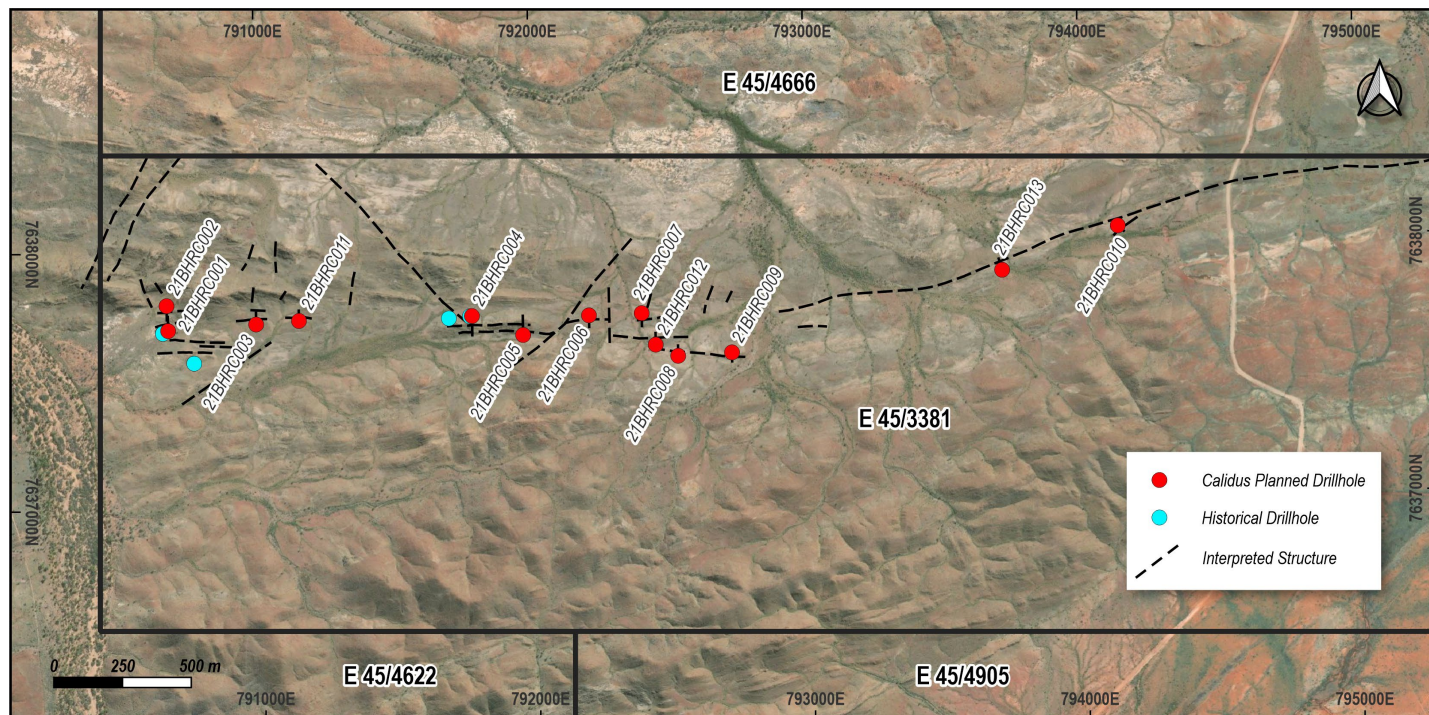


Figure 8: Planned RC drilling at the Brockman-Hay prospect west of Klondyke.

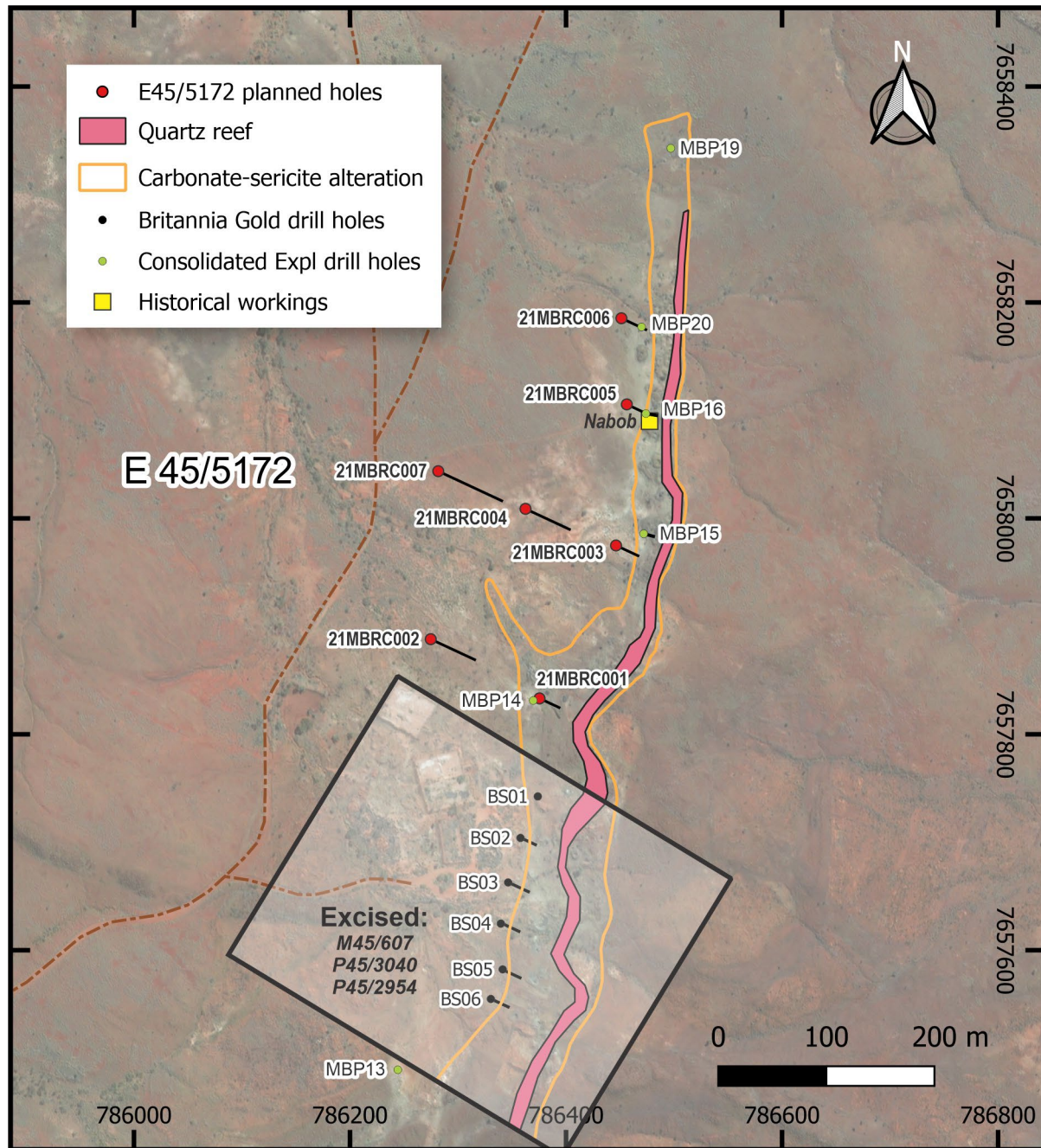


Figure 9: Map of E45/5172 showing rock-chip results and the location of historic and planned RC holes.

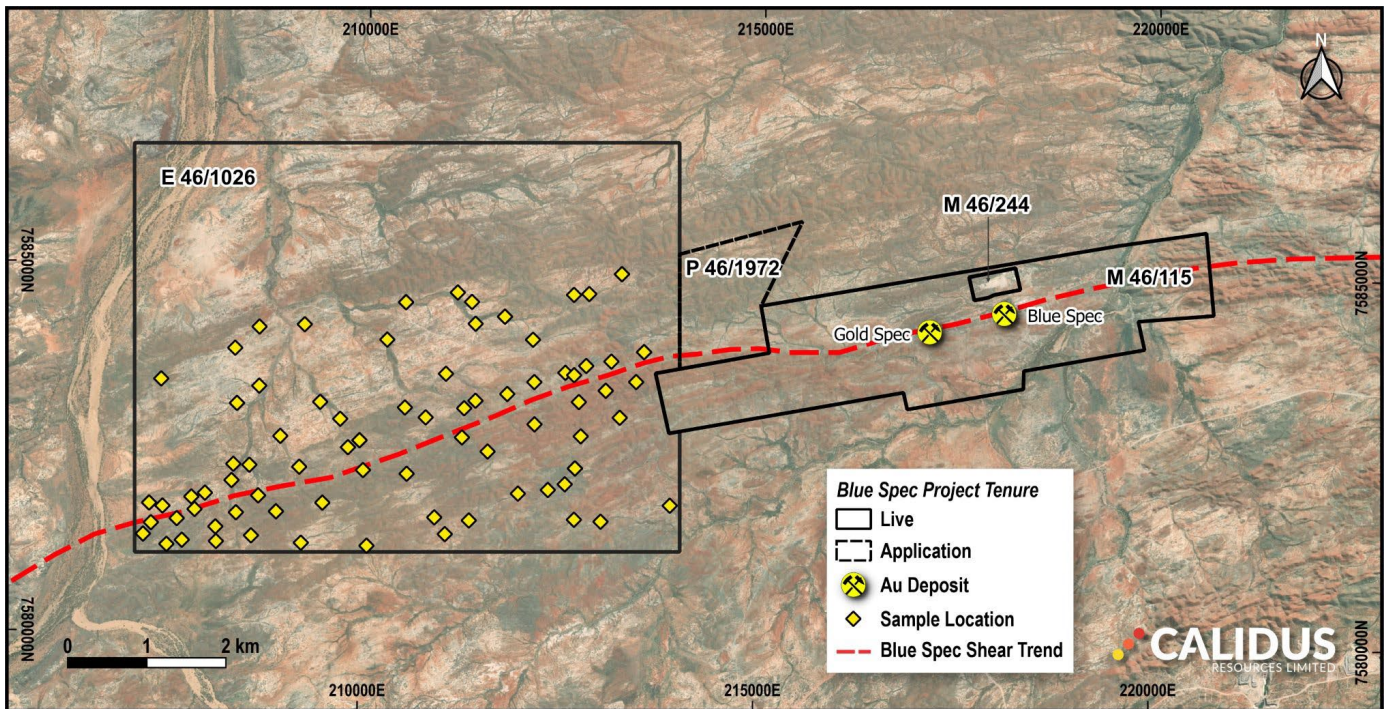


Figure 10: The Blue Spec Project showing the location of stream sediment samples collected on E46/1026.

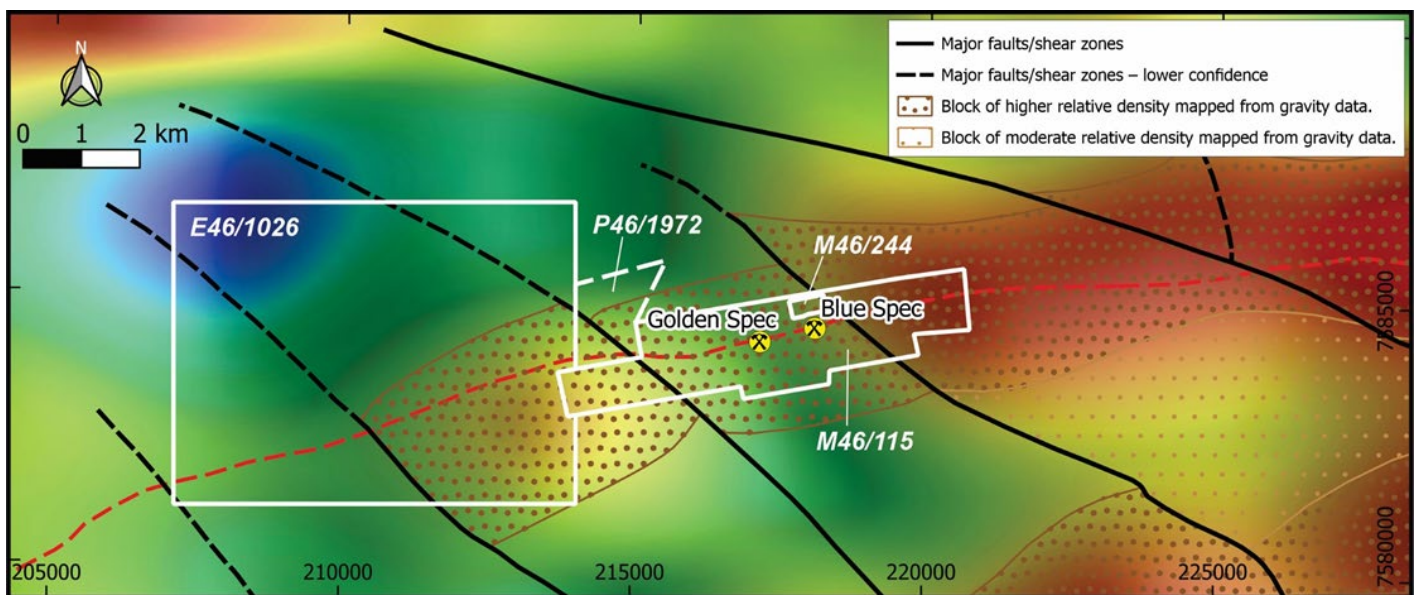


Figure 11: Major structures (black lines), Calidus tenements (dark red outlines), and gold deposits overlain on the east-shaded 1VD gravity image. Mapped density blocks are shown by the stippled polygons.

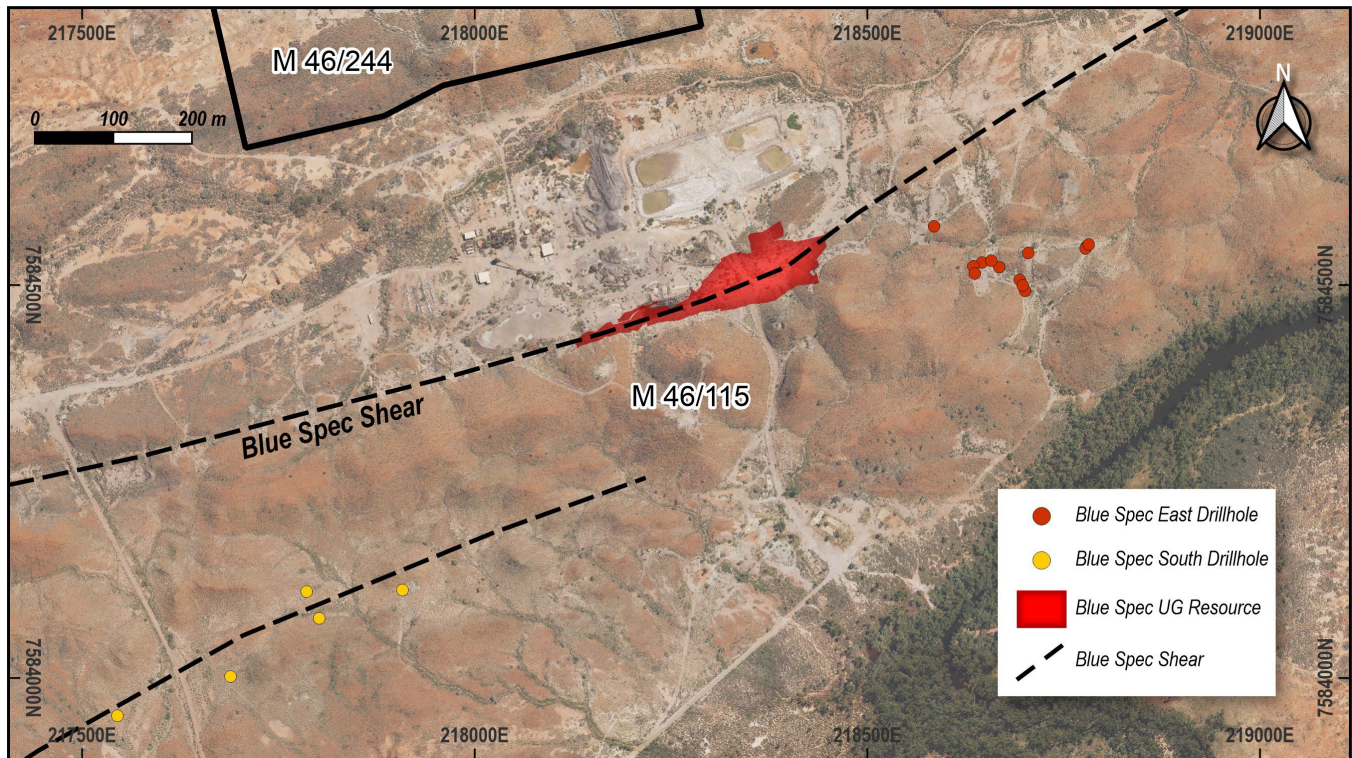


Figure 12: Map of planned RC holes in the Blue Spec area (M46/115).

CALIDUS FORMS NEW PILBARA LITHIUM EXPLORATION VENTURE – PIRRA LITHIUM

Post quarter, Calidus was pleased to announce that it has a 50% interest in a new Pilbara lithium company, Pirra Lithium Pty Ltd (**Pirra Lithium**). Pirra Lithium is owned equally by Calidus and Haoma Mining NL.

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.

Transaction Details

Pirra Lithium will be owned 50% by Calidus and 50% by Haoma. Calidus will contribute the first \$1 million 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 \$1 million 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.

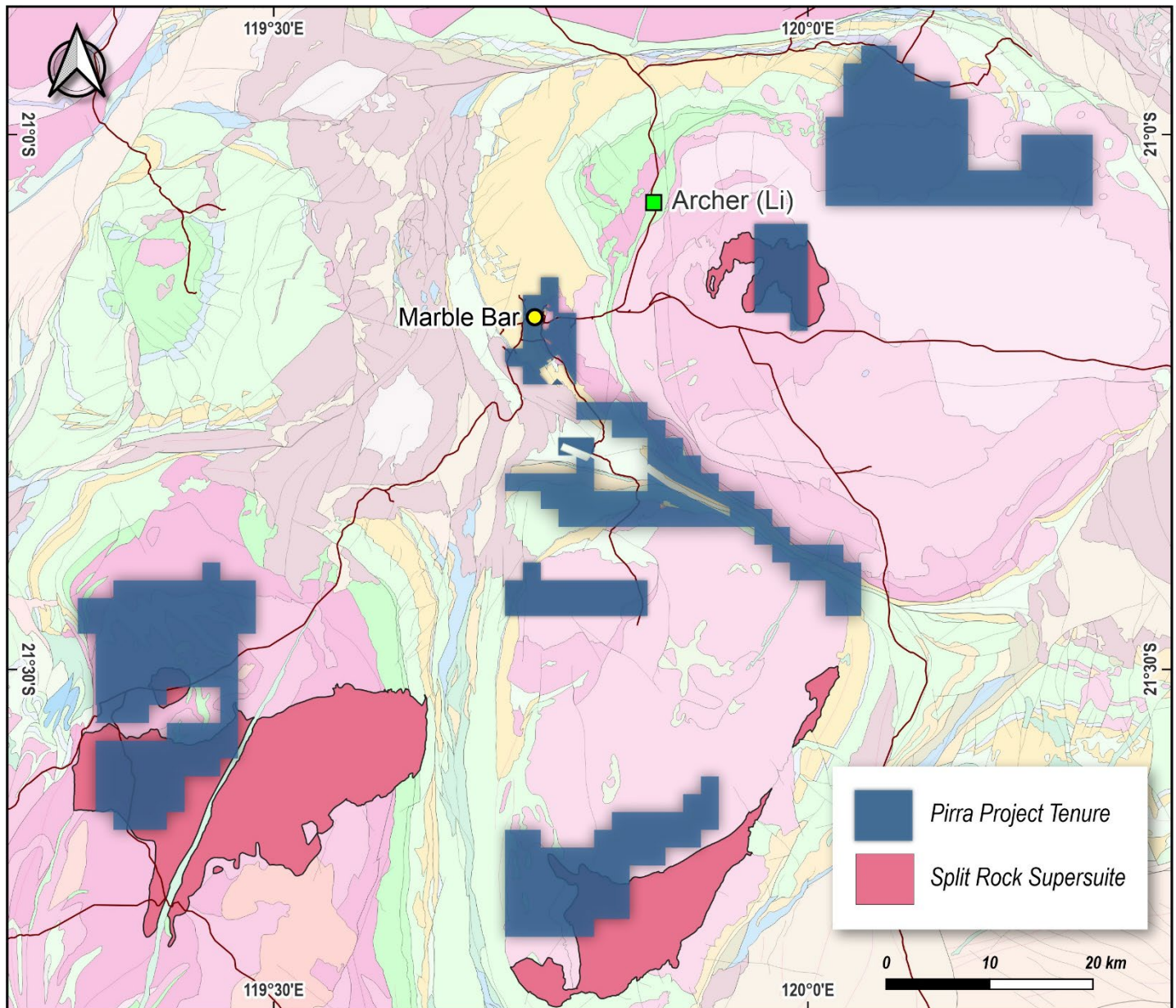


Figure 3: Tenement holdings and lithium rights of Pirra Lithium on a background of Geological Survey of WA's (GSWA's) 1:500,000 state geology bedrock and linear structures layers.

CORPORATE

Cash Position

At the end of the Quarter, Calidus and its subsidiaries held \$21.6 million of cash, \$27.5 million in available project loan facilities and \$250k in listed investments.

Project Loan Facility

Calidus has project loan facilities with Macquarie Bank totalling \$110 million. During the quarter \$28 million was drawn from the facilities with \$27.5 million of facilities available at the end of the quarter.

During the quarter Calidus hedged an additional 20,000ozs at A\$2,450/oz (nett of all costs). At 31 December 2021, the Company's hedge book consists of 145,000 ounces at an average forward price of A\$2,368/oz for delivery from 30 September 2022 to 30 September 2025.

Remaining Project Expenditure to First Gold

There is currently \$24.6 million Warrawoona development expenditure remaining to first gold.

Annual General Meeting

The Company held its Annual General Meeting on 17 November 2021. In accordance with Listing Rule 3.12.2, the four resolutions put to shareholders were passed by a Poll.

Summary of Cashflows for the Quarter

As outlined in the attached Appendix 5B, during the quarter the Company spent approximately:

- \$1.0M on exploration and evaluation activities
- \$26.9M on development activities
- \$145k in payments to related parties and their associates for director salaries, rent, superannuation and other related costs
- \$177k on administration and corporate costs

Investor Presentations

Managing Director, David Reeves, presented at the Resources Rising Stars-Miningnews.net "Boom in a Room" Investor Conference on 14 October 2021, which was held in Perth, Western Australia.

Mr Reeves also presented at the Resources Rising Stars Investor Briefing on 8 December 2021, which was held in Brisbane, Queensland.

– END –

ASX Announcements referred to in this announcement:

- 29 September 2020 - "Feasibility paves the way for construction of Warrawoona"
- 4 December 2020 - "Calidus advances Warrawoona production hub strategy with farm-in"
- 23 March 2021 - "Blue Spec Project set to significantly increase production"
- 9 September 2021 - "Blue Spec DFS ramps up with successful drilling campaign"
- 8 November 2021 - "Results of up to 101 g/t Au at Blue Spec"
- 17 November 2021 - "Results of Meeting"
- 1 December 2021 - "Calidus to commence drill testing greenfields targets"
- 3 December 2021 - "Calidus to present at the RRS Brisbane Investor Briefing"
- 8 December 2021 - "Mining ramps up ahead of 1st production in June quarter 2022"
- 8 December 2021 - "Calidus RRS Brisbane Investor Briefing Presentation"
- 18 January 2022 - "Calidus forms new Pilbara lithium exploration venture"
- 21 January 2022 - "Calidus commits to renewable micro grid at Warrawoona Gold"

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.

Competent Person Statements

The information in the announcement dated 8 November 2021 that relates to exploration results is based on and fairly represents information compiled by Ben Playford, a competent person who is a member of the AIG. Mr Playford is employed by Calidus Resources Limited and holds shares in the Company. Mr Playford has sufficient experience that is relevant to the style of mineralisation and type of deposits under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 edition of the Australasian Code of Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Playford consents to the inclusion in this announcement of the matters based on his work in the form and context in which it appears.

The information in the announcement dated 1 December 2021 that relates to exploration results is based on and fairly represents information compiled by Dr Steve Sheppard, a competent person who is a member of the AIG (Member #5290). Steve is employed by Calidus Resources Limited and holds shares in the Company. Steve has sufficient experience that is relevant to the style of mineralisation and type of deposits under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 edition of the Australasian Code of Reporting of Exploration Results, Mineral Resources and Ore Reserves. Steve consents to the inclusion in this announcement of the matters based on his work in the form and context in which it appears.

The information in the announcement dated 1 December 2021 that relates to the geophysical data and interpretation is based on and fairly represents information reviewed by Karen Gilgallon a competent person who is a member of the AIG. Karen Gilgallon is employed by Southern Geoscience Consultants. Karen has sufficient experience that is relevant to the activity being undertaken to qualify as a Competent Person as defined in the 2012 edition of the Australasian Code of Reporting of Exploration Results, Mineral Resources and Ore Reserves. Karen consents to the inclusion in this announcement of the matters based on her review of the work in the form and context in which it appears.

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.

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

For further information please contact:

Dave Reeves
Managing Director

 info@calidus.com.au

CALIDUS RESOURCES & SUBSIDAIRIES RESOURCES AND RESERVES TABLE

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
Total		2.3	0.98	72	30.6	1.10	1,088	11.3	1.60	555	44.1	1.21	1,714

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
Total		2.1	1.0	66	12.3	1.2	481	14.3	1.2	547

CALIDUS RESOURCES & SUBSIDIARIES TENEMENT SCHEDULE				
Tenement ID	Holder	Size (ha)	Renewal	Ownership/ Interest
Granted				
E45/3381	Keras (Pilbara) Gold Pty Ltd	7,802.45	16/03/2023	100%
E45/3615	Keras (Pilbara) Gold Pty Ltd	1,594.62	22/11/2022	100%
E45/4236	Keras (Pilbara) Gold Pty Ltd	956.69	19/10/2024	100%
E45/4555	Keras (Pilbara) Gold Pty Ltd	1,915.22	1/03/2022	100%
E45/4622	Keras (Pilbara) Gold Pty Ltd	4,216.80	4/05/2022	100%
E45/4666	Keras (Pilbara) Gold Pty Ltd	3,162.14	23/11/2021	100%
E45/4843	Keras (Pilbara) Gold Pty Ltd	940.95	2/07/2022	100%
E45/4856	Keras (Pilbara) Gold Pty Ltd	1,594.27	20/05/2023	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%
E45/4934	Keras (Pilbara) Gold Pty Ltd	1,595.08	22/01/2023	100%
E45/5172	Keras (Pilbara) Gold Pty Ltd	4,291.17	30/05/2024	100%
E45/5747	Keras (Pilbara) Gold Pty Ltd	3,826.11	15/12/2026	100%
E45/5748	Keras (Pilbara) Gold Pty Ltd	5,111.83	15/12/2026	100%
M45/0240	Keras (Pilbara) Gold Pty Ltd	6.07	17/11/2028	100%
M45/0521	Keras (Pilbara) Gold Pty Ltd	18.11	10/03/2034	100%
M45/0547	Keras (Pilbara) Gold Pty Ltd	17.72	2/05/2035	100%
M45/0552	Keras (Pilbara) Gold Pty Ltd	9.71	18/01/2035	100%
M45/0668	Keras (Pilbara) Gold Pty Ltd	242.05	28/12/2037	100%
M45/0669	Keras (Pilbara) Gold Pty Ltd	101.95	28/12/2037	100%
M45/0670	Keras (Pilbara) Gold Pty Ltd	113.10	29/12/2037	100%
M45/0671	Keras (Pilbara) Gold Pty Ltd	118.65	29/11/2037	100%
M45/0672	Keras (Pilbara) Gold Pty Ltd	116.20	1/08/2037	100%
M45/0679	Keras (Pilbara) Gold Pty Ltd	121.30	8/04/2038	100%
M45/0682	Keras (Pilbara) Gold Pty Ltd	235.95	17/04/2038	100%
M45/1290	Keras (Pilbara) Gold Pty Ltd	149.83	11/02/2042	100%
M46/0115	Keras (Pilbara) Gold Pty Ltd	931.40	3/02/2033	100%
M46/0244	Keras (Pilbara) Gold Pty Ltd	18.47	28/11/2042	100%
P46/1972	Keras (Pilbara) Gold Pty Ltd	194.57	15/12/2025	100%
G45/0345	Keras (Pilbara) Gold Pty Ltd	439.05	11/05/2041	100%
G45/0347	Keras (Pilbara) Gold Pty Ltd	2.22	3/01/2042	100%
G45/0348	Keras (Pilbara) Gold Pty Ltd	36.34	21/02/2042	100%
G45/0349	Keras (Pilbara) Gold Pty Ltd	26.45	3/01/2042	100%
L45/0523	Keras (Pilbara) Gold Pty Ltd	172.54	18/09/2040	100%
L45/0527	Keras (Pilbara) Gold Pty Ltd	251.51	23/02/2042	100%
L45/0564	Keras (Pilbara) Gold Pty Ltd	60.19	24/11/2041	100%
L45/0565	Keras (Pilbara) Gold Pty Ltd	6.62	25/11/2041	100%
L45/0566	Keras (Pilbara) Gold Pty Ltd	8.88	24/11/2041	100%
L45/0567	Keras (Pilbara) Gold Pty Ltd	1.96	17/12/2041	100%
L45/0573	Keras (Pilbara) Gold Pty Ltd	11.03	4/01/2042	100%

Tenement ID	Holder	Size (ha)	Renewal	Ownership/ Interest
Granted cont...				
L45/0584	Keras (Pilbara) Gold Pty Ltd	66.43	20/04/2042	100%
L45/0585	Keras (Pilbara) Gold Pty Ltd	115.27	6/04/2042	100%
L45/0586	Keras (Pilbara) Gold Pty Ltd	56.36	22/02/2042	100%
L45/0587	Keras (Pilbara) Gold Pty Ltd	72.91	6/04/2042	100%
L45/0588	Keras (Pilbara) Gold Pty Ltd	101.83	3/03/2042	100%
L45/0590	Keras (Pilbara) Gold Pty Ltd	105.45	22/02/2042	100%
L45/0591	Keras (Pilbara) Gold Pty Ltd	57.61	28/03/2042	100%
L45/0592	Keras (Pilbara) Gold Pty Ltd	86.06	22/02/2042	100%
L45/0593	Keras (Pilbara) Gold Pty Ltd	20.65	4/01/2014	100%
L45/0613	Keras (Pilbara) Gold Pty Ltd	6.97	11/06/2021	100%
Applications				
E45/6104	Keras (Pilbara) Gold Pty Ltd	1,913.23	APPLICATION	100%
E45/6105	Keras (Pilbara) Gold Pty Ltd	956.44	APPLICATION	100%
E46/1421	Keras (Pilbara) Gold Pty Ltd	16,551.70	APPLICATION	100%
Joint Venture				
E45/5706	Keras (Pilbara) Gold Pty Ltd/Beatons Creek Gold Pty Ltd	1,276.75	9/01/2027	70%
E46/1026	Gondwana Resources Limited	3,797.33	9/05/2026	Earning 51%
E46/1035	Nimble Resources Pty Ltd	8,700.57	1/12/2025	Earning 75%

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Calidus Resources Limited (ASX:CAI)

ABN

98 006 640 553

Quarter ended ("current quarter")

31 December 2021

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	-	-
	(b) development	(26,919)	(58,989)
	(c) production	-	-
	(d) staff costs	(645)	(936)
	(e) administration and corporate costs	(177)	(438)
1.3	Dividends received (see note 3)		
1.4	Interest received	3	9
1.5	Interest and other costs of finance paid	(461)	(1,851)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	-	-
1.9	Net cash from / (used in) operating activities	(28,199)	(62,205)

2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation	(995)	(2,007)
	(e) investments	-	-
	(f) other non-current assets*	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(995)	(2,007)

*Acquisition of the Blue Spec Gold Project, GST paid in the March quarter was refunded by the ATO in April.

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	113	113
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	28,000	57,500
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	(39)	(110)
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	28,074	57,503

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	21,728	27,317
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(28,199)	(62,205)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(995)	(2,007)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	28,074	57,503

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	20,608	20,608

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	20,608	27,317
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	20,608	27,317

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	145
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	110,000	82,500
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	110,000	82,500
7.5	Unused financing facilities available at quarter end		27,500
7.6	<p>Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.</p> <p>Project loan facility with Macquarie Bank Limited, competitive interest rate margin above BBSY (pre-completion and post-completion), final maturity date of 30 June 2025. Security is provided via a fixed and floating charge over the assets of Keras (Pilbara) Gold Pty Ltd (a wholly owned subsidiary).</p>		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(28,199)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(995)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(29,194)
8.4	Cash and cash equivalents at quarter end (item 4.6)	20,608
8.5	Unused finance facilities available at quarter end (item 7.5)	27,500
8.6	Total available funding (item 8.4 + item 8.5)	48,108
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	1.6
	<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8	If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	Answer: No, we expect to transition from development phase and negative operating cashflows to operations phase and positive operating cashflows within the next 2 quarters.	
8.8.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	Answer: No.	

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: Current cash and available debt facilities is expected to be sufficient for remaining development expenditure before net positive cashflows from operations commence.

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

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.

Date: 27 January 2022

Authorised by: The Board

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow 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 cash flow 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.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.