

ASX ANNOUNCEMENT

ABOUT CALIDUS RESOURCES

Calidus Resources is an ASX listed gold producer that is ramping up the 1.7Moz 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

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Calidus signs agreement to access significant Pilbara gold deposits

JV proposal with Haoma Mining aimed at leveraging existing infrastructure at Warrawoona by growing mine life and production rate

HIGHLIGHTS

- Calidus has signed a Binding Framework Agreement with Haoma under which Calidus may form a joint venture covering any Haoma tenements in the East Pilbara (1,135sqkm)
- These tenements host numerous known high-grade deposits including Bamboo Creek, Comet, Blue Bar, Mickeys Find and Normay and stockpiles
- The deposits are all within trucking distance of Calidus' Warrawoona gold project and all are located on granted Mining Leases
- Proposed JV terms provides for a 60:40 profit share (Calidus:Haoma)
- Potential to access stockpiles in the very near-term
- Full review of stockpiles and deposits now underway
- This proposed gold JV is in addition to the previously-announced lithium agreements between Calidus and Haoma; These tenements are held by Pirra Lithium

Calidus Resources Limited (Calidus (ASX:CAI)) is pleased to advise that it has signed a binding framework agreement which gives Calidus an exclusive right to negotiate binding agreements for access to all Haoma's gold tenements, deposits and stockpiles across the East Pilbara on the basis of a 60:40 profit share (Calidus:Haoma).

Over many years, Haoma has secured a large number of historic mines in the region and has mined many of these deposits. Although Haoma has access to the Bamboo Creek Mill, its small size (100,000tpa) results in very high processing costs.

Calidus' Warrawoona gold project is now performing 20% above design capacity with low operating costs. This allows for many of the Haoma stockpiles and deposits that were considered to be uneconomic to be treated at Warrawoona for the benefit of both parties.

Calidus Managing Director Dave Reeves said: *“This agreement is aimed at leveraging the existing infrastructure we have at Warrawoona for the benefit of both Calidus and Haoma. These stockpiles and deposits have immense potential to grow the cashflow, mine life and production rates at Warrawoona, unlocking their value in the process.*

“With stockpiled ore sitting less than 25km from Warrawoona, high-grade deposits that have not been drilled for over 30 years and the increased capacity of our mill, the opportunity is substantial”.

Deposits

Although many of the deposits have been previously mined, there are no JORC 2012 Resources. As such, Calidus will undertake required works to bring these to JORC 2012 reporting standard and will update the market as this occurs. The deposits are significant and provide a compelling near term exploration target. An example of some of the deposits covered by the JV include:

Bamboo Creek

Bamboo Creek is located 55km from Warrawoona to the north of the Mt Edgar Batholith. Bamboo Creek was initially mined in the late 1800's and saw a modern 100,000tpa mill introduced in 1985. Total production from the field of approximately 200,000 ozs at approximately 8g/t has been recorded over the project's history. Mining operations ceased in 1995 and very limited exploration has occurred since. This represents the priority area for Calidus to investigate.

North Pole

The Normay and Mickeys Finds deposits have both seen limited mining in the last 40 years. Extensive drilling at Mickeys Find has led to several non-JORC 2012 Resources and Normay underground operations were shut when Bamboo Creek closed although the deposit remained open with a high grade non-JORC 2012 Resource remaining.

Blue Bar

Blue Bar is located 22km from Warrawoona. It is a small historic mine but has been drilled with high grade results received. The mine has various untreated ROM stockpiles on an existing Mining Lease.

Stockpiles

In excess of 1.5mt of stockpiles are contained on Haoma ground. The stockpiles require further sampling to be reportable under the JORC code and Calidus will commence this work immediately. Stockpiles include ROM ore and low grade dumps from previous operations such as the Prophecy-Perseverance Mine at Bamboo Creek. Prophecy-Perseverance utilised a had a 4g/t lower cut off grade to enable the 12g/t feed grade produced from the mine and the low grade stockpile is estimated to contain 1mt of broken stocks.

Material terms

The framework agreement provides binding terms and conditions on which Haoma grants Calidus the exclusive right over a two year period to undertake due diligence and negotiate binding terms and conditions of definitive agreements for the mining, extraction, processing, transportation and sale of gold from the East Pilbara Assets (each a **Proposed Transaction**).

The framework agreement sets out the key terms which are intended to form the basis of the binding terms for the Proposed Transaction, in particular:

- a profit share in respect of the relevant East Pilbara Assets of 60% (Calidus) and 40% (Haoma); and
- the respective operational contributions of Calidus and Haoma, namely:
 - Calidus is to manage the mining, extraction, processing, transportation and sale of gold, obtain required regulatory approvals and provide access to its existing infrastructure; and
 - Haoma is to provide a licence to access the relevant East Pilbara assets and utilise the mining information.

Calidus cautions that the key terms described above are non-binding. The parties are subject to good faith obligations to negotiate binding agreements during the exclusivity period, however Calidus cautions that there can be no certainty that any binding agreement will be entered into.

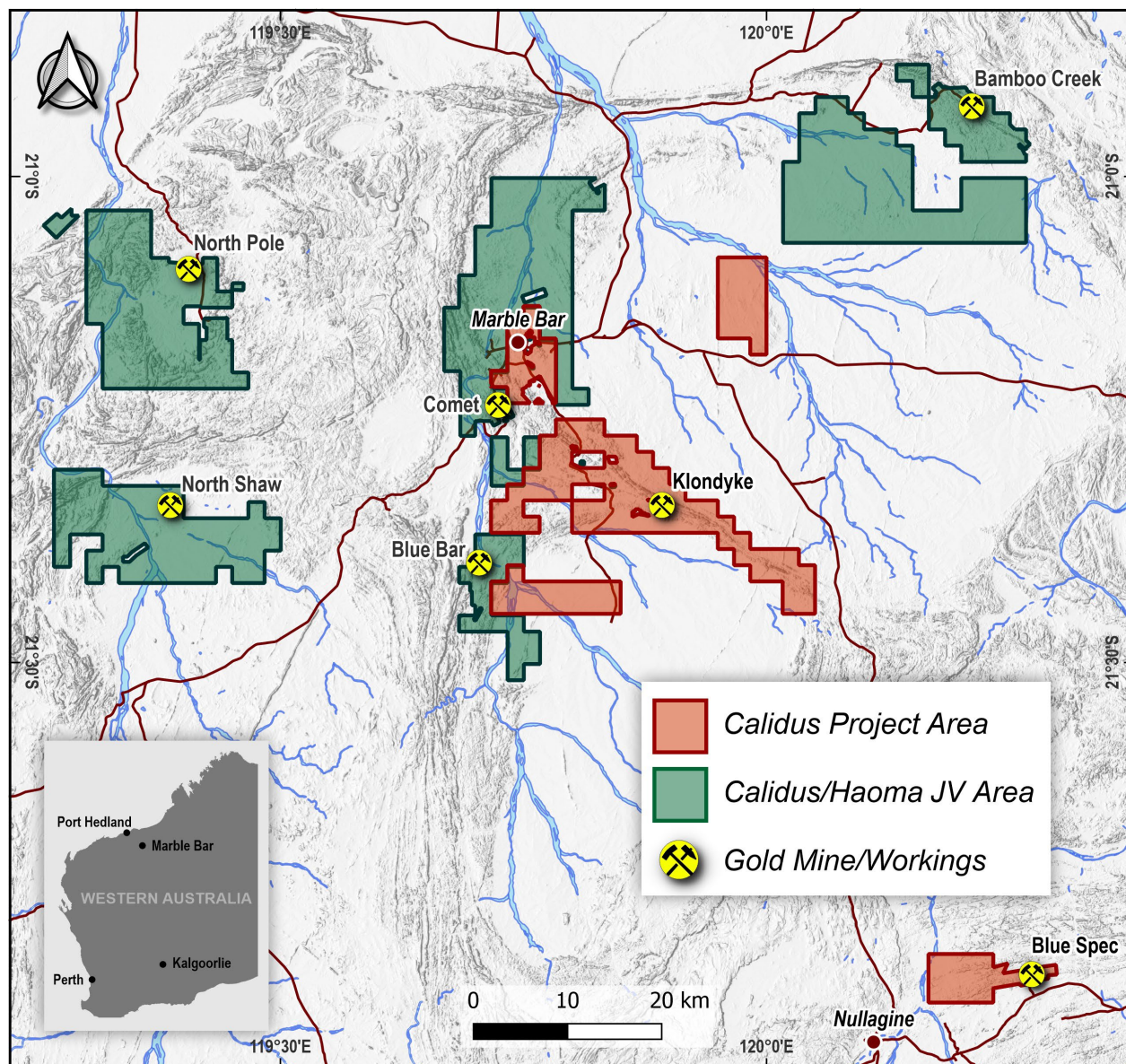


Figure 1 – Location of JV with Haoma.

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.

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