



Prospectus

Calidus Resources Limited
(ACN 006 640 553)

This Prospectus is being issued for the offer of:

- up to 4,181,006 Quoted Options to SPP Subscribers on the basis of 1 free-attaching Quoted Option for every 2 Shares subscribed for under the SPP (**SPP Options Offer**);
- up to 12,485,670 Quoted Options to SPP Subscribers on the basis of 1 free-attaching Quoted Option for every 2 Shares subscribed for under the SPP Shortfall (**SPP Shortfall Options Offer**); and
- up to 54,878,265 Quoted Options to Placement Participants on the basis of 1 free-attaching Quoted Option for every 2 Shares subscribed for under the Placement (**Placement Options Offer**),

(together, the **Offers**).

Important Notice

This is an important document and requires your immediate attention. It should be read in its entirety. If you are in doubt about what to do, you should consult your professional adviser without delay.

An investment in the Quoted Options offered in connection with this Prospectus should be considered of a speculative nature.

This Prospectus may not be released to US wire services or distributed in the United States except by the Company to Placement Participants.

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Important information

This Prospectus is dated 26 June 2023 and was lodged with the ASIC on that date with the consent of all Directors. Neither ASIC nor ASX nor their respective officers take any responsibility for the contents of this Prospectus.

No Quoted Options will be issued on the basis of this Prospectus any later than 13 months after the date of this Prospectus (being the expiry date of this Prospectus).

The Company has applied for Official Quotation by ASX of the Quoted Options offered by this Prospectus.

The Quoted Options offered by this Prospectus should be considered speculative. Please refer to Section 4 for details relating to investment risks.

A copy of this Prospectus is available for inspection at the registered office of the Company at Suite 12, 11 Ventnor Avenue, West Perth WA 6005, during normal business hours. The Prospectus will also be made available in electronic form. Persons having received a copy of this Prospectus in its electronic form may obtain an additional paper copy of this Prospectus (free of charge) from the Company's registered office by contacting the Company. The Offers contemplated by this Prospectus are only available in electronic form to persons receiving an electronic version of this Prospectus within Australia.

Applications for Quoted Options under the Offers will only be accepted on an original Application Form which accompanies this Prospectus. The Corporations Act prohibits any person from passing on to another person an Application Form unless it is accompanied by a complete and unaltered copy of this Prospectus.

No person is authorised to give any information or to make any representation in connection with the Offers in this Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with the Offers.

No action has been taken to permit the offer of Quoted Options under this Prospectus in any jurisdiction other than Australia. The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and therefore persons into whose possession this document comes should seek advice on and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of those laws. This Prospectus does not constitute an offer of Quoted Options in any jurisdiction where, or to any person to whom, it would be unlawful to issue this Prospectus.

In accordance with the design and distribution obligations under the Corporations Act, the Company has determined the target market for the offer of Quoted Options issued under this Prospectus. The Company will only distribute this Prospectus to those investors who fall within the target market determination (TMD) as set out on the Company's website (<https://www.calidus.com.au/>). By making an application under the Offers, you warrant that you have read and understood the TMD and that you fall within the target market set out in the TMD.

This document is important and should be read in its entirety before deciding to participate in the Offers. This document does not take into account the investment objectives, financial or taxation or particular needs of any Applicant. Before making any investment in the Company, each Applicant should consider whether such an investment is appropriate to his/her particular needs, and considering their individual risk profile for speculative investments, investment objectives and individual financial circumstances. Each Applicant should consult his/her stockbroker, solicitor, accountant or other professional adviser without delay.

This Prospectus includes forward looking statements that have been based on current expectations about future acts, events and circumstances. These forward looking statements are, however, subject to risks, uncertainties and assumptions that could cause those acts, events and circumstances to differ materially from the expectations described in the forward looking statements. The Directors cannot and do not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this Prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements. The

Directors have no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Prospectus, except where required by law.

This Prospectus is a transaction specific prospectus for an offer of options to acquire continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus. In making representations in this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.

Definitions of certain terms used in this Prospectus are contained in Section 8. All references to currency are to Australian dollars and all references to time are to AWST, unless otherwise indicated. Revenues and expenditures disclosed in this Prospectus are recognised exclusive of the amount of goods and services tax, unless otherwise disclosed.

Notice to nominees and custodians

Nominees and custodians may not distribute this Prospectus, and may not permit any beneficial shareholder to participate in the Offers, in any country outside Australia and New Zealand except, with respect to the Placement Options Offer, to Placement Participants in other Permitted Jurisdictions or with the consent of the Company where the Company may determine it is lawful and practical to make the Offers.

Corporate Directory

Directors	
Mark Connelly	Non-Executive Chair
David Reeves	Managing Director
John Ciganek	Non-Executive Director
Kate George	Non-Executive Director
Key Management Personnel	
Julia Beckett	Company Secretary
Registered and Principal Office	Share Registry*
Suite 12 11 Ventnor Avenue West Perth WA 6005 Phone: 0402 086 288 Email: info@calidus.com.au Website: https://www.calidus.com.au/	Automic Pty Ltd Level 5, 191 St Georges Terrace Perth, WA 6000 Telephone: 1300 288 664 (within Australia) +61 2 9698 5414 (outside Australia)
Auditor*	Solicitors
Moore Australia Audit (WA) Level 15, Exchange Tower 2 The Esplanade Perth WA 6000	Hamilton Locke Central Park Building Level 48, 152 - 158 St Georges Terrace Perth WA 6000
ASX Code: CAI	

* These entities are included for information purposes only. They have not been involved in the preparation of this Prospectus.

PROPOSED TIMETABLE FOR OFFERS

Event	Date
Lodgement of Prospectus with ASIC	26 June 2023
Opening Date of Offers	26 June 2023
Closing Date of Placement Options Offer	5:00pm (AWST) on 26 June 2023
Issue of the Quoted Options pursuant to the Placement Options Offer	27 June 2023
Anticipated date of Official Quotation of the Quoted Options issued pursuant to the Placement Options Offer	28 June 2023
Closing Date of SPP Options Offer	5:00pm (AWST) on 7 July 2023
Issue of the Quoted Options pursuant to the SPP Options Offer	10 July 2023
Anticipated date of Official Quotation of the Quoted Options issued pursuant to the SPP Options Offer	11 July 2023

* These dates are indicative only and subject to change. Subject to the Corporations Act, the Listing Rules and the terms and conditions of the SPP, the Directors reserve the right to vary these dates, including the Closing Dates, or withdraw the Offers without prior notice. Accordingly, Applicants are encouraged to submit their Application Form as early as possible.

Investment Overview

This Section is intended to highlight key information for potential investors. It is an overview only, and is not intended to replace the Prospectus. Potential investors should read the Prospectus in full before deciding to invest in Quoted Options.

Key Information	Further Information
<p>Transaction specific prospectus</p> <p>This Prospectus is a transaction specific prospectus for an offer of options to acquire continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus. In making representations in this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.</p>	
<p>What are the Offers being made under the Prospectus?</p> <p>By this Prospectus, the Company is offering:</p> <ul style="list-style-type: none"> • up to 4,181,006 Quoted Options to SPP Subscribers on the basis of 1 free-attaching Quoted Option for every 2 Shares subscribed for under the SPP (SPP Options Offer); • up to 12,485,670 Quoted Options to SPP Subscribers on the basis of 1 free-attaching Quoted Option for every 2 Shares subscribed for under the SPP Shortfall (SPP Shortfall Options Offer); and • up to 54,878,265 Quoted Options to Placement Participants on the basis of 1 free-attaching Quoted Option for every 2 Shares subscribed for under the Placement (Placement Options Offer), <p>(together, the Offers).</p>	Section 1.2
<p>What is the purpose of the SPP Options Offer and Placement Options Offer?</p> <p>The purpose of the SPP Options Offer and the Placement Options Offer is to issue the free-attaching Quoted Options in respect of SPP Shares and Placement Shares that have been issued and thereby complete the SPP to the Eligible Shareholders and the Placement to the Placement Participants.</p> <p>This Prospectus has also been issued to facilitate secondary trading of the Shares to be issued upon exercise of the Quoted Options to be issued under the Offers and to facilitate the quotation of the Quoted Options.</p>	Sections 1.2 and 2.3
<p>What is the SPP Shortfall?</p> <p>Any SPP Shares and free-attaching Quoted Options to those SPP Shares (on a one for two basis) not taken up pursuant to the SPP and under this Prospectus will form the SPP Shortfall which may be offered by the Company to any professional, sophisticated and institutional investors as a separate placement at the discretion of the Directors. The offer of Quoted Options under the SPP Shortfall is a separate offer made pursuant to this Prospectus and will remain open after the Closing Date.</p>	Sections 1.2(a) and 2.1(b)

Key Information	Further Information																				
<p>What is the issue price of the Offers?</p> <p>The Quoted Options are being issued under the SPP Options Offer, SPP Shortfall Options Offer and the Placement Options Offer for no additional consideration as they are being issued on a free-attaching basis to participants in the SPP, SPP Shortfall and Placement.</p>	Section 2.1																				
<p>Who is eligible to subscribe under the Offers?</p> <p>SPP Options Offer: Only SPP Subscribers who participated in the SPP and were issued SPP Shares are eligible to participate in the SPP Options Offer.</p> <p>SPP Shortfall Options Offer: Only SPP Subscribers who participate in the SPP Shortfall and are issued SPP Shares are eligible to participate in the SPP Shortfall Options Offer.</p> <p>The Placement Options Offer: Only investors who participated in the Placement and were issued Placement Shares are eligible to participate in the Placement Options Offer.</p>	Section 2.2																				
<p>What are the terms of the Quoted Options?</p> <p>The terms of the Quoted Options to be issued under the Offers are the same. The Quoted Options will be exercisable at \$0.30 each and expire on 27 September 2024. Application has been made for the Quoted Options to be quoted on ASX. The full terms of the Quoted Options are set out in Section 5.2.</p>	Section 5.2																				
<p>Are the Offers underwritten?</p> <p>The Offers are not underwritten.</p>	Section 2.6																				
<p>What is the effect of the Offers?</p> <p>The effect of the Offers on the capital structure is set out below (assuming no other Securities are issued and no other existing Securities are exercised):</p> <table><tr><th></th><th>Shares</th><th>Quoted Options</th><th>Unquoted Options</th></tr><tr><td>Existing Securities on issue</td><td>607,610,162</td><td>-</td><td>15,248,003</td></tr><tr><td>Maximum Quoted Options to be issued under the Offers</td><td>-</td><td>71,544,941</td><td>-</td></tr><tr><td>Maximum SPP Shares to be issued under the SPP Shortfall</td><td>24,971,340</td><td>-</td><td>-</td></tr><tr><td>Total</td><td>632,581,502</td><td>71,544,941</td><td>15,248,003</td></tr></table> <p>It is not expected that the Offers will have any effect on the control of the Company.</p>		Shares	Quoted Options	Unquoted Options	Existing Securities on issue	607,610,162	-	15,248,003	Maximum Quoted Options to be issued under the Offers	-	71,544,941	-	Maximum SPP Shares to be issued under the SPP Shortfall	24,971,340	-	-	Total	632,581,502	71,544,941	15,248,003	Sections 3.1, 3.3 and 3.4
	Shares	Quoted Options	Unquoted Options																		
Existing Securities on issue	607,610,162	-	15,248,003																		
Maximum Quoted Options to be issued under the Offers	-	71,544,941	-																		
Maximum SPP Shares to be issued under the SPP Shortfall	24,971,340	-	-																		
Total	632,581,502	71,544,941	15,248,003																		
Use of funds	Section 3.2																				

Key Information	Further Information
<p>No funds will be raised as a result of the Offers.</p> <p>Funds raised from the SPP, SPP Shortfall and the Placement and any funds raised from the exercise of the Quoted Options will be applied towards:</p> <ul style="list-style-type: none"> • general working capital, including exploration activities, as the Company ramps up production at the Warrawoona Gold Project; and • costs of the Offers, Placement, SPP and SPP Shortfall. 	
<p>What are the risks of a further investment in the Company?</p> <p>Potential investors should be aware that subscribing for Quoted Options in the Company involves a number of risks. The key risk factors of which investors should be aware are set out in Section 4, including (but not limited to) risks in respect of:</p> <ul style="list-style-type: none"> • Uncertainty of operations, development of projects and exploration: Mining operations, associated future development activities and sustaining exploration are highly speculative, involve many risks and may be unsuccessful. The Company's ability to sustain or increase its proposed forecast levels of production is dependent on its ability to operate to set budgets and plans and the success of development of projects associated with the life of mine business plan. As a result of the uncertainties involved in these activities, the development and operation of projects may not occur on time, on budget, or at all, which would adversely affect the Company's results of operation and its financial condition. • Future capital requirements: The Company believes its available cash following its recent capital raisings will be adequate to fund its business objectives in the short term, however, the Company may require further financing in the future. Any additional financing may be dilutive to Shareholders, may be undertaken at lower prices than the then market price or may involve restrictive covenants which limit the Company's operations and business strategy. Although the Directors believe that additional funding can be obtained, no assurances can be made that appropriate funding, if and when needed, will be available on terms favourable to the Company or at all. If the Company is unable to obtain additional financing as needed it will likely have a material adverse effect on the Company's activities. • Financing risks: If the Company fails to comply in all material respects with the terms of its finance agreements, its financiers may seek immediate repayment of amounts drawn plus interest and costs, terminate all hedging transactions and enforce its rights under the financing documents. This action would likely have a material adverse effect on the Company's activities. • Risks as to forecasts: The Company has prepared forecasts for its operations. These forecasts, although considered to have reasonable grounds, may be adversely affected by a range of factors. Adjustments to these factors may increase the cost of mining or delay or halt planned commissioning, ramp up and production, which could adversely affect our results of operations or decrease the value of the Company's assets. • Mining industry risks: Risks generally applicable to mineral exploration, development and producing entities in Western Australia apply to the Company, including (without limitation): risks as to Ore Reserve and Mineral Resource estimates, tenure of tenements and renewals, land access requirements, commodity prices, land access, environmental and government regulation, occupational health and safety, native title and cultural heritage. 	Section 4

Key Information	Further Information																									
<p>How do I apply under the Offers?</p> <p>SPP Subscribers may apply for Quoted Options under the:</p> <ul style="list-style-type: none">• SPP Options Offer by completing the SPP Options Application Form; and• SPP Shortfall Options Offer by completing the SPP Shortfall Application Form. <p>Placement Participants may apply for Quoted Options under the Placement Options Offer by completing the Placement Offer Application Form.</p>	Section 2.8																									
<p>Are the Directors participating in the Offers?</p> <p>The relevant interest of each of the Directors in Securities as at the date of this Prospectus is set out in the table below:</p> <table><tr><th>Director</th><th>Shares</th><th>Voting Power</th><th>Unquoted Options</th><th>Entitlement to Quoted Options</th></tr><tr><td>Mark Connelly</td><td>933,120</td><td>0.15%</td><td>312,666</td><td>-</td></tr><tr><td>David Reeves</td><td>22,023,354</td><td>3.62%</td><td>797,940</td><td>-</td></tr><tr><td>John Ciganek</td><td>66,667</td><td>0.01%</td><td>207,221</td><td>-</td></tr><tr><td>Kate George</td><td>306,527</td><td>0.05%</td><td>123,334</td><td>-</td></tr></table> <p>The Directors did not participate in the Placement or SPP and are not entitled to subscribe for Quoted Options under the Placement Options Offer or SPP Options Offer.</p>	Director	Shares	Voting Power	Unquoted Options	Entitlement to Quoted Options	Mark Connelly	933,120	0.15%	312,666	-	David Reeves	22,023,354	3.62%	797,940	-	John Ciganek	66,667	0.01%	207,221	-	Kate George	306,527	0.05%	123,334	-	Section 6.8(a)
Director	Shares	Voting Power	Unquoted Options	Entitlement to Quoted Options																						
Mark Connelly	933,120	0.15%	312,666	-																						
David Reeves	22,023,354	3.62%	797,940	-																						
John Ciganek	66,667	0.01%	207,221	-																						
Kate George	306,527	0.05%	123,334	-																						
<p>Forward looking statements</p> <p>This Prospectus contains forward-looking statements which are identified by words such as ‘may’, ‘could’, ‘believes’, ‘estimates’, ‘targets’, ‘expects’, or ‘intends’ and other similar words that involve risks and uncertainties.</p> <p>These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are considered reasonable.</p> <p>Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Directors and the management.</p> <p>The Directors cannot and do not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this Prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.</p> <p>The Directors have no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Prospectus, except where required by law.</p> <p>These forward-looking statements are subject to various risk factors that could cause the Company’s actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 4.</p>	Section 4																									

1. Background of the Offers

1.1 Background

On 21 April 2023, the Company announced a two stage capital raising comprising:

- (a) a placement to new and existing professional, sophisticated and institutional investors (**Placement**) to raise approximately \$23 million before costs by the issue of a total of 109,756,478 Shares at \$0.21 each (**Placement Shares**); and
- (b) an offer to Eligible Shareholders under a share purchase plan (**SPP**) to raise up to a further \$5,000,000 (before costs), with the ability to accept oversubscriptions (subject to the Listing Rules and Corporations Act) up to \$2,000,000 (before costs) by the issue of up to approximately 33,333,334 Shares at \$0.21 each (**SPP Shares**).

On 1 May 2023, the Company issued 109,756,478 Placement Shares to professional, sophisticated and institutional investors (**Placement Participants**) using the Company's placement capacity under Listing Rules 7.1 and 7.1A.

On 6 June 2023, the Company completed the SPP and issued 8,361,994 SPP Shares to SPP Subscribers under the offer booklet in accordance with *ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547 (SPP Offer Booklet)*.

1.2 The Offers

(a) Background to the SPP Options Offer and SPP Shortfall Options Offer

As announced on 6 June 2023, the Company completed the SPP raising a total of approximately \$1,756,000 (before costs), via the issue of 8,361,994 SPP Shares at an issue price of \$0.21 per SPP Share.

The SPP is not underwritten. 24,971,340 SPP Shares, being the total number of SPP Shares not subscribed for by Eligible Shareholders under the SPP, comprise the shortfall and may be offered to professional, sophisticated and institutional investors as a separate placement at the discretion of the Directors (**SPP Shortfall**). Shareholder approval for the issue of Shares under the SPP Shortfall was obtained at the Shareholder meeting on 23 June 2023 pursuant to ASX Listing Rule 7.1.

In accordance with the SPP Offer Booklet, the Company has also agreed to offer SPP Subscribers who participate in the SPP and SPP Shortfall one (1) free-attaching Quoted Option for every two (2) Shares subscribed for and issued under the SPP and SPP Shortfall, respectively (refer to Section 5.2 for the terms and conditions of the Quoted Options).

The Quoted Options offered under the SPP Options Offer and SPP Shortfall Options Offer are being offered pursuant to this Prospectus. Further details in respect of the SPP Options Offer and SPP Shortfall Options Offer are set out in Sections 2.1(a) and 2.1(b).

Shareholder approval for the issue of the Quoted Options offered under the SPP Options Offer and SPP Shortfall Options Offer was obtained at the General Meeting pursuant to ASX Listing Rule 7.1.

(b) Background to the Placement Options Offer

As set out above, the Company issued 109,756,478 Placement Shares on 1 May 2023 to new and existing professional, sophisticated and institutional investors at an issue price of \$0.21 per Share to raise approximately \$23,000,000 (before costs) pursuant to the Placement.

The Company has also agreed to offer Placement Participants one (1) free-attaching Quoted Option for every two (2) Placement Shares subscribed for and issued under the Placement (refer to Section 5.2 for the terms and conditions of the Quoted Options).

Shareholder approval for the issue of the Quoted Options offered under the Placement Options Offer was obtained at the General Meeting pursuant to ASX Listing Rule 7.1.

2. Details of the Offers

2.1 The Offers

(a) SPP Options Offer

The SPP Options Offer is an offer of one (1) free attaching Quoted Option for every two (2) Shares subscribed for and issued under the SPP.

Based on the number of Shares issued under the SPP, 4,181,006 Quoted Options may be issued under the SPP Options Offer (where the determination of an SPP Subscriber's entitlement to Quoted Options under the SPP resulted in a fraction, such fraction was rounded up to the nearest whole Quoted Option). No funds will be raised from the issue of the Quoted Options.

The Quoted Options offered under the SPP Options Offer will be exercisable at \$0.30 each on or before 5:00pm (AWST) on 27 September 2024 and otherwise on the terms set out in Section 5.2.

All of the Shares issued upon exercise of the Quoted Options will rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 5.1 for further information regarding the rights and liabilities attaching to the Shares.

(b) SPP Shortfall Options Offer

As set out above, 24,971,340 SPP Shares, being the total number of SPP Shares not subscribed for by Eligible Shareholders under the SPP, comprise the shortfall and may be offered under the SPP Shortfall to professional, sophisticated and institutional investors as a separate placement at the discretion of the Directors.

The issue price of Shares offered under the SPP Shortfall will be \$0.21 each, which is the issue price at which SPP Shares were offered to Eligible Shareholders under the SPP. Participants in the SPP Shortfall will be offered one (1) free attaching Quoted Option for every two (2) Shares subscribed for and issued under the SPP Shortfall (**SPP Shortfall Options Offer**). No funds will be raised from the issue of the Quoted Options.

The Quoted Options offered under the SPP Shortfall Options Offer will be exercisable at \$0.30 each on or before 5:00pm (AWST) on 27 September 2024 and otherwise on the terms set out in Section 5.2.

All of the Shares issued upon exercise of the Quoted Options will rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 5.1 for further information regarding the rights and liabilities attaching to the Shares.

The offer of Quoted Options under the SPP Shortfall Options Offer is a separate offer made pursuant to this Prospectus and will remain open after the Closing Date.

The Directors do not represent that any application to participate in the SPP Shortfall and SPP Shortfall Options Offer will be successful. The Company reserves the right to issue to an applicant for Securities under the SPP Shortfall and SPP Shortfall Options Offer a lesser number of Securities than the number applied for or reject an

application or not proceed with the issuing of the Securities pursuant to the SPP Shortfall, SPP Shortfall Options Offer or part thereof. If the number of Securities issued to an applicant is less than the number applied for by the applicant, surplus application monies will be refunded to the applicant in full. Interest will not be paid on any application monies refunded.

If you are invited to subscribe for Securities pursuant to the SPP Shortfall and SPP Shortfall Options Offer, and you wish to subscribe, please complete an SPP Shortfall Application Form.

(c) Placement Options Offer

The Placement Options Offer is an offer of one (1) free attaching Quoted Option for every two (2) Shares subscribed for and issued under the Placement.

Based on the number of Shares issued under the Placement, 54,878,265 Quoted Options may be issued under the Placement Options Offer. No funds will be raised from the issue of the Quoted Options.

The Quoted Options offered under the Placement Options Offer will be exercisable at \$0.30 each on or before 5:00pm (AWST) on 27 September 2024 and otherwise on the terms set out in Section 5.2.

All of the Shares issued upon exercise of the Quoted Options will rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 5.1 for further information regarding the rights and liabilities attaching to the Shares.

2.2 Eligibility of the Offers

(a) The SPP Options Offer

Only SPP Subscribers who participated in the SPP and were issued SPP Shares are eligible to participate in the SPP Options Offer.

(b) The SPP Shortfall Options Offer

Only SPP Subscribers who participate in the SPP Shortfall and are issued SPP Shares are eligible to participate in the SPP Shortfall Options Offer.

(c) The Placement Options Offer

Only investors who participated in the Placement and were issued Placement Shares are eligible to participate in the Placement Options Offer.

2.3 Purpose of the Prospectus

Section 707(3) of the Corporations Act generally requires that a prospectus is issued in order for a person to whom securities were issued without disclosure under Part 6D of the Corporations Act to on-sell those securities within 12 months of the date of their issue.

The Corporations Act provides an exception to section 707(3) where an entity issues a 'cleansing' notice under section 708A(5). However, the Company is precluded from issuing a 'cleansing' notice in respect of the Quoted Options as they are not in a class of securities that were quoted securities at all times in the last 3 months. The Company is also unable to rely on disclosure relief provided by *ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547* as it doesn't extend to the offer of options under a share purchase plan.

Consequently, the Company has issued this Prospectus for the offers of the Quoted Options to the SPP Subscribers and Placement Participants.

This Prospectus has also been issued to facilitate secondary trading of the Shares to be issued upon exercise of the Quoted Options to be issued under the Offers. Issuing the

Quoted Options under this Prospectus will enable persons who are issued the Quoted Options to on-sell the Shares issued on exercise of the Quoted Options pursuant to *ASIC Corporations (Sale Offers That Do Not Need Disclosure) Instrument 2016/80*.

Accordingly, the purpose of this Prospectus is to:

- (a) make the offers of Quoted Options under the SPP Options Offer, the SPP Shortfall Options Offer and the Placement Options Offer; and
- (b) ensure that the on-sale of the Shares issued on conversion of the Quoted Options do not breach section 707(3) of the Corporations Act.

2.4 Opening and Closing Date

As set out in the Proposed Timetable, the Offers will open on 26 June 2023 (**Opening Date**) and are anticipated to close as follows:

- (a) Placement Options Offer Closing Date: 5:00pm (AWST) on 26 June 2023;
- (b) SPP Options Offer Closing Date: 5:00pm (AWST) on 7 July 2023;
- (c) SPP Shortfall Options Offer: No later than 5:00pm (AWST) on 23 September 2023 (being three months after the date of the General Meeting at which the issue of the SPP Shortfall Options was approved by Shareholders),

(each a **Closing Date**).

The above dates are indicative only and subject to change without notice. The Company may vary these dates, including to close the Offers early, extend the Closing Date or to withdraw the Offers at any time prior to issue of the Quoted Options. If any of the dates are changed, subsequent dates may also change. You are encouraged to lodge your Application Form as soon as possible after the Opening Date.

The Company will accept Application Forms for the Offers from the Opening Date until 5.00pm (AWST) on the Closing Date or such other date as the Directors in their absolute discretion shall determine, subject to the requirements of the Listing Rules.

2.5 Minimum subscription

There is no minimum subscription under any Offer.

2.6 No underwriting

The Offers are not underwritten.

2.7 No rights trading

The rights to Quoted Options under the Offers are non-renounceable. Accordingly, there will be no trading of rights on ASX and you may not dispose of your right to receive some or all of the Quoted Options to any other party. If you do not take up your right to receive the relevant Quoted Options by the Closing Date, the offer to you will lapse.

2.8 Application Forms

An Eligible Shareholder may only accept the SPP Options Offer on the basis of one Quoted Option for every two Shares subscribed for pursuant to the SPP by completing the SPP Options Application Form.

An investor invited by the Directors to participate in the SPP Shortfall may only accept the SPP Shortfall Options Offer on the basis of one Quoted Option for every two Shares subscribed for pursuant to the SPP Shortfall by completing the SPP Shortfall Application Form.

A Placement Participant may only accept the Placement Options Offer on the basis of one Quoted Option for every two Placement Shares subscribed for pursuant to the Placement by completing the Placement Offer Application Form.

Applications must be made using the relevant Application Form provided with a copy of this Prospectus. The Application Form must be completed in accordance with the instructions set out on the form. To the maximum extent permitted by law, the Directors will have discretion over which Applications to accept.

Completed Application Forms must be received by the Company prior to the Closing Date. Application Forms should be delivered in accordance with the instructions contained in the Application Form.

If the number of Quoted Options subscribed for under the SPP Shortfall Options Offer is more than the number of Quoted Options to which the Applicant is entitled under the SPP Shortfall Options Offer, the Company reserves the right to return the SPP Shortfall Application Form and not issue any Quoted Options to the Applicant or to accept it in respect of a lesser number of Quoted Options.

If you are in doubt as to the course of action, you should consult your professional advisor.

Acceptance of a completed Application Form by the Company creates a legally binding contract between the Applicant and the Company for the number of Quoted Options accepted by the Company. The Application Form does not need to be signed to be a binding acceptance of Quoted Options under an Offer. If the Application Form is not completed correctly it may still be treated as valid. The Directors' decision as to whether to treat the acceptance as valid and how to construe, amend or complete the Application Form, is final.

By completing and returning an Application Form, Applicants will be deemed to have represented and warranted on behalf of themselves or each person on whose account they are acting, that the law in their place of residence and/or where they have been given the Prospectus does not prohibit them from being given the Prospectus and that they:

- (a) agree to be bound by the terms of the relevant Offer;
- (b) declare that all details and statements in the Application Form are complete and accurate;
- (c) declare that they are over 18 years of age and have full legal capacity and power to perform all their rights and obligations under the Application Form;
- (d) authorise the Company and its respective officers or agents, to do anything on their behalf necessary for the Quoted Options to be issued to them, including to act on instructions of the Company's Share Registry upon using the contact details set out in the Application Form;
- (e) acknowledge that the information contained in, or accompanying, the Prospectus is not investment or financial product advice or a recommendation that Quoted Options are suitable for them given their investment objectives, financial situation or particular needs; and
- (f) acknowledge that the Quoted Options have not, and will not be, registered under the securities laws in any other jurisdictions outside Australia.

2.9 Issue date and dispatch

The Quoted Options will be issued only after ASX has granted permission for the Quoted Options to be quoted. It is expected that Quoted Options will be issued and quoted by ASX in accordance with the dates specified in the Proposed Timetable.

It is the responsibility of Applicants to determine their allocation prior to trading in the Quoted Options. Applicants who sell Quoted Options before they receive their holding statements do so at their own risk.

2.10 ASX quotation

An initial application has been made to the ASX for Official Quotation of the Quoted Options by the way of an Appendix 3B announced on the ASX market announcements platform on 21 April 2023 and 23 June 2023. The Company intends to submit an Appendix 2A for Official Quotation of the Quoted Options on the date of issue of the Quoted Options under this Prospectus.

The Quoted Options offered under this Prospectus will only be admitted to quotation by ASX if the conditions for quotation of a new class of securities are satisfied, which include (amongst other things):

- (a) there being a minimum of 100,000 of the Quoted Options on issue; and
- (b) there are at least 50 holders with a marketable parcel (within the meaning of the Listing Rules).

If the Quoted Options to be issued under this Prospectus are not admitted to quotation within a period of three months from the date of this Prospectus, any issue or transfer of the Quoted Options (or Shares issued on exercise of those Quoted Options) will be void in accordance with section 723 of the Corporations Act.

The fact that ASX may grant Official Quotation is not to be taken in any way as an indication of the merits of the Company or the Quoted Options offered pursuant to this Prospectus. ASX takes no responsibility for the contents of this Prospectus.

2.11 CHESS

The Company participates in the Clearing House Electronic Sub-register System known as CHESS. ASX Settlement Pty Limited, a wholly owned subsidiary of ASX, operates CHESS in accordance with the Listing Rules and the ASX Settlement Operating Rules.

Under CHESS, Applicants will not receive a certificate but will receive a statement of their holding of Securities pursuant to their acceptance of an Offer.

Shareholders who are broker sponsored will receive a CHESS statement from ASX Settlement Pty Limited.

The CHESS statement will specify the number of Quoted Options issued under this Prospectus, provide details of your holder identification number, the participant identification number of the sponsor and the terms and conditions applicable to the Quoted Options.

If you are registered on the Issuer Sponsored sub-register, your statement will be despatched by the Share Registry and will contain the number of Quoted Options issued to you under this Prospectus and your security holder reference number.

A CHESS statement or Issuer Sponsored statement will routinely be sent to Security holders at the end of any calendar month during which the balance of their Security holding changes. Security holders may request a statement at any other time; however, a charge may be made for additional statements.

2.12 Residents outside Australia

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should observe any such restrictions, including those set forth below. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

This Prospectus, and any accompanying Application Form, do not, and is not intended to, constitute an offer of Quoted Options in any jurisdiction in which it would be unlawful. In particular, this Prospectus, and any accompanying Application Form, may not be distributed to any person, and the Quoted Options may not be offered or sold, in any country outside Australia, except to the extent permitted below.

(a) **New Zealand**

This Prospectus has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (New Zealand) (the **FMC Act**).

The Quoted Options in the SPP Options Offer and the SPP Shortfall Options Offer are not being offered to the public within New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the Financial Markets Conduct (Incidental Offers) Exemption Notice 2021.

The Quoted Options in the Placement Options Offer are not being offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) other than to a Placement Participant who:

- (i) is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act;
- (ii) meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act;
- (iii) is large within the meaning of clause 39 of Schedule 1 of the FMC Act;
- (iv) is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or
- (v) is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act.

(b) **United Kingdom**

Neither this Prospectus nor any other document relating to the offer of New Shares has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended ("**FSMA**")) has been published or is intended to be published in respect of the Quoted Options.

The Quoted Options may not be offered or sold in the United Kingdom by means of this Prospectus or any other document, except in circumstances that do not require the publication of a prospectus under section 86(1) of the FSMA. This Prospectus is issued on a confidential basis in the United Kingdom to Placement Participants and fewer than 150 other persons who are existing shareholders of the Company. This Prospectus may not be distributed or reproduced, in whole or in part, nor may its contents be disclosed by recipients, to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received in connection with the issue or sale of the New Shares has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of the FSMA does not apply to the Company.

In the United Kingdom, this Prospectus is being distributed only to, and is directed at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 ("**FPO**"), (ii) who fall within the

categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO or (iii) to whom it may otherwise be lawfully communicated (together “relevant persons”). The investment to which this Prospectus relates is available only to relevant persons. Any person who is not a relevant person should not act or rely on this Prospectus.

(c) **Singapore**

This Prospectus and any other materials relating to the Quoted Options have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this Prospectus and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of Quoted Options, may not be issued, circulated or distributed, nor may the Quoted Options be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part 13 of the Securities and Futures Act 2001 of Singapore (the “SFA”) or another exemption under the SFA.

This Prospectus has been given to you on the basis that you are a Placement Participant as well as an “institutional investor” or an “accredited investor” (as such terms are defined in the SFA). If you are not such an investor, please return this Prospectus immediately. You may not forward or circulate this Prospectus to any other person in Singapore.

Any offer is not made to you with a view to the Quoted Options or the underlying shares being subsequently offered for sale to any other party in Singapore. On-sale restrictions in Singapore may be applicable to investors who acquire Quoted Options or the underlying shares. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

(d) **Germany**

This Prospectus has not been, and will not be, registered with or approved by any securities regulator in Germany or elsewhere in the European Union. Accordingly, this Prospectus may not be made available, nor may the Options be offered for sale, in Germany except in circumstances that do not require a prospectus under Article 1(4) of Regulation (EU) 2017/1129 of the European Parliament and the Council of the European Union (the “Prospectus Regulation”).

In accordance with Article 1(4)(a) of the Prospectus Regulation, an offer of Options in Germany is limited to Placement Participants who are “qualified investors” (as defined in Article 2(e) of the Prospectus Regulation).

(e) **United States**

This Prospectus does not constitute an offer to sell, or a solicitation of an offer to buy, Quoted Options or underlying shares in the United States. The Quoted Options and the underlying shares have not been, and will not be, registered under the US Securities Act of 1933 (the **US Securities Act**) or the securities laws of any state or other jurisdiction of the United States.

Accordingly, the Quoted Options may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws.

The Quoted Options will only be issued to Placement Participants in the United States who are:

- (i) institutional accredited investors (as defined in Rule 501(a)(1), (2), (3), (7), (8), (9) and (12) under the US Securities Act); and

- (ii) dealers or other professional fiduciaries organized or incorporated in the United States that are acting for a discretionary or similar account (other than an estate or trust) held for the benefit or account of persons that are not US persons and for which they exercise investment discretion, within the meaning of Rule 902(k)(2)(i) of Regulation S under the US Securities Act.

2.13 Taxation implications

The Directors do not consider it appropriate to give Applicants advice regarding the taxation consequences of subscribing for Quoted Options.

The Company, its advisers and its officers do not accept any responsibility or liability for any such taxation consequences to Applicants. As a result, Applicants should consult their professional tax adviser in connection with subscribing for Quoted Options.

2.14 Major activities and financial information

A summary of the activities and financial information relating to the Company for the half-year ended 31 December 2022 and financial year ended 30 June 2022 can be found in the Company's Interim Financial Report and Annual Financial Report lodged with ASX.

The Company's continuous disclosure notices (i.e. ASX announcements) since the lodgement of its Annual Financial Report on 21 September 2022 are listed in Section 6.2.

Copies of these documents are available free of charge from the Company. Directors strongly recommend that potential Applicants review these and all other announcements prior to deciding whether or not to participate in an Offer.

2.15 Privacy

The Company collects information about each Applicant provided on an Application Form for the purposes of processing the application and, if the application is successful, to administer the Applicant's Security holding in the Company.

By submitting an Application Form, each Applicant agrees that the Company may use the information provided by an Applicant on the Application Form for the purposes set out in this privacy disclosure statement and may disclose it for those purposes to the Share Registry, the Company's related bodies corporate, agents, contractors and third party service providers, including mailing houses and professional advisers, and to ASX and regulatory authorities.

If you do not provide the information required on the Application Form, the Company may not be able to accept or process your application.

An Applicant has an entitlement to gain access to, correct and update the information that the Company holds about that person subject to certain exemptions under law. A fee may be charged for access. Access requests must be made in writing to the Company's registered office.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the *Privacy Act 1988* (Cth) (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules.

2.16 Enquiries concerning this Prospectus

For enquiries relating to this Prospectus and general shareholder enquiries, please contact the Company Secretary by email via info@calidus.com.au.

3. Effect of the Offers

3.1 Capital structure on completion of the Offers

The principal effect of the Offers, assuming all Quoted Options offered under this Prospectus are issued, will be to increase the number of Options currently on issue by a maximum of 71,544,941. Application will be made for these Quoted Options to be quoted on ASX, creating a new class of quoted Options.

Assuming that no existing Options are exercised, the effect of the Offers on the Company's issued capital as at the date of this Prospectus is as shown in the following table.

	Shares ¹	Quoted Options ³	Unquoted Options ⁴
Existing Securities on issue	607,610,162	-	15,248,003
Maximum Quoted Options to be issued under the Offers ²	-	71,544,941	-
Maximum SPP Shares to be issued under the SPP Shortfall ²	24,971,340	-	-
Total	632,581,502	71,544,941	15,248,003

Notes:

1. Includes 109,756,478 Placement Shares issued under the Placement on 1 May 2023 and 8,361,994 SPP Shares issued under the SPP on 6 June 2023. Also includes 49,880,350 Shares issued to Macmahon Contractors Pty Ltd on 26 June 2023 and subject to voluntary escrow until 26 December 2023.
2. Assumes the SPP Shortfall is offered and fully subscribed.
3. Up to approximately 71,544,941 Quoted Options to be issued under this Prospectus, the terms and conditions of which are set out in Section 5.2.
4. 15,248,003 unquoted Options which vest into 15,248,003 Shares subject to satisfaction of various milestones, comprising:
 - (a) 452,401 Options exercisable at \$Nil and expiring on 31 December 2023;
 - (b) 3,521,768 Options exercisable at \$Nil and expiring on 31 December 2024;
 - (c) 133,333 Options exercisable at \$Nil and expiring on 4 January 2025;
 - (d) 1,350,000 Options exercisable at \$Nil and expiring on 30 January 2025;
 - (e) 410,055 Options exercisable at \$Nil and expiring on 31 December 2025; and
 - (f) 9,380,446 Options exercisable at \$Nil and expiring on 31 December 2026.

3.2 Proposed use of funds

No funds will be raised from the issue of the Quoted Options pursuant to this Prospectus as the Quoted Options are issued under the SPP Options Offer, SPP Shortfall Options Offer and Placement Options Offer as free attaching to the SPP Shares and Placement Shares respectively.

The Company will receive \$0.30 for each Quoted Option exercised. If all Quoted Options are issued and exercised, the Company will receive approximately \$21,460,000 (before costs). There is no certainty that any of the Quoted Option will be exercised.

It is currently intended that any funds raised from the SPP, SPP Shortfall and the Placement and any funds raised from the exercise of the Quoted Options will be applied towards:

- (a) general working capital, including exploration activities, as the Company ramps up production at the Warrawoona Gold Project; and
- (b) costs of the Offers, Placement, SPP and SPP Shortfall.

The application of funds will depend on when Quoted Options are exercised and the status of the Company's projects and requirements at the relevant time.

The above is a statement of current intentions at the date of this Prospectus. Intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way the funds are applied on this basis.

3.3 Effect on control of the Company

The Company is of the view that the Offers will not affect the control (as defined by section 50AA of the Corporations Act) of the Company. No investor or existing Shareholder will have a voting power greater than 20% as a result of the completion of the Offers.

The maximum number of Quoted Options proposed to be issued under the Offers is approximately 71,544,941. If all of these Quoted Options are exercised, the Shares issued on exercise will constitute approximately 10.16% of the Shares on issue following completion of the Offers (assuming the SPP Shortfall is offered and fully subscribed for and no other Securities are issued or converted to Shares).

3.4 Financial effect of the Offers

The Company does not consider that the Offers will have a material effect on the financial position of the Company.

If all Quoted Options are issued and exercised (which is not certain), it would have the effect on the Company's financial position of increasing the cash balance by approximately \$21,463,482 (before costs).

The expenses of the Offers will be met from the Company's existing cash reserves. The Offers will have an effect on the Company's financial position of reducing the cash balance by approximately \$60,658. Please refer to Section 6.11 for further details on the estimated expenses of the Offers.

4. Risk Factors

An investment in Quoted Options offered by this Prospectus should be regarded as speculative. Activities in the Company, as in any business, are subject to risks which may impact on the Company's future performance. The Company has implemented appropriate strategies, actions, systems and safeguards for known risks, however some are outside its control.

The Directors consider that the following summary, which is not exhaustive, represents some of the major risk factors which prospective investors need to be aware of in evaluating the Company's business and the risks of investing in the Company. Prospective investors should carefully consider the following factors in addition to the other information presented in the Prospectus.

The principal risks include, but are not limited to, the following:

4.1 Risks specific to the Company

(a) Process Plant Performance

Rates of gold production are impacted by a number of factors including the grade of ore delivered to the process plant and the percentage of gold recovered from ore processed in the plant. Projected rates of gold production are, in part dependent upon progression of mining in accordance with plans and mining equipment productivity. Should mining productivity rates be less than estimated by the Company, there is a risk that the rate of gold production over a given time period will be lower than projected by the Company. This would have the impact of extending the life of mine time period and would likely cause an increase in projected expenditure.

A failure to achieve estimated rates of gold recovery in the process plant could result in lower returns from the Company's operations than expected or could result in the Company's operations not being economically viable. This could impact the Company's financial performance and position.

(b) Ore Reserve and Mineral Resource estimates

Ore Reserve and Mineral Resource estimates are prepared in accordance with the JORC Code and are expressions of judgement based on knowledge, experience and industry practice. The reported estimates, which were valid when originally estimated, may alter significantly when new information or techniques become available. As the Company obtains new information through additional drilling and analysis, Ore Reserve and Mineral Resource estimates are likely to change. This may result in alterations to the Company's exploration, development and production plans which may, in turn, positively or negatively affect the Company's operations and financial position.

By their very nature, Ore Reserve and Mineral Resource estimates are imprecise and depend to some extent on interpretations, which may prove to be inaccurate. Commodity price fluctuations, as well as capital and production costs or reduced throughput and/or recovery rates, may materially affect the estimates.

(c) Future capital requirements

The future capital requirements of the Company will depend on many factors including its abilities to produce and market its products. The Company believes its available cash following the capital raisings and transactions contemplated herein will be adequate to fund its business objectives in the short term, however, the Company may require further financing in the future.

In the event further financing is required to maintain operations, any additional equity financing may be dilutive to Shareholders, may be undertaken at lower prices than

the then market price or may involve restrictive covenants which limit the Company's operations and business strategy.

Although the Directors believe that additional capital can be obtained, no assurances can be made that appropriate capital or funding, if and when needed, will be available on terms favourable to the Company or at all. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its activities and this could have a material adverse effect on the Company's activities.

(d) **Financing risks**

Macquarie Bank Limited (**Macquarie**) has signed finance documents to provide development funding for the Warrawoona Gold Project. If certain events occur such as the Company or Keras Pilbara (Gold) Pty Ltd (the Company's wholly-owned subsidiary) failing to comply in all material respects with the terms of the finance agreements, breaching a representation or warranty, or the occurrence of an event of default or review event under the financing documents, the financiers may seek immediate repayment of amounts drawn plus interest and costs, terminate all hedging transactions and enforce its rights under the financing documents.

(e) **Risks as to forecasts**

The Company has prepared operating cash costs, future production targets and revenue profiles for its future operations at its projects. These forecasts, although considered to have reasonable grounds, may be adversely affected by a range of factors including:

- (i) inflation or other escalation in capital and operating costs;
- (ii) mining, processing and loading equipment failures and unexpected maintenance problems;
- (iii) limited availability or increased costs of mining, processing and loading equipment and parts and other materials from suppliers;
- (iv) mine safety accidents;
- (v) adverse weather and natural disasters; and
- (vi) a shortage of skilled labour.

If any of these or other conditions or events occur in the future, they may increase the cost of mining or delay or halt planned commissioning, ramp up and production, which could adversely affect the Company's results of operations or decrease the value of the Company's assets.

(f) **Pirra Lithium Demerger Risk**

The Company announced on 21 February 2022 and 6 June 2022 that it was intending to demerge its lithium assets through its 40% owned subsidiary Pirra Lithium Pty Ltd (**Pirra Lithium**). The potential demerger of Pirra Lithium depends on various factors (many of which are beyond the Company's control) including the performance by third parties under applicable contracts, the future performance of lithium as a commodity, global market and macro-economic conditions and prevailing interest rates. Investors are cautioned to place no reliance on the potential demerger of Pirra Lithium in making an investment decision in respect of the Company.

(g) **Personnel and operating costs**

The Company is dependent on the experience of its Directors' and management team. Whilst the Board has sought to and will continue to ensure that the management team and any key employees are appropriately incentivised, their

services cannot be guaranteed. The loss of any of the Directors', senior management or key employees' services to the Company may have an adverse effect on the performance of the Company pending replacements being identified and retained by or appointed to the Board of the Company.

There is a high demand in Western Australia for skilled workers from competing operators. Tightening of the labour market due to a shortage of skilled labour, combined with a high industry turnover rate and growing number of competing employers for skilled labour, may inhibit the Company's or its contractors' ability to identify, retain and employ the skilled workers required for the Company's operations. The Company may be exposed to increased labour costs in markets where the demand for labour is strong. A shortage of skilled labour may delay or halt planned commissioning, ramp up and production, limit the Company's ability to grow its operations or lead to a decline in productivity.

(h) **Contractual risk**

The ability of the Company to achieve its objectives will depend on the performance by the other parties to contracts which the Company may enter into in the future. If a party defaults in the performance of its obligations it may be necessary for the Company to approach a court to seek legal remedy. Legal action can be costly and there can be no guarantee that a legal remedy will ultimately be granted on appropriate terms.

Further, the Company is unable to predict the risk of insolvency or managerial failure by any of the third party contractors used by the Company in any of its activities or the insolvency or other managerial failure by any of the other service providers used by the Company for any activity. The effects of such failures may have an adverse effect on the Company's activities.

4.2 Mining Industry Risks

(a) **Operational risk**

The Company's mining, exploration and development activities will be subject to numerous operational risks, many of which are beyond the Company's control. The Company's operations may be curtailed, delayed or cancelled as a result of factors such as adverse weather conditions both on site and off site restricting access for machinery and personnel, mechanical difficulties, shortages in or increases in the costs of labour, consumables, spare parts, plant and equipment, external services failure (including energy and water supply), industrial disputes and action, difficulties in commissioning, ramp up and operating plant and equipment, IT system failures, mechanical failure or plant breakdown, compliance with governmental requirements, changes in governmental regulations and civil unrest. Hazards incidental to the mining, exploration and development of mineral properties such as unusual or unexpected geological formations, difficulties and/or delays associated with groundwater and dewatering of existing pits may be encountered by the Company. Industrial and environmental accidents could lead to substantial claims against the Company for injury or loss of life, and damage or destruction to property, as well as regulatory investigations, clean up responsibilities, penalties and the suspension of operations.

Life of mine plans for open pit operations rely, in part, on completion of mining in accordance with the final pit design and there is a risk that final excavated pits end with shallower wall angles than used in the respective life of mine plans, increasing the cost of gold produced as a result. Geotechnical risk arises from the movement of the ground during and following mining activity, both for open pit and underground exploration/mining activities. This may result in temporary or permanent access being restricted or cut off. The loss of access may have a significant impact on the progress of exploration, the economics of the ore body or delay the delivery of ore to the

processing plant (and any design or construction alternatives may not be successful or cost effective).

Any underground exploration or mining requires specialised infrastructure and is subject to geological and hydrological risks such as water influx and movement of the earth. Water influx and / or movement of the earth may prevent the Company from completing its exploration activities and may prevent or delay mining.

The Company will endeavour to take appropriate action to mitigate these operational risks (including by ensuring legislative compliance, properly documenting arrangements with counterparties, and adopting industry best practice policies and procedures) or to insure against them, but the occurrence of any one or a combination of these events may have a material adverse effect on the Company's performance and the value of its assets.

(b) Commodity prices

The value of the Company's assets may be affected by fluctuations in commodity prices and exchange rates, such as the USD denominated gold price, and the AUD denominated gold price as a result of fluctuations in the AUD / USD exchange rate.

Future production from the Company's mining operations will be dependent upon the gold price being sufficient to make these operations economic.

These prices can fluctuate rapidly and widely and are affected by numerous factors beyond the control of the Company. These factors include world demand for precious and other metals, forward selling by producers, and production cost levels in major metal-producing regions. Other factors include expectations regarding inflation, the financial impact of movements in interest rates, gold price forward curves, global economic trends, confidence and conditions, and domestic and international fiscal, monetary and regulatory policy settings.

(c) Exploration and development

The Company intends to continue with exploration and development programs on the Company's tenements. In the event that the planned drilling programs produce poorer than expected results, the value of the Company's assets and the viability of the Company's future operations may be significantly diminished. Additionally, the inability to find and delineate additional sources of ore may require the Company to delay or indefinitely defer a decision to expand mining and/or processing operations until sufficient quantities of economically viable ore can be found, delineated and obtain regulatory approval for mining and processing.

The Company's tenements are at various stages of exploration and development, and potential investors should understand that mineral exploration and development are high risk enterprises. Even a combination of experience, knowledge and careful evaluation may not be able to overcome the inherent risk associated with exploring prospective tenements.

Investors are cautioned that the proximity to, or similarity of, the Company's tenements to nearby or other mineral occurrences or deposits is no guarantee that the Company's tenements will be prospective for an economic reserve.

There can be no assurance that exploration of the Company's tenements (or any other tenements that may be acquired in the future), will result in the development of an economically viable deposit of gold or other minerals.

(d) Tenure of tenements

Interests in tenements in Western Australia are governed by legislation and are evidenced by the granting of leases and licences by the State. The Company is subject to the *Mining Act 1978* (WA) and the Company has an obligation to meet

conditions that apply to the Company's tenements, including the payment of rent and prescribed annual expenditure commitments. The tenements held by the Company are subject to annual review and periodic renewal. There are no guarantees that the Company's tenements that are subject to renewal will be renewed or that any applications for exemption from minimum expenditure conditions will be granted, each of which would adversely affect the standing of a tenement. A number of the tenements may be subject to additional conditions, penalties, objections or forfeiture applications in the future. Alternatively, applications, transfers, conversions or renewals may be refused or may not be approved with favourable terms. Any of these events could have a materially adverse effect on the Company's prospects and the value of its assets.

(e) Grant of future authorisations

The Company currently holds all material authorisations required to undertake its open pit mining operations and exploration programs. However, many of the mineral rights and interests held by the Company are subject to the need for ongoing or new government approvals, licences and permits as the scope of the Company's operations change. The granting and renewal of such approvals, licences and permits are, as a practical matter, subject to the discretion of applicable government agencies or officials.

(f) Rights of land access

The Company's tenements overlap various types of tenure including live and pending mining tenements, Crown reserves, private land and pastoral leases. This may result in disruption and/or impediment to the operation or development of the Company's assets. Any new mine development or expansion will require landholder issues to be addressed, which can have consequences for timing and cost implications.

(g) Occupational health and safety

Mining and exploration activities have inherent risks and hazards. The Company is committed to providing a safe and healthy workplace and environment for its personnel, contractors and visitors. The Company provides appropriate instructions, equipment, preventative measures, first aid information, medical facilities and training to all stakeholders through its occupational health and safety management systems.

A serious site safety incident may expose the Company to significant penalties and the Company may be liable for compensation to the injured personnel. These liabilities may not be covered by the Company's insurance policies or, if they are covered, may exceed the Company's policy limits or be subject to significant deductibles. Also, any claim under the Company's insurance policies could increase the Company's future costs of insurance. Accordingly, any liabilities for workplace accidents could have a material adverse impact on the Company's liquidity and financial results. It is not possible to anticipate the effect on the Company's business from any changes to workplace occupational health and safety legislation or directions or necessitated by concern for the health of the workforce. Such changes may have an adverse impact on the financial performance and/or financial position of the Company.

(h) Environment and government regulation

The operations and proposed activities of the Company are subject to State and Commonwealth laws and regulations concerning the environment. If such laws are breached, the Company may be required to suspend activities and/or incur significant liabilities including penalties, due to past or future activities.

As with most mining operations and exploration projects, the Company's activities are expected to have an impact on the environment, particularly as advanced exploration and mine development and production continues. Mining projects have statutory

rehabilitation obligations that the Company will need to comply with in the future and which may be material. It is the Company's intention to conduct its activities to the highest standard of environmental obligation, including in compliance in all material respects with relevant environmental laws. Nevertheless, there are certain risks inherent in the Company's activities which could subject the Company to extensive liability.

(i) **Native title and cultural heritage**

The effect of the present laws in respect of native title that apply in Australia is that the Company's tenements may be affected by native title claims or procedures. This may preclude or delay granting of exploration and mining tenements or the ability of the Company to explore, develop and/or commercialise the resources on the Company's tenements. Considerable expenses may be incurred negotiating and resolving issues, including any compensation arrangements reached in settling native title claims lodged over any of the tenements held or acquired by the Company.

The presence of Aboriginal sacred sites and cultural heritage artefacts on the Company's tenements is protected by State and Commonwealth laws. Any destruction or harming of such sites and artefacts may result in the Company incurring significant fines and Court injunctions, which may adversely impact on exploration and mining activities. The Company will conduct surveys before conducting exploration work which could disturb the surface of the land. The Company's tenements may contain sites of cultural significance which will need to be avoided during field programs and any resulting mining operations. The existence of such sites may limit or preclude future exploration or mining activities on those sites and delays and expenses may be experienced in obtaining clearances.

4.3 General Risks

(a) **Market conditions**

The market price of the quoted securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and resource stocks in particular.

Further, share market conditions may affect the value of the Company's quoted Shares regardless of the Company's performance. Share market conditions are affected by many factors such as general economic outlook, interest rates and inflation rates, currency fluctuations, changes in investor sentiment, the demand for, and supply of, capital; and terrorism or other hostilities.

Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

(b) **Unforeseen expenditure risk**

The Company's cost estimates and financial forecasts include appropriate provisions for material risks and uncertainties and are considered to be fit for purpose for the proposed activities of the Company. If risks and uncertainties prove to be greater than expected, or if new currently unforeseen material risks and uncertainties arise, the expenditure proposals of the Company are likely to be adversely affected.

(c) **Insurance**

The Company insures its operations in accordance with industry practice. However, in certain circumstances, the Company's insurance may not be available or of a nature or level to provide adequate insurance cover. The occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on the business, financial condition and results of the Company. In addition, there is a risk that an insurer defaults in the payment of a legitimate claim by the Company.

(d) **COVID-19**

Supply chain disruptions resulting from the transmission of COVID-19 in the community and measures implemented by governments around the world to limit the transmission of the virus may adversely impact the Company's operations, financial position, prospects and ability to raise capital. Interstate travel bans may also lead to shortages of skilled personnel. Further outbreaks of COVID-19 and the implementation of intrastate travel restrictions also have the potential to restrict access to site.

The Company is also exposed to counterparty risk in respect of its contractors failing to fulfil their contractual obligations. This risk may be heightened as a result of COVID-19 and may cause the Company's financial performance and business to be impacted where its contractors experience financial difficulties, reduce or discontinue operations or default on obligations owed to the Company.

To date, the COVID-19 pandemic has had an impact on the Company's operations, any further infections on site at the project could result in operations being suspended or otherwise disrupted for an unknown period of time, which would have an adverse impact on the Company's operations and development schedule. The Company considers that unless required to shut-down operations as a result of a government intervention, any isolated incidents of COVID-19 on site may be managed and operated around to minimise any potential disruption to operations.

(e) **Litigation**

The Company is exposed to possible litigation risks including native title claims, tenure disputes, environmental claims, royalty disputes, other contractual disputes, occupational health and safety claims and employee claims. Further, the Company may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute if proven, may impact adversely on the Company's operations, financial performance and financial position. The Company is not currently engaged in any material litigation.

(f) **Force Majeure**

The projects in which the Company has an interest now or in the future may be adversely affected by risks outside the control of the Company including labour unrest, civil disorder, war, subversive activities or sabotage, fires, floods, explosions or other catastrophes, epidemics, quarantine restrictions or regulatory changes.

4.4 Investment Speculative

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company.

The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of its Securities. Investors should consider that the investment in the Company is high risk and should consult their professional adviser before deciding whether to apply for Quoted Options pursuant to this Prospectus.

5. Rights attaching to Securities

5.1 Rights and liabilities attaching to Shares

A summary of the rights attaching to Shares in the Company is below. This summary is qualified by the full terms of the Constitution (a full copy of the Constitution is available from the Company on request free of charge) and does not purport to be exhaustive or to constitute a definitive statement of the rights and liabilities of Shareholders. These rights and liabilities can involve complex questions of law arising from an interaction of the Constitution with statutory and common law requirements. For a Shareholder to obtain a definitive assessment of the rights and liabilities which attach to Shares in any specific circumstances, the Shareholder should seek legal advice.

(a) General meetings

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company. Shareholders may requisition meetings in accordance with section 249D of the Corporations Act and the Constitution.

(b) Voting rights

Subject to any rights or restrictions for the time being attached to any class or classes of Shares, at general meetings of Shareholders or classes of Shareholders:

- (i) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- (ii) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and
- (iii) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder will, in respect of each fully paid Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for the Share, but in respect of partly paid Shares will have such number of votes as bears the same proportion to the total of such Shares registered in the Shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

(c) Dividend rights

Subject to the rights of any preference Shareholders and to the rights of the holders of any shares created or raised under any special arrangement as to dividend, the Directors may from time to time declare a dividend to be paid to the Shareholders entitled to the dividend which will be payable on all Shares according to the proportion that the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited) in respect of such Shares.

No dividend will carry interest as against the Company.

The Company must not pay a dividend unless the Company's assets exceed its liabilities immediately before the dividend is declared and the excess is sufficient for the payment of the dividend. The Directors may capitalise any profits of the Company

and distribute that capital to the Shareholders, in the same proportions as the Shareholders are entitled to a distribution by dividend.

(d) **Winding-up**

If the Company is wound up, the liquidator may, with the authority of a special resolution of the Company, divide among the shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as the liquidator considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders.

(e) **Further increase in capital**

Subject to the Corporations Act and the Constitution, the Board may, on behalf of the Company, issue, grant options over or otherwise dispose of unissued shares to any person on the terms, with the rights, and at the times that the Board decides. The Company must not issue shares or grant options if the issue or grant would result in a breach of the Listing Rules.

(f) **Transfer of Shares**

Shares can be transferred upon delivery of a proper instrument of transfer to the Company or by a transfer in accordance with the ASX Settlement Operating Rules. The instrument of transfer must be in writing, in any usual or common form or in any other form that the Directors approve.

Until the transferee has been registered, the transferor is deemed to remain the holder, even after signing the instrument of transfer.

In some circumstances, the Directors may refuse to register a transfer if upon registration the transferee will hold less than a marketable parcel. The Board may refuse to register a transfer of Shares upon which the Company has a lien. The Company must refuse to register a transfer of Shares where the Corporations Act, Listing Rules or ASX Settlement Operating Rules or a law about stamp duty requires the Company to do so.

(g) **Variation of rights**

Pursuant to section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of Shareholders vary or abrogate the rights attaching to Shares.

If at any time the share capital is divided into different classes of Shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up, may be varied or abrogated with the consent in writing of the holders of three-quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

(h) **Alteration of Constitution**

The Constitution can only be amended by a special resolution passed by at least three quarters of Shareholders present and voting at the general meeting. In addition,

at least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

5.2 Terms and conditions of Quoted Options

The Quoted Options granted under the Offers (referred to as “**Options**” for the purpose of this Section 5.2) will be issued on the following terms and conditions:

- (a) **(Entitlement)**: Each Option gives the holder the right to subscribe for one Share.
- (b) **(Expiry Date)**: The Options will expire at 5:00pm (AWST) on 27 September 2024 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (c) **(Exercise Price)**: The amount payable upon exercise of each Option is \$0.30 per Option (**Exercise Price**).
- (d) **(Exercise)** A holder may exercise their Options by lodging with the Company, before the Expiry Date:
 - (i) a written notice of exercise of Options specifying the number of Options being exercised; and
 - (ii) an electronic funds transfer for the Exercise Price for the number of Options being exercised.
- (e) **(Exercise Notice)** An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds. The Options held by each holder may be exercised in whole or in part, and if exercised in part, at least 10,000 must be exercised on each occasion.
- (f) **(Timing of issue of Shares on exercise)** Within 5 Business Days of receipt of the Exercise Notice accompanied by the Exercise Price, the Company will issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Exercise Notice.
- (g) **(Transferability)**
 - (i) To the extent they are quoted on ASX's official list, subject to any restriction or escrow arrangements imposed by ASX or under Australian securities laws, the Options will be freely transferable from the date of issue, subject to any restriction or escrow arrangements imposed by ASX or under Australian securities laws; and
 - (ii) to the extent they are not quoted on ASX's official list, the Options will not be transferable without the prior written approval of the Company.
- (h) **(Ranking of Shares)** All Shares allotted upon the exercise of Options will upon allotment be fully paid and rank pari passu in all respects with other Shares.
- (i) **(Quotation)**
 - (i) The Company will apply for quotation of the Options on ASX. However, the Options will only be admitted to official quotation by ASX if the conditions for quotation of a new class of securities are satisfied (which include, amongst

other things, there being a minimum of 100,000 Options on issue, with at least 50 holders with a marketable parcel (within the meaning of the ASX Listing Rules).

- (ii) If official quotation of the Options is not granted by ASX in accordance with section 5.2(i)(i) above, the Options will not be quoted.
 - (iii) The Company will apply for quotation of all Shares allotted pursuant to the exercise of Options on ASX within 5 Business Days after the date of allotment of those Shares.
- (j) **(Adjustments for reorganisation)** If there is any reorganisation of the issued share capital of the Company, the rights of the holders of Options will be varied in accordance with the Listing Rules.
- (k) **(Dividend rights)** An Option does not entitle the holder to any dividends.
- (l) **(Voting rights)** An Option does not entitle the holder to vote on any resolutions proposed at a general meeting of the Company, subject to any voting rights provided under the Corporations Act or the Listing Rules where such rights cannot be excluded by these terms.
- (m) **(Entitlements and bonus issues):** Holders of Options will not be entitled to participate in new issues of capital offered to shareholders such as bonus issues and entitlement issues.
- (n) **(Adjustment for bonus issues of Shares):** If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment:
 - (i) the number of Shares which must be issued on the exercise of a Option will be increased by the number of Shares which the holder of Options would have received if the holder had exercised the Option before the record date for the bonus issue; and
 - (ii) no change will be made to the Exercise Price.
- (o) **(Return of capital rights):** The Options do not confer any right to a return of capital, whether in a winding up, upon a reduction of capital or otherwise.
- (p) **(Rights on winding up):** The Options have no right to participate in the surplus profits or assets of the Company upon a winding up of the Company.
- (q) **(Takeovers prohibition):**
 - (i) the issue of Shares on exercise of the Options is subject to and conditional upon the issue of the relevant Shares not resulting in any person being in breach of section 606(1) of the Corporations Act; and
 - (ii) the Company will not be required to seek the approval of its members for the purposes of item 7 of section 611 of the Corporations Act to permit the issue of any Shares on exercise of the Options.
- (r) **(No other rights):** An Option does not give a holder any rights other than those

expressly provided by these terms and those provided at law where such rights at law cannot be excluded by these terms.

- (s) **(Amendments required by ASX):** The terms of the Options may be amended as considered necessary by the Board in order to comply with the Listing Rules, or any directions of ASX regarding the terms provided that, subject to compliance with the Listing Rules, following such amendment, the economic and other rights of the holder are not diminished or terminated.

6. Additional Information

6.1 Company is a disclosing entity

The Company is a disclosing entity under the Corporations Act. It is subject to regular reporting and disclosure obligations under both the Corporations Act and the Listing Rules. These obligations require the Company to notify ASX of information about specific events and matters as they arise for the purpose of ASX making the information available to the securities market conducted by ASX. In particular, the Company has an obligation under the Listing Rules (subject to certain limited exceptions), to notify ASX once it is, or becomes aware of information concerning the Company which a reasonable person would expect to have a material effect on the price or value of the Shares.

The Company is also required to prepare and lodge with ASIC yearly and half-yearly financial statements accompanied by a Directors' statement and report, and an audit report or review. Copies of documents lodged with the ASIC in relation to the Company may be obtained from, or inspected at, an ASIC office (see Section 6.2 below). Copies of all documents announced to the ASX can be found at <https://www.calidus.com.au/asx-announcements/>.

6.2 Copies of documents

Copies of documents lodged by the Company in connection with its reporting and disclosure obligations may be obtained from, or inspected at, an office of ASIC. The Company will provide free of charge to any person who requests it during the period of the Offers a copy of:

- (a) the financial statements of the Company for the financial year ended 30 June 2022 as lodged with ASX on 21 September 2022 (**Annual Report**), being the last financial statements for a financial year of the Company lodged with ASIC before the issue of this Prospectus;
- (b) the half yearly report and review financial statements of the Company for the half year ended 31 December 2022 as lodged with ASX on 8 March 2023; and
- (c) the following notices given by the Company to notify ASX of information relating to the Company during the period from the date of lodgement of the Annual Report referred to in paragraph (a) above, until the date of this Prospectus:

Date lodged	Subject of Announcement
26 June 2023	Constitution
26 June 2023	Cleansing Statement
26 June 2023	Application for quotation of securities - CAI
26 June 2023	Agreement to access significant Pilbara gold deposits
23 June 2023	Update – Proposed issue of securities - CAI
23 June 2023	Results of Meeting
21 June 2023	The Gold Series Presentation
9 June 2023	Becoming a substantial holder
6 June 2023	Notification regarding unquoted securities - CAI
6 June 2023	Notification of cessation of securities - CAI
6 June 2023	Application for quotation of securities - CAI
6 June 2023	Calidus completes Securities Purchase Plan

Date lodged	Subject of Announcement
23 May 2023	Update - Proposed issue of securities - CAI
23 May 2023	Notice of General Meeting/Proxy Form
16 May 2023	Resources Rising Stars Conference Presentation
1 May 2023	Notification of cessation of securities - CAI
1 May 2023	Application for quotation of securities - CAI
1 May 2023	Application for quotation of securities - CAI
1 May 2023	Cleansing Statement
27 April 2023	Quarterly Activities Report and Quarterly Cashflow Report
26 April 2023	Share Purchase Plan Offer Booklet
26 April 2023	Share Purchase Plan Cleansing Statement
21 April 2023	Proposed issue of securities - CAI
21 April 2023	Proposed issue of securities - CAI
21 April 2023	Proposed issue of securities - CAI
21 April 2023	Equity raising presentation
21 April 2023	Successful raising allows for production & cashflow growth
19 April 2023	Trading Halt
11 April 2023	March Quarterly Production Report
17 March 2023	Pirra Lithium secures highly prospective Pilbara ground
8 March 2023	Half Year Accounts
8 March 2023	Euroz Hartleys Institutional Conference Presentation
6 March 2023	Warrawoona achieves record production rates in February
21 February 2023	Investor Presentation
21 February 2023	Drilling results underpin growth opportunities at Blue Spec
15 February 2023	Notification of cessation of securities - CAI
15 February 2023	Application for quotation of securities - CAI
14 February 2023	Warrawoona Delivers Strong Production in January
31 January 2023	Application for quotation of securities - CAI
30 January 2023	Appendix 3Y - David Reeves
27 January 2023	Quarterly Activities Report and Quarterly Cashflow Report
18 January 2023	High-grade zone in Felix discovery at Blue Spec Project
17 January 2023	Appendix 3Y - Kate George
17 January 2023	Application for quotation of securities - CAI
13 January 2023	Appendix 3Y - Mark Connelly

Date lodged	Subject of Announcement
13 January 2023	Appendix 3Y - David Reeves
13 January 2023	Notification of cessation of securities - CAI
13 January 2023	Application for quotation of securities - CAI
10 January 2023	Commercial production declared at Warrawoona Gold Project
9 December 2022	Investor Webinar Presentation
5 December 2022	Investor Webinar
1 December 2022	Application for quotation of securities - CAI
28 November 2022	New gold discovery by Calidus
9 November 2022	Results of Annual General Meeting
9 November 2022	Drilling confirms lithium continuity 250m down dip
31 October 2022	Investor Presentation
31 October 2022	Quarterly Activities Report and Quarterly Cashflow Report
27 October 2022	Investor Webinar
13 October 2022	Appendix 3Y - David Reeves
11 October 2022	Notification of cessation of securities - CAI
10 October 2022	September Quarter Operations Update
4 October 2022	Maiden Blue Spec Reserve - Amendment
29 September 2022	Maiden Blue Spec Reserve underpins expansion for Warrawoona
23 September 2022	Notice of Annual General Meeting/Proxy Form
21 September 2022	Appendix 4G
21 September 2022	Corporate Governance Statement

The following documents are available for inspection throughout the period of the Offers during normal business hours at the registered office of the Company:

- (a) this Prospectus;
- (b) the Constitution; and
- (c) the consents referred to in Section 6.12 and the consents provided by the Directors to the issue of this Prospectus.

6.3 Information excluded from continuous disclosure notices

There is no information which has been excluded from a continuous disclosure notice in accordance with the Listing Rules other than as is set out in this Prospectus.

6.4 Determination by ASIC

ASIC has not made a determination which would prevent the Company from relying on section 713 of the Corporations Act in issuing the Shares under this Prospectus.

6.5 Market price of Shares

The highest and lowest closing market sale prices of the Shares on ASX during the three months immediately preceding the date of the Offers, and the respective dates of those sales were:

Lowest: \$0.170 on 13 June, 15 – 19 June and 21 – 23 June 2023

Highest: \$0.290 on 12 April 2023

The latest available market sale price of the Shares on ASX prior to the date of lodgement of this Prospectus with ASIC was \$0.170 per Share on 23 June 2023.

6.6 Dividend Policy

The Directors are not able to say when and if dividends will be paid in the future, as the payment of any dividends will depend on the future profitability, financial position and cash requirements of the Company.

6.7 Substantial Shareholders

Based on available information as at the date of this Prospectus, those persons which (together with their associates) have a relevant interest in 5% or more of the Shares on issue are set out below:

Substantial Shareholder	Number of Shares	Voting power
Alkane Resources Ltd	54,685,118	9%
Macmahon Contractors Pty Ltd	49,880,350	8.21%

6.8 Interests of Directors

(a) Security holdings

The relevant interest of each of the Directors (together with their associates) in Securities as at the date of this Prospectus is set out below:

Director	Shares	Voting Power	Unquoted Options	Entitlement to Quoted Options ¹
Mark Connelly ²	933,120	0.15%	312,666	-
David Reeves ³	22,023,354	3.62%	797,940	-
John Ciganek ⁴	66,667	0.01%	207,221	-
Kate George ⁵	306,527	0.05%	123,334	-

Notes:

- The Directors did not participate in the Placement or SPP and are not entitled to subscribe for Quoted Options under the Placement Options Offer or SPP Options Offer.
- Securities held as follows:
 - 526,786 Shares held directly by Mr Connelly;
 - 406,334 Shares and 312,666 unquoted Options (subject to satisfaction of various milestones) comprising:

- (i) 156,333 Options exercisable at \$Nil and expiring on 31 December 2024; and
- (ii) 156,333 Options exercisable at \$Nil and expiring on 31 December 2025,

held indirectly by Marcon Investments (WA) Pty Ltd ATF Connelly Family Trust, of which Mr Connelly is a director and secretary.

3. Securities held indirectly as follows:

- (a) 20,728,248 Shares and 797,940 unquoted Options (subject to satisfaction of various milestones) comprising:
 - (i) 113,982 Options exercisable at \$Nil and expiring on 31 December 2023; and
 - (ii) 683,958 Options exercisable at \$Nil and expiring on 31 December 2024,

held indirectly by Mr Reeve's wife, Eleanor Jean Reeves ATF Elanwi Trust.

- (b) 394,784 Shares held indirectly by Bodmin Superfund, of which Mr Reeves is trustee; and
- (c) 900,322 Shares held indirectly by Wilgus Investments Pty Ltd, of which Mr Reeves is a director.

4. 66,667 Shares and 207,221 unquoted Options (subject to satisfaction of various milestones) comprising:

- (a) 133,333 Options exercisable at \$Nil and expiring on 4 January 2025;
- (b) 2,407 Options exercisable at \$Nil and expiring on 31 December 2023;
- (c) 2,407 Options exercisable at \$Nil and expiring on 31 December 2024; and
- (d) 69,074 Options exercisable at \$Nil and expiring on 31 December 2025,

held indirectly by Mr John Ciganek ATF The Ciganek Family Trust.

5. 306,527 Shares and 123,334 unquoted Options (subject to satisfaction of various milestones) comprising:

- (a) 61,667 Options exercisable at \$Nil and expiring on 31 December 2024; and
- (b) 61,667 Options exercisable at \$Nil and expiring on 31 December 2025,

held indirectly by Ms Kate Sarah George ATF The Jakedog Investment A/C.

(b) **Remuneration of Directors**

The Constitution of the Company provides that the non-executive directors are entitled to be paid an amount of fees which does not in any year exceed in aggregate the amount last fixed by ordinary resolution. The aggregate amount fixed is \$250,000. This aggregate amount is to be allocated among the non-executive directors in the proportion and manner they agree or, in default of agreement, among them equally. The amount may also be provided in a manner the Board decides, which may include provision of non-cash benefits, in which case, the Board must also decide the manner in which the value of those benefits is to be calculated.

The Constitution also provides that:

- (i) the Directors shall be entitled to be paid reasonable travelling, accommodation and other expenses incurred by them respectively in or about the performance of their duties as Directors; and

- (ii) if any of the Directors being willing are called upon to perform additional or special duties for the Company, the Company may remunerate that Director as determined by the Directors and that remuneration may be either in addition to or in substitution for his or her share in the fee-pool described.

The remuneration of executive directors is to be fixed by the Board. As at the date of this Prospectus, the Company has one Executive Director, Mr David Reeves. The Company has agreed to pay Mr Reeves a base salary of \$479,000 plus superannuation per annum for services provided to the Company as Managing Director. Mr Reeves personally elected to decrease the base salary component of his remuneration package to \$420,000 effective 1 August 2022.

The table below sets out the remuneration provided to the Directors of the Company and their associated companies during the last two financial years (FY), inclusive of directors fees, consultancy fees, share-based payments, termination payments and superannuation contributions.

Director	FY ended 30 June 2022	FY ended 30 June 2021
Mark Connelly	\$159,128	\$93,270
David Reeves ¹	\$576,609	\$407,972
John Ciganek ²	\$77,522	\$34,209
Kate George ³	\$56,916	-
Keith Coughlan ⁴	\$49,987	\$44,000
Adam Miethke ⁵	-	\$35,646

Notes:

1. The Company paid office rent to Wild West Enterprises Pty Ltd (**WWE**) of \$81,500 in the year ended 30 June 2022 (prior year to 30 June 2021: \$74,300). Mr Reeves is a director of WWE. During FY22 the Company and WWE renewed the sub-lease agreement in respect of the office space at 12/11 Ventnor Avenue, West Perth for an initial period of two years with a one-time option to extend for a further one year. The rent payable by the Company under the office lease agreement is \$6,300 per month payable in advance. The Board considers that the agreement to be on arms' length and commercial terms.
2. Mr Ciganek was appointed as a Non-Executive Director on 4 January 2021.
3. Ms George was appointed as a Non-Executive Director on 1 February 2022.
4. Mr Coughlan resigned as a Non-Executive Director on 13 May 2022.
5. Mr Miethke resigned as a Non-Executive Director on 27 July 2020.

(c) Information disclosed in this Prospectus

Other than as set out in this Prospectus, no Director holds or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (i) the formation or promotion of the Company;
- (ii) any property acquired or proposed to be acquired by the Company in connection with its formation or promotion, or the Offers; or
- (iii) the Offers,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to a Director:

- (iv) as an inducement to become, or to qualify as, a Director; or
- (v) for services provided in connection with the formation or promotion of the Company, or the Offers.

6.9 Related party transactions

There are no related party transactions involved in the Offers that are not otherwise described in this Prospectus.

The Company's policy in respect of related party arrangements is:

- (a) a Director with a material personal interest in a matter is required to give notice to the other Directors before such a matter is considered by the Board; and
- (b) for the Board to consider such a matter, the Director who has a material personal interest is not present while the matter is being considered at the meeting and does not vote on the matter.

6.10 Interests of other persons

Except as disclosed in this Prospectus, no underwriter, expert, promoter or other person named in this Prospectus as performing a function in a professional, advisory or other capacity:

- (a) has any interest nor has had any interest in the last 2 years prior to the date of this Prospectus in the formation or promotion of the Company, the Quoted Options offered under this Prospectus or property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Quoted Options offered under this Prospectus; or
- (b) has been paid or given or will be paid or given any amount or benefit in connection with the formation or promotion of the Company or the Quoted Options offered under this Prospectus.

6.11 Expenses of Offers

	\$
ASIC lodgement fee	\$3,206
ASX quotation fee (excluding GST)	\$32,452
Legal fees and expenses (excluding GST)	\$25,000
TOTAL	\$60,658

6.12 Consents

Chapter 6D of the Corporations Act imposes a liability regime on the Company (as the offeror of Securities under this Prospectus), the Directors, any persons named in the Prospectus with their consent having made a statement in the Prospectus and persons involved in a contravention in relation to the Prospectus, with regard to misleading and deceptive statements made in the Prospectus. Although the Company bears primary responsibility for the Prospectus, the other parties involved in the preparation of the Prospectus can also be responsible for certain statements made in it.

Each of the parties referred to in this Section:

- (a) does not make, or purport to make, any statement in this Prospectus other than those referred to in this Section; and

- (b) in light of the above, only to the maximum extent permitted by law, expressly disclaim and take no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this Section.

Hamilton Locke has given its written consent to being named as the solicitors to the Company in this Prospectus. Hamilton Locke has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

Automatic has given its written consent to being named in this Prospectus as share registry to the Company. Automatic has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

6.13 Electronic Prospectus

Pursuant to Regulatory Guide 107, ASIC has exempted compliance with certain provisions of the Corporations Act to allow distribution of an Electronic Prospectus on the basis of a paper Prospectus lodged with ASIC and the issue of Securities in response to an electronic application form, subject to compliance with certain provisions. If you have received this Prospectus as an Electronic Prospectus please ensure that you have received the entire Prospectus accompanied by the Application Form. If you have not, please email the Company and the Company will send to you, for free, either a hard copy or a further electronic copy of this Prospectus or both.

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the Electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

7. Directors' Statement and Consent

This Prospectus is authorised by each of the Directors of the Company.

This Prospectus is signed for and on behalf of the Company by:

A handwritten signature in black ink, appearing to read 'Mark Connelly', with a large, stylized flourish underneath.

Mark Connelly
Non-Executive Chair
Dated: 26 June 2023

8. Definitions

These definitions are provided to assist persons in understanding some of the expressions used in this Prospectus.

\$ means Australian dollars.

Applicant means a person who submits an Application Form.

Application Form means an SPP Options Application Form, an SPP Shortfall Application Form, or a Placement Offer Application Form, as the context requires.

ASIC means Australian Securities and Investments Commission.

ASX means the ASX Limited (ABN 98 008 624 691) and where the context permits the Australian Securities Exchange operated by ASX Limited.

ASX Settlement means ASX Settlement Pty Limited ACN 008 504 532.

ASX Settlement Operating Rules means ASX Settlement Operating Rules of ASX Settlement.

ATF means as trustee for.

Automic means Automic Pty Ltd ACN 152 260 814.

AWST means Australian Western Standard Time, being the time in Perth, Australia.

Board means the board of Directors.

Business Day means Monday to Friday inclusive, other than a day that ASX declares is not a business day.

CHESS means ASX Clearing House Electronic Sub-register System.

Closing Date has the relevant meaning applicable to each Offer as described in Section 2.4.

Company means Calidus Resources Limited ACN 006 640 553.

Constitution means the constitution of the Company as at the date of this Prospectus.

Corporations Act means the *Corporations Act 2001* (Cth).

Directors mean the directors of the Company as at the date of this Prospectus.

Eligible Shareholder means a person who was registered as the holder of Shares as at 5:00pm (AWST) on the record date for the SPP with a registered address in Australia, New Zealand or the United Kingdom.

General Meeting means the general meeting of Shareholders held on 23 June 2023.

Issuer Sponsored means Shares issued by an issuer that are held in uncertified form without the holder entering into a sponsorship agreement with a broker or without the holder being admitted as an institutional participant in CHESS.

JORC Code means the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.

Listing Rules means the listing rules of ASX.

Offers means the SPP Options Offer, SPP Shortfall Options Offer and/or the Placement Options Offer, and **Offer** means any one of those Offers, as the context requires.

Official Quotation means the quotation of Securities on the official list of ASX.

Option means an option to acquire a Share.

Permitted Jurisdictions means New Zealand, the United Kingdom, Singapore, Germany, the United States, and such other jurisdictions as determined by the Company in their discretion.

Placement has the meaning given in Section 1.1(a).

Placement Offer Application Form means the application form in respect of the Placement Options Offer provided by the Company with a copy of this Prospectus.

Placement Options Offer means the offer of up to 54,878,265 Quoted Options to Placement Participants, on the basis of 1 free-attaching Quoted Option for every 2 Shares subscribed for under the Placement, pursuant to this Prospectus.

Placement Participant has the meaning given in Section 1.1.

Placement Shares means 109,756,478 Shares which have been issued to Placement Participants under the Placement.

Proposed Timetable means the proposed timetable on page 4 of this Prospectus.

Prospectus means this prospectus dated 26 June 2023.

Quoted Option means an Option offered under this Prospectus, on the terms and conditions in Section 5.2.

Section means a section of this Prospectus.

Securities means Shares and/or Options.

Share means a fully paid ordinary share in the capital of the Company.

Share Registry means Automic.

Shareholder means the holder of a Share.

SPP means the share purchase plan referred to in Section 1.1(b).

SPP Offer Booklet has the meaning given in Section 1.1.

SPP Options Application Form means the application form in respect of the SPP Options Offer, either attached to or accompanying this Prospectus.

SPP Options Offer means the offer of up to 4,181,006 Quoted Options to SPP Subscribers, on the basis of 1 free-attaching Quoted Option for every 2 Shares subscribed for under the SPP, pursuant to this Prospectus.

SPP Shares means 8,361,994 Shares issued to Eligible Shareholders under the SPP and up to 24,971,340 Shares that may be issued to professional, sophisticated and institutional investors under the SPP Shortfall.

SPP Shortfall has the meaning given in Section 1.2(a).

SPP Shortfall Application Form means an application form provided by the Company on which applications under the SPP Shortfall can be made.

SPP Shortfall Options Offer means the offer of up to 12,485,670 Quoted Options to SPP Subscribers, on the basis of 1 free-attaching Quoted Option for every 2 Shares subscribed for under the SPP Shortfall, pursuant to this Prospectus.

SPP Subscribers means Eligible Shareholders who subscribe for SPP Shares under the SPP and professional, sophisticated and institutional investors who subscribe for Shares under the SPP Shortfall, as the context requires.

USD means United States Dollars.