

16 April 2024

Raj Logarajah
Senior Adviser, Listings Compliance
ASX Limited
Level 40 Central Park
152 - 158 St George's Terrace
PERTH WA 6000

Sent by email: ListingsCompliancePerth@asx.com.au.

Dear Mr Logarajah

Response to ASX Aware Query

Calidus Resources Limited (the **Company** or **CAI**) refers to ASX's letter of 11 April 2024 and responds as follows.

Capitalised terms used in this response have the meaning given in your letter, unless expressly defined otherwise

1. Does CAI consider the Information to be information that a reasonable person would expect to have a material effect on the price or value of its securities?

No.

Due to an internal administrative error during the drafting process which omitted to identify that the announcement was not market sensitive, the announcement was incorrectly marked as market sensitive when lodging the Announcement on ASX Online. CAI has reviewed its internal procedures to ensure that this administrative error does not reoccur.

2. When did CAI become aware of the Information?

CAI became aware of the Information after the Cleansing Notice was issued.

The relevant Information is relevantly comprised of:

- details as to CAI's production, including but not limited to CAI's production at Warrawoona and Klondyke and March quarter sales (together, **Production and Sales Information**); and
- the agreement reached with Macquarie to restructure hedge and debt arrangements (**Restructuring Information**).

In relation to the Production and Sales Information:

- The end of month metallurgical balance report for the Warrawoona Gold Mine was generated and distributed to the relevant Company representatives by email at 3:03pm WST on 2 April 2024. The end of month survey report for the Warrawoona Gold Mine was generated and provided to the Company's Managing Director (amongst others) by email at 11:01am WST on 3 April 2024.

- The gold sales information was received via a refinery end of month statement on 2 April 10.54am WST.
- CAI compiled the above reports and prepared the Production and Sales Information for the Announcement, which was finalised and approved for release by the Board post end of trading on 3 April 2024.

In relation to the Restructuring Information, the agreement had been reached prior to the issue of the Cleansing Notice and announced on 22 March 2024. The Restructuring Information was simply repeated in the Announcement as a matter of completeness.

3. Please explain the basis for CAI's statement in the Cleansing Notice that there was no 'excluded information' as defined by sections 708A(7) and (8) of the Act.

The Restructuring Information had previously been disclosed by CAI in its announcements of 22 March 2024 and therefore did not constitute 'excluded information'.

The Production and Sales Information was provided as a quarterly update, as is common for gold producing entities such as CAI to issue. Notwithstanding this, as outlined above, Calidus was not in possession of the Production and Sales Information at the time of release of the Cleansing Notice.

4. Does CAI consider the Cleansing Notice to have been validly issued? If so, please explain the basis for that view.

Yes. CAI was not in possession of any 'excluded information' as defined by sections 708A(7) and (8) of the Act when it issued the Cleansing Notice.

5. If the answer to question 1 is "no", please:

5.1 Explain the basis for that view, in light of the significant increase in the price of CAI's securities after the release of the Announcement.

The Announcement was released on 4 April 2024. Since this time, there has been a sustained increase in the gold price. CAI considers that this is a likely cause of the significant increase in the price of its securities.

The Managing Director of CAI also presented at the Resources Rising Stars Gather Round 2024 held in Adelaide on 4 April 2024, which may have caused increased interest in the Company's shares at this time.

The Company notes that the share price had fallen from 16.5c to 12c on announcement of the capital raise on the 22 March 2024 which highlights the fluctuation (both positive and negative) in the Company's share price.

5.2 Explain the basis under the Listing Rules or the Act necessitating the lodgement of the Announcement on MAP, and how this was compliant with ASX's guidance on 'ramping'.

CAI lodged the Announcement as a periodic report on its quarterly production. The Company lodged a similar reports over the previous ~ 12 months regarding its quarterly production on:

- 11 April 2023 in relation to its March 2023 quarterly production;
- 6 July 2023 in relation to its June 2023 quarterly production;
- 9 October 2023 in relation to its September 2023 quarterly production;

- 10 January 2024 (as amended on 11 January 2024) in respect of its December 2023 quarterly production.

The market updates noted above are in addition to keeping the market informed in the Company's Quarterly Activities Reports, and are commonly issued by gold producing entities such as CAI.

6. **Please confirm that CAI is complying with the Listing Rules and, in particular, Listing Rule 3.1.**

Confirmed.

6. **Please confirm that CAI's responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of CAI with delegated authority from the board to respond to ASX on disclosure matters.**

Confirmed.

Yours sincerely

A handwritten signature in black ink, appearing to read 'D. Reeves', written in a cursive style.

David Reeves

Managing Director



11 April 2024

Reference: ODIN92302

Ms Julia Beckett
Company Secretary
Calidus Resources Limited
Suite 12, 11 Ventnor Avenue
Perth WA 6005

By email: j.beckett@calidus.com.au

Dear Ms Beckett

Calidus Resources Limited ('CAI'): Aware Query

ASX refers to the following:

- A. CAI's announcement entitled "Cleansing Statement" lodged on the ASX Market Announcements Platform ('MAP') and released at 9:37 AM AEDT on 2 April 2024 ('**Cleansing Notice**') disclosing that CAI has issued and allotted a total of 142,608,696 fully paid ordinary shares in the capital of the Company and that, at the time of the Cleansing Notice, there was no excluded information within the meaning of sections 708A(7) and 708A(8) of the *Corporations Act 2001* (Cth) ('**Act**') which was required to be disclosed under section 708A(6)(e) of the Act.
- B. CAI's announcement entitled "Production continues upward trend at Warrawoona" lodged on the MAP and released on 4 April 2024 (the '**Announcement**'), disclosing details as to CAI's production, including but not limited to CAI's production at Warrawoona and Klondyke, March Quarter Sales and the Agreement reached with Macquarie to restructure hedge and debt arrangements ('**Information**').
- C. The increase in the price of CAI's securities on 4 April 2024, which closed at \$0.145, up \$0.025 or 20.8% from the previous close of \$0.12.
- D. Listing Rule 3.1, which requires a listed entity to immediately give ASX any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities.
- E. The definition of "aware" in Chapter 19 of the Listing Rules, which states that:

"an entity becomes aware of information if, and as soon as, an officer of the entity (or, in the case of a trust, an officer of the responsible entity) has, or ought reasonably to have, come into possession of the information in the course of the performance of their duties as an officer of that entity" and section 4.4 in Guidance Note 8 Continuous Disclosure: Listing Rules 3.1 – 3.1B "When does an entity become aware of information."
- F. Listing Rule 3.1A, which sets out exceptions from the requirement to make immediate disclosure, provided that each of the following are satisfied.

"3.1A Listing rule 3.1 does not apply to particular information while each of the following is satisfied in relation to the information:

3.1A.1 One or more of the following 5 situations applies:

 - *It would be a breach of a law to disclose the information;*
 - *The information concerns an incomplete proposal or negotiation;*

- *The information comprises matters of supposition or is insufficiently definite to warrant disclosure;*
- *The information is generated for the internal management purposes of the entity; or*
- *The information is a trade secret; and*

3.1A.2 *The information is confidential and ASX has not formed the view that the information has ceased to be confidential; and*

3.1A.3 *A reasonable person would not expect the information to be disclosed.”*

G. Section 7.10 of Guidance Note 8, which states that:

ASX is alive to listed entities making market announcements with a view to “ramping up” the price of their securities. Ramping announcements come in many forms, including:

- *the release of a “business update” or something similar, which will typically be worded in an exuberant fashion but which on closer examination contains little in the way of substance that has not already been disclosed to the market.”*

Request for information

Having regard to the above, ASX asks CAI to respond separately to each of the following questions and requests for information:

1. Does CAI consider the Information to be information that a reasonable person would expect to have a material effect on the price or value of its securities?
2. When did CAI become aware of the Information?
3. Please explain the basis for CAI’s statement in the Cleansing Notice that there was no ‘excluded information’ as defined by sections 708A(7) and (8) of the Act.
4. Does CAI consider the Cleansing Notice to have been validly issued? If so, please explain the basis for that view.
5. If the answer to question 1 is “no”, please:
 - 5.1 Explain the basis for that view, in light of the significant increase in the price of CAI’s securities after the release of the Announcement.
 - 5.2 Explain the basis under the Listing Rules or the Act necessitating the lodgement of the Announcement on MAP, and how this was compliant with ASX’s guidance on ‘ramping’.
6. Please confirm that CAI is complying with the Listing Rules and, in particular, Listing Rule 3.1.
7. Please confirm that CAI’s responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of CAI with delegated authority from the board to respond to ASX on disclosure matters.

When and where to send your response

This request is made under Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by no later than **3:00 PM AWST Tuesday, 16 April 2024**. You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, CAI’s obligation is to disclose the information ‘immediately’. This may require the information to be disclosed before the deadline set out in the previous paragraph and may require CAI to request a trading halt immediately.

Your response should be sent to me by e-mail at **ListingsCompliancePerth@asx.com.au**. It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

Trading halt

If you are unable to respond to this letter by the time specified above, you should discuss with us whether it is appropriate to request a trading halt in CAI's securities under Listing Rule 17.1. If you wish a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.

We require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted. You can find further information about trading halts in Guidance Note 16 *Trading Halts & Voluntary Suspensions*.

Suspension

If you are unable to respond to this letter by the time specified above, ASX will likely suspend trading in CAI's securities under Listing Rule 17.3.

Listing Rules 3.1 and 3.1A

In responding to this letter, you should have regard to CAI's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure*: Listing Rules 3.1 – 3.1B. It should be noted that CAI's obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

Release of correspondence between ASX and entity

ASX reserves the right to release all or any part of this letter, your reply and any other related correspondence between us to the market under Listing Rule 18.7A.

Kind regards

ASX Compliance