

ASX ANNOUNCEMENT

ABOUT CALIDUS RESOURCES

Calidus Resources is an ASX listed gold producer that is ramping up the 1.7Moz Warrawoona Gold Project in the East Pilbara district of Western Australia.

DIRECTORS AND MANAGEMENT

Mr Mark Connelly
NON-EXECUTIVE CHAIRMAN

Mr David Reeves
MANAGING DIRECTOR

Mr John Ciganek
NON-EXECUTIVE DIRECTOR

Ms Kate George
NON-EXECUTIVE DIRECTOR

Mr Paul Brennan
PROJECT DEVELOPMENT

Mr Richard Hill
CHIEF FINANCIAL OFFICER

Ms Julia Beckett
COMPANY SECRETARY

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12 August 2022

Calidus Secures \$20M to Fund Growth Projects

Proceeds will enable the acceleration of lithium and gold exploration drilling; Warrawoona ramp-up on track with nameplate capacity set to be reached this quarter

HIGHLIGHTS

- Calidus has received firm commitments for \$20M following an institutional placement
- Placement at \$0.67, representing a 12.4% discount to the last close on 9 August 2022 and a 6.7% discount to the Company's 10-day VWAP
- Strong demand from existing and new shareholders, domestically and offshore
- Alkane Resources Limited (ASX:ALK), the Company's largest shareholder, has subscribed for \$3.0M providing a strong endorsement of Calidus' strategy
- The proceeds will be used to fund growth projects including:
 - Lithium exploration at the Pirra Lithium Joint Venture and demerger costs
 - Expanding regional drill program on gold targets within Calidus' highly prospective tenure in the Pilbara
 - Early works for Blue Spec Mine and expansion
 - Expansion of Warrawoona Mill
- Operational ramp-up at Warrawoona continues with nameplate production expected during this quarter

Calidus Resources Limited (ASX:CAI) is pleased to announce the Company has received firm commitments to raise \$20 million (before costs) via a share placement ("Placement") to professional and sophisticated investors through the issue of 29,850,747 shares ("Placement Shares") at a price of \$0.67 per share.

The Placement received strong demand from existing institutional and sophisticated shareholders. Calidus is pleased to welcome a number of new institutional shareholders onto the register as well. Alkane Resources Limited (ASX:ALK), the Company's largest shareholder, has subscribed for \$3.0 million in support of Calidus' strategy.

Managing Director Dave Reeves said:

"I would like to thank existing shareholders for their continued support and welcome some new, high-quality institutions to our register. Operations at Warrawoona continue to ramp up well with nameplate production due during this quarter."

But with the initial cashflow committed to reducing debt, this additional capital will allow us to immediately accelerate our strategy to unlock our growth projects, which have potential to generate significant returns for shareholders.

“These growth projects include plans for drilling at lithium and gold prospects, commencing early works at Blue Spec and expanding the throughput of the Warrawoona Mill to treat fresh material at 20% above nameplate capacity.”

Use of Proceeds

Proceeds of the Placement are intended to be used for the following:

- Fund an expanded lithium exploration campaign on the Pirra Lithium Joint Venture
- Costs associated with the proposed demerger of the Pirra Lithium Joint Venture (see ASX announcement dated 6 June 2022). Subject to tax relief, market conditions and regulatory approval, a prospectus for the announced demerger is intended to be lodged in Q4-CY22, with a 100% distribution to shareholders envisaged at a record date to be advised
- Gold exploration that will include:
 - Geophysical survey at Blue Spec West
 - Drilling programmes at Blue Spec East, Blue Spec West, Marble Bar, Fieldings Gully and Klondyke Boulder
 - Pursue potential earn-in's on nearby known deposits held by third parties
- Blue Spec early works including the finalisation of permitting, securing available accommodation units and installation of water and communications
- Warrawoona plant expansion works, aiming to increase current throughput by up to 20% to 100,000ozpa

Placement Details

Calidus shares are expected to resume trading on the ASX from market open on 12 August 2022. The Placement Shares are expected to settle on or around Thursday, 18 August 2022 and to be issued and commence trading on the ASX on a normal basis on or around Friday, 19 August 2022.

Calidus will issue 29,850,747 Placement Shares under its Listing Rule 7.1 placement capacity.

The Placement price of \$0.67 represents a 12.4% discount to the last close on 9 August 2022, 10.7% discount to the Company's 5-day VWAP and 6.7% discount to the 10-day VWAP.

Euroz Hartleys Limited and Blue Ocean Equities Pty Ltd acted as Joint Lead Manager to the Placement.

This announcement has been authorised for release by the Board.

For further information please contact:

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