

ASX ANNOUNCEMENT

14 January 2021

ABOUT CALIDUS RESOURCES

Calidus Resources is an ASX listed gold company that is developing the 1.5Moz Warrawoona Gold Project in the East Pilbara district of Western Australia.

DIRECTORS AND MANAGEMENT

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NON-EXECUTIVE CHAIRMAN

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Warrawoona Gold Project, Pilbara WA

Infill drilling results highlight strong production outlook

Wide intersections above Ore Reserve grade

HIGHLIGHTS

- **Strong infill drill results west of Klondyke Measured Resource at Warrawoona**
- **Assays returned numerous significant intercepts above the open pit Reserve grade of 1g/t gold**
- **Drilling not only continues to confirm consistency and continuity within the Klondyke Resource, but has added width to the primary ore zone in some areas**
- **Shallow intercept of 2m @ 7.2g/t Au intersected in Highway Shear; Follow up drilling planned**

Calidus Resources (ASX: CAI) is pleased to report robust assay results from infill drilling at the Klondyke deposit within its Warrawoona Gold Project in Western Australia.

Calidus Managing Director Dave Reeves said: *“Drilling continues to intersect wide high-grade zones within the planned open pit. These results from the shallow lodes are well above the current Reserve grade of 1g/t and demonstrate excellent continuity of mineralisation.*

“With the recent completion of project funding, we will commence main project construction this quarter. I look forward to updating shareholders on progress as we progress to first gold at Warrawoona”.

Results from the infill drilling include:

- 2 m @ 44.55 g/t Au from 11m (20KLRC553) incl. 1m @ 88.65g/t from 10m
- 21m @ 2.29 g/t Au from 2m (20KLRC556) incl. 2m @ 9.37 g/t Au from 2m
- 19m @ 2.31 g/t Au from 5m (20KLRC559)
- 32m @ 1.31 g/t Au from 15m (20KLRC567)
- 17m @ 2.15 g/t Au from 36m (20KLRC562) incl. 1m @ 23.9 g/t Au from 39m
- 18m @ 1.78 g/t Au from 36m (20KLRC550) Mineralisation to EOH
- 26m @ 1.09 g/t Au from 34m (20KLRC551)
- 6 m @ 3.93g/t Au from 28m (20KLRC561) incl. 1m @ 16.4 g/t Au from 29m
- 9 m @ 2.44g/t Au from 42m (20KLRC566) Mineralisation to EOH
- 8 m @ 2.31g/t Au from 46m (20KLRC549) Mineralisation to EOH
- 21m @ 1.23 g/t Au from 21m (20KLRC564)

About Klondyke

The Klondyke deposit lies within mining leases M45/669, M45/547 and M45/670 approximately 25km southeast of Marble Bar. It forms part of the Warrawoona Gold Project and was initially discovered during the Pilbara gold rushes of the late 19th century when limited small-scale mining was undertaken. The Klondyke deposit currently contains a Resource of 42.3Mt @ 1.02g/t for 1.4Moz (Measured, Indicated and Inferred) and Ore Reserves (Open Pit and Underground) of 14Mt @ 1.2g/t for 521koz.

In October and November 2020 twenty-seven (27) shallow RC holes for 1,595m (Figure 1) were drilled. The drilling continues the Company's approach to a de-risking strategy through improving the drilling density and geological understanding in areas of the pit that will be mined in the early years of the updated mining schedule. As part of this de-risking, the drilling tests the veracity of the current Mineral Resource estimate covering the westernmost end of the Klondyke open pit (Klondyke King).

All assays from these holes have now been received and the significant intercepts from this drilling are presented in Table One below.

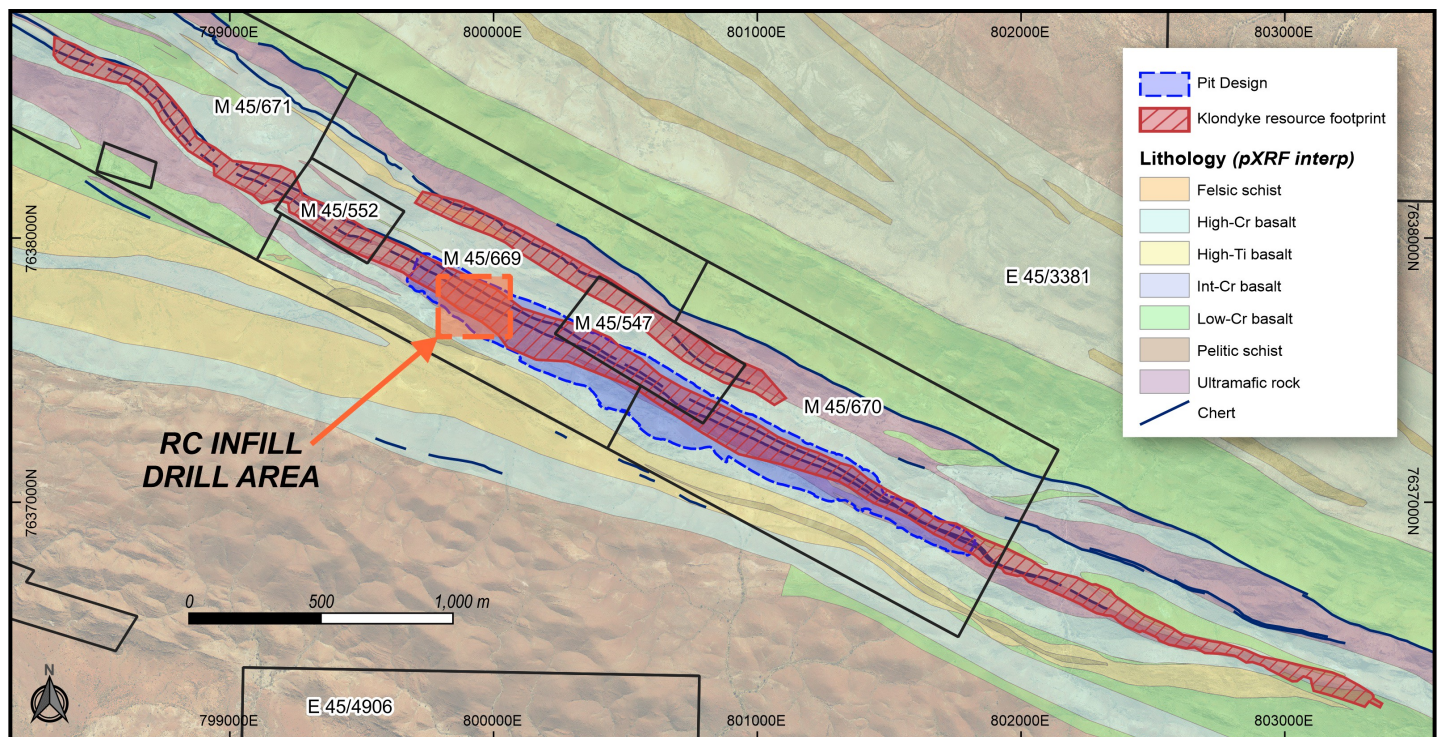


Figure One: Tenements at the Klondyke Resource with the pXRF derived geology and pit outline.

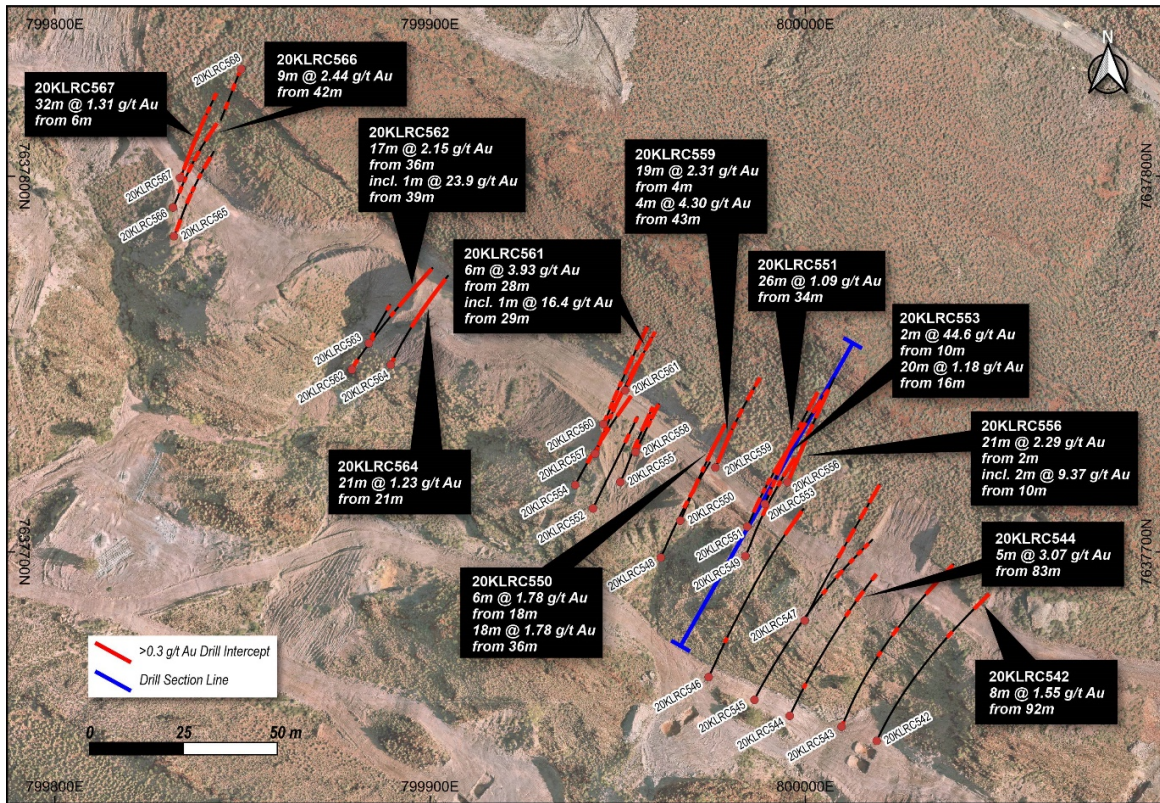


Figure Two: Map of the Klondyke prospect showing significant intercepts from the recent drilling program

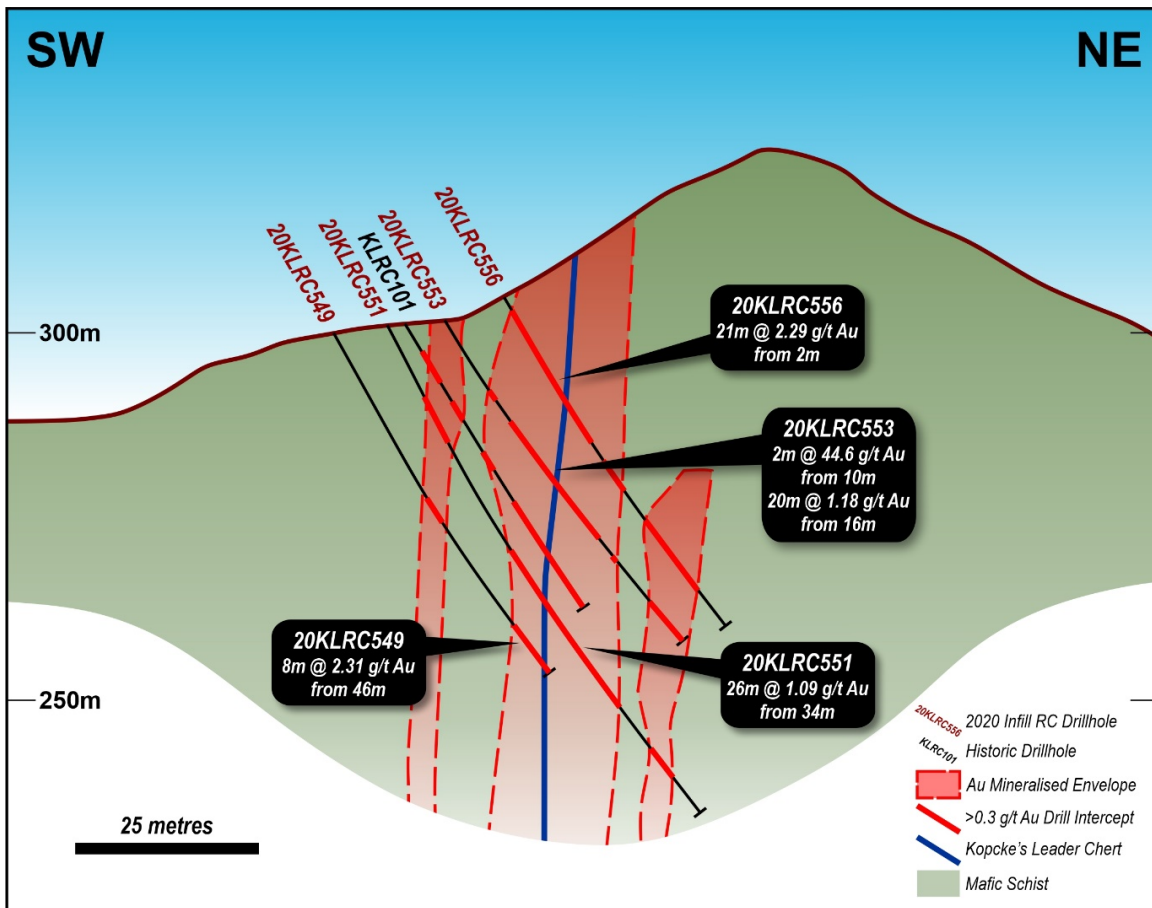


Figure Three: Stylised cross-section through the Klondyke Resource envelopes showing recent drilling and mineralisation

Highway Shear Drilling

Drilling was undertaken on the Highway Shear immediately adjacent to the planned Klondyke Pit to follow-up on low-grade rock chip samples and historic workings (Figure 4). Results for this drilling are presented in Tables Two and Four. Mineralised intercepts occurred in two holes beneath the workings including 2m @ 7.2 g/t Au from 16m in hole 20HWRC008. Additional drilling at the Highway Shear will be planned to assess continuity of the best intercept from this limited program. The proposed decline at Warrawoona is currently designed to cross-cut the Highway Shear near this intercept.

Fuchsite Valley Drilling

Drilling at the Fuchsite Valley prospect, planned to follow up on an anomalous 3m @ 3.48g/t Au composite sample in water bore 20WWWB023 on the eastern extension of the Klondyke Shear, did not replicate the grade in the original composite. The details for these holes are also presented in Tables Two and Four. The results do support the extension of mineralisation along the Klondyke Shear but no additional drilling is planned at this time for Fuchsite Valley.

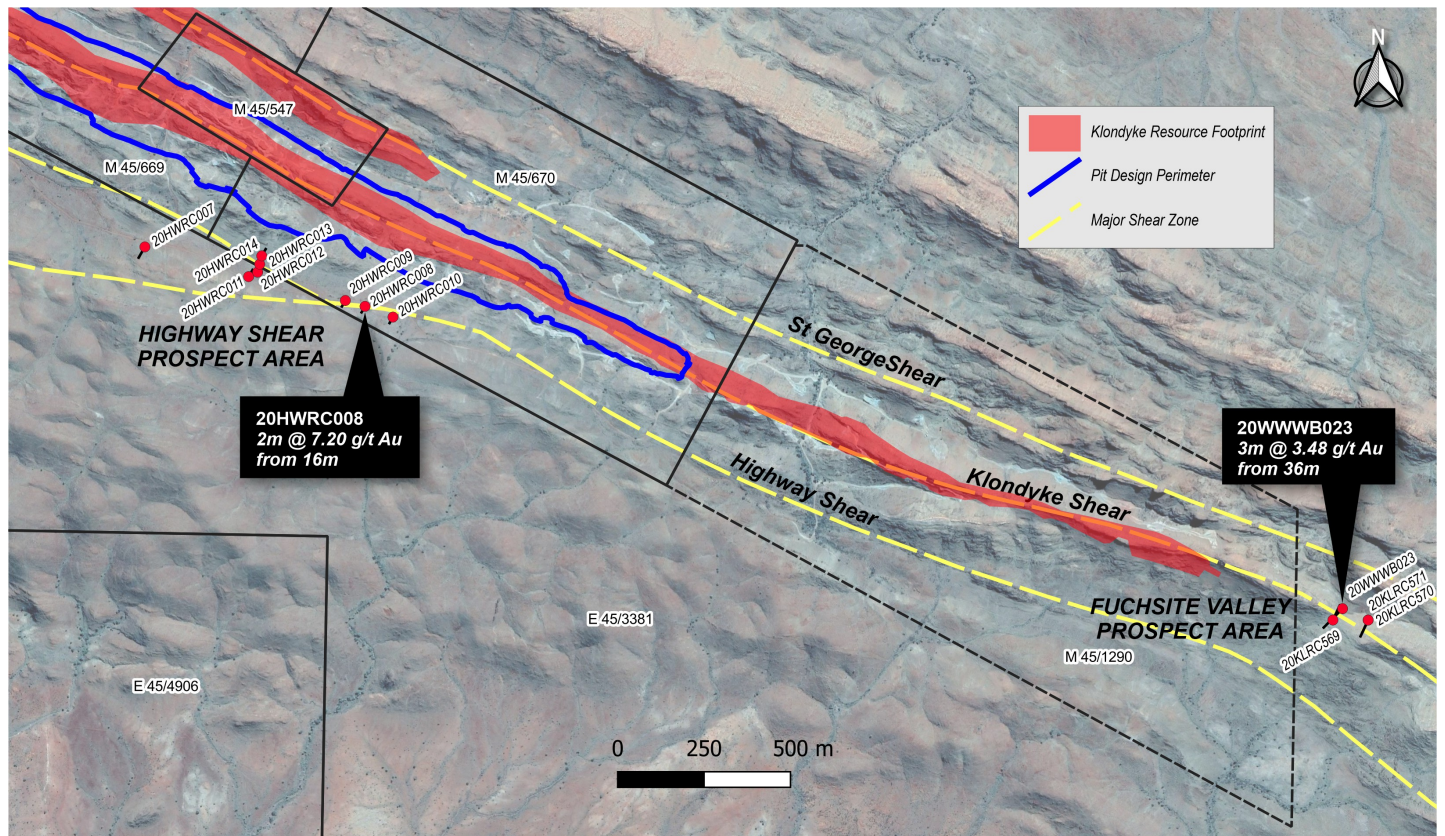


Figure Four: Map showing locations of the Highway Shear (left) and Fuchsite Valley (right) drilling

COMPETENT PERSON STATEMENT

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

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

For further information please contact:

Dave Reeves

Managing Director

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Refer announcements:

ASX – 25 November 2019 – Robust infill drilling results to underpin open-pit resource

ASX – 4 November 2019 – Drilling hits more shallow, high-grade gold at Klondyke

ASX – 22 October 2019 – More wide, shallow intercepts confirm robustness of open pit

Table One: Details of drill holes from the October – November 2020 drilling at the Klondyke deposit

Hole ID	Depth (m)	Easting	Northing	RL	Dip	Azimuth
20KLRC542	100	800025	7637649	288	-60	26
20KLRC543	100	800014	7637656	286	-60	26
20KLRC544	100	800002	7637660	286	-60	26
20KLRC545	100	799991	7637665	289	-60	26
20KLRC546	100	799979	7637670	289	-60	26
20KLRC547	100	799998	7637680	299	-60	26
20KLRC548	54	799965	7637697	294	-60	26
20KLRC549	54	799980	7637699	300	-60	26
20KLRC550	54	799970	7637707	297	-60	26
20KLRC551	78	799984	7637707	301	-60	26
20KLRC552	54	799943	7637709	296	-60	26
20KLRC553	54	799989	7637716	302	-60	26
20KLRC554	54	799934	7637718	295	-60	26
20KLRC555	44	799948	7637719	297	-60	26
20KLRC556	54	799992	7637723	307	-60	26
20KLRC557	54	799939	7637728	297	-60	26
20KLRC558	30	799953	7637728	299	-60	26
20KLRC559	54	799982	7637731	306	-60	26
20KLRC560	54	799943	7637736	300	-60	26
20KLRC561	38	799948	7637745	301	-60	26
20KLRC562	30	799880	7637750	285	-60	26
20KLRC563	22	799896	7637755	292	-60	26
20KLRC564	30	799884	7637758	287	-60	26
20KLRC565	51	799827	7637784	292	-60	26
20KLRC566	51	799832	7637793	293	-60	26
20KLRC567	51	799836	7637802	293	-60	26
20KLRC568	30	799848	7637825	309	-60	206

Table Two: Details of drill holes from the October – November 2020 drilling at the Highway Shear and Fuchsite Valley prospects

Hole ID	Depth (m)	Easting	Northing	RL	Dip	Azimuth
20HWRC008	40	800889	7637008	285	-60	210
20HWRC010	40	800970	7636977	285	-60	210
20KLRC569	72	803692	7636101	306	-50	25
20KLRC571	80	803794	7636101	312	-60	205
20HWRC008	40	800889	7637008	285	-60	210
20WWWB023	150	803720	7636134	317	-59.9	225.7

Table Three: All intercepts from the October - November 2020 drilling at the Klondyke deposit (0.3g/t cut off)

Hole_ID	From	To	Width	Grade	Intercept
20KLRC553	10	12	2	44.55	2m @ 44.55 g/t
20KLRC556	2	23	21	2.29	21m @ 2.29 g/t
20KLRC559	4	23	19	2.31	19m @ 2.31 g/t
20KLRC567	6	38	32	1.31	32m @ 1.31 g/t
20KLRC562	36	53	17	2.15	17m @ 2.15 g/t
20KLRC550	36	54	18	1.78	18m @ 1.78 g/t
20KLRC551	34	60	26	1.09	26m @ 1.09 g/t
20KLRC564	21	42	21	1.23	21m @ 1.23 g/t
20KLRC553	16	36	20	1.18	20m @ 1.18 g/t
20KLRC561	28	34	6	3.93	6m @ 3.93 g/t
20KLRC566	42	51	9	2.44	9m @ 2.44 g/t
20KLRC549	46	54	8	2.31	8m @ 2.31 g/t
20KLRC559	43	47	4	4.3	4m @ 4.30 g/t
20KLRC544	83	88	5	3.07	5m @ 3.07 g/t
20KLRC548	30	32	2	6.28	2m @ 6.28 g/t
20KLRC542	92	100	8	1.55	8m @ 1.55 g/t
20KLRC554	44	54	10	1.19	10m @ 1.19 g/t
20KLRC550	18	24	6	1.78	6m @ 1.78 g/t
20KLRC557	45	51	6	1.68	6m @ 1.68 g/t
20KLRC560	43	53	10	1	10m @ 1.00 g/t
20KLRC551	10	17	7	1.33	7m @ 1.33 g/t
20KLRC557	26	37	11	0.79	11m @ 0.79 g/t
20KLRC556	36	48	12	0.64	12m @ 0.64 g/t
20KLRC546	87	98	11	0.66	11m @ 0.66 g/t
20KLRC543	84	99	15	0.46	15m @ 0.46 g/t
20KLRC547	74	83	9	0.74	9m @ 0.74 g/t
20KLRC555	32	40	8	0.8	8m @ 0.80 g/t
20KLRC560	30	38	8	0.71	8m @ 0.71 g/t
20KLRC561	4	14	10	0.55	10m @ 0.55 g/t
20KLRC561	17	24	7	0.75	7m @ 0.75 g/t
20KLRC560	15	19	4	1.24	4m @ 1.24 g/t

20KLRC548	36	39	3	1.65	3m @ 1.65 g/t
20KLRC559	33	36	3	1.62	3m @ 1.62 g/t
20KLRC565	42	47	5	0.87	5m @ 0.87 g/t
20KLRC543	0	2	2	2.06	2m @ 2.06 g/t
20KLRC553	47	54	7	0.53	7m @ 0.53 g/t
20KLRC560	10	12	2	1.79	2m @ 1.79 g/t
20KLRC551	67	72	5	0.71	5m @ 0.71 g/t
20KLRC556	26	31	5	0.69	5m @ 0.69 g/t
20KLRC558	17	19	2	1.61	2m @ 1.61 g/t
20KLRC545	78	81	3	1.04	3m @ 1.04 g/t
20KLRC558	22	29	7	0.44	7m @ 0.44 g/t
20KLRC565	4	9	5	0.59	5m @ 0.59 g/t
20KLRC563	20	21	1	2.91	1m @ 2.91 g/t
20KLRC557	6	12	6	0.48	6m @ 0.48 g/t
20KLRC545	87	88	1	2.83	1m @ 2.83 g/t
20KLRC552	40	43	3	0.93	3m @ 0.93 g/t
20KLRC565	21	25	4	0.69	4m @ 0.69 g/t
20KLRC554	15	18	3	0.91	3m @ 0.91 g/t
20KLRC547	64	69	5	0.53	5m @ 0.53 g/t
20KLRC555	21	25	4	0.66	4m @ 0.66 g/t
20KLRC554	30	35	5	0.49	5m @ 0.49 g/t
20KLRC549	25	29	4	0.6	4m @ 0.60 g/t
20KLRC544	98	100	2	1.13	2m @ 1.13 g/t
20KLRC547	50	56	6	0.37	6m @ 0.37 g/t
20KLRC566	30	34	4	0.55	4m @ 0.55 g/t
20KLRC543	59	62	3	0.57	3m @ 0.57 g/t
20KLRC559	26	28	2	0.85	2m @ 0.85 g/t
20KLRC547	40	45	5	0.31	5m @ 0.31 g/t
20KLRC551	27	29	2	0.75	2m @ 0.75 g/t
20KLRC562	31	32	1	1.5	1m @ 1.50 g/t
20KLRC557	1	3	2	0.74	2m @ 0.74 g/t
20KLRC559	51	54	3	0.42	3m @ 0.42 g/t
20KLRC542	73	75	2	0.62	2m @ 0.62 g/t
20KLRC560	1	4	3	0.41	3m @ 0.41 g/t
20KLRC562	1	5	4	0.3	4m @ 0.30 g/t
20KLRC567	41	43	2	0.6	2m @ 0.60 g/t
20KLRC566	23	26	3	0.34	3m @ 0.34 g/t
20KLRC545	68	69	1	0.93	1m @ 0.93 g/t
20KLRC567	0	2	2	0.44	2m @ 0.44 g/t
20KLRC568	10	12	2	0.43	2m @ 0.43 g/t
20KLRC558	1	4	3	0.28	3m @ 0.28 g/t
20KLRC561	37	38	1	0.81	1m @ 0.81 g/t
20KLRC544	72	74	2	0.37	2m @ 0.37 g/t
20KLRC567	49	51	2	0.37	2m @ 0.37 g/t
20KLRC566	10	12	2	0.36	2m @ 0.36 g/t
20KLRC568	21	23	2	0.34	2m @ 0.34 g/t

20KLRC545	92	93	1	0.67	1m @ 0.67 g/t
20KLRC546	22	23	1	0.64	1m @ 0.64 g/t
20KLRC551	76	77	1	0.64	1m @ 0.64 g/t
20KLRC549	41	42	1	0.63	1m @ 0.63 g/t
20KLRC555	43	44	1	0.61	1m @ 0.61 g/t
20KLRC562	17	18	1	0.56	1m @ 0.56 g/t
20KLRC553	39	40	1	0.52	1m @ 0.52 g/t
20KLRC548	0	1	1	0.5	1m @ 0.50 g/t
20KLRC563	4	5	1	0.5	1m @ 0.50 g/t
20KLRC565	28	29	1	0.48	1m @ 0.48 g/t
20KLRC552	52	53	1	0.47	1m @ 0.47 g/t
20KLRC566	0	1	1	0.46	1m @ 0.46 g/t
20KLRC566	17	18	1	0.46	1m @ 0.46 g/t
20KLRC568	2	3	1	0.46	1m @ 0.46 g/t
20KLRC550	30	31	1	0.43	1m @ 0.43 g/t
20KLRC551	22	23	1	0.41	1m @ 0.41 g/t
20KLRC553	6	7	1	0.35	1m @ 0.35 g/t
20KLRC560	23	24	1	0.35	1m @ 0.35 g/t
20KLRC565	36	37	1	0.35	1m @ 0.35 g/t
20KLRC544	20	21	1	0.34	1m @ 0.34 g/t
20KLRC564	2	3	1	0.34	1m @ 0.34 g/t
20KLRC543	46	47	1	0.33	1m @ 0.33 g/t
20KLRC545	96	97	1	0.33	1m @ 0.33 g/t
20KLRC557	22	23	1	0.31	1m @ 0.31 g/t
20KLRC557	15	16	1	0.3	1m @ 0.30 g/t

Table Four: All intercepts from the October - November 2020 drilling at the Highway Shear and Fuchsite Valley prospects (0.3g/t cut off)

Hole_ID	From	To	Width	Grade	Intercept
20HWRC008	16	18	2	7.20	2m @ 7.2 g/t
20HWRC010	19	20	1	0.64	1m @ 0.64 g/t
20KLRC569	12	13	1	0.34	1m @ 0.34 g/t
20KLRC569	35	36	1	1.12	1m @ 1.12 g/t
20KLRC569	52	53	1	0.32	1m @ 0.32 g/t
20KLRC569	56	57	1	0.31	1m @ 0.31 g/t
20KLRC569	64	65	1	0.44	1m @ 0.44 g/t
20KLRC571	63	64	1	0.84	1m @ 0.84 g/t
20KLRC571	67	68	1	0.41	1m @ 0.41 g/t
20WWWB023	15	18	3	0.33	3m @ 0.33 g/t
20WWWB023	30	33	3	1.00	3m @ 1 g/t
20WWWB023	36	39	3	3.48	3m @ 3.48 g/t

JORC Code, 2012 Edition – Table 1 – Klondyke Deposit

Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	<i>Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</i>	All reverse circulation samples were collected using a Atlas Copco ROC L8-64 Reverse Circulation drill rig operated by Castle Drilling Australia. All RC drilling was undertaken with a 5 ½ inch hammer. RC holes were sampled for their entire length every 1m, with 1/8 of each interval sampled for assay, and the remaining 7/8 of each interval stored on site. Representative chips from the drilling were also collected in chip trays for reference. The chip trays were photographed.
	<i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i>	27 of the RC holes were drilled at -60° to 26°, the other was drilled at -60° towards 206° to be as close to perpendicular to the mineralised zones as possible. As the mineralised zone is subvertical, either azimuth is suitable. RC samples were collected at one-metre intervals by a cone splitter mounted to the drill rig cyclone. The cone is balanced vertically to ensure no bias.
	<i>Aspects of the determination of mineralisation that are Material to the Public Report.</i>	RC samples were split at the rig to achieve a target sample weight of 2-5kg. RC samples were dried, crushed, split and pulverised by Nagrom Laboratories in Perth prior to analysis for gold using fire assay on a 50g charge with AAS finish.
Drilling techniques	<i>Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</i>	RC samples were collected using a track-mounted Atlas Copco ROC L8-64 Reverse Circulation drill rig. Sufficient air was available to ensure that samples were kept dry.
Drill sample recovery	<i>Method of recording and assessing core and chip sample recoveries and results assessed.</i>	RC sample recovery was generally very good as logged by the supervising geologist. The holes were dry.
	<i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i>	RC holes were drilled to a maximum depth of 100m. Sufficient air was available to ensure that holes were kept dry and to maximise recoveries. Recoveries were monitored by a geologist. Sample equipment was regularly cleaned.
	<i>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i>	No correlation has been demonstrated between sample weights as measured by the laboratories and grade.
Logging	<i>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i>	The RC holes were drilled to establish the veracity of earlier wider-spaced percussion and reverse circulation drilling and to provide assays for gold only. For each metre the rock types, alteration mineralogy and intensity, and sulfide abundances were logged. The detail of logging is sufficient to support any future Mineral Resource

Criteria	JORC Code explanation	Commentary
		estimations.
	<i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i>	Logging of RC samples was predominately qualitative in nature, although vein and sulfide percentages were estimated visually. All chip trays were photographed after logging.
	<i>The total length and percentage of the relevant intersections logged.</i>	All recovered intervals were geologically logged.
Sub-sampling techniques and sample preparation	<i>If core, whether cut or sawn and whether quarter, half or all core taken.</i>	No core drilled.
	<i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i>	RC samples were collected each metre from the full recovered interval at the drill rig by a cone splitter. A split was collected each metre into a pre-labelled calico bag. No records of wet samples were noted.
	<i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i>	Samples submitted for fire assay to Nagrom Laboratory were oven dried at 105°C for 8 hours, fine crushed to a nominal top size of 2mm, (samples >3kg were riffle split), and pulverised to achieve a grind size of 95% passing 75 microns.
	<i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i>	Field QAQC procedures include the insertion of blanks, standards and collection of field duplicates. These were inserted at a rate of 1 in 20 for each to ensure an appropriate rate of QAQC.
	<i>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</i>	Field duplicates in a second calico bag were collected at a rate of 1 in very 20 samples.
	<i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i>	Each primary RC sample was between 2 and 5kg, which is considered suitable for this relatively low-nugget style of gold mineralisation.
Quality of assay data and laboratory tests	<i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i>	Fire assay is a total digest and is completed using the lead collection method using a 50g charge. The prepared sample is fused in a flux to digest. The melt is cooled to collect the precious metals in a lead button. The lead is removed by cupellation and the precious metal bead is digested in aqua regia. The digest solution is analysed by ICP.
	<i>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i>	No such tools were used in the preparation of this release.
	<i>Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.</i>	Three different certified reference materials (CRMs) of suitable grade from OREAS were inserted into the batch of RC samples from Klondyke submitted to monitor the accuracy of the results from Nagrom. Precision was monitored by several duplicate assays. The results of internal laboratory CRMs and blanks were also reported. Both accuracy and precision were satisfactory.

Criteria	JORC Code explanation	Commentary
Verification of sampling and assaying	<i>The verification of significant intersections by either independent or alternative company personnel.</i>	Significant intercepts have been reviewed in the available data by senior geological staff at Calidus.
	<i>The use of twinned holes.</i>	No twinned holes were drilled.
	<i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i>	Geological data is logged into Excel spreadsheets on a Toughbook computer at the drill rig for transfer into the drill hole database. DataShed is used as the database storage and management software and incorporates numerous data validation and integrity checks using a series of predefined relationships. All original planned data is retained in DataShed for validation purposes.
	<i>Discuss any adjustment to assay data.</i>	Adjustments made to the assay data were limited to the replacement of below detection results with a negative value.
Location of data points	<i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i>	Drill hole collar locations were captured by DGPS by Dean Smith Surveying. Readings have an estimated uncertainty of less than 0.02m for the Easting and Northing relative to the base station at Klondyke. Downhole surveys for dip and azimuth of the hole were taken every 20-30m by the drillers using a PROSHOT DUAL Electronic Multishot Surveying Instrument at the completion of each hole.
	<i>Specification of the grid system used.</i>	The grid system used is MGA94 Zone 50. All coordinates in this release refer to this grid system.
	<i>Quality and adequacy of topographic control.</i>	The height datum is AHD71. The expected accuracy of the RLs is less than 0.05m relative to the base stations.
Data spacing and distribution	<i>Data spacing for reporting of Exploration Results.</i>	See Table 1 for hole positions.
	<i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i>	The data spacing and distribution of holes is sufficient for Mineral Resource estimations.
	<i>Whether sample compositing has been applied.</i>	No sample compositing has been applied.
Orientation of data in relation to geological structure	<i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i>	The gold mineralisation identified to date consists of numerous mineralised veins striking approximately 115° and dipping steeply (80°-90°) to the south. The gold mineralisation is associated with the third deformation event and is localised within the zone of intense shearing and carbonate and sericite alteration. It is unlikely that sampling bias will occur as no significant contrast in rock hardness has been noted. That may introduce a sampling or recovery bias.
	<i>If the relationship between the drilling orientation and the orientation of key</i>	The RC holes were drilled nearly perpendicular to the orientation of the

Criteria	JORC Code explanation	Commentary
	<i>mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i>	mineralised zone and as such is not expected to introduce a sampling bias.
Sample security	<i>The measures taken to ensure sample security.</i>	All samples in calico bags were placed into green plastic bags which were then sealed in bulker bags at the rig. Samples were then picked up from Klondyke and transported to the laboratory in Perth using a reputable freight company.
Audits or reviews	<i>The results of any audits or reviews of sampling techniques and data.</i>	The program was reviewed by senior company personnel.

Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary																			
Mineral tenement and land tenure status	<i>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</i>	<p>The Klondyke deposit is situated in the East Pilbara District of the Pilbara Goldfield of Western Australia, approximately 25km SE of the town of Marble Bar. It forms part of the Warrawoona Gold Project</p> <p>The Project comprises mining licences M45/670, M45/547, and M45/669 which are held 100% by Keras (Pilbara) Gold Pty Ltd a wholly owned subsidiary of Calidus Resources Limited.</p>																			
	<i>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</i>	<p>The tenements are in good standing and no known impediments exist.</p> <table border="1"> <thead> <tr> <th>Tenement ID</th> <th>Holder</th> <th>Size (ha)</th> <th>Renewal</th> <th>Ownership/Interest</th> </tr> </thead> <tbody> <tr> <td>M45/670</td> <td>Keras (Pilbara) Gold Pty Ltd</td> <td>113.10</td> <td>29/12/2037</td> <td>100%</td> </tr> <tr> <td>M45/547</td> <td>Keras (Pilbara) Gold Pty Ltd</td> <td>17.72</td> <td>2/05/2035</td> <td>100%</td> </tr> <tr> <td>M45/669</td> <td>Keras (Pilbara) Gold Pty Ltd</td> <td>101.95</td> <td>28/12/2037</td> <td>100%</td> </tr> </tbody> </table>	Tenement ID	Holder	Size (ha)	Renewal	Ownership/Interest	M45/670	Keras (Pilbara) Gold Pty Ltd	113.10	29/12/2037	100%	M45/547	Keras (Pilbara) Gold Pty Ltd	17.72	2/05/2035	100%	M45/669	Keras (Pilbara) Gold Pty Ltd	101.95	28/12/2037
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Exploration done by other parties	<i>Acknowledgment and appraisal of exploration by other parties.</i>	<p>Modern exploration has been undertaken by several junior explorers in the mid-1980s and then from 1993 to the present day. During this period Aztec Mining, CRA, Lynas and Jupiter all conducted exploration in the Klondyke area. Exploration included drilling, geological mapping, bulk sampling, underground sampling, soil sampling, aeromagnetic surveys, aerial photography, resource modelling/calculations and petrology.</p>																			
Geology	<i>Deposit type, geological setting and style of mineralisation.</i>	<p>The Warrawoona Project area lies within the Warrawoona Group, one of the oldest greenstone belts within the Pilbara Craton. The Klondyke gold deposit (~1.15 Moz Au) is a deformed orogenic vein system localised at an interflow contact between komatiite and high-Mg basalt. Host rocks are determined by composition as indicated by PXRf analyses, and the scattered preservation of spinifex textures in komatiite and variolitic textures in high-Mg basalt. The contact is defined by an interflow metasedimentary horizon (Kopcke's Leader) with distinctive pale green siliceous, and locally black siliceous chemical sedimentary rocks. Kopcke's Leader has remarkable strike and depth continuity over the resource area and well past to the east and west providing a strong marker unit to guide exploration and resource drilling.</p> <p>Gold mineralisation is present in laminated quartz-carbonate-chlorite-fuchsite-galena-sphalerite-Au ± scheelite veins at the komatiite/meta-basalt contact with dense wall rock sheeted vein arrays. The mineralized veins strike at approximately 115° and dip about 80-90° to the south-southwest. Intense post-mineral deformation in the form of asymmetric, chocolate-tablet boudinage and oblate flattening has produced a modified ore distribution with the controls on high-grade gold determined by the shape and size of laminated quartz vein boudins. The bulk of the moderate-grade gold ore is hosted in high-Mg basalt to the south of Kopcke's Leader in sericite-altered basalt with deformed quartz-carbonate-sulphide sheeted veinlets.</p>																			

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Drill hole Information	<p><i>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:</i></p> <p><i>easting and northing of the drill hole collar</i></p> <p><i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i></p> <p><i>dip and azimuth of the hole</i></p> <p><i>down hole length and interception depth</i></p> <p><i>hole length.</i></p>	Refer to Table One.
Data aggregation methods	<p><i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</i></p>	No data aggregation methods have been applied to these exploration results.
	<p><i>Where aggregate intercepts incorporate short lengths of high-grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</i></p>	High-grade gold intercepts within broader, lower grade intercepts are reported as included intervals.
	<p><i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i></p>	No metal equivalents values are used for reporting of exploration results.
Relationship between mineralisation widths and intercept lengths	<p><i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i></p>	The mineralisation at Klondyke appears to be associated with shearing and alteration and sub-vertical overall. Therefore, the drill holes dips of 60° should intersect the mineralisation at a high angle. Reported downhole widths will, therefore, be slightly longer than the true widths.
Diagrams	<p><i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i></p>	Suitable summary plans have been included in the body of the report.
Balanced reporting	<p><i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be</i></p>	All intercepts using parameters described above are reported, together with locations of all drill holes reported in Table 2.

Criteria	JORC Code explanation	Commentary
	<i>practiced to avoid misleading reporting of Exploration Results.</i>	The report is considered balanced and provided in context.
Other substantive exploration data	<i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i>	All meaningful and material data are included in the body of the announcement.
Further work	<i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i>	Sufficient work has been completed to enable the conversion of Mineral Resources to Ore Reserves suitable for extraction via conventional open pit mining methods. Further work will involve the testing of down-plunge extensions to the current mineralisation.
	<i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i>	Diagrams are contained in this announcement.