

ASX ANNOUNCEMENT

12 July 2017

MAIDEN DRILLING PROGRAM DELIVERS HIGH-GRADE GOLD INTERCEPT OF 27m @ 5.85g/t AT WARRAWOONA

First six holes highlight development potential

Calidus Resources Limited (ASX:CAI) ('Calidus' or the 'Company') is pleased to announce that it has intercepted high-grade gold mineralisation across significant widths at its flagship Warrawoona Gold Project located in the Pilbara of Western Australia.

HIGHLIGHTS

- Significant gold intercepts grading greater than 10 gram metres include:
 - **27m@5.85g/t Au** from 91m in hole 17KLRC001 (incl 1m@39.14g/t Au)
 - **6m@4.75g/t Au** from 11m in hole 17KLRC002
 - **21m@1.28g/t Au** from 23m in hole 17KLRC002
 - **8m@3.58g/t Au** from 49m in hole 17KLRC002
 - **17m@1.03g/t Au** from 117m in hole 17KLRC003
 - **5m@3.12 g/t Au** from 155m in hole 17KLRC003
 - **7m@1.58g/t Au** from 53m in hole 17KLRC004
 - **9m@1.21g/t Au** from 113m in hole in hole 17KLRC006
- 6 RC drill holes received to date representing 826m
- Part of a larger 10,000m program

Calidus Managing Director Dave Reeves commented, "These initial drilling results reinforce our belief that Warrawoona has the potential to become one of Australia's next gold development projects. Initial drilling focused on the 'gap' zone, with an aim to link the two historical JORC resource areas. This program has been facilitated by our recent consolidation of the tenements that cover the main Klondyke Shear.

This is the first time in the history of the belt that modern day exploration techniques have been applied by one owner across the entire tenement package. These results cover over half the strike of this gap area and with multiple intersections in every hole drilled, we are confident that this will allow for the resource to be defined over 3km in strike at the completion of this program.

Importantly, the deposit remains open along strike and down dip and when combined with the known satellite deposits provides significant potential upside for the project."

ABOUT CALIDUS RESOURCES

Calidus Resources is an ASX listed gold exploration company which controls the 410,000 ounce Warrawoona Gold Project in the East Pilbara district of the Pilbara Goldfield in Western Australia.

DIRECTORS AND MANAGEMENT

Mr Keith Coughlan
NON-EXECUTIVE CHAIRMAN

Mr David Reeves
MANAGING DIRECTOR

Mr Adam Miethke
NON-EXECUTIVE DIRECTOR

Mr Peter Hepburn Brown
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CFO AND COMPANY SECRETARY

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Figure 1: Location of deposits that comprise the Warrawoona Gold Project

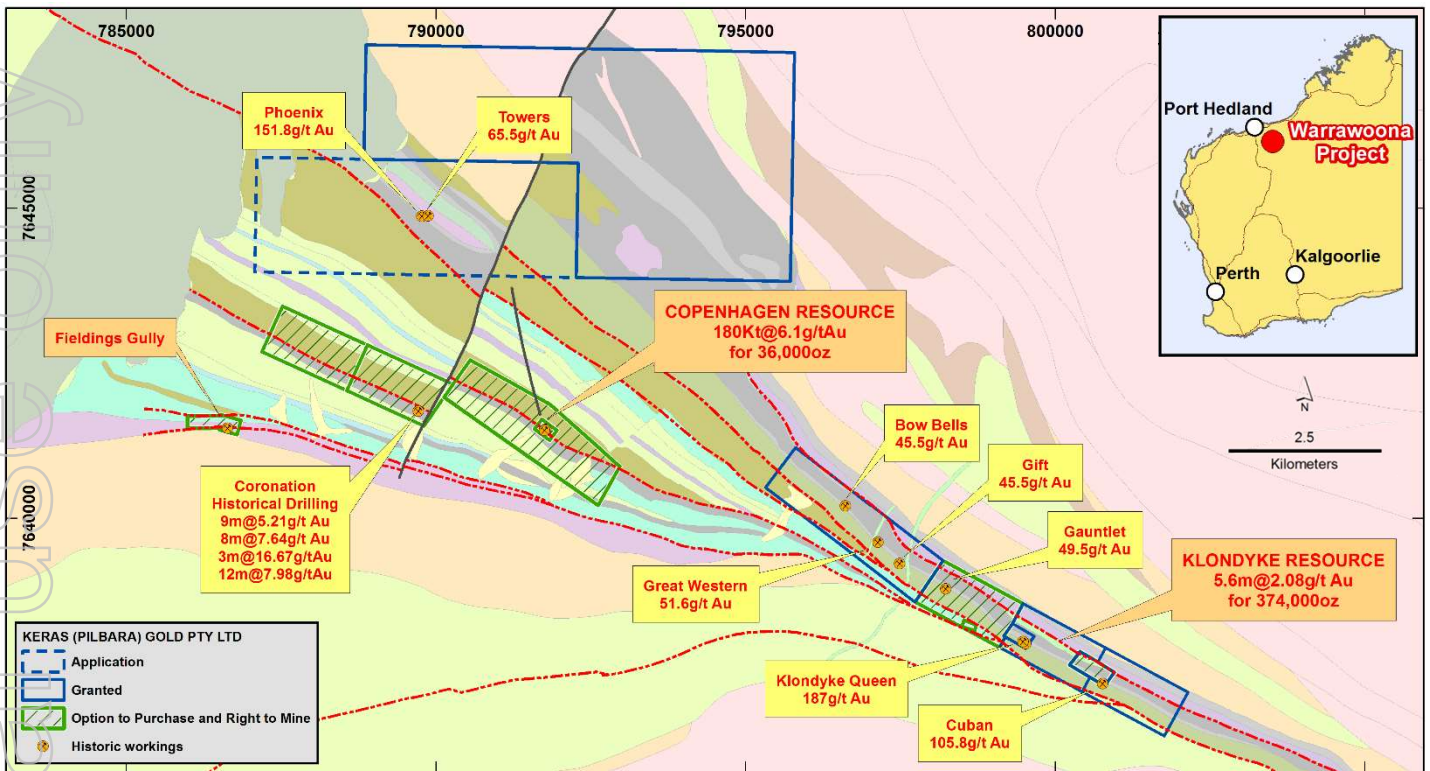
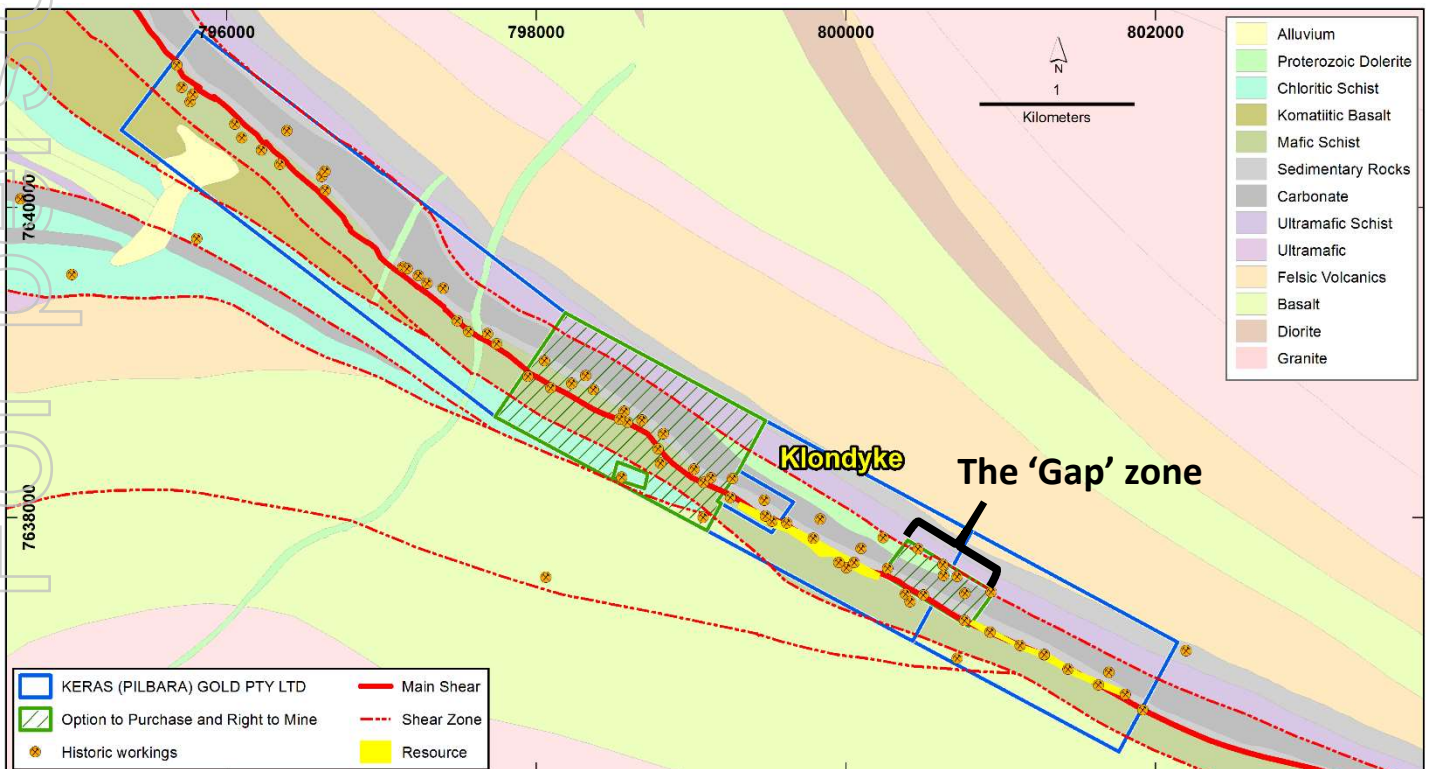


Figure 2: Klondyke Deposit



Current RC Drill Program

The current program aims to increase data density in the main shear 'Gap' zone, a 700m long zone that separates the western and eastern 2012 JORC compliant resources at Klondyke. Calidus aims to quickly calculate additional near surface resource ounces within the 'Gap' zone soon after the completion of this round of drilling.

Geologically, all holes have intersected classic Klondyke style mineralisation, comprising strongly sheared, silicified, pyritised and fuchsite altered felsic and mafic schists. Widths have been as expected in most holes and above average in hole 17KLRC001, which together with its high grade, has yielded the outstanding intercept of 27m @ 5.85g/t Au (including 1m @ 39.14g/t), one of the best intercepts to date at the project.

Importantly, intercepts received to date show continuity to surface which is a major positive for future mining. Punctuating the 7.5km strike of main zone mineralisation within the broader Klondyke shear, zones such as those encountered in 17KLRC001 provide important economic upside to the large base-load tonnages of circa 2gpt material that characterise the deposit. Calidus will look to unlock the value such zones hold, through greater understanding of grade distribution via strategic development drilling conducted alongside exploration in the 'near resource' corridor.

Figure 3: Plan of Drilling

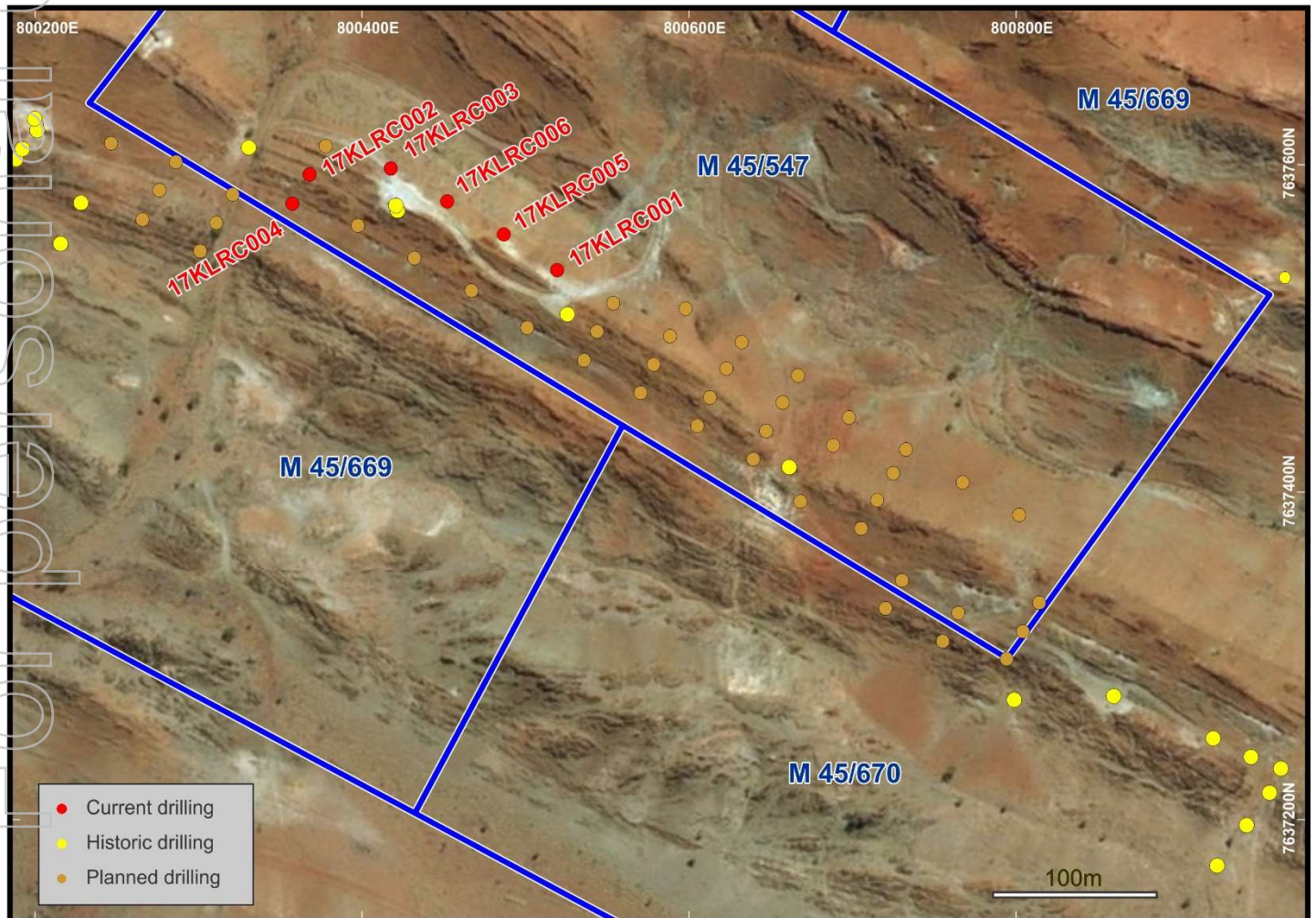


Figure 4: Klondyke Resource Long-Section Showing Location of Current Drilling

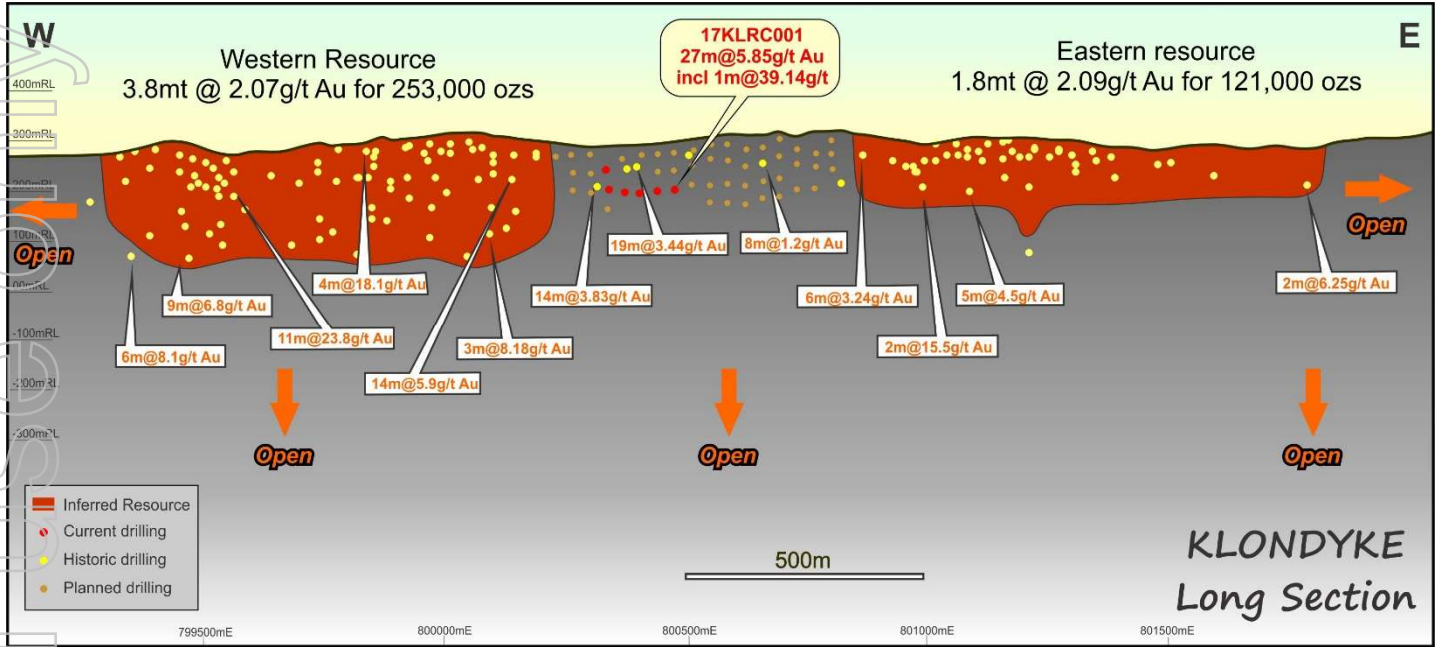
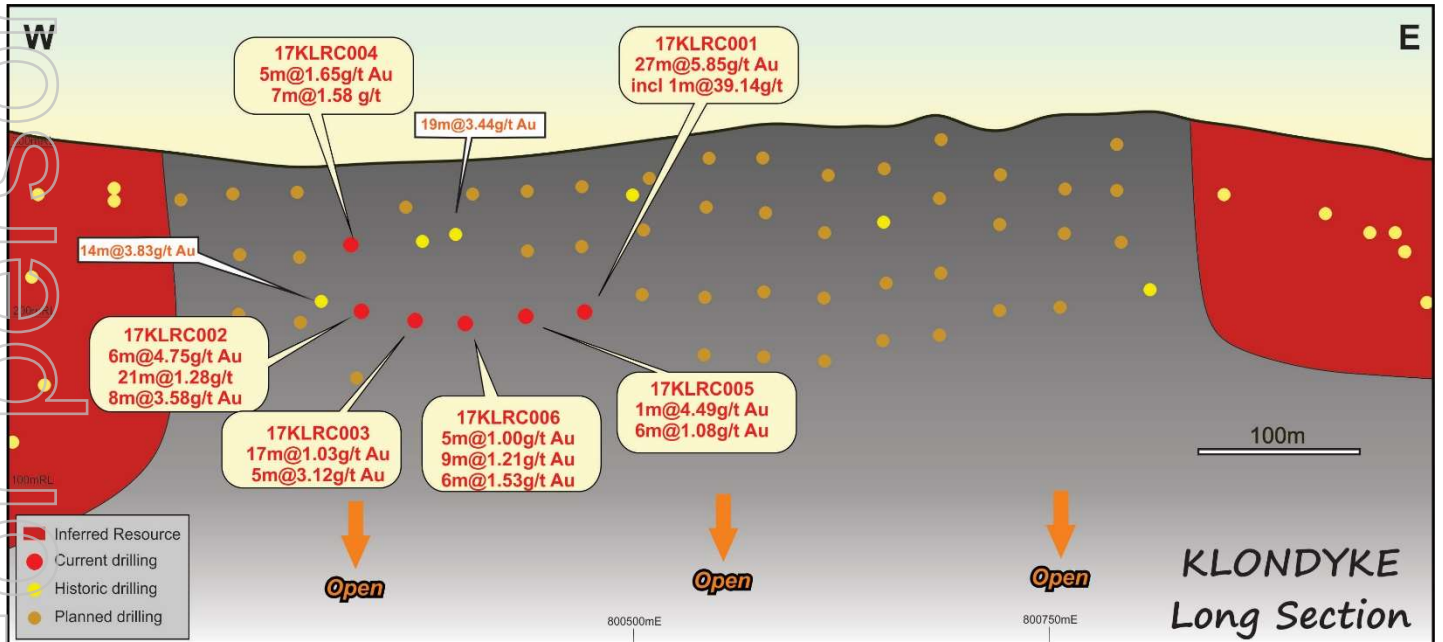


Figure 5: Klondyke Resource Long-Section Showing Zoom of Current Drilling in 'Gap' zone



Next Steps

The Company will complete the current 10,000m program during the current quarter. The program is designed to add significant shallow resource ounces to the current inventory by drilling the following areas:

- 5,000m into the 'Gap' zone of the existing 374,000 oz Klondyke Resource
- 2,000m into the existing Klondyke Resource to commence upgrading from Inferred to Indicated
- 1,000m into strike extensions of the Klondyke Resource
- 2,000m into the high grade Copenhagen and Coronation satellite deposits

The Company anticipate to make regular announcements on the progress of this drilling campaign and ongoing field reconnaissance including mapping and soil sampling.

Metallurgical testwork has also commenced with initial sighter works underway on both the Klondyke and Copenhagen deposits. Klondyke has had extensive metallurgical testwork previously and the ore was shown to be free milling with gold recoveries exceeding 93%. Testwork will focus on gravity gold capture upfront before conventional CIL processing due to the high level of visible gold in the deposit.

Environmental works have also commenced to ensure longer lead items required for a future development are being advanced in a timely manner and to minimise any delays on the project from a regulatory perspective.

The Company has commenced planning a further targeted drill program following completion of this initial 10,000m campaign. This will be undertaken to further increase confidence in the mineral resource estimate. Fieldings Gully will also be targeted as a review of this area has shown a non-compliant resource open in all directions that can be quickly converted to additional resources. It is planned to complete this drilling this calendar year to allow a resource upgrade soon thereafter.

A regional targeting exercise is running concurrently with the resource development program. This is ranking the numerous targets that exist along the 38km of untested strike of mapped shears that exist on the Company's tenements. To achieve this, a team of experienced field geologists is currently using mapping, sampling, high resolution aerial photography, hyperspectral imaging and regional magnetics. A detailed report will be made when this exercise is complete that will highlight the vast amount of outcropping targets that exist in the Project area.

Project History/ Historical Workings

The Warrawoona Project was first discovered and mined in 1897. There are over 200 known historic workings on the Company's tenements. All of these workings are small scale workings targeting the high grade (plus 1oz/t) mineralisation that is prevalent through the area. Average mined grades for some of these workings include:

- | | |
|------------------------------------|--------|
| • Klondyke Queen | 187g/t |
| • Klondyke Boulder | 40g/t |
| • Golden Gauntlet | 50g/t |
| • Bow Bells | 46g/t |
| • Great Western | 52g/t |
| • St George | 167g/t |
| • Cuban | 106g/t |
| • Kopke's Reward | 90g/t |
| • British Exploration of Australia | 184g/t |

Various companies have held portions of the main Klondyke zone in a “chequerboard” fashion over the years which has resulted in the current discontinuous resource at Klondyke. By consolidating the entire strike of the main zone of Klondyke, the Company is in the enviable position of being able to rapidly increase resources by in-fill drilling known mineralised areas that were previously not accessible to historic owners. In addition, it allows the Company to have a global view of the entire Warrawoona Greenstone which allows a better geological model to be built to assist in better targeting the large number of prospects that lie on the Company’s tenements.

About Calidus Resources

Calidus Resources (ASX:CAI) is an ASX listed gold exploration company which controls the Warrawoona Gold Project in the East Pilbara district of the Pilbara Goldfield in Western Australia.

The Directors believe that the recent consolidation of this goldfield will transform the Company into a new Australian gold development company with significant potential to unlock further resources and new discoveries within the emerging gold belt of the Pilbara Goldfields district, which is a historically proven gold mining region. An aggressive drilling program is being pursued to rapidly and cost effectively add resource ounces in the near term as the first step towards development of a stand-alone gold operation.

- END -

Notes Specific-ASX Announcements

The following announcements were lodged with the ASX and further details (including supporting JORC Reporting Tables) for each of the sections noted in this Announcement can be found in the following releases. Note that these announcements are not the only announcements released to the ASX but specific to exploration reporting on the Warrawoona Gold Project. The Company confirms that it is not aware of any new information or data that materially affects the information on the Project.

- Pharmanet to acquire the Warrawoona Gold Project in Western Australia: 22 March 2017
- Calidus Resources Limited-Prospectus: 8 May 2017

The information in this announcement that relates to exploration targets and exploration results is based on information compiled by Jane Allen a competent person who is a member of the AusIMM. Jane Allen is employed by Calidus Resources Limited. Jane 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 JORC Code. Jane Allen consents to the inclusion in this announcement of the matters based on her work in the form and context in which it appears.

The information in this report that relates to Exploration Results or Mineral Resources is based on information compiled or reviewed by Mr. Daniel Saunders, Principal of GeoServ Consulting Pty Ltd., who is a Member of the Australian Minerals Institute. Mr. Daniel Saunders is a full time employee of GeoServ Consulting Pty Ltd. and has sufficient experience, which is relevant to the style of mineralisation and types of deposit under consideration and to the activities 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”. Mr. Daniel Saunders consents to the inclusion of the report of the matters based on the information in the form and context in which it appears.

For further information please contact:

Dave Reeves
Managing Director

✉ dave@calidus.com.au

Table 1: RC Drill Results

Hole No.	Depth	North	East	RL	Dip	Azim	From (m)	To (m)	Width (m)	Au (g/t)	
17KLRC001	154	7,637,536	800,519	301	-	60	210	66	67	1	0.65
								72	73	1	1.86
								76	79	3	0.73
								82	83	1	0.62
								91	118	27	5.84
								150	151	1	0.59
17KLRC002	130	7,637,594	800,368	292	-	60	210	6	7	1	1.01
								11	17	6	4.75
								23	44	21	1.28
								49	57	8	3.58
								79	81	2	1.01
								93	94	1	0.91
								99	100	1	0.69
17KLRC003	178	7,637,598	800,418	296	-	60	210	44	45	1	0.52
								117	134	17	1.03
								155	160	5	3.12
								166	169	3	1.08
17KLRC004	100	7,637,576	800,358	283	-	65	210	0	5	5	1.65
								20	21	1	1.01
								34	35	1	0.53
								53	60	7	1.58
17KLRC005	148	7,637,557	800,487	302	-	60	210	30	31	1	4.49
								63	68	5	0.87
								84	85	1	0.87
								89	90	1	0.54
								94	102	8	0.78
								110	116	6	1.08
								120	121	1	0.62
133	136	3	0.75								
17KLRC006	160	7,637,577	800,452	298	-	60	210	34	35	1	0.66
								61	62	1	0.80
								82	83	1	1.09
								93	98	5	1.00
								101	102	1	0.59
								113	122	9	1.21
								133	139	6	1.53

JORC TABLE 1 DISCLOSURES

KLONDYKE PROSPECT

JORC Code, 2012 Edition – Table 1

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>	Six initial RC holes for 826m were drilled from surface by Calidus Resources Ltd as part of a larger 10,000m RC programme that commenced mid-June 2017. Holes were drilled to the south-west, orthogonal to the overall strike of the mineralisation. Holes were almost exclusively drilled at -60 degrees dip on a variable spacing averaging 25m x 25m. Holes were planned in 3D using geological modelling software however drilled to variable depth upon observation from the supervising geologist. Drilling is being undertaken by Orlando Drilling Pty Ltd utilizing an Atlas Copco E235 Explorac RC track-mounted drill rig.
	<i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i>	RC samples were collected at one metre intervals by a cone splitter mounted to the drill rig cyclone. QAQC procedures being employed during drilling include the addition of blanks, standards and field duplicates at a rate of 1 each every 20 samples.
	<i>Aspects of the determination of mineralisation that are Material to the Public Report.</i>	RC drill holes were sampled at one metre intervals exclusively and split at the rig to achieve a target 2-5 kilogram sample weight. Samples were dried, crushed, split and pulverised by Nagrom Laboratories in Perth prior to analysis of gold using either fire assay 50g charge. Mineralised intersections will be re-submitted for analysis via 500g LeachWell accelerated cyanide leach with tail recovery to ensure any coarse gold is captured.
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 drilling employed a diameter of 140mm (5.5"). Drilling was completed using a face sampling hammer with hole depths ranging from 39m to 283m. Down hole surveys will be picked up at the completion of the larger 10,000m RC programme.
Drill sample recovery	<i>Method of recording and assessing core and chip sample recoveries and results assessed.</i>	Where recorded RC sample recovery is noted as being generally good however variable.
	<i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i>	RC recoveries were visually checked for recovery, moisture and contamination.

Criteria	JORC Code explanation	Commentary
	<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>	Insufficient information is available to determine whether a relationship exists between sample recovery and grade. Available reports suggests that recovery was generally good and as such it is not expected that any such relationship would have a significant effect on the global estimate given the Mineral Resource classification applied.
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>	RC chips were geologically logged using predefined lithological, mineralogical and physical characteristic (colour, weathering etc) logging codes. RC logging was completed on one metre intervals at the rig by the geologist. RC chip trays are collected for each of the RC intervals and stored on site.
	<i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i>	Logging was qualitative in nature.
	<i>The total length and percentage of the relevant intersections logged.</i>	100% of 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 has been drilled to date as part of this 10,000m programme.
	<i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i>	RC samples were collected from the full recovered interval at the drill rig by cone splitter. All samples were collected dry with a minor number being moist due to ground conditions or associated with rod changes when drilling below water table. Orlando Drilling utilize an Atlas Copco 360psi/1300cfm auxiliary compressor unit with a Hurrigan 1000psi/2400cfm booster unit to ensure samples are kept dry.
	<i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i>	The sample preparation technique by NAGROM laboratory includes oven drying at 105°C for 8 hours, fine crushing to a nominal tosize of 2mm, riffle split samples in excess of 3kg and pulverise to achieve a grind size of 95% passing 75 micron.
	<i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i>	Field QAQC procedures include the field insertion of blanks, standards and collection of field duplicates. These are being inserted at a rate of 5% 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 from RC samples drilled to date generally showed an average correlation between original and duplicates reflecting the observed nuggetty and variable nature of mineralisation at Klondyke.

Criteria	JORC Code explanation	Commentary
	<i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i>	The sample sizes collected are in line with standard practice however the high nugget nature of mineralisation suggests increased sample sizes could be appropriate. A decision to re-assay all mineralized intercepts identified by fire assay using the much larger 500g LeachWell assaying is being investigated.
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 considered a total digest and is completed using the lead collection method using a 50 gram 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 instruments are being currently employed at the Klondyke project.
	<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>	Laboratory QAQC involves the use of internal lab standards using certified reference material, blanks, splits and replicates as part of the inhouse procedures. Results of these checks are not available to review at this time.
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 all senior geological staff.
	<i>The use of twinned holes.</i>	The six initial drill holes to date have not been completed for the purposes of twinning.
	<i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i>	Earlier primary data was collected 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.
	<i>Discuss any adjustment to assay data.</i>	No adjustments have been made to the assay data.
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 collar locations were surveyed using a DGPS in AMG84 Zone 50 coordinates. Collar details were subsequently transformed to MGA94 using published transformation criteria relevant to Zone 50.
	<i>Specification of the grid system used.</i>	The grid system used is MGA94 Zone 50. All reported coordinates are referenced to this grid. Original data has been transformed from AMG84 Zone 50.
	<i>Quality and adequacy of topographic control.</i>	Topographic control is based on aerial survey data collected using 2m contours. Quality is considered acceptable.

Criteria	JORC Code explanation	Commentary
Data spacing and distribution	<i>Data spacing for reporting of Exploration Results.</i>	Drilling of the Klondyke project has been completed on a variable grid approaching 25mX x 25mY, drilled orthogonal to the strike of mineralisation.
	<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 degree of geological and grade continuity demonstrated by the data density is sufficient to support the definition of Mineral Resources and the associated classifications applied to the Mineral Resource as defined under the 2012 JORC Code.
	<i>Whether sample compositing has been applied.</i>	RC samples are collected on 1-metre intervals and as such very few composites are likely to be rejected for failing to achieve the minimum length.
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 at the Klondyke project consists of a number of interpreted mineralised veins striking approximately 115 and dipping steeply (80°-90°) to the south. Resource drilling is predominantly conducted at -60 degrees orthogonal to strike and as such drill holes intersect the mineralisation close to perpendicular. As such the orientation of drilling is not likely to introduce a sampling bias.
	<i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i>	The orientation of drilling with respect to mineralisation is not expected to introduce any sampling bias.
Sample security	<i>The measures taken to ensure sample security.</i>	Measures are employed to ensure sample security and include the temporary storage of samples awaiting collection for transportation to Perth in a locked freight container, then shipment to Perth by a freight company direct to NAGROM laboratory.
Audits or reviews	<i>The results of any audits or reviews of sampling techniques and data.</i>	A review of the data against historical reports and information will be undertaken at the completion of the current drilling programme.

Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary																																																																																																				
Mineral tenement and land tenure status	<p><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>	<p>The Klondyke Gold Project is situated in the East Pilbara District of the Pilbara Goldfield of Western Australia, approximately 150km SE of Port Hedland and approximately 25km SE of the town of Marble Bar.</p> <p>The project comprises both 100% owned, earn in and option agreements. All of these agreements are detailed in the Company's prospectus.</p> <table border="1"> <thead> <tr> <th>Tenement</th> <th>Owner</th> <th>Size (Ha)</th> <th>Renewal</th> <th>Ownership</th> </tr> </thead> <tbody> <tr> <td colspan="5">Granted</td> </tr> <tr> <td>M 45/552</td> <td>Keras (Pilbara) Gold Pty Ltd</td> <td>9.70</td> <td>18/01/2035</td> <td>100%</td> </tr> <tr> <td>M 45/668</td> <td>Keras (Pilbara) Gold Pty Ltd</td> <td>240.00</td> <td>28/12/2037</td> <td>100%</td> </tr> <tr> <td>M45/669</td> <td>Keras (Pilbara) Gold Pty Ltd</td> <td>120.00</td> <td>28/12/2037</td> <td>100%</td> </tr> <tr> <td>M45/670</td> <td>Keras (Pilbara) Gold Pty Ltd</td> <td>120.00</td> <td>29/12/2037</td> <td>100%</td> </tr> <tr> <td>M45/679</td> <td>Elazac</td> <td>121.40</td> <td>8/04/2017</td> <td>Option to Purchase and Right to Mine</td> </tr> <tr> <td>M 45/521</td> <td>BHP/Elazac/Haoma</td> <td>19.10</td> <td>10/03/2034</td> <td>Option to Purchase and Right to Mine</td> </tr> <tr> <td>M 45/672</td> <td>BHP/Elazac/Haoma</td> <td>130.00</td> <td>1/08/2037</td> <td>Option to Purchase and Right to Mine</td> </tr> <tr> <td>M 45/240</td> <td>BHP/Elazac/Haoma</td> <td>7.00</td> <td>17/11/2028</td> <td>Option to Purchase and Right to Mine</td> </tr> <tr> <td>M45/547</td> <td>Elazac</td> <td>17.72</td> <td>2/05/2035</td> <td>Option to Purchase and Right to Mine</td> </tr> <tr> <td>M 45/671</td> <td>BHP/Elazac/Haoma</td> <td>120.00</td> <td>29/11/2037</td> <td>Option to Purchase and Right to Mine</td> </tr> <tr> <td>M45/682</td> <td>Haoma Mining</td> <td>236.12</td> <td>17/04/2017</td> <td>Option to Purchase and Right to Mine</td> </tr> <tr> <td colspan="5">Applications</td> </tr> <tr> <td>E45/4856</td> <td>Keras (Pilbara) Gold Pty Ltd</td> <td>2,554.00</td> <td></td> <td>100%</td> </tr> <tr> <td>E45/4857</td> <td>Keras (Pilbara) Gold Pty Ltd</td> <td>14,680.00</td> <td></td> <td>100%</td> </tr> <tr> <td colspan="5">Option to Acquire</td> </tr> <tr> <td>E45/4555</td> <td>Epminex WA Pty Ltd</td> <td>1,800.00</td> <td></td> <td>50%</td> </tr> <tr> <td>E45/4556</td> <td>Epminex WA Pty Ltd</td> <td>4,200.00</td> <td></td> <td>Option</td> </tr> <tr> <td>E45/4843</td> <td>Epminex WA Pty Ltd</td> <td>900.00</td> <td></td> <td>50%</td> </tr> </tbody> </table>	Tenement	Owner	Size (Ha)	Renewal	Ownership	Granted					M 45/552	Keras (Pilbara) Gold Pty Ltd	9.70	18/01/2035	100%	M 45/668	Keras (Pilbara) Gold Pty Ltd	240.00	28/12/2037	100%	M45/669	Keras (Pilbara) Gold Pty Ltd	120.00	28/12/2037	100%	M45/670	Keras (Pilbara) Gold Pty Ltd	120.00	29/12/2037	100%	M45/679	Elazac	121.40	8/04/2017	Option to Purchase and Right to Mine	M 45/521	BHP/Elazac/Haoma	19.10	10/03/2034	Option to Purchase and Right to Mine	M 45/672	BHP/Elazac/Haoma	130.00	1/08/2037	Option to Purchase and Right to Mine	M 45/240	BHP/Elazac/Haoma	7.00	17/11/2028	Option to Purchase and Right to Mine	M45/547	Elazac	17.72	2/05/2035	Option to Purchase and Right to Mine	M 45/671	BHP/Elazac/Haoma	120.00	29/11/2037	Option to Purchase and Right to Mine	M45/682	Haoma Mining	236.12	17/04/2017	Option to Purchase and Right to Mine	Applications					E45/4856	Keras (Pilbara) Gold Pty Ltd	2,554.00		100%	E45/4857	Keras (Pilbara) Gold Pty Ltd	14,680.00		100%	Option to Acquire					E45/4555	Epminex WA Pty Ltd	1,800.00		50%	E45/4556	Epminex WA Pty Ltd	4,200.00		Option	E45/4843	Epminex WA Pty Ltd	900.00		50%
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Granted																																																																																																						
M 45/552	Keras (Pilbara) Gold Pty Ltd	9.70	18/01/2035	100%																																																																																																		
M 45/668	Keras (Pilbara) Gold Pty Ltd	240.00	28/12/2037	100%																																																																																																		
M45/669	Keras (Pilbara) Gold Pty Ltd	120.00	28/12/2037	100%																																																																																																		
M45/670	Keras (Pilbara) Gold Pty Ltd	120.00	29/12/2037	100%																																																																																																		
M45/679	Elazac	121.40	8/04/2017	Option to Purchase and Right to Mine																																																																																																		
M 45/521	BHP/Elazac/Haoma	19.10	10/03/2034	Option to Purchase and Right to Mine																																																																																																		
M 45/672	BHP/Elazac/Haoma	130.00	1/08/2037	Option to Purchase and Right to Mine																																																																																																		
M 45/240	BHP/Elazac/Haoma	7.00	17/11/2028	Option to Purchase and Right to Mine																																																																																																		
M45/547	Elazac	17.72	2/05/2035	Option to Purchase and Right to Mine																																																																																																		
M 45/671	BHP/Elazac/Haoma	120.00	29/11/2037	Option to Purchase and Right to Mine																																																																																																		
M45/682	Haoma Mining	236.12	17/04/2017	Option to Purchase and Right to Mine																																																																																																		
Applications																																																																																																						
E45/4856	Keras (Pilbara) Gold Pty Ltd	2,554.00		100%																																																																																																		
E45/4857	Keras (Pilbara) Gold Pty Ltd	14,680.00		100%																																																																																																		
Option to Acquire																																																																																																						
E45/4555	Epminex WA Pty Ltd	1,800.00		50%																																																																																																		
E45/4556	Epminex WA Pty Ltd	4,200.00		Option																																																																																																		
E45/4843	Epminex WA Pty Ltd	900.00		50%																																																																																																		
	<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>	<p>The tenements are in good standing and no known impediments exist.</p>																																																																																																				
Exploration done by other parties	<p><i>Acknowledgment and appraisal of exploration by other parties.</i></p>	<p>The Klondyke area is thought to have been discovered as a result of the gold rushes to the Pilbara in the late 1880s and is reported to have produced 744.5kg of gold from 25,191t of ore at an average grade of approximately 30 g/t. Modern exploration has been undertaken by the Geological Survey of Western Australia (GSWA) followed by a number of 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. Drilling information from these explorers has been reviewed and included as part of this Mineral Resource estimate, with the respective confidence in the quality considered in assignment of the Mineral Resource classification applied.</p>																																																																																																				

Criteria	JORC Code explanation	Commentary
Geology	<i>Deposit type, geological setting and style of mineralisation.</i>	<p>The Klondyke mining leases lie within the Warrawoona Group, one of the oldest greenstone belts within the Pilbara Craton. Composed largely of high-Mg basaltic lavas with lesser tholeiite, andesite, sodic dacite, potassic rhyolite, chert and banded iron formation (BIF), all metamorphosed to greenschist facies, the Warrawoona Group is sandwiched between the Mount Edgar Granitoid Complex to the north and the Corunna Downs Granitoid Complex to the south. Four deformation events are recognised in the area; the earliest is schistosity developed parallel to the margin of the Corunna Downs Batholith. The second deformation is local and involved tight isoclinal folding. The third deformation event is represented by intense shear zones which are associated with gold mineralisation. The shears are steep dipping to near vertical and are considered to have a reverse movement. The gold mineralisation is localised within the zone of intense shearing and carbonate and sericite alteration.</p> <p>The gold, along with disseminated pyrite and to a lesser degree chalcopyrite and arsenopyrite, occur in quartz veins and stringers in the Klondyke Shear. The quartz veins and stringers are generally approximately parallel to the predominant shear direction. Over some abandoned workings gold mineralisation is associated with copper as evidenced by the occurrence of malachite and other copper carbonates.</p>
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>	<p>Drilling is by RC with six holes for 826m</p> <p>The details of drill holes material to the exploration results reported in the announcement are included in Appendix 1.</p>
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> <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</i></p>	<p>All reported assays have been length weighted. No top-cuts have been applied in the compilation of length weighted grades for reporting of exploration results. A nominal lower cut-off grade of 0.5g/t Au is applied, with up to two metres internal dilution.</p> <p>High grade gold intercepts within broader lower grade intercepts are reported as included intervals.</p>

Criteria	JORC Code explanation	Commentary
	<i>shown in detail.</i>	
	<i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i>	No metal equivalent values are used for reporting of exploration results.
Relationship between mineralisation widths and intercept lengths	<i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i>	The gold mineralisation identified to date at the Klondyke project consists of a number of interpreted mineralised veins striking approximately 115 and dipping steeply (80°-90°) to the south. Resource drilling is predominantly conducted at -60 degrees orthogonal to strike and as such drill holes intersect the mineralisation close to perpendicular.
Diagrams	<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>	Included in announcement
Balanced reporting	<i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i>	NA
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>	Soil, rock and stream sediment sampling has been completed across the Klondyke project. These results are not included in the determination of Mineral Resources. Bulk samples have been collected for metallurgical testing. The results of which have indicated that mineralisation is expected to be amenable to standard cyanide processing. Partial assays are present for a range of other elements however these have not been estimated in this Mineral Resource.
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>	Calidus Resources Limited will be focussing on the staged resource definition drilling at Klondyke and Copenhagen, pit optimisation studies, metallurgical studies, development studies and exploration drilling at priority targets over the next 12 months. Of the current 10,000m RC programme; 5,000m will be drilled into the Klondyke Resource “gap” area; with 2,000m of infill holes into the existing western portion of the resource; 2,000m into the Coronation and Copenhagen deposits, and 1,000m allocated to drilling along strike Klondyke Resource extensions.
	<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>	Contained in this announcement