

ASX ANNOUNCEMENT

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

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Warrawoona mineralisation now defined over 2.6km of continuous strike

Gap drilling results confirm strong mineralisation continuity between existing Resources

Calidus Resources Limited (ASX:CAI) ('Calidus' or the 'Company') is pleased to announce that it has now received all assays for the 'Gap' Zone at the its flagship Warrawoona Gold Project located in the Pilbara of Western Australia and they confirm that continuous mineralisation of consistent grade and width now extends for 2.6km of strike and is open at depth and along strike in both directions.

HIGHLIGHTS

Significant gold intercepts grading greater than 10 gram-metres include:

- **17m @ 2.54g/t Au (incl 1m @ 10.32g/t)** from 212m in hole 17KLRC057
- **23m @ 1.65g/t Au** from 77m in hole 17KLRC041
- **8m @ 4.68g/t Au (incl 2m @ 10.73g/t)** from 94m in hole 17KLRC054
- **14m @ 2.06g/t Au** from 30m in hole 17KLRC044
- **6m @ 4.30g/t Au (incl 1m @ 13.24g/t)** from 149m in hole 17KLRC045
- **15m @ 1.70g/t Au** from 138m in hole 17KLRC048
- **9m @ 2.67 g/t Au (incl 1m @ 10.18g/t)** from 47m in hole 17KLRC044
- **7m @ 2.77g/t Au** from 159m in hole 17KLRC046
- **9m @ 2.15g/t Au** from 137m in hole 17KLRC052
- **4m @ 4.54g/t Au** from 77m in hole 17KLRC055
- **7m @ 2.51g/t Au** from 163m in hole 17KLRC049
- **10m @ 1.74g/t Au** from 150m in hole 17KLRC047
- **5m @ 3.07g/t Au (incl 1m @ 10.19g/t)** from 158m in hole 17KLRC045
- **5m @ 2.55g/t Au** from 65m in hole 17KLRC042
- **12m @ 1.41g/t Au** from 113m in hole 17KLRC020
- **8m @ 1.54g/t Au** from 112m in hole 17KLRC053
- **8m @ 1.47g/t Au** from 13m in hole 17KLRC043
- **3m @ 4.03g/t Au** from 148m in hole 17KLRC051
- **7m @ 1.56 g/t Au** from 124m in hole 17KLRC045

- **5m @ 2.10g/t Au** from 76m in hole 17KLRC054
- **8m @ 1.30g/t Au** from 177m in hole 17KLRC057

This represents a further 17 RC drill holes for 2,784m of the current drill program.

Calidus Managing Director Dave Reeves commented, “These results include the final holes in the ‘Gap’ Zone and some extensional and infill holes in the Eastern Resource. The most significant result of this drilling is that we can now confirm we have 2.6km of continuous mineralisation that is open at depth and along strike in both directions. This is a very significant milestone in the Company’s short history as it underpins the large near surface potential that exists at Warrawoona which we plan to expand on with on-going systematic exploration.

The drill rig has now moved to the Western Resource where it continues to drill in-fill and extensional holes and we anticipate it moving to the high-grade satellite deposits in the very near future. I look forward to reporting the next batch of results as they become available.”

Figure 1: Warrawoona Gold Project

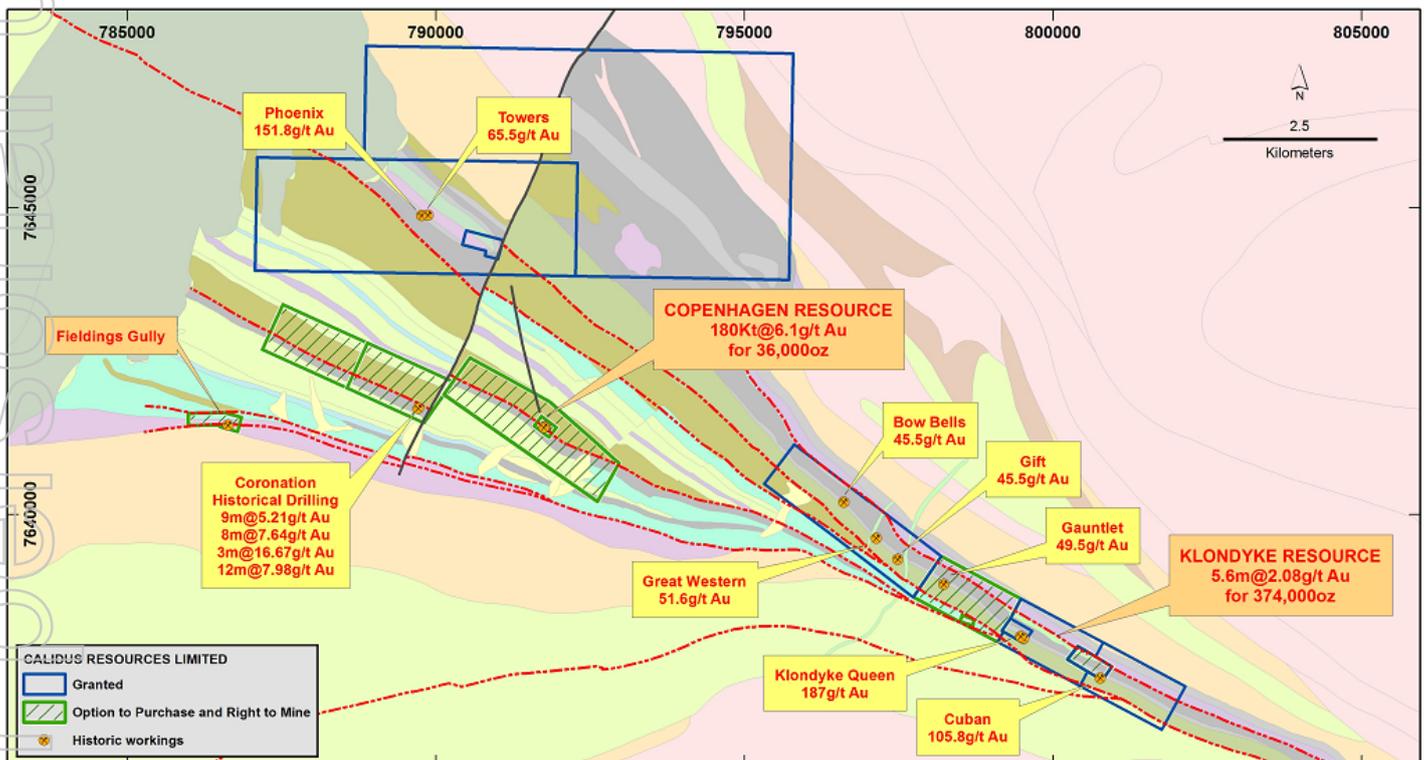
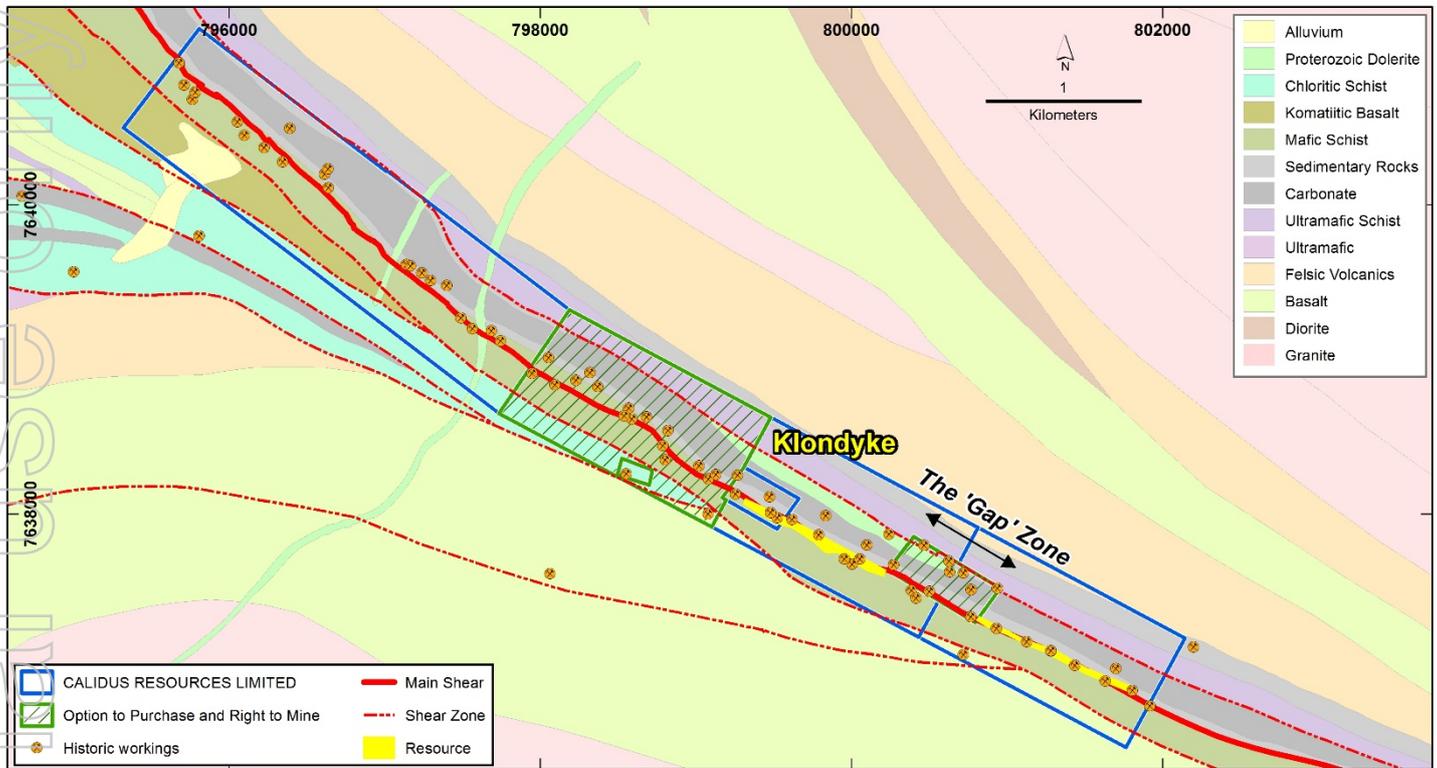


Figure 2: Klondyke Deposit



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.

All holes continue to confirm the geological and grade continuity between these zones and intersect classic Klondyke style mineralisation which comprises quartz veins within strongly sheared, silicified, pyritised and fuchsite altered felsic and mafic schists.

Importantly, intercepts received to date show continuity to surface which is a major positive for considering a range of mining scenarios. Punctuating the 7.5km strike of main zone mineralisation within the broader Klondyke shear, higher grade zones such as those encountered in 17KLRC001 and 17KLRC032 (27m @ 5.85g/t Au and 6m @ 63.31g/t Au respectively) provide important economic upside to the large base-load tonnages of circa 1.5 to 2g/t material that characterise the deposit. A photograph of the RC chips from hole 17KLRC032 displaying visible gold is shown below.

Calidus will continue to evaluate the potential of these zones and their grade distribution via strategic development drilling conducted alongside exploration in the ‘near resource’ corridor and a regional program that targets higher grade satellite deposits.

Figure 3: RC Chips from 17KLRC032 showing Visible Gold (significant intercept of 6m @63.31gt, including 2m@182.57g/t reported ASX Aug 21)



Figure 4: Plan of Drilling

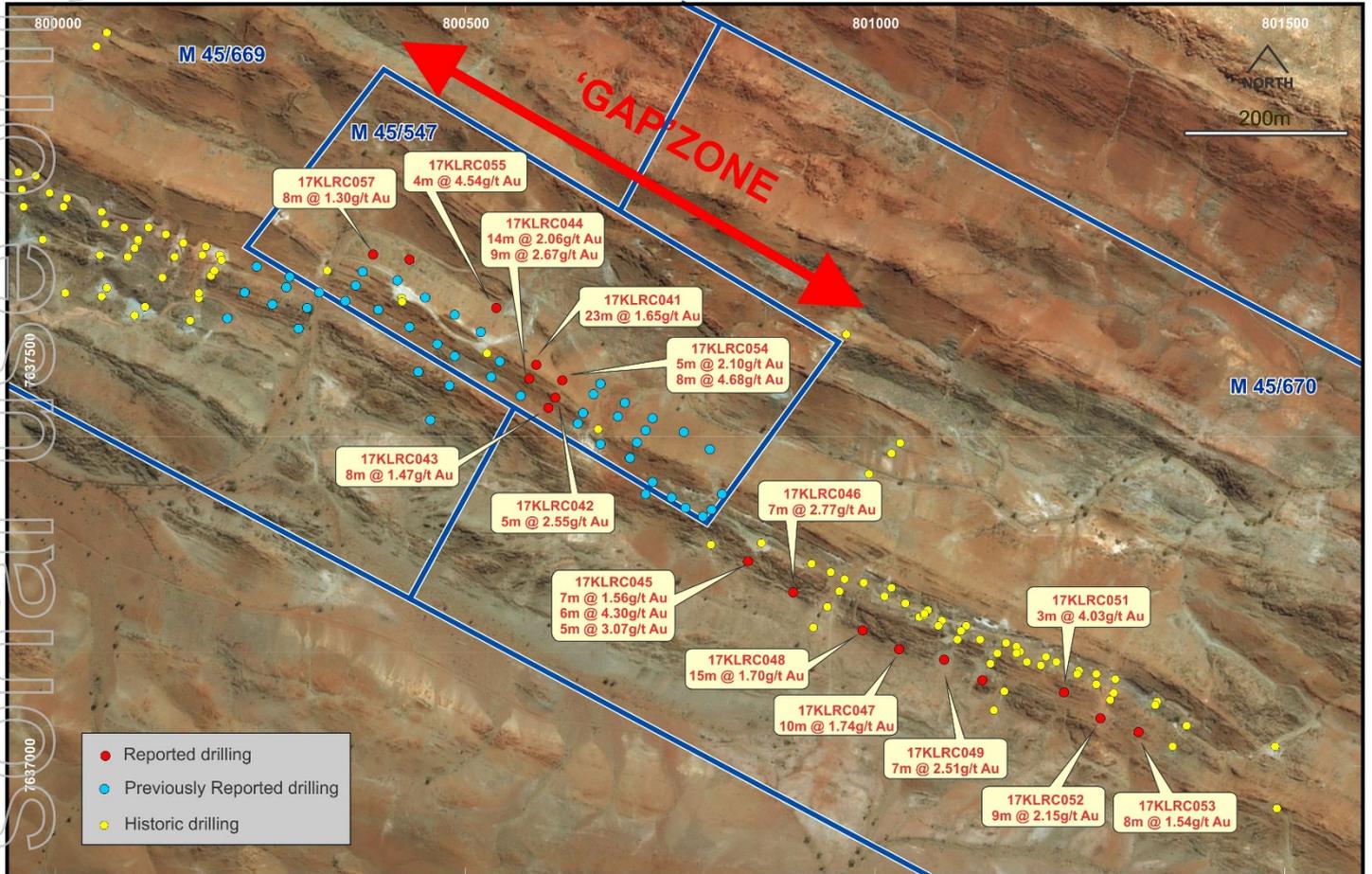
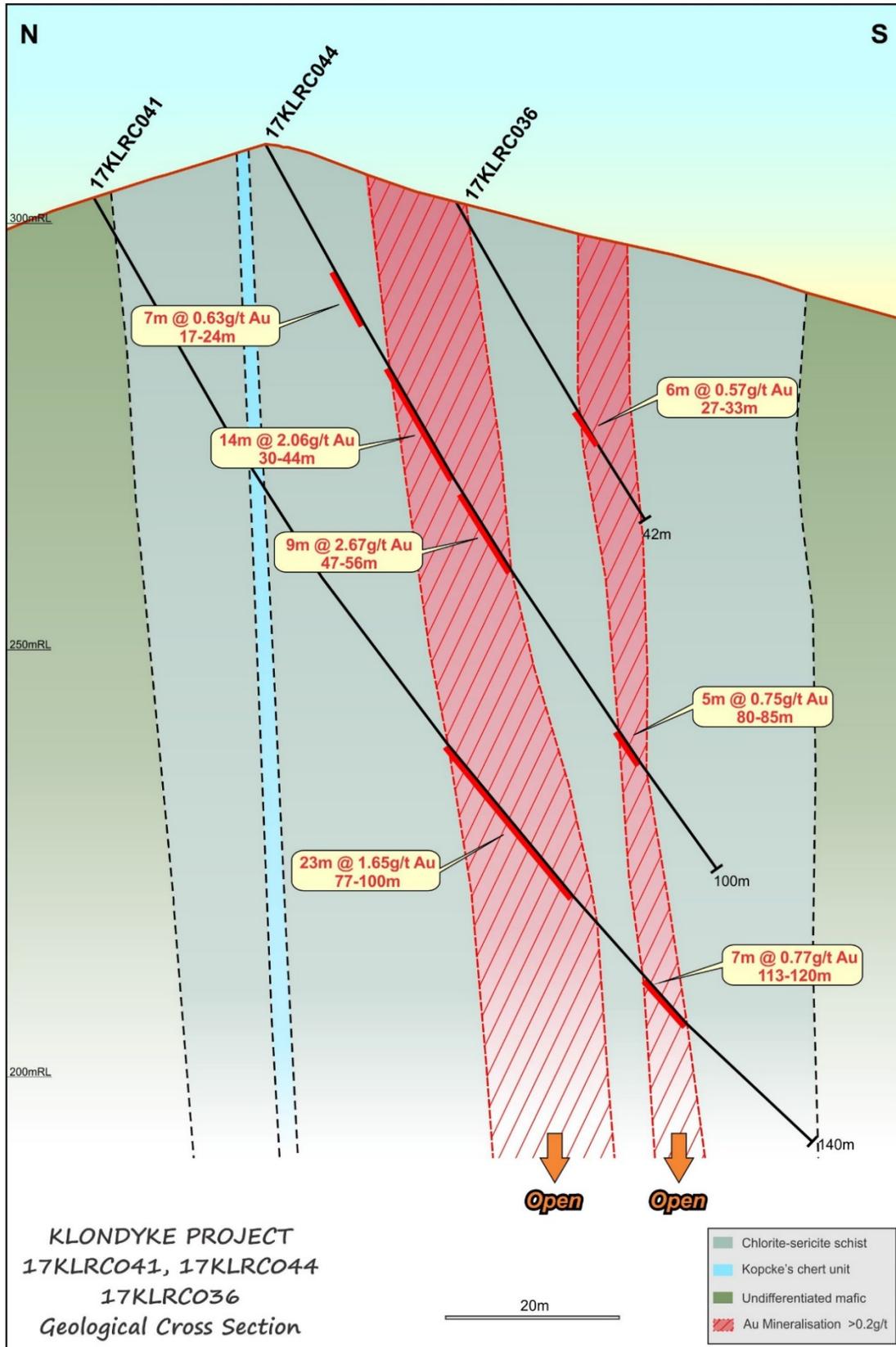


Figure 5: Cross Section A - A'



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Next Steps

The Company will complete the recently increased RC and diamond drill program during the current quarter. The program is designed to add significant shallow resource ounces to the current inventory by drilling the following areas:

- 7,000m into the 'Gap' zone of the existing 374,000 oz Klondyke Resource
- 4,000m into the existing Klondyke Resource to commence upgrading from Inferred to Indicated
- 500m into Fieldings Gully
- 1,100 HQ core into the main Klondyke resource and Copenhagen, Coronation and Fieldings Gully satellite deposits

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

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 significant number 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

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RC DRILLING RESULTS

Hole ID	Depth	North	East	RL	Dip	Azimuth	From	To	Width	Grade
17KLRC041	140	800,588	7,637,493	304	-60	213	70	71	1	0.5
17KLRC041							77	100	23	1.65
17KLRC041							103	105	2	1.25
17KLRC041							113	120	7	0.77
17KLRC042	100	800,610	7,637,452	311	-62	215	2	3	1	0.77
17KLRC042							14	20	6	0.74
17KLRC042							26	41	15	0.67
17KLRC042							45	52	7	0.91
17KLRC042							65	70	5	2.55
17KLRC042							74	76	2	0.72
17KLRC043	46	800,602	7,637,441	309	-61	212	5	6	1	1.49
17KLRC043							13	21	8	1.47
17KLRC043							32	33	1	0.8
17KLRC043							41	42	1	0.58
17KLRC044	100	800,578	7,637,475	310	-62	216	17	24	7	0.63
17KLRC044							30	44	14	2.06
17KLRC044							47	56	9	2.67
17KLRC044							80	85	5	0.75
17KLRC044							90	91	1	0.53
17KLRC045	166	800,844	7,637,251	299	-60	33	105	106	1	0.51
17KLRC045							111	119	8	0.46
17KLRC045							124	131	7	1.56
17KLRC045							149	155	6	4.3
17KLRC045							158	163	5	3.07
17KLRC046	172	800,901	7,637,213	294	-60	35	8	9	1	0.85
17KLRC046							13	14	1	1.79
17KLRC046							21	22	1	1.02
17KLRC046							127	128	1	0.52
17KLRC046							138	151	13	0.61
17KLRC046							159	166	7	2.77

17KLRC047	178	801,030	7,637,143	293	-52	34	115	116	1	0.71
17KLRC047							131	136	5	1.06
17KLRC047							142	146	4	1.07
17KLRC047							150	160	10	1.74
17KLRC047							173	175	2	1.05
17KLRC048	178	800,985	7,637,167	295	-52	34	32	33	1	0.64
17KLRC048							93	94	1	1.25
17KLRC048							106	108	2	2.55
17KLRC048							116	121	5	1.5
17KLRC048							129	131	2	0.9
17KLRC048							138	153	15	1.7
17KLRC048							157	161	4	1.44
17KLRC049	178	801,085	7,637,130	295	-59	33	0	1	1	1.69
17KLRC049							17	18	1	0.55
17KLRC049							123	128	5	1.4
17KLRC049							132	133	1	0.57
17KLRC049							138	152	14	0.95
17KLRC049							157	159	2	0.58
17KLRC049							163	170	7	2.51
17KLRC050	178	801,131	7,637,105	296	-60	30	140	142	2	1.58
17KLRC051	178	801,230	7,637,090	296	-60	30	84	88	4	1.23
17KLRC051							99	104	5	0.57
17KLRC051							114	117	3	0.98
17KLRC051							132	136	4	0.71
17KLRC051							148	151	3	4.03
17KLRC051							166	167	1	1.06
17KLRC052	184	801,274	7,637,058	306	-60	30	114	115	1	1.21
17KLRC052							130	131	1	0.55
17KLRC052							137	146	9	2.15
17KLRC052							152	157	5	1.91
17KLRC052							161	164	3	1.27
17KLRC052							172	178	6	0.62
17KLRC053	150	801,321	7,637,041	300	-60	30	70	71	1	0.53
17KLRC053							84	88	4	1.91

17KLRC053							103	106	3	0.61
17KLRC053							112	120	8	1.54
17KLRC054	142	800,620	7,637,473	302	-60	210	1	2	1	0.75
17KLRC054							22	23	1	0.62
17KLRC054							44	45	1	0.72
17KLRC054							67	68	1	0.62
17KLRC054							76	81	5	2.1
17KLRC054							94	102	8	4.68
17KLRC054							107	114	7	0.65
17KLRC054							125	130	5	0.48
17KLRC054							136	137	1	1.71
17KLRC055	208	800,539	7,637,562	289	-60	210	51	52	1	0.54
17KLRC055							64	69	5	0.95
17KLRC055							77	81	4	4.54
17KLRC055							112	113	1	0.85
17KLRC055							143	144	1	0.54
17KLRC055							186	191	5	0.63
17KLRC055							198	202	4	0.93
17KLRC056	240	800,432	7,637,621	288	-60	210	25	28	3	0.71
17KLRC056							95	96	1	3.4
17KLRC056							147	148	1	1.14
17KLRC056							235	236	1	0.52
17KLRC057	244	800,388	7,637,628	288	-60	210	61	62	1	1.28
17KLRC057							74	76	2	1.15
17KLRC057							79	80	1	0.65
17KLRC057							148	154	6	0.75
17KLRC057							177	185	8	1.3
17KLRC057							212	229	17	2.54
17KLRC057							236	237	1	0.89

JORC TABLE 1 DISCLOSURES

KLONDYKE PROSPECT

JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
<p>Sampling techniques</p>	<p><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></p> <hr/> <p><i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i></p>	<p>A further 17 RC holes for 2,784m were drilled from surface by Calidus Resources Ltd as part of a larger 12,600m RC and core program that commenced mid-June 2017. A total of 57 RC holes representing 7,012m has now been drilled. Holes were drilled to both the north-east and 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.</p> <p>Sampling and sample preparation protocols are industry standard and are deemed appropriate by the Competent Person.</p> <hr/> <p>RC samples were collected at one meter 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.</p>

Criteria	JORC Code explanation	Commentary
	<i>Aspects of the determination of mineralisation that are Material to the Public Report.</i>	RC drill holes were sampled at one meter 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 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 program.
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. No apparent relationship exists between sample recovery and grade.
	<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.
	<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 suggest 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 by geologists using predefined lithological, mineralogical and physical characteristic (colour, weathering etc) logging codes. RC logging was completed on one meter 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.

Criteria	JORC Code explanation	Commentary
	<i>The total length and percentage of the relevant intersections logged.</i>	100% of all recovered intervals were geologically logged and are considered reliable and appropriate
Sub-sampling techniques and sample preparation	<i>If core, whether cut or sawn and whether quarter, half or all core taken.</i>	200m of core has been drilled as part of this 12,600 program. Core logging and sampling is planned to commence by the first week of September once the foresaw arrives onsite.
	<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 topsize of 2mm, riffle split samples in excess of 3kg and pulverise to achieve a grind size of 95% passing 75 micron. These preparation techniques are deemed to be appropriate to the material being sampled.
	<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. Sampling, sample preparation and quality control protocols are of industry standard and all attempts were made to ensure an unbiased representative sample was collected. The methods applied in this process were deemed appropriate by the Competent Person.
	<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. The analytical method was appropriate for the style of mineralization.
	<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 quality control data, including laboratory standards, blanks, duplicates, repeats, grind size results and samples weights were also captured into the digital database and analysed for accuracy and precision. Analysis of the QC sample assay results indicates that an acceptable level of accuracy and precision has been achieved.
Verification of sampling and assaying	<i>The verification of significant intersections by either independent or alternative company personnel.</i>	Verification of significant intersections has been completed by company personnel and the Competent Person.
	<i>The use of twinned holes.</i>	None of these holes were twins.

Criteria	JORC Code explanation	Commentary
	<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. The drill hole database is backed up on a daily basis to the head office server. Assay result files were reported by the laboratory in CSV format and imported into the SQL database without adjustment or modification.
	<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.
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. Holes were drilled predominantly perpendicular to mineralised domains where possible.
	<i>Whether sample compositing has been applied.</i>	RC samples are collected on one meter intervals and as such very few composites are likely to be rejected for failing to achieve the minimum length.

Criteria	JORC Code explanation	Commentary
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 program.

Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary																																																																																															
<p>Mineral tenement and land tenure status</p>	<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" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="5" style="background-color: #e0e0e0;">CALIDUS RESOURCES TENEMENT SCHEDULE</th> </tr> <tr> <th style="text-align: left;">Project Location</th> <th style="text-align: left;">Tenement ID</th> <th style="text-align: left;">Ten Status</th> <th style="text-align: left;">Holder/Applicant</th> <th style="text-align: left;">Interest</th> </tr> </thead> <tbody> <tr> <td>WARRAWOONA</td> <td>M45/0552</td> <td>GRANTED</td> <td>KERAS (Pilbara) Gold Pty Ltd</td> <td>100%</td> </tr> <tr> <td>WARRAWOONA</td> <td>M45/0668</td> <td>GRANTED</td> <td>KERAS (Pilbara) Gold Pty Ltd</td> <td>100%</td> </tr> <tr> <td>WARRAWOONA</td> <td>M45/0669</td> <td>GRANTED</td> <td>KERAS (Pilbara) Gold Pty Ltd</td> <td>100%</td> </tr> <tr> <td>WARRAWOONA</td> <td>M45/0670</td> <td>GRANTED</td> <td>KERAS (Pilbara) Gold Pty Ltd</td> <td>100%</td> </tr> <tr> <td>WARRAWOONA</td> <td>M45/0240</td> <td>GRANTED</td> <td>Elazac Mining Pty Ltd and Haoma Mining NL</td> <td>Right to mine and option to purchase</td> </tr> <tr> <td>WARRAWOONA</td> <td>M45/0521</td> <td>GRANTED</td> <td>Elazac Mining Pty Ltd and Haoma Mining NL</td> <td>Right to mine and option to purchase</td> </tr> <tr> <td>WARRAWOONA</td> <td>M45/0671</td> <td>GRANTED</td> <td>Elazac Mining Pty Ltd, BHP Billiton Nickel West Pty Ltd and Haoma Mining NL</td> <td>Right to mine and option to purchase</td> </tr> <tr> <td>WARRAWOONA</td> <td>M45/0672</td> <td>GRANTED</td> <td>Elazac Mining Pty Ltd and Haoma Mining NL</td> <td>Right to mine and option to purchase</td> </tr> <tr> <td>WARRAWOONA</td> <td>M45/547</td> <td>GRANTED</td> <td>Elazac Mining Pty Ltd</td> <td>Right to mine and option to purchase</td> </tr> <tr> <td>WARRAWOONA</td> <td>M45/679</td> <td>GRANTED</td> <td>Elazac Mining Pty Ltd</td> <td>Right to mine and option to purchase</td> </tr> <tr> <td>WARRAWOONA</td> <td>M45/682</td> <td>GRANTED</td> <td>Haoma Mining NL</td> <td>Right to mine and option to purchase</td> </tr> <tr> <td>WARRAWOONA</td> <td>E45/4555</td> <td>GRANTED</td> <td>Epminex WA Pty Ltd 50% KERAS (Pilbara) Gold Pty Ltd 50%</td> <td>50% with option to purchase remaining 50%</td> </tr> <tr> <td>WARRAWOONA</td> <td>E45/4843</td> <td>GRANTED</td> <td>Epminex WA Pty Ltd 50% KERAS (Pilbara) Gold Pty Ltd 50%</td> <td>50% with option to purchase remaining 50%</td> </tr> <tr> <td>WARRAWOONA</td> <td>E45/4905</td> <td>APPLICATION</td> <td>KERAS (Pilbara) Gold Pty Ltd</td> <td>Application for 100% interest</td> </tr> <tr> <td>WARRAWOONA</td> <td>E45/4906</td> <td>APPLICATION</td> <td>KERAS (Pilbara) Gold Pty Ltd</td> <td>Application for 100% interest</td> </tr> <tr> <td>WARRAWOONA</td> <td>E45/4856</td> <td>APPLICATION</td> <td>KERAS (Pilbara) Gold Pty Ltd</td> <td>Application for 100% interest</td> </tr> <tr> <td>WARRAWOONA</td> <td>E45/4857</td> <td>APPLICATION</td> <td>KERAS (Pilbara) Gold Pty Ltd</td> <td>Application for 100% interest</td> </tr> </tbody> </table>	CALIDUS RESOURCES TENEMENT SCHEDULE					Project Location	Tenement ID	Ten Status	Holder/Applicant	Interest	WARRAWOONA	M45/0552	GRANTED	KERAS (Pilbara) Gold Pty Ltd	100%	WARRAWOONA	M45/0668	GRANTED	KERAS (Pilbara) Gold Pty Ltd	100%	WARRAWOONA	M45/0669	GRANTED	KERAS (Pilbara) Gold Pty Ltd	100%	WARRAWOONA	M45/0670	GRANTED	KERAS (Pilbara) Gold Pty Ltd	100%	WARRAWOONA	M45/0240	GRANTED	Elazac Mining Pty Ltd and Haoma Mining NL	Right to mine and option to purchase	WARRAWOONA	M45/0521	GRANTED	Elazac Mining Pty Ltd and Haoma Mining NL	Right to mine and option to purchase	WARRAWOONA	M45/0671	GRANTED	Elazac Mining Pty Ltd, BHP Billiton Nickel West Pty Ltd and Haoma Mining NL	Right to mine and option to purchase	WARRAWOONA	M45/0672	GRANTED	Elazac Mining Pty Ltd and Haoma Mining NL	Right to mine and option to purchase	WARRAWOONA	M45/547	GRANTED	Elazac Mining Pty Ltd	Right to mine and option to purchase	WARRAWOONA	M45/679	GRANTED	Elazac Mining Pty Ltd	Right to mine and option to purchase	WARRAWOONA	M45/682	GRANTED	Haoma Mining NL	Right to mine and option to purchase	WARRAWOONA	E45/4555	GRANTED	Epminex WA Pty Ltd 50% KERAS (Pilbara) Gold Pty Ltd 50%	50% with option to purchase remaining 50%	WARRAWOONA	E45/4843	GRANTED	Epminex WA Pty Ltd 50% KERAS (Pilbara) Gold Pty Ltd 50%	50% with option to purchase remaining 50%	WARRAWOONA	E45/4905	APPLICATION	KERAS (Pilbara) Gold Pty Ltd	Application for 100% interest	WARRAWOONA	E45/4906	APPLICATION	KERAS (Pilbara) Gold Pty Ltd	Application for 100% interest	WARRAWOONA	E45/4856	APPLICATION	KERAS (Pilbara) Gold Pty Ltd	Application for 100% interest	WARRAWOONA	E45/4857	APPLICATION	KERAS (Pilbara) Gold Pty Ltd	Application for 100% interest
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	<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>																																																																																															

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Exploration done by other parties	<i>Acknowledgment and appraisal of exploration by other parties.</i>	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.
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>

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Drill hole Information	<p>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:</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 fifty-seven (57) holes for 7,012m</p> <p>The details of drill holes material to the exploration results reported in the announcement are included in the body of the announcement.</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>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><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>	<p>High grade gold intercepts within broader lower grade intercepts are reported as included intervals.</p>
	<p><i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i></p>	<p>No metal equivalent values are used for reporting of exploration results.</p>
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>	<p>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.</p>
Diagrams	<p><i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should</i></p>	<p>Included in announcement</p>

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	<i>include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i>	
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 focusing 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. <ul style="list-style-type: none"> • Of the current 12,600m drill program; • 7,000m into the 'Gap' zone between the existing 374,000 oz Klondyke Resource • 4,000m into the existing Klondyke Resource to commence upgrading from Inferred to Indicated • 500m into Fieldings Gully • 1,100 HQ core into the main Klondyke resource, plus early exploratory structural geology holes at the high-grade Copenhagen, Coronation and Fieldings Gully satellite deposits
	<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