

# ASX ANNOUNCEMENT

## ABOUT CALIDUS RESOURCES

Calidus Resources Limited is an ASX listed gold company that owns 100% of the operating Warrawoona Gold Project and the nearby Nullagine Gold Project which are both located in the East Pilbara district of Western Australia.

## DIRECTORS AND MANAGEMENT

Mr Mark Connelly  
NON-EXECUTIVE CHAIRMAN

Mr David Reeves  
MANAGING DIRECTOR

Mr John Ciganek  
NON-EXECUTIVE DIRECTOR

Ms Kate George  
NON-EXECUTIVE DIRECTOR

Mr Richard McLeod  
CHIEF OPERATING OFFICER

Mr Richard Hill  
CHIEF FINANCIAL OFFICER

Ms Julia Beckett  
COMPANY SECRETARY

[calidus.com.au](http://calidus.com.au)

## ASX : CAI

+61 8 9178 8950

[info@calidus.com.au](mailto:info@calidus.com.au)

Suite 12, 11 Ventnor Ave  
West Perth WA 6005  
AUSTRALIA

22 March 2024

# Financial restructure positions Calidus for strong growth in cashflow and production this year

**A\$16.5m placement, restructured hedge book deliveries and debt repayments will support Calidus' three-year strategy to deliver 120,000oz per annum**

## HIGHLIGHTS

- Firm commitments received for A\$16.5m via an institutional Placement at A\$0.115 per share.
- Placement strongly supported by both new and existing shareholders, including the Company's lender, Macquarie Bank, for A\$2.5m and the Board of Directors for A\$120,000.
- In addition to the Placement, Calidus will offer all eligible shareholders the opportunity to participate in a Share Purchase Plan to raise up to A\$3.0m on the same terms as the Placement.
- Agreement with Macquarie to restructure hedge and debt arrangements, resulting in an additional ~A\$31m of free cashflow in CY24;
  - CY24 hedge volume reduced by 21,250ozs, delivering a A\$20m benefit to Calidus at spot gold price of A\$3,300/oz
  - Reduced debt repayments totalling A\$11m in CY24
- This significant increase in cashflow generation in the first half of CY24 will enable Calidus to organically fund the pre-strip and A\$17m capital cost of developing the high-grade Bulletin deposit in the second half of CY24
  - Bulletin PFS: 63,000oz at an AISC of A\$1,730/oz over 2-years mine life
- Calidus re-affirms H2 FY2024 guidance of 32,000-37,000ozs at an AISC of A\$2,100-\$2,400/oz.
- Calidus confirms that operations are progressing as planned with the pit cutback due for completion at the end of March and higher grade Blue Bar ore now being processed.
- Last week Calidus recorded its largest ever gold recovery since project inception of 1,539ozs for the week.
- Calidus anticipates releasing a JORC 2012 Mineral Resource Estimate on initial oxide deposits at Nullagine in Q2 CY24 that it will be targeting to mine in FY25 and build on stated LOM guidance.

Calidus Resources Limited (“**Calidus**” or the “**Company**”) (ASX: **CAI**) is pleased to announce that it has received firm commitments from institutional, sophisticated and professional investors for the placement of approximately 143.6 million new fully paid ordinary shares (“**New Shares**”) at an issue price of A\$0.115 to raise approximately A\$16.5m (“**Placement**”). Proceeds from the Placement will be used to repay debt and provide additional working capital.

Furthermore, Calidus has reached an agreement with its supportive lender, Macquarie Bank (“**Macquarie**”), to restructure its hedging volume profile and its debt repayments. The restructuring will allow for significant cashflow generation in CY24 and aligns its hedging profile with its production profile as the Company aims to achieve its three-year strategy to achieve production of 120,000oz per annum.

**Calidus Managing Director Dave Reeves said:**

*“This financial restructure will deliver a host of substantial benefits to Calidus, headlined by increased production and cashflow this year. This will in turn help us achieve our target of producing 120,000oz per annum within three years.*

*We are at an inflection point at the Warrawoona Gold Project, with gold production rising significantly in recent weeks as we see the benefits of the completion of the Klondyke cut-back and initial Blue Bar ore.*

*When combined with reducing costs due to completion of the cut-back, lower deliveries into the hedge, lower debt repayments and record gold prices, Calidus is now in a position to generate significant cashflows.*

*The funds from the capital raising combined with the restructuring of the hedging profile and debt repayments will enable new deposits such as Bulletin to be funded, as we methodically progress towards our aim to achieve 120,000ozs per annum in 3 years.”*

In addition to the Placement, Calidus intends on undertaking a Share Purchase Plan (“**SPP**”) at the same price as the Placement, to raise up to A\$3.0m.

## **RESTRUCTURING OF HEDGING SCHEDULE AND DEBT REPAYMENTS**

Calidus has reached an agreement with its lender, Macquarie, to restructure its hedging volume profile and its debt repayments. Under the restructure, a total of 21,250ozs will be rolled into CY25 (11,250ozs) and CY26 (10,000ozs). In addition, debt repayments of A\$11m have been re-scheduled with final loan repayments extended by one quarter to September 2025.

In combination, the restructured debt and hedge profile result in a ~\$31m reduction in cash outflows in CY24 and ensures robust cash generation over the next 12 months, providing a runway to develop the Bulletin deposit and explore loan restructuring options.

As announced on 29 February 2024, the Company is currently in discussions with third parties and have engaged a financial advisor in connection with further potential refinancing options, including bond financing. Investors are cautioned that there is no guarantee that these discussions will result in a refinance. The Company will keep the market updated in accordance with its continuous disclosure obligations.

## **PLACEMENT**

The Placement was strongly supported by new and existing shareholders, including Macquarie and the Board of Directors, which subscribed for A\$2.5m and A\$120,000, respectively.

The Placement comprises the issue of approximately 143.6 million New Shares utilising the Company’s existing placement capacity pursuant to Listing Rules 7.1 (81,937,534 New Shares) and 7.1A (60,671,162 New Shares), in addition to the issue of approximately 1.0 million New Shares to the Board of Directors, which is subject to shareholder approval, which is to be sought at the upcoming Extraordinary General Meeting (“**EGM**”), expected to be held on or around Tuesday, 30 April 2024.

This issue price of A\$0.115 per New Share represents a discount of 30.3% to the last closing price of A\$0.165 on Wednesday, 13 March 2024 and a 23.8% discount to the 5-day volume weighted average price of A\$0.1508.

Participants in the Placement will receive one (1) free attaching option for every two (2) New Shares allocated, exercisable at A\$0.17 each and expiring on the date that is 30 months from the date of issue (“**Attaching Options**”). The Company intends to list the Attaching Options, subject to meeting ASX requirements. The issue of the Attaching Options is subject to shareholder approval and will be undertaken pursuant to a prospectus to be issued shortly to eligible participants.

Canaccord Genuity (Australia) Limited and Euroz Hartleys Limited acted as Joint Lead Managers to the Placement.

## SHARE PURCHASE PLAN

In addition to the Placement, the Company intends to undertake a SPP to raise up to A\$3.0 million. Under the SPP, the Company will offer all eligible shareholders with a registered address in Australia or New Zealand who were holders of Calidus shares at 3pm (AEDT) on Thursday, 21 March 2024 (“**Record Date**”) (“**Eligible Shareholders**”), the opportunity to apply for new Calidus shares, at the same issue price and same terms and conditions as the Placement, being an issue price of A\$0.115 per New Share and one (1) free Attaching Option for every two (2) New Shares allocated.

The SPP will allow Eligible Shareholders to apply for up to A\$30,000 worth of New Shares, per shareholder, recognising the ongoing value and support of Calidus’ retail shareholders.

The SPP is not underwritten. Calidus reserves the right to scale back applications if demand exceeds A\$3.0 million, or to accept oversubscriptions (subject to ASX Listing Rules and the *Corporations Act 2001* (Cth)).

The SPP is subject to and conditional on the receipt of shareholder approval. The issue of New Shares and Attaching Options under the SPP will be undertaken pursuant to a prospectus to be issued shortly to Eligible Shareholders.

## Indicative Timetable

Event	Time / Date (2024)
SPP Record Date	3pm (AEDT) Thursday, 21 March 2024
Placement conducted	9:30am Thursday, 21 March 2024
ASX Announcement / Resume Trading	Friday, 22 March 2024
<b>Settlement of New Shares Issued under the Placement</b>	<b>Thursday, 28 March 2024</b>
Allotment and Trading of New Shares Issued under the Placement	Tuesday, 2 April 2024
<b>Despatch of Prospectus and SPP open date</b>	<b>Tuesday, 2 April 2024</b>
SPP closing date	Tuesday, 23 April 2024
<b>EGM to approve issue of Attaching Options, Directors’ Participation and SPP</b>	<b>On or around Tuesday, 30 April 2024</b>
<b>Allotment of New Shares issued under the SPP and Directors’ Participation</b>	<b>On or around Tuesday, 30 April 2024</b>
<b>Issue of Attaching Options under the Placement</b>	<b>On or around Tuesday, 30 April 2024</b>

*The above timetable is Indicative only and subject to change. Calidus reserves the right to amend any or all of these dates at its absolute discretion, subject to the Corporations Act 2001 (Cth), the ASX Listing Rules and other applicable laws.*

## OPERATIONAL UPDATE

Calidus has delivered its best weekly operational performance to date from 11 March to 17 March, recovering 1,526oz of gold. This gold and all the remainder of gold sold in March will be sold at spot under the recent hedge restructuring, significantly boosting cash inflows. This is a result of higher-grade ore being accessed again in Klondyke which is a direct result of the bulk of the cutback now being complete. Ore deliveries have commenced from the high-grade Blue Bar satellite pit which will add significantly to gold production in the coming quarter.

In addition, total BCM movement will drop by approximately 100,000 BCM per month from April, resulting in significant reduction to monthly mining costs as a result of the completion of the cutback in Klondyke.

Calidus remains on track to reach guidance for H2 FY24 of 32,000 to 37,000ozs produced.

**Refer Announcements:**

ASX – 29 February 2024 – “Production and cashflow guidance increases on integration of satellite deposits”

**FORWARD LOOKING STATEMENTS**

This announcement includes certain “forward looking statements”. All statements, other than statements of historical fact, are forward looking statements that involve risks and uncertainties. There can be no assurances that such statements will prove accurate, and actual results and future events could differ materially from those anticipated in such statements. Such information contained herein represents management’s best judgement as of the date hereof based on information currently available. The Company does not assume any obligation to update forward looking statements.

**DISCLAIMER**

References in this announcement may have been made to certain ASX announcements, which in turn may have included exploration results and Minerals Resources. For full details, please refer to the said announcement on the said date. The Company is not aware of any new information or data that materially affects this information. Other than as specified in this announcement and mentioned announcements, the Company confirms it is not aware of any new information or data that materially affects the information included in the original market announcement(s), and in the case of estimates of Mineral Resources that all material assumptions and technical parameters underpinning the estimates in the relevant announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person’s findings are presented have not been materially modified from the original announcement.

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

✉ [info@calidus.com.au](mailto:info@calidus.com.au)

## Appendix 1: Mineral Resources and Ore Reserves underpinning guidance

### Mineral Resources

Deposit	Cut-Off	Measured			Indicated			Inferred			Total		
	(g/t)	Mt	Au (g/t)	KOz	Mt	Au (g/t)	KOz	Mt	Au (g/t)	KOz	Mt	Au (g/t)	KOz
<b>Klondyke Open Pit</b>	<b>0.3</b>	<b>1.1</b>	<b>1.02</b>	<b>36</b>	<b>13.0</b>	<b>0.97</b>	<b>404</b>	<b>17.0</b>	<b>0.73</b>	<b>400</b>	<b>31.1</b>	<b>0.84</b>	<b>840</b>
<i>including</i>	0.5	0.98	1.1	34	11.0	1.07	377	10.6	0.94	320	22.5	1.01	731
<b>Klondyke UG</b>	<b>1.5</b>				<b>1.0</b>	<b>2.87</b>	<b>89</b>	<b>1.8</b>	<b>2.82</b>	<b>162</b>	<b>2.7</b>	<b>2.83</b>	<b>250</b>
<i>including</i>	2.0				0.7	3.36	72	1.2	3.31	130	1.9	3.33	202
Copenhagen	0.5				0.2	5.58	34	0.1	2.65	9	0.3	4.54	43
Coronation	0.5				0.6	1.88	34	0.2	1.24	9	0.8	1.69	43
Fieldings Gully	0.5				0.3	1.80	16	0.3	1.87	20	0.6	1.84	36
<b>Blue Spec Project</b>					<b>0.1</b>	<b>31.1</b>	<b>95</b>	<b>0.1</b>	<b>20.0</b>	<b>96</b>	<b>0.2</b>	<b>24.3</b>	<b>190</b>
<i>Blue Spec</i>	<i>Note 1</i>				0.1	31.5	71	0.1	21.2	66	0.2	25.5	136
<i>Gold Spec</i>	<i>Note 1</i>				0.02	30.1	24	0.1	17.9	30	0.1	21.8	54
Blue Bar <sup>2</sup>	0.7				0.2	2.06	12	0.1	1.63	6	0.3	1.87	18
Bulletin <sup>2</sup>	0.7				0.4	4.3	59	0.4	3.6	42	0.8	4	100
<b>Total</b>		<b>1.1</b>	<b>1.02</b>	<b>36</b>	<b>15.7</b>	<b>1.47</b>	<b>743</b>	<b>19.6</b>	<b>1.11</b>	<b>696</b>	<b>36.8</b>	<b>1.28</b>	<b>1,519</b>

Note 1: Mineral Resources for Blue Spec were calculated utilising metal pricing, recoveries and other payability assumptions detailed in ASX Announcement 29 September 2022 - "Maiden Blue Spec Reserve underpins expansion plan for Warrawoona"

Note 2: Blue Bar and Bulletin are part of the Haoma JV where Calidus has a 60% profit share

### Ore Reserves

Deposit	Cut-Off	Proven			Probable			Total		
	(g/t)	Mt	Au (g/t)	koz	Mt	Au (g/t)	koz	Mt	Au (g/t)	koz
Klondyke Open Pit	0.3	0.9	1.0	29	3.6	1.0	109	4.5	1.0	138
Klondyke Underground	1.2				1.9	2.1	120	1.9	2.1	120
St George Open Pit	0.3				0.3	0.9	9	0.3	0.9	9
Copenhagen Open Pit <sup>3</sup>	1.88				0.1	5.5	17	0.1	5.5	17
Fieldings Gully	0.35				0.3	1.4	13	0.3	1.4	13
Blue Spec	<i>Note 1</i>				0.2	11.2	83	0.2	11.2	83
Bulletin <sup>2</sup>	0.7				0.6	2.9	55	0.6	2.9	55
<b>Total</b>		<b>0.9</b>	<b>1.0</b>	<b>29</b>	<b>7.0</b>	<b>1.8</b>	<b>406</b>	<b>7.9</b>	<b>1.7</b>	<b>435</b>

Note 1: Mineral Reserves for Blue Spec were calculated on a cut-off using Net smelter return and Gold Equivalent using metal pricing, recoveries and other payability assumptions detailed in ASX Announcement 29 September 2022 - "Maiden Blue Spec Reserve underpins expansion plan for Warrawoona"

Note 2: Bulletin are part of the Haoma JV where Calidus has a 60% profit share

Note 3: Copenhagen tonnes updated from June 2023 Reserve statement due to decimal place correction

The production guidance and forecast financial information at Warrawoona is primarily based on existing operations and is underpinned by a majority of ore reserves. The Company's assumptions concerning all in-sustaining costs are informed by among other things, existing operational information derived from the Warrawoona operations and recent contractor quotes where relevant.

The Company first announced the ore reserve and production target at the Blue Spec Project on 29 September 2024 and 4 October 2022 and confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcement and that the material assumptions and technical parameters underpinning the estimates in the announcement continue to apply and have not materially changed, other than in respect of all in sustaining costs, as set out in this announcement.

The Company first announced the ore reserve and production target at the Bulletin Project on 22 February 2024 and confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcement and that the material assumptions and technical parameters underpinning the estimates in the announcement continue to apply and have not materially changed, other than in respect of all in sustaining costs, as set out in this announcement.

The Company first announced the mineral resources at the Blue Bar Project on 22 February 2024 and confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcement and that the material assumptions and technical parameters underpinning the estimates in the announcement continue to apply and have not materially changed.