

ASX ANNOUNCEMENT

17 July 2019

ABOUT CALIDUS RESOURCES

Calidus Resources 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.

DIRECTORS AND MANAGEMENT

Mr Mark Connelly
NON-EXECUTIVE CHAIRMAN

Mr David Reeves
MANAGING DIRECTOR

Mr Adam Miethke
NON-EXECUTIVE DIRECTOR

Mr Keith Coughlan
NON-EXECUTIVE DIRECTOR

Mr Paul Brennan
CHIEF OPERATING OFFICER

Ms Jane Allen
GEOLOGY MANAGER

Ms Julia Beckett
COMPANY SECRETARY

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Cleansing Statement/Appendix 3B

NOTICE PURSUANT TO SECTION 708A(5)(E) OF THE CORPORATIONS ACT 2001

The Corporations Act 2001 ("Act") restricts the on-sale of securities issued without disclosure, unless the sale is exempt under section 708 or 708A of the Act. By giving this notice, the 275,000,000 shares issued on conversion of B Class Performance Shares upon achievement of a positive pre-feasibility study and noted in the Appendix 3B attached to this notice, falls within the exemption in section 708A(5) of the Act.

Pursuant to section 708A(5)(e) of the Corporations Act 2001 (Cth) ("Corporations Act"), the Company gives notice that:

- (a) the Company issued the shares without disclosure under Part 6D.2 of the Corporations Act; and
- (b) as at the date of this notice, the Company has complied with the provisions of Chapter 2M of the Corporations Act as they apply to the Company and section 674 of the Corporations Act; and
- (c) as at the date of this notice, there is no information:
 - i. that has been excluded from a continuous disclosure notice in accordance with the Listing Rules; and
 - ii. that investors and their professional advisors would reasonably require for the purpose of making an informed assessment of:
 1. the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; or
 2. the rights and liabilities attaching to the Securities.

Julia Beckett
COMPANY SECRETARY

ABOUT CALIDUS RESOURCES

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

The Warrawoona Gold Project hosts a total Mineral Resource of 1,248,000 ozs at 1.83g/t Au (Indicated Mineral Resource of 13.5 Mt @ 1.83 g/t Au for 795,000 ozs, Inferred Mineral Resource of 7.7Mt @ 1.81g/t Au for 453,000 ozs) defined over a continuous 5km of strike which remains open in all directions. The Company controls approximately 781 square kilometres of prospective tenements that host over 200 historic workings and three satellite Mineral Resources at Fieldings Gully, Copenhagen and Coronation.

The Directors believe that the Company is well positioned to grow the current resource base around the existing resources and via regional exploration. This is positioning the Company to become a new Australian focussed gold development company.

calidus.com.au

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

CALIDUS RESOURCES LIMITED

ABN

98 006 640 553

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|---|--|
| 1 | +Class of +securities issued or to be issued | Fully paid ordinary shares |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 275,000,000 |
| 3 | Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | Fully paid ordinary shares issued on conversion of Performance B shares. |

+ See chapter 19 for defined terms.

4	<p>Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?</p> <p>If the additional +securities do not rank equally, please state:</p> <ul style="list-style-type: none"> the date from which they do the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<p>Yes, the shares issued rank equally with existing listed fully paid ordinary shares.</p>
5	Issue price or consideration	<p>Nil Consideration</p>
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	<p>Conversion of performance B shares upon achievement of a positive pre-feasibility study.</p>
6a	<p>Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i</p>	<p>Yes</p>
6b	The date the security holder resolution under rule 7.1A was passed	<p>27 November 2018</p>
6c	Number of +securities issued without security holder approval under rule 7.1	<p>Nil</p>
6d	Number of +securities issued with security holder approval under rule 7.1A	<p>Nil</p>

6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	Nil	
6f	Number of +securities issued under an exception in rule 7.2	275,000,000 (Listing Rule 7.2 Exception 4)	
6g	If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.	N/A	
6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	N/A	
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	LR 7.1 – 178,362,125 LR 7.1A – 177,152,100	
7	+Issue dates Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A. Cross reference: item 33 of Appendix 3B.	17 July 2019	
8	Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)	Number	+Class
		1,858,887,024	Fully paid ordinary shares

+ See chapter 19 for defined terms.

	Number	⁺ Class
9. Number and ⁺ class of all ⁺ securities not quoted on ASX (including the ⁺ securities in section 2 if applicable)	30,500,000	Unquoted options exercisable at \$0.025 each on or before 13 June 2020
	70,000,000	Unquoted options exercisable at \$0.035 each on or before 1 November 2019
	50,000,000	Unquoted options exercisable at \$0.02 each on or before 18 April 2021
	16,000,000	Unquoted options exercisable at \$0.03 each on or before 13 June 2020
	12,000,000	Performance Rights granted 13 June 2018, expiring 13 June 2021. These convert into shares based on the following formula; No of shares = No. of Performance Rights x (Market Price less Exercise Price)/ Market Price The deemed exercise price for this issue of performance rights is 4.1 cents per share
	9,000,000	Performance Rights granted 3 May 2019, expiring 3 May 2022. These convert into shares based on the following formula; No of shares = No. of Performance Rights x (Market Price less Exercise Price)/ Market Price The deemed exercise price for this issue of performance rights is 3 cents per share
10. Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	N/A	

Part 2 - Pro rata issue – not applicable

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of ⁺securities
(tick one)

(a) ☒ ⁺Securities described in Part 1

(b) ☐ All other ⁺securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

- 35 ☐ If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders
- 36 ☐ If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over
- 37 ☐ A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

- 38 Number of +securities for which +quotation is sought
- 39 +Class of +securities for which quotation is sought
- 40 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?
- If the additional +securities do not rank equally, please state:
- the date from which they do
 - the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
 - the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment
-

+ See chapter 19 for defined terms.

<p>41 Reason for request for quotation now</p> <p>Example: In the case of restricted securities, end of restriction period</p> <p>(if issued upon conversion of another +security, clearly identify that other +security)</p>					
<p>42 Number and +class of all +securities quoted on ASX (including the +securities in clause 38)</p>	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 50%; padding: 5px;">Number</th> <th style="width: 50%; padding: 5px;">+Class</th> </tr> </thead> <tbody> <tr> <td style="height: 80px;"></td> <td></td> </tr> </tbody> </table>	Number	+Class		
Number	+Class				

Quotation agreement

- 1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

- 2 We warrant the following to ASX.
 - The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.

 - There is no reason why those +securities should not be granted +quotation.

 - An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

 - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.

 - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

- 4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Sign here:

Date: 17 July 2019

Company secretary

Print name: Julia Beckett

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Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
Insert number of fully paid ⁺ ordinary securities on issue 12 months before the ⁺ issue date or date of agreement to issue	1,288,453,495
Add the following: <ul style="list-style-type: none"> Number of fully paid ⁺ordinary securities issued in that 12 month period under an exception in rule 7.2 Number of fully paid ⁺ordinary securities issued in that 12 month period with shareholder approval Number of partly paid ⁺ordinary securities that became fully paid in that 12 month period <p>Note:</p> <ul style="list-style-type: none"> Include only ordinary securities here – other classes of equity securities cannot be added Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed It may be useful to set out issues of securities on different dates as separate line items 	<p>5,000,000 (issued to M Connelly 20/02/2018, approved by shareholders 27/11/2018)</p> <p>124,966,848 shares (issued to Alkane Resources Limited 18/10/2018 approved by shareholders 27/11/2018)</p> <p>33,152 shares (issued to Alkane Resources Limited 18/10/2018 approved by shareholders 27/11/2018)</p> <p>5,500,000 shares (issued on exercise of options 22/06/2018, LR 7.2 exception 4)</p> <p>555,556 shares (issued on exercise of options on 12/12/2018, LR 7.2 exception 4)</p> <p>600,000 shares (issued on exercise of listed options on 17/05/2019, LR 7.2 exception 4)</p> <p>80,000 shares (issued on exercise of listed options on 23/05/2019, LR 7.2 exception 4)</p> <p>1,110,000 shares (issued on exercise of listed options on 29/05/2019, LR 7.2 exception 4)</p> <p>32,821,948 shares (issued on exercise of listed options on 29/05/2019, LR 7.2 exception 4)</p> <p>14,000,000 shares (issued on 24/06/2019 as per Underwriting Agreement with Alkane Resources, LR 7.2 exception 12)</p> <p>28,400,000 shares (issued on 24/06/2019 to sophisticated investors as part of Underwriting Agreement with Kerr Allan Financial Pty Ltd, LR 7.2 exception 12)</p> <p>275,000,000 shares (issued on 17/07/2019) on conversion of B Class Performance Shares, LR 7.2 exception 4)</p>

Subtract the number of fully paid ⁺ ordinary securities cancelled during that 12 month period	5,000,000 (cancellation of shares issued to M Connelly on 20/02/2018 approved by shareholders 27/11/2018)
“A”	1,771,520,999
Step 2: Calculate 15% of “A”	
“B”	0.15 <i>[Note: this value cannot be changed]</i>
Multiply “A” by 0.15	265,728,150
Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used	
Insert number of ⁺ equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued: <ul style="list-style-type: none"> Under an exception in rule 7.2 Under rule 7.1A With security holder approval under rule 7.1 or rule 7.4 Note: <ul style="list-style-type: none"> <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	1,046,025 shares (issued to Geology Manager 12/02/2019 under KPI & short term incentive plan) 120,000 shares (issued 12/02/2019 in consideration for tenement EL45/4555) 80,000,000 shares (issued to Alkane Resources Limited 03/05/2019) 1,200,000 shares (issued to Kerr Allan Financial Pty Ltd in part payment of 6% fee of Underwriting Agreement on 21 June 2019) 5,000,000 shares (issued in consideration for the completion of the purchase on tenement E45/5172 on 9 July 2019)
“C”	87,366,025
Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1	
“A” x 0.15 <i>Note: number must be same as shown in Step 2</i>	265,728,150
Subtract “C” <i>Note: number must be same as shown in Step 3</i>	87,366,025
Total [“A” x 0.15] – “C”	178,362,125 <i>[Note: this is the remaining placement capacity under rule 7.1]</i>

⁺ See chapter 19 for defined terms.

Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
“A” <i>Note: number must be same as shown in Step 1 of Part 1</i>	1,771,520,999
Step 2: Calculate 10% of “A”	
“D”	0.10 <i>Note: this value cannot be changed</i>
Multiply “A” by 0.10	177,152,100
Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used	
Insert number of +equity securities issued or agreed to be issued in that 12 month period under rule 7.1A <i>Notes:</i> <ul style="list-style-type: none"> • This applies to equity securities – not just ordinary securities • Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed • Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained • It may be useful to set out issues of securities on different dates as separate line items 	Nil
“E”	Nil
Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A	
“A” x 0.10 <i>Note: number must be same as shown in Step 2</i>	177,152,100
Subtract “E” <i>Note: number must be same as shown in Step 3</i>	Nil
Total [“A” x 0.10] – “E”	177,152,100 <i>[Note: this is the remaining placement capacity under rule 7.1A]</i>