

17 October 2017

**Keras Resources plc ('Keras')**

**Calidus reports Klondyke Drill Programme Extended**

Keras Resources plc, the AIM listed mineral resource company, is pleased to provide an update following an announcement published by Calidus Resources Limited ('Calidus'), in which Keras holds 217.125m ordinary shares. Calidus has announced it has now received further assays at its flagship Warrawoona Gold Project located in the Pilbara of Western Australia. Based on these assays, Calidus has committed to a further 5,000m of drilling before the end of this year.

Calidus' current drilling campaign is intended to support a significant resource upgrade in Q4 2017 with a large portion of this updated resource estimate forecast to be in the Indicated category. As previously announced, once an Indicated Resource of at least 500,000oz is declared, Keras will receive a further 241.25m ordinary shares in Calidus.

**Summary of Calidus' announcement:**

- Subsequent to receiving outstanding intercepts including 6m @ 63.31g/t Au from 49m in KLRC032 and 27m @ 5.85g/t Au from 90m in KLRC001, Calidus has committed to extending the original 10,000m drilling program to over 15,000m
  - A total of 15,611m has now been drilled at Klondyke and the high-grade satellite targets of Copenhagen, Coronation and Fieldings Gully
  - A further 5,000m drilling programme committed to target recently joint ventured Klondyke East area hosting strong gold-in-soil anomalies directly east of Klondyke
- **Significant gold intercepts grading greater than 10 gram-metres include:**
  - 24m @ 2.52g/t Au from 82m in hole 17KLRC066
  - 7m @ 5.29g/t Au from 30m in hole 17KLRC077
  - 18m @ 2.00g/t Au from 29m in hole 17KLRC074
  - 19m @ 1.72g/t Au from 80m in hole 17KLRC068

- 11m @ 2.62g/t Au from 136m in hole 17KLRC0087
- 4m @ 6.83g/t Au from 154m in hole 17KLRC058
- 11m @ 1.98g/t Au from 121m in hole 17KLRC075
- 9m @ 1.48g/t Au from 108m in hole 17KLRC079
- 11m @ 1.16g/t Au from 125m in hole 17KLRC059
- 11m @ 1.13g/t Au from 149m in hole KLRC085
- 9m @ 1.36g/t Au from 60m in hole 17KLRC062
- 6m @ 2.02g/t Au from 106m in hole 17KLRC075
- 6m @ 2.00g/t Au from 52m in hole 17KLRC066
- 9m @ 1.24g/t Au from 90m in hole 17KLRC067
- 11m @ 1.01g/t Au from 64m in hole 17KLRC066
- 4m @ 2.66g/t Au from 118m in hole 17KLRC081
- 21m @ 0.93 g/t Au from 66m in hole 17KLRC060
- 17m @ 0.97g/t Au from 7m in hole 17KLRC077
  
- This represents a further 29 holes for 4,746m of RC drilling. A total of 3,500m of RC and 1,100m of core is yet to be reported from Klondyke and the high-grade satellite deposits
  
- Hyper spectral and magnetic imagery acquisition underway with results expected in late October to assist in providing additional vectoring to gold mineralisation

Dave Reeves commented, "With the completion of the recent JV deal with Novo Resources and the heavily over-subscribed placement, I am pleased to report that Calidus will begin reconnaissance drilling on the recently joint ventured Novo Resources Corp. ground immediately to the east of the existing resource. The limited drilling results from this area confirm that the mineralised Klondyke shear structure persists for at least another 5km and provides an exceptional target for potential rapid along-strike expansion of the current resource. In addition, Calidus is due to receive detailed geophysical imagery that will be integrated into their existing datasets, and will allow them to understand the

geophysical responses of the existing mineral deposits, and use these indicators of prospectivity across their regional leases to rapidly target the presence of mineralising systems."

"The initial drill programme that was eventually expanded to 15,611m, is now complete and continues to deliver strong results over the immediate Klondyke resource area. This programme also included 2,222m of RC and core drilling at the high-grade Copenhagen Coronation and Fieldings Gully deposits with initial results from these areas expected shortly. In addition, the first 2 Klondyke diamond holes have been dispatched for assay with the completion of submission of the remaining 5 diamond holes due in the next 4 weeks."

"Initial examination of drill core over the Klondyke, Copenhagen, Coronation and Fieldings Gully areas indicates a wide variety of structurally deformed rocks and zones of mineralisation with extensive alteration. RC drill results to date demonstrate geologically the potential of the broader regional system to host both high-grade high-value mineralisation and larger-scale lower grade bulk tonnage mineralisation."

To view a full version of the Calidus announcement, which includes figures and maps, please click here:

<https://www.investi.com.au/api/announcements/cai/6636eee5-539.pdf>

This announcement contains inside information for the purposes of Article 7 of Regulation (EU) 596/2014.

**\*\*ENDS\*\***

For further information please visit [www.kerasplc.com](http://www.kerasplc.com), follow us on Twitter @kerasplc or contact the following:

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