

MINING FLASHNOTE

# Calidus Resources Ltd (CAI AIM)

28 August 2018

## Stock Data

Share Price:	A\$0.035
Market Cap (M):	A\$45.3
EV (M):	A\$40.8

## Price Chart



## 52 Week Range

A\$0.03		A\$0.035
A\$0.065		

## Company Summary

Calidus Resources is the spin out of the Australian gold assets in Keras Resources. It is currently exploring the Warrawoona Gold district where it has consolidated a previously fragmented historic gold mining district.

MAIN SHAREHOLDERS	HOLDING
Keras Resources	35.42%
Bank of Nova Scotia	3.61%
Eight Investment Partners	2.79%
Celtic Capital	1.44%

Source: Bloomberg

## Peter Rose

Tel: +44 (0)20 3463 5034

Peter.Rose@brandonhillcapital.com

www.brandonhillcapital.com

## Calidus Announces Disposal of Non-Core Conglomerate Gold Rights for C\$3.5M of PAC Shares

### Event

Calidus Resources ("Calidus") has announced that it has entered into a binding letter of intent ('LOI') to dispose the Conglomerate Gold Rights ('Gold Rights') over a portfolio of eight exploration licenses for 7,000,000 shares in Pacton Gold Inc (TSXV:PAC) (Pacton) currently valued at C\$3.5M.

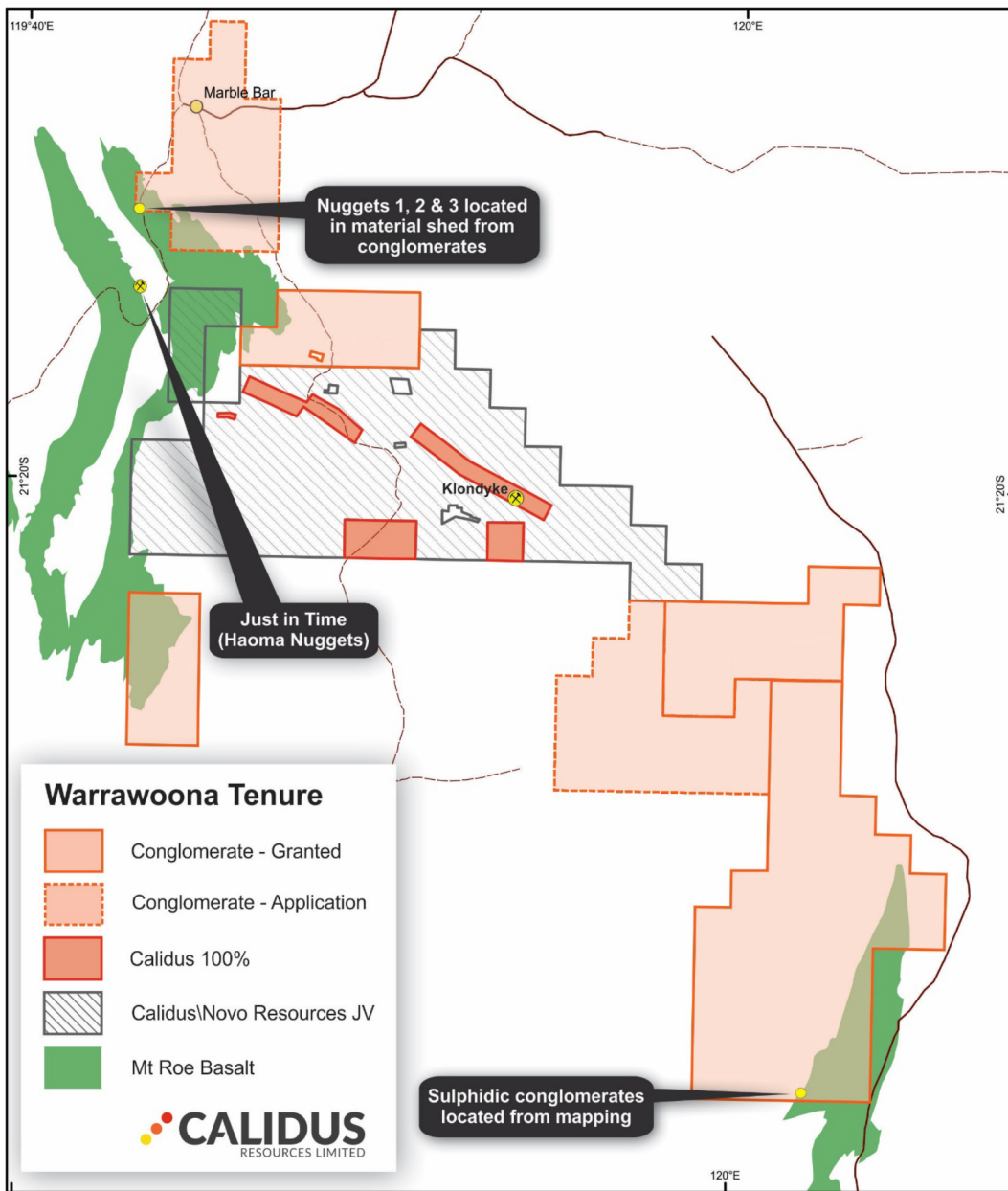
### Comment

These assets are non-core to Calidus and will provide additional finance for developing the Warrawoona Gold Project. The actual tenements will be retained by Calidus who will retain the rights to all shear hosted/basement gold. The agreement with Pacton only applies to the right to explore and mine conglomerate gold over a portfolio of 6 granted exploration licences and 2 further exploration licences covering an area of 357.5km<sup>2</sup> that are under application. The Gold Rights granted to Pacton relate to material that overlies the basement rocks and that is formed of transported material. Specifically, this means the Fortescue Group conglomerates that overlie the Warrawoona Greenstone Belt.

Pacton will become liable for rehabilitation and environmental obligations and are required to spend a minimum of C\$50,000 in aggregate on all tenements during each 12-month period from commencement of the Gold Rights Agreement.

The 7M shares are subject to an escrow period of 4 months, with 25% of the shares subject to further voluntary escrow pending grant of the exploration licence applications. Calidus may be entitled to the issue of up to 3,000,000 additional common shares in the capital of Pacton during the period 12 months after the date of execution of the definitive agreement dependent on the performance of Pactons share price.

Exhibit 1 Map Showing Tenements Covered by Agreement



Source: Calidus Resources

## Research Disclosures

### Peter Rose

Peter has 32 years' experience in equities as a resources analyst; he has been at Brandon Hill Capital for 10 years, after having spent 11 years with Deutsche Bank in Australia. Prior to this he spent 2 years with Prudential Bache and 6 years with James Capel. Peter's industry experience includes 16 years as a metallurgist, 3 years with De Beers in South Africa and 9 years in the uranium industry, six of which were spent at the Ranger Uranium mine. Peter holds a BSc degree in Applied Mineral Science from Leeds University UK and a Bachelor of Commerce from the University of South Africa. Peter is also a member of the Institute of Materials, Mining & Metallurgy and a chartered engineer.

**Tel: +44 (0)20 3463 5034**

**Peter.Rose@brandonhillcapital.com**

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<b>Sell</b>	Recommendation implies that expected total return expected over 12 months between current and analysts' target price is negative.

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Research disclosure as of 28 August 2018

Company Name	Disclosure
Calidus Resources (CAI ASX)	1, 2, 7, 8, 9

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## Brandon Hill Contact List

### International Sales

**Oliver Stansfield**

Tel: +44 20 3463 5061

Email: oliver.stansfield@brandonhillcapital.com

**Pierre Iseux**

Tel: +44 20 3463 5024

Email: pierre.iseux@brandonhillcapital.com

**Andrew Hall**

Tel: +44 20 3463 5025

Email: andrew.hall@brandonhillcapital.com

**Arron Smyth**

Tel: +44 20 3463 5042

Email: arron.smyth@brandonhillcapital.com

### Research

**Peter Rose**

Tel: +44 20 3463 5034

Email: peter.rose@brandonhillcapital.com

**William Arnstein**

Tel: +44 20 3463 5020

Email: william.arnstein@brandonhillcapital.com

### Corporate Finance & Broking

**Jonathan Evans**

Tel: +44 20 3463 5016

Email: jonathan.evans@brandonhillcapital.com

**Wei Jiao**

Tel: +44 20 3463 5019

Email: wei.jiao@brandonhillcapital.com

**Robert Beenstock**

Tel: +44 20 3463 5023

Email: robert.beenstock@brandonhillcapital.com

**Enzo Aliaj**

Tel: +44 20 3463 5026

Email: enzo.aliaj@brandonhillcapital.com