

MINING FLASHNOTE

Calidus Resources Ltd (CAI ASX)

14 November 2017

Stock Data

Share Price:	A\$0.043
Market Cap (M):	A\$44.4
EV (M):	A\$39.9

Price Chart



52 Week Range

A\$0.065	A\$0.043	A\$0.019
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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	21.05%
Bank of Nova Scotia	4.08%
Eight Investment Partners	3.50%
Celtic Capital	1.80%

Source: Bloomberg

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Calidus Intercepts High Grades at Satellite Deposits at Warrawoona Gold

Event

Calidus Resources ("Calidus") has announced that it has intersected significant widths and grades of gold mineralisation at the Fielding's Gully and Copenhagen deposits that it now owns 100% following the recently completed Haoma tenement purchase. The Company has now received all RC drill results from the recently completed program.

Comment

The latest drill results are the 9 RC drill holes for a total of 596m at Fielding's Gully and 16 RC drill holes for 1,186m at Copenhagen. The results at Fielding's Gully were very much in line with the results obtained from Klondyke, shallow, wide intercepts and grades of around 2g/t. This was to be expected as the historic non-JORC compliant resource was 315,000t @ 1.8g/t. At Copenhagen the grades are somewhat higher, in line with expectations, given that the resource at Copenhagen runs at 0.17Mt @ 6.10g/t.

Fielding's Gully

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

- **16m @ 3.52g/t Au (incl 1m @ 10.85g/t and 1m @ 22.0g/t)** from 71m in hole 17FGRC005
- **21m @ 1.85g/t Au (incl 1m @ 10.3g/t)** from 55m in hole 17FGRC006
- **8m @ 3.97g/t Au** from 22m in hole 17FGRC007
- **11m @ 2.62 g/t Au (incl 1m @ 19.75g/t)** from 25m in hole 17FGRC004
- **11m @ 2.00g/t Au** from 25m in hole 17FGRC003
- **11m @ 1.74g/t Au** from 28m in hole 17FGRC008
- **7m @ 2.42g/t Au (incl 1m @ 11.97g/t)** from 35m in hole 17FGRC007

This round of drilling by Calidus was designed around an extensive gold anomaly defined by shallow historic open hole drilling completed in the 1980's and 1990's. At this same location a regional lineament oriented at 070 was mapped by Calidus geologists cutting across the Fielding's Find shear zone and across to the north where it lines up with a 070-oriented fault mapped on Coronation Ridge, one of a number of targets identified on the Copenhagen shear zone.

Assays are pending for the HQ oriented core hole 17FGRC001 drilled to test local stratigraphy and provide metallurgical sample material. Gold mineralisation is interpreted to be structurally controlled and related to vein densities and sulphide contents.

The Fielding's Gully prospect remains open in all directions with significant results now defined over an initial strike length of over 300m. Recent drilling has delivered consistent, broad intersections with similar characteristics to the nearby Klondyke orebody. Of the current results, 17FGRC005 is on the most easterly section recently drilled and the significant intercept of 16m @ 3.52g/t Au augers well for the rapid expansion of this shallow orebody.

Copenhagen

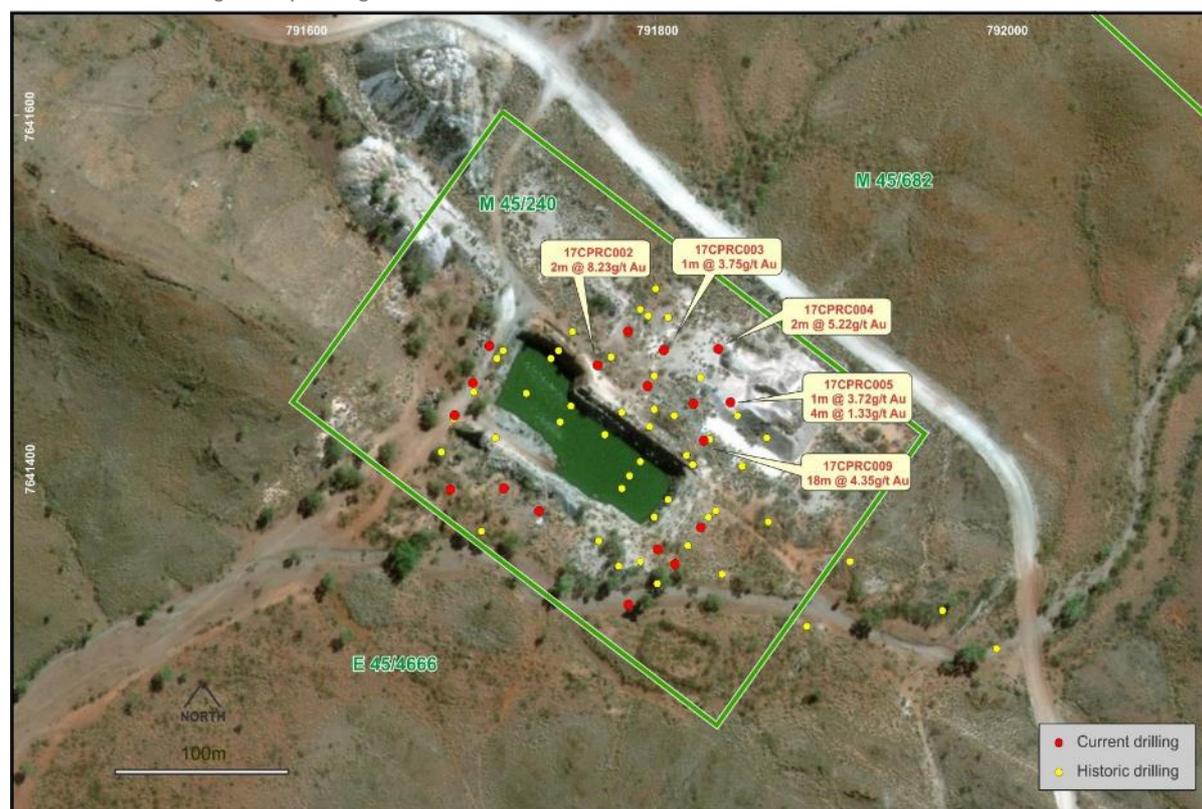
The RC drilling programme was undertaken at Copenhagen to test two conceptual targets a) the southerly extent of a possible parallel lode directly south of the existing shallow pit, and b) to test the position to the immediate west of the existing pit of the interpreted faulted off portion of the orebody

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

- **18m @ 4.35g/t Au (incl 1m @ 13.8g/t and 2m @ 11.41g/t)** from 46m in hole 17CPRC009
- **2m @ 8.23g/t Au (incl 1m @ 10.12g/t)** from 27m in hole 17CPRC002
- **2m @ 5.22g/t Au** from 56m in hole 17CPRC004

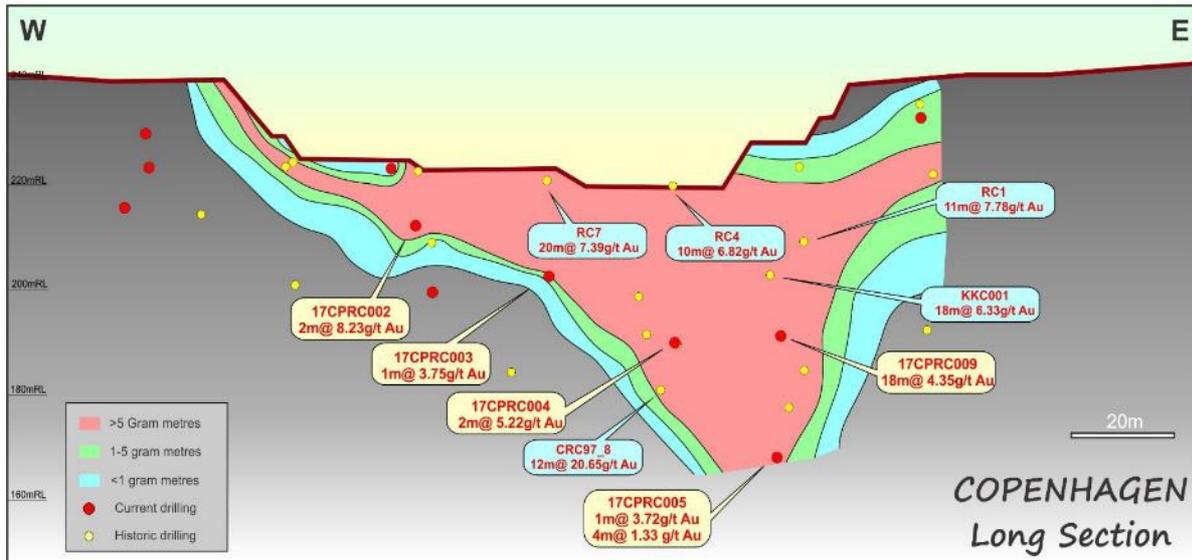
The drilling and recent structural mapping has highlighted that the lode remains open to the NE. It is planned to undertake some limited drilling on this area in the next drill campaign to further investigate this plunge.

Exhibit 1: Plan of drilling at Copenhagen



Source: Calidus Resources Limited

Exhibit 2: Long Section of Copenhagen



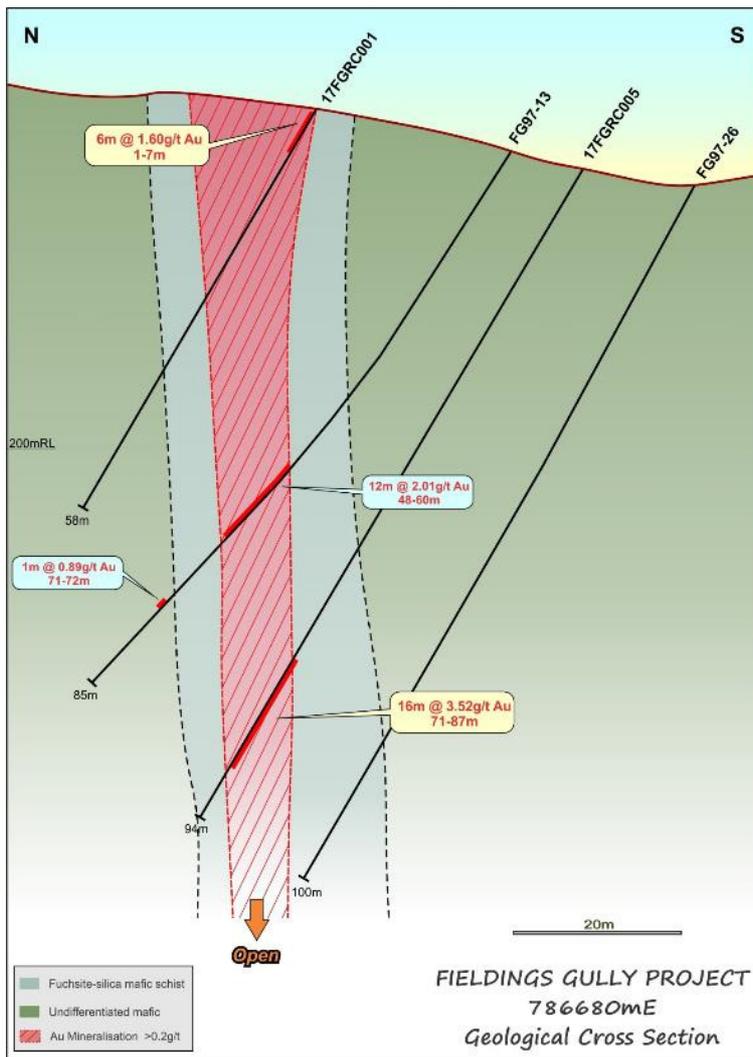
Source: Calidus Resources Limited

Exhibit 3: Plan of drilling at Fielding's Gully



Source: Calidus Resources Limited

Exhibit 4: Cross Section A-A at Fielding's Gully



Source: Calidus Resources Limited

Research Disclosures

Peter Rose

Peter has 31 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.

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Research Disclaimers

Research disclosure as of 14 November 2017

<u>Company Name</u>	<u>Disclosure</u>
Calidus Resources (ASX)	1, 2, 7, 8, 9

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