CALIDUS RESOURCES LIMITED

ASX ANNOUNCEMENT

ABOUT CALIDUS RESOURCES

Calidus Resources is an ASX listed gold producer that is ramping up the 1.7Moz Warrawoona Gold Project 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 Paul Brennan
CHIEF OPERATING OFFICER

Mr Richard Hill
CHIEF FINANCIAL OFFICER

Ms Julia Beckett
COMPANY SECRETARY

calidus.com.au

ASX : CAI

info@calidus.com.au

Suite 12, 11 Ventnor Ave
West Perth WA 6005
AUSTRALIA

11 July 2023

Felix discovery shows potential to supply Warrawoona mill

Felix is just 65km from Warrawoona and 5km from Calidus' Blue Spec deposit

HIGHLIGHTS

- **All gold assays have been received for a program of close-spaced, shallow RC drilling to define the geometry and continuity of near-surface lodes at the Felix discovery in the Pilbara**
- **Drilling carried out over only a small portion of the strike length of the mineralised system**
- **Results include:**
  - **15m @ 2.19g/t Au from 22m in 23GORC052 (including 1m @ 19.82g/t Au from 31m),**
  - **13m @ 0.96g/t Au from 30m in 22GORC043,**
  - **19m @ 0.73g/t Au from 8m in 23GORC037, and**
  - **10m @ 1.56g/t Au from 16m (including 2m @ 4.11g/t Au from 23m) in 23GORC039.**
- **Infill and extensional soil sampling program now underway**
- **Calidus aims to establish Felix as an ore source for its Warrawoona project**
- **Soil sampling and 2022 drilling to guide a program to determine the volume of oxide mineralisation in the better endowed western part of the system**
- **Calidus has moved to 100% ownership of the tenement upon which Felix is located**

Calidus Resources Limited (ASX:CAI) is pleased to announce more strong drilling results at its Felix gold discovery in the Pilbara.

The results support Calidus' strategy to grow the inventory, production and mine life at its Warrawoona Gold Project by defining and developing deposits within trucking distance of Warrawoona.

The drilling program was designed to follow up on initial results[1,2] by testing the potential for Felix to host a shallow Mineral Resource which would be amenable to open pit mining. The first round of scout drilling proved the presence of widespread, shallow mineralisation at Felix.

Results from the latest drilling campaign have demonstrated the geometry of the mineralised horizons and their strike continuity. This was an important step because there was no previous drilling or substantive exploration work in the Felix area.

Calidus Managing Director Dave Reeves said: *"These results support the prospect of Felix becoming a source of ore for Warrawoona, enabling us to increase mine life and leverage the infrastructure.*

The results will be used, in conjunction with the results from a soil sampling program currently underway, to plan the next stage of drilling to determine the likelihood of a Mineral Resource amenable to open pit mining.

"At Marble Bar, planned drilling is designed to test the thickness and grade continuity of a high-grade portion of the quartz reef and to test down-dip and along-strike extensions of the reef that are currently open. Results from the program will be used to test the potential for high-grade ore feed for Warrawoona, which is only 25km away".

Felix

The Felix prospect was first identified from a program of scout drilling on E46/1026[1,2] following up on a zone of strong gold-in-soil anomalism defined over >3km strike length along the Blue Spec Fault Zone[3].

Exploration Licence E46/1026 is located about 11km ENE of the township of Nullagine, in the east Pilbara region (refer **Figure 1**). The tenement is considered prospective for mineralisation like that at the Blue Spec mine, which is less than 5km to the east of E46/1026. The absence of any historic stream sediment and soil sampling and drilling on E46/1026 means that the potential of the tenement is effectively untested. Furthermore, there is no evidence of any prospecting activity, modern or historic, in the area.

The Blue Spec Project lies within metasedimentary rocks of the Archean Mosquito Creek Basin. Gold deposits across the basin largely consist of quartz-vein hosted gold–antimony mineralization[2] associated with flexures or oblique cross-cutting structures of the main E- to ENE-trending shear zones. The deposits at Blue Spec and Gold Spec, immediately east of E46/1026, are very high-grade, narrow quartz lodes.

The results of a Feasibility Study on the Blue Spec and Gold Spec deposits were released on the 29 September 2022[4].

The initial scout drilling at Felix in late 2022 comprised 31 holes, of which 25 contained significant intercepts. Nine holes were drilled in the eastern area and 22 holes in the western area (refer **Figure 1**). The best intercept was 6m @ 40.15g/t Au from 38m (including 1m @ 220.17g/t Au from 39m) in 22GORC016, although the widest intercepts were recorded in the western area. A program of close-spaced holes around 22GORC016 was designed to test for high-grade extensions, and to determine the geometry and strike extent of the overall mineralised zone.

Drilling results

Seventeen shallow RC holes for 1,277m were drilled in February 2023 (refer **Figure 1**) using an L8 grade control rig with a small footprint that is capable of drilling holes at shallow angles. Several fences of holes on either side of the high-grade intercept in 22GORC016 were drilled to constrain the geometry of mineralisation. The drill holes cover a strike length of about 150m.

The best intercepts, using a cut-off grade of 0.5g/t Au, a minimum width of 1m, and a maximum of 2m of internal waste, consist of:

- 15m @ 2.19g/t Au from 22m in 23GORC052 (including 1m @ 19.82g/t Au from 31m),
- 13m @ 0.96g/t Au from 30m in 22GORC043,
- 19m @ 0.73g/t Au from 8m in 23GORC037, and
- 10m @ 1.56g/t Au from 16m (including 2m @ 4.11g/t Au from 23m) in 23GORC039.

Significant intercepts from the latest round of drilling are shown on Figure 1. The full list of intercepts is contained in Table 1.

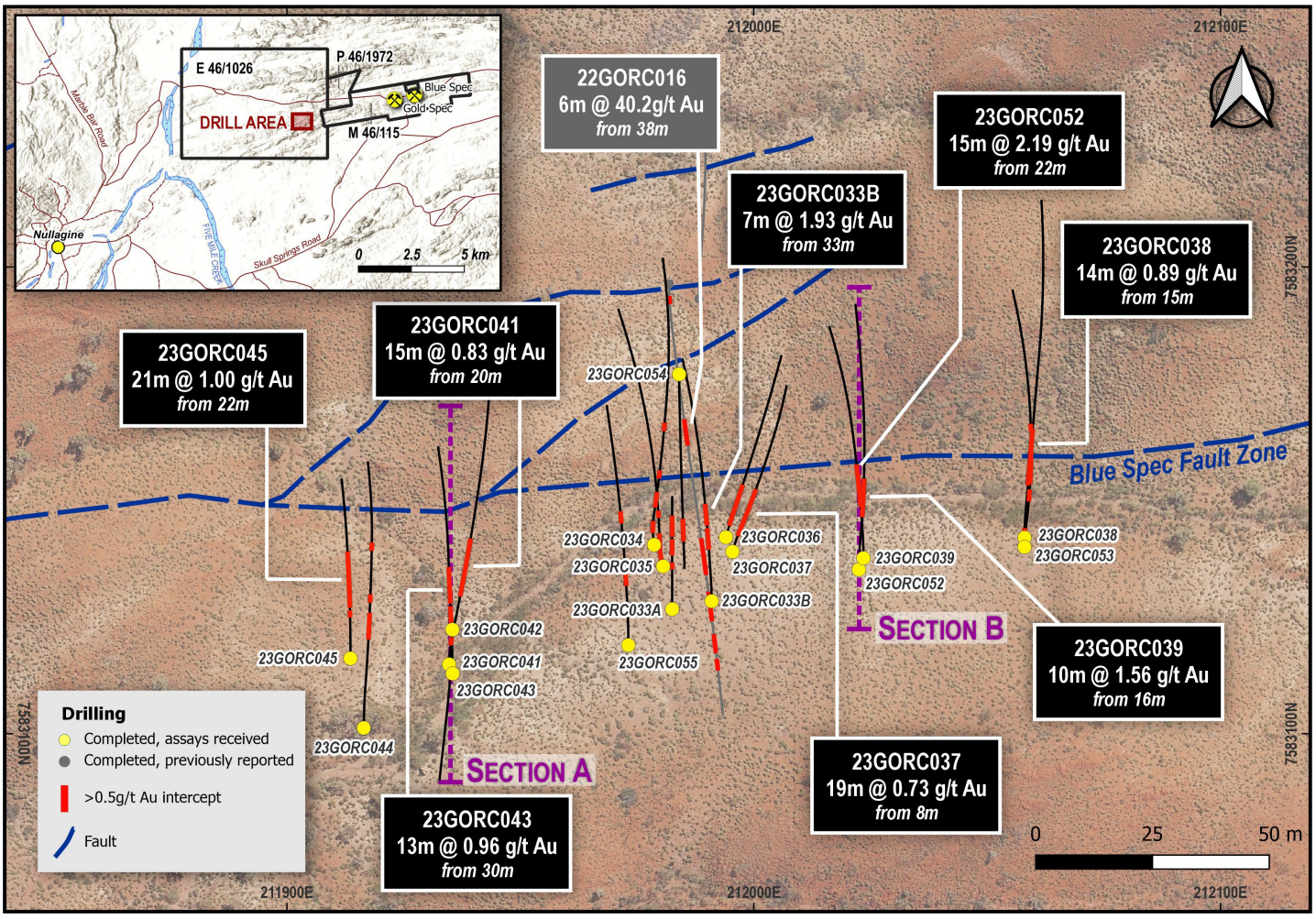
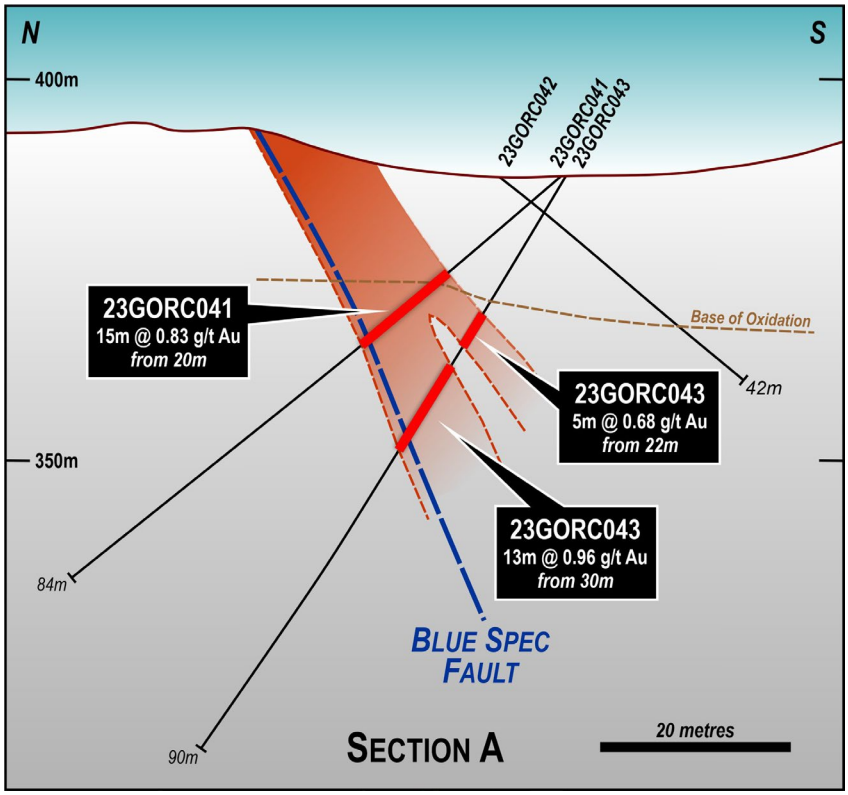


Figure 1 *– Location of recent drilling at Felix east.*

Mineralisation appears to consist of two main lodes that dip steeply to the south, broadly parallel to much of the bedding and most fold axial surfaces (refer **Figure 2**). The northern lode is typically 5-10m wide and the southern lode above it, is 3-5m wide. On some sections, the two lodes merge. The two lodes coincide with the mapped position of the Blue Spec Fault Zone at surface. The results of this program have demonstrated that the optimal orientation for future larger drilling programs is toward the north.

The high-grade intercept in 22GORC016, which lies 20m further north of the two main lodes, was not replicated in the current round of drilling. The geometry of that intercept remains unconstrained.



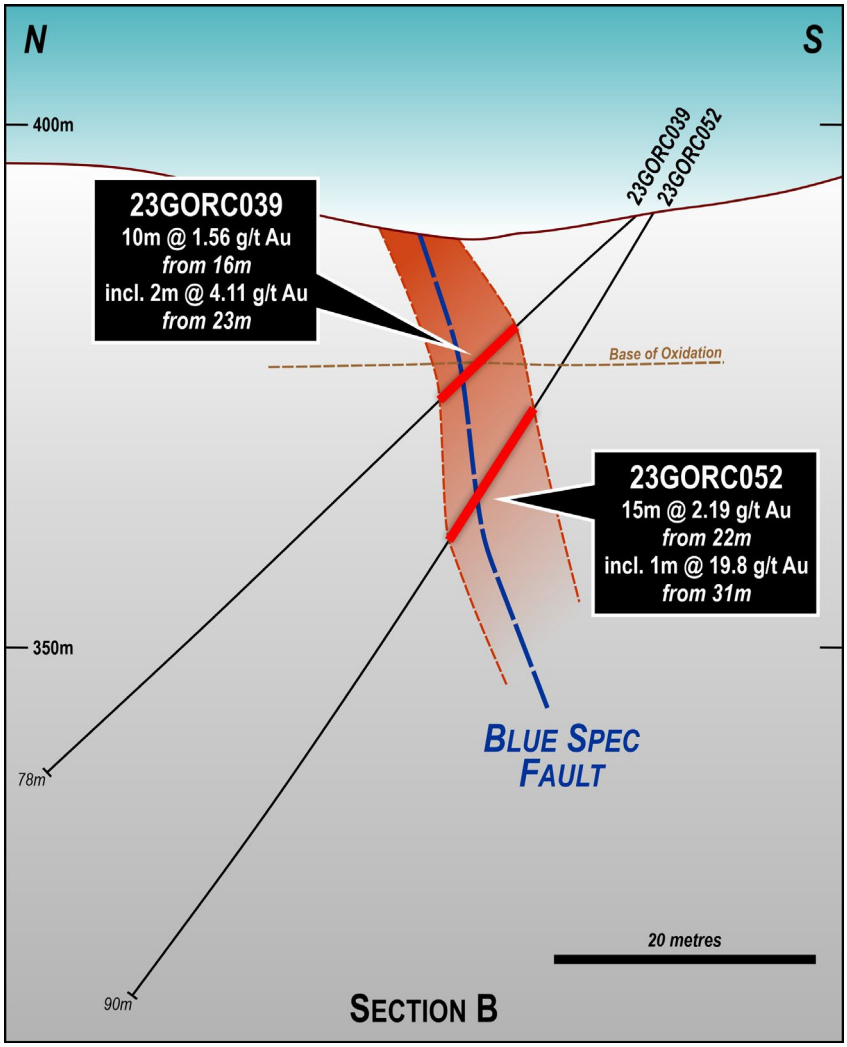


Figure 2 *– Cross-sections through the recent drilling at Felix east with interpreted zones of mineralisation >0.5g/t Au.*

Planned exploration programs

Felix

A second-stage soil sampling program at Felix has just been completed. About 800 samples were collected and analysed on site using the Portable PPB process, following its successful use in 2022[3]. The program consisted of infill lines along a nearly 6 km length of the Blue Spec Fault Zone to a 40-50m line spacing with samples every 20m along the lines (refer **Figure 3**). This will allow for a better definition of the magnitude and strike extent of soil anomalies and will be used to inform future infill RC drilling and for the nearly 2km of the Blue Spec Fault Zone, west of the area covered by the 2022 scout drilling, which is yet to be drill tested.

Soil sampling will also cover an area of hematite and carbonate alteration coincident with quartz–ankerite veins recently identified about 2.5km north of Felix.

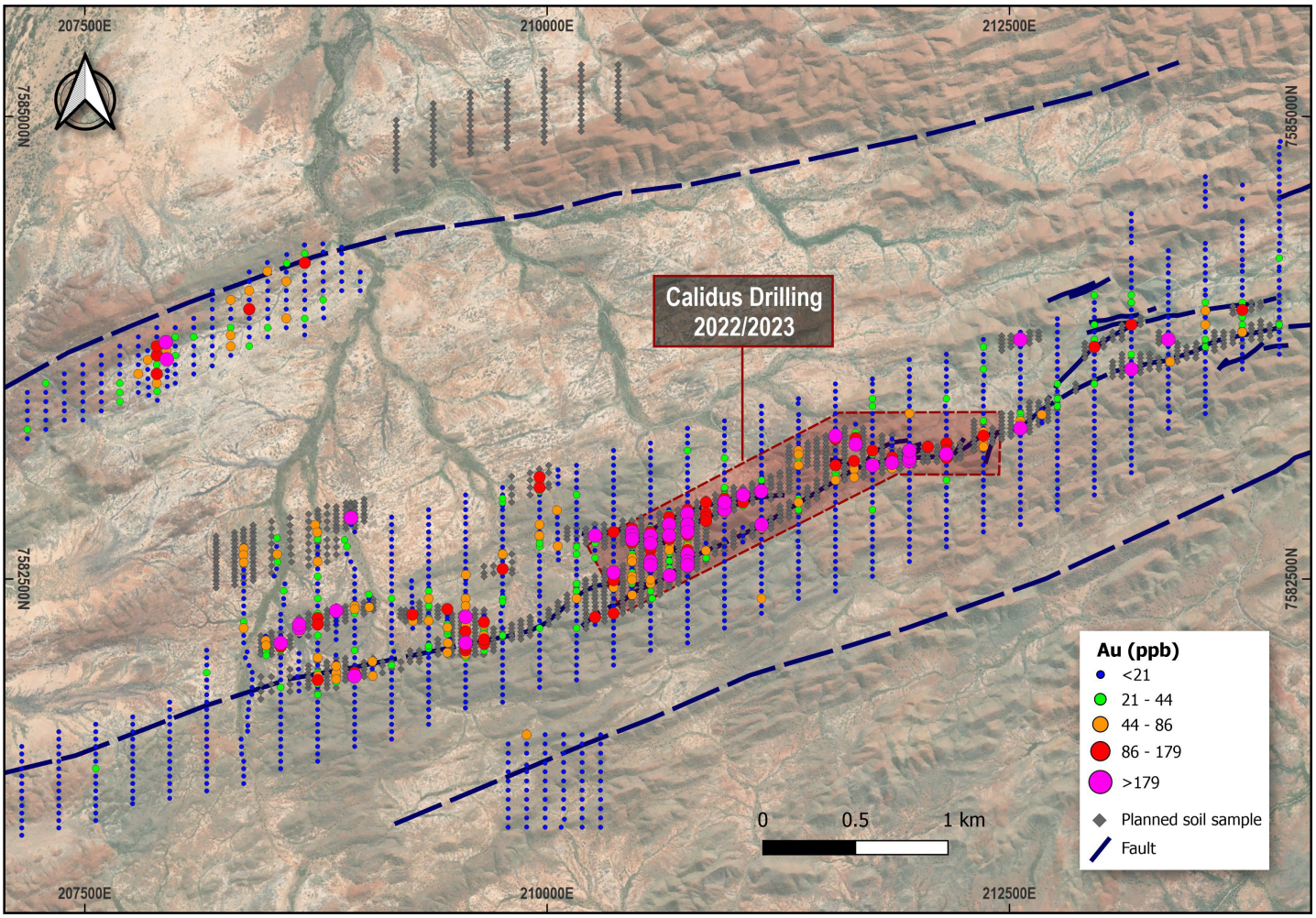


Figure 3 *– Second-stage soil sampling locations (white dots) at Felix and previously announced results.*

Marble Bar

At Marble Bar, follow-up work to previous drilling programs[5,6] will include drilling southern extensions of the reef that were not drilled in November 2022 owing to the extreme weather, and close-spaced drilling to determine the geometry of high-grade ore shoots and the continuity of grade (refer **Figure 4**). These results will provide the basis for a decision as to whether to establish a Mineral Resource estimate.

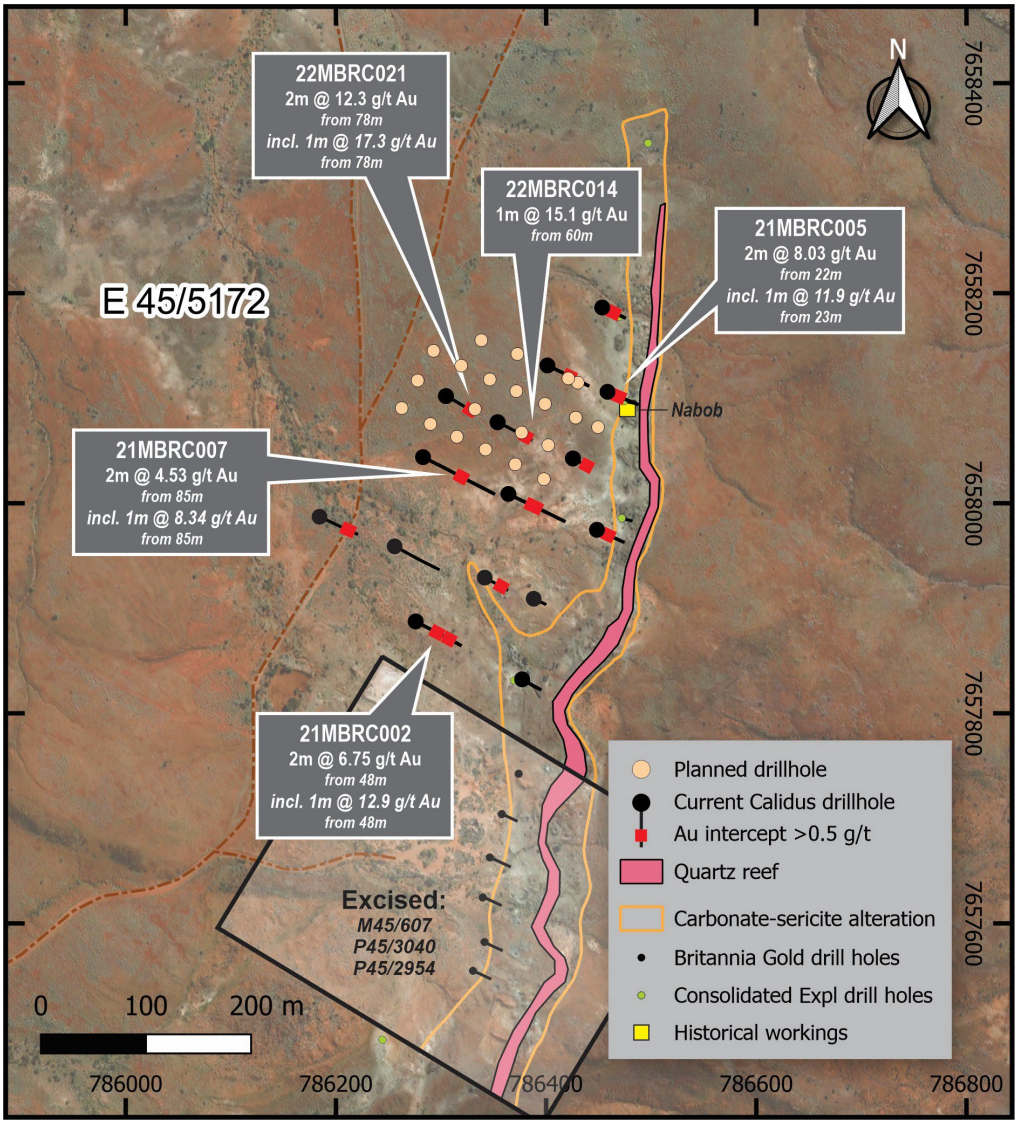


Figure 4 *– Plan view of drilled and planned holes at the historic Marble Bar Goldfield.*

Ownership of E46/1026

Under the previously announced farm-in with Gondwana Resources (ASX 4 December 2020), Calidus had the right to earn up to 75% of tenement E46/1026 on which the Felix discovery is located. Calidus has spent the $1m required to earn to 75% and Gondwana has elected not to co-contribute but convert to a 1.5% net smelter royalty as is allowed under the agreement.

Initial Metallurgical Results – Felix

Initial metallurgical testwork which comprised a bottle roll followed by fire assay of the bottle roll tail has highlighted that all oxide material encountered is free milling with recoveries up to 97% and amenable to processing at the Warrawoona CIL plant. All fresh material tested was sulphide material similar to the main Blue Spec deposit so will be required to be treated in the proposed sulphide circuit at Warrawoona.

NOTES

1. “New gold discovery 65km from Warrawoona project in the Pilbara”: Calidus Resources Ltd, ASX Announcement 28 November 2022.

2. “High-grade zone in Felix discovery at Blue Spec Project”: Calidus Resources Ltd, ASX Announcement 18 January 2023.
3. “Blue Spec soil survey provides compelling soil anomalies”: Calidus Resources Ltd, ASX Announcement 2 August 2022.
4. “Maiden Blue Spec Reserve underpins expansion plan for Warrawoona”: Calidus Resources Ltd, ASX Announcement 29 September 2022.
5. “Strong drilling results show potential for open pit at Blue Spec East”: Calidus Resources Ltd, ASX Announcement 2 June 2022.
6. Drilling results underpin shallow growth opportunities at Blue Spec East”: Calidus Resources Ltd, ASX Announcement 21 February 2023.

COMPETENT PERSON STATEMENT

The information in this announcement that relates to exploration results is based on and fairly represents information compiled by Steve Sheppard a competent person who is a member of the AIG (Member #5290). Steve Sheppard is employed by Calidus Resources Limited and holds shares and options in the Company. Steve has sufficient experience that is relevant to the style of mineralisation and type of deposits under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 edition of the Australasian Code of Reporting of Exploration Results, Mineral Resources and Ore Reserves. Steve Sheppard consents to the inclusion in this announcement of the matters based on his work in the form and context in which it appears.

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

Refer announcements:

- 1 December 2021 – Calidus to commence drill testing priority greenfields gold targets
- 21 March 2022 – Strong exploration results highlight growth potential of Blue Spec Project
- 2 June 2022 – Strong drilling results show potential for open pit at Blue Spec East
- 2 August – Blue Spec soil survey provides compelling gold anomalies
- 29 September 2022 – Maiden Blue Spec Reserve underpins expansion plan for Warrawoona
- 9 November 2022 – Drilling confirms lithium continuity 250m down dip
- 22 November 2022 – New gold discovery 65km from Warrawoona project in the Pilbara
- 18 January 2023 – High-grade zone in Felix discovery at Blue Spec Project
- 21 February 2023 – Drilling results underpin shallow growth opportunities at Blue Spec East

Table 1 – Significant intercepts and drill hole details at Felix (grid coordinates refer to MGA94 Zone 51)

Hole ID	Easting	Northing	RL	EOH	Dip	Azi	From (m)	To (m)	Interval (m)	Grade (g/t Au)	Comments
23GORC033A	211986	7583123	389	48	-60	360	18 24 32	19 29 39	1 5 7	0.54 0.72 0.90	
23GORC033B	211991	7583125	389	96	-60	360	23 33	30 40	7 7	0.92 1.93	
23GORC034	211977	7583138	389	78	-40	345	4 11 19 32	6 14 20 33	2 3 1 1	0.94 0.70 0.75 0.68	
23GORC035	211980	7583134	389	96	-60	340	1 21	13 22	12 1	0.75 1.40	
23GORC036	211992	7583138	389	54	-40	015	4	15	11	0.79	
23GORC037	211994	7583134	389	72	-60	360	8	27	19	0.73	
23GORC038	212061	7583135	391	90	-40	360	1 15	2 29	1 14	0.52 0.89	
23GORC039	212026	7583135	392	78	-40	360	16	26	10	1.56	
23GORC041	211937	7583116	388	84	-40	360	6 20	7 35	1 15	0.58 0.83	
22GORC042	211937	7583124	388	42	-40	180	–	–	–	–	*No significant intercepts*
23GORC043	211937	7583115	388	90	-60	360	22 30	27 43	5 13	0.68 0.96	
23GORC044	211098	7583115	389	72	-40	360	25 35 49	31 36 50	6 1 1	1.32 0.53 0.68	
23GORC045	211908	7583114	389	72	-60	360	18 22	19 43	1 21	0.97 1.00	
23GORC052	212025	7583133	392	90	-60	360	22	37	15	2.19	
23GORC053	212060	7583134	391	96	-60	360	2 20 27 47	3 23 38 48	1 3 11 1	0.77 0.58 0.69 0.82	
23GORC054	211984	7583177	390	54	-40	180	41	46	5	1.18	
23GORC055	211968	7583122	389	65	-40	360	17 29 34	22 30 36	5 1 2	0.96 0.56 0.76	

Note that holes 23GORC040 and 23GORC046–051 were planned but not drilled.

JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	*Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.*	Reverse circulation samples were collected using an Atlas Copco ROC L8-64 Reverse Circulation drill rig operated by Castle Drilling Australia. All RC drilling was undertaken with a 5 ½ inch hammer. All RC holes were sampled for their entire length every 1m, with 1/8 of each interval sampled for assay, and the remaining 7/8 of each interval stored on site. Representative chips from the drilling were also collected in chip trays for reference. The chip trays have been sent to CoreScan for high-resolution photography and scanning using hyperspectral sensors to determine the alteration mineralogy.
	Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.	Almost all the holes were drilled at -40° to 360° to be close to perpendicular to the strike and dip of the mineralised zones. Adjustments to the azimuth were made where necessary to bring the hole traces more perpendicular to local structures thought likely to control mineralisation. Mapping to date indicates that most of the structures and quartz-carbonate veins are sub-vertical to steeply south dipping. RC samples were collected at one-metre intervals by a cone splitter mounted to the drill rig cyclone. The cone was balanced vertically to minimize bias during sampling. The relative weights of primary and duplicate samples off the cyclone were continually monitored to minimize sample bias.
	Aspects of the determination of mineralisation that are Material to the Public Report.	RC samples were split at the rig to achieve a target sample weight of 2-5kg for each metre. RC samples were dried, crushed, split, and pulverized by Jinning Testing and Inspection in Perth prior to analysis for gold using fire assay on a 50g charge with AAS finish.
Drilling techniques	*Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	RC samples were collected using a track-mounted Atlas Copco ROC L8-64 Reverse Circulation drill rig with a 5 ½ inch face-sampling hammer. Sufficient air was present to ensure that >99% of samples were kept dry.
Drill sample recovery	*Method of recording and assessing core and chip sample recoveries and results assessed.*	Sample recoveries were monitored and recorded for each metre. Recoveries were estimated by the supervising geologist on the rig to be close to 100% of the volume extracted each metre. Recoveries were generally consistent down the hole, except for some metres from the first rod before the holes were collared with PVC.

Criteria	JORC Code explanation	Commentary
	Measures taken to maximise sample recovery and ensure representative nature of the samples.	Sufficient air was available to ensure that samples were kept dry, and that material was evacuated from the hole rapidly. Owing to the shallow angle of drilling and short nature of the holes (<120m depth) minimal water was encountered. Recoveries were monitored each metre and the relative weights of primary and duplicate samples were monitored to ensure minimal bias from the cyclone and splitter.
	Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	There is no correlation apparent between sample recovery and grade. Dust suppression was used during drilling at both localities to reduce the loss of fine material.
Logging	*Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies*	For each 1m interval, the main rock types, alteration mineralogy and intensity, vein types and abundances, and sulfide abundances were logged. The detail of logging is sufficient to support any future Mineral Resource Estimations. Rock chips from every metre in chip trays are being photographed and scanned by a hyperspectral sensor at Corescan to refine the lithologies and alteration mineralogy logged at the rig.
	Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.	Logging of RC samples and drill core was predominately qualitative in nature, although vein and sulfide percentages were estimated visually. The chip trays from all holes are being photographed at high resolution by Corescan.
	The total length and percentage of the relevant intersections logged.	All recovered intervals were geologically logged.
Sub-sampling techniques and sample preparation	*If core, whether cut or sawn and whether quarter, half or all core taken.*	Not applicable as no diamond drilling was undertaken.
	If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.	RC samples were collected from the full recovered interval each metre at the drill rig by a cone splitter. A split, comprising roughly 1/8 of the drilled interval, was collected each metre into a pre-labelled calico bag. The condition of each sample was recorded with >99% of samples being collected dry.
	For all sample types, the nature, quality and appropriateness of the sample preparation technique.	Samples submitted for fire assay to Jinning were oven dried at 105°C for 8-10 hours depending on moisture content and pulverised in an LM5 mill to achieve a grind size of 85% passing 75 µm (samples >3.5kg were riffle split before pulverising). In gold systems with a low proportion of nuggets, this sample preparation is regarded as being appropriate.
	Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.	Field QC procedures include the insertion of blanks, standards, and collection of field duplicates. Blanks and standards were inserted at a rate of 1 in 40 for each and field duplicates at a rate of 1 in 20. After milling, about 150-200g of the resultant pulp is scooped randomly from the LM5 mill and placed into an assay packet. The design of the mill allows for

Criteria	JORC Code explanation	Commentary
		simultaneous milling and mixing, so that at the end of the cycle the sample is deemed to be homogeneous. The 50g for assay is weighed directly from the packet. Repeat analyses by the lab determined at roughly 1 in 20 were undertaken on a second aliquot of 50g from the original scooped sample to monitor homogeneity.
	Measures taken to ensure that the sampling is representative of the in-situ material collected, including for instance results for field duplicate/second-half sampling.	Field duplicates in a second calico bag were collected at a predetermined rate of 1 in every 20 samples. The relative and absolute weights of the primary and duplicate samples were monitored to ensure sufficient recovery of both and an even split between the two samples.
	Whether sample sizes are appropriate to the grain size of the material being sampled.	Each primary RC sample was between 2 and 5kg (mostly between 3 and 4kg), which is considered appropriate for most of the mineralisation, which is characterized by fine disseminated pyrite.
Quality of assay data and laboratory tests	*The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.*	Gold was determined by fire assay, which is considered a total digest, and was completed using the lead collection method using a 50g charge. The prepared sample was fused in a flux to digest. The melt was cooled to collect the precious metals in a lead button. The lead was removed by cupellation and the precious metal bead was digested in aqua regia. The digest solution was analysed by ICP.
	For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.	No such tools were used in the preparation of this release.
	Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.	Three different certified reference materials (CRMs) from OREAS with gold grades similar to the mineralisation at Felix were inserted into the batches of RC samples submitted to monitor the accuracy of the results from Jinning. Precision was monitored by several lab (pulp) duplicate assays in each batch. The results of internal laboratory CRMs and blanks were also reported. The accuracy of both the external and internal CRMs fell within 3SD of the certified values. Owing to the small size of the drill program, there were not sufficient analyses of the CRMs to determine the precision. Field duplicates cover a range in gold values from <0.01g/t to ~1.00g/t Au and, therefore, cover much of the range of anomalous and mineralised values. Agreement is very good apart from two outliers which contained significantly more gold in the duplicate samples. The reason for the discrepancy in these two samples is not clear. Laboratory repeats (separate 50g aliquots from the scooped 150-200g sample from the LM5 mill) show excellent agreement with the primary samples, even at <0.10g/t indicating that homogeneity during milling had been achieved.

Criteria	JORC Code explanation	Commentary
Verification of sampling and assaying	*The verification of significant intersections by either independent or alternative company personnel.*	Geological logs of significant intercepts were verified by the Regional Exploration Manager.
	The use of twinned holes.	No twinned holes were drilled.
	Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.	Geological data was logged into Micromine Geobank on a Toughbook computer at the drill rig for transfer into the drill hole database. DataShed is used as the database storage and management software and incorporated numerous data validation and integrity checks using a series of predefined relationships. All original planned data was retained in DataShed for validation purposes.
	Discuss any adjustment to assay data.	Adjustments made to the assay data were limited to the replacement of below detection results with a negative value.
Location of data points	*Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.*	Drill hole collar locations were captured using a handheld Garmin GPS with a nominal accuracy of ±5m. This is not sufficient to support a Mineral Resource Estimate but is suitable for presenting exploration results. The collars will be surveyed with a DGPS later. RLs were estimated using the LIDAR-derived DEM with a vertical accuracy of <50cm. Downhole azimuths (relative to magnetic north) and dips were measured using a REFLEX EZ-TRAC TM multi-shot survey instrument. The manufacturer's stated accuracy is ±0.35° for the azimuth and ±0.25° for the dip. The magnetic declination at Nullagine is +1.29°.
	Specification of the grid system used.	The grid system used is MGA94 Zone 51. All coordinates in this release refer to this grid system.
	Quality and adequacy of topographic control.	The whole of E46/1026 is covered by a LIDAR-derived DEM with a vertical accuracy of <50cm obtained in December 2022 by Outline Global Pty Ltd. With additional ground control points, the topographic control will be suitable to support a Mineral Resource estimate.
Data spacing and distribution	*Data spacing for reporting of Exploration Results.*	See Table 1 and figures in the release for hole positions and spacings.
	Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.	The data spacing and distribution of holes is not sufficient at this early stage for Mineral Resource estimations. The drilling has been primarily carried out to provide some understanding of the attitude of the mineralised zones and their continuity.
	Whether sample compositing has been applied.	No sample compositing has been applied.
Orientation of data in relation to geological structure	*Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.*	The holes were drilled almost perpendicular to the strike of the main structures on E46/1026. Surface mapping suggests that most structures and veins are subvertical or dip steeply south. Accordingly, most of the holes were drilled northward unless topography prevented pad clearing in the ideal collar positions.

Criteria	JORC Code explanation	Commentary
		In those instances, a minority of holes was drilled at a shallow angle to the south.
	If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	Surface mapping suggested that the key structures in the area (and probably the mineralised zones) dip steeply to the south or south-southeast. Given this, the vast majority of holes were drilled to the north to reduce sampling bias.
Sample security	*The measures taken to ensure sample security.*	All samples were placed into green plastic bags, transported to Marble Bar, and then sealed in bulka bags. Samples were then taken by Calidus field staff to the Warrawoona mine and transported to the laboratory in Perth using a reputable freight company. Sample numbers received by the lab were checked against numbers in the submission forms.
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	No audits have been undertaken.

Section 2 Reporting of Exploration Results

<table>
<tr><th>Criteria</th><th>JORC Code explanation</th><th>Commentary</th></tr>
<tr><td rowspan="2">Mineral tenement and land tenure status</td><td>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</td><td>
<table>
<tr><th>Tenement ID</th><th>Holder</th><th>Size</th><th>Renewal</th><th>Ownership/Interest</th></tr>
<tr><td>E46/1026</td><td>Gondwana Resources Ltd</td><td>12 blocks</td><td>9/05/2026</td><td>100%</td></tr>
</table>
</td></tr>
<tr><td>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</td><td>The tenement is in good standing and no known impediments exist.</td></tr>
<tr><td>Exploration done by other parties</td><td>Acknowledgment and appraisal of exploration by other parties.</td><td>Despite E46/1026 straddling the Blue Spec Fault Zone and being along strike from the Blue Spec and Gold Spec deposits, little to no modern exploration for gold has been conducted over the present tenement area. Thirteen rock-chip samples for Au, Ag, Co, Cu, Mo, Ni, Pb, Sb, and Zn were taken by Gondwana Resources in 2006 (WAMEX Report A073993). No other data from the tenement area has been publicly reported.</td></tr>
<tr><td>Geology</td><td>Deposit type, geological setting and style of mineralisation.</td><td>E46/1026 is located at the western end of the Mesoarchean Mosquito Creek Basin. The basin forms an easterly trending rectangular region about 60km long and 30km wide. The basin is in faulted unconformable contact with older granite-greenstones of the East Pilbara Terrane (Bagas et al., 2008;

Precambrian Research v. 160). The bulk of the basin fill comprises an approximately 5km-thick succession of interlayered metamorphosed sandstone and shale of the Mosquito Creek Formation interpreted as turbidite deposits. Stratigraphically and structurally underneath the Mosquito Creek Formation, the Coondamar Formation is exposed along the southern and northern margins of the</td></tr>
</table>

Criteria	JORC Code explanation	Commentary
		basin. E46/1026 lies entirely within the Mosquito Creek Formation. The Mosquito Creek Basin is a fold-and-thrust belt that has been described as an asymmetric fan of south-dipping chevron folds between two granite-greenstone domains (Nijman et al., 2010; Precambrian Research v. 180). The belt is cut by several large shear zones and thrust faults which are, in turn, cut by en-echelon SE-trending dextral faults. Most mineralisation in the belt comprises quartz vein-hosted, gold-antimony deposits along the E-trending Blue Spec Fault Zone and quartz vein-hosted, gold ± antimony deposits along the ENE-trending Middle Creek Fault Zone 5-10km to the south (Bagas et al., 2008). No deposits or prospects are recorded on E46/1026.
Drill hole Information	*A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* *easting and northing of the drill hole collar* *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* *dip and azimuth of the hole* *down hole length and interception depth* *hole length.*	The coordinates and RLs of the collars, the dip, azimuth, and length of holes, and the down-hole lengths and depths of intercepts are contained in Table 1.
Data aggregation methods	*In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.*	No data aggregation methods have been applied to these exploration results.
	Where aggregate intercepts incorporate short lengths of high-grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.	Higher grade gold intercepts within broader, lower grade intercepts are reported as included intervals. Intercepts were calculated using a cut-off grade of 0.5 g/t Au, 1m minimum width, and internal waste intervals of 2m or less.
	The assumptions used for any reporting of metal equivalent values should be clearly stated.	No metal equivalents values are used for reporting of the exploration results.
Relationship between mineralisation widths and intercept lengths	*If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.*	The mineralized zones dip steeply to the south or south-southeast. Intercepts in 40° angled holes will be close to true width; for 60° holes, the intercepts will be slightly longer than the true widths.
Diagrams	*Appropriate maps and sections (with scales) and*	Suitable summary plans and a representative cross section are included in the body of the report.

Criteria	JORC Code explanation	Commentary
	tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.	
Balanced reporting	*Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	All intercepts have been reported, regardless of their grade and, therefore, the report is considered balanced and provided in context.
Other substantive exploration data	*Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	All meaningful and material data are included in the body of the announcement.
Further work	*The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).*	Further work may include trenching to provide a better understanding of the attitudes of mineralised structures and the degree of folding in the succession; a program of RC drilling to better define the plunge and strike extent of high-grade portions; deeper drilling of fresh rock to test for down-dip and down-plunge extensions, and; multi-element geochemistry and TIMA work on RC samples to test for domains within the mineralisation, and diamond drilling to illustrate the relationship of mineralisation to structures and to provide material for metallurgical tests and geophysical properties
	Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	Diagrams are contained in this announcement.