CALIDUS RESOURCES LIMITED

ASX ANNOUNCEMENT

27 January 2023

December Quarterly Report

Commercial Production Declared at Warrawoona
New gold discovery at Blue Spec

OPERATIONS

- Warrawoona Gold Project (**WGP**) December 2022 quarter production was 12,544 ounces.
- In December, plant operated at nameplate capacity and commercial production was officially declared.
- Steady state operations resulted in positive operating cashflow generation in December month.

GUIDANCE

- H2 FY2023 of 31,000 – 36,000 ounces at AISC A$2,000 – A$2,250 per ounce.
- Positive cashflow and steady state operations now provide a clear pathway to increasing production to 130,000 ounces pa.

EXPLORATION AND RESOURCE GROWTH - GOLD

- New gold discovery at Blue Spec, 70km from Warrawoona.
- Highlights include:
  - 6m @ 40.15g/t Au from 38m in 22GORC016 (including 1m @ 220.17g/t Au from 39m);
  - 41m @ 2.37 g/t Au from 32m in 22GORC009; and
  - 7m @ 5.42g/t Au from 46m in 22GORC004.
- Located 5km along strike from Blue Spec Mineral Resource of 222koz at 28g/AuEq.

EXPLORATION AND RESOURCE GROWTH - LITHIUM

- Drilling confirmed the continuation of the outcropping body, more than 250m down dip.
- Only 1km of 4km of strike has been tested, with mineralisation remaining open along strike and at depth.

CORPORATE

- Cash and cash equivalents of $12.4M at end of the quarter.
- Debt repayment of A$5M reduced Project Loan Facility to $102M at end of the quarter
- $1.2M spent on exploration activities

ABOUT CALIDUS RESOURCES

Calidus Resources is an ASX listed gold company 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
PROJECT DEVELOPMENT

Mr Richard Hill
CHIEF FINANCIAL OFFICER

Ms Julia Beckett
COMPANY SECRETARY

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AUSTRALIA

WARRAWOONA GOLD PROJECT

Calidus Resources (ASX:CAI) is pleased to report on the significant progress that has been made at the WGP during the December quarter that included the declaration of commercial production at the project and the processing plant operating at nameplate capacity. A total of 191,000t @ 0.85g/t was processed in December with 5,053 ounces of gold produced.

OPERATIONAL PERFORMANCE IN DECEMBER QUARTER

Warrawoona Production	*Units*	Oct-22	Nov-22	Dec-22	Dec-22 Qtr
Ore mined	*bcm*	108,561	75,363	86,426	270,350
Waste Mined	*bcm*	413,189	364,534	282,153	1,059,876
Strip ratio	*ratio*	3.8	4.8	3.3	3.9
Ore mined	*t*	284,382	192,676	222,860	699,917
Ore milled	*t*	155,678	163,964	191,077	510,719
Grade	*g/t*	0.72	0.78	0.85	0.79
Recovery	*%*	97.6	97.4	96.9	97.3
Ounces Recovered	***oz***	**3,501**	**3,991**	**5,053**	**12,544**

Mining BCMs and subsequent ore movement to the ROM were below target due to availability and manning issues with the mining contractor. Availabilities have since continued to improve in January.

Milling achieved nameplate capacity in December once sufficient water became available to the plant. A total of 510,719 tonnes was milled at a reconciled grade of 0.79 g/t. The plant is a very low-cost operation and continues to perform well with tonnages exceeding nameplate by 10% for extended periods of time. Minor works are being undertaken to ensure this increased capacity can be sustained for life of mine.

GUIDANCE FOR H2 FY2023

Gold production guidance from 1 January 2023 to 30 June 2023 is 31,000 to 36,000 ounces at an All-In Sustaining Cost (AISC) of A$2,000 – A$2,250 per ounce.

In addition, ongoing growth development capital of $3 million is planned to finalise airport construction, plant and borefield upgrades and initial development activities in preparation for mining of the next stage of the Klondyke open pit.

LONGER TERM OUTLOOK

Further long-term production and AISC guidance will be provided in the June 2023 Quarterly. It is anticipated that Stage 1 costs will fall as a result of lower strip ratios (H2 FY2023 4.8, average LOM 3.3) and improved reconciliation with ongoing targeted drill and blast initiatives focussing on ore loss and dilution. Increased gold production at Stages 2 and 3 are expected via the commencement of the higher-grade underground mining at WGP (Stage 2), with a further production increase in Stage 3 from the inclusion of the high-grade Blue Spec Project.

Initial estimates show production increasing from ~70,000 ounces pa in Stage 1, to 100,000 ounces pa in Stage 2 and finally ramping up to a max of 130,000 ounces pa in Stage 3. Indicative production profiles and costs are shown below.

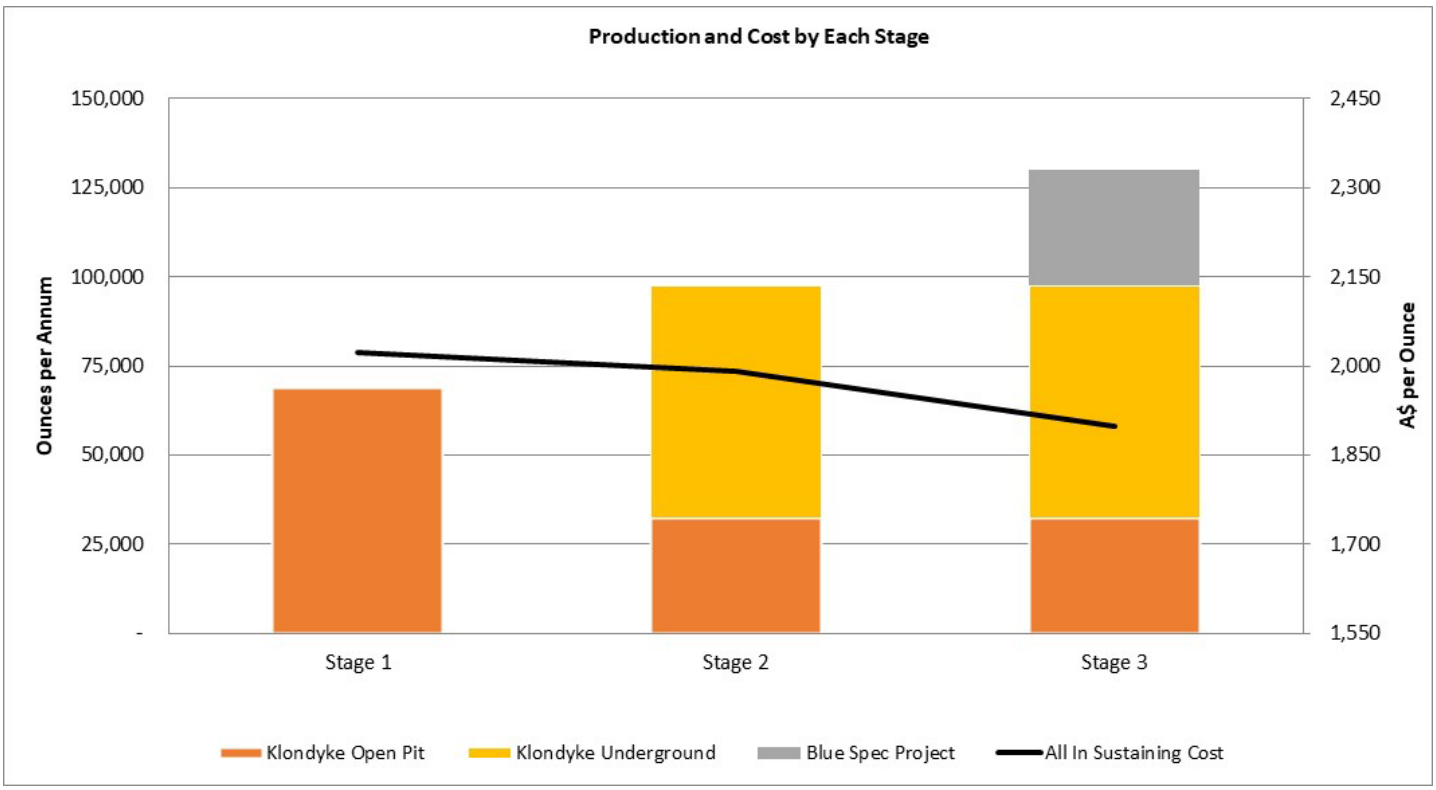

Figure 1 *- Warrawoona staged growth strategy*

EXPLORATION AND RESOURCE DEVELOPMENT

NEW GOLD DISCOVERY AT FELIX – LOCATED ALONG STRIKE FROM BLUE SPEC

The drilling program initially comprised 19 widely spaced scout holes to test approximately 2km strike length of a zone of strong gold-in-soil anomalies associated with the Blue Spec Fault Zone and extending for more than 3km. Following receipt of results from the first two holes, another 12 holes were added to the program. Figure 2 shows the location of the drilling, which is approximately 5km along strike from the 222koz (AuEq) @ 28g/t Blue Spec Gold Project

The maiden drilling results show the likelihood of two mineralisation styles: high-grade shear-hosted gold possibly analogous to the one ounce per tonne Blue Spec and lower-grade, broad zones of gold hosted in sandstone. Importantly, the bonanza-grade intercept in hole 22GORC016 is located only 25m below surface.

<u>Highlights:</u>

- All gold assays have now been received for the maiden 31-hole RC program. Highlights include:
  - 6m @ 40.15g/t Au from 38m in 22GORC016 (including 1m @ 220.17g/t Au from 39m);
  - 41m @ 2.37g/t Au from 32m in 22GORC009 (including 5m @ 3.40g/t Au from 37m and 9m @ 3.43g/t Au from 62m);
  - 7m @ 5.42g/t Au from 46m in 22GORC004 (including 2m @ 11.78g/t Au from 48m); and
  - 22m @ 1.36g/t Au from 34m in 22GORC024.
- Twenty-five out of 31 holes drilled contain at least one significant intercept with several holes containing multiple intercepts.

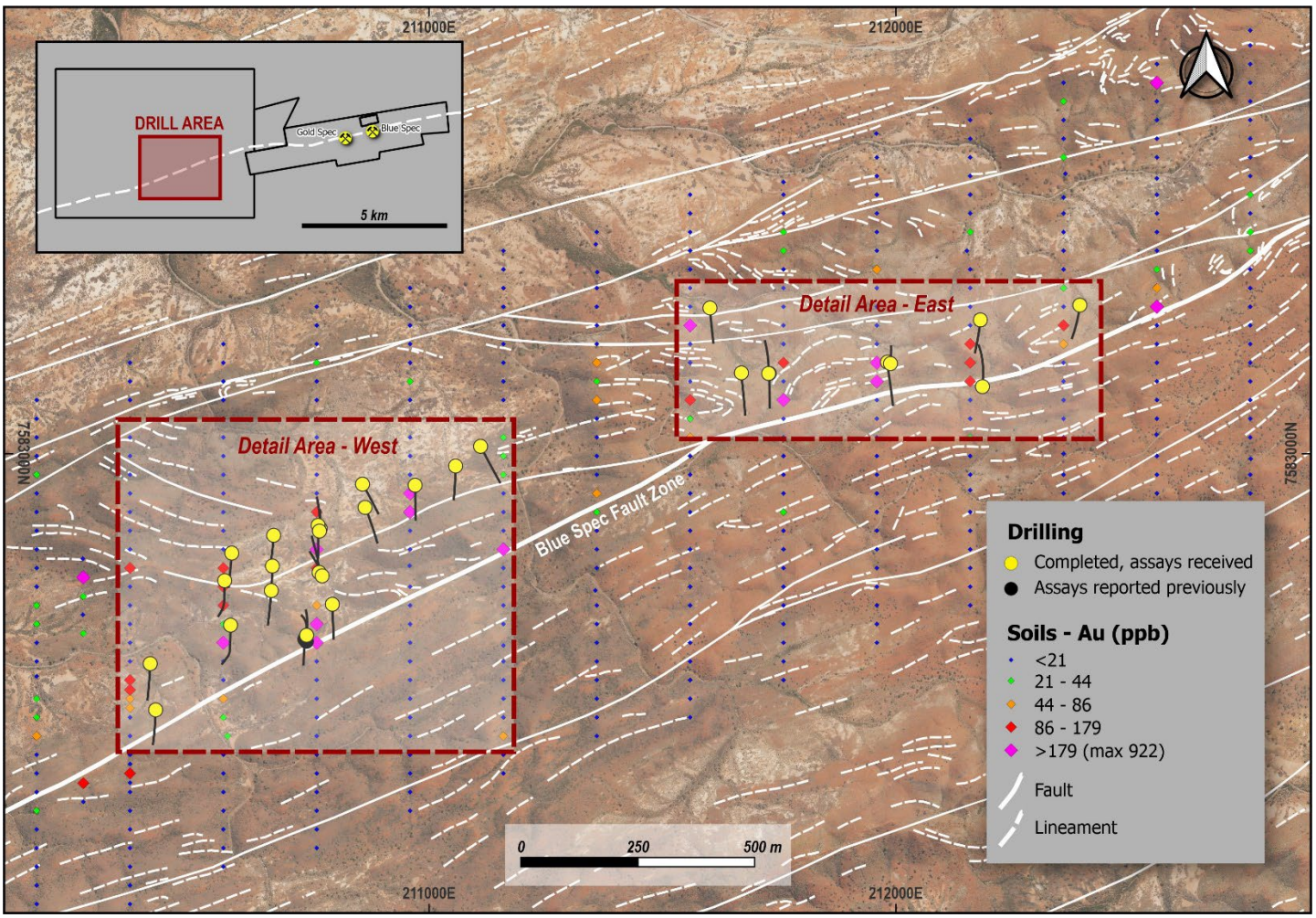

Figure 2 *– Location of holes from recent drilling at Felix on E46/1026*

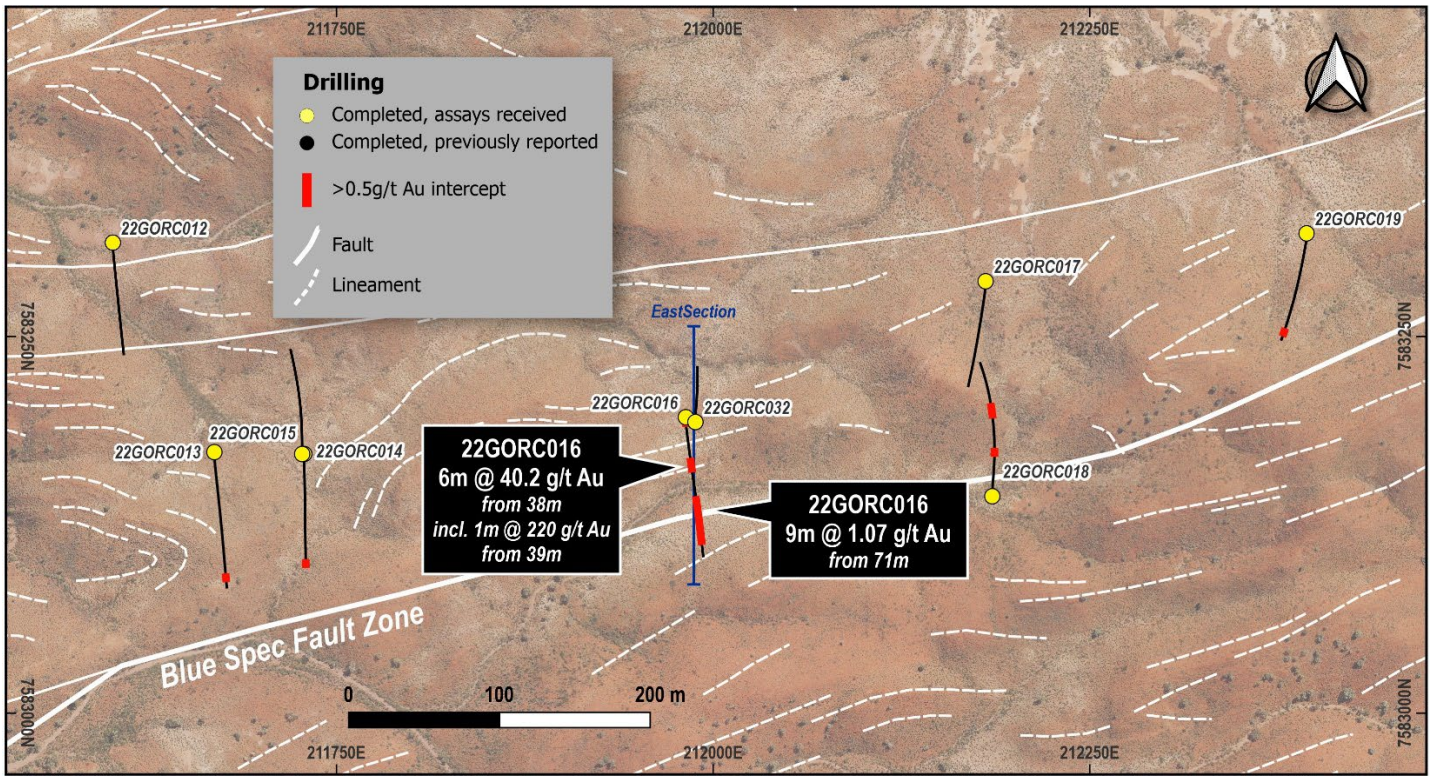

Figure 3 *– Location of holes and significant intercepts at Felix east.*

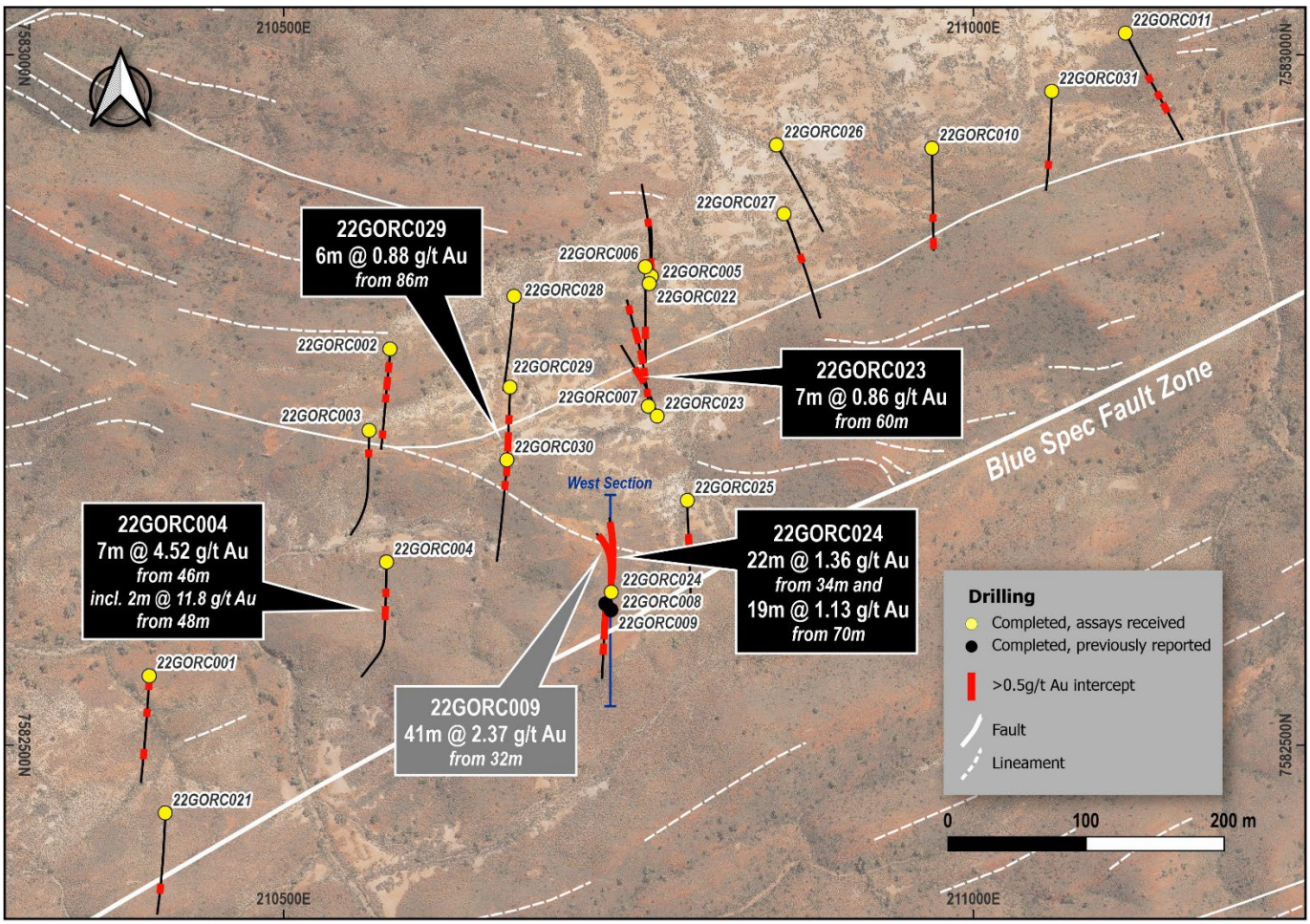

Figure 4 *– Location of holes and significant intercepts at Felix west.*

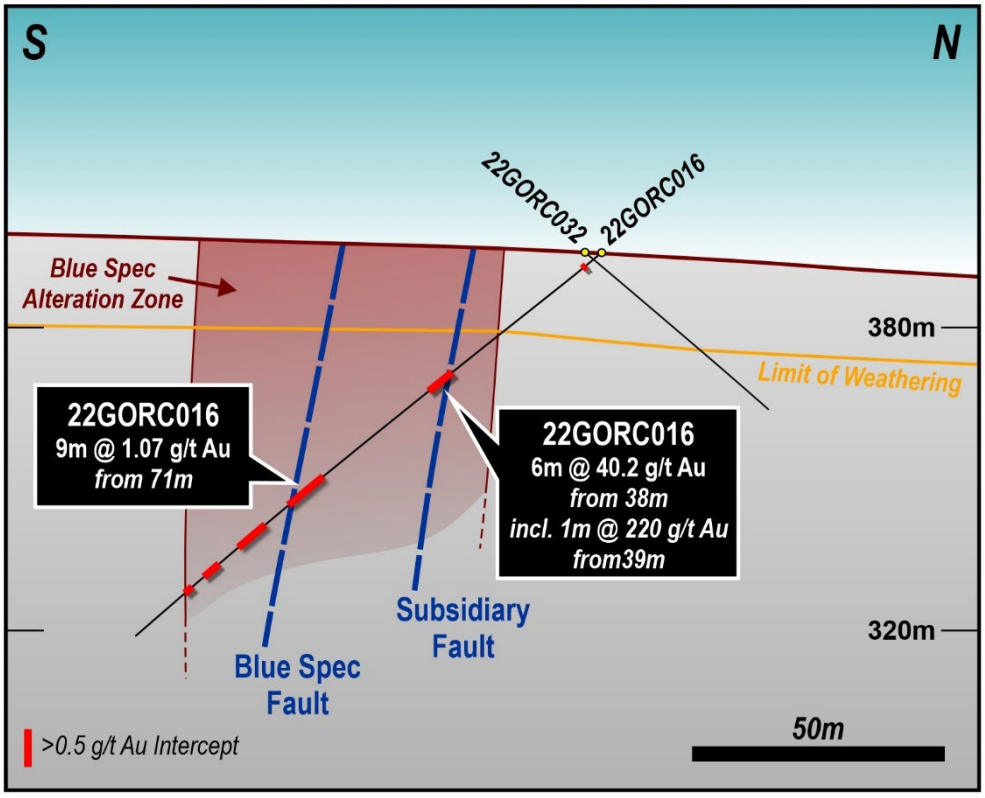

Figure 5 *– N-S Cross Section at Felix east through Drillholes 22GORC016 and 22GORC032 showing significant Au intercepts (>0.5 g/t Au)*

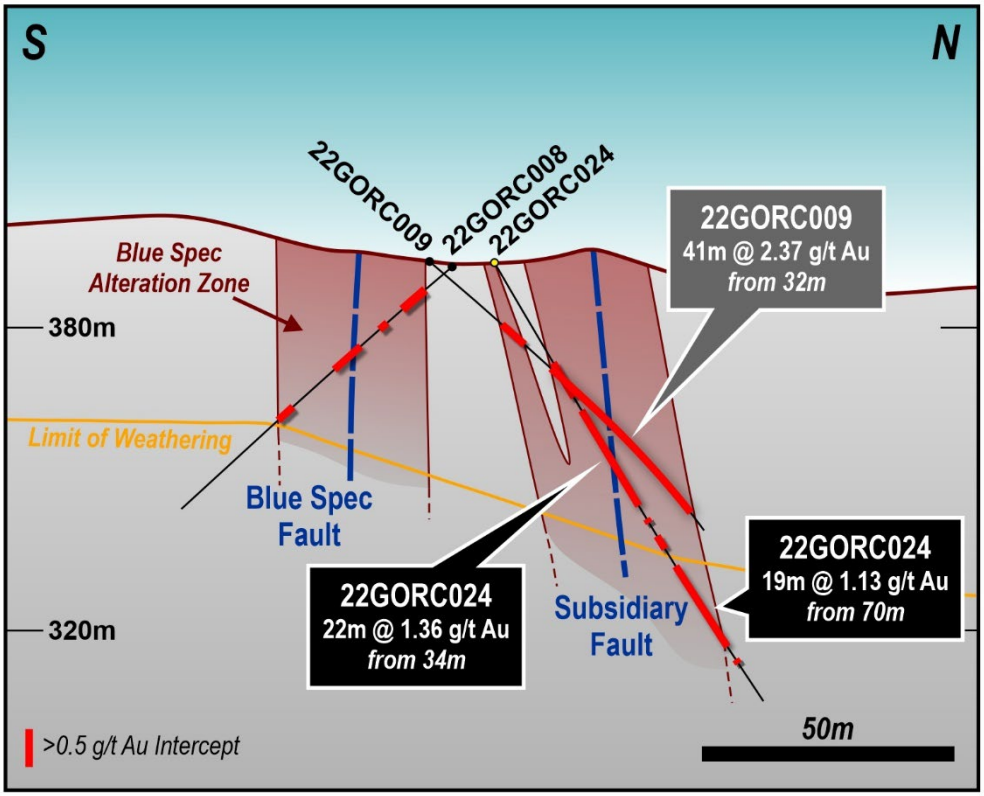

Figure 6 *– N-S Cross Section at Felix west through Drillholes 22GORC008, 22GORC009 and 22GORC024 showing significant Au intercepts (>0.5 g/t Au)*

LITHIUM

The Company announced the results of the maiden drilling program at Pirra Lithium's Spear Hill pear Hill discovery located in the Pilbara region of Western Australia. Pirra Lithium is owned equally by Calidus and Haoma Mining NL.

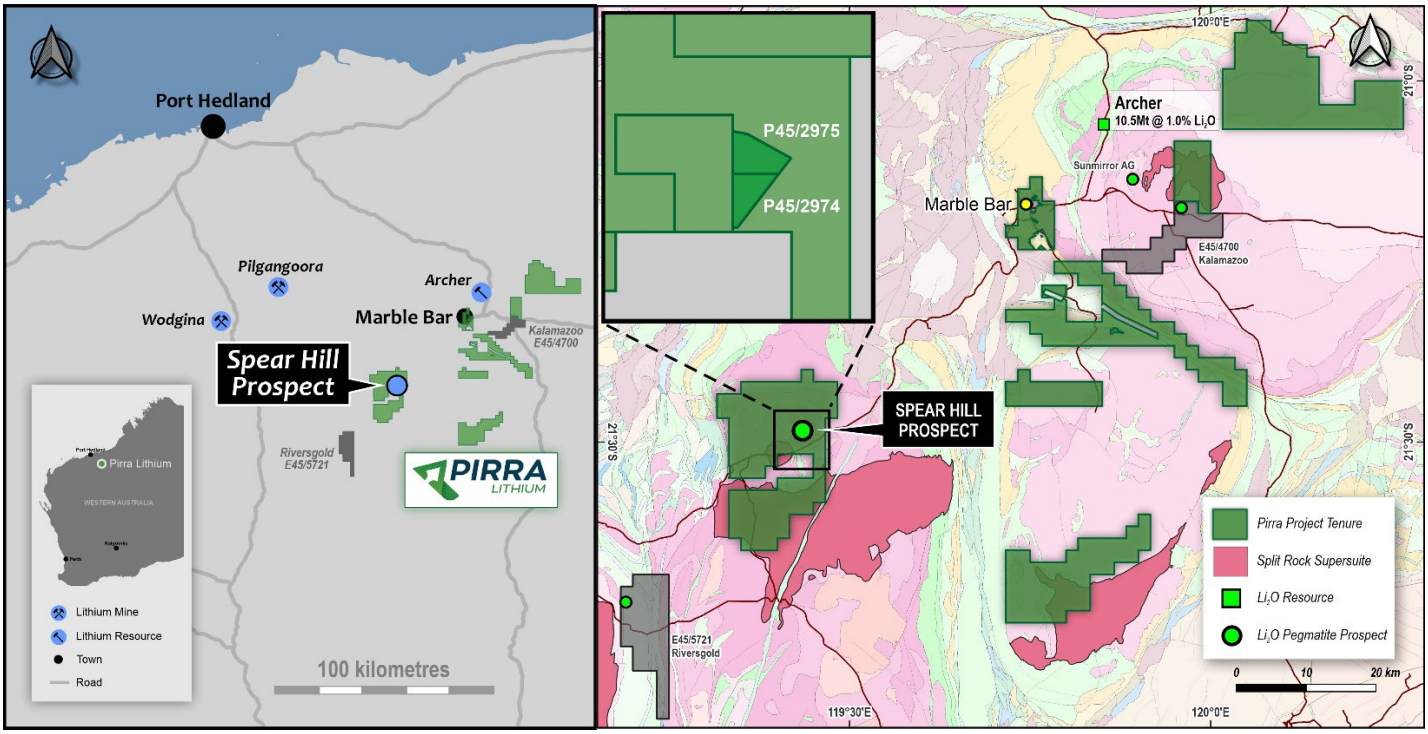

Figure 7 – *Location of Spear Hill and tenement holdings and lithium rights of Pirra Lithium. On the RHS, Pirra tenements and lithium rights are shown on a background of GSWA's 1:500,000 state bedrock geology and linear structures layers.*

The initial drill program comprised 20 holes for 1,535m highlighted the untapped growth potential that exists at the project. The program tested an exposed pegmatite that has yielded rock-chip assays of 0.66%–2.34% Li_2O[2] and a second poorly-exposed pegmatite to the north.

Drilling has confirmed the continuation of the outcropping body, more than 250m down dip with ongoing technical assessment will be completed to identify high priority target areas for Phase 2 drilling.

Significant intercepts included:

- 2m @ 1.11% Li2O from 19m in 22PIRC026
- 2m @ 1.09% Li2O from 5m in 22PIRC020
- 2m @ 1.03% Li2O from 25m in 22PIRC031
- 3m @ 0.95% Li2O from 4m in 22PIRC021

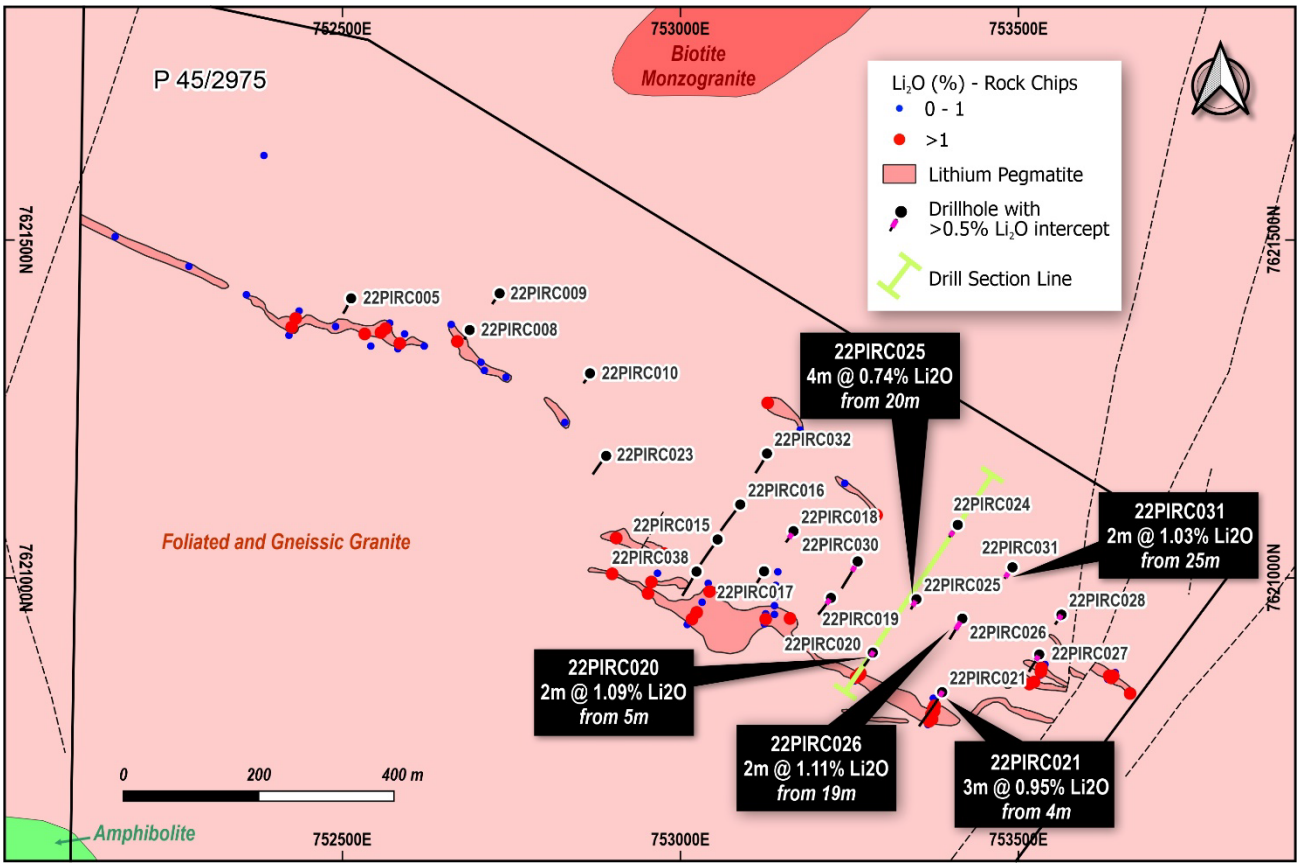

Figure 8 – *Mapped distribution of the lithium pegmatite at Spear Hill and the location of the 20 RC holes drilled. Also shown is the location of the cross section in Figure 5.*

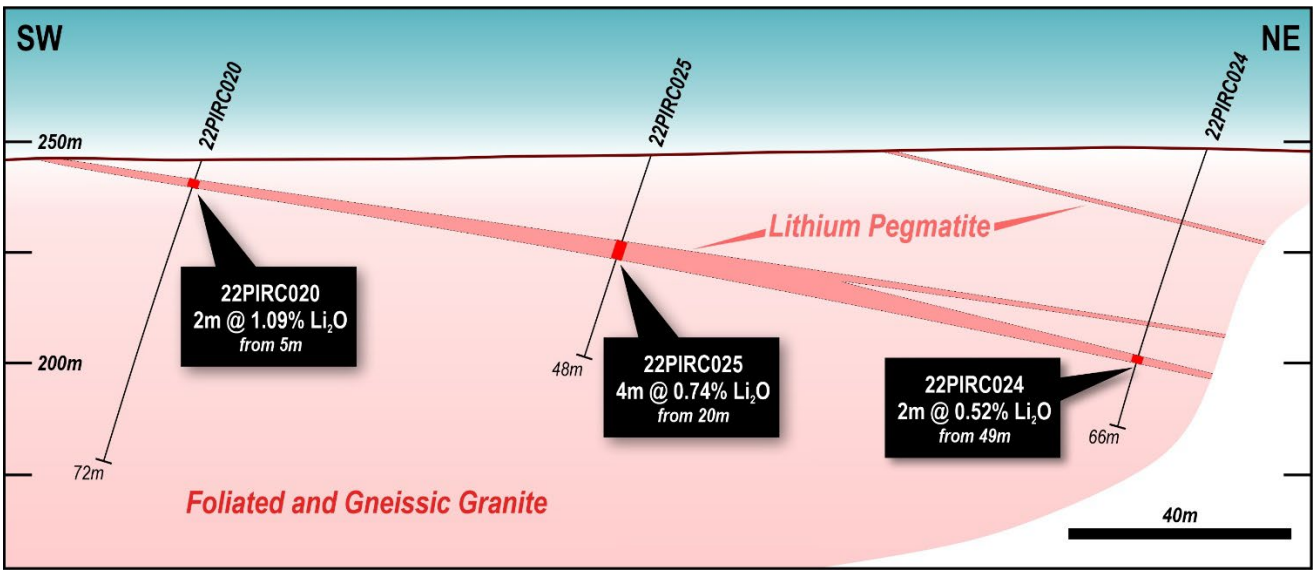

***Figure 9** – Representative cross section of the mineralised pegmatite at Spear Hill.*

CORPORATE

Cash Position

At the end of the December Quarter, Calidus and its subsidiaries held cash and cash equivalents of $12.4 million including $9.4 million of cash and $3.0 million of bullion. During the quarter 11,769 ounces were sold at an average price of A$2,377.

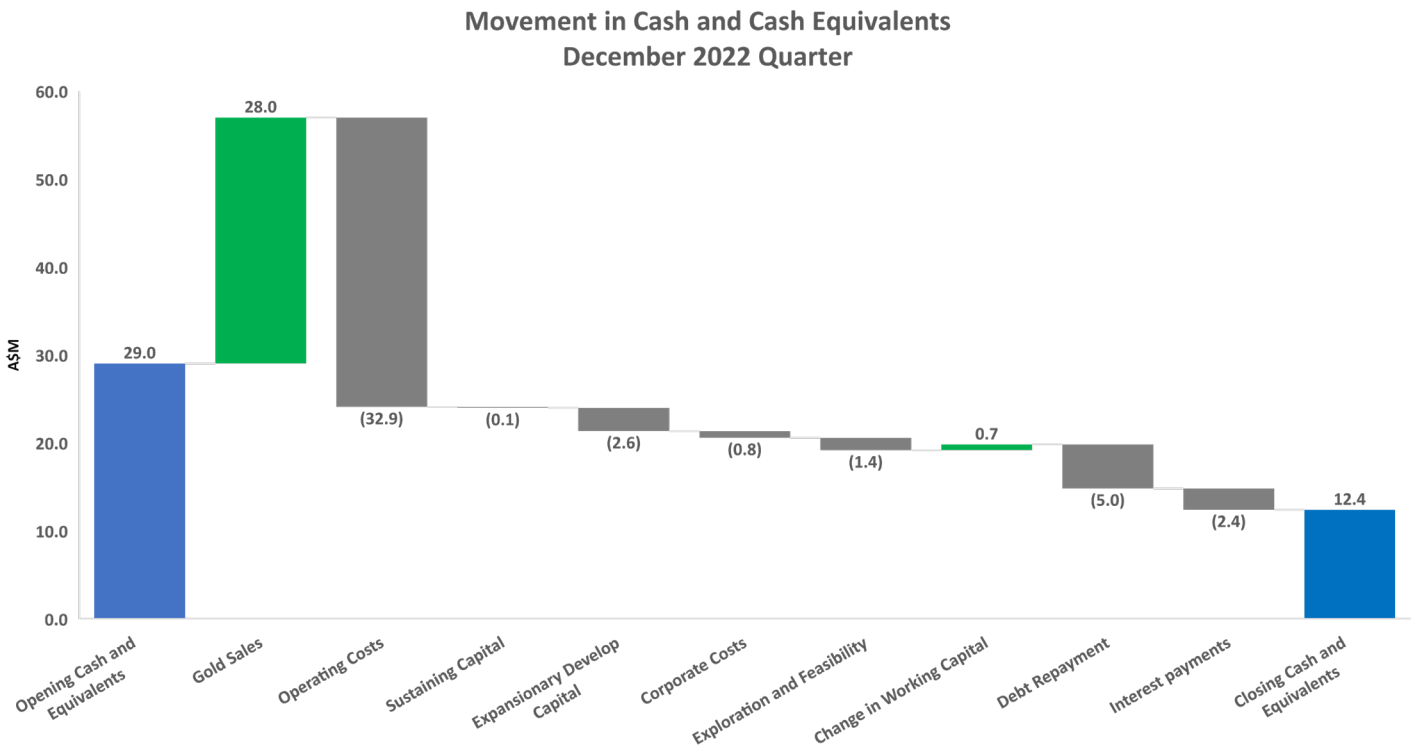

***Figure 10** - Cash movements during the December Quarter*[1]

[1] As the December 2022 quarter was prior to the commencement of commercial production all gold sales and operating costs are capitalised and no unit cost metrics are reported.

Project Loan Facility

The balance outstanding of the Project Loan Facilities with Macquarie Bank totalled $102 million at quarter end following a $5 million debt repayment.

The company has a total of 126,835 ounces outstanding hedge facilities with an average forward price of A$2,367 per ounce for delivery from March 23 to September 2025.

Discussions are advancing to restructure a portion of the Project Loan facility which will reduce interest costs and provide more flexibility to utilise cashflows to fund growth capital. There is no guarantee that these discussions will culminate in a completed transaction.

Summary of Cashflows for the Quarter

As outlined in the attached Appendix 5B, during the quarter the Company spent approximately:

- $1,200k on exploration and evaluation activities
- $7,166k on development activities (inclusive of development capital and capitalised gold sales and production costs)
- $174k in payments to related parties and their associates for director salaries, rent, superannuation and other related costs
- $788k on administration and corporate costs

2022 Annual Report and Annual General Meeting

The Company's Annual General Meeting was held on 9 November 2022 at the Celtic Club in West Perth. All resolutions put to shareholders in the Notice of General Meeting were approved by poll.

Investor Presentations

Managing Director, David Reeves, presented at the Euroz Gold Day on 31 October 2022. Mr Reeves also presented at various Investor Webinars on 31 October 2022 and 9 December 2022.

– END –

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.

Competent Person Statements

The information in the referenced announcements numbered 1, 2, 3, 4, 5, 7, 8, 9, 11, 12 and 13 listed below that relate to Exploration Results, including the Mineral Resources contained within the Production Targets (and forecast financial information derived from the production targets) at the Warrawoona Gold Project and Blue Spec Project have previously been released to the ASX. The Company confirms that it is not aware of any information or data that materially affects the information included in the market announcements, and that all material assumptions and technical parameters underpinning the announcement continue to apply. The Company confirms that the form and context in which the Competent Person's finding are presented have not been materially modified from the original market announcements.

ASX Announcements referred to in this announcement:

1. 29 September 2020 - "Feasibility paves the way for construction of Warrawoona"
2. 23 March 2021 - "Blue Spec Project set to significantly increase production"
3. 2 August 2022 – "Blue Spec soil survey provides compelling gold anomalies"
4. 29 September 2022 – "Maiden Blue Spec Reserve underpins expansion for Warrawoona"
5. 4 October 2022 – "Maiden Blue Spec Reserve – Amendment"
6. 27 October 2022 – "Investor Webinar"
7. 31 October 2022 – "Investor Presentation"
8. 9 November 2022 – "Drilling confirms lithium continuity 250m down dip"
9. 28 November 2022 – "New gold discoveries by Calidus"
10. 5 December 2022 – "Investor Webinar"
11. 9 December 2022 – "Investor Webinar Presentations"
12. 10 January 2023 – "Commercial production declared at Warrawoona Gold Project"
13. 18 January 2023 – "High-grade zone in Felix discovery at Blue Spec Project"

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.

For the purpose of ASX Listing Rule 15.5, the Board has authorised for this announcement to be released.

For further information please contact:

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Managing Director

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CALIDUS RESOURCES & SUBSIDAIRIES
RESOURCES AND RESERVES TABLE

Mineral Resource Estimate

Deposit	Cut-Off	Measured			Indicated			Inferred			Total		
	(g/t)	Mt	Au (g/t)	koz	Mt	Au (g/t)	koz	Mt	Au (g/t)	koz	Mt	Au (g/t)	koz
Klondyke Open Pit	**0.3**	**1.6**	**0.93**	**49**	**28.8**	**0.90**	**835**	**8.3**	**0.81**	**217**	**38.7**	**0.88**	**1,101**
including	*0.5*	*1.1*	*1.17*	*42*	*20.1*	*1.12*	*725*	*5.0*	*1.09*	*176*	*26.3*	*1.12*	*943*
Klondyke UG	**1.5**				**1.0**	**2.87**	**89**	**1.8**	**3.31**	**162**	**2.7**	**2.83**	**250**
including	2.0				0.7	3.36	72	1.2	4.08	130	1.9	3.33	202
Copenhagen	0.5				0.2	5.58	34	0.1	2.65	9	0.3	4.54	43
Coronation	0.5				0.6	1.88`	34	0.2	1.24	9	0.8	1.69	43
Fieldings Gully	0.5				0.3	1.80	16	0.3	1.87	20	0.6	1.84	36
Blue Spec Project					**0.1**	**31.1**	**95**	**0.2**	**20.2**	**96**	**0.2**	**24.3**	**190**
Blue Spec					*0.1*	*31.5*	*71*	*0.2*	*21.2*	*66*	*0.2*	*25.5*	*136*
Gold Spec					*0.0*	*30.1*	*24*	*0.1*	*17.9*	*30*	*0.1*	*21.8*	*54*
Total		**1.6**	**0.93**	**49**	**31**	**1.1**	**1,103**	**11**	**1.7**	**513**	**43**	**1.2**	**1,662**

Reserves

Deposit	Cut-Off	Proven			Probable			Total		
	(g/t)	Mt	Au (g/t)	koz	Mt	Au (g/t)	koz	Mt	Au (g/t)	koz
Klondyke Open Pit	0.33-0.36	1.4	1.0	45	9.8	1.0	326	11.3	1.0	371
Klondyke Underground	1.2				1.9	2.1	120	1.9	2.1	120
St George Open Pit	0.36-0.39				0.2	1.2	9	0.2	1.2	9
Copenhagen Open Pit	1.88				0.1	5.5	17	0.1	5.5	17
Blue Spec					0.2	11.2	83	0.2	11.2	83
Total		**1.4**	**1.0**	**45**	**12.3**	**1.4**	**555**	**13.8**	**1.4**	**600**

CALIDUS RESOURCES & SUBSIDAIRIES
TENEMENT SCHEDULE

Tenement ID	Holder	Size (ha)	Renewal	Location/Purpose	Ownership/ Interest
Granted					
E45/3381	Keras (Pilbara) Gold Pty Ltd	7,802.45	16/03/2023	Warrawoona	100%
E45/3615	Keras (Pilbara) Gold Pty Ltd	1,594.62	22/11/2022	Gardner	100%
E45/4236	Keras (Pilbara) Gold Pty Ltd	956.69	19/10/2024	Gardner	100%
E45/4555	Keras (Pilbara) Gold Pty Ltd	1,915.22	1/03/2027	Warrawoona North	100%
E45/4622	Keras (Pilbara) Gold Pty Ltd	4,216.80	4/05/2027	Brockman	100%
E45/4666	Keras (Pilbara) Gold Pty Ltd	3,162.14	23/11/2026	Cutty Sark/Trump	100%
E45/4843	Keras (Pilbara) Gold Pty Ltd	940.95	2/07/2027	Salgash	100%
E45/4856	Keras (Pilbara) Gold Pty Ltd	1,594.27	20/05/2023	Warrawoona Southwest	100%
E45/4857	Keras (Pilbara) Gold Pty Ltd	1,275.37	20/05/2023	Warrawoona Southeast	100%
E45/4905	Keras (Pilbara) Gold Pty Ltd	638.00	29/11/2022	Warrawoona South	100%
E45/4906	Keras (Pilbara) Gold Pty Ltd	319.00	29/11/2022	Warrawoona South	100%
E45/4934	Keras (Pilbara) Gold Pty Ltd	1,595.08	22/01/2023	Liberator	100%
E45/5172	Keras (Pilbara) Gold Pty Ltd	4,291.17	30/05/2024	Marble Bar	100%
E45/5706	Keras (Pilbara) Gold Pty Ltd	1,276.75	9/01/2027	Roe Basalt	70%
E45/5747	Keras (Pilbara) Gold Pty Ltd	3,826.11	15/12/2026	Corunna	100%
E45/5748	Keras (Pilbara) Gold Pty Ltd	5,111.83	15/12/2026	Moolyella East	100%
E45/6104	Keras (Pilbara) Gold Pty Ltd	1,913.23	17/08/2027	Pyramid Hill	100%
E45/6105	Keras (Pilbara) Gold Pty Ltd	956.44	17/08/2027	Pyramid Hill	100%
E46/1421	Keras (Pilbara) Gold Pty Ltd	16,551.70	23/08/2027	White Quartz Hill Knob	100%
E66/0122	Calidus Otways Pty Ltd	9,677.72	11/12/2027	Northampton North	100%
M45/0240	Keras (Pilbara) Gold Pty Ltd	6.07	17/11/2028	Copenhagen	100%
M45/0521	Keras (Pilbara) Gold Pty Ltd	18.11	10/03/2034	Fieldings Gully	100%
M45/0547	Keras (Pilbara) Gold Pty Ltd	17.72	2/05/2035	Klondyke	100%
M45/0552	Keras (Pilbara) Gold Pty Ltd	9.71	18/01/2035	Klondyke Queen	100%
M45/0668	Keras (Pilbara) Gold Pty Ltd	242.05	28/12/2037	Klondyke West	100%
M45/0669	Keras (Pilbara) Gold Pty Ltd	101.95	28/12/2037	Klondyke	100%
M45/0670	Keras (Pilbara) Gold Pty Ltd	113.10	29/12/2037	Klondyke	100%
M45/0671	Keras (Pilbara) Gold Pty Ltd	118.65	29/11/2037	Klondyke West	100%
M45/0672	Keras (Pilbara) Gold Pty Ltd	116.20	1/08/2037	Coronation	100%
M45/0679	Keras (Pilbara) Gold Pty Ltd	121.30	8/04/2038	Coronation West	100%
M45/0682	Keras (Pilbara) Gold Pty Ltd	235.95	17/04/2038	Copenhagen North	100%
M45/1290	Keras (Pilbara) Gold Pty Ltd	149.83	11/02/2042	Klondyke East	100%
M46/0115	Keras (Pilbara) Gold Pty Ltd	931.40	3/02/2033	Blue Spec	100%
M46/0244	Keras (Pilbara) Gold Pty Ltd	18.47	28/11/2042	Blue Spec Tails	100%
P46/1972	Keras (Pilbara) Gold Pty Ltd	194.57	15/12/2025	Blue Spec West	100%
G45/0345	Keras (Pilbara) Gold Pty Ltd	439.05	11/05/2041	Mine infrastructure	100%
G45/0347	Keras (Pilbara) Gold Pty Ltd	2.22	3/01/2042	Gap in M45/671	100%
G45/0348	Keras (Pilbara) Gold Pty Ltd	36.34	21/02/2042	Fieldings Gully infrastructure	100%
G45/0349	Keras (Pilbara) Gold Pty Ltd	26.45	3/01/2042	Mine magazine	100%
L45/0523	Keras (Pilbara) Gold Pty Ltd	172.54	18/09/2040	Mine access and camp	100%
L45/0527	Keras (Pilbara) Gold Pty Ltd	251.51	23/02/2042	Corunna airstrip	100%
L45/0564	Keras (Pilbara) Gold Pty Ltd	60.19	24/11/2041	Fieldings Gully access	100%
L45/0565	Keras (Pilbara) Gold Pty Ltd	6.62	25/11/2041	Coronation access	100%
L45/0566	Keras (Pilbara) Gold Pty Ltd	8.88	24/11/2041	Coronation access	100%

Tenement ID	Holder	Size (ha)	Renewal	Location/Purpose	Ownership/ Interest
Granted cont…					
L45/0567	Keras (Pilbara) Gold Pty Ltd	1.96	17/12/2041	Communications repeater tower	100%
L45/0573	Keras (Pilbara) Gold Pty Ltd	11.03	4/01/2042	Mine communications tower	100%
L45/0584	Keras (Pilbara) Gold Pty Ltd	66.43	20/04/2042	Moolyella pipeline	100%
L45/0585	Keras (Pilbara) Gold Pty Ltd	115.27	6/04/2042	Moolyella pipeline	100%
L45/0586	Keras (Pilbara) Gold Pty Ltd	56.36	22/02/2042	Moolyella pipeline	100%
L45/0587	Keras (Pilbara) Gold Pty Ltd	72.91	6/04/2042	Moolyella pipeline	100%
L45/0588	Keras (Pilbara) Gold Pty Ltd	101.83	3/03/2042	Moolyella pipeline	100%
L45/0590	Keras (Pilbara) Gold Pty Ltd	105.45	22/02/2042	Atlas pipeline	100%
L45/0591	Keras (Pilbara) Gold Pty Ltd	57.61	28/03/2042	Atlas pipeline	100%
L45/0592	Keras (Pilbara) Gold Pty Ltd	86.06	22/02/2042	Atlas pipeline	100%
L45/0593	Keras (Pilbara) Gold Pty Ltd	20.65	4/01/2042	Atlas pipeline	100%
L45/0613	Keras (Pilbara) Gold Pty Ltd	6.97	10/06/2042	Moolyella Heritage Diversion	100%
L45/0649	Keras (Pilbara) Gold Pty Ltd	33.97	3/05/2043	Solar farm	100%
L45/0666	Keras (Pilbara) Gold Pty Ltd	13.06	13/10/2043	Brockman pipeline	100%
L45/0689	Keras (Pilbara) Gold Pty Ltd	14.20	4/01/2044	Brockman/Corunna pipeline link	100%
Applications					
E66/0123	Calidus Otways Pty Ltd	19,266.60	APPLICATION	Northampton South	100%
L45/0682	Keras (Pilbara) Gold Pty Ltd	41.00	APPLICATION	Corunna pipeline	100%
L45/0683	Keras (Pilbara) Gold Pty Ltd	124.00	APPLICATION	Corunna pipeline	100%
L45/0684	Keras (Pilbara) Gold Pty Ltd	320.00	APPLICATION	Corunna pipeline	100%
L45/0685	Keras (Pilbara) Gold Pty Ltd	18.00	APPLICATION	Corunna pipeline	100%
L45/0686	Keras (Pilbara) Gold Pty Ltd	18.00	APPLICATION	Corunna pipeline	100%
Joint Venture					
E46/1026	Gondwana Resources Limited	3,797.33	9/05/2026	Gondwana	Earning 51%
L46/0022	Beatons Creek Gold Pty Ltd	60.00	16/08/2025	Blue Spec	
L46/0024	Beatons Creek Gold Pty Ltd	8.50	17/01/2026	Blue Spec	

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Calidus Resources Limited (ASX:CAI)

ABN	Quarter ended ("current quarter")
98 006 640 553	31 December 2022

Consolidated statement of cash flows		Current quarter $A'000	Year to date (6 months) $A'000
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	-	-
	(b) development*	(7,166)	(12,609)
	(c) production	-	-
	(d) staff costs	(781)	(1,364)
	(e) administration and corporate costs	(788)	(1,464)
1.3	Dividends received (see note 3)		
1.4	Interest received	75	103
1.5	Interest and other costs of finance paid	(2,257)	(4,511)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	-	-
1.9	**Net cash from / (used in) operating activities**	**(10,917)**	**(19,845)**

*Includes development capital as well as capitalisation of gold sales and production costs prior to declaration of commercial production.

2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation	(1,200)	(3,062)
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter $A'000	Year to date (6 months) $A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	129	129
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	**Net cash from / (used in) investing activities**	**(1,071)**	**(2,933)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	20,000
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	(871)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(5,000)	(5,000)
3.7	Transaction costs related to loans and borrowings	(86)	(86)
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	**Net cash from / (used in) financing activities**	**(5,086)**	**14,043**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	26,475	18,136
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(10,917)	(19,845)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(1,071)	(2,933)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(5,086)	14,043

Consolidated statement of cash flows		Current quarter $A'000	Year to date (6 months) $A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	**Cash and cash equivalents at end of period**	**9,401**	**9,401**

5.	**Reconciliation of cash and cash equivalents** at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	**Current quarter $A'000**	**Previous quarter $A'000**
5.1	Bank balances	9,401	26,475
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**9,401**	**26,475**

6.	**Payments to related parties of the entity and their associates**	**Current quarter $A'000**
6.1	Aggregate amount of payments to related parties and their associates included in item 1	174
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

7.	**Financing facilities** *Note: the term "facility' includes all forms of financing arrangements available to the entity.* *Add notes as necessary for an understanding of the sources of finance available to the entity.*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
7.1	Loan facilities	102,000	102,000
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	**Total financing facilities**	**102,000**	**102,000**
7.5	**Unused financing facilities available at quarter end**		**-**
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

Project loan facility with Macquarie Bank Limited, competitive interest rate margin above BBSY, final maturity date of 30 June 2025. Security is provided via a fixed and floating charge over the assets of Calidus Resources Ltd.

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (item 1.9)	(10,917)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(1,200)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(12,117)
8.4	Cash and cash equivalents at quarter end (item 4.6)	9,401
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	**9,401**
8.7	**Estimated quarters of funding available (item 8.6 divided by item 8.3)**	0.78

Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.

8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:

8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: No. Commercial production was declared in January 2023 following the commencement of steady state operations. Positive net operating cashflow is expected in the March 2023 quarter.

8.8.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?
Answer:	Commercial production was declared in January 2023 following the commencement of steady state operations. Positive net operating cashflow is expected in the March 2023 quarter hence operating costs are expected to be funded from gold sales. Discussions are advancing to restructure a portion of the Project Loan facility which will reduce interest costs and provide more flexibility to utilise cashflows to fund growth capital.
8.8.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?
Answer:	Yes. Commercial production was declared in January 2023 following the commencement of steady state operations. Positive net operating cashflow is expected in the March 2023 quarter.

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.

Date: 27 January 2023

Authorised by: The Board
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.

2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.

3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".

5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.