

ASX ANNOUNCEMENT

15 June 2017

ABOUT CALIDUS RESOURCES

Calidus Resources is an ASX listed gold exploration company which controls the 410,000 ounce Warrawoona Gold Project in the East Pilbara district of the Pilbara Goldfield in Western Australia.

DIRECTORS AND MANAGEMENT

Mr Keith Coughlan
NON-EXECUTIVE CHAIRMAN

Mr David Reeves
MANAGING DIRECTOR

Mr James Carter
CFO AND COMPANY SECRETARY

Mr Adam Miethke
NON-EXECUTIVE DIRECTOR

Mr Peter Hepburn Brown
NON-EXECUTIVE DIRECTOR

Drilling Commences at Warrawoona Gold.

Calidus Resources Limited (ASX:CAI) ('Calidus' or the 'Company') is pleased to announce the commencement of drilling at its flagship Warrawoona Gold Project located in the East Pilbara of Western Australia.

HIGHLIGHTS

- Initial 10,000m RC drill program underway
- Targeting increase in resource size and category
- Drilling commenced in "gap area" of current Klondyke Resource
- Total Warrawoona Project Inferred Mineral Resource of 5.8mt @ 2.2 g/t for 410,000 OZS
- Program anticipated to deliver continuous news flow

Calidus Managing Director Dave Reeves said, "I am very pleased to report on the commencement of drilling at our Warrawoona Gold Project in the Pilbara. To have drills turning prior to trading highlights the intent of the company to rapidly increase the Resources at our Warrawoona Gold Project. I look forward to announcing further updates as we continue to aggressively move forward with our exciting project".

Details on Planned Drilling

The 10,000m programme is divided between various areas.

- 5,000m into the "gap area" of the current Klondyke Resource
- 2,000m into the existing western portion of the resource to in-fill certain areas, twin historical drill holes to support an increase in resource confidence in the future
- 2,000m into the Copenhagen and Coronation deposits
- 1,000m into along strike extensions to the current Klondyke Resource

Klondyke Drilling

The current resource at Klondyke is divided into two zones due to previously fragmented ownership of the tenements. The gap area is 700m long and has limited drilling previously including intercepts such as:

- **19m @ 3.44g/t**
- **14m @ 3.83 g/t**
- **21m @ 2.66 g/t**

ASX : CAI

+61 8 6245 2050

info@calidus.com.au

Suite 12, 11 Ventnor Ave
West Perth WA 6005
AUSTRALIA

The figure below highlights this gap area and the Company believes that from the existing drilling and mapped structures on surface, that mineralisation will persist across this area.

Figure 1: Long Section A-A' of Klondyke Resource

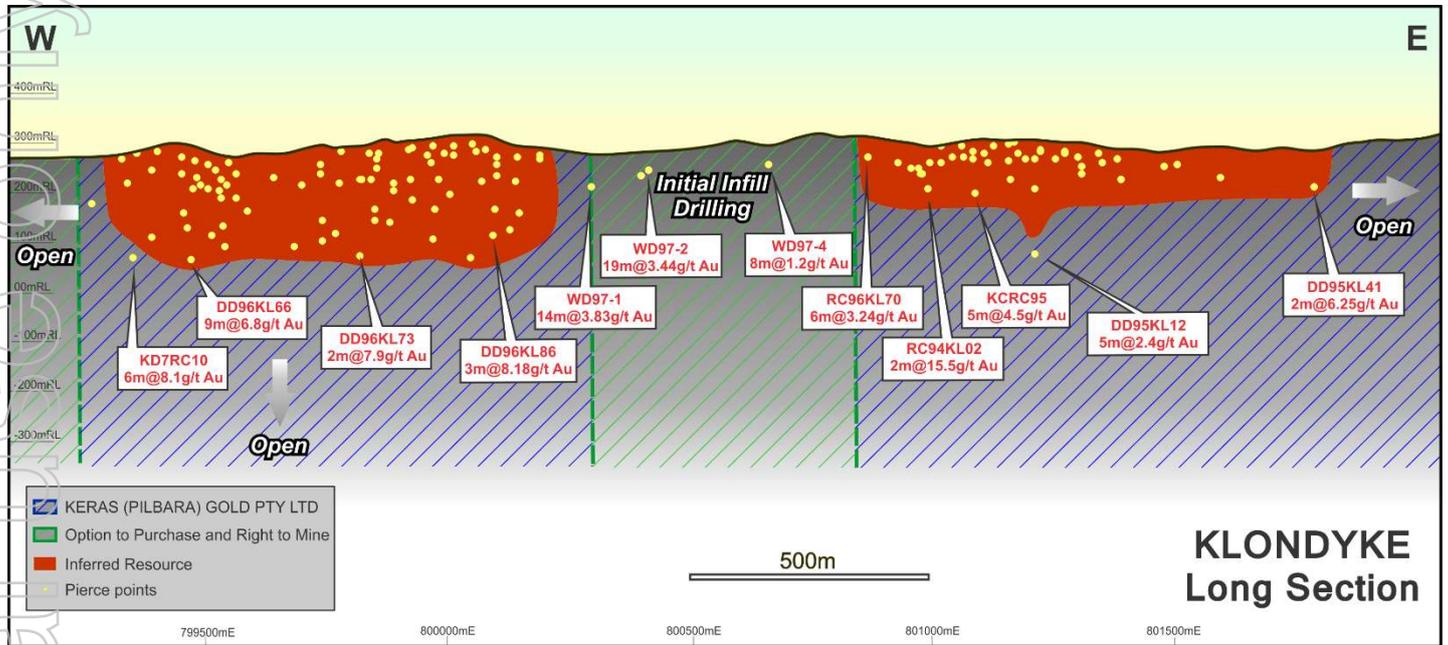
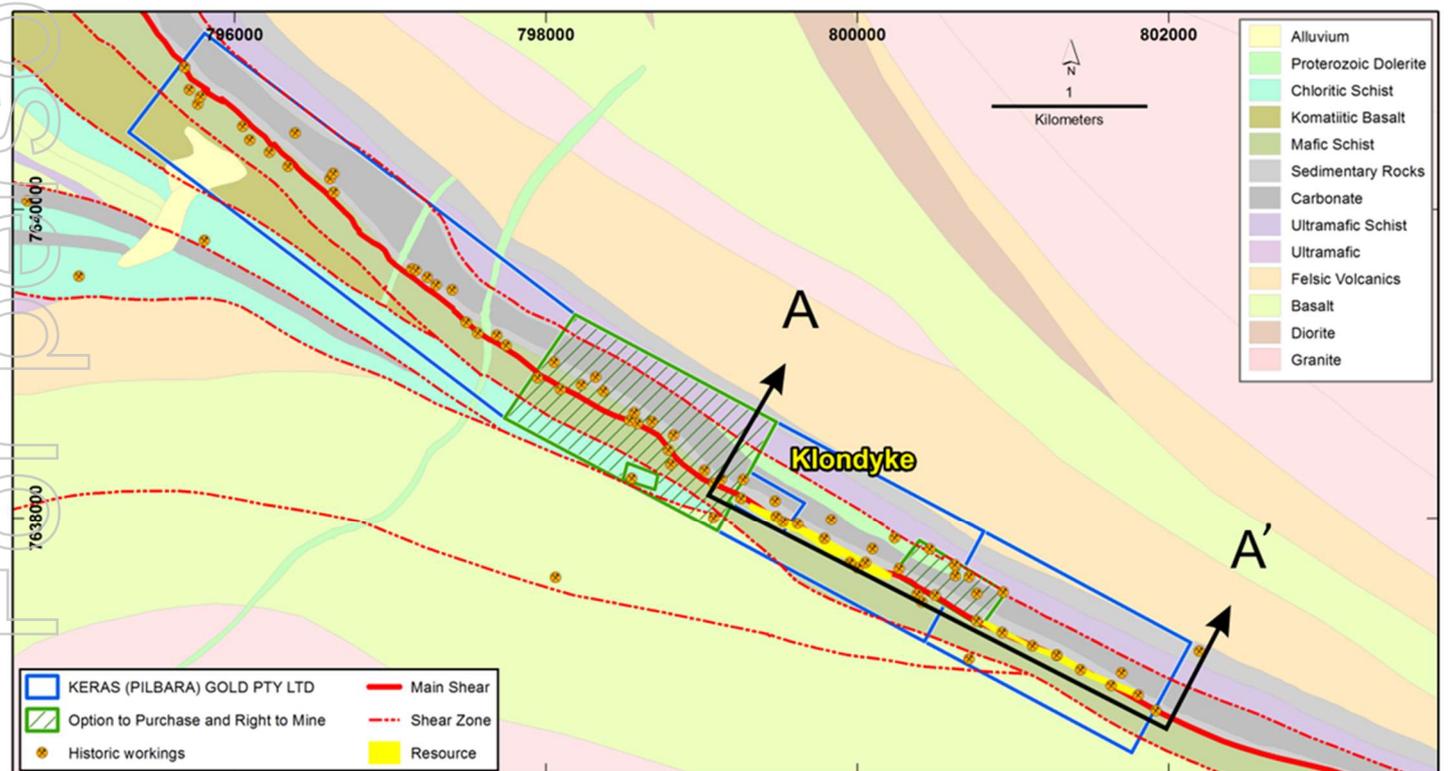


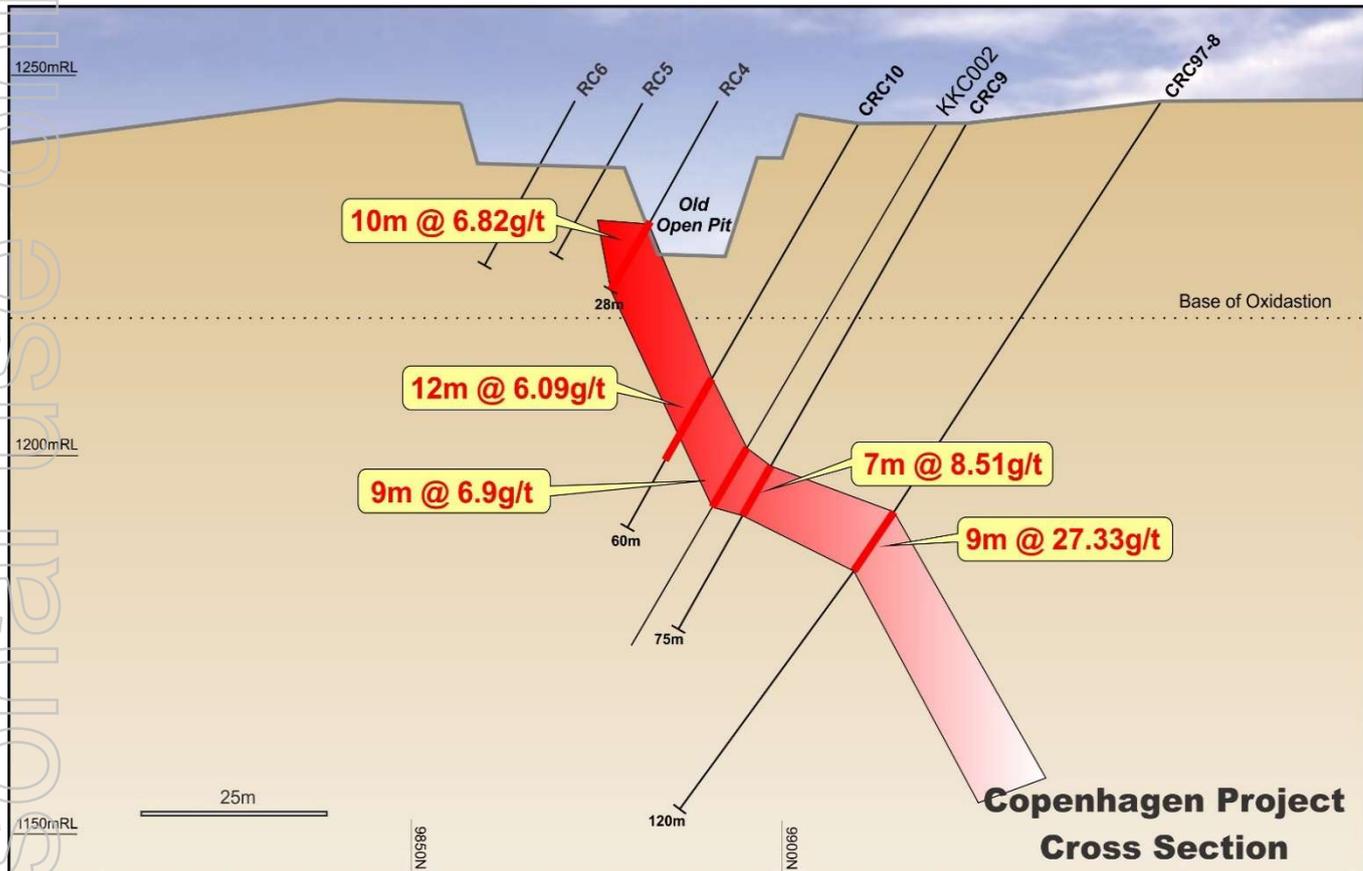
Figure 2: Plan of Klondyke showing section line



Copenhagen and Coronation Drilling

2,000m of drilling is planned for the Copenhagen and Coronation deposits. Drilling at Copenhagen will both step out from existing Inferred Mineral Resource of 180,000 @6.1 g/t for 36,000 ozs and also twin selected historic holes.

Figure 3: Cross Section of Copenhagen



Drilling at Coronation will in-fill existing drilling and twin selected holes to assist with defining an initial maiden resource at the deposit. Historic intercepts at Coronation include:

- 9m @ 5.21 g/t from 9m
- 8m @ 7.64 g/t from 64m
- 3m @ 16.67 g/t from 16m
- 12m @ 7.98 g/t from surface
- 4m @ 5.71 g/t from 12m
- 2m @ 31.5 g/t from 30m

Figure 4: Location of Prospects

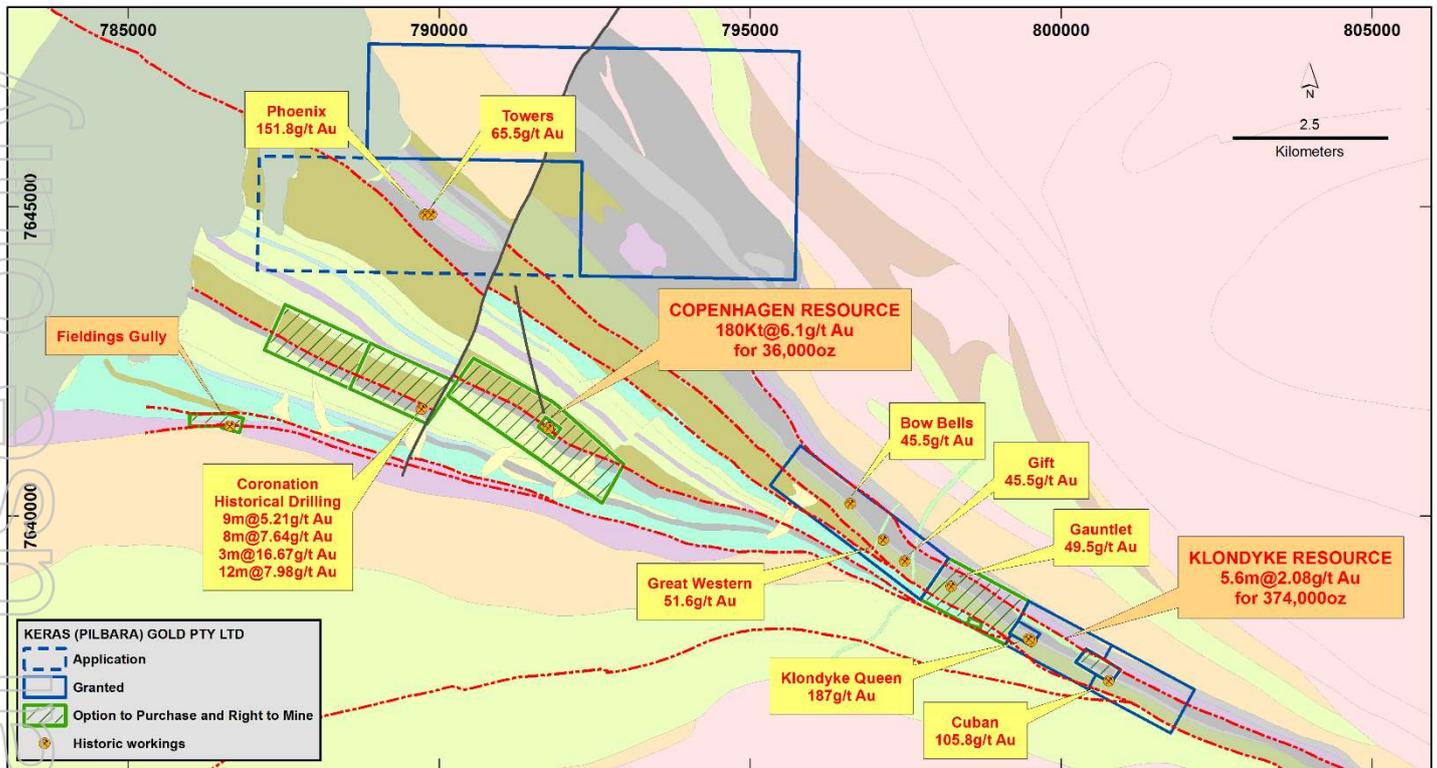


Figure 5: Drill rig at Warrawoona (14/06/2017)



Further Information

Calidus Resources (ASX:CAI) is an ASX listed gold exploration company which controls the Warrawoona Gold Project in the East Pilbara district of the Pilbara Goldfield in Western Australia.

The Directors believe that the recent consolidation of this goldfield will transform the Company into a new Australian gold development company with significant potential to unlock further resources and new discoveries within the emerging gold belt of the Pilbara Goldfields district, which is a historically proven gold mining region.

- END -

Notes Specific-ASX Announcements

The following announcements were lodged with the ASX and further details (including supporting JORC Reporting Tables) for each of the sections noted in this Announcement can be found in the following releases. Note that these announcements are not the only announcements released to the ASX but specific to exploration reporting on the Warrawoona Gold Project. The Company confirms that it is not aware of any new information or data that materially affects the information on the Project.

- Pharmanet to acquire the Warrawoona Gold Project in Western Australia: 22 March 2017
- Calidus Resources Limited-Prospectus: 8 May 2017

The information in this announcement that relates to exploration targets and exploration results is based on information compiled by Jane Allen a competent person who is a member of the AusIMM. Jane Allen is employed by Calidus Resources Limited. Jane 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 JORC Code. Jane Allen consents to the inclusion in this announcement of the matters based on his work in the form and context in which it appears.

The information in this report that relates to Exploration Results or Mineral Resources is based on information compiled or reviewed by Mr. Daniel Saunders, Principal of GeoServ Consulting Pty Ltd., who is a Member of the Australian Minerals Institute. Mr. Daniel Saunders is a full time employee of GeoServ Consulting Pty Ltd. and has sufficient experience, which is relevant to the style of mineralisation and types of deposit under consideration and to the activities 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". Mr. Daniel Saunders consents to the inclusion of the report of the matters based on the information in the form and context in which it appears.

For further information please contact:

Dave Reeves
Managing Director

✉ dave@calidus.com.au