

ASX ANNOUNCEMENT

6th November 2017

ABOUT CALIDUS RESOURCES

Calidus Resources 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.

DIRECTORS AND MANAGEMENT

Mr Keith Coughlan
NON-EXECUTIVE CHAIRMAN

Mr David Reeves
MANAGING DIRECTOR

Mr Adam Miethke
NON-EXECUTIVE DIRECTOR

Mr Peter Hepburn Brown
NON-EXECUTIVE DIRECTOR

Mr James Carter
CFO AND COMPANY SECRETARY

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Commencement of Novo JV and exercise of Haoma Option

Calidus Resources Limited (ASX:CAI) ('Calidus' or the 'Company') is pleased to announce that it has completed its due diligence on the Novo Tenements that are included in the previously announced binding Term Sheet (ASX: 20 September 2017) and has notified Novo Resources Corp. (TSX.V:NVO) that all conditions precedent have been satisfied or waived and it will proceed with the transaction. In addition, based on the exceptional drill results that have been recorded largely on the ground the subject of the Haoma option, the Company has exercised its option to acquire these tenements ensuring 100% ownership of this rapidly developing gold development project.

HIGHLIGHTS

Novo JV Commencement

- Due diligence and site visits completed on Novo Tenements
- Initial review highlights multiple soil anomalies both along the main Klondyke trend and in alternate geological settings that have not been previously investigated by Calidus
- Calidus commencing heritage surveys with the traditional owners to facilitate drilling on the Novo Tenements this calendar year
- Issue of 20m shares to Novo as consideration for an earn-in right as approved by shareholders at the 2017 annual general meeting
- Calidus may earn a 70% interest in the Novo Tenements by expending \$2 million on the tenements over the next 3 years
- Funds have been received by Novo for the recent placement taking Novo's total holding in the Company to approximately 5.5%

Haoma Option

- As disclosed in section 3.3(c) of the Company's Prospectus dated 5 May 2017, Keras was granted an option to acquire certain tenements from Haoma Mining NL (ASX: HOA) which has now been exercised.
- The 7 Haoma tenements include the historical Fieldings Gully, Coronation and Copenhagen deposits
- Recently announced 'gap' drilling occurred on one of the tenements covered by the option agreement and will form a key part of the resource upgrade due later this year

- Provides 100% ownership of the Klondyke trend and with the Novo JV, provides majority ownership of the entire Warrawoona greenstone belt
- Issue of 37.5m shares and \$500,000 cash to Haoma as consideration

Calidus Managing Director Dave Reeves commented, “Based on the outstanding results we have received so far in our maiden drill campaign, the consistency and grade of mineralisation we are defining and the large exploration upside we are seeing in the district, we have decided to proceed both with the Novo JV and to execute the right to purchase the Haoma tenements today. This ensures that Calidus has full ownership over the main Klondyke shear and controls all exploration activities over the entire Warrawoona Greenstone Belt.

We have commenced heritage surveys over the planned drill areas on the Novo ground with the traditional owners and look forward to reporting further drill results in the very near term from the recently completed drilling that targeted the high grade Copenhagen and Fieldings Gully deposits that are also located on tenements we have purchased today under the Haoma option.”

Second Tranche of Placement and Cleansing Prospectus

The Company has received funds for the second tranche of the placement announced 27 September 2017 and expects to issue 148,841,045 shares at the same time as the issue of shares to Novo and Haoma (or their respective nominees), as approved by shareholders at the Company's 2017 annual general meeting.

The Company intends to lodge a 'cleansing' prospectus in accordance with section 708A(11) of the Corporations Act in respect of the shares to be issued to Novo, Haoma and the tranche 2 Placement participants.

Project History/ Historical Workings

The Warrawoona Project was first discovered and mined in 1897. There are over 200 known historic workings on the Company's tenements. All of these workings are small scale workings targeting the high grade (plus 1oz/t) mineralisation that is prevalent through the area. Average mined grades for some of these workings include:

• Klondyke Queen	187g/t
• Klondyke Boulder	40g/t
• Golden Gauntlet	50g/t
• Bow Bells	46g/t
• Great Western	52g/t
• St George	167g/t
• Cuban	106g/t
• Kopke's Reward	90g/t
• British Exploration of Australia	184g/t

Various companies have held portions of the main Klondyke zone in a “chequerboard” fashion over the years which has resulted in the current discontinuous resource at Klondyke. By consolidating the entire strike of the main zone of Klondyke, the Company is in the enviable position of being able to rapidly increase resources by in-fill drilling known mineralised areas that were previously not accessible to historic owners. In addition, it allows the Company to have a global view of the entire Warrawoona Greenstone which allows a superior geological model to be built to assist in better targeting the large number of prospects that lie on the Company's tenements.

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For further information please contact:

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About Calidus Resources

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 and on-going 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. An aggressive drilling program is being pursued to rapidly and cost effectively add resource ounces in the near term as the first step towards development of a stand-alone gold operation.