

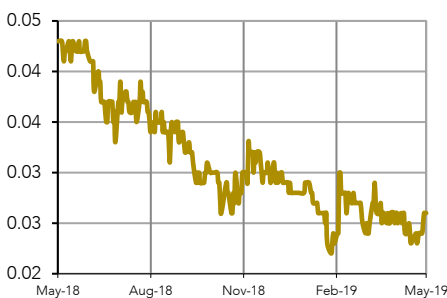
Calidus Resources Ltd (CAI ASX)

03 May 2019

Stock Data

Share Price:	A\$0.026
Market Cap (M):	A\$39.0
EV (M):	A\$36.3

Price Chart



52 Week Range

A\$0.021	A\$0.026	A\$0.044
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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	32.3%
Alkane Resources (ASX ALK)	15.2%
Novo Resources (TSX NVO)	4.0%

Source: Calidus Resources & Bloomberg

Calidus Raises A\$2.16M via Strategic Placement at Premium to Market Price

Event

Calidus Resources ("Calidus") has announced a strategic placement of 80M shares at an issue price of 2.7c a share, for a total of \$2.16M, to Alkane Resources (ASX : ALK).

Comment

This is the second time that Alkane has taken a placement in Calidus, both times at a premium to market prices. This time, Calidus is placing 80M shares to Alkane at 2.7c each will raise \$2.16M before costs. This represents a premium of 13% to the last closing price of \$0.024 on 29 April 2019. The placement is being conducted by way of a Subscription Agreement that is subject to a 6% arranging fee, payable to Alkane (or its nominee).

At the completion of the Placement, the Company will have approximately 1,501M shares on issue and Alkane will hold approximately 15.2% of the Company's issued securities or 11.6% of the fully diluted capital of the Company (excluding the exercise of Alkane's options). Under Australian Law, the maximum permitted ownership is 19.99% before a takeover bid has to be made, although companies are allowed to "creep" at 3% every 6 months.

The proceeds of this capital raising, together with Calidus' existing cash position, provide sufficient funding for the Company to complete not only the pre-feasibility study (PFS) that is well advanced, but allow additional drilling of regional targets and resource infill and extensional areas.

This news is extremely positive and BHC expects a positive news flow leading up to the release of the PFS in the September quarter of 2019.

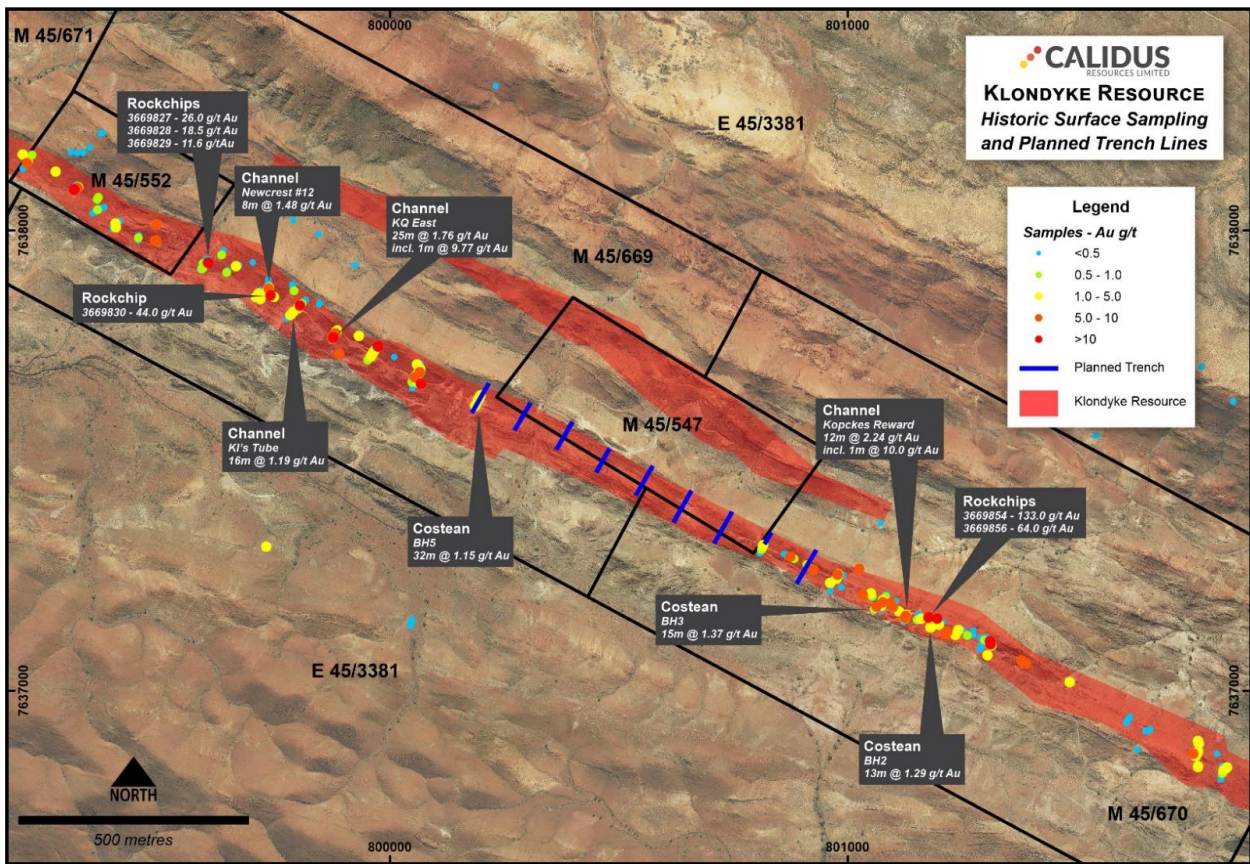
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Exhibit 1: Klondyke Resource showing Historic Surface Sampling and Planned Trench Lines



Source: Calidus Resources

Research Disclosures

Peter Rose

Peter has 33 years' experience in equities as a resources analyst; he has been at Brandon Hill Capital for 12 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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Sell	Recommendation implies that expected total return expected over 12 months between current and analysts' target price is negative.

Research Disclaimers

Research disclosure as of 03 May 2019

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

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