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 **CALIDUS**
RESOURCES LIMITED

Calidus Resources Limited | ABN: 98 006 640 553 | ASX: CAI | and Controlled Entities
Annual Report for the Financial Year ending 30 June 2022



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Corporate Directory

Directors

David Reeves
Managing Director

Mark Connelly
Non-Executive Chairman

John Ciganek
Non-Executive Director

Kate George
Non-Executive Director

Company Secretary

Julia Beckett

Management

Richard Hill
Chief Financial Officer

Paul Brennan
Project Development

Don Russell
General Manager
Warrawoona Operations

Registered Office & Principal Place of Business

Suite 12, 11 Ventnor Avenue
West Perth WA 6005

Email: info@calidus.com.au

Website: www.calidus.com.au



Auditor

Moore Australia Audit (WA)

Level 15, Exchange Tower,
2 The Esplanade, Perth WA 6000

Website: moore-australia.com.au



Share Registry

Automic

GPO Box 5193
Sydney NSW 2001

Telephone: 1300 288 664
(Within Australia)
+61 2 9698 5414
(Overseas)

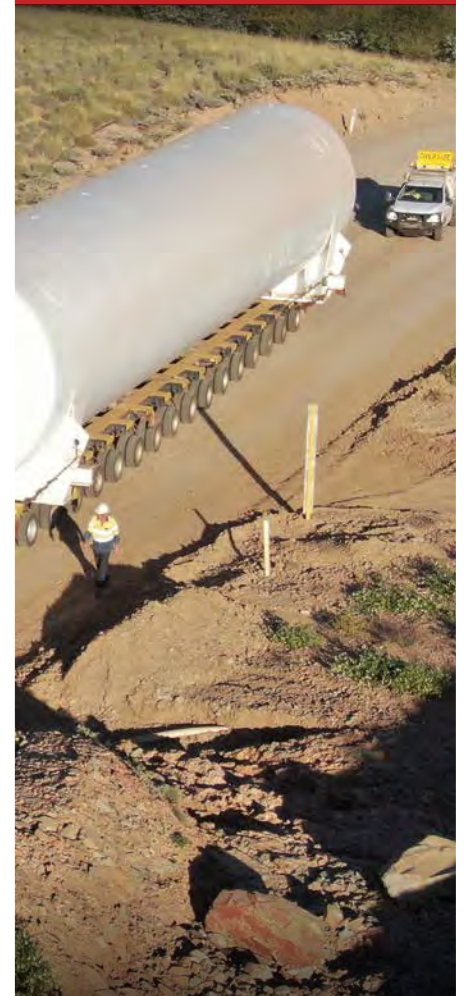
Email: hello@automicgroup.com.au




Securities Exchange

The Company's shares are listed on
the Australian Securities Exchange
(ASX).

ASX Code: CAI – Ordinary Shares





“ Taking a company and project from junior exploration status to production, as has happened at Calidus, is a major feat by any measure ”

Chairman's Letter

Dear Shareholder

I am delighted to report that Calidus has joined the ranks of ASX gold producers – the culmination of five years of determined exploration, meticulous engineering and hard work. And it's a milestone to which all gold start-ups aspire, but relatively few achieve. At the time of writing, we are ramping up production at our Warrawoona project and we are on track to achieve nameplate capacity in the September quarter.

On behalf of the Calidus Board, I would like to publicly thank all our staff, especially our executive team led by Dave Reeves, Richard Hill, Paul Brennan and Don Russell. In addition, I would like to thank all contractors for their enormous commitment to our project. The challenges we faced, including COVID 19, severe weather, inflation and shortages of labour and equipment, made the completion of the project on time and on budget even more impressive. This is a huge credit to everyone involved.

Calidus has a wealth of growth opportunities at its fingertips, including advancing the Blue Spec gold deposit. This sits within trucking distance of Warrawoona and has the potential to increase production to around 130,000oz per year. We intend to push ahead with early works including permitting, securing available accommodation units and installing water and communications infrastructure.

In addition to Blue Spec, Calidus has a host of highly prospective exploration prospects within trucking distance of Warrawoona. Testing and advancing these forms a key part of our growth agenda.

Exploration continues to offer substantial upside for Calidus, not just because of the value which can be created through discovery but because of the potential to leverage the infrastructure we now have at Warrawoona. This gives your Company a distinct competitive advantage in a region which hosts extensive mineralisation but so little processing capacity.

We will continue exploration and demerger plans for Pirra Lithium in the Pilbara. Our initial exploration work has returned highly promising results which, combined with the market's strong appetite for lithium assets, highlight the potential to create significant value for Calidus shareholders.

The past year has been intense and productive, and we look forward to building on our achievements to date.

Calidus is committed to remaining a high-growth company which creates value for its shareholders. The start of production is just one of the many milestones we intend to achieve as we deliver on this commitment.

I look forward to reporting to you as we implement the next key plans of our growth strategy.

Yours faithfully



Mark Connelly
Non-Executive Chairman



FY2022 Company Highlights

Operations

- First gold pour completed in May 2022 with a total of 8,916 ounces poured in the June quarter with an additional 1,192 ounces of gold in circuit
- Warrawoona Gold Plant successfully commissioned and ramping up to nameplate production of 2.4Mtpa, with up to 2.8Mtpa tested and no major bottlenecks identified
- Grade reconciling 100% between Grade Control Model and Resource model
- One lost time injury recorded to date
- Positive operating cashflow for the month of June

Blue Spec Expansion

- Strong drill results including 52m @ 1.4g/t Au from 22m and 10m @ 1.95g/t Au from 81m highlight open-pit potential at Blue Spec East, outside of the resource being used in the Blue Spec Feasibility Study
- Blue Spec Feasibility Study ongoing and expected to be released in the September quarter

Pirra Lithium

- Formation of Pirra Lithium Pty Ltd, new Pilbara lithium exploration company owned 50% by Calidus and 50% by Haoma Mining NL (Haoma)
- Pirra Lithium's maiden drill program commenced at the Spear Hill lithium project, where pegmatites are defined over 4.3km and rock-chip samples yielded grades up to 2.35% Li₂O and 808ppm Ta



Calidus has a wealth of growth opportunities at its fingertips, including advancing the Blue Spec gold deposit. This sits within trucking distance. //

Review of Operations

Calidus Resources (ASX:CAI) (“Calidus” or “the Company”) completed development and achieved the first gold pour at the 1.7Moz (100% owned) Warrawoona Gold Project (“Warrawoona” or “the Project”). Warrawoona is situated in the East Pilbara district of the Pilbara Goldfield of Western Australian. The Warrawoona Gold Project has total Mineral Resources of 1.7Mozs and 720km² of prospective tenements.

Calidus’ landholding also consists of the Blue Spec Project (100% owned) within 75km radius from Warrawoona. Blue Spec consists of an existing Resource of 415kt at 16.3g/t Au (219koz Au) and remains open down dip, together with the farm-in agreements on promising tenements both along strike from Blue Spec.

Warrawoona is forecast to produce on average 90,000ozs per annum. However, this has the potential to increase to 130,000ozs per annum when the nearby Blue Spec deposit is developed. Blue Spec is now the subject of a Definitive Feasibility Study (“DFS”) which is due in the September quarter of 2022.¹

In addition, Calidus is a 50% owner of Pirra Lithium Pty Ltd (“Pirra”) a Pilbara focused lithium explorer. Pirra has extensive tenements in the Pilbara, covering 1063km² with potential for Lithium discoveries. The focus is on the same granites of the Split Rock Supersuite and related pegmatites which host the large Wodgina (MIN) and Pilgangoora (PLS) mines 75km to the NW.²



Figure 1: Location of the Warrawoona Gold Project

Warrawoona Gold Project

During the year, construction of Warrawoona was completed in line with budget and schedule with one lost time injury. First gold was poured from Warrawoona during the June 2022 quarter, making Calidus Australia’s newest gold producer.

Warrawoona is forecast to produce on average 90,000ozs per annum. However, this has the potential to increase to 130,000ozs per annum when the nearby Blue Spec deposit is developed. Blue Spec has a JORC Resource of 415,000t at 16.3gpt for 219,000oz and is now the subject of a DFS which is due in the September quarter of 2022.¹

1. Refer to ASX announcements dated 29 September 2020, 23 March 2021, 9 September 2021, 8 November 2021 and 2 June 2022. 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 estimates continue to apply.
2. Refer to ASX announcements dated 18 January 2022, 21 February 2022, 8 March 2022, 11 May 2022, 27 May 2022 and 6 June 2022. 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 estimates continue to apply.

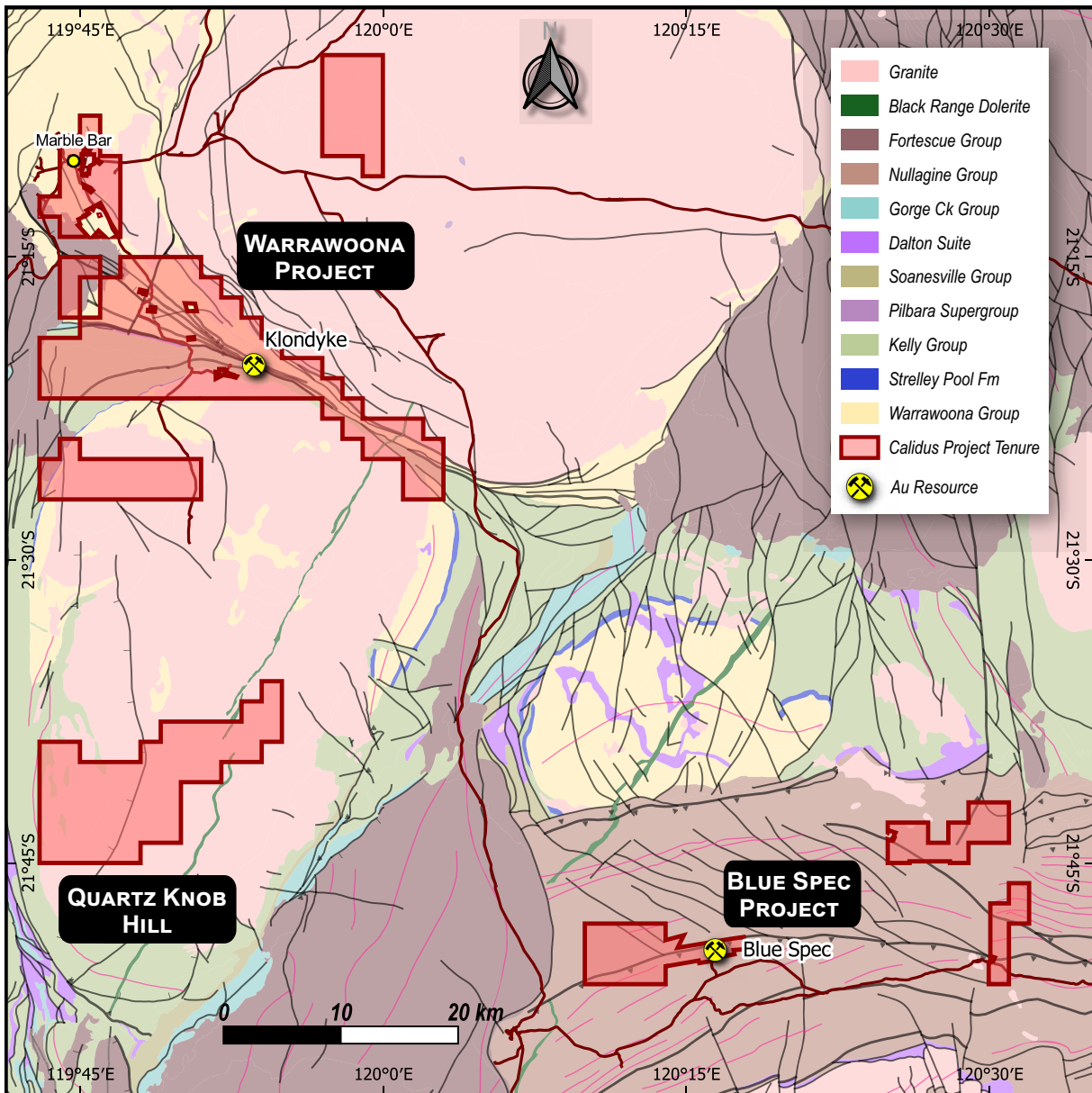


Figure 2: Tenement Holdings of Calidus



Figure 3: Gold Bars from Warrawoona Gold Project

Project highlights included:

- Processing plant commissioning completed
- First gold pour in May 2022
- Milling rates progressed during the June quarter and will reach nameplate of 2.4Mtpa in the September quarter
- Process plant tested at up to 2.8Mtpa, with no major bottlenecks identified
- Mining rates have been improving and are now meeting long term averages
- LNG storage vessels delivered to site with transition to gas fired electricity expected in the September quarter
- Total of 323,267t of low-grade ore, commissioning ore and ROM ore milled
- Total of 8,916ozs of gold poured with an additional 1,192ozs of gold in circuit
- Total of A\$22.0 million received from gold sales from the sale of 8,201oz with an average realised gold price of A\$2,687 per ounce



Figure 4: Warwoona Gold Project

Warwoona Operational Performance

Warwoona Production	Units	Apr-22	May-22	Jun-22	June-22 Qtr
Ore mined	bcm	37,680	45,670	62,141	145,491
Waste Mined	bcm	222,608	293,219	380,346	896,173
Strip ratio	ratio	5.9	6.4	6.1	6.2
Ore mined	t	82,897	107,642	161,727	352,266
Ore milled	t	30,723	131,637	160,907	323,267
Grade	g/t	0.77	0.9	1.1	0.99
Recovery	%	97.4	98.2	98.6	98.36
Ounces Poured	oz	0	3,451	5,465	8,916
Gold Sales					
Total Gold Sold	oz	0	2,232	5,969	8,201
Average Realised Sales Price	A\$/oz	0	2,686	2,687	2,687
Total Gold Revenue	A\$ M	0	6.0	16.0	22.0

Exploration

Blue Spec Deposit

During the year, Calidus advanced its strategy to grow the production rate at its Warrawoona Gold Project with completion of a successful feasibility study drilling program at the Blue Spec deposit. This comprised diamond drilling to provide sufficient core to replicate the extensive metallurgical testwork completed by previous owners and advance the metallurgical studies to a DFS level. The drilling program confirmed results of up to 101 g/t High Grade.³

Highlights included:

- Geology logging of core identified numerous instances of visible gold in all holes (see figure 5)
- Assay Results included:
 - 4.1m @ 33.6g/t Au from 194.9m (21BSDD005) incl. 2.2m @ 60.4g/t Au and incl. 1.1m @ 100.7g/t Au from 196m
 - 2.55m @ 44.1g/t Au from 413.25m (21BSDD002) incl. 1.9m @ 58.5g/t Au
 - 3.1m @ 20.4g/t Au from 449.9m (BSDD001) incl. 2.1m @ 28.4 g/t Au

The results from the four diamond holes will be used to update the Mineral Resource Estimate ("MRE") for Blue Spec. Geotechnical logging of the holes was also completed with preliminary advice received from the Geotechnical Consultant which was also in line with expectations. Environmental base line studies are underway for a Mining Proposal which will be submitted in September quarter 2022.

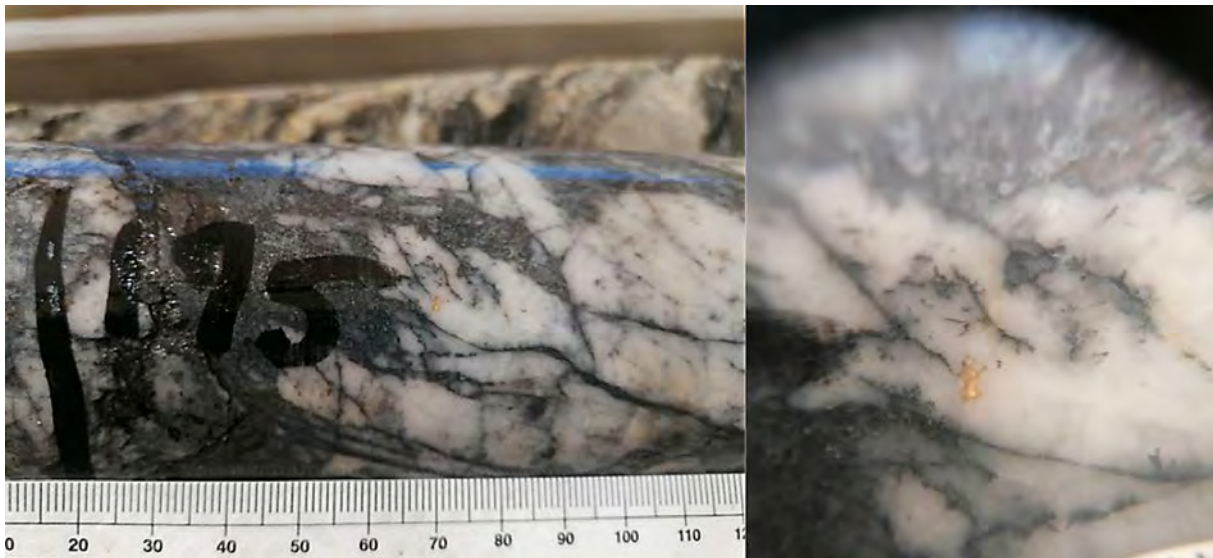


Figure 5: Visible Gold Intersected in Ore Zone

³ Refer to ASX announcements dated 9 September 2021 and 8 November 2021. 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 estimates continue to apply.



Our initial exploration work has returned highly promising results //

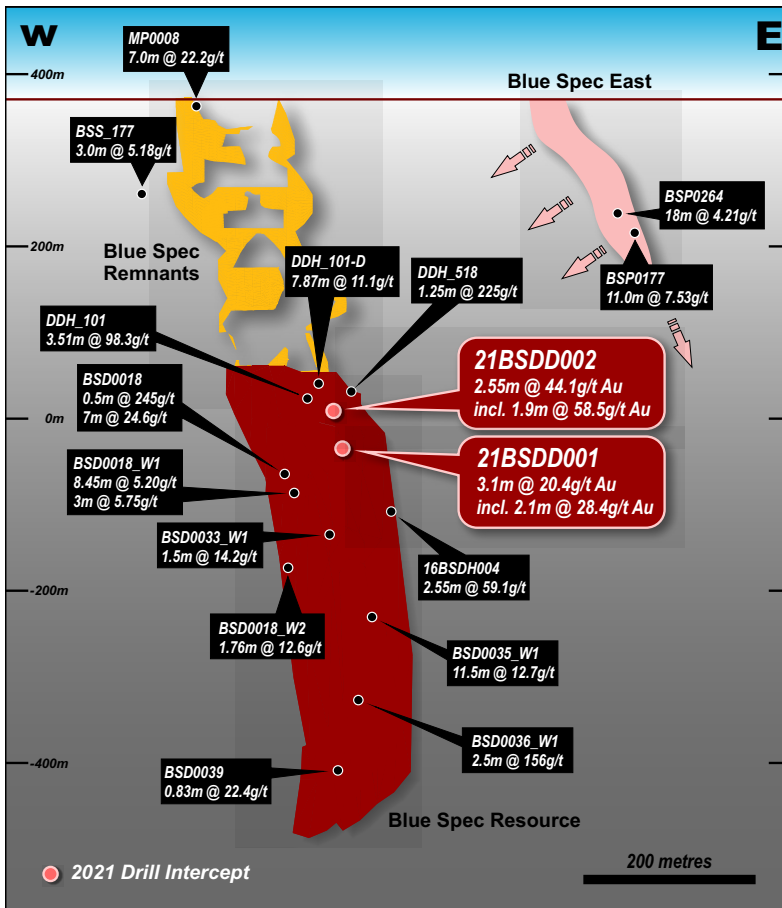


Figure 6: 21072_BlueSpec_Diamond Drilling

Regional Drilling Results

Calidus announced highly promising exploration results along strike from the Blue Spec Resource and from the Marble Bar Goldfield.⁴

Highlights included:

- Gold intercepts at Blue Spec East highlight potential for an open-pit operation
- Results include 52m @ 1.4g/t Au from 22m in 22BSRC010, 20m @ 1.41g/t Au from 44m in 22BSRC009, and 10m @ 1.95g/t Au from 81m in 22BSRC018
- These results are outside of the Blue Spec Resource being used in the current DFS
- At the Marble Bar Goldfield, 25km from Warrawoona, drilling has confirmed the down-dip extension of the Marble Bar quartz reef with high-grade intercepts including 2m @ 8.03g/t Au from 22m in 21MBRC005, 2m @ 6.75g/t Au from 48m in 21MBRC002 and 2m @ 4.53g/t Au from 85m in 21MBRC007
- These results demonstrate the presence of shallow high-grade gold down dip from the old workings, showing potential for Marble Bar to provide ore to Warrawoona

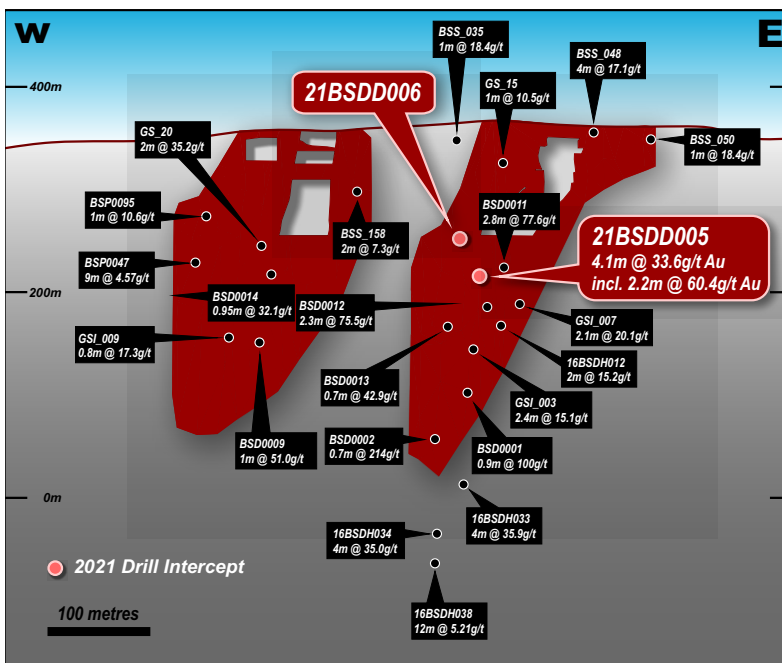


Figure 7: Gold Spec Long Section and Significant Drill Intercepts

4. Refer to ASX announcements dated 2 June 2022. 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 estimates continue to apply.

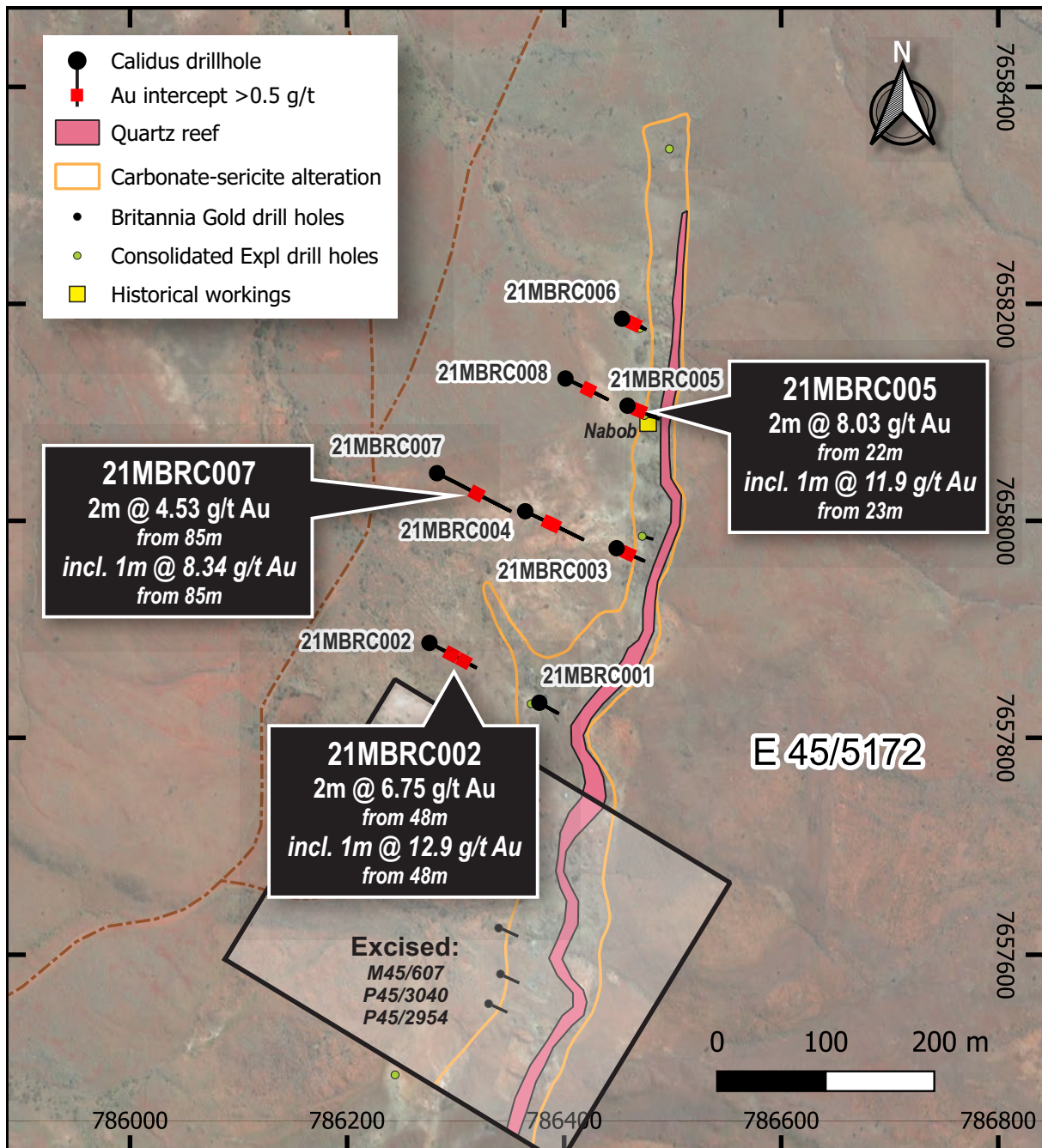


Figure 8: Map of E45/5172 showing the location of recently drilled RC holes and significant intercepts

Regional Stream Sediment Sampling

An initial stream sediment sampling program, immediately along strike of the Blue Spec Gold project, has highlighted that Blue Spec West is highly prospective and represents the first modern exploration work done in this area.⁵

Highlights included:

- Greenfields exploration at the Blue Spec project defines three areas with elevated gold of up to 326 ppb
- The stream sediment sampling at Blue Spec West was the first modern exploration done in this area
- The results highlight the prospectivity of the western part of the Blue Spec Fault Zone, which has received very limited historical exploration and no drilling
- Follow-up soil sampling program is planned to be followed with drilling

5. Refer to ASX announcement dated 21 March 2022. 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 estimates continue to apply.

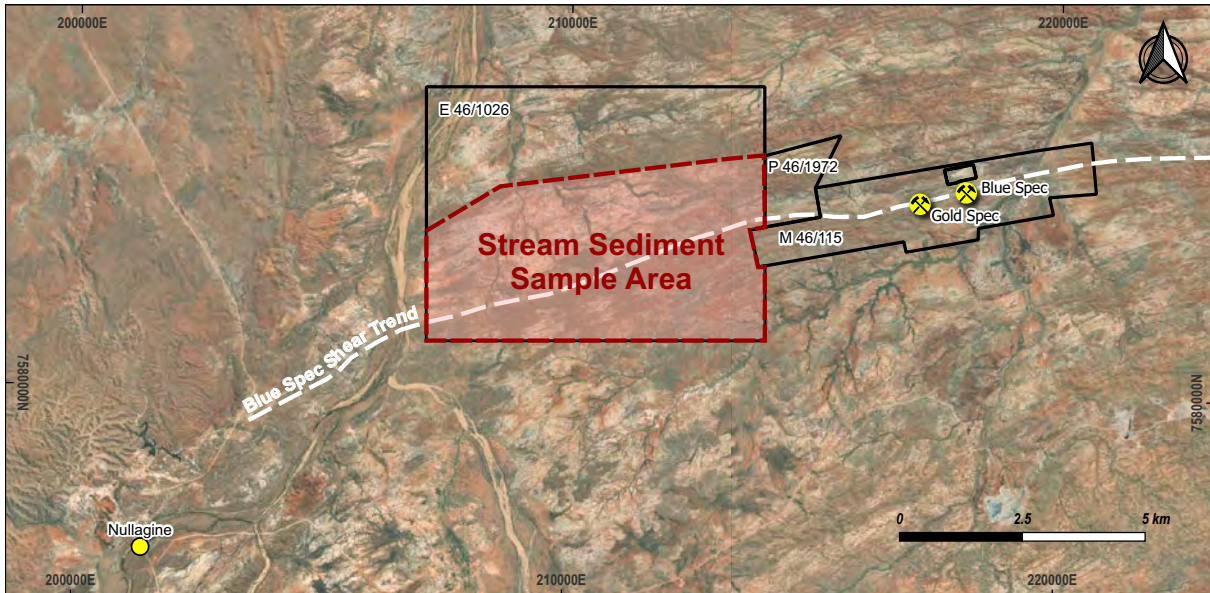


Figure 9: Map showing the location of E46/1026 and the area covered by the stream sediment samples

Pirra Lithium

Calidus announced the formation of Pirra Lithium Pty Ltd ("Pirra Lithium") a new Pilbara lithium exploration company. Pirra Lithium is owned equally by Calidus and Haoma Mining NL ("Haoma"). Pirra Lithium has been assigned tenements and lithium rights across the most prospective lithium ground in the Calidus and Haoma portfolios. These tenements and lithium rights cover 1,063km². Calidus will contribute the first \$1 million of funding for exploration and manage the exploration using existing infrastructure in the area. Following this, both parties will contribute equally to the funding of Pirra Lithium. Calidus issued 1,461,262 fully paid ordinary shares to Haoma at an issue price of \$0.68 per Share as compensation for previous exploration. The parties executed formal mineral rights sharing agreements which govern the grant of the lithium rights to Pirra Lithium.⁶

Following the completion of the Pirra Lithium transaction, Pirra Lithium discovered a lithium-bearing pegmatite with a mapped strike length of more than 4.3km at the Spear Hill prospect. Rock-chip samples of the pegmatite and the adjacent granitic country rocks were collected. Assays of the pegmatite yielded 0.66%-2.34% Li₂O, with two samples of metasomatized country rock adjacent to the pegmatite yielding 2.78% and 2.91% Li₂O.

The Spear Hill area, about 50km SW of Marble Bar, is part of the historic Shaw River tin field. The area has been mined for alluvial tin since about 1893 with a little more than 6,500t of tin concentrate won from the field up until 1975.

A maiden drill program at the Spear Hill prospect commenced to test the thickness and down-dip extent of the pegmatite. The initial scout drilling program comprised of 20 holes for approximately 1,673m, on a 1km portion of the 4.3km of strike length of outcropping lithium bearing pegmatites already mapped.

The shareholders of Pirra Lithium plan to commence a demerger process and IPO.

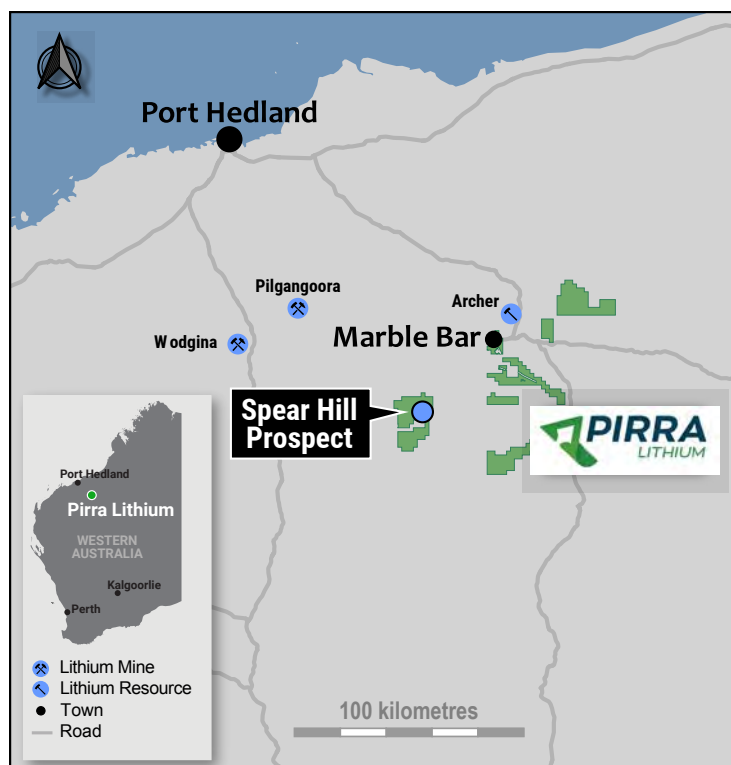


Figure 10: Pirra Lithium Location Map

6. Refer to ASX announcements dated 18 January 2022, 21 February 2022, 8 March 2022, 11 May 2022, 27 May 2022 and 6 June 2022. 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 estimates continue to apply.

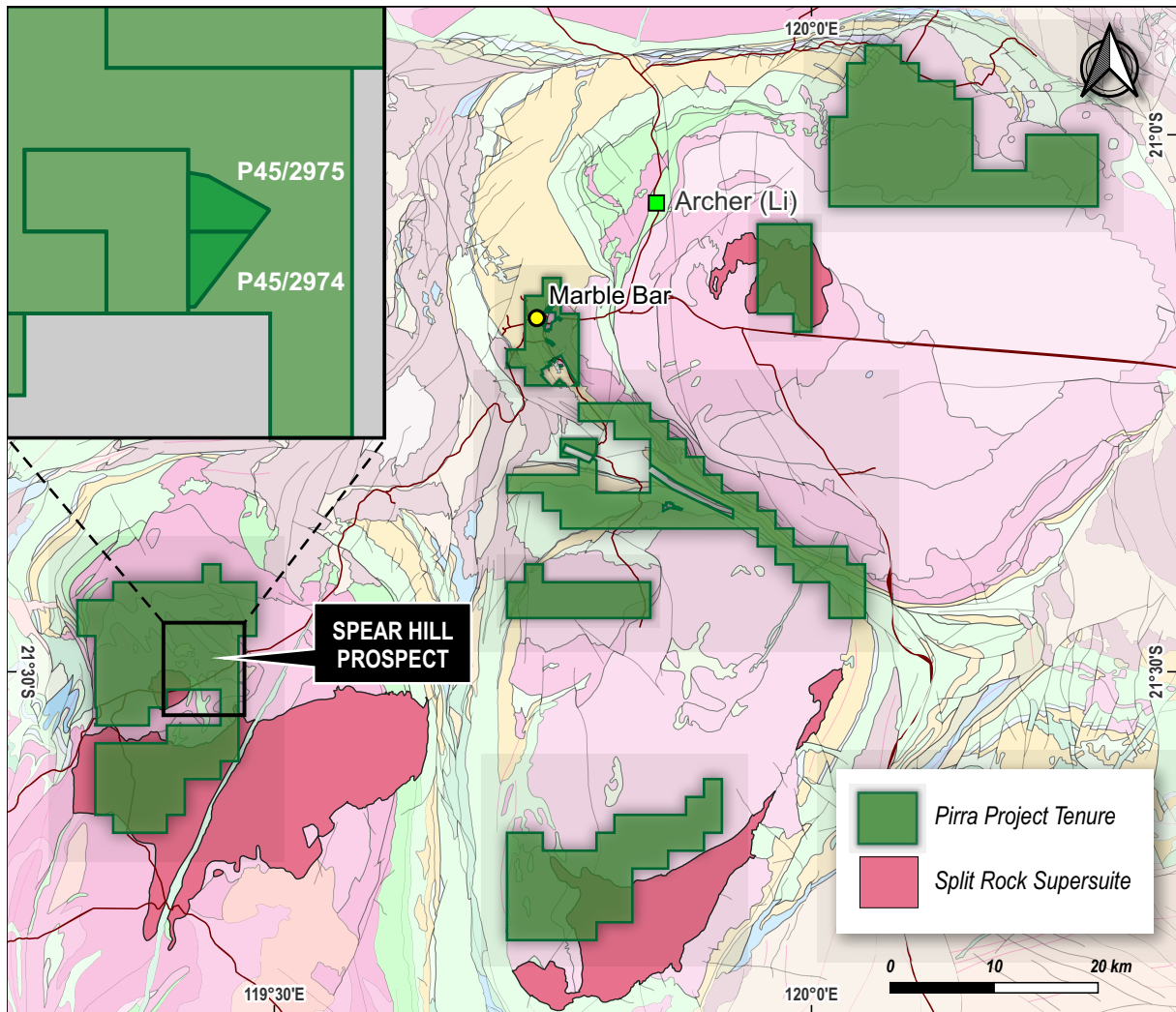


Figure 11: Location of the Spear Hill area and tenement holdings and lithium rights of Pirra Lithium on a background of GSWA's 1:500,000 state bedrock geology and linear structures layers



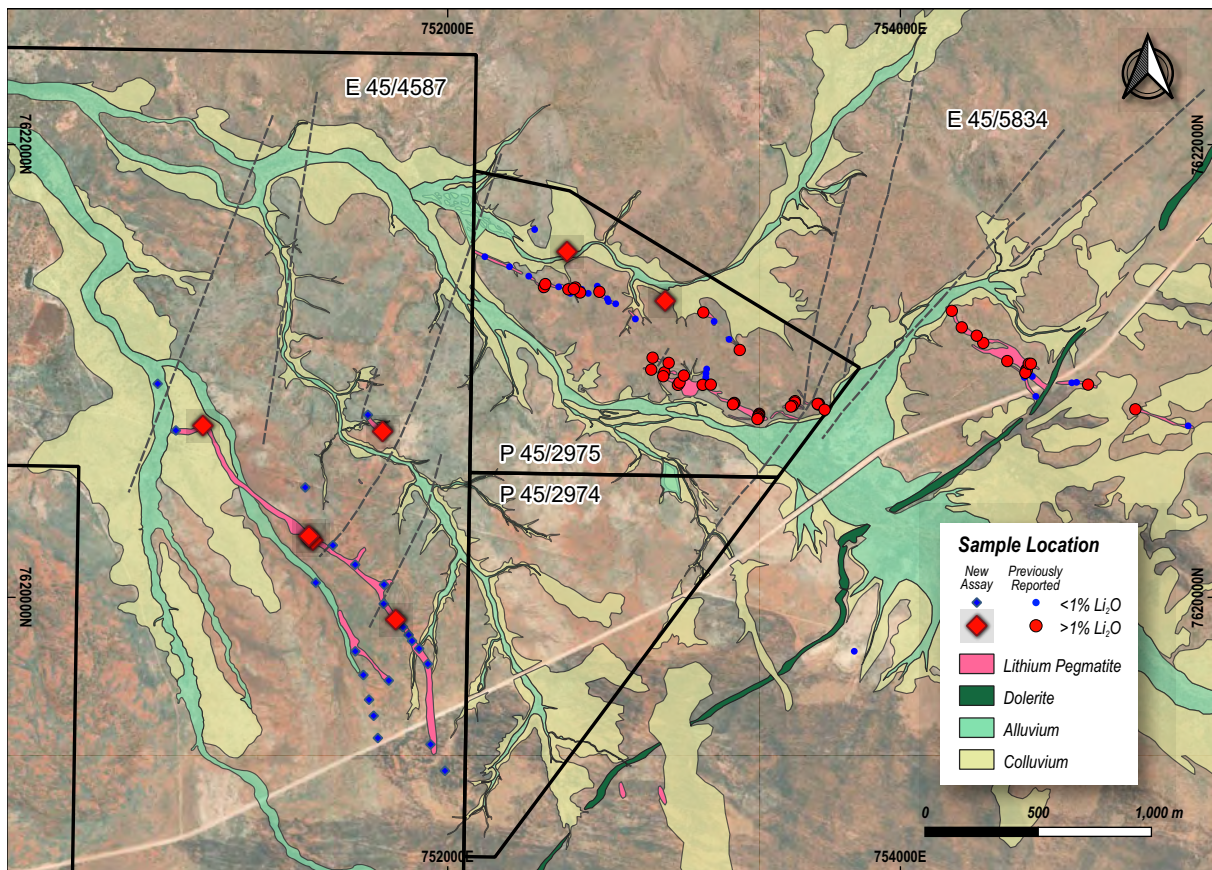


Figure 12: Mapped distribution of the lithium pegmatites

Corporate

Cash Position

At 30 June 2022, Calidus and its subsidiaries held \$18.1 million of cash, \$1.9 million of gold on hand and \$163k in listed investments.

Project Loan Facilities

The Project Loan Facilities with Macquarie Bank totalling \$110 million were fully drawn during the financial year. The first debt repayment of \$3 million was made in June 2022 reducing the facilities to \$107 million at 30 June 2022.

Outstanding hedge facilities totalled 156,799 ounces with an average forward price of A\$2,392/ oz for delivery from September 2022 to September 2025.

Personnel Changes

Appointment of Kate George as a Non-Executive Director

The Company announced the appointment of Ms Kate George as a Non-Executive Director on 1 February 2022. Ms George has over 20 years' experience in environmental management within government and industry, working with small midcap miners to major resource companies.

Resignation of Keith Coughlan as Non-Executive Director

The Company advised on 13 May 2022 that Mr Keith Coughlan had resigned as Non-Executive Director of the Company.

Investor Relations

The Company presented either via live stream video or in person at numerous investor conferences including:

- Diggers and Dealers Forum in Kalgoorlie, Western Australia
- RRS 2022 Gold Coast Conference, Queensland
- The virtual Australian Gold Conference
- Noosa Mining Investor Conference, Queensland
- RIU Explorers Conference, Fremantle, Western Australia
- Euroz Hartleys Rottneest Institutional Conference, Western Australia
- Euroz Gold Day, Perth, Western Australia
- Rising Stars-Miningnews.net 'Boom in a Room' Investor Conference, Perth, Western Australia
- RRS Brisbane Investor Briefing, Queensland
- Conducted various roadshows through Perth, Melbourne and Sydney.

Sustainability Report

At 30 June 2022

Sustainable Development and Production.

Sustainable Development and Production is at the heart of our values at Calidus.

At Calidus, we work with transparency and trust, supporting long-term economic growth and creating shared value with our stakeholders. We respect the human rights of all people, including our employees, the communities where we are active, and those working within our supply chains.

We acknowledge the environmental and cultural value of the land in which we operate and mitigate potential harm as a result of our project and operational activities.

Health and Wellbeing

At Calidus we genuinely care about the health and wellbeing of our people, including our employees and contractors and all stakeholders. We believe that a healthy and engaged workforce is a conduit to becoming a safe, productive and ultimately successful and sustainable business.

Calidus is committed to promote the physical and mental health of our people through initiatives and support systems, such as employee assistance programs and the provision of onsite facilities to support a healthy lifestyle and facilitate positive social interactions.

The Board and management team at Calidus have built an environment and culture to support the health and wellbeing of all our employees and contractors through visible and effective leadership.

Promotion of Health and Wellbeing

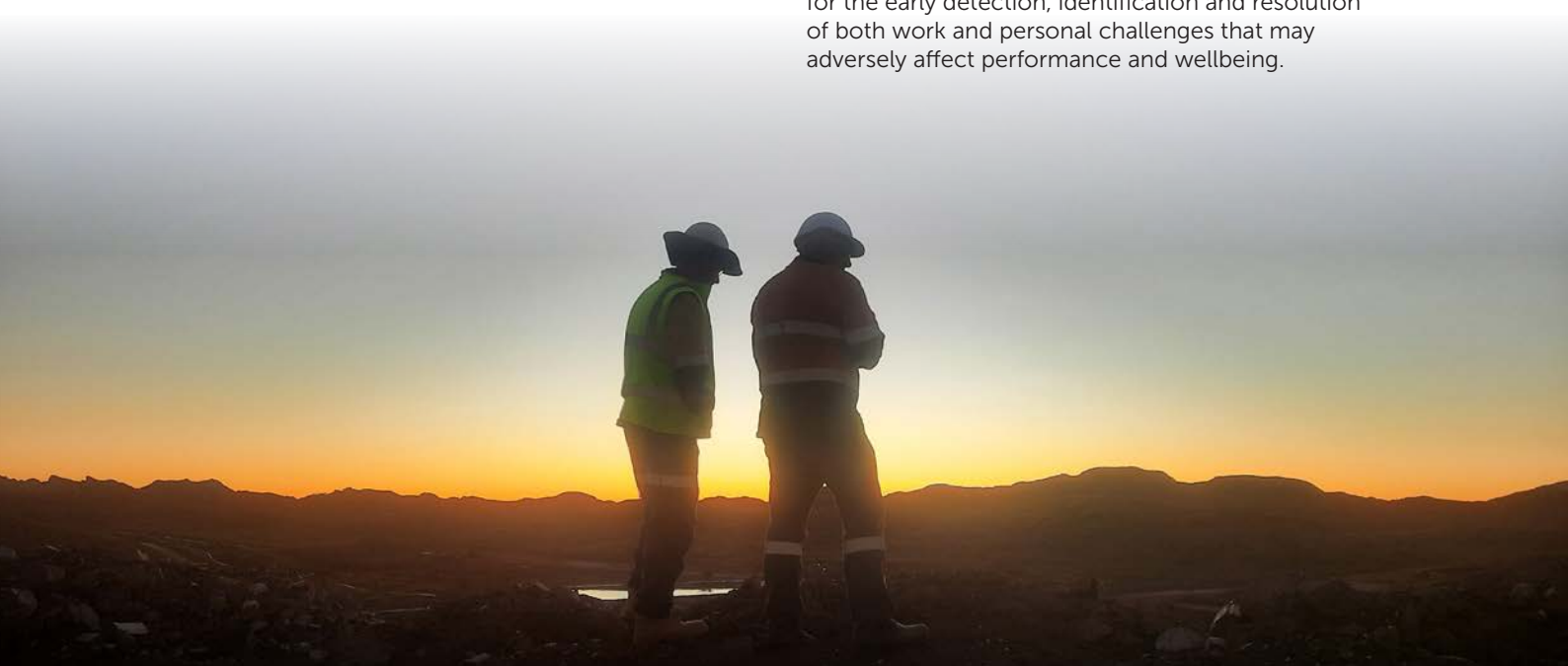
On site initiatives completed to date at Warrawoona to promote Health and Wellbeing of staff and contractors include:

- The construction of a fully equipped medical center and ambulance, to ensure an effective emergency response resource is available to mitigate possible harm to our employees and contractors and also provide assistance to local communities
- The construction of wet mess facilities and recreation room designed to provide an inclusive communal atmosphere and promote social activities
- The construction of a well-equipped indoor gym and out-door walking track to promote physical activities and exercise
- The construction of dry-mess facilities and the provision of a selection of fresh and healthy food options to promote healthy nutrition.

Employee Assistance Programs

Calidus and its contractors provide access to Employee Assistance Programs for all employees and their families through work-based intervention programs. These are designed to enhance the emotional, mental and general psychological wellbeing of employees and immediate family members.

The aim of the Employee Assistance Programs are to provide preventive and proactive interventions for the early detection, identification and resolution of both work and personal challenges that may adversely affect performance and wellbeing.



Covid 19 Response

Calidus continues to manage and mitigate the potential impact of the COVID-19 global pandemic on the Company's operations. The management response plan remains focused on ensuring the health and safety of personnel and limiting the disruption risk to our operations. This plan has been progressively developed in line with the formal guidance of State and Federal health authorities and under the Company's existing Emergency Management Policies. The Company continues to closely monitor the advice and requirements from State and Federal Governments and health authorities and maintain its focus on minimising the effects of COVID-19 on the health and well-being of staff and the communities in which we operate.

Safety

The safety and health of our people is the most important of our core values at Calidus.

Safety is embedded in everything we do at Calidus, and we expect our employees and contractors to always ensure their own safety and that of their colleagues. We acknowledge that a risk-based approach to managing hazards, incorporating regular reviews and audits of our principal risks and controls is essential to providing a safe and productive workplace for our employees and contractors.

We will ensure that all employees and contractors have the competency and skills required to work safely, and are provided with appropriate tools and information to enable work to be conducted safely and productively.

Safety Statistics

Since the development of Warrawoona has commenced, there have been two recordable injuries with 610,674 hours worked by employees and contractors to date.

Environment

Environmental stewardship is embedded in our operational thinking and Calidus is committed to continually improve its environmental and sustainability performance.

At Calidus we recognise the significant fauna and flora of the Pilbara region. We protect and support the natural environment in which we operate by creating effective systems, practices and documented plans to manage and mitigate environmental impacts of activities.

Environmental Permits

Calidus applied for, and received, Environmental Approval for development of Warrawoona from both the WA State Government Environmental Protection Agency (EPA) and Federal Government Department of Agriculture, Water and Environment (DAWE). Various other approvals have been applied for and received from WA State Government Department of Mining Industry Regulation and Safety (DMIRS) and Department of Water and Environmental Regulation (DWER).

Comprehensive Environmental Base Line Studies

Calidus has undertaken 3 years of comprehensive environmental base line studies which underpinned the identification of the environmental aspects of the region in which we operate, and the development of environmental management plans for our operations and a mine closure. These base line studies incorporate the following scientific fields:

- Flora and Vegetation
- Terrestrial Fauna
- Subterranean Fauna
- Short Range Endemic Fauna
- Groundwater dependent Ecosystems
- Ground water
- Surface water
- Waste Rock Characterisation
- Tailings Characterisation including consideration of Cyanide Destruction
- Climate and Meteorology
- Green House Gas
- Noise

As we have now moved into production, Calidus has implemented detailed monitoring procedures to ensure compliance with all statutory requirements.

Carbon Reduction Strategies

Calidus continues to carefully plan its operations to incorporate carbon reduction strategies. Strategies identified to date include:

- Construction of a 4MW solar farm and 3MW battery to reduce carbon emissions by 17,000t per annum
- Locally sourced LNG to substitute diesel usage in power generation to reduce carbon emissions by 10,500t per annum
- The installation of Hydrogen-ready power generation to further reduce emissions as hydrogen fuel becomes available in the future
- All flights from personnel to and from site are carbon offset through contributions to airline carbon offset schemes

Cyanide Destruction

Infrastructure installed to enable destruction of cyanide in tailings prior to discharge from the process plant to minimise the potential exposures to native wildlife.

Contribution to Pilbara Environmental Offset Fund (PEOF)

Calidus has contributed \$600,000 to PEOF to broker access for offsets on land.

Native Wildlife Protection

Calidus took the lead to establish a 32ha conservation zone initiative for the protection of native wildlife in our mining area and has implemented extensive management plans for the monitoring of federal protected species present within the boundaries of our tenements.

Water Recycling

The Warrawoona tailings dam is designed to recycle water used in operations and collect water in cyclonic events to reduce pressure on local aquifers.

Waste Dumps

Waste dumps are carefully designed to blend in with the local relief to limit their visual impact at mine closure.



Community

At Calidus, we acknowledge the traditional custodians of the land in which we operate, and recognise the strength, resilience and capacity of the First Peoples of this land.

We recognise that our long-term success depends on our ability to build relationships with business partners, host communities and other stakeholders and maintain a social licence to operate. We engage regularly, openly and honestly with our host communities and stakeholders, and take their views and concerns into account in our decision-making.

We commit to maintaining community engagement, seeking to provide local employment opportunities and engaging local businesses, seeking opportunities to invest in local infrastructure and to support the sustainable development of our host communities and recognise the value they add to our operations.

Upgrading Local Infrastructure

A number of initiatives have been undertaken to upgrade local infrastructure including:

- Contribution to the upgrade of the Marble Bar airstrip in collaboration with the Shire of East Pilbara
- Upgrade and ongoing maintenance of the Corunna Downs Rd, our key travel route

Support Local Business and Community Events

A number of initiatives have been undertaken to support local business and community events including:

- Prioritisation of local contractors and employment
- Active participation and sponsorship of key community events

Sponsorships & Opportunities for Local Employment

A number of initiatives have been undertaken to provide sponsorships and opportunities for local employment including:

- Indigenous Arts Program at Marble Bar and Warralong schools
- Establish apprenticeships and other opportunities for local indigenous people

Heritage Surveys

Extensive heritage surveys have been completed in collaboration with the local traditional custodians. Sites of importance were identified, mapped and demarcated.

As a direct result of these surveys, the project development has been modified to ensure all identified heritage sites are protected from any current and future impact during the construction and operation of the project.

A key achievement of Calidus is that no heritage site has been disturbed in the construction or operation of Warrawoona.

Diversity and Inclusion

Calidus is dedicated to growing an inclusive and diverse workforce, aligned with the Company's core values, where every employee is treated fairly, feels respected and where they can contribute to our success and realise their full potential. A diverse and inclusive workforce provides new perspectives, thinking and constructive challenges, fostering innovation and creativity.

Diversity refers to all characteristics that make individuals different from each other. It includes age, religious beliefs, cultural diversity, nationality, ethnicity, gender or gender identity, sexual orientation, marital or family status, disabilities, socio-economic background, perspectives and experience, or any other area of potential difference.

Inclusion refers to our diverse range of people feeling welcomed, respected and valued to fully participate, having access to opportunities and resources, and be able to contribute their perspectives and talents to drive the long-term sustainable business of Calidus.

Building a Diverse and Inclusive Workplace

The Board has established a Diversity Policy which provides a framework for the Company to achieve diversity objectives.



Corporate Governance

Effective corporate governance is critical to the long-term success of Calidus. The Board and all levels of management are committed to upholding a strong corporate governance framework, policies and procedures of the highest standard, to support a culture that values ethical behaviour and the conduct of business with integrity and respect.

The Board oversees Calidus' sustainability objectives and are accountable for a positive corporate culture, the achievement of high governance standards and ensuring compliance with the legislative and regulatory framework in which we operate.

Corporate Governance Framework

The Board is responsible for establishing the Company's Corporate Governance Framework and has referred to the 4th Edition of the ASX Corporate Governance Councils' Corporate Governance Principles and Recommendations. The Corporate Governance Statement discloses the extent to which the Company follows the recommendations.

The Boards' Audit and Risk Committee oversees the internal financial control systems and risk management systems and assessments and makes recommendations to the Board. In addition, the Boards' Remuneration and Nomination Committee has oversight over the Company's remuneration framework to motivate the achievement of key performance criteria and appropriate behaviours that align with the Calidus values.

Transparent Communication

Being transparent in relation to governance and risk is fundamental to building and maintaining stakeholder trust and investor confidence and underpins the substance of our disclosures.

The Board is responsible for establishing and ensuring compliance with the Company's Continuous Disclosure Policy, Securities Trading Policy and Whistle-blower Policy.

Ethical Business Practice

Calidus is committed to upholding lawful and ethical practices in our dealings with suppliers, stakeholders and local communities.

The Board establishes and monitors compliance with the Calidus values, Code of Conduct, and other associated policies including an Anti-Bribery and Anti-Corruption Policy. The Boards' objective is to ensure that all Directors, management and employees are accountable, act ethically and with integrity, in the best interests of our shareholders, in compliance with all laws and Company policies, and in alignment with community expectations.

A copy of the Corporate Governance Statement, Corporate Governance Policies and charters are available on the Company website: <https://www.calidus.com.au/about/corporate-governance/>

“ The past year has been intense and productive, and we look forward to building on our achievements to date ”



Annual Mineral Resource & Ore Reserve Report

At 30 June 2022

In accordance with ASX Listing Rule 5.21, Calidus reviews and reports its Mineral Resources and Ore Reserves at least annually. The date of reporting is 30 June each year, to coincide with the Company's end of financial year balance date. If there are any material changes to its Mineral Resources or Ore Reserves over the course of the year, the Company promptly reports these changes.

Mineral Resources

The Mineral Resources for Calidus has decreased from 1.723Moz as reported on 30 June 2021, to 1.691Moz at 30 June 2022, a decrease of 32koz. The key change involves resource depletion due to mining.

The Mineral Resource has been classified in the Measured, Indicated and Inferred categories, in

accordance with the 2012 Australasian Code for Reporting of Mineral Resources and Ore Reserves (JORC Code). A range of criteria has been considered in determining this classification including geological continuity, data quality, drill hole spacing, modelling technique, estimation properties including search strategy, number of informing data and average distance of data from blocks. The total Mineral Resource Estimate is shown in **Table 1**.

Table 1: Mineral Resources as at 30 June 2022 (inclusive of Reserves; rounded to nearest 100,000t; 0.01g/t; 1,000oz)

Deposit	Cut-Off (g/t)	Measured			Indicated			Inferred			Total		
		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
<i>including</i>	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
<i>including</i>	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					0.2	21.70	106	0.3	13.30	113	0.4	16.30	219
<i>Blue Spec</i>	3.0				0.1	29.10	79	0.2	12.20	92	0.3	16.70	171
<i>Gold Spec</i>	3.0				0.1	12.40	27	0.0	21.60	21	0.1	15.20	48
Total		1.6	0.93	49	31.0	1.12	1,114	11.0	1.57	530	43.5	1.20	1,691

Ore Reserves

The Ore Reserve for the Klondyke open pit, St George and Copenhagen open pits has decreased by 31koz due to mining depletion. Ore Reserves are shown in **Table 2**.

Table 2: Ore Reserves as at 30 June 2021 (rounded to nearest 1,000t; 0.1g/t; 1,000oz)

Deposit	Cut-Off (g/t)	Proven			Probable			Total		
		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
Total		1.4	1.0	45	12.1	1.2	472	13.5	1.2	517

Governance Arrangements and Internal Controls

Calidus has ensured that the Mineral Resources and Ore Reserves quoted are subject to good governance arrangements and internal controls. The Mineral Resources and Ore Reserves reported have been generated by internal and external Company geologists, who are experienced in best practice modelling and estimation methods. The competent person has also undertaken reviews of the quality and suitability of the underlying information used to generate the resource estimation. In addition, Calidus' management carry out regular reviews and audits of internal processes and external contractors that have been engaged by the Company.

Competent Persons Statement

The information in this report that relates to exploration targets and exploration results is based on and fairly represents information compiled by Mr. Steve Sheppard, a competent person who is a member of the AusIMM. Mr. Steve Sheppard is employed by Calidus Resources Limited. 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". Mr. 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.

The information in this report that relates to Klondyke Underground Mineral Resources is based on and fairly represents information compiled or reviewed by Mr. Lynn Widenbar, Principal Consultant of Widenbar and Associates Pty Ltd., who is a Member of the AusIMM and the AIG. Mr. Lynn Widenbar is a full-time employee of Widenbar and Associates 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. Lynn Widenbar consents to the inclusion of the report of the matters based on the information in the form and context in which it appears.

The information in this report that relates to Blue Spec and Gold Spec, Copenhagen, Coronation, and Fieldings Gully Mineral Resources is based on and fairly represents information compiled or reviewed by Mr. Ben Playford, who is a Member of the AIG. Mr. Ben Playford is a full-time employee of Calidus Resources Limited. 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. Ben Playford consents to the inclusion of the report of the matters based on the information in the form and context in which it appears.

The information in this report that relates to Klondyke Open Pit Mineral Resources is based on and fairly represents information compiled or reviewed by Ms. Christine Standing, Principal Consultant of Optiro Ltd., who is a Member of the AusIMM and the AIG. Ms. Christine Standing is a full-time employee of Optiro 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. Jani Kalla consents to the inclusion of the report of the matters based on the information in the form and context in which it appears.

The information in this report that relates to the Open Pit Ore Reserves is based on and fairly represents information compiled or reviewed by Mr. Steve O'Grady. Mr. O'Grady has confirmed that he has read and understood the requirements of the 2012 Edition of the Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. He is a Competent Person as defined by the JORC Code 2012 Edition, having more than five years experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity for which he is accepting responsibility. Mr. O'Grady is a Member of the AusIMM and consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to the Underground Ore Reserves is based on and fairly represents information compiled or reviewed by Mr. Matthew Keenan. Mr. Keenan is a full time employee of Entech Pty Ltd. Mr. Keenan has confirmed that he has read and understood the requirements of the 2012 Edition of the Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr. Keenan is a Competent Person as defined by the JORC Code 2012 Edition, having more than five years' experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity for which he is accepting responsibility. Mr. Keenan is a Member of the AusIMM and has provided his prior written consent to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Forward looking Statements and Disclaimers

This report does not constitute investment advice. Neither this report nor the information contained in it constitutes an offer, invitation, solicitation or recommendation in relation to the purchase or sale of shares in any jurisdiction. This report does not take into account any person's particular investment objectives, financial resources or other relevant circumstances and the opinions and recommendations in this report are not intended to represent recommendations of particular investments to particular persons. All securities transactions involve risks, which include (among others) the risk of adverse or unanticipated market, financial or political developments.

To the fullest extent permitted by law, Calidus Resources Limited does not make any representation or warranty, express or implied, as to the accuracy or completeness of any information, statements, opinions, estimates, forecasts or other representations contained in this report. No responsibility for any errors or omissions from this report arising out of negligence or otherwise is accepted.

This report may include forward looking statements. Forward looking statements are only predictions and are subject to risks, uncertainties and assumptions which are outside the control of Calidus. These risks, uncertainties and assumptions include commodity prices, currency fluctuations, economic and financial market conditions in various countries and regions,

environmental risks and legislative, fiscal or regulatory developments, political risks, project delay or advancement, approvals and cost estimates. Actual values, results or events may be materially different to those expressed or implied in this report. Given these uncertainties, readers are cautioned not to place reliance on forward looking statements. Any forward looking statements in this report speak only at the date of issue of this report. Subject to any continuing obligations under applicable law and the ASX Listing Rules, Calidus does not undertake any obligation to update or revise any information or any of the forward looking statements in this report or any changes in events, conditions or circumstances on which any such forward looking statement is based.

Compliance Statement

The information in this report that relates to Exploration Results and Mineral Resources released previously on the ASX.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and that, in the case of mineral resources estimates, all material assumptions and technical parameters underpinning the estimates 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 market announcements.



Tenement Schedule

as at 30 June 2022

Calidus Resources & Subsidiaries Tenement Schedule

Tenement ID	Holder	Size (ha)	Renewal	Ownership /Interest
E45/3381	Keras (Pilbara) Gold Pty Ltd	7,802	16/03/2021	100%
E45/4666	Keras (Pilbara) Gold Pty Ltd	3,162	23/11/2021	100%
E45/4622	Keras (Pilbara) Gold Pty Ltd	4,217	04/05/2022	100%
E45/4934	Keras (Pilbara) Gold Pty Ltd	1,595	22/01/2023	100%
E45/4856	Keras (Pilbara) Gold Pty Ltd	1,594	20/05/2023	100%
E45/4857	Keras (Pilbara) Gold Pty Ltd	1,275	20/05/2023	100%
E45/3615	Keras (Pilbara) Gold Pty Ltd	1,595	22/11/2022	100%
E45/4236	Keras (Pilbara) Gold Pty Ltd	957	19/10/2024	100%
E45/4905	Keras (Pilbara) Gold Pty Ltd	638	29/11/2022	100%
E45/4906	Keras (Pilbara) Gold Pty Ltd	319	29/11/2022	100%
M45/0521	Keras (Pilbara) Gold Pty Ltd	18	10/03/2034	100%
M45/0547	Keras (Pilbara) Gold Pty Ltd	18	02/05/2035	100%
M45/0552	Keras (Pilbara) Gold Pty Ltd	10	18/01/2035	100%
M45/0668	Keras (Pilbara) Gold Pty Ltd	242	28/12/2037	100%
M45/0669	Keras (Pilbara) Gold Pty Ltd	102	28/12/2037	100%
M45/0670	Keras (Pilbara) Gold Pty Ltd	113	29/12/2037	100%
M45/0671	Keras (Pilbara) Gold Pty Ltd	119	29/11/2037	100%
M45/0672	Keras (Pilbara) Gold Pty Ltd	116	01/08/2037	100%
M45/0679	Keras (Pilbara) Gold Pty Ltd	121	08/04/2038	100%
M45/0682	Keras (Pilbara) Gold Pty Ltd	236	17/04/2038	100%
M45/0240	Keras (Pilbara) Gold Pty Ltd	6	17/11/2028	100%
E45/1290	Keras (Pilbara) Gold Pty Ltd	150	11/02/2042	100%
E46/0115	Keras (Pilbara) Gold Pty Ltd	931	03/02/2033	100%
E46/0244	Keras (Pilbara) Gold Pty Ltd	18	28/11/2042	100%
E45/4555	Keras (Pilbara) Gold Pty Ltd	1,915	01/03/2022	100%
E45/5172	Keras (Pilbara) Gold Pty Ltd	4,291	30/05/2024	100%
E45/4843	Keras (Pilbara) Gold Pty Ltd	941	02/07/2022	100%
P45/3065	Keras (Pilbara) Gold Pty Ltd	29	29/03/2024	100%
P46/1972	Keras (Pilbara) Gold Pty Ltd	195	15/12/2025	100%
L45/523	Keras (Pilbara) Gold Pty Ltd	173	18/09/2040	100%
L45/564	Keras (Pilbara) Gold Pty Ltd	60	25/11/2020	100%
L45/565	Keras (Pilbara) Gold Pty Ltd	7	26/11/2020	100%

Calidus Resources & Subsidiaries Tenement Schedule continued...

Tenement ID	Holder	Size (ha)	Renewal	Ownership /Interest
L45/566	Keras (Pilbara) Gold Pty Ltd	9	25/11/2020	100%
E45/5747	Keras (Pilbara) Gold Pty Ltd	3,826	15/12/2026	100%
E45/5748	Keras (Pilbara) Gold Pty Ltd	5,112	15/12/2026	100%
G45/345	Keras (Pilbara) Gold Pty Ltd	439	11/05/2041	100%
G45/347	Keras (Pilbara) Gold Pty Ltd	2	03/01/2042	100%
G45/349	Keras (Pilbara) Gold Pty Ltd	26	03/01/2042	100%
G45/348	Keras (Pilbara) Gold Pty Ltd	36	21/02/2042	100%
L45/527	Keras (Pilbara) Gold Pty Ltd	252	23/02/2042	100%
L45/567	Keras (Pilbara) Gold Pty Ltd	2	17/12/2041	100%
L45/573	Keras (Pilbara) Gold Pty Ltd	11	04/01/2042	100%
L45/584	Keras (Pilbara) Gold Pty Ltd	66	20/04/2042	100%
L45/585	Keras (Pilbara) Gold Pty Ltd	115	06/04/2042	100%
L45/586	Keras (Pilbara) Gold Pty Ltd	56	22/02/2042	100%
L45/587	Keras (Pilbara) Gold Pty Ltd	73	06/04/2042	100%
L45/588	Keras (Pilbara) Gold Pty Ltd	102	03/03/2042	100%
L45/590	Keras (Pilbara) Gold Pty Ltd	105	22/02/2042	100%
L45/591	Keras (Pilbara) Gold Pty Ltd	58	28/03/2042	100%
L45/592	Keras (Pilbara) Gold Pty Ltd	86	22/02/2042	100%
L45/593	Keras (Pilbara) Gold Pty Ltd	21	04/01/2042	100%
L45/613	Keras (Pilbara) Gold Pty Ltd	7	10/06/2042	100%

Applications

E45/6104	Keras (Pilbara) Gold Pty Ltd	1,913	APPLICATION	100%
E45/6105	Keras (Pilbara) Gold Pty Ltd	956	APPLICATION	100%
E46/1421	Keras (Pilbara) Gold Pty Ltd	16,552	APPLICATION	100%
L45/639	Keras (Pilbara) Gold Pty Ltd	140	APPLICATION	100%

Joint Venture

E45/4704	Beckton Gledhill Pty Ltd	7,962	07/04/2022	Earning 70%
E45/4706	Beckton Gledhill Pty Ltd	5,414	08/01/2022	Earning 70%
E45/5706	Keras (Pilbara) Gold Pty Ltd/Beatons Creek Gold Pty Ltd	1,277	09/01/2027	70%
E46/1026	Gondwana Resources Limited	3,797	09/05/2026	Earning 51%
E46/1035	Nimble Resources Pty Ltd	8,701	01/12/2025	Earning 70%



Directors' Report

The Directors of Calidus Resources Limited (Calidus or the Company) submit their report on the results and state of affairs of Calidus and its subsidiaries (collectively the Group), for the financial year ended 30 June 2022.

Directors

The names and information of Directors of Calidus in office during the financial year and at the date of this report are:

Mr. David Reeves Managing Director

Qualifications:

Mining Engineer Bachelor of Engineering (1st Class honours), Grad Dip Applied Finance, WA Mine Managers Certificate

Experience:

Mr Reeves is a Perth-based, qualified mining engineer with 31 years of experience in the mining industry and was the Non-Executive Chairman of European Metals Holdings Limited (ASX and AIM). Mr Reeves has extensive experience in international capital markets through his involvement with various listed London and Australia companies.

Mr Reeves was the Project Manager of Zimplats and Afplats prior to their sale for a combined US\$1 billion and prior to this, worked with Delta Gold in Zimbabwe and various gold companies in Western Australia in which he assumed various roles, including the position of Mine Manager.

Special Responsibilities: None

Interest in Shares and Options:

- 20,212,258 Fully Paid Ordinary Shares
- 1,500,000 Unlisted Option, nil exercise price, exp 27 December 2024
- 341,979 Executive Options (Tranche 1) nil exercise price exp 31 December 2023
- 341,979 Executive Options (Tranche 2) nil exercise price exp 31 December 2024
- 341,979 Executive Options (Tranche 3) nil exercise price exp 31 December 2025

Directorships Held in Other Listed Entities: None

Past directorships in the last 3 years:

- Non-Executive Chairman of European Metals Holdings Limited (ASX & AIM) – resigned 30 June 2020
- Non-Executive Director of Keras Resources Plc (AIM) – resigned 1 September 2022



Mr. Mark Connelly

Independent Non-executive Chairman

Qualifications:

Bachelor of Business, ECU, MAICD, AIMM,
Member of SME

Experience:

Mr Connelly was previously Managing Director of Papillon Resources and was instrumental in the US\$570m takeover of Papillon by B2Gold Corp in October 2014. Prior to Papillon, Mr Connelly was Chief Operating Officer of Endeavour Mining Corporation, following its merger with Adamus Resources Limited where he was Managing Director and CEO. Mark was instrumental in not only the merger, but procurement of project finance and the development of the Nzema Mine in Ghana into a +100Koz pa mining operation.

Special Responsibilities:

Member of the Audit and Risk Committee and Chairman of the Remuneration and Nomination Committee following resignation of K Coughlan on 13 May 2022

Interest in Shares and Options:

- 776,786 Fully Paid Ordinary Shares
- 100,000 NED Options, nil exercise price, exp 27 December 2023
- 56,334 NED Options (Tranche 1) nil exercise price exp 31 December 2023
- 156,333 NED Options (Tranche 2) nil exercise price exp 31 December 2024
- 156,333 NED Options (Tranche 3) nil exercise price exp 31 December 2025

Directorships Held in Other Listed Entities:

- Non-Executive Chairman of Chesser Resources Limited (ASX)
- Non-Executive Chairman of Oklo Resources Limited (ASX)
- Non-Executive Chairman of Omnia Metals Group Limited (ASX)
- Non-Executive Non-Executive Director of Renegade Exploration Limited (ASX)

Past directorships in the last 3 years:

- Non-Executive Chairman of Hyperion Metals Limited (ASX) (previously named Tao Commodities Ltd) from 5 May 2017 to 18 February 2021
- Non-Executive Chairman of Primero Group Limited (ASX) from 25 May 2018 to 25 February 2021
- Non-Executive Chairman of West African Resources Ltd (ASX) from 23 June 2015 to 29 May 2020
- Non-Executive Chairman of Baxton Gold Holdings Limited (ASX) from 12 February 2021 to 30 June 2022

Directors continued...

Mr. Keith Coughlan

Non-Executive Director (resigned 13 May 2022)

Qualifications: BA

Experience:

Mr Coughlan has almost 31 years' experience in stockbroking and funds management. He has been largely involved in the funding and promoting of resource companies listed on ASX, AIM and TSX, has advised various companies on the identification and acquisition of resource projects and was previously employed by one of Australia's then largest funds.

Special Responsibilities:

Chairman of the Remuneration and Nomination Committee and member of the Audit and Risk Committee

Interest in Shares and Options:

- 500,000 Fully Paid Ordinary Shares
- 200,000 NED Options, nil exercise price, exp 27 December 2023

Directorships Held in Other Listed Entities:

- Executive Chairman of European Metals Holdings Limited (ASX & AIM)
- Non-Executive Chairman of Doriemus plc (ASX)

Past directorships in the last 3 years:

Non-Executive Director of Southern Hemisphere Mining Limited (ASX) from 7 July 2016 to 5 February 2021

Mr. John Ciganek

Non-Executive Director

Qualifications:

Bachelor of Mining Engineering, Wollongong University, NSW. MBA Macquarie Graduate School of Management, NSW

Experience:

John has more than 31 years in the mining sector across a range of roles including mining engineering, stockbroking, executive management and corporate finance.

Most recently, John gained substantial experience in debt financings including project financings, project bonds issuances, convertible note offerings, working capital facilities, hedging facilities, off-taker funding, and equity raisings through his role as Executive Director for Burnvoir Corporate Finance.

Special Responsibilities:

Chairman of the Audit and Risk Committee and member of the Remuneration and Nomination Committee.

Interest in Shares and Options:

- 66,667 Fully Paid Ordinary Shares
- 133,333 NED Options, nil exercise price, exp 4 January 2025
- 2,407 NED Options (Tranche 1) nil exercise price exp 31 December 2023
- 2,407 NED Options (Tranche 2) nil exercise price exp 31 December 2024
- 69,074 NED Options (Tranche 3) nil exercise price exp 31 December 2025

Directorships Held in Other Listed Entities:

- Non-Executive Chairman of Ookami Limited (ASX)
- Non-Executive Director of Vanadium Resources Limited (ASX)

Past directorships in the last 3 years: None

Ms Kate George

Non-Executive Director (appointed 1 February 2022)

Qualifications:

Bachelor of Science (Environmental) with First Class Honours from Murdoch University and is a qualified Auditor of Integrated Management Systems (RABQSA, QM, EM, OH).

Experience:

Kate has more than 20 years' experience in environmental management within government and industry, working with small midcap miners to major resource companies. Kate's key experience includes development of environmental permitting strategy and the coordination of ecological survey via Western Australian consulting firm Rapallo.

Special Responsibilities:

Member of the Remuneration and Nomination Committee and the Audit and Risk Committee

Interest in Shares and Options:

- 250,000 Fully Paid Ordinary Shares
- 56,527 NED Options (Tranche 1) nil exercise price exp 31 December 2023
- 61,667 NED Options (Tranche 2) nil exercise price exp 31 December 2024
- 61,667 NED Options (Tranche 3) nil exercise price exp 31 December 2025

Directorships held in other listed entities: None

Past directorships in the last 3 years: None

Company Secretary

Ms Julia Beckett

Julia was appointed Company Secretary of the Company on 24 September 2018. Ms Beckett holds a Certificate in Governance Practice and Administration and is a Member of the Governance Institute of Australia.

Meetings of Directors and Committees

The number of Directors' Meetings (including meetings of Committees of Directors) held during the year ended 30 June 2022, and the number of meetings attended by each Director whilst in office are as follows:

	Directors' Meetings		Audit Committee		Remuneration Committee	
	Number Eligible to Attend	Number Attended	Number Eligible to Attend	Number Attended	Number Eligible to Attend	Number Attended
Dave Reeves	12	12	-	-	-	-
Mark Connolly	12	12	2	2	1	1
Keith Coughlan	11	11	2	2	1	1
John Ciganek	12	12	2	2	1	1
Kate George	4	4	-	-	-	-

Securities

Options

At the date of this report, the unissued ordinary shares of Calidus Resources Limited under option are as follows:

Grant Date	Date of Expiry	Exercise Price	Number under Option
25-Nov-19	27-Dec-23	Nil	100,000
25-Nov-19	27-Dec-24	Nil	3,450,000
25-Nov-19	30-Jan-25	Nil	1,350,000
4-Jun-20	4-Jun-25	Nil	250,000
5-Aug-20	5-Aug-25	Nil	300,000
16-Dec-20	11-Dec-25	Nil	167,500
16-Dec-20	16-Dec-25	Nil	128,800
4-Jan-21	4-Jan-25	Nil	133,333
19-Jan-21	19-Jan-23	Nil	220,000
15-Feb-21	16-Feb-24	Nil	50,000
23-Feb-22	18-Jan-23	Nil	750,000
28-May-21	28-May-24	Nil	150,000
14-Mar-22	31-Dec-22	Nil	1,806,559
14-Mar-22	31-Dec-23	Nil	2,760,884
26-May-22	31-Dec-22	Nil	457,247
26-May-22	31-Dec-23	Nil	562,386
26-May-22	31-Dec-24	Nil	629,053
			13,265,762

Shares Issued on Exercise of Options

During the financial year, the Company issued ordinary shares as a result of the exercise of options as follows:

Exercise Date	Issued Price of the Shares	Number of Shares Issued
12-Nov-21	Nil	170,000
10-Jan-22	Nil	166,667
14-Mar-22	Nil	570,732
14-Mar-22	Nil	1,461,262
26-May-22	Nil	506,650
02-Jun-22	Nil	220,000
10-Jun-22	Nil	200,000
28-Jun-22	Nil	141,000

Dividends

No amounts were paid by way of dividends since the end of the previous financial year (2021: Nil). At this time of this report, the Directors do not recommend the payment of a dividend.

Operating and Financial Review

Principal Activities

The principal activities of the Company during the financial year were gold exploration and development.

Refer to the "Review of Operations" on page 9 for further details.

Financial Review

Operating Results

For the 2022 financial year the Group delivered a loss before tax of \$8,720,509 (2021: \$4,778,565 loss).

The financial statements have been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the ordinary course of business.

Financial Position

The net assets of the Group have decreased from 30 June 2021 by \$6,077,787 to \$100,815,334 at 30 June 2022 (2021: \$106,893,121).

As at 30 June 2022, the Group's cash and cash equivalents decreased by \$9,181,089 to \$18,136,337 at 30 June 2022 (2021: \$27,317,426) and had working capital position of (\$1,295,419) (2021: \$15,980,229 working capital), as noted in "Note 18D" on page 68.

Significant Changes in the State of Affairs

Refer to "Review of Operations" on page 9 for the significant changes in the state of affairs of the Group that occurred during the financial year.

Events Subsequent to Reporting Date

On 19 August 2022 Calidus raised \$20 million (before costs) via a share placement to professional and sophisticated investors through the issue of 29,850,747 shares at a price of \$0.67 per share.



Business Strategy, Prospects and Future Developments

Business Strategy

The focus of the Company during the year was the development and construction of the 100% owned Warrawoona Gold Project ("Warrawoona" or "the Project") in the East Pilbara district of the Pilbara Goldfields in Western Australia, culminating in the first gold pour in the June Quarter, 2022.

The Company's objectives are to:

- Ramp up to steady state commercial operations at the Warrawoona Gold Project in the first half of FY23
- Further optimise operations to maximise operating cash flow whilst maintaining a high standard of safety
- Organically grow the production rate at Warrawoona by:
 - increasing the Reserves and Resources through exploration activity across the tenement package
 - delivery of the Blue Spec project feasibility study
- Actively pursuing inorganic growth opportunities
- Increase the value of Pirra Lithium through exploration and commencement of a demerger process

Material Business Risks

The Company is exposed to business risks that have the potential to impact the achievement of business strategies. The following risks are not intended as an exhaustive list of all business risks and uncertainties.

- **Government regulation:** The Company's mining, processing, development and exploration activities are subject to various laws and statutory regulations governing prospecting, development, production, taxes, royalty payments, labour standards and occupational health, mine safety, toxic substances, land use, water use, communications, land claims of local peoples and other matters. No assurance can be given that new laws, rules and regulations will not be enacted or that existing laws, rules and regulations will not be applied in a manner which could have an adverse effect on the group's financial position and results of operations. Any such amendments to current laws, regulations and permits governing operations and activities of mining and exploration, or more stringent implementation thereof, could have a material adverse impact on the Company.
- **Exploration and Development Risk:** An ability to sustain or increase the current level of production in the longer term is in part dependent on the success of the group's exploration activities and development projects, and the expansion of existing mining operations. The exploration for, and development of, mineral deposits involves significant risks that a combination of evaluation, experience and knowledge may not eliminate. Major costs may be required to locate and establish mineral reserves, to establish rights to mine the ground, to receive all necessary operating permits, to develop metallurgical processes and to construct mining and processing facilities at a particular site.
- **Operating Risk:** The Company's gold mining operations are subject to operating risks that could result in decreased production, increased costs & reduced revenues. To manage this risk the Company seeks to attract and retain high calibre employees and implement suitable systems and processes to ensure production targets are achieved.
- **Climate Change Risk:** Changes to climate-related regulations and government policy, reduced water availability, extreme weather events and associated technological and market changes may have the potential to impact the Company's future financial results. Calidus is committed to proactively managing the impact of climate related risks to our business.
- **Environmental Risk:** The Company has environmental liabilities which arise as a consequence of mining operations, waste management, tailings management, chemical management, water management and energy efficiency. The Company monitors its ongoing environmental obligations and risks and implements rehabilitation and corrective actions as appropriate.
- **Health and Safety Risk:** The Company seeks to ensure that it provides a safe workplace to minimise risk of harm to its employees and contractors. Calidus has implemented management systems to promote a strong safety culture and deliver appropriate training and emergency preparedness.
- **External Economic Factors:** The Company is exposed to fluctuations in the Australian dollar gold price which can impact on revenue streams from operations. To mitigate downside in the gold price, the Board has implemented a hedging program to assist in offsetting variations in the Australian dollar gold price over a portion of future production. In addition, the Company is exposed to global inflationary pressures across a range of input costs such as oil, parts and consumables and labour. The Company monitors costs and mitigates impacts by collaborating with suppliers and managing its usage of inputs.
- **Reserves and Resources:** The Mineral Resource Estimates and Ore Reserve Estimates are estimates only and no assurance can be given that they will be realised. The estimates are determined in accordance with JORC and compiled or reviewed by a qualified competent person.
- **COVID-19:** Calidus continues to actively manage the ongoing response to the COVID-19 virus. Calidus continues to operate under protocols developed internally and as prescribed by State and Federal health authorities to minimise risks to our people and communities and ensure we continue to safely operate during this challenging period. Calidus continues to monitor and manage the potential impacts COVID-19 has on labour availability.

Environmental Regulations and Performance

The consolidated entity will comply with its obligations in relation to environmental regulation on its projects when it undertakes exploration and mining operations.

So far as the Directors are aware, all activities have been undertaken in compliance with all environmental regulations

Indemnification and Insurance of Directors and Officers

The Company has given an indemnity or entered into an agreement to indemnify, or paid or agreed to pay insurance premiums as follows:

- The Company has entered into agreements to indemnify all Directors and officers and to provide access to Company documents. The agreement provides for the Company to indemnify all losses or liabilities incurred by each Director or officer in their capacity as Director or officers of the Company to the extent permitted by the Corporations Act 2001
- The Company has paid premiums to insure each Director or officer against liabilities or costs incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of Director or officer of the Company, other than conduct involving a willful breach of duty in relation to the Company. Under the terms and conditions of the insurance contract, the nature of the liabilities insured against and the premium paid cannot be disclosed

Non-audit Services

No non-audit services were provided to the Company during or since the end of the financial year.

Proceedings on Behalf of Company

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

The Company was not a party to any such proceedings during the year.







Remuneration Report (Audited)

This report details key aspects of the remuneration policy and framework the nature and amount of remuneration of each Key Management Personnel of Calidus Resources Limited (Calidus or the Company). The information in this remuneration report has been audited as required by s308(3C) of the Corporations Act 2001.

1. Key Management Personnel

Key Management Personnel (**KMP**) have authority and responsibility for planning, directing and controlling the activities of the Group. KMP comprise the Directors of the Company and key Senior Executive personnel.

KMP during the year ended 30 June 2022 are set out below:

Mr David Reeves

Managing Director

Mr Mark Connelly

Non-Executive Chairman

Mr John Ciganek

Non-Executive Director

Ms Kate George

Non-Executive Director (appointed 1 February 2022)

Mr Keith Coughlan

Non-Executive Director (resigned 13 May 2022)

Mr Richard Hill

Chief Financial Officer

Mr Paul Brennan

Project Development

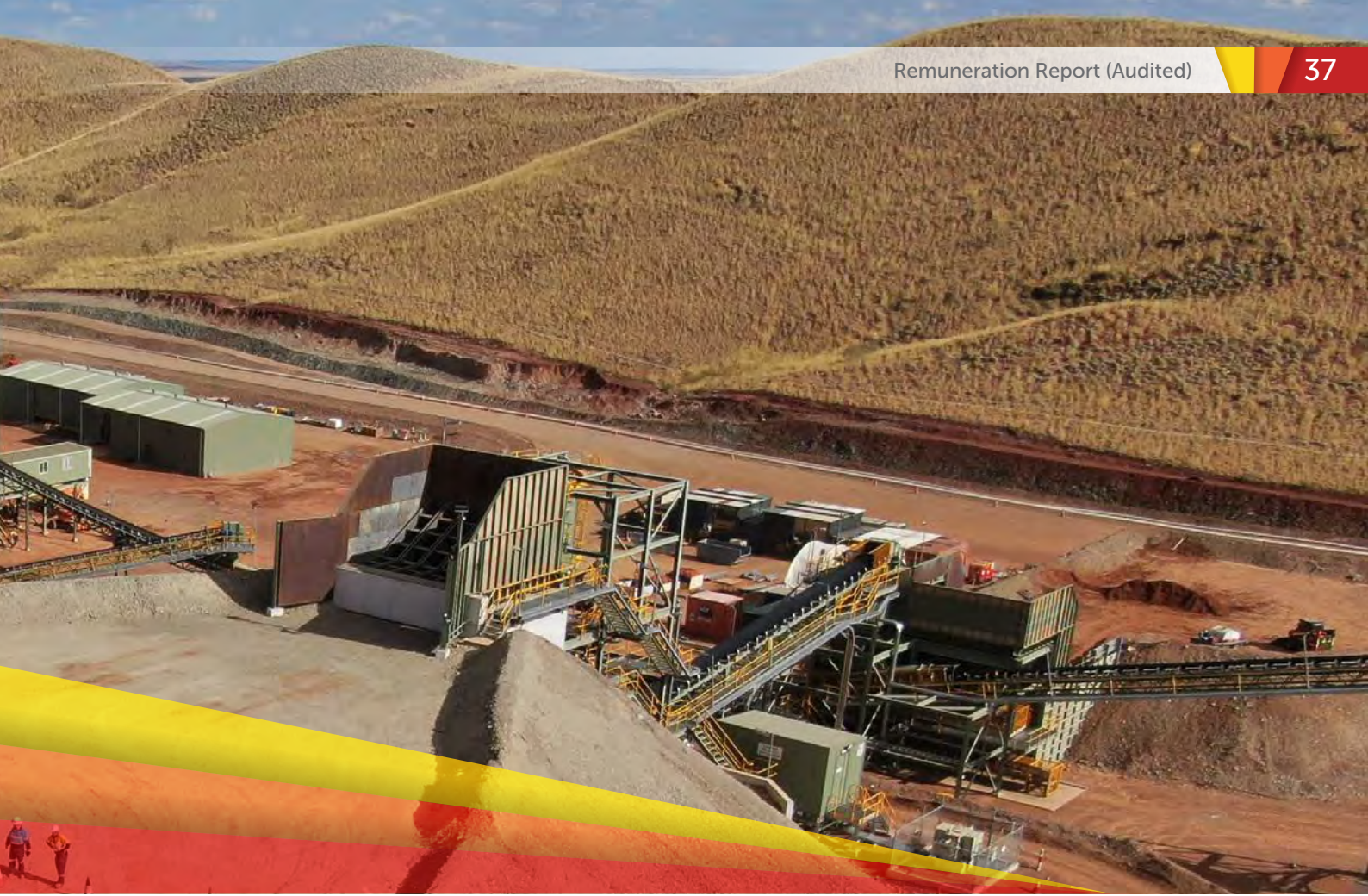
Mr Don Russell

General Manager Warrawoona Operations

2. Remuneration and Nomination Committee

The Board has adopted a formal Remuneration & Nomination Committee Charter which provides a framework for the consideration of remuneration matters. The Remuneration & Nomination Committee is responsible for reviewing and making recommendations to the Board which has ultimate responsibility for the following remuneration matters:

1. Setting remuneration packages for Executive Directors, Non-Executive Directors and Senior Executives; and
2. Implementing employee incentive and equity based plans and making awards pursuant to those plans.



3. Remuneration Policy and Framework

The remuneration policy is approved by the Board of the Company and has been designed to ensure reward for performance is competitive and appropriate to the result delivered. The framework aligns rewards with the creation of value for shareholders and conforms to market best practice. The Board ensures that Director and Executive reward satisfies the following key criteria for good reward government practices:

- Competitiveness and reasonableness
- Acceptability to the shareholder
- Aligned to the Company's strategic and business objectives and the creation of shareholder value
- Link between performance and remuneration
- Transparency
- Capital management.

The Board engaged an independent remuneration expert, BDO Reward (WA) Pty Ltd (**BDO**) to review the Company's remuneration approach to determine the appropriateness of the remuneration policy and structures in comparison to the market.

The remuneration policy has been tailored to increase the direct positive relationship between

shareholders' investment objectives and Director and Executive performance. Recommendations from the independent remuneration expert review have been implemented as detailed in this report.

The Board's policy for determining the nature and amount of remuneration for Board members and Senior Executives of the Company is as follows:

A. Executive Directors and Other Senior Executives

The Company's remuneration policy for Executive Directors and Senior Executives is designed to promote superior performance and long-term commitment to the Company. The Board reviews executive packages regularly by reference to the Company's performance, executive performance, and comparable information from industry sectors and other listed companies in similar industries.

Executives receive a base remuneration which is benchmarked from time to time against other similar organisations. Executives receive superannuation and may receive performance-based remuneration including participation in the Employee Share Incentive Plan (**ESIP**) that is approved by shareholders and a Short Term Incentive Plan (**STIP**).

3. Remuneration Policy and Framework continued...

B. Non-Executive Directors

The Company's Constitution provides that Directors are entitled to be remunerated for their services as follows:

- The total aggregate fixed sum per annum to be paid to the directors (excluding salaries of executive directors) from time to time will not exceed the sum determined by the shareholders in general meeting and the total aggregate fixed sum will be divided between the Directors as the Directors shall determine and, in default of agreement between them, then in equal shares. The maximum Non-Executive Directors' fees, payable in aggregate, are currently set at \$250,000 per annum.
- The Directors' remuneration accrues from day to day.

The Directors are entitled to be paid reasonable travelling, accommodation and other expenses incurred by them respectively in or about the performance of their duties as Directors.

Notwithstanding the aforementioned, and based on advice from the independent remuneration expert, the remuneration structure for Non-Executive Directors represents the following structure:

- Annual board fees;
- Committee fees; and
- Equity based fees in lieu of fixed fees (refer to 3D).

The equity-based fees to be considered for Non-Executive Directors will not be subject to performance conditions which conforms with best practice governance standards, including the ASX Corporate Governance Council's Principles. Other than statutory superannuation contribution, no retirement benefits are provided for Non-Executive Directors of the Company.

C. Short Term Incentives

The Company did not utilise a defined STIP in the year ended 30 June 2022. As the Company was a non-producer, the Board's aim was to conserve and utilise its cash holdings in the most effective manner possible. Given that the Company has commenced commissioning the Warrawoona Gold Project it is to be expected that the Company will implement a STIP in future years.

D. Long Term Incentives

Employee Share Incentive Plan

Shareholders approved the Employee Share Incentive plan (ESIP) at the Annual General Meeting held on 3 December 2020.

Project Incentive Options for Executive Directors and Senior Executives

To ensure cash holdings are conserved as the Company progresses its activities from the development of the Warrawoona Gold Project and to align Executive Directors and Senior Executives remuneration and key performance criteria with value creation for shareholders, an allocation of zero exercise price options (i.e. options with a nil exercise price) were issued under the terms of the ESIP (**Project Incentive Options**). All remaining Project Incentive Options either vested or expired during the financial year following the successful first gold pour in the June 2022 quarter at the Warrawoona Gold Project.

Incentive Options for Executive Directors and Senior Executives

The Company is in an important stage of development with significant opportunities and challenges in both the near and long-term, and the use of options seeks to align the efforts of the Executive Directors and Senior Executives in seeking to achieve growth of the share price and in the creation of shareholder value. In addition, the Board also believes that incentivising with options is a prudent means of conserving the Company's available cash reserves. The Board believes it is important to offer these options to continue to attract and maintain highly experienced and qualified executives in a competitive market.

An allocation of zero exercise price options (i.e. options with a nil exercise price) were issued under the terms of the ESIP (Incentive Options) in the year ended 30 June 2022. The Incentive Options expire within 3 years from the date of grant and vest subject to the relevant Executive Director or Senior Executive remaining employed by the Company at the date of vesting, and achievement of the following performance conditions:

- Performance Condition 1:** one third of the Incentive Options will vest subject to a positive Share price according to the performance of the Company relative to the performance of a Peer Group based on total shareholder return (TSR) over the 12 month period from 1 January 2022 to 31 December 2022.
- Performance Condition 2:** one third of the Incentive Options will vest subject to a positive Share price according to the performance of the Company relative to the performance of a Peer Group based on total shareholder return (TSR) over the 24 month period from 1 January 2022 to 31 December 2023.

3. Remuneration Policy and Framework continued...

(iii) **Performance Condition 3:** - one third of the Incentive Options will vest subject to the executive providing continuous service to the Company and remaining employed or engaged by the Group at all times until the end of 31 December 2023.

The Incentive Options issued to Executive Directors in the year ended 30 June 2022 were approved at a meeting of shareholders on 13 May 2022.

Options for Fixed Remuneration Correction Plan

The Company engaged BDO, independent remuneration consultants, to conduct a market review of the Total Fixed Remuneration (TFR) packages of the Directors. The market review identified the Company TFR packages to be at a discount to the market median. In order for the Company to conserve cash, the Company utilises an equity allocation in the form of zero exercise price options issued under the ESIP to ensure that the TFR packages are market appropriate.

The equity allocation represents equity in lieu of additional fees. The fixed remuneration correction plan has a retentive benefit given recipients must complete a period of service with the Company to satisfy the vesting condition and serves to ensure Directors are remunerated at market related rates whilst conserving the Company's cash.

The vesting condition for options issued to Non-Executive Directors is that the Director must remain with the Company, with a third of the options vesting each year (**NED Options**). The NED Options issued in the year ended 30 June 2022 were approved at a meeting of shareholders on 13 May 2022.

Share Rights and Performance Rights

No share rights or performance rights were granted to KMP in the year ended 30 June 2022.

E. Service Contracts

Remuneration and other terms of employment for the Directors and KMP are formalised in contracts of service.

F. Engagement of Remuneration Consultants

During the financial year ended 30 June 2022, the Company engaged BDO Reward (WA) Pty Ltd (BDO), independent remuneration consultants, to review it's the Company's remuneration approach so as to determine the appropriateness of pay structures in comparison to the market and provide recommendations on how to improve both the fixed remuneration and performance-based remuneration programs, as well as valuation of resulting issued options. BDO was paid \$28,250 for these services.

G. Relationship Between Remuneration of KMP and Earnings

The Board did not consider earnings during the financial year ended 30 June 2022 and previous financial years when determining the nature and amount of remuneration of KMP, as the Company has only recently commenced commissioning of the Warrawoona Gold Project.



4. KMP Remuneration Disclosure continued...

4. KMP Remuneration Disclosure

Details of the remuneration of the directors and KMP of the Company for the years ending 30 June 2022 and 30 June 2021 are as follows:

Name	Year	Short-term benefits		Post-employment benefits		Share-based payments		Total
		Salary, fees and leave	Other	Super-annuation	Other	Share rights	Options and performance rights	
		(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
D Reeves	FY22	329,833	-	32,983	-	-	213,793	576,609
	FY21	287,500	-	14,250	-	-	106,222	407,972
M Connelly	FY22	72,000	-	7,200	-	-	79,928	159,128
	FY21	66,000	-	6,270	-	-	21,000	93,270
K Coughlan ⁽ⁱ⁾	FY22	36,000	-	-	-	-	13,987	49,987
	FY21	30,000	-	-	-	-	14,000	44,000
K George ⁽ⁱⁱ⁾	FY22	20,000	-	2,000	-	-	34,916	56,916
	FY21	-	-	-	-	-	-	-
J Ciganek ⁽ⁱⁱⁱ⁾	FY22	36,000	-	-	-	-	41,522	77,522
	FY21	18,000	-	-	-	-	16,209	34,209
A Miethke ^(iv)	FY22	-	-	-	-	-	-	-
	FY21	2,000	-	-	-	-	33,646	35,646
P Brennan	FY22	256,000	-	25,600	-	-	126,759	408,359
	FY21	240,000	-	22,800	-	-	96,873	359,673
R Hill	FY22	273,500	-	27,350	-	-	142,241	443,091
	FY21	245,000	-	23,275	-	-	154,456	422,731
D Russell	FY22	359,750	-	35,975	-	-	310,046	705,771
	FY21	320,833	-	30,479	-	-	203,612	554,924
Total	FY22	1,383,083	-	131,108	-	-	963,192	2,477,383
	FY21	1,209,333	-	97,074	-	-	646,018	1,952,425

(i) Mr. K Coughlan left the Company on 13 May 2022.

(ii) Ms. K George joined the Company on 1 February 2022.

(iii) Mr. J Ciganek joined the Company on 4 January 2021.

(iv) Mr. A Miethke left the Company on 27 July 2020.

The relative proportion of actual remuneration split between fixed and variable remuneration is as follows:

Name	Fixed Remuneration		At Risk – STI		At Risk – LTI	
	2022	2021	2022	2021	2022	2021
D Reeves	63%	74%	-	-	37%	26%
M Connelly	50%	77%	-	-	50%	23%
K Coughlan	72%	68%	-	-	28%	32%
A Miethke	-	6%	-	-	-	94%
J Ciganek	46%	53%	-	-	54%	47%
K George	39%	-	-	-	61%	-
P Brennan	69%	73%	-	-	31%	27%
R Hill	68%	63%	-	-	32%	37%
D Russell	56%	63%	-	-	44%	37%

5. Service Agreement Disclosure

A. Executive Service Agreements

The terms of KMP service agreements are summarised in the following table:

Name	Base salary ⁽ⁱ⁾	Term of agreement	Termination benefit ⁽ⁱⁱ⁾
D Reeves Managing Director	\$420,000 per annum plus superannuation	Until terminated	6 months' base salary
R Hill Chief Financial Officer	\$344,000 per annum plus superannuation	Until terminated	6 months' base salary
P Brennan Project Development	\$304,000 per annum plus superannuation	Until terminated	3 months' base salary
D Russell General Manager Warrawoona Operations	\$389,000 per annum plus superannuation	Until terminated	6 months' base salary

(i) Termination benefits are payable on early termination by the Company other than for gross misconduct.

During the period, amendments were made to the following executive service agreements in the form of an Executive Service Agreement Deed of Variation. Key terms detailed below:

- The Company has agreed to pay Mr. D Reeves a base salary of \$479,000 (increased from \$300,000 effective 1 May 2022) plus superannuation per year for services provided to the Company as Managing Director. Mr D Reeves personally elected to decrease the base salary component of his remuneration package to \$420,000 effective 1 August 2022.
- The Company has agreed to pay Mr. R Hill a base salary of \$344,000 (increased from \$250,000 effective 1 April 2022) per year for services provided to the Company as Chief Financial Officer.
- The Company has agreed to pay Mr. P Brennan a base salary of \$304,000 (increased from \$240,000 effective 1 April 2022) per year for services provided to the Company as Project Development Manager.
- The Company has agreed to pay Mr. D Russell a base salary of \$389,000 (increased from \$350,000 effective 1 April 2022) per year for services provided to the Company as General Manager Warrawoona Operations.

B. Non-Executive Director Arrangements

All Non-Executive Directors enter into a service agreement with the Company in the form of a letter of appointment. Key terms are detailed below:

- The Company has agreed to pay Mr. M Connelly a director fee of \$72,000 plus superannuation per year for services provided to the Company as Non-Executive Chairman.
- The Company has agreed to pay Mr. K Coughlan director fees of \$48,000 (increased from \$36,000 effective 1 April 2022) per year for services provided to the Company as Non-Executive Director. Mr. K Coughlan resigned and left the Company on 13 May 2022.
- The Company has agreed to pay Mr. J Ciganek director fees of \$48,000 (increased from \$36,000 effective 1 April 2022) per year for services provided to the Company as Non-Executive Director.
- The Company has agreed to pay Ms. K George director fees of \$48,000 plus superannuation per year for services provided to the Company as Non-Executive Director.
- A Non-Executive Director may resign from his/her position and thus terminate their contract on written notice to the Company.
- A Non-Executive Director may, following resolution of the Company's shareholders, be removed before the expiration of their period of office (if applicable).

6. Share-Based Compensation Disclosure

A. Issue of Shares

No shares were issued to Directors and other KMP as part of compensation during the year ended 30 June 2022.

B. Share Rights

No share rights were issued to Directors and other KMP as part of compensation during the year ended 30 June 2022.

C. Options

The following table details the terms and conditions of each grant of options to Directors and other KMP in the year ended 30 June 2022 (Refer to "3D on page 38) and the assumptions used in estimating fair value:

Name	Number of options granted	Grant date	Vesting date and exercisable date	Expiry date	Exercise price	Fair value per option at grant date
Director Options						
D Reeves	341,979	13-May-22	31-Dec-22	31-Dec-23	Nil	\$0.82
D Reeves	341,979	13-May-22	31-Dec-23	31-Dec-24	Nil	\$0.79
D Reeves	341,979	13-May-22	31-Dec-24	31-Dec-25	Nil	\$0.85
NED Options						
J Ciganek	2,407	13-May-22	31-Dec-22	31-Dec-23	Nil	\$0.85
J Ciganek	2,407	13-May-22	31-Dec-23	31-Dec-24	Nil	\$0.85
J Ciganek	69,074	13-May-22	31-Dec-24	31-Dec-25	Nil	\$0.85
M Connelly	56,334	13-May-22	31-Dec-22	31-Dec-23	Nil	\$0.85
M Connelly	156,333	13-May-22	31-Dec-23	31-Dec-24	Nil	\$0.85
M Connelly	156,333	13-May-22	31-Dec-24	31-Dec-25	Nil	\$0.85
K George	56,527	13-May-22	31-Dec-22	31-Dec-23	Nil	\$0.85
K George	61,667	13-May-22	31-Dec-23	31-Dec-24	Nil	\$0.85
K George	61,667	13-May-22	31-Dec-24	31-Dec-25	Nil	\$0.85
Incentive Options						
D Russell	280,729	13-May-22	31-Dec-22	31-Dec-23	Nil	\$0.71
D Russell	280,729	13-May-22	31-Dec-23	31-Dec-24	Nil	\$0.85
D Russell	280,729	13-May-22	31-Dec-24	31-Dec-25	Nil	\$0.73
R Hill	250,104	13-May-22	31-Dec-22	31-Dec-23	Nil	\$0.71
R Hill	250,104	13-May-22	31-Dec-23	31-Dec-24	Nil	\$0.85
R Hill	250,104	13-May-22	31-Dec-24	31-Dec-25	Nil	\$0.73
P Brennan	222,882	13-May-22	31-Dec-22	31-Dec-23	Nil	\$0.71
P Brennan	222,882	13-May-22	31-Dec-23	31-Dec-24	Nil	\$0.85
P Brennan	222,882	13-May-22	31-Dec-24	31-Dec-25	Nil	\$0.73

7. Additional Disclosures

A. Fully Paid Ordinary Shares of Calidus Resources Limited Held by each KMP

The number of Shares in the Company held during the financial year by KMP of the Company, including their related parties, are set out below.

2022 Ordinary Shares	Balance at start of year	Received during the year as compensation	Received during the year on the exercise of options	Received during the year on vesting of performance rights	Other changes during the year	Balance at end of year
Name	(number)	(number)	(number)	(number)	(number)	(number)
D Reeves	20,151,190	-	-	-	61,068	20,212,258
M Connelly	676,786	-	100,000	-	-	776,786
K Coughlan	500,000	-	200,000	-	(700,000)	-
K George (i)	250,000	-	-	-	250,000	250,000
J Ciganek	-	-	66,667	-	-	66,667
P Brennan (ii)	1,757,143	-	-	570,732	(2,327,875)	-
R Hill	1,625,143	-	-	-	(1,196,391)	428,752
D Russell	113,600	-	300,000	-	(23,600)	390,000
	24,823,862	-	666,767	570,732	(3,936,798)	22,124,463

2021 Ordinary Shares	Balance at start of year	Received during the year as compensation	Received during the year on the exercise of options	Other changes during the year	Balance at end of year
Name	(number)	(number)	(number)	(number)	(number)
D Reeves	16,994,200	-	1,650,000	1,506,990	20,151,190
M Connelly	500,000	-	100,000	76,786	676,786
K Coughlan	944,000	-	-	(444,000)	500,000
A Miethke	-	-	-	-	-
J Ciganek	-	-	-	-	-
P Brennan	150,000	-	1,500,000	107,143	1,757,143
R Hill	-	-	1,500,000	125,143	1,625,143
D Russell	10,000	-	-	103,600	113,600
	18,598,200	-	4,750,000	1,475,662	24,823,862

B. Share Rights in Calidus Resources Limited Held by each KMP

There were no Share Rights held in the Company during the financial year by any KMP of the Company, including their related parties.

7. Additional Disclosures continued...

C. Options in Calidus Resources Limited Held by each KMP

The number of Options in the Company held during the financial year by KMP of the Company, including their related parties, are set out below.

2022 Options	Balance at start of year	Granted as remuneration during the year	Exercised during the year	Other changes during the year	Balance at end of year	Vested and exercisable	Not vested
Name	(number)	(number)	(number)	(number)	(number)	(number)	(number)
D Reeves	1,500,000	1,025,937	-	-	2,525,937	1,500,000	1,025,937
M Connelly	200,000	369,000	(100,000)	-	469,000	-	469,000
K Coughlan	200,000	-	-	(200,000)	-	-	-
K George	-	179,861	-	-	179,861	-	179,861
J Ciganek	200,000	73,888	(66,667)	-	207,221	-	207,221
P Brennan	1,350,000	668,646	-	-	2,018,646	1,350,000	668,646
R Hill	1,350,000	750,312	-	-	2,100,312	1,350,000	750,312
D Russell	600,000	842,187	(300,000)	-	1,142,187	300,000	842,187
	5,400,000	5,036,949	(466,667)	(200,000)	9,770,282	3,150,000	3,474,518

2021 Options	Balance at start of year	Granted as remuneration during the year	Exercised during the year	Other changes during the year	Balance at end of year	Vested and exercisable	Not vested
Name	(number)	(number)	(number)	(number)	(number)	(number)	(number)
D Reeves	3,150,000	-	(1,650,000)	-	1,500,000	-	1,500,000
M Connelly	300,000	-	(100,000)	-	200,000	-	200,000
K Coughlan	200,000	-	-	-	200,000	66,667	133,333
A Miethke	200,000	-	(200,000)	-	-	-	-
J Ciganek	-	200,000	-	-	200,000	-	200,000
P Brennan	2,850,000	-	(1,500,000)	-	1,350,000	-	1,350,000
R Hill	2,850,000	-	(1,500,000)	-	1,350,000	-	1,350,000
D Russell	-	600,000	-	-	600,000	-	600,000
	9,550,000	800,000	(4,950,000)	-	5,400,000	66,667	5,333,333

D. Performance Rights in Calidus Resources Limited Held by each KMP

The number of Performance Rights in the Company held during the financial year by KMP of the Company, including their related parties, are set out below.

2022 Performance Rights	Balance at start of year	Granted as remuneration during the year	Exercised during the year	Other changes during the year	Balance at end of year	Vested and exercisable	Not vested
Name	(number)	(number)	(number)	(number)	(number)	(number)	(number)
P Brennan	900,000	-	(900,000)	-	-	-	-
	900,000	-	(900,000)	-	-	-	-

2021 Performance Rights	Balance at start of year	Granted as remuneration during the year	Exercised during the year	Other changes during the year	Balance at end of year	Vested and exercisable	Not vested
Name	(number)	(number)	(number)	(number)	(number)	(number)	(number)
P Brennan	900,000	-	-	-	900,000	900,000	-
	900,000	-	-	-	900,000	900,000	-

8. Other Transactions with KMP (or their related parties)

During the financial year ended 30 June 2022, the Group incurred the following amounts to related parties:

Office Rent - Wild West Enterprises Pty Ltd

The Company paid office rent to Wild West Enterprises Pty Ltd of \$81,500 in the year ended 30 June 2022, (prior year to 30 June 2021: \$74,300). Mr Reeves (Managing Director of the Company) is a director of Wild West Enterprises Pty Ltd. During the year Calidus and Wild West Enterprises Pty Ltd renewed the sub-lease agreement in respect of the office space at 12/11 Ventnor Avenue, West Perth for an initial period of two years with a one-time option to extend for a further one year. The rent payable by Calidus under the Office Lease Agreement is \$6,300 per month payable in advance. The Board considers that the agreement to be on arms' length and commercial terms.

Also, refer to "Note 23" on page 73.

9. Loans Made to KMP

No loans were made to KMP, including personally related entities during the reporting period.

10. Voting and Comments at the Company's 2021 Annual General Meeting

Of the total valid available votes lodged, the Company received 99.33% of 'FOR' votes on its remuneration report for the 2021 financial year. The Company did not receive specific feedback on its remuneration practices.

11. Share Trading Policy

The trading of shares is subject to, and conditional upon, compliance with the company's employee Share Trading Policy. The ability for an executive to deal with an option or a right is restricted by the terms of issue and the plan rules which do not allow dealings in any unvested security. The Share Trading Policy specifically prohibits an executive from entering into transactions that limit the economic risk of participating in unvested entitlements such as equity-based remuneration schemes. The Share Trading Policy can be viewed on the Company's website.

END OF REMUNERATION REPORT





Auditor's Independence Declaration



Moore Australia Audit (WA)

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AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF CALIDUS RESOURCES LIMITED

As lead auditor of Calidus Resources Limited, I declare, that to the best of my knowledge and belief, during the financial year ended 30 June 2022, there have been:

- (i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Calidus Resources Limited and the entities it controlled during the financial year.

A handwritten signature in black ink that reads 'Neil Pace'.

NEIL PACE
PARTNER

A handwritten signature in black ink that reads 'Moore Australia'.

MOORE AUSTRALIA AUDIT (WA)
CHARTERED ACCOUNTANTS

Signed at Perth this 21st day of September 2022.

Moore Australia Audit (WA) – ABN 16 874 357 907.

An independent member of Moore Global Network Limited - members in principal cities throughout the world.
Liability limited by a scheme approved under Professional Standards Legislation.



Consolidated Statement of Profit or Loss and Other Comprehensive Income

for the year ended 30 June 2022

	Note	30 June 2022	30 June 2021
		\$	\$
Revenue	2	-	-
Other income	2	16,228	185,952
Total revenue		16,228	185,952
Personnel costs	3	(1,944,108)	(1,398,340)
Borrowing and finance costs	4	(1,239,462)	(157,594)
Depreciation and amortisation	11, 14	(730,817)	(444,184)
Exploration expenditure written off	12	(772,053)	(103,638)
Share-based payment expense	20	(2,380,222)	(1,052,660)
Administration expenses		(1,476,294)	(1,340,917)
(Loss) / profit on financial assets		(193,781)	(467,184)
Profit / (loss) before tax		(8,720,509)	(4,778,565)
Income tax benefit / (expense)	5	-	-
Net loss for the year		(8,720,509)	(4,778,565)
Other comprehensive income, net of income tax		-	-
Other comprehensive loss for the year, net of tax		(8,720,509)	(4,778,565)
Total comprehensive loss attributable to members of the parent entity		(8,720,509)	(4,778,565)
Earnings per share:			
Basic loss per share (dollars per share)	6	(0.02)	(0.02)

The consolidated statement of profit or loss and other comprehensive income is to be read in conjunction with the accompanying notes

Consolidated Statement of Financial Position

as at 30 June 2022

	Note	30 June 2022	30 June 2021
		\$	\$
Current Assets			
Cash and cash equivalents	7	18,136,337	27,317,426
Other receivables	8	1,271,717	1,410,745
Financial assets	9	163,056	356,836
Other current assets	10	1,362,545	976,358
Total Current Assets		20,933,655	30,061,365
Non-Current Assets			
Property, plant and equipment	11	1,945,582	2,024,322
Exploration and evaluation assets	12	25,904,406	23,486,369
Mine properties under development	13	187,539,009	91,764,206
Right-of-use assets	14	938,210	1,575,524
Other non-current assets		559,323	24,993
Total Non-Current Assets		216,886,531	118,875,414
Total Assets		237,820,186	148,936,779
Current Liabilities			
Trade and other payables	15	20,703,473	12,747,942
Lease liabilities	14	680,302	624,465
Provisions	17	1,218,753	558,776
Interest bearing liabilities	16	36,000,000	-
Total Current Liabilities		58,602,527	13,931,183
Non-Current Liabilities			
Interest bearing liabilities	16	71,000,000	25,000,000
Lease liabilities	14	310,837	982,257
Provisions	17	7,091,478	2,130,218
Total Non-Current Liabilities		78,402,324	28,112,475
Total Liabilities		137,004,852	42,043,658
Net Assets		100,815,334	106,893,121
Equity			
Issued capital	18	119,572,944	119,310,444
Reserves	19	5,343,119	2,962,897
Accumulated losses		(24,100,729)	(15,380,220)
Total Equity		100,815,334	106,893,121

The consolidated statement of financial position is to be read in conjunction with the accompanying notes.

Consolidated Statement of Changes in Equity

for the year ended 30 June 2022

	Note	Issued Capital	Reserve	Accumulated Losses	Total
		\$	\$	\$	\$
Balance at 1 July 2020		39,714,679	1,910,237	(10,601,655)	31,023,260
Loss for the year attributable to owners of the parent		-	-	(4,778,565)	(4,778,565)
Other comprehensive income for the year attributable to owners of the parent		-	-	-	-
Total comprehensive income for the year attributable to owners of the parent		-	-	(4,778,565)	(4,778,565)
Transaction with owners, directly in equity					
Shares issued during the year		82,736,234	-	-	82,736,234
Share based payments	20	-	1,052,660	-	1,052,660
Transaction costs	18	(3,140,469)	-	-	(3,140,469)
Balance at 30 June 2021		119,310,444	2,962,897	(15,380,220)	106,893,121
Balance at 1 July 2021		119,310,444	2,962,897	(15,380,220)	106,893,121
Loss for the year attributable to owners of the parent		-	-	(8,750,509)	(8,750,509)
Other comprehensive income for the year attributable to owners of the parent		-	-	-	-
Total comprehensive income for the year attributable to owners of the parent		-	-	(8,750,509)	(8,750,509)
Transaction with owners, directly in equity					
Shares issued during the year		262,500	-	-	262,500
Share based payments	20	-	2,380,222	-	2,380,222
Transaction costs	18	-	-	-	-
Balance at 30 June 2022		119,572,944	5,343,119	(24,100,729)	100,815,334

The consolidated statement of changes in equity is to be read in conjunction with the accompanying notes

Consolidated Statement of Cash Flows

for the year ended 30 June 2022

	Note	30 June 2022	30 June 2021
		\$	\$
Cash flows from operating activities			
Receipts from customers		-	67,225
Payments for suppliers and employees		(3,221,257)	(2,364,230)
Other/grant income		-	110,454
Interest received		16,228	41,520
Net cash used in operating activities	7	(3,205,029)	(2,145,031)
Cash flows from investing activities			
Payments for exploration and evaluation		(3,138,202)	(4,987,437)
Payments for mine properties under development		(83,629,606)	(49,940,857)
Payments for acquisition of Blue Spec Project		-	(12,700,000)
Proceeds from sale of financial assets		-	533,547
Purchase of plant and equipment		-	(414,234)
Investment in Pirra Lithium		(534,331)	-
Net cash used in investing activities		(87,302,139)	(67,508,981)
Cash flows from financing activities			
Proceeds from issue of shares		262,500	72,072,280
Transaction costs related to issue of shares		-	(3,139,749)
Proceeds from exercise of options		-	952,500
Proceeds from borrowings		85,000,000	25,000,000
Repayment of borrowings		(3,000,000)	-
Transaction costs related to borrowings		(208,096)	(3,228,225)
Repayment of lease liabilities		(728,325)	(376,029)
Net cash provided by financing activities		81,326,079	91,280,777
Net increase in cash held		(9,181,089)	21,626,765
Cash and cash equivalents at the beginning of the year		27,317,426	5,690,661
Cash and cash equivalents at the end of the year	7	18,136,337	27,317,426

The consolidated statement of cash flows is to be read in conjunction with the accompanying notes.

Notes to the Consolidated Financial Statements

for the Year Ended 30 June 2022

Note 1. Statement of Significant Accounting Policies

The consolidated financial statements for the year ended 30 June 2022, comprises Calidus Resources Limited (**Calidus** or **the Company**) and controlled entities (collectively **the Group**). Calidus is a listed public company limited by shares, incorporated and domiciled in Australia.

The separate financial statements of Calidus, as the parent entity, have not been presented with this financial report as permitted by the Corporations Act 2001 (Cth).

These financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board (AASB) and International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB), and the Corporations Act 2001 (Cth). Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with IFRS as issued by the IASB.

The financial statements were authorised for issue on 21 September 2022 by the directors of the Company.

A. Basis of Preparation

The financial statements comprise the consolidated financial statements of the Group. For the purposes of preparing the consolidated financial statements, the Group is a for-profit entity. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

i. Historical Cost Convention

The financial statements have been prepared under the historical cost convention modified by the revaluation of selected non-current assets, and financial assets and financial liabilities for which the fair value basis of accounting has been applied.

ii. Use of Estimates and Judgments

The preparation of consolidated financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. These estimates and associated assumptions are based on historical experience and various factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and

liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future period affected.

iii. Comparative Figures

Where required by AASBs comparative figures have been adjusted to conform with changes in presentation for the current financial year. Where the Group retrospectively applies an accounting policy, makes a retrospective restatement or reclassifies items in its financial statements, an additional (third) statement of financial position as at the beginning of the preceding period in addition to the minimum comparative financial statements is presented.

B. Accounting Policies

Except where stated below, the Group has consistently applied accounting policies to all periods presented in the financial statements. The Group has considered the implications of new and amended Accounting Standards applicable for annual reporting periods beginning after 1 July 2021 as per "Note 1D" on page 54.

C. Principles of Consolidation

As at the reporting date, the assets and liabilities of the Parent and all controlled entities have been incorporated into the consolidated financial statements as well as their results for the year then ended.

i. Business Combinations

Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Group.

The Group measures goodwill at the acquisition date as:

- the fair value of the consideration transferred; **plus**
- the recognised amount of any non-controlling interests in the acquired entity; **plus**
- if the business combination is achieved in stages, the fair value of the existing equity interest in the acquiree; **less**
- the net recognised amount of the identifiable assets acquired and liabilities assumed.

Note 1: Statement of Significant Accounting Policies continued...

When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss.

The consideration transferred does not include amounts related to settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Costs related to the acquisition, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

Any contingent consideration payable is recognised at fair value at the acquisition date. If the contingent consideration is classified as equity, it is not remeasured and settlement is accounted for within equity. Otherwise, subsequent changes to the fair value of the contingent consideration are recognised in profit or loss.

ii. Subsidiaries

Subsidiaries are entities controlled by the Group. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group. Losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance.

A list of controlled entities is contained in Note 21 Controlled Entities of the financial statements.

iii. Loss of Control

Upon the loss of control, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date control is lost. Subsequently it is accounted for as an equity-accounted investee or as an available-for-sale financial asset depending on the level of influence retained.

iv. Transactions Eliminated on Consolidation

All intra-group balances and transactions, and any income and expenses arising from intra-group transactions, are eliminated in full in preparing the consolidated financial statements.

D. Application of New and Revised Accounting Standards

For the year ended 30 June 2022, the Group has reviewed and adopted all the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for annual reporting periods beginning on or before 1 July 2021. These standards did not materially affect the Group's financial statements for the year ended 30 June 2022.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

There are no other standards that are not yet effective and that would be expected to have a material impact on the entity in the current or future reporting period and on foreseeable future transactions.

E. Critical Accounting Estimates and Judgments

Management discusses with the Board the development, selection and disclosure of the Group's critical accounting policies and estimates and the application of these policies and estimates. The estimates and judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

i. Exploration and evaluation expenditure

Exploration and evaluation costs are carried forward where right of tenure of the area of interest is current. Tenement acquisition costs are initially capitalised. Refer to the accounting policy stated in Note 12 "Exploration and Evaluation Assets" on page 63. The carrying value of capitalised expenditure at reporting date is \$25,904,406 (30 June 2021: \$23,486,369).

The ultimate recoupment of the value of the exploration and evaluation assets and mine properties is dependent on successful development and commercial exploitation or alternatively, sale, of the underlying mineral exploration properties or where activities in the area have not yet reached a stage, which permits reasonable assessment of the existence of economically recoverable reserves. The Group undertakes at least on an annual basis a comprehensive review for indicators of impairment of these assets. There is significant estimation and judgement in determining the inputs and assumptions used in determining the recoverable amounts.

Note 1: Statement of Significant Accounting Policies continued...

The key areas of estimation and judgement that are considered in this review include:

- Recent drilling results and reserves and resource estimates;
- Environmental issues that may impact the underlying tenements;
- The estimated market value of assets at the review date;
- Independent valuations of underlying assets that may be available;
- Fundamental economic factors such as gold prices, exchange rates and current and anticipated operating costs in the industry; and
- The Group's market capitalisation compared to its net assets.

Information used in the review process is rigorously tested to externally available information as appropriate.

Accumulated costs in relation to an abandoned area are written off in full against profit in the year in which the decision to abandon the area is made.

ii. Mine properties under development

Mine properties under development relates to costs incurred to access and exploit a mineral resource and includes:

- Reclassified exploration and evaluation assets
- The costs incurred in preparing mines for production including plant and equipment under construction
- Pre-commercial production operating costs (net of pre-commercial production income);
- Mine closure and rehabilitation assets.

The Group assesses the stage of each mine under development to determine when a mine moves into the production phase, this being when the mine is substantially completed and ready for its intended use. This point is commonly referred to as the attainment of commercial production. On attainment of commercial production, capitalised mine properties under development are transferred to property, plant and equipment and mine properties and revenues and expenditures of an operating nature cease to be capitalised and commence being recognised in profit and loss or the cost of inventory. It is also the point at which the depreciation and amortisation of the development assets commences.

The criteria used to assess the start date of commercial production are determined based on the unique nature of the mine development project, such as the complexity of the project and its location. The Group considers various relevant criteria to assess when the production phase is considered to have commenced. As at 30 June 2022, the Warrawoona Gold

Project was assessed to have not yet attained commercial production.

The group uses the unit-of-production basis when depreciating / amortising life of-mine specific assets which results in a depreciation / amortisation charge proportionate to the depletion of the anticipated remaining life-of-mine production. Each item's economic life, which is assessed annually, has due regard for both its physical life limitations and to present assessments of the available resource of the mine property at which it is located.

iii. Impairment of Assets

The carrying amounts of assets in the development or production phase are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs of disposal. In assessing this, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the statement of profit or loss and other comprehensive income. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill and then to reduce the carrying amount of the other assets in the unit (group of units) on a pro-rata basis.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. An impairment loss in respect of goodwill is not reversed.

Note 1: Statement of Significant Accounting Policies continued...

iv. Taxation

Balances disclosed in the financial statements and the notes thereto, related to taxation, are based on the best estimates of directors. These estimates take into account both the financial performance and position of the company as they pertain to current income taxation legislation, and the directors understanding thereof. No adjustment has been made for pending or future taxation legislation. The current income tax position represents that directors' best estimate, pending an assessment by tax authorities in relevant jurisdictions. The Directors have considered it prudent not to bring to account the deferred tax asset of income tax losses until it is probable of deriving assessable income of a nature and amount to enable such benefit to be realised.

Refer to Note 5 "Income Tax" on page 58.

v. Coronavirus (COVID-19) pandemic

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the Group based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographic regions in which the consolidated entity operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the Group unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

vi. Share based payment transactions

The group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by an internal valuation using a Black-Sholes model and a hybrid employee share option pricing model, applying the assumptions detailed in Note 20. The fair value of performance rights is determined by the share price at the date of valuation and consideration of the probability of the vesting condition being met.

vii. Rehabilitation provision

The Group assesses site rehabilitation liabilities on an annual basis. The provision recognised is based on an assessment of the estimated cost of closure and reclamation of the areas discounted to present value. Significant estimation is required in determining the provision for site rehabilitation. Factors such as future development/exploration activity, changes in the costs of goods and services required to complete restoration activity and changes to the legal and regulatory framework can all affect the timing and ultimate cost to rehabilitate sites where mining and/or exploration activities have previously taken place.

viii. Hedging

In conjunction with the financing facility negotiated with Macquarie Bank Limited, the Company has entered into forward gold contracts totaling 156,799 oz at an average delivery price of A\$2,392 per ounce spread over the term of the facility from September 2022 to September 2025 and representing approximately 53% of planned production of the Warrawoona Gold Project. These forward sales contracts are not treated as derivatives and fair valued in the financial statements as they fall within the own use exemption of AASB 9 Financial Instruments. Should the Company fail to settle these contracts by physical delivery, then it may be required to account for the fair value of a portion, or potentially all of, the existing contracts in the financial statements.

Note 2. Revenue and Other Income

	2022	2021
	\$	\$
Other Income		
Other	-	144,432
Interest income	16,228	41,520
	16,228	185,952

Included in Other are Cash Flow Boosts from the ATO of nil (2021: \$92,954).

A. Revenue

Revenues represent revenue generated from external customers.

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances. Revenue is recognised in the income statement when the significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due or there is a risk of return of goods or there is continuing management involvement with the goods.

All revenue is stated net of the amount of value added taxes.

Pre-commercial production revenues are capitalised to the extent they are expected to be realised through successful exploitation of the related mining leases and are recognised against mine properties under development until such time as commercial production is declared. On the commencement of commercial production, the revenue is recognised in the income statement.

B. Interest Income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of revenue can be reliably measured. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Note 3. Personnel Costs

	2022	2021
	\$	\$
Director fees	489,064	403,500
Superannuation	127,829	64,842
Wages and salaries	811,826	459,504
Other employment related costs	515,389	470,494
	1,944,108	1,398,340

Note 4. Borrowing and Finance Costs

	Note	2022	2021
		\$	\$
Interest expense		11,160	2,425
Amortisation of capitalised borrowing costs	13	1,130,322	81,301
Interest expense on lease liabilities		97,980	73,868
		1,239,462	157,594

Note 5. Income Tax

	2022	2021
	\$	\$

A. Income Tax Expense / (Benefit)

Current tax	(15,931,078)	(2,894,432)
Deferred tax	15,931,078	2,894,432
Relating to origination and reversal of temporary differences	(724,132)	(1,423,386)
Deferred tax expense / (benefit) not recognised	724,132	1,423,386
Income tax expense / (benefit) reported in income statement	-	-

B. Reconciliation of Income Tax Expense / (Benefit) to Prima Facie Tax Payable

The prima facie tax payable / (benefit) on loss from ordinary activities before income tax is reconciled to the income tax expense as follows:

Accounting profit / (loss) before tax from continuing operations	(8,720,509)	(4,778,565)
Prima facie tax on operating loss at 25% (2021: 26%)	(2,180,127)	(1,242,427)
Add / (subtract) the tax effect of:		
Non-deductible expenses	623,780	262,919
Deferred tax assets / (liabilities) not brought to account	1,556,347	979,508
Income tax expense / (benefit) attributable to operating loss	-	-

C. Deferred Tax Assets

Tax losses	28,211,487	12,834,933
Other temporary differences	2,986,624	3,103,615
	31,198,111	15,938,548
Set-off deferred tax liabilities	(22,315,770)	(7,780,338)
Net deferred tax assets	8,882,341	8,158,210
Less deferred tax assets not recognised	(8,882,341)	(8,158,210)
Net tax assets	-	-

D. Tax losses and Deductible Temporary Differences

Unused tax losses and deductible temporary differences for which no deferred tax asset has been recognised:	111,400,378	47,924,109
	111,400,378	47,924,109

Note 5: Income Tax continued...

Potential deferred tax assets attributable to tax losses have not been brought to account at 30 June 2022 because the directors do not believe it is appropriate to regard realisation of the deferred tax assets as probable at this point in time. These benefits will only be obtained if:

- (a) the company derives future assessable income of a nature and of an amount sufficient to enable the benefits to be utilised;
- (b) the company continues to comply with the conditions for deductibility imposed by law; and
- (c) no changes in income tax legislation adversely affect the company in utilising the benefits.

The corporate tax rate for eligible companies was reduced from 26% to 25% for the financial year ended 30 June 2022 providing certain turnover thresholds and other criteria are met. Deferred tax assets and liabilities are required to be measured at the tax rate that is expected to apply in the future income year when the asset is realised or the liability is settled. The directors have determined that the deferred tax balances be measured at the tax rates stated.

Current tax assets and liabilities for the current and prior period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance date.

Deferred income tax is provided on all temporary differences at the statement of financial position date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax

credits and unused tax losses can be utilised, except:

- when the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- when the deductible temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, in which case a deferred tax asset is only recognised to the extent that it is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised.

The carrying amount of deferred income tax assets is reviewed at each balance date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Unrecognised deferred income tax assets are reassessed at each balance date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance date.

Income taxes relating to items recognised directly in equity are recognised in equity and not in profit or loss.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

Note 6. Earnings Per Share (EPS)

	2022	2021
	\$	\$
A. Reconciliation of Earnings to Profit or Loss		
(Loss) / profit for the year	(8,720,509)	(4,778,565)
(Loss) / profit used in the calculation of basic and diluted EPS	(8,720,509)	(4,778,565)
B. Weighted average number of ordinary shares outstanding during the year used in calculation of basic EPS		
	400,899,115	289,827,437
C. Earnings Per Share		
	(0.02)	(0.02)

At the end of the 2022 financial year, the Group has 13,265,762 unissued shares under options (2021: 7,770,950), nil performance rights on issue (2021: 900,000). The Group does not report diluted earnings per share on annual losses generated by the Group. During the 2022 financial year the Group's unissued shares under option and partly-paid shares were anti-dilutive.

Basic profit/(loss) per share is calculated as net profit or loss attributable to members of the parent, adjusted to exclude any costs of servicing equity (other than dividends) and preference share dividends, divided by the weighted average number of ordinary shares, adjusted for any bonus element.

Diluted profit/(loss) per share is calculated as net profit or loss attributable to members of the parent, adjusted for:

- costs of servicing equity (other than dividends) and preference share dividends;
- the after tax effect of dividends and interest associated with the dilutive potential ordinary shares that have been recognised as expenses; and
- other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares; divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

Note 7. Cash and Cash Equivalents

A. Current	2022	2021
	\$	\$
Cash at bank	18,136,337	27,317,426
	18,136,337	27,317,426

Cash comprises cash at bank and in hand. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purposes of the Statement of Cash Flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

Cash at bank earns interest at floating rates based on daily bank deposit rates.

The Group's exposure to interest rate risk and a sensitivity analysis for financial assets and liabilities are disclosed in "Note 26" on page 75.

Note 7: Cash and Cash Equivalents continued...

B. Reconciliation of Cash

	Note	2022	2021
		\$	\$

Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:

● Cash and cash equivalents		18,136,337	27,317,426
		18,136,337	27,317,426

C. Cash Flow Information

i. Reconciliation of cash flow from operations to (loss)/profit after income tax

Loss after income tax		(8,720,509)	(4,778,565)
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Non-cash flows in result:

● Depreciation and amortisation		730,817	444,010
● Share-based payments	20	2,380,222	1,052,660
● Exploration write-off/Impairment expense		772,053	103,638
● Environmental rehabilitation expense		80,178	-
● (loss)/profit on financial assets		193,781	467,184

Changes in operating assets and liabilities:

● (Increase)/decrease in receivables		(114,578)	(81,948)
● (Increase)/decrease in other assets		(4,716)	43,669
● Increase/(decrease) in trade and other payables		1,451,273	82,648
● Increase/(decrease) in provisions		26,450	521,673
Cash flow from operations		(3,205,029)	(2,145,031)

Note 8. Trade and Other Receivables

A. Current

	2022	2021
	\$	\$
GST receivable	1,244,332	1,410,745
Other receivables	27,385	-
Total	1,271,717	1,410,745

Expected Credit Losses

The Group applies the AASB 9 simplified model of recognising lifetime expected credit losses for all trade receivables as these items do not have a significant financing component.

Where applicable, in measuring the expected credit losses, the trade receivables are assessed on a collective basis as they possess shared credit risk characteristics. They are grouped based on the days past due and also according to the geographical location of customers.

The expected loss rates are based on the payment profile for past sales (where applicable) as well as the corresponding historical credit losses during that period. The historical rates are adjusted to reflect current and forwarding looking macroeconomic factors affecting the customer's ability to settle the amount outstanding.

Trade receivables are written off when there is no reasonable expectation of recovery. Failure to make payments within 180 days from the invoice date and failure to engage with the Group on alternative payment arrangement amongst others is considered indicators of no reasonable expectation of recovery.

Note 9. Financial Assets

	2022	2021
	\$	\$
Shares held in listed investments ⁽ⁱ⁾	163,056	356,836
	163,056	356,836

(i) Shares held in Pacton Gold Inc.

At initial recognition, the Group measures a financial asset at its fair value. Transaction costs are expensed in profit or loss. Changes in the fair value of financial assets are recognised in other gains / (losses) in the consolidated statement of profit or loss as applicable.

Note 10. Other Current Assets

	2022	2021
	\$	\$
Prepayments	1,362,545	976,358
	1,362,545	976,358

Note 11. Property, Plant, and Equipment

A. Non-current

	2022	2021
	\$	\$
Motor vehicles	132,786	132,786
Accumulated depreciation	(110,658)	(91,608)
	22,128	41,178
Computer and software	171,852	171,852
Accumulated depreciation	(112,965)	(68,265)
	58,887	103,587
Plant and equipment	1,089,128	1,089,128
Accumulated depreciation	(91,182)	(76,192)
	997,946	1,012,936
Buildings	866,621	866,621
	866,621	866,621
Total property, plant and equipment	1,945,582	2,024,322

B. Movements in Carrying Amounts

Year Ended 30 June 2022	Motor Vehicles	Computer and software	Plant and equipment	Buildings ⁽ⁱⁱ⁾	Total
	\$	\$	\$	\$	\$
Carrying amount at the beginning of year	41,178	103,587	1,012,936	866,621	2,024,322
Additions	-	-	-	-	-
Assets acquired via project acquisition	-	-	-	-	-
Depreciation expense	(19,051)	(44,699)	(14,990)	-	(78,740)
Carrying amount at 30 June 2022	22,127	58,888	997,946	866,621	1,945,582

Year Ended 30 June 2021	Motor Vehicles	Computer and software	Plant and equipment	Buildings ⁽ⁱⁱ⁾	Total
	\$	\$	\$	\$	\$
Carrying amount at the beginning of year	10,270	12,056	35,316	639,121	696,763
Additions	56,682	123,796	6,430	227,500	414,408
Assets acquired via project acquisition ⁽ⁱ⁾	-	-	994,747	-	994,747
Depreciation expense	(25,774)	(32,265)	(23,557)	-	(81,596)
Carrying amount at 30 June 2021	41,178	103,587	1,012,936	866,621	2,024,322

(i) Value of Blue Spec Project plant and equipment acquired.

(ii) Depreciation on buildings will commence once commercial production is declared at the Warrawoona Gold Project.

Property, plant and equipment is stated at cost less accumulated depreciation and any impairment losses. The cost of the asset includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to a working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located, and appropriate proportion of production overheads.

Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

An item of plant and equipment is de-recognised upon disposal or when no further future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is de-recognised.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows are discounted to their present values in determining recoverable amounts. For an asset that does not generate largely

Note 11: Property, Plant and Equipment continued...

independent cash inflows, recoverable amount is determined for the cash-generating unit to which the asset belongs, unless the asset's value in use can be estimated to be close to its fair value. An impairment exists when the carrying value of an asset or cash-generating units exceeds its estimated recoverable amount. The asset or cash-generating unit is then written down to its recoverable amount with the impairment loss recognised in the statement of profit or loss and other comprehensive income.

Depreciation rates and methods are reviewed annually for appropriateness.

The depreciation rates used for the current and comparative year are:

	2022	2021
	%	%
Plant and equipment	25–50	25–50
Computer and software	33	33
Motor vehicles	33	33

The assets' residual values, useful lives and amortisation methods are reviewed, and adjusted if appropriate, at each financial year end.

Note 12. Exploration and Evaluation Assets

	2022	2021
	S	S

A. Non-current

Exploration expenditure capitalised:

Exploration and evaluation	25,904,406	23,486,369
Net carrying value	25,904,406	23,486,369

B. Movements in Carrying Amounts

Balance at the beginning of year	23,486,369	24,329,686
Expenditure capitalised during the year	3,450,553	7,338,408
Assets acquired via project acquisition ⁽ⁱ⁾	-	18,900,195
Transfer to mine properties under development	(260,463)	(26,978,282)
Exploration expenditure write off	(772,053)	(103,638)
Carrying amount at the end of year	25,904,406	23,486,369

(i) Value of Blue Spec Project exploration and evaluation assets acquired

The recoupment of costs carried forward in relation to areas of interest in the exploration and evaluation phases are dependent on the successful development and commercial exploitation or sale of the respective areas.

Exploration and evaluation expenditures in relation to each separate area of interest are recognised as an exploration and evaluation asset in the year in which they are incurred where the following conditions are satisfied:

- the rights to tenure of the area of interest are current; and
- at least one of the following conditions is also met:
 - (i) the exploration and evaluation expenditures are expected to be recouped through successful development and exploitation of the area of interest, or alternatively, by its sale; or
 - (ii) exploration and evaluation activities in the area of interest have not at the balance date reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the area of interest are continuing.

Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that

the carrying amount of an exploration and evaluation asset may exceed its recoverable amount. The recoverable amount of the exploration and evaluation asset (for the cash generating unit(s) to which it has been allocated being no larger than the relevant area of interest) is estimated to determine the extent of the impairment loss (if any). Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in previous years.

Where a decision has been made to proceed with development in respect of a particular area of interest, the relevant exploration and evaluation asset is tested for impairment and the balance is then reclassified to development assets.

The Group's exploration properties may be subjected to claim(s) under Native Title (or jurisdictional equivalent), or contain sacred sites, or sites of significance to the indigenous people of Australia. As a result, exploration properties or areas within the tenement may be subject to exploration restrictions, mining restrictions and/or claims for compensation. At this time, it is not possible to quantify whether such claims exist, or the quantum to such claims.

Note 13. Mine Properties Under Development

	2022	2021
	\$	\$
Movements in carrying amounts		
Balance at the beginning of year	91,764,206	-
Expenditure capitalised during the year	108,451,108	57,986,277
Gold sales revenue capitalised during the year	(22,067,268)	-
Transfer from exploration and evaluation	260,463	26,978,282
Capitalised borrowing costs	5,402,190	5,337,256
Change in rehabilitation provision	4,858,632	1,543,692
Amortisation	(1,130,322)	(81,301)
Carrying amount at the end of year	187,539,009	91,764,206

Mine properties under development represents the costs incurred in preparing mines for production and includes prior exploration and evaluation costs, plant and equipment under construction, capitalised borrowing costs, operating costs incurred and operating revenues before commercial production commences, and mine closure and rehabilitation assets recognised. These costs and revenues are capitalised to the extent they are expected to be recouped through successful exploitation of the related mining leases. Once commercial production commences, these costs are transferred to property, plant and equipment and mine properties, as relevant, and are depreciated and amortised using the units-of-production method based on the estimated economically recoverable reserves to which they relate or are written off if the mine property is abandoned.

Capitalised borrowing costs represent interest and commitment fees on drawn and undrawn amounts of debt facilities, as well as all transaction costs directly attributable to establishing a debt facility. Interest and commitment fees are capitalised to qualifying assets, in this case Mine properties under development, until the point in time that commercial production is declared, following commercial production commencing, interest and commitment fees will be expensed as incurred. Capitalised interest and commitment fees are amortised using the units-of-production method. Capitalised transaction costs directly attributable to establishing a debt facility are amortised on a straight-line basis over the expected life of the debt facility.

Note 14. Leases

	2022	2021
	\$	\$
A. Right-of-use Assets		
Balance at the beginning of the year	1,575,524	-
Additions ⁽ⁱ⁾	14,762	1,938,112
Depreciation charge	(652,076)	(362,588)
Net carrying value	938,210	1,575,524
B. Lease Liabilities		
Current		
Lease liabilities ⁽ⁱ⁾	680,302	624,465
Total current lease liabilities	680,302	624,465
Non-current		
Lease liabilities ⁽ⁱ⁾	310,837	982,257
Total non-current lease liabilities	310,837	982,257
Total lease liabilities	991,139	1,606,722

(i) The Group has renewed the sub-lease agreement for office premises in West Perth, Western Australia during the financial year for a period of two years with a one-time option to extend for a further year. In addition, various agreements have been entered for Warrawoona Project infrastructure with 36-month durations. Right-of-use assets and corresponding lease liabilities have been recognised for these agreements.

Note 14: Leases continued...

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and an estimate of costs expected to be incurred for dismantling and removing the underlying asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the Group expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of-use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The Group has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

A lease liability is recognised at the commencement date of a lease. The lease liability is initially

recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of-use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

Note 15. Trade and Other Payables

	2022	2021
	S	S
Current		
Unsecured		
Trade payables	15,830,082	2,803,207
Accruals	1,292,840	9,072,490
Accrued finance costs	1,596,294	692,065
Other payables	1,083,426	-
Employment related payables	900,830	180,180
	20,703,472	12,747,942

Trade payables, accruals and employment related payables are non-interest bearing and are usually settled within 30 days. Accrued finance costs and other payables are settled over the next 12 months with varying due dates.

Trade and other payables are carried at amortised cost and represent liabilities for goods and services

provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services.

Trade and other payables and provisions are presented as current liabilities unless payment is not due within 12 months.

Note 16. Interest Bearing Liabilities

	2022	2021
	\$	\$
Current		
Secured		
Bank loans	36,000,000	-
	36,000,000	-
Non-Current		
Secured		
Bank loans	71,000,000	25,000,000
	71,000,000	25,000,000

Interest bearing liabilities relate to a \$110 million project loan facility denominated in AUD with Macquarie Bank Limited for the development of the Warrawoona Gold Project, which is secured against the assets of Keras Pilbara (Gold) Pty Ltd and Calidus Resources Limited. The facilities comprise a Senior Secured Loan of \$85 million and a Mezzanine Facility of \$25 million. Interest is charged at commercial rates and scheduled monthly repayments commence on 30 June 2022 and cease June 2025.

At 30 June 2022, the balance was \$107 million, the full \$110 million was drawn during the financial year prior to the first \$3 million repayment being made in June 2022 (2021: balance drawn was \$25 million). Estimates of future cash flows used for classification of the debt facility between current and non-current may differ from the actual outcomes in the next 12 months.

Note 17. Provisions

	2022	2021
	\$	\$
Current		
Payroll tax	544,135	359,648
Annual leave	674,618	199,128
	1,218,753	558,776
Non-current		
Long service leave	33,576	11,116
Rehabilitation	7,057,911	2,119,102
	7,091,487	2,130,218
Provision for rehabilitation		
Balance at the beginning of the period	2,119,102	-
Provisions made during the year	4,938,809	1,543,692
Provision assumed via project acquisition ⁽ⁱ⁾	-	575,410
	7,057,911	2,119,102

(i) Value of Blue Spec Project rehabilitation liability acquired

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not recognised for future operating losses. The expense relating to any provision is presented in the statement of profit or loss and other comprehensive income net of any reimbursement. Provisions are measured at the present value or management's best estimate of the expenditure required to settle the present obligation at the end of the reporting year. If the effect of the time value of money is material, provisions are

discounted using a current pre-tax rate that reflects the risks specific to the liability.

The Group assesses site rehabilitation liabilities on an annual basis. The provision recognised is based on an assessment of the estimated cost of closure and reclamation of the areas discounted to present value. Significant estimation is required in determining the provision for site rehabilitation. Factors such as future development/exploration activity, changes in the costs of good and services required to complete restoration activity and changes to the legal and regulatory framework can all affect the timing and ultimate cost to rehabilitate sites where mining and/or exploration activities have previously taken place.

Note 18. Issued Capital

	2022	2021	2022	2021
	No.	No.	\$	\$
Fully paid ordinary shares at no par value	403,364,658	399,928,347	119,572,944	119,310,444

A. Ordinary Shares

At the beginning of the year	399,928,347	219,464,064	119,310,444	39,713,959
Shares issued during the year:				
Exercise of Options	170,000	-	-	-
Receipt for employee shares previously issued under holding lock	-	-	112,500	112,500
Share payment for prior issue	-	-	150,000	-
Shares in lieu of salary	-	238,259		
Shares in lieu of director fees	-	155,983		
Shares in lieu of fees	-	103,661	-	-
Placement	-	49,019,608	-	25,000,000
Exercise of options	-	200,000	-	-
Shares issued to purchase royalty	-	4,000,000	-	2,240,000
Placement	-	62,500,000	-	31,875,000
Exercise of options	-	488,500	-	-
Share purchase plan	-	5,290,279	-	2,698,000
Shares issued to purchase royalty	-	750,000	-	375,000
Exercise of options	-	150,000	-	-
Placement	-	31,250,000	-	12,500,000
Shares issued for Blue Spec Acquisition	-	13,333,333	-	5,733,333
Exercise of options	-	200,000	-	40,000
Exercise of options	-	4,000,000	-	800,000
Exercise of options	-	5,200,000	-	-
Shares issued for Macquarie financing	-	3,100,000	-	1,240,000
Issue of debt advisor shares	-	240,000	-	122,400
Performance rights vested	-	244,660	-	-
Exercise of options	166,667	-	-	-
Exercise of options	570,732	-	-	-
Exercise of options	1,461,262	-	-	-
Exercise of options	506,650	-	-	-
Exercise of options	220,000	-	-	-
Exercise of options	200,000	-	-	-
Exercise of options	141,000	-	-	-
Transaction costs relating to share issues	-	-	-	(3,139,749)
At reporting date	403,364,658	399,928,347	119,572,944	119,310,444

Terms of Ordinary Shares

Ordinary shares participate in dividends and the proceeds on winding up of the Company in proportion to the number of shares held and in proportion to the amount paid up on the shares held.

At shareholders meetings, each ordinary share is entitled to one vote in proportion to the paid-up amount of the share when a poll is called, otherwise each shareholder has one vote on a show of hands.

Note 18: Issued Capital continued...

	2022	2021	2022	2021
	No.	No.	\$	\$

B. Options

At the beginning of the year	7,770,950	15,788,500	2,657,256	1,604,596
Options exercised	(1,404,317)	(10,238,500)	-	-
Options expired/cancelled	(67,000)	-	(23,181)	-
Options issued/expensed	6,966,129	2,220,950	2,403,403	1,052,660
At reporting date	13,265,762	7,770,950	5,037,478	2,657,256

C. Share Rights and Performance Rights

At the beginning of the year	900,000	2,597,903	305,641	305,641
Issue of performance rights	-	-	-	-
Issue of share rights	-	-	-	-
Exercise of performance rights	(900,000)	(1,200,000)	-	-
Exercise of share rights	-	(497,903)	-	-
At reporting date	-	900,000	305,641	305,641

D. Capital Management

The directors' objectives when managing capital are to ensure that the Group can maintain a capital base to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors monitors the availability of liquid funds in order to meet its short-term commitments.

The focus of the Group's capital risk management is the current working capital position against the requirements of the Group in respect to its exploration, development, operations, and corporate overheads. The Group's strategy is to ensure appropriate liquidity is maintained to meet anticipated operating requirements, with a view to initiating appropriate capital raisings and/or debt facilities as required.

The working capital position of the Group was as follows:

	Note	2022	2021
		\$	\$
Cash and cash equivalents	7	18,136,337	27,317,426
Trade and other receivables	8	1,271,717	1,410,745
Trade and other payables	15	(20,703,473)	(12,747,942)
Working capital position		(1,295,419)	15,980,229

Note 19. Reserves

	Note	2022	2021
		\$	\$
Options reserve	18a	5,037,478	2,657,256
Share rights and performance rights reserve	18b	305,641	305,641
		5,343,119	2,962,897

A. Options Reserve

Balance at the beginning of the financial year		2,657,256	1,604,596
Share based payments expense	20	2,380,222	1,052,660
Balance at the end of the financial year		5,037,478	2,657,256

The option reserve records items recognised as expenses on the value of directors and employee equity issues.

At 30 June 2022, the following options are outstanding:

- 100,000 unlisted options issued to non-executive directors exercisable at nil price expiring on or before 27 December 2023;
- 3,450,000 unlisted options issued to senior executives exercisable at nil price expiring on or before 27 December 2024;
- 1,350,000 unlisted options issued to senior executives exercisable at nil price expiring 30 January 2025;
- 250,000 unlisted options issued to senior employees exercisable at nil price expiring 4 June 2025;
- 300,000 unlisted options issued to a senior executive exercisable at nil price expiring 5 August 2025;
- 167,500 unlisted options issued to a senior employee exercisable at nil price expiring 11 December 2025;
- 128,800 unlisted options issued to a senior employee exercisable at nil price expiring 16 December 2025;
- 133,000 unlisted options issued to a non-executive director exercisable at nil price expiring 4 January 2025;
- 220,000 unlisted options issued to senior employees exercisable at nil price expiring 19 January 2023;
- 50,000 unlisted options issued to employees exercisable at nil price expiring 16 February 2024;
- 750,000 unlisted options issued to employees exercisable at nil price expiring 18 January 2023;
- 150,000 unlisted options issued to employees exercisable at nil price expiring 28 May 2024.
- 2,263,806 unlisted options issued to directors, executives and employees exercisable at nil price expiring 31 December 2022;
- 3,665,249 unlisted options issued to employees exercisable at nil price expiring 31 December 2023;
- 287,074 unlisted options issued to employees exercisable at nil price expiring 31 December 2024;

B. Share Rights and Performance Rights Reserve

	2022	2021
	\$	\$
Balance at the beginning of the financial year	305,641	305,641
Balance at the end of the financial year	305,641	305,641

Note 20. Share-based Payments

	Note	2022	2021
		\$	\$
Options:			
Share based payments – Key Management Personnel		963,192	646,018
Share based payments – other employees		1,417,030	406,642
Subtotal – share based payments (options)	20b	2,380,222	1,052,660

Equity-settled Compensation

The fair value of options granted is recognised as an employee expense with a corresponding increase in equity. The fair value is measured at grant date and spread over the period during which the employees become unconditionally entitled to the options. The fair value of the options granted is measured using the Black-Scholes pricing model, taking into account the terms and conditions upon which the options were granted. The amount recognised is adjusted to reflect the actual number of share options that vest except where forfeiture is only due to market conditions not being met.

A. Share-based Payment Arrangements in Effect During the Year

Employee Securities Incentive Plan

During the year, the Company issued the following options with the terms and summaries below:

Number of Options	Date of Expiry	Exercise Price	Vesting Terms
1,622,116	31-Dec-23	Nil	Share price performance to 31 December 2022
1,722,421	31-Dec-24	Nil	Share price performance to 31 December 2023
341,979	31-Dec-25	Nil	Share price performance to 31 December 2024
641,690	31-Dec-23	Nil	Service to 31 December 2022
1,600,849	31-Dec-24	Nil	Service to 31 December 2023
287,074	31-Dec-25	Nil	Service to 31 December 2024
750,000	18-Jan-23	Nil	Completion of agreement with Haoma

Note 20: Share-based Payments continued...

B. Summary of Number of Options and its Vale

A summary of the number of company options issued in both the current and prior years to Key Management Personnel and other employees that have an impact on the share-based payments expense in the current year as follows:

Number of shares	Key Management Personnel									Other Employees
	David Reeves	Mark Connelly	Keith Coughlan	Kate George	Adam Miethke	John Ciganek	Paul Brennan	Richard Hill	Don Russell	Various
NED options										
700,000	-	300,000	200,000	-	200,000	-	-	-	-	-
622,749	-	369,000	-	179,861	-	73,888	-	-	-	-
200,000	-	-	-	-	-	200,000	-	-	-	-
Incentive options										
600,000	-	-	-	-	-	-	-	-	600,000	-
170,000	-	-	-	-	-	-	-	-	-	170,000
167,500	-	-	-	-	-	-	-	-	-	167,500
228,800	-	-	-	-	-	-	-	-	-	228,800
417,650	-	-	-	-	-	-	-	-	-	417,650
167,000	-	-	-	-	-	-	-	-	-	167,000
270,000	-	-	-	-	-	-	-	-	-	270,000
3,287,082	1,025,937	-	-	-	-	-	668,646	750,312	842,187	-
3,056,298	-	-	-	-	-	-	-	-	-	3,056,298
750,000	-	-	-	-	-	-	-	-	-	750,000

A summary of share-based payments expense for the Key Management Personnel and other employees are as follows:

A\$	Key Management Personnel									Other Employees
	David Reeves	Mark Connelly	Keith Coughlan	Kate George	Adam Miethke	John Ciganek	Paul Brennan	Richard Hill	Don Russell	Various
NED options										
700,000	-	20,980	13,987	-	-	-	-	-	-	-
622,749	-	58,947	-	34,916	-	8,098	-	-	-	-
200,000	-	-	-	-	-	33,424	-	-	-	-
Incentive options										
600,000	-	-	-	-	-	-	-	-	150,388	-
170,000	-	-	-	-	-	-	-	-	-	43,137
167,500	-	-	-	-	-	-	-	-	-	51,336
228,800	-	-	-	-	-	-	-	-	-	64,589
417,650	-	-	-	-	-	-	-	-	-	119,584
167,000	-	-	-	-	-	-	-	-	-	20,156
270,000	-	-	-	-	-	-	-	-	-	104,866
3,287,082	213,793	-	-	-	-	-	126,759	142,241	159,658	-
3,056,298	-	-	-	-	-	-	-	-	-	477,111
750,000	-	-	-	-	-	-	-	-	-	536,250
Total – Key Management Personnel (A\$)										963,192
Total – Employees (A\$)										1,417,030

Note 20: Share-based Payments continued...

A summary of the movements of all company options issued to Key Management Personnel as share-based payments is as follows:

	2022		2021	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Outstanding at the beginning of the year	5,400,000	\$0.00	9,550,000	\$0.00
Expired/cancelled	-	-	-	-
Issued	3,909,831	\$0.00	800,000	\$0.00
Exercised	(666,667)	\$0.00	(4,950,000)	\$0.00
Outstanding at year-end	8,643,164	\$0.00	5,400,000	\$0.00
Exercisable at year-end	4,500,000	\$0.00	-	\$0.00

i. The weighted average exercise price of outstanding options at the end of the reporting year was nil (2021: nil).

ii. The fair value of the options granted is deemed to represent the value of the employee services received over the vesting period.

C. Summary of the Movements of All Company Options

A summary of the movements of all company options (excluding performance rights) on issue is as follows:

	2022		2021	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Outstanding at the beginning of the year	7,770,950	\$0.00	15,788,500	\$0.05
Issued	6,966,129	\$0.00	2,220,950	\$0.00
Expired/cancelled	(67,000)	-	-	-
Exercised	(1,404,317)	\$0.00	(10,238,500)	\$0.08
Outstanding at year-end	13,265,762	\$0.00	7,770,950	\$0.00
Exercisable at year-end	6,816,300	-	-	-

Note 21. Controlled Entities

A. Ultimate Parent Entity

Calidus Resources Limited is the ultimate parent of the Group (refer to "Note 1C" on page 53).

B. Subsidiaries

The consolidated financial statements include the financial statements of the Parent and the subsidiaries set out in the following table:

	Country of incorporation	Class of Shares	Percentage owned (%)	
			2022	2021
● Keras (Gold) Australia Pty Limited	Australia	Ordinary	100	100
● Keras (Pilbara) Gold Pty Limited	Australia	Ordinary	100	100
● Calidus Otways Pty Limited	Australia	Ordinary	100	100
● Calidus Blue Spec Pty Limited	Australia	Ordinary	100	100

Note 22. Key Management Personnel (KMP)

A. Directors and Key Management Personnel

The names and positions of KMP during the current and prior financial year are as follows:

- **Mr David Reeves**
Managing Director
- **Mr Mark Connelly**
Non-Executive Chairman
- **Mr Keith Coughlan**
Non-Executive Director
(resigned 5 May 2022)
- **Mr John Ciganek**
Non-Executive Director
- **Ms Kate George**
Non-Executive Director
(appointed 1 February 2022)
- **Mr Richard Hill**
Chief Financial Officer
- **Mr Paul Brennan**
Project Development
- **Mr Don Russell**
General Manager Warrawoona Operations

B. Key Management Personnel Compensation

Details of Key Management Personnel remuneration are contained in the audited Remuneration Report in the Directors' Report. A summary of total compensation paid to Key Management Personnel during the year is as follows:

	2022	2021
	\$	\$
Short-term employee benefits	1,383,083	1,209,333
Post-employment benefits	131,108	97,074
Share-based payments	963,192	646,018
Total	2,477,383	1,952,425

Note 23. Related Party Transactions

	2022	2021
	\$	\$
Wild West Enterprises Pty Ltd - Office Rent	81,500	74,300
Discovery Capital – Corporate Advisory and Capital Raising Fees	-	10,000

Refer to "Other Transactions with KMP (or their related parties)" on page 45 of the Remuneration Report for further information regarding the terms of the related party transactions.

Note 24. Commitments

A. Exploration expenditure commitments

Exploration expenditure commitments represent tenement rentals and expenditure that may be required to be met under relevant legislation should the Group wish to retain tenure on all current tenements in which the Group has an interest.

	2022	2021
	\$	\$
Exploration expenditure commitments payable:		
Not later than 12 months	778,702	824,798
Between 12 months and five years	2,091,481	1,632,316
Later than five years	3,082,884	3,322,661
Total Exploration tenement minimum expenditure requirements	5,953,067	5,779,775

Note 24: Commitments continued...

B. Operating Lease Commitments

The Company leases assets for operations and its office premises. As at 1 July 2019, with the adoption of AASB 16, operating leases as previously defined under AASB 117, have for the most part, been recognised and included as lease liabilities with future commitments disclosed in note 14. Any leases that did not meet the definition of finance leases, were either short-term in nature or did not meet the recognition requirements. The office lease expired during the year and was subsequently renewed (refer to "Note 23" on page 73).

C. Physical gold delivery commitments

As part of the risk management policy of the Group and in compliance with the conditions required by the Group's financier Macquarie Bank Limited (MBL), the group has entered into gold forward contracts to manage the gold price of a proportion of anticipated gold sales. The contracts are accounted for as sales contracts with revenue recognised once the gold has been delivered to MBL. The physical gold delivery contracts are considered a contract to sell a non-financial item and therefore do not fall within the scope of AASB 9 Financial Instruments. Hence no derivatives are recognised.

	Gold for physical delivery	Contracted gold sale price	Value of committed sales	Mark-to-market
	ounces	\$	\$	\$
Gold delivery commitments:				
No later than 12 months	50,549	2,444	123,533,686	(10,603,083)
Between 12 months and 5 years	106,250	2,367	251,521,075	(46,642,193)
Total gold delivery commitments	156,799	2,392	375,054,761	(57,245,276)

Mark-to-market has been calculated using the spot price of A\$2,618 per ounce as at 30 June 2022.

Mark-to-market represents the value of the open contracts at balance date, calculated with reference to the gold spot price at that date. A negative amount represents a valuation in the counterparty's favour.

Note 25. Operating Segments

For management purposes, the Group's operations are organised into one operating segment domiciled in the same country, which involves the exploration and exploitation of gold minerals in Australia. All the Group's activities are inter-related, and discrete financial information is reported to the Managing Director as a single segment. Accordingly, all

significant operating decisions are based upon analysis of the Group as one segment. The financial results from this segment are equivalent to the statement of comprehensive income. The accounting policies applied for internal reporting purposes are consistent with those applied in preparation of these financial statements.

Note 26. Financial Risk Management

A summary of the Group's financial assets and liabilities as at 30 June 2022 and 30 June 2021 is shown below:

	2022				2021			
	Floating interest rate	Fixed interest rate	Non-interest bearing	2022 total	Floating interest rate	Fixed interest rate	Non-interest bearing	2021 Total
	\$	\$	\$	\$	\$	\$	\$	\$

Financial assets

Cash and cash equivalents	18,136,367	-	-	18,136,367	27,317,426	-	-	27,317,426
Trade and other receivables	-	-	1,271,717	1,271,717	-	-	1,410,745	1,410,745
Financial assets	-	-	163,056	163,056	-	-	356,836	356,836
Total financial assets	18,136,367	-	1,434,773	19,571,140	27,317,426	-	1,767,581	29,085,007

Financial liabilities

Financial liabilities at amortised cost								
Trade and other payables	-	-	20,703,473	20,703,473	-	-	12,747,942	12,747,942
Short-term financial liabilities	36,000,000	-	-	36,000,000	-	-	-	-
Long-term financial liabilities	71,000,000	-	-	71,000,000	25,000,000	-	-	25,000,000
Total financial liabilities	107,000,000	-	20,703,473	127,703,473	25,000,000	-	12,747,942	37,747,942
Net financial assets/(liabilities)	(88,863,633)	-	(19,268,700)	(108,132,333)	2,317,426	-	(10,980,361)	(8,662,935)

Financial Risk Management Objectives, Exposures and Management

The Group's activities expose it to a variety of financial risks: market risk (including foreign currency risk, price risk, interest rate risk and equity price risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group.

The Board of directors has overall responsibility for the establishment and oversight of the risk management framework. The Board adopts practices designed to identify significant areas of business risk and to effectively manage those risks in accordance with the Group's risk profile. This includes assessing, monitoring and managing risks for the Group and setting appropriate risk limits and controls. The Group is not of a size nor is its affairs of such complexity to justify the establishment of a formal system for risk management and associated controls. Instead, the Board approves all expenditure, is intimately acquainted with all operations and discusses all relevant issues at the Board meetings. The operational and other compliance risk management have also been assessed and found to be operating efficiently and effectively.

The Group uses derivative financial instruments such as forward foreign exchange contracts to hedge certain risk exposures. Derivatives are exclusively used for hedging purposes, i.e., not as trading or other speculative instruments. The Group uses

different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, foreign exchange and other price risks and ageing analysis for credit risk.

A. Credit Risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has a strict code of credit, including obtaining agency credit information, confirming references, and setting appropriate credit limits. The Group obtains guarantees where appropriate to mitigate credit risk. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements.

The Group has no significant concentration of credit risk with any single party with the exception of GST receivable from the Australian Tax Office. At 30 June 2022, GST receivable for the Group totalled \$1,244,332 (2021: \$1,410,745).

Note 25: Financial Risk Management continued...

B. Liquidity Risk

Vigilant liquidity risk management requires the Group to maintain sufficient liquid assets (mainly cash and cash equivalents) and available borrowing facilities to be able to pay debts as and when they become due and payable. The Group manages liquidity risk by maintaining adequate cash reserves and available borrowing facilities by continuously monitoring actual and forecast cash flows and matching the

maturity profiles of financial assets and liabilities.

The following table details the Group's contractual maturities for its financial liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The table includes both interest and principal cash flows.

	Within 1 Year		Greater than 1 Year		Total	
	2022	2021	2022	2021	2022	2021
	\$	\$	\$	\$	\$	\$

Financial liabilities due for payment

Trade and other payables	20,703,473	12,747,942	-	-	20,703,473	12,747,942
Borrowings	36,000,000	-	71,000,000	25,000,000	107,000,000	25,000,000
Total contractual outflows	56,703,473	12,747,942	71,000,000	25,000,000	127,703,473	37,747,942

Financial assets

Cash and cash equivalents	18,136,337	27,317,426	-	-	18,136,337	27,317,426
Trade and other receivables	1,271,717	1,410,745	-	-	1,271,717	1,410,745
Financial assets	163,056	356,836	-	-	163,056	356,836
Total anticipated inflows	19,571,110	29,085,007	-	-	19,571,110	29,085,007
Net (outflow)/inflow on financial instruments	(37,132,363)	16,337,065	(71,000,000)	(25,000,000)	(108,132,363)	(8,662,935)

C. Market Risk

i. Interest Rate Risk

The Group's main interest rate risk arises from long-term borrowings. The long-term borrowings have been obtained at variable rates which expose the Group to interest rate risk.

The Group has short-term and long-term borrowings outstanding as at 30 June 2022 of \$36,000,000 and \$71,000,000 respectively (2021: nil and \$25,000,000 respectively). An increase/decrease in interest rates of 100 basis points would have an adverse/favourable effect on profit before tax of \$1,070,000, assuming interest is not capitalised. The Group's interest rate risk exposure will increase/decrease as debt is drawn/repaid.

ii. Foreign Exchange Risk

Foreign exchange risk arises from future commercial transactions and recognised financial assets and financial liabilities denominated in a currency that is not the Group's functional currency. The group does not have any material exposure to foreign exchange risk.

iii. Price Risk

The Group holds shares in Pacton Gold Inc. which are exposed to changes in market prices. The market value of shares held by the Group at 30 June 2022 totalled \$163,056 (2021: \$356,836). An increase/decrease of 10% would have a favourable/adverse effect on profit before tax of \$16,306 (2021: \$35,684).

iv. Commodity Price Risk

The Group's exposure to commodity price risk arises largely from Australian dollar gold price fluctuations for its anticipated future gold production and sales. The Group's exposure to movements in the gold price is managed through the use of Australian dollar gold forward contracts. The gold forward sale contracts do not meet the criteria of financial instruments for accounting purposes on the basis that they meet the normal purchase/sale exemption because physical gold will be delivered into the contract. Further information relating to these forward sale contracts is included in note 24c. No sensitivity analysis is provided for these contracts as they are outside the scope of AASB 9 Financial Instruments.

Note 27. Events Subsequent to Reporting Date

On 12 August 2022, Calidus announced it had received firm commitments to raise \$20 million (before costs) via a share placement to professional and sophisticated investors through the issue of 29,850,747 shares at a price of \$0.67 per share.

No other matter or circumstance has arisen since 30 June 2022 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Note 28. Contingent Liabilities

A. Royalties

The Group has an obligation to pay royalties to third parties on minerals produced from various tenements. The royalties are based on a profit-based calculation, as profit has not yet been established there are no royalty payments due or payable at this time.

B. Tenement Earn-in Rights

Calidus may earn up to a 75% interest in the Gondwana tenements by spending \$1.0 million on the tenements over 60 months. At the completion of the expenditure commitment, each party will be subject to a fund or dilute obligation in the respective proportions on the Gondwana tenements with any interest diluting below 10% converting to a 1% net smelter royalty.

C. Project Contracts

Calidus has entered into various operational contracts related to the Warrawoona Gold Project. Should these contracts be cancelled at the election of Calidus prior to the expiry of the term Calidus has a maximum liability of \$32.3 million.

D. Other Contingent Liabilities

There were no other material contingent liabilities at the end of the year.



Note 29. Auditor's Remuneration

	2022	2021
	\$	\$
Remuneration of the auditor of the company for:		
Auditing or reviewing the financial reports	58,343	50,350
Other services provided by a related practice of the auditor	-	-
	58,343	50,350

Note 30. Parent Entity Disclosures

Financial statements and notes for Calidus Resources Limited, the legal parent entity are provided below:

	2022	2021
	\$	\$

A. Financial Position of Calidus Resources Limited (legal parent)

Current assets	106,981,441	111,903,392
Non-current assets	631,001	162,171
Total assets	107,612,442	112,065,563
Current liabilities	1,594,966	466,477
Non-current liabilities	13,623	72,649
Total liabilities	1,608,589	539,126
Net assets	106,003,853	111,526,437

Equity

Issued capital	116,721,982	119,310,444
Options and Share Rights reserve	5,343,119	2,962,897
Accumulated losses	(16,061,248)	(10,746,904)
Total equity	106,003,853	111,526,437

B. Financial Performance of Calidus Resources Limited

Profit / (loss) for the year	(5,314,344)	(3,549,241)
Other comprehensive (loss) / income	-	-
Total comprehensive loss	(5,314,344)	(3,549,241)

C. Guarantees entered into by Calidus Resources Limited for the debts of its subsidiaries

There are various parent guarantees entered into by Calidus Resources Limited for the debts of its subsidiaries as at 30 June 2022 (2021: various).

Directors' Declaration

1. In the opinion of the Directors of Calidus Resources Limited (the 'Company'):
 - a. the financial statements, notes and the additional disclosures are in accordance with the Corporations Act 2001 including:
 - i. giving a true and fair view of the Group's financial position as at 30 June 2022 and of its performance for the year then ended; and
 - ii. complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001;
 - b. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and
 - c. the financial statements and notes thereto are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board.
2. This declaration has been made after reviewing the declarations required to be made to the Directors in accordance with Section 295A of the Corporations Act 2001 for the financial year ended 30 June 2022.



MARK CONNELLY
Non-executive Chairman

Dated: 21 September 2022

“ ...I would like to thank all contractors for their enormous commitment to our project. The challenges we faced... made the completion of the project on time and on budget even more impressive ”

Mark Connelly
Non-Executive Chairman

Independent Auditor's Report



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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CALIDUS RESOURCES LIMITED REPORT ON THE AUDIT OF THE FINANCIAL REPORT

Opinion

We have audited the financial report of Calidus Resources Limited (the Company) and its subsidiaries (the "Group"), which comprises the consolidated statement of financial position as at 30 June 2022, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year ended 30 June 2022, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

- i. giving a true and fair view of the Group's financial position as at 30 June 2022 and of its financial performance for the year then ended; and
- ii. complying with Australian Accounting Standards and the Corporations Regulations 2001.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Group in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (the "Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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Key Audit Matters (continued)

Carrying amount of Mine Properties Under Development

Refer to Note 13 Mine Properties Under Development

During the years ended 30 June 2021 and 2022, the Group transferred approximately \$27 million from exploration and evaluation assets to mine properties under development following the decision to commence development at the Warrawoona Gold Project (the Project).

Subsequent to the transfer, substantial costs were incurred and capitalised in relation to the ongoing development works, which were substantially complete by 30 June 2022. The carrying amount of mine properties under development at balance date was approximately \$187.5 million.

The impairment assessment conducted under AASB 136 Impairment of Assets as at the date of transfer involved a comparison of the recoverable amount of the Project assets with their carrying amounts in the financial statements.

The evaluation of the recoverable amount of these assets at transfer and at year-end is considered a key audit matter as it was based upon a model which required significant judgement in verifying the key assumptions supporting the expected discounted future cash flows of the Project. Our audit focused on the Group's assessment of the carrying amount of the capitalised mine property under development as this is the single largest asset of the Group.

Our procedures included:

- We reviewed the Group's updated Feasibility Study (FS) released on 29 September 2020 and obtained an understanding of the process associated with the NPV (value in use) model, as subsequently updated, to assess the recoverable amount of the Project.
- Critically evaluated management's methodology in the NPV model and the basis for key assumptions utilised in the model such as discount rate, estimated project development capital, gold price per oz, and average AISC/oz.
- We reviewed the sensitivity analysis disclosed in the FS around the key inputs in the NPV model for reasonableness
- We compared actual costs incurred in developing the Warrawoona Gold project with budgeted costs, noting that actual costs were largely in line with budgets.
- We reviewed the types of costs capitalised in Mine Properties Under Development ensuring they were appropriate and accurate. This included consideration of the increased provision for Rehabilitation costs.
- We substantiated a sample of capitalised expenditure incurred during the year by agreeing to supporting documentation/invoices
- We reviewed external and internal sources of information for observable impairment indicators. This included reviewing minutes of Board meetings, internal management reports, discussion with management/directors and giving due consideration to recent trends such as movement in gold prices, recent increases in costs and labour and the Company's market capitalisation, which was considerably higher than its year-end net asset position as at 30 June 2022.
- We reviewed the Company's most recent Life of Mine Plan and cashflow budgets for the next 12 months.
- We discussed with management the operating performance of the Warrawoona gold mine between the date of its commissioning and the date of our report, including assessment criteria for attainment of "Commercial Production" and when that is likely to occur
- Assessed the appropriateness of the disclosures contained in the financial report



Key Audit Matters (continued)

Capitalised Exploration & Evaluation Assets	
Refer to Note 12 Exploration and evaluation assets	
<p>At balance date, the Group's statement of financial position includes capitalised exploration and evaluation assets of approximately \$25.9 million.</p> <p>The ability to recognise and to continue to defer exploration and evaluation assets under AASB 6: Exploration for and Evaluation of Mineral Resource is impacted by the Group's ability, and intention, to continue to explore the tenements or its ability to realise this value through development or sale.</p> <p>Due to the significance of these assets and the subjectivity involved in assessing the ability to continue to defer these assets, this is considered a key audit matter.</p>	<p>Our procedures included:</p> <ul style="list-style-type: none"> ● Ensuring the Group has the ongoing right to explore in the relevant exploration areas of interests which included performing ownership searches of the tenements to Department of Mines WA & other agreements. ● Tested a sample of exploration & evaluation expenditures capitalised during the year to supporting documentation including contracts. ● Ensuring the Group is committed to continue exploration and evaluation activity in the relevant exploration areas of interest by assessing their exploration and future development expenditures that have been budgeted for and reviewing minutes of Board meetings and other internal reports. ● Assessing the carrying value of these assets for any indicators of impairment including comparing against the Company's market capitalisation. ● We also assessed the appropriateness of the disclosures contained in the financial report.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2022 but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon. In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.



Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf. This description forms part of our audit report.

REPORT ON THE REMUNERATION REPORT

Opinion on the Remuneration Report

We have audited the Remuneration Report included within the directors' report for the year ended 30 June 2022.

In our opinion, the Remuneration Report of Calidus Resources Limited, for the financial year ended 30 June 2022 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

A handwritten signature in black ink that reads 'Neil Pace'.

NEIL PACE
PARTNER

A handwritten signature in black ink that reads 'Moore Australia'.

MOORE AUSTRALIA AUDIT (WA)
CHARTERED ACCOUNTANTS

Signed at Perth this 21st day of September 2022.

Additional ASX Information

as at 21 September 2022

The following additional information is required by the Australian Securities Exchange in respect of listed public companies. As at 21 September 2022 there were 6,325 holders of Ordinary Fully Paid Shares.

Voting Rights

The voting rights attached to each class of equity security are as follows:

- Ordinary shares: Each ordinary share is entitled to one vote when a poll is called, otherwise each member present at a meeting or by proxy has one vote on a show of hands.
- Listed Options, Unlisted Options and Performance Shares: Options and performance shares do not entitle the holders to vote in respect of that equity instrument, nor participate in dividends, when declared, until such time as the options are exercised or performance shares convert and subsequently registered as ordinary shares.

20 Largest Shareholders

Ordinary Shares as at as at 21 September 2022

Rank	Holder Name	Holding	% of Issued Capital
1	Alkane Resources Ltd	42,780,356	9.77%
2	HSBC Custody Nominees (Australia) Limited	31,590,985	7.22%
3	Citicorp Nominees Pty Limited	27,769,629	6.34%
4	"Mrs Eleanor Jean Reeves <Elanwi A/C>"	20,557,152	4.70%
5	"Bnp Paribas Noms Pty Ltd <DRP>"	19,082,934	4.36%
6	"Macquarie Bank Limited <Metals Mining and AG A/C>"	12,903,921	2.95%
7	National Nominees Limited	11,883,783	2.71%
8	"BNP Paribas Noms Pty Ltd <Global Markets DRP>"	11,305,882	2.58%
9	"Hedgehog Management Pty Ltd <Richardson Low Super A/C>"	8,761,381	2.00%
10	"Bnp Paribas Nominees Pty Ltd <IB AU Noms Retailclient DRP>"	7,898,108	1.80%
11	UBS Nominees Pty Ltd	5,314,165	1.21%
12	Mr Simon Patrick Bowman	5,000,000	1.14%
13	Mr Stacey Radford	4,852,968	1.11%
14	Garrett Smythe Ltd	4,041,532	0.92%
15	BNP Paribas Nominees Pty Ltd ACF Clearstream	4,021,794	0.92%
16	"NG Investment Group Pty Ltd <NG Family A/C>"	3,950,440	0.90%
17	"79 Pty Ltd <Geovet Family A/C>"	3,448,452	0.79%
18	J P Morgan Nominees Australia Pty Limited	3,397,141	0.78%
19	"Corrine Rachel Panzich <C & D Panzich Family A/C>"	3,248,452	0.74%
20	Mr Stacey Radford	3,218,485	0.74%
Total		235,027,560	53.69%
Total Issued Capital - Selected Security Class(es)		437,781,705	100.00%

Substantial Ordinary Shareholders

as at 21 September 2022

Name	Holding	% of Issued Capital
Alkane Resources Ltd	42,780,356	9.77%
HSBC Custody Nominees (Australia) Limited	31,590,985	7.22%
Citicorp Nominees Pty Limited	27,769,629	6.34%

Distribution of Ordinary Shareholders

as at 21 September 2022

Holding Range	Holders	Total Units	% Issued Ordinary Capital
1 – 1,000	827	537,731	0.12%
1,001 – 5,000	2,210	6,188,835	1.41%
5,001 – 10,000	1,073	8,643,681	1.97%
10,001 – 100,000	1,830	61,662,414	14.09%
100,001 – and over	385	360,749,044	82.40%
	6,325	437,781,705	100.00%

Unmarketable Parcels

As at 21 September 2022 there were 511 holders with less than a marketable parcel of shares.

On-Market Buy-Back

There is no current on-market buy-back.

Unquoted Securities

As at 21 September 2022 the following unquoted securities are on issue:

Security Name	Units
NED Options @ \$0 Expiring 27/12/2023	100,000
UNL Inc Options Exp 30/01/2025 @ \$0.00	1,350,000
UNL Inc Options Exp 04/06/2025 @ \$0.00	150,000
UNL Options Exp 04/01/2025 @ \$0.00	133,333
UNL Inc Options Exp 18/01/2023 @ \$0.00	750,000
UNL Opt Exp 31/12/23 @ \$0.00 – Tranche 1	575,006
UNL Opt Exp 31/12/23 @ \$0.00 – Tranche 2	628,059
UNL Opt Exp 31/12/24 @ \$0.00 – Tranche 3	916,893
UNL Opt Exp 31/12/24 @ \$0.00 – Tranche 4	852,228
UNL Opt Exp 31/12/23 @ \$0.00 – Tranche 5	753,715
UNL Opt Exp 31/12/24 @ \$0.00 – Tranche 6	753,715
UNL Opt Exp 31/12/24 @ \$0.00 – Tranche 7	753,715
UNL Exec Opt Exp 31/12/23 @ \$0.00 – Tr 1	341,979
UNL Exec Opt Exp 31/12/24 @ \$0.00 – Tr 2	341,979
UNL Exec Opt Exp 31/12/24 @ \$0.00 – Tr 3	341,979
UNL Ned Opt Exp 31/12/23 @ \$0.00 – Tr 1	115,268
UNL Ned Opt Exp 31/12/24 @ \$0.00 – Tr 2	220,407
UNL Ned Opt Exp 31/12/25 @ \$0.00 – Tr 3	287,074

ASX Listing Rule 4.10.19

The Company has used its cash and net assets in a form readily convertible to cash in hand at the time of reinstatement of the Company's securities to quotation in a way consistent with its business objectives.



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