Calidus Resources Raises A$23 M

Calidus Resources (ASX: CAI)

Announced that it has received firm commitments for a $23 million share placement to professional, sophisticated and institutional investors through the issue of approximately 109.8 million shares at a price of $0.21 per share.



Calidus Resources Warrawoona mine

Calidus Resources Successful capital raising paves way for strong growth in production and cashflow

Calidus Resources Limited (ASX:CAI) (Calidus or Company) is pleased to announce that it has received firm commitments for a $23 million share placement (Placement) to professional, sophisticated and institutional investors through the issue of approximately 109.8 million shares at a price of $0.21 per share.

Each participant in the Placement will also receive a 1 for 2 free attaching option, exercisable at $0.30 with a term of 15 months (Attaching Options). The Attaching Options will be subject to shareholder approval, which is to be sought at the upcoming general meeting, expected to be held on 7 June 2023.

Capital raising and conversion of up to $38.5m (before costs) will enable Calidus to implement its 130,000oz pa expansion strategy while maintaining a conservative balance sheet and generating strong cashflow.

HIGHLIGHTS

 Firm commitments received from professional, sophisticated and institutional investors for a single tranche placement to raise $23 million

(before costs) at
$0.21 per share (Placement), with investors receiving one (1) free attaching
option for every two (2) new shares subscribed for
 Placement received strong demand from new and existing shareholders based
domestically and offshore
 Alkane Resources Limited (ASX:ALK), the Company's largest shareholder, has
subscribed for $2.5m of Placement shares, providing a strong endorsement of
Calidus' strategy
 Macmahon Holdings Limited (ASX:MAH), the contractor at Calidus'
Warrawoona Gold Project, has elected to convert ~$10.5m of its existing
creditor position to equity at the same price as the Placement; this is consistent
with Macmahon's strategy to be closely integrated with its long-term clients
 SPP to be offered to eligible shareholders to raise up to a further $5m (before
costs) on the same terms as the Placement
 Proceeds from the Placement and SPP will strengthen Calidus' balance sheet,
providing a robust platform to undertake the planned Stage 2 and Stage 3
expansions at its Warrawoona Gold Project in the Pilbara of WA.

To read the full news release, please click HERE

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Disclosure

At the time of writing the author is not a shareholder of ***Calidus Resources.***

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