Calidus Resources Raises AUS$20 Million

Calidus Resources (ASX:CAI)

Announced the Company has 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.

Calidus Resources	ASX: CAI
Stage	Production, exploration
Metals	Gold, lithium
Market Cap	A$277 m @ A$0.64
Location	Pilbara, Western Australia

Calidus Resources Warrawoona mine

Calidus Resources Secures $20M to Fund Growth Projects

Calidus Resources Limited (ASX:CAI) is pleased to announce the Company has received firm commitments to raise $20 million (before costs) via a share placement ("Placement") to professional and sophisticated investors through the issue of 29,850,747 shares ("Placement Shares") at a price of $0.67 per share.

The Placement received strong demand from existing institutional and sophisticated shareholders.

Calidus is pleased to welcome a number of new institutional shareholders onto the register as well. Alkane Resources Limited (ASX:ALK), the Company’s largest shareholder, has subscribed for $3.0 million in support of Calidus’ strategy.

Proceeds will enable the acceleration of lithium and gold exploration drilling; Warrawoona ramp-up on track with nameplate capacity set to be reached this quarter.

HIGHLIGHTS

• Calidus has received firm commitments for $20M following an institutional
placement
• Placement at $0.67, representing a 12.4% discount to the last close on 9 August
2022 and a 6.7% discount to the Company’s 10-day VWAP
• Strong demand from existing and new shareholders, domestically and offshore
• Alkane Resources Limited (ASX:ALK), the Company’s largest shareholder, has
subscribed for $3.0M providing a strong endorsement of Calidus’ strategy
• The proceeds will be used to fund growth projects including:
o Lithium exploration at the Pirra Lithium Joint Venture and demerger costs
o Expanding regional drill program on gold targets within Calidus’ highly
prospective tenure in the Pilbara
o Early works for Blue Spec Mine and expansion
o Expansion of Warrawoona Mill
• Operational ramp-up at Warrawoona continues with nameplate production
expected during this quarter

Managing Director Dave Reeves stated:

"I would like to thank existing shareholders for their continued support and welcome some new, high-quality institutions to our register.

"Operations at Warrawoona continue to ramp up well with nameplate production due during this quarter.

"But with the initial cashflow committed to reducing debt, this additional capital will allow us to immediately accelerate our strategy to unlock our growth projects, which have potential to generate significant returns for shareholders."

"These growth projects include plans for drilling at lithium and gold prospects, commencing early works at Blue Spec and expanding the throughput of the Warrawoona Mill to treat fresh material at 20% above nameplate capacity."

To read the full news release, please click HERE

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If you need clarification of any information contained in this note, or have any questions, I will be delighted to assist – Please email andrew@city-investors-circle.com

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The writer currently holds shares in ***Calidus Resources***, *bought in the market at the prevailing price on the days of purchase.*

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