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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