



“Poised for Production in East Africa ”

Corporate Presentation

April 2010

www.chalicegold.com

Disclaimer & Competent Person's Statement

- This presentation may contain value references and "forward looking statements" which are subject to various risks and uncertainties that could cause actual results and future events to differ materially from those expressed or implied by such statements. Investors are cautioned that such statements are not guarantees of future performance and results.
- This presentation does not include all available Information on Chalice Gold Mines Limited and should not be used in isolation as a guide to investing in the Company. Any potential investor should also refer to Chalice Gold Mines Limited Annual Reports and to ASX releases and take independent professional advice before considering investing in the Company.
- For further information about Chalice Gold Mines Limited, visit the website at www.chalicegold.com
- The information in this report that relates to Exploration Results is based on information compiled by Dr Doug Jones, a full-time employee and Director of Chalice Gold Mines Limited, who is a Member of the Australasian Institute of Mining and Metallurgy and is a Chartered Professional Geologist. Dr Jones has sufficient experience in the field of activity being reported to qualify as a Competent Person as defined in the 2004 edition of the Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves, and consents to the release of information in the form and context in which it appears here.
- The Independent Resource Estimate for the Koka deposit was prepared by Mr Brian Wolfe whilst employed as a Specialist Resource Geologist for Coffey Mining Pty Ltd. Mr Wolfe, who is a Member of the Australasian Institute of Mining and Metallurgy, has sufficient experience in the field of Resource Estimation to qualify as a Competent Person as defined in the 2004 edition of the Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves, and consents to the release of information in the form and context in which it appears here.

Chalice Snapshot

- Dynamic international gold company
 - *Listed on ASX (Ticker: CHN), TSX listing planned 2H 2010*
- 80%-owned Zara Project, Eritrea
 - *option to purchase remaining 20%**
- Feasibility Study nearing completion on high-grade Koka deposit
 - *JORC Resource 944,000oz @ 5.8g/t Au*
 - *Initial production of 110,000oz pa @ US\$424/oz cash cost from open pit*
- Substantial exploration upside
 - *Koka system open along strike to the south*
 - *World-class land position in emerging Arabian-Nubian Shield*
- Poised for production, delivering growth through exploration

*Ownership: 80% with option to acquire remaining 20% before 30-Jun-10 from Dragon Mining Ltd by paying A\$8M and 2M Chalice shares. Chalice will pay an additional A\$4M upon delineation of a 1Moz economically mineable ore reserve. At the mining stage Gov't has the right to a free-carried 10%, and an additional right to purchase up to a further 30%

Corporate

Snapshot

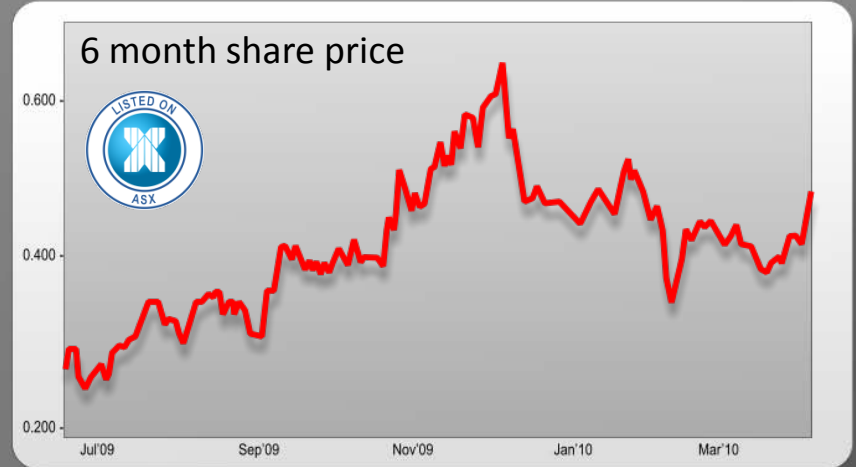
- *Shares on issue* 157.4M
- *Options on Issue* 13.075M
- *Cash (Mar'10)* ~A\$10M

Board

- Tim Goyder (Executive Chairman)
- Dr Doug Jones (Managing Director)
- Mike Griffiths (Executive Director)
- Anthony Kiernan (Non-Executive Director)

Substantial Shareholders

- Tim Goyder 12.7%
- Franklin Resources Inc 7.9%
- Anvil Mining 5.3%



Zara Project Location

- Emerging gold & base metal province
- Gold endowment +20Moz – numerous deposits and mines dating back to ancient times
- Minimal modern exploration
- New world-class projects being developed:
 - *13Moz Sukari Gold Mine (Egypt) – in production (Centamin)*
 - *Bisha Gold & Base Metal Mine (Eritrea), 1Moz gold, 750Mlbs copper, 1Blbs zinc, 9Moz silver – under construction (Nevsun)*



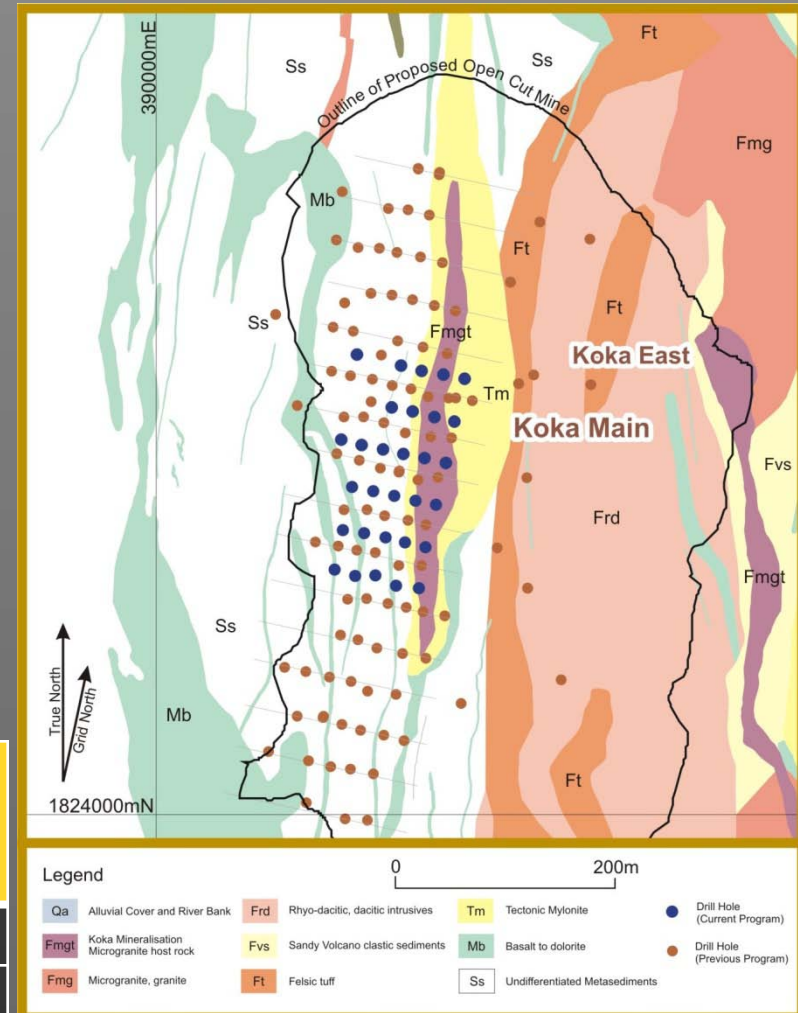
Zara – Project Location



Koka Gold Deposit

- JORC compliant resource of 5.04Mt @ 5.8 g/t Au for 944,000oz
- Based on results from 109 diamond drill holes (~18,000m drilled)
- 600m strike length, 20-30m wide and open at depth
- Only drilled to 250m below surface
- Bulk of resource shallower than 150m depth

Category	Lower grade cut-off (g/t)	Tonnes (Mt)	Gold (g/t)	Metal (Koz)
Indicated	1.2	4.55	5.9	867
Inferred	1.2	0.49	4.9	77
TOTAL	1.2	5.04	5.8	944

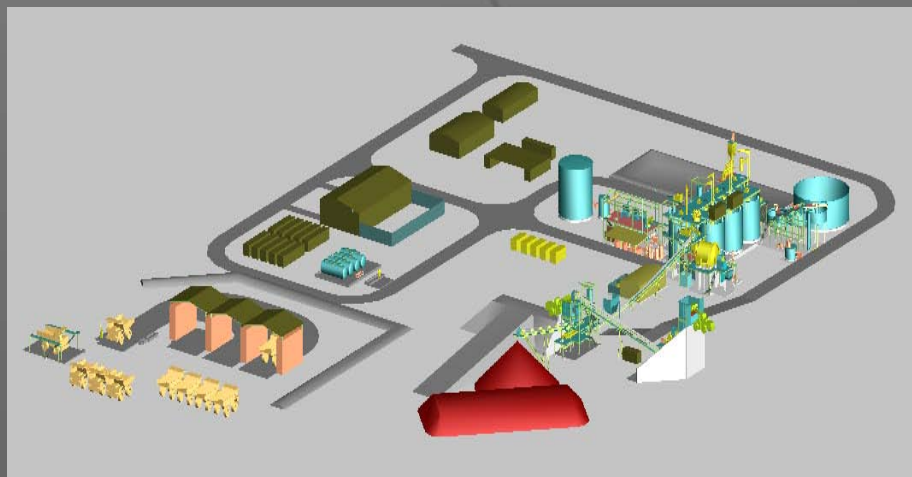
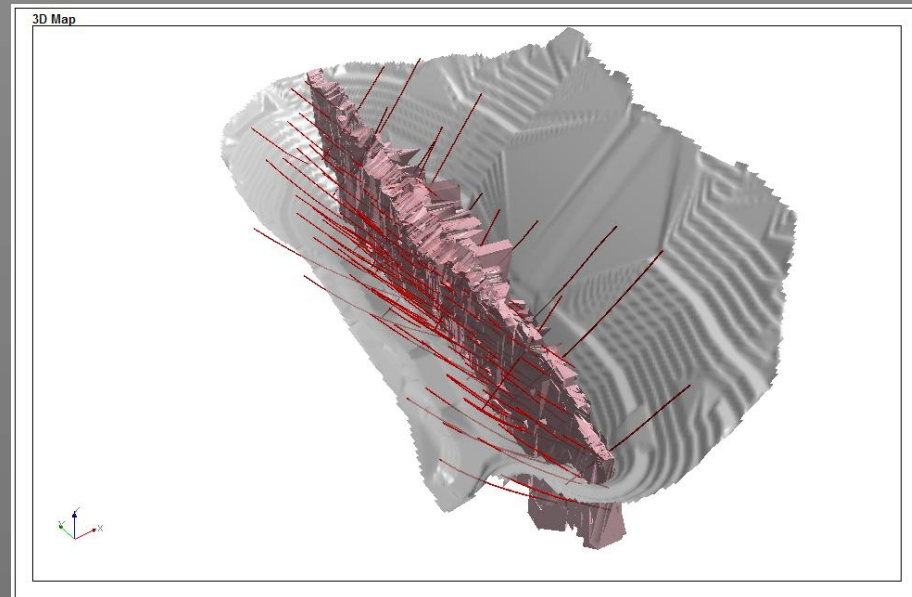


Koka Gold Deposit – Metallurgy

- Metallurgical testwork completed at AMMTEC Perth
- Laboratory master composite prepared from 104 intervals representative of deposit
- Initial testwork indicates ore is metallurgically benign:
 - *~60% of gold recoverable by gravity*
 - *Overall recoveries 95-97% for grind sizes of 80% passing 150 to 75 μ respectively*
 - *Low reagent consumptions – <0.5 kg/t for both lime and cyanide*
 - *Ore has medium competency – Bond Work Index (15-18kWhrs/t)*
 - *Abrasion index of 0.3*
- Simple processing – conventional ball mill followed by gravity and CIL recovery

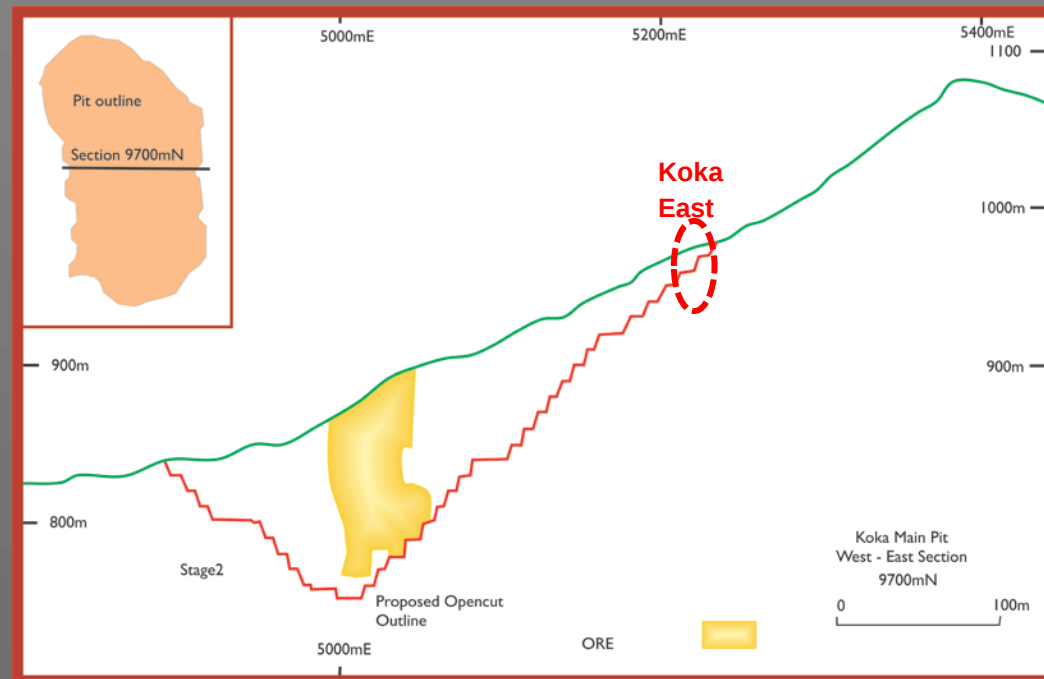
2009 Scoping Study – Key Parameters

Average gold production	~110,000 oz per annum
Life of mine	~ 6 years
Total capital costs	US\$97.8 million
Total cash costs	US\$424 per oz
Total gold mined	712,000 oz
Gold recoveries	95%
Gold produced	677,000 oz
Plant capacity	500,000 tpa
Mining costs	US\$241 per oz
Processing costs	US\$169 per oz
G&A costs	US\$14 per oz
Total mined	45.3 million tonnes
Ore milled	3.4 million tonnes
Strip ratio	12.4

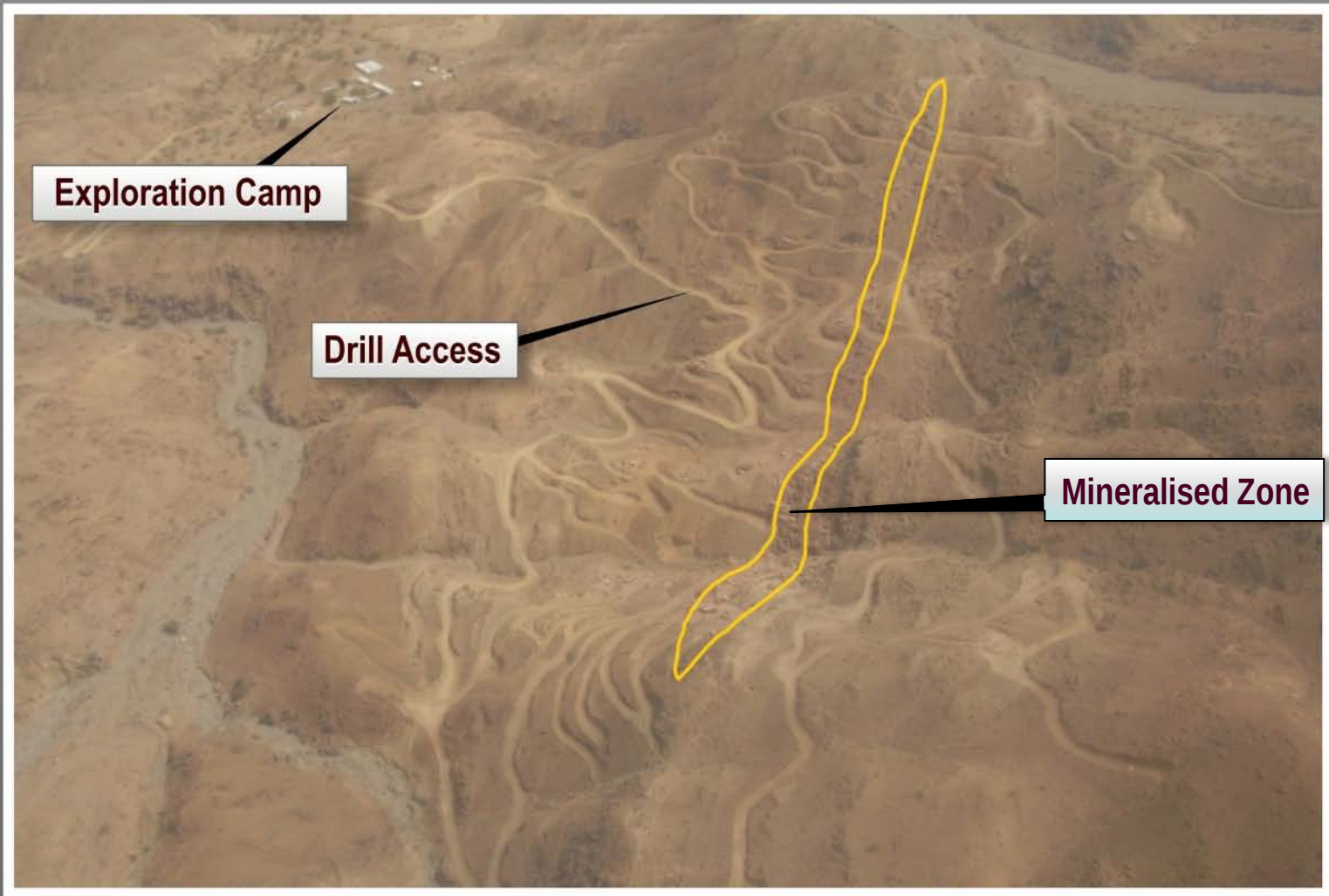


Opportunities to Enhance Economics

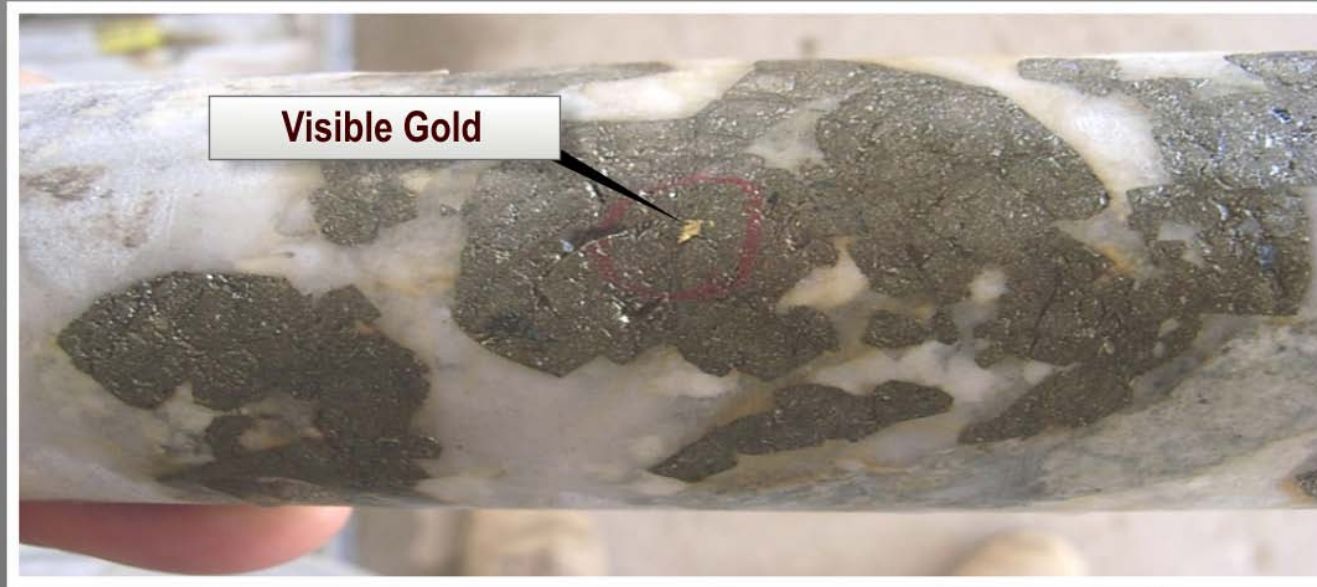
- Potential to decrease pit wall angle:
 - *Reduce strip ratio*
 - *Reduce operating costs*
- Potential to increase overall resource:
 - *Koka East – currently drilling*
 - *Koka South – commences April/May 2010*
- Optimize Scoping Study



Koka Gold Deposit – Looking North

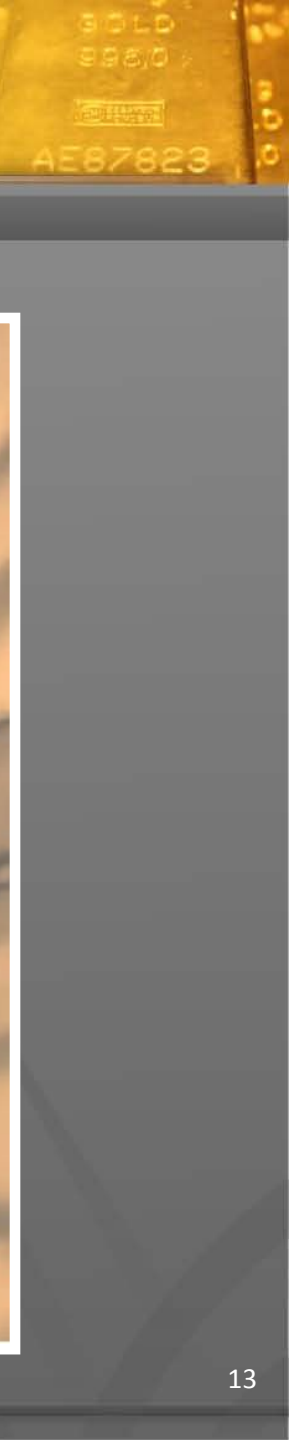


Koka Gold Deposit – Mineralisation

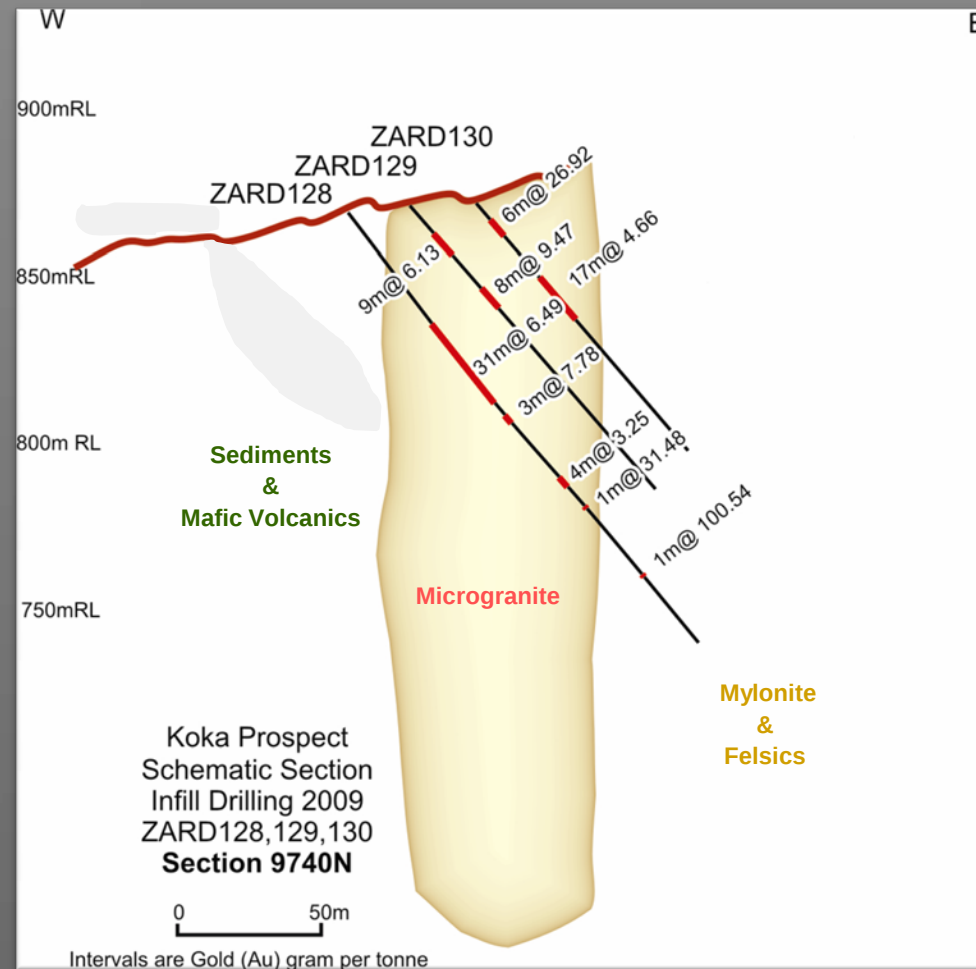
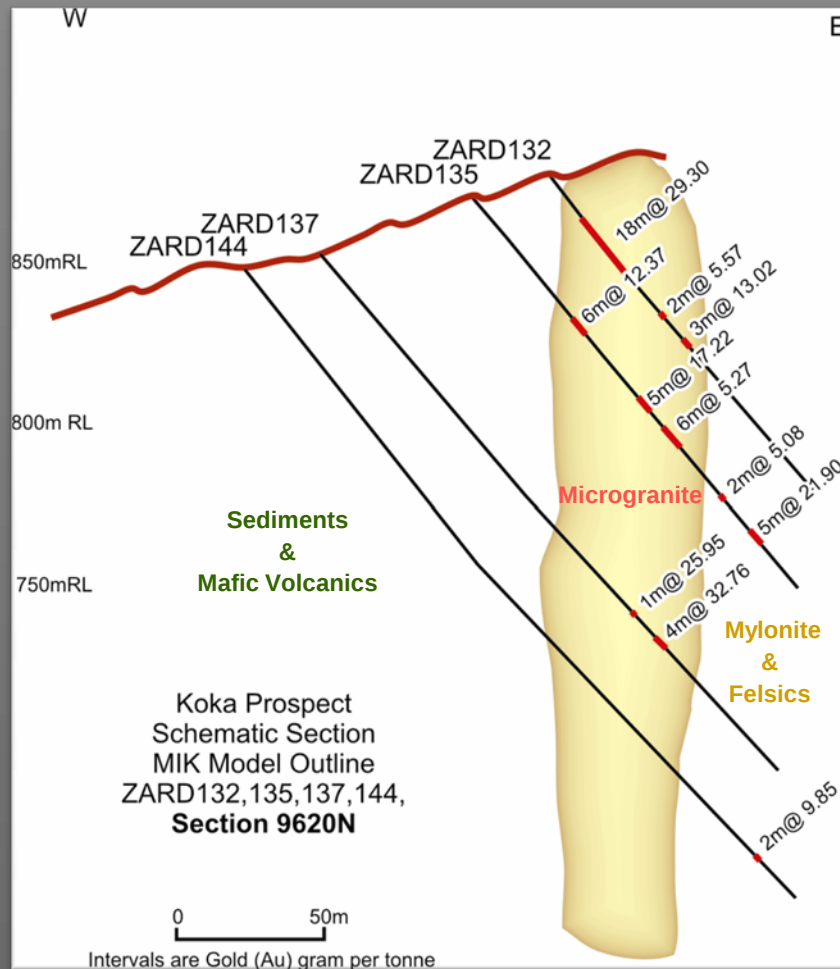


- Quartz-carbonate-sulphide stockwork veins cutting microgranite
 - *similar in style to mineralisation at Sukari Project, Egypt*
- Visible gold & high gold values associated with sulphides in quartz-carbonate veins
- Sulphides overall <2% – no impact on metallurgy: free milling

A close-up photograph of a gold bar. The bar is yellow and has several markings. At the top, it says "GOLD" and "999.9". Below that, there is a small rectangular stamp that reads "GOLDEN AGE". At the bottom, the number "AE87823" is printed in large, bold letters.

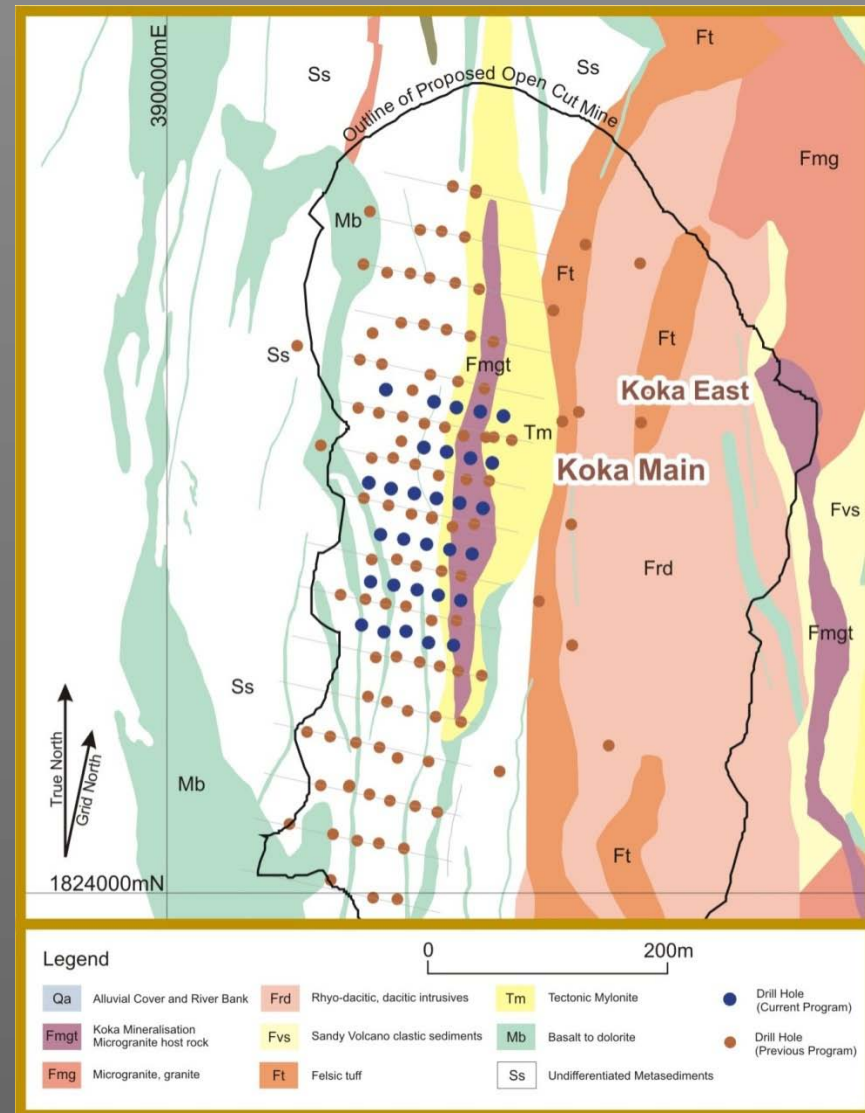


Koka Gold Deposit – Cross Sections



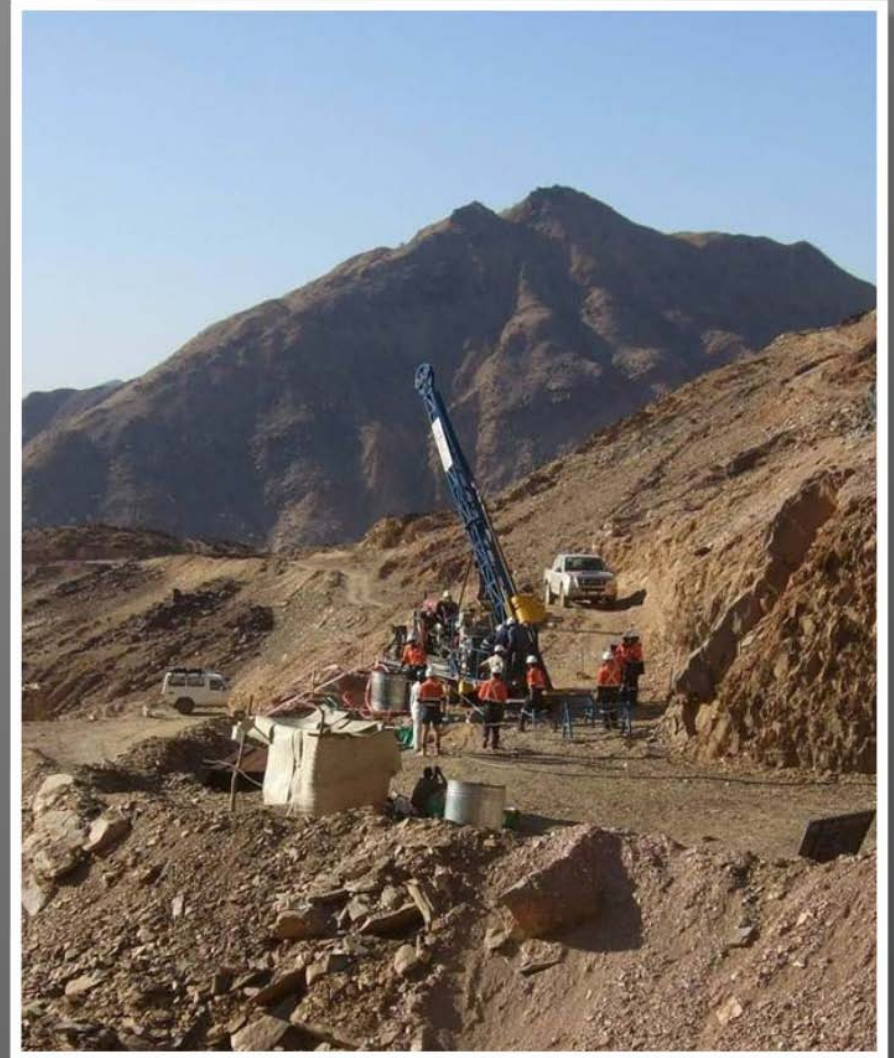
Koka Gold Deposit – In-fill Drilling

- 30 diamond holes (~5,000m) completed, results include:
 - 6m @ 12.4g/t Au
 - 5m @ 21.9g/t Au
 - 10m @ 9.9g/t Au
 - 4m @ 32.8g/t Au
- Results generally consistent with previous drilling:
 - Geometry of ore zone now confirmed in greater detail
 - Better understanding of structural controls obtained from oriented core
 - Basis for upgrade in resource categorization



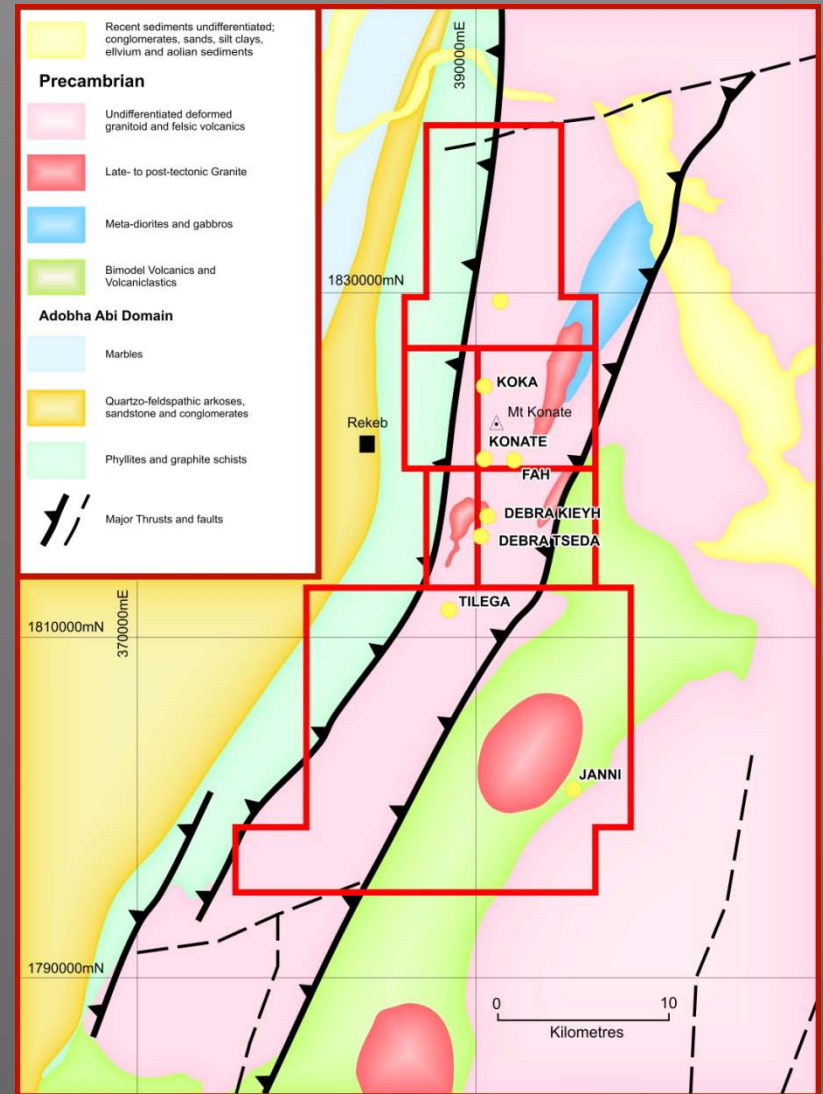
Development Program

- Lycopodium to complete Feasibility Study by mid-2010:
 - *5,000m of diamond drilling to upgrade resource completed*
 - *Hydrological drilling – initial holes indicate adequate water supply – borefield being drilled*
 - *Metallurgical test work complete*
 - *Geotech drilling completed*
 - *Socio-economic studies & EIS nearing completion*
- Drilling underway on currently identified 'near-mine' targets



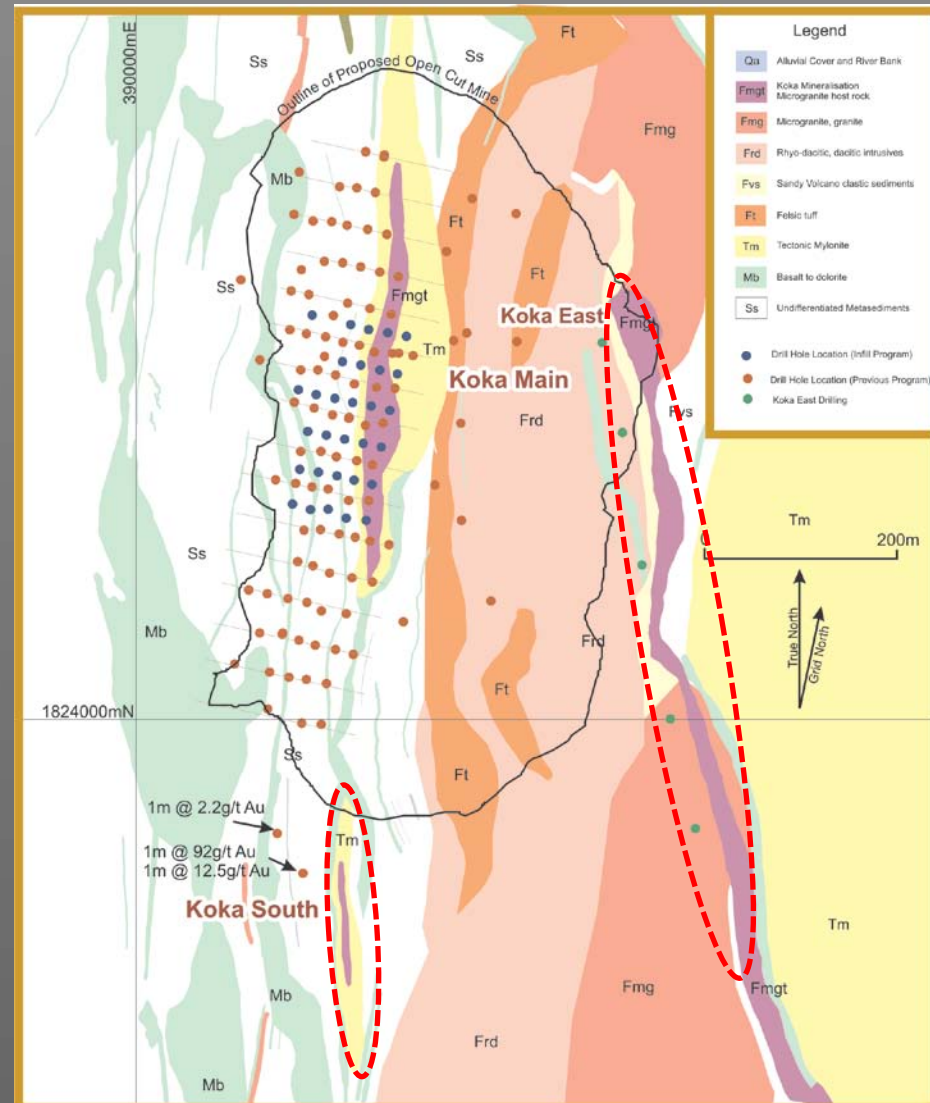
Zara Project – Exploration Potential

- Expanded regional exploration programs underway
- Major regional structural corridor controls gold occurrences
- Granted tenements cover 50km strike on this corridor (~600km²)
- Numerous prospects identified from artisanal gold workings
- Koka Deposit has been main focus of exploration to date
- Enormous potential to increase existing resources and discover new deposits



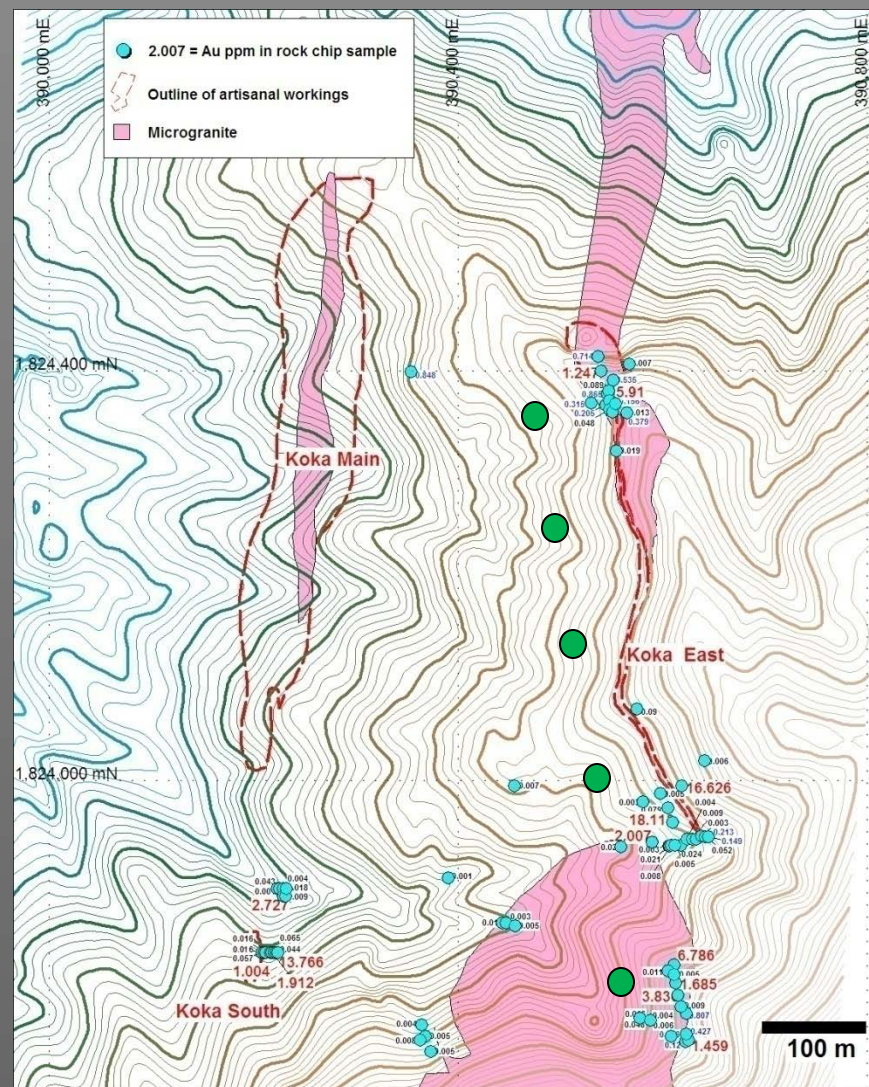
Koka Exploration – Near-Mine

- Other targets identified in immediate vicinity include:
 - *Koka South Extension – IP resistivity anomaly*
 - *Koka East – artisanal workings on high-grade quartz veins*



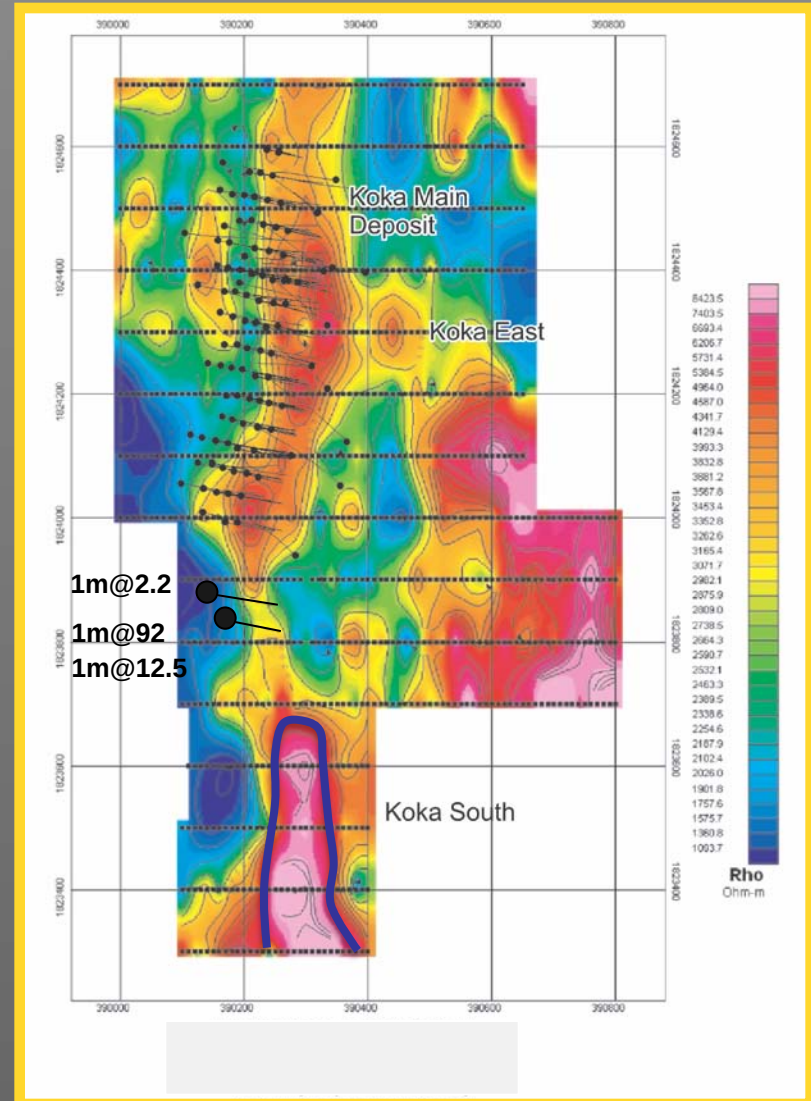
Koka East

- Hangingwall of Koka Main Zone
- Artisanal workings and prospecting pits over 500m strike
- Koka-style alteration and quartz stockwork mineralisation in microgranite
- Outcrops over 50m width with rock chip samples up to 18g/t
- Very little sampling to date
- First-pass drilling underway



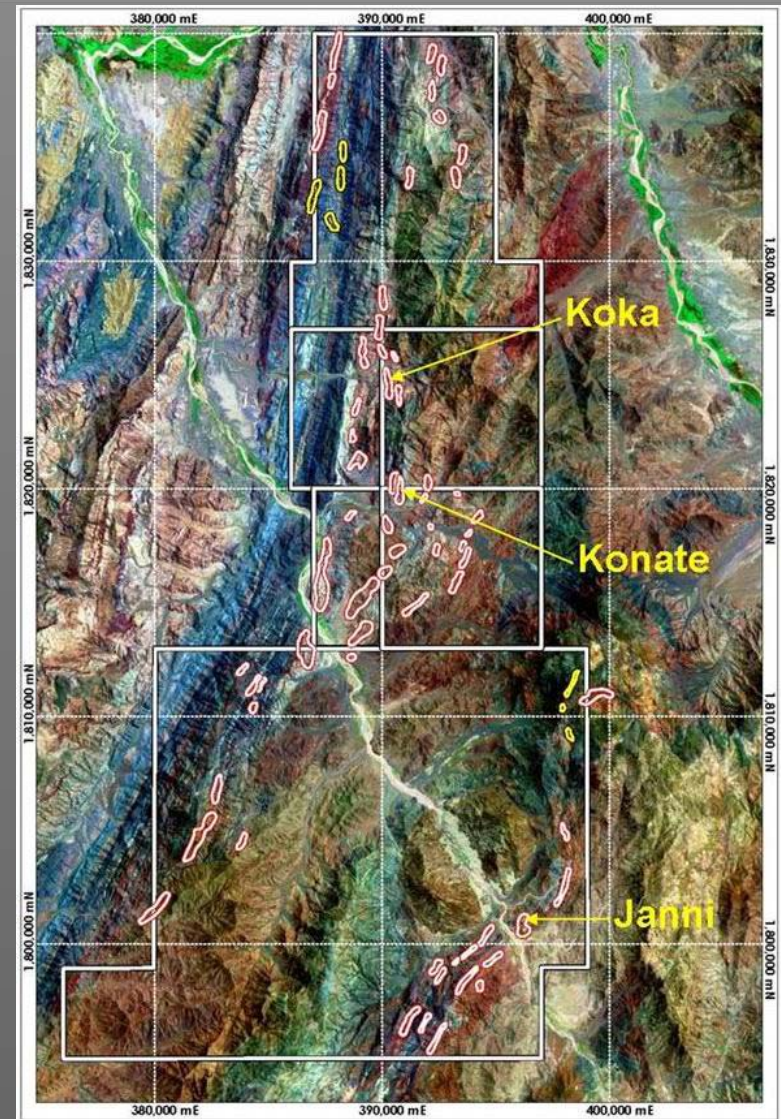
Koka South

- Strong IP resistivity anomaly identified 500m to the south of Koka
- Ground follow-up confirmed zone of silica-sericite altered microgranite
- Limited drilling confirmed Koka-style mineralization – up to 92g/t over 1m
- Potential ‘blind’ system open downplunge to south
- Drilling commenced south of previous intersections



Landsat Interpretation

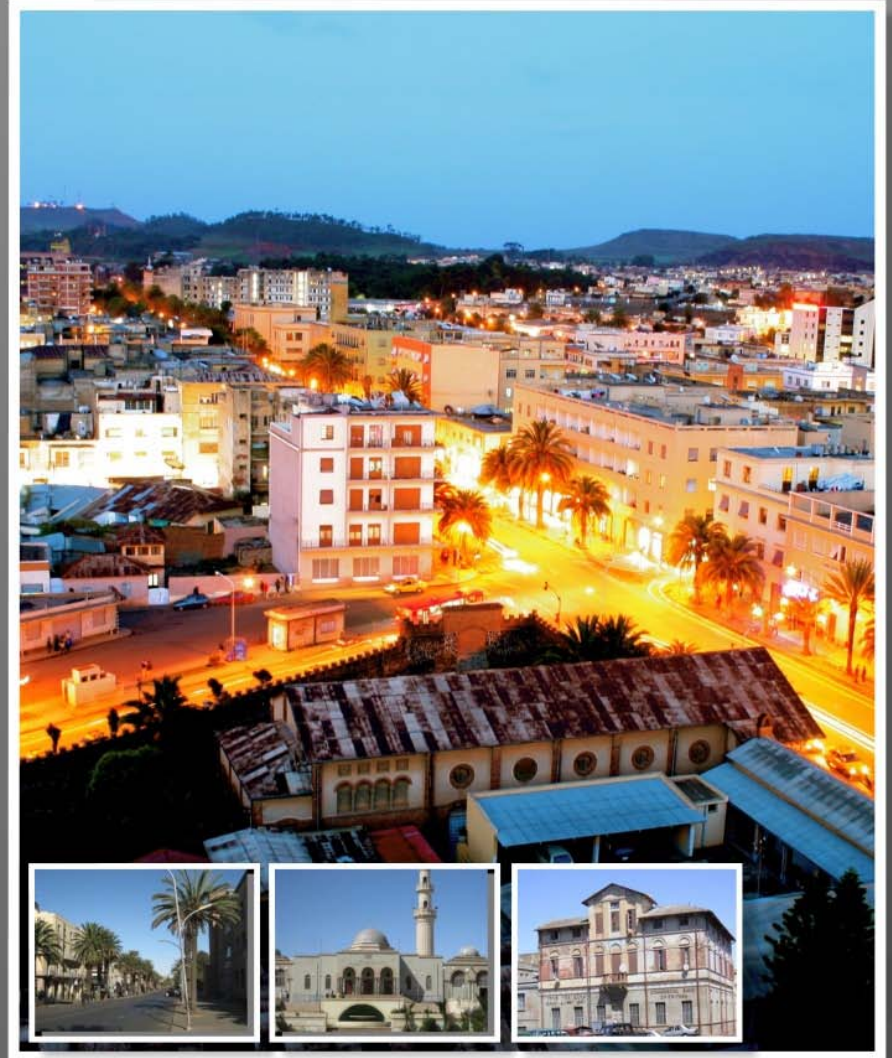
- Study covered $\sim 38,000\text{km}^2$
- ~ 60 new targets identified within 615km^2 CHN tenement block
- Both gold (Koka-type) & VHMS (Bisha-type) base metal targets identified
- Field work has already validated some of the targets on the ground
- Regional structural interpretation underway to rank & prioritise targets
- Applications lodged for additional ground



Eritrea Overview



- Stable operating and social environment
- Proactive Government stance on mining developments – “open for business”
- Modern Mining Code
- Increasing foreign exploration & mining investment – 13 groups now active in country



Summary

- Koka Gold Deposit:
 - *Advanced high grade gold deposit*
 - *Strong economics*
 - *Low technical risk*
 - *Feasibility Study due mid-2010*
- Aggressive exploration programs underway to expand resource base
- Strategic ground position in emerging gold & base metal province
- Experienced Board and Management with extensive expertise in African gold sector





“Poised for Production in East Africa ”

Corporate Presentation

April 2010

www.chalicegold.com