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2014
NOTICE OF ANNUAL GENERAL MEETING,
EXPLANATORY STATEMENT AND PROXY FORM

The Annual General Meeting of the Company will be held at the office of Chalice Gold Mines Limited, Level 2, 1292 Hay Street, West Perth, Western Australia, on 26 November 2014 at 12.00 pm (WST)

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TIME AND PLACE OF MEETING AND HOW TO VOTE

VENUE

The Annual General Meeting of the Shareholders of Chalice Gold Mines Limited (“**Chalice**” or “**the Company**”) to which this Notice of Meeting relates will be held at 12.00 pm (WST) on Wednesday 26 November 2014 at the office of Chalice Gold Mines Limited, Level 2, 1292 Hay Street, West Perth, Western Australia.

YOUR VOTE IS IMPORTANT

The business of the Annual General Meeting affects your shareholding and your vote is important.

VOTING IN PERSON

To vote in person, attend the Annual General Meeting on the date and at the place set out above.

VOTING BY PROXY

All Shareholders who are entitled to attend and vote at the meeting have the right to appoint a proxy to attend and vote for them. The proxy does not have to be a Shareholder. Shareholders holding two or more Shares can appoint either one or two proxies. If two proxies are appointed, the appointing Shareholder can specify what proportion of their votes they want each proxy to exercise. The solicitation of proxies is being made by management of the Company.

To vote by proxy, please complete and sign the proxy form enclosed and either send it:

- (a) by post to Computershare Investor Services Pty Limited, GPO Box 242, Melbourne, VIC, 3001 (reply paid envelope enclosed); or
- (b) by facsimile (within Australia) 1800 783 447 and (outside Australia) +61 3 9473 2555,

so that it is received **no later than 12.00 pm (WST) on 24 November 2014**, being not less than 48 hours prior to the commencement of the meeting. Proxy forms received later than this time will be invalid. Where the proxy form is executed under power of attorney, the power of attorney must be lodged in the same way as the proxy form.

Proxy vote if appointment specifies way to vote

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, if it does:

- (a) the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed);
- (b) if the proxy has 2 or more appointments that specify different ways to vote on the resolution – the proxy must not vote on a show of hands;
- (c) if the proxy is the chairman of the meeting at which the resolution is voted on – the proxy must vote on a poll, and must vote that way (i.e. as directed); and
- (d) if the proxy is not the chairman – the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

Transfer of non-chair proxy to chair in certain circumstances

Section 250BC of the Corporations Act provides that, if:

- (a) an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members;
- (b) the appointed proxy is not the chairman of the meeting;
- (c) at the meeting, a poll is duly demanded on the resolution; and
- (d) either of the following applies:
 - (i) the proxy is not recorded as attending the meeting;

- (ii) the proxy does not vote on the resolution,

the chairman of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

BODIES CORPORATE – CORPORATE REPRESENTATION

A body corporate may appoint an individual as its representative to exercise any of the powers the body may exercise at the meeting of Shareholders. The appointment may be a standing one.

VOTING ENTITLEMENTS

The Board has determined that, for the purpose of voting at the meeting, Shareholders are those persons who are the registered holders of the Company's shares at 4.00pm (WST) on 24 November 2014. As at 16 October 2014 there were 287,491,719 Shares outstanding. Subject to the disclosure set-out herein, each holder of Shares is entitled to one vote per Share.

MAJOR SHAREHOLDERS

To the knowledge of the Company, other than as set out herein, no person beneficially owns, controls or directs directly or indirectly, voting securities carrying 10% or more of the voting rights:

- Mr Timothy Goyder, a director of Chalice, owns approximately 41.7 million Shares, representing 14.5% of the issued and outstanding Shares of the Company; and
- Franklin Resources Inc. and its affiliates owns approximately 31.1 million Shares, representing 10.46% of the issued and outstanding Shares of the Company.

ENQUIRIES

The Company welcomes enquiries in respect of matters covered in this Annual Notice of Meeting and Explanatory Memorandum and the attendance of Shareholders at the General Meeting. Should you require further information please contact:

The Company Secretary
Leanne Stevens
Phone: (+61 8) 9322 3960
Fax: (+61 8) 9322 5800
Email: lstevens@chalicegold.com

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS GIVEN that the Annual General Meeting ("**Meeting**") of the Shareholders of Chalice Gold Mines Limited (the **Company**) will be held at the office of Chalice Gold Mines Limited, Level 2, 1292 Hay Street, West Perth, Western Australia on Wednesday 26 November 2014 at 12.00 pm (WST).

AGENDA

FINANCIAL REPORT

To receive and consider the Company's Financial Report and the reports of the directors and auditor for the year ended 30 June 2014.

RESOLUTION 1 - REMUNERATION REPORT

To consider and, if thought fit, to pass as an ordinary resolution:

"That for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's annual financial report for the financial year ended 30 June 2014."

Note: The vote on Resolution 1 is advisory only and does not bind the Directors or the Company.

Voting Exclusion Statement

In accordance with section 250R of the Corporations Act votes must not be cast and the Company will disregard any vote cast on Resolution 1 by, or on behalf of:

- (a) a member of the key management personnel whose remuneration details are included in the Remuneration Report ("**Key Management Personnel**"); or
- (b) a closely related party (such as close family members and any controlled companies) of those persons ("**closely related party of Key Management Personnel**"),

unless the vote is cast by a person as a proxy for a person entitled to vote in accordance with a direction on the Proxy Form, or by the Chairman as proxy for a person entitled to vote and the Chairman has received express authority to vote undirected proxies as the Chairman sees fit even if Resolution 1 is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

The Chairman intends to vote all available proxies in favour of the Resolution.

RESOLUTION 2 - RE-ELECTION OF MR STEPHEN QUIN AS A DIRECTOR

To consider and if thought fit, to pass the following as an ordinary resolution:

"To elect as a Director, Mr Stephen Quin, who retires by rotation in accordance with clause 14.4(a) of the Company's constitution and the ASX Listing Rules and, being eligible, offers himself for re-election."

RESOLUTION 3 – RENEWED APPROVAL OF THE EMPLOYEE LONG TERM INCENTIVE PLAN

To consider and if thought fit, to pass the following as an ordinary resolution:

*"That for the purposes of ASX Listing Rule 7.2, exception 9(b) and for all other purposes, Shareholders approve the Company's existing Employee Long Term Incentive Plan ("**Plan**"), the terms and conditions of which are summarised in the Explanatory Statement, and the grant of Performance Rights under the Plan and the issue of Shares upon the vesting of such Performance Rights as required."*

Voting Exclusion Statement

The Company will disregard any vote cast on Resolution 3 by any Director (except one who is ineligible to participate in any employee incentive scheme of the Company) or any of their respective associates.

However the Company need not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (b) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Further, members of Key Management Personnel and their closely related parties may not vote (and the Company will disregard any such votes) as a proxy on Resolution 3 if the appointment does not specify how the proxy is to vote, unless the proxy is the Chairman of the Meeting and the appointment expressly authorises the Chairman to exercise the proxy even if Resolution 3 is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

The Chairman intends to vote all available proxies in favour of the Resolution.

By order of the Board



LEANNE STEVENS
Company Secretary

16 October 2014

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of the Shareholders in connection with the business to be conducted at the Annual General Meeting of Chalice Gold Mines Limited ("**Chalice**" or "**the Company**") to be held at the office of Chalice Gold Mines Limited, Level 2, 1292 Hay Street, West Perth, Western Australia on Wednesday 26 November 2014 at 12.00 pm (WST).

At the Annual General Meeting, Shareholders will be asked to consider the following Resolutions:

Resolution 1	Remuneration Report
Resolution 2	Re-election of Mr Stephen Quin as a Director
Resolution 3	Renewed approval of the Employee Long Term Incentive Plan

The purpose of this Explanatory Statement is to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the resolutions in the Notice of Meeting. It explains the Resolutions and identifies the Board's reasons for putting them to Shareholders. The Explanatory Memorandum should be read in conjunction with the accompanying Notice of Meeting.

FINANCIAL STATEMENT AND REPORTS

The Corporations Act at section 317 requires the Company to lay before the Annual General Meeting the Financial Report, Directors' Report (including the remuneration report) and the Auditor's Report for the last financial year that ended before the Annual General Meeting.

No resolution is required for this item, but Shareholders will be provided with a reasonable opportunity to ask questions or make comments in relation to these reports. The Company's auditor will also be present at the meeting and Shareholders will be given the opportunity to ask the auditor questions about the conduct of the audit, the preparation and content of the Auditor's Report, the accounting policies adopted by the Company and the independence of the auditor.

RESOLUTION 1 – REMUNERATION REPORT

A resolution for adoption of the Remuneration Report is required to be considered and voted on in accordance with section 250R(2) of the Corporations Act. The Remuneration Report details the Company's policy on the remuneration of the Company's Key Management Personnel, being its non-executive Directors, executive Directors, the Managing Director and senior executives and is set out in the Company's 2014 Annual Report. In accordance with section 250R(3), the vote on the adoption of the Remuneration Report is advisory only and does not bind the Directors or the Company. However, the Board will take the outcome of the vote into consideration when reviewing the remuneration practices and policies of the Company.

The *Corporations Amendment (Improving Accountability on Director and Executive Remuneration) Act 2011* which came into effect on 1 July 2011, amended the Corporations Act to provide that Shareholders will have the opportunity to remove the whole Board except the managing director if the Remuneration Report receives a 'no' vote of 25% or more ("**Strike**") at two consecutive annual general meetings.

Where a resolution on the Remuneration Report receives a Strike at two consecutive annual general meetings, the Company will be required to put to Shareholders at the second annual general meeting a resolution on whether another meeting should be held (within 90 days) at which all Directors (other than the managing director) who were in office at the date of approval of the applicable Directors' Report must stand for re-election.

The Company's Remuneration Report did not receive a Strike at the 2013 annual general meeting. If the Remuneration Report receives a Strike at this Meeting, Shareholders should be aware that if a second Strike is received at the 2015 annual general meeting, this may result in the re-election of the Board.

Shareholders will be provided with a reasonable opportunity to ask questions and to make comments on the Remuneration Report at the Annual General Meeting.

Proxy voting restrictions

Shareholders appointing a proxy for this Resolution should note the following:

- (a) If you appoint a member of the Key Management Personnel (other than the Chairman) whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such a member as your proxy:

You must direct your proxy how to vote on this Resolution. Undirected proxies granted to these persons will not be voted and will not be counted in calculating the required majority if a poll is called on this Resolution.

- (b) If you appoint the Chairman as your proxy (where he/she is also a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such a member):

You do not need to direct your proxy how to vote on this Resolution. However, if you do not direct the Chairman how to vote, you must mark the acknowledgement on the Proxy Form to expressly authorise the Chairman to exercise his/her discretion in exercising your proxy even though this Resolution is connected directly or indirectly with the remuneration of Key Management Personnel.

- (c) If you appoint any other person as your proxy:

You do not need to direct your proxy how to vote on this Resolution, and you do not need to mark any further acknowledgement on the Proxy Form.

Recommendation

The Board unanimously recommends that Shareholders vote **in favour** of Resolution 1.

RESOLUTION 2 – RE-ELECTION OF MR STEPHEN QUIN AS A DIRECTOR

Under clause 14.4(a) of the Company's Constitution, one-third (or the number closest to one-third) of the Directors (other than the Managing Director) are required to retire by rotation each year.

Mr Stephen Quin was elected as Director of the Company on 3 May 2010 and in accordance with clause 14.4(a) of the Constitution and the ASX Listing Rules retires. Stephen, being eligible, has offered himself for re-election as a Director in accordance with clause 14.4(c) of the Constitution.

Stephen is a mining geologist with over 35 years' experience in the mining and exploration industry. Stephen is based in Vancouver, Canada, and has been the President and CEO of Midas Gold Corp. and its predecessor since January 2011. Stephen was, until December 2010, President and COO of Capstone Mining Corp. and President & CEO of its predecessor, Sherwood Mining Corp. from 2005 until the combination with Capstone in 2008. He was previously a director of TSX-listed Mercator Minerals Ltd, TSX Venture-listed Troon Ventures and NASDAQ-listed Blue Wolf Mongolia Holdings. Stephen has extensive experience in the resources sector, and in the financing, development and operation of production companies. Stephen is an independent non-executive director of the Company and he is a member of the Audit and Remuneration Committees.

Based in Vancouver, Canada, Mr Quin has continued to assist the Company with his extensive experience in the Canadian markets and resources sector.

Recommendation

The Board (other than Mr Quin) unanimously recommends that Shareholders vote **in favour** of Resolution 2.

WAIVER FROM TSX REQUIREMENTS FOR ANNUAL DIRECTOR ELECTIONS

Effective 31 December 2012, TSX listed entities are required under Section 461.1 of the TSX Company Manual to permit security holders of each class or series of listed securities to vote at each annual general meeting of holders of listed securities on the election of all directors to be elected by such class or series (the 'Annual Election Requirement').

Since the Company's constitution does not require annual election of directors, the Company applied for and was granted a waiver by the TSX from the Annual Election Requirement. The waiver was granted for the following reasons:

- (i) the Company was incorporated under the Corporations Act and its securities are listed on the ASX;
- (ii) the Company has confirmed that at least 75 per cent of the Company's trading value and volume over the six-month period preceding the request for such waiver has occurred on the ASX; and
- (iii) the Company has confirmed that it is in compliance with director election standards and practices of Australia and the ASX.

The Company is required to apply for the aforementioned waiver annually in advance of its subsequent annual meeting.

RESOLUTION 3 – RENEWED APPROVAL OF EMPLOYEE LONG TERM INCENTIVE PLAN

Background

Resolution 3 seeks the renewed approval of Shareholders for the Company's Employee Long Term Incentive Plan ("Plan") and for the issue of Performance Rights (and Shares on their vesting) under the Plan. The Plan was approved by Shareholders at the Company's 2011 Annual General Meeting. Under the ASX Listing Rules, a refreshed approval by Shareholders is required every 3 years.

The Board introduced the Plan to provide its employees (including the Managing Director and other Executive Directors) with long term incentives designed to create a link between the delivery of value to Shareholders, financial performance and the rewarding and retaining of executives. Under the Plan, the Board has discretion to grant Performance Rights to any person it determines eligible in accordance with the terms of the Plan.

ASX Listing Rule 7.1 provides that a listed company may not issue equity securities equal to more than 15% of that company's issued share capital in any 12 months without obtaining shareholder approval. An exception to ASX Listing Rule 7.1 is set out in ASX Listing Rule 7.2 (Exception 9) which provides that issues under an employee incentive plan (such as the Plan) are exempt for a period of 3 years from the date on which shareholders approve the issue of securities under the plan as an exception to ASX Listing Rule 7.1.

Shareholder approval is therefore sought for the grant of Performance Rights and issue of Shares to eligible participants under the Plan for the purposes of Exception 9 of ASX Listing Rule 7.2. If approval is given, Performance Rights granted under the Plan and Shares issued subsequent to the vesting of those Performance Rights will not be included in the 15% calculations for the next three year period.

The Plan is available to both full-time and part-time employees (including the Managing Director and other Executive Directors). Since the Plan was last approved by Shareholders on 22 November 2011, 3,129,149 Performance Rights have been issued under the Plan.

Any issue of Performance Rights to a Director or related party of the Company under the Plan will require separate Shareholder approval.

Summary of the Plan

Participation

A Performance Right is a right to be issued a Share upon the satisfaction of certain performance conditions that are attached to the Performance Right, as determined by the Board.

As part of the company's strategy, the Board wishes to be in a position to grant Performance Rights under the Plan to employees (including the Managing Director and other Executive Directors) or an approved nominee to achieve the objectives outlined above.

In accordance with the requirements of the ASX Listing Rules, prior Shareholder approval will be required before any Director or related party of the Company can participate in the Plan.

Rules

Performance Rights granted under the Plan to eligible participants will be subject to performance conditions as determined by the Board from time to time. These performance conditions must be satisfied in order for the Performance Rights to vest. Upon Performance Rights vesting, the Performance Rights will automatically be exercised and the participant will be granted Shares (at no cost to the participant) as soon as reasonably practicable to satisfy the Performance Rights.

The main features of the Plan (and the terms and conditions to be attached to the Plan) are summarised as follows:

- (a) **Eligible Participants:** All full-time employees and part-time employees (including the Executive Directors and the Managing Director) of the Company are eligible participants under the Plan. As noted above, Shareholder approval is required before any Director or related party of the Company can participate in the Plan.
- (b) **Limits on Entitlements:** The maximum number of Shares that is issuable under the Plan, when combined with the number of Shares issued during the previous five years pursuant to the Plan or any other employee incentive scheme of the Company (including the ESOP) but disregarding any offer made, or Performance Rights acquired or Shares issued by way of or as a result of:
 - (i) an offer to a person situated at the time of receipt of the offer outside Australia;

- (ii) an offer that did not need disclosure to investors because of section 708 of the Corporations Act; or
- (iii) an offer made under a disclosure document,

must not exceed 5% of the total number of issued Shares. As of the date hereof, the total number of issued Shares was 287,491,719.

- (c) **Individual Limits:** The Plan does not set out a maximum number of Shares that may be made issuable to any one person or company, other than the 5% limit referred to above.
- (d) **Consideration Payable:** Performance Rights will be granted for no consideration.
- (e) **Vesting:** The Performance Rights granted under the Plan and the performance conditions that must be satisfied in order for the Performance Rights to vest, will be determined by the Board and expressed in a written invitation ("Invitation") made by the Company to the eligible participant which is subject to acceptance by the eligible participant (or their nominee) within a specified period. The performance conditions may include one or more of:
 - (i) employment of a minimum period of time;
 - (ii) achievement of specific performance objectives by the employee and/or by the Company; or
 - (iii) such other performance objectives as the Board may determine and set out in the Invitation.

The Board will determine whether performance conditions have been met and Performance Rights therefore have vested. Upon Performance Rights becoming vested, the Company shall issue Shares to the eligible participant (or, if applicable, their nominee) without further action being required on the part of the eligible participant.

- (f) **Term and Lapse:** The term of the Performance Rights is determined by the Board in its absolute discretion and will be specified in the Invitation but will ordinarily have a three year term up to a maximum of five years. Performance Rights are subject to lapsing if performance conditions are not met by the relevant measurement date or expiry date (if no other measurement date is specified) or if employment is terminated for cause or in circumstances other than as described in the next paragraph.
- (g) **Disability, Redundancy or Death:** Under the Plan, upon the total and permanent disability, redundancy or death of a participant, as defined in the Plan, the Board will assess the employee's performance and determine, in light of their performance and the conditions set out in the Invitation, the number of Shares in respect of any unvested Performance Rights which the employee is entitled to receive within:
 - (i) 6 months from the date of the occurrence of the disability, redundancy or death; or
 - (ii) such longer period as the Board may determine, not being longer than the original expiry time of the Performance Rights.

Generally in these circumstances, Performance Rights which have not vested within the 6 months or such longer period determined by the Board following the total and permanent disability, redundancy or death of a participant, will automatically lapse.

However, the Board will also have the discretion in these circumstances to pay the participant the market value of the Shares in lieu of granting the Performance Rights. The Board may also, subject to compliance with the ASX Listing Rules and the Corporations Act, decide that the calculation of the number of Shares should not be reduced on a pro-rata basis because the participant's employment was reduced as a result of the total and permanent disability, redundancy or death, or bring forward the date on which the Shares will vest in the participant.

- (h) **Restriction on dealing with Shares:** Shares issued to a participant under the Plan will not be subject to dealing restrictions, other than the Company's Share trading policy.
- (i) **Forfeiture:** If a participant acts fraudulently or dishonestly, is in breach of his or her obligations to the Company or ceases to be employed by the Company for any reason other than disability, redundancy or death, the Board will have the discretion to deem any Performance Rights to have lapsed.
- (j) **Assignment:** Without the approval of the Board, Performance Rights may not be transferred, assigned or novated, except, upon death, a participant's legal personal representative may elect to be registered as the new holder of such Performance Rights and exercise any rights in respect of them.

- (k) **Takeover Bid or Change of Control:** The Board will have the discretion to determine the amount of Performance Rights vest in these circumstances.
- (l) **Winding up:** The Board will have the discretion to determine the amount of Performance Rights vest in this circumstance.
- (m) **Alteration in Share Capital:** If there is a reorganisation of the share capital of the Company, the number of Shares, to which an eligible participant is entitled to receive upon vesting of a Performance Right, will be adjusted in the way specified by the ASX Listing Rules from time to time.
- (n) **No Participation Rights:** There are no participation rights or entitlements inherent in the Performance Rights and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Performance Rights.
- (o) **Amendments to Plan:** The Board may at any time and from time to time by resolution alter the Plan. However, any amendment to the Plan is subject to any restrictions or procedural requirements relating to the amendment or the rules of an employee incentive scheme imposed by the ASX Listing Rules or applicable securities laws.
- (p) **Suspension or Termination:** The Board may suspend or terminate the Plan at any time, without notice, but the suspension or termination will not affect any existing grants of Performance Rights already made.

A copy of the complete rules of the Plan is available upon request by contacting the Company Secretary, Leanne Stevens on (08) 9322 3960.

Relief under the Corporations Act

The Company has obtained technical relief from ASIC for certain provisions of the Corporations Act in respect of the Plan. This is due to the fact that Performance Rights (rather than Shares or options) do not neatly fall under ASIC's Class Order for employee incentive schemes. The relief relates to not having to issue a prospectus for the Performance Rights, not having to hold a financial services licence to advise employees about the Plan and relief from the security hawking prohibitions in connection with the Plan. The relief from ASIC was granted 1 December 2011.

Recommendation

The Board unanimously recommends that Shareholders vote **in favour** of Resolution 3.

The Chairman of the meeting intends to vote all undirected proxies in favour of Resolution 3.

GLOSSARY

The following is a glossary of terms and abbreviations used frequently throughout this Explanatory Statement and in the Notice of Meeting and which such meanings shall apply unless the context requires otherwise. Additional terms used only occasionally are defined where used in their first instance in the body of this Explanatory Statement.

"ASIC" means the Australian Securities and Investments Commission.

"ASX" means ASX Limited or the Australian Securities Exchange, as appropriate.

"ASX Listing Rules" means the Listing Rules of ASX.

"Board of Directors" or **"Board"** means the board of Directors.

"Business Day" means a day, other than Saturdays, Sundays or any other public holiday in Perth, Western Australia.

"Chairman" means the chair appointed for the Annual General Meeting.

"Chalice" or **"Company"** means Chalice Gold Mines Limited (ABN 47 116 648 956).

"Constitution" means the constitution of the Company.

"Corporations Act" means the *Corporations Act 2001* (Cth).

"Director" means a director of the Company.

"ESOP" means the Company's Employee Share Option Plan.

"Explanatory Statement" means this explanatory statement.

"Key Management Personnel" is as defined in the Remuneration Report.

"Managing Director" means the managing director of Chalice.

"Meeting" or **"Annual General Meeting"** means the meeting of Shareholders called by the Notice of Meeting.

"Notice" or **"Notice of Meeting"** means this notice of meeting including the Explanatory Statement.

"Office" means Level 2, 1292 Hay Street, West Perth, WA 6005, Australia.

"Option" means an option to acquire a Share in the capital of the Company on the satisfaction of certain conditions.

"Performance Right" means a right granted under the Plan to acquire a Share on the terms set out in the Plan subject to the satisfaction of certain performance conditions.

"Plan" means the Company's Employee Long Term Incentive Plan.

"Remuneration Report" means the remuneration report of the Company for the financial year ended 30 June 2014 (unless otherwise stated) as set out in the Directors' Report contained in the annual 2014 Annual Report to Shareholders.

"Resolution" means a resolution to be considered by the Shareholders at the Meeting.

"Share" means a fully paid ordinary share in the capital of the Company.

"Shareholder" means a holder of a Share.

"Strike" means a 'no' vote of 25% or more on the Resolution approving the Remuneration Report.

"TSX" means the Toronto Stock Exchange.

"WST" means Western Standard Time.



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ABN 47 116 648 956

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MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Lodge your vote:



By Mail:

Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

Alternatively you can fax your form to
(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only
(custodians) www.intermediaryonline.com

For all enquiries call:

(within Australia) 1300 653 212
(outside Australia) +61 3 9946 4402

Proxy Form

For your vote to be effective it must be received by 12:00pm (WST) Monday, 24 November 2014

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

Appointment of Proxy

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

Signing Instructions

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.investorcentre.com under the help tab, "Printable Forms".

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

Turn over to complete the form ➔



Update your securityholder information, 24 hours a day, 7 days a week:

www.investorcentre.com

View the Annual Report:

www.chalicegold.com

Your secure access information is:

SRN/HIN: I9999999999



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030



Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

I ND

Proxy Form

Please mark ☒ to indicate your directions

STEP 1

Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Chalice Gold Mines Limited hereby appoint

☐

the Chairman
of the Meeting OR



PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Chalice Gold Mines Limited to be held at the office of Chalice Gold Mines Limited, Level 2, 1292 Hay Street, West Perth, Western Australia on Wednesday, 26 November 2014 at 12:00pm (WST) and at any adjournment or postponement of that Meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolutions 1 and 3 (except where I/we have indicated a different voting intention below) even though Resolutions 1 and 3 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolutions 1 and 3 by marking the appropriate box in step 2 below.

STEP 2

Items of Business



PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

		For	Against	Abstain
Resolution 1	Remuneration Report	☐	☐	☐
Resolution 2	Re-election of Mr Stephen Quin as a Director	☐	☐	☐
Resolution 3	Renewed approval of the Employee Long Term Incentive Plan	☐	☐	☐

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

SIGN

Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact
Name

Contact
Daytime
Telephone

Date / /

CHN

190994A

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