



Notification of reorganisation of capital - return of capital (cash)

Announcement Summary

Entity name

CHALICE GOLD MINES LIMITED

Applicable security for the return of capital

CHN - ORDINARY FULLY PAID

Announcement Type

New announcement

Date of this announcement

Friday November 23, 2018

Return of Capital amount per security

AUD 0.04000000

Effective Date

Thursday November 29, 2018

Record Date

Friday November 30, 2018

Payment Date

Friday December 7, 2018

Additional Information

The Company currently has on issue 5,500,000 unlisted Options to acquire Shares in the Company with varying exercise prices and exercise dates. In accordance with the Company's Employee Share Option Plan and the ASX Listing Rules, the number of Options on issue will remain the same following the return of capital. However, the exercise price of each Option will be reduced by the same amount paid in respect of each share under the return of capital - meaning that the exercise price for each Option on issue will be reduced by 4 cents.

Refer to below for full details of the announcement

Announcement Details

Part 1 - Entity and announcement details

1.1 Name of +Entity

CHALICE GOLD MINES LIMITED

1.2 Registered Number Type

ABN

Registration Number

47116648956

1.3 ASX issuer code

CHN



1.4 The announcement is

New announcement

1.5 Date of this announcement

Friday November 23, 2018

1.6 ASX +Security Code

CHN

ASX +Security Description

ORDINARY FULLY PAID

Part 2 - Return of capital type and approvals

2.1 Are any of the below approvals required for the return of capital before business day 0 of the timetable?

- Security holder approval
- Court approval
- Lodgement of court order with +ASIC
- ACCC approval
- FIRB approval
- Another approval/condition external to the entity required to be given/met before business day 0 of the timetable for the return of capital.

Yes

2.1a Approvals

Approval/Condition	Date for determination	Is the date estimated or actual?	**Approval received/condition met?
+Security holder approval	Tuesday November 27, 2018	Actual	No
Comments 			

2.2 Is the return of capital a selective reduction of capital

No

Part 3 - Return of capital timetable and details

3.1 +Record date

Friday November 30, 2018

3.2 Does the +entity have quoted options on issue?

No

3.2a Last day for trading in pre-return of capital quoted options



3.3 Effective date. Trading in the re-organised +securities on an "ex return of capital" basis commences. If the +entity has quoted options, trading in the quoted options commences on a +deferred settlement basis. If the +entity's +securities are suspended from trading during this period there will be no +deferred settlement trading however ASX still captures this date.

Thursday November 29, 2018

3.4 +Record Date

Friday November 30, 2018

3.4a If the +entity has quoted options, first day for the +entity to send notice to each +security holder, register +securities on a post-return of capital basis and send holding statements.

3.5 *Issue Date (Payment date). If the +entity has quoted options, +deferred settlement market in options ends. Last day for +entity to send notices to +security holders for quoted options they hold. Last day for +entity to register quoted options on a post-reorganised basis

Friday December 7, 2018

3.5a If the +entity has quoted options, trading in the options starts on a normal T+2 basis

3.5b If the +entity has quoted options, first settlement of trades conducted on a +deferred settlement basis and on a normal T+2 basis

3.6 Currency in which the return of capital is made ("primary currency")

AUD - Australian Dollar

3.7 Return of capital amount per +security

AUD 0.04000000

Part 4 - Other +entity-issued +securities affected by the return of capital

4.1 Will the return of capital affect the exercise price of any +entity-issued options?

No

Part 5 - Further information

5.1 Has the +entity applied for an ATO class ruling in relation to the return of capital?

Yes

5.1a Please provide further information on the ATO ruling

The Company has submitted a class ruling request on behalf of shareholders to the Australian Taxation Office to confirm the tax treatment of the return of capital. Details of the tax treatment will be released to shareholders once the class ruling has been issued by the ATO.

5.2 Source of funds for return of capital

Existing cash balances.

5.3 Further information relating to this return of capital

N/A



5.4 Additional information for inclusion in the Announcement Summary

The Company currently has on issue 5,500,000 unlisted Options to acquire Shares in the Company with varying exercise prices and exercise dates. In accordance with the Company's Employee Share Option Plan and the ASX Listing Rules, the number of Options on issue will remain the same following the return of capital. However, the exercise price of each Option will be reduced by the same amount paid in respect of each share under the return of capital - meaning that the exercise price for each Option on issue will be reduced by 4 cents.