

15 April 2020

Significant nickel-palladium discovery confirmed at Julimar

New wide high-grade palladium-nickel-copper zone intersected ~60m east of the discovery hole, plus wide palladium intervals in all six drill holes assayed to date

Highlights

- Exciting new results received from RC drilling at the **Julimar Nickel-Copper-PGE Project**, ~70km north-east of Perth in Western Australia, following the recently reported discovery hole JRC001.
- A **new, shallow, high-grade Pd-Ni-Cu zone** has been intersected in JRC006, ~60m east of JRC001 (19m @ 8.4g/t Pd, 1.1g/t Pt, 2.6% Ni, 1.0% Cu and 0.14% Co from 48m). Assay results have been received for the first 80m only and include:
 - 41m @ 2.6g/t Pd, 0.4g/t Pt, 0.5% Ni, 0.4% Cu and 0.03% Co from 39m** (sulphide) to limit of assays, including:
 - 31m @ 3.3g/t Pd, 0.5g/t Pt, 0.7% Ni, 0.5% Cu and 0.04% Co from 40m.**
 - 29m @ 1.9g/t Pd and 0.4g/t Pt from surface (oxide), including:
 - 11m @ 3.8g/t Pd and 0.7g/t Pt from surface.
 - The new zones are interpreted to be striking **parallel** to the zone in JRC001 and **remain open in all directions** – aligning with an early to mid-time MLEM anomaly **~200m** to the south.
- In addition, **all six RC drill holes** assayed to date have intersected broad zones of **significant palladium mineralisation** with associated base metals, and three RC drill holes have ended in mineralisation – confirming the **large scale potential** of the newly-named **Gonneville Intrusive**.
- The Gonneville Intrusive is modelled as a **~1.6km long x ~0.7km wide chonolith (irregular shaped intrusive body)** – a favourable geometry for **large-scale magmatic sulphide** deposits globally including **Jinchuan** in China and **Kabanga** in Tanzania.
- Significant intercepts (>0.3g/t Pd) at the southern end of the Intrusive (in addition to intercepts in JRC006) include:
 - 33m @ 6.5g/t Pd, 0.7g/t Pt, 1.6% Ni, 0.7% Cu and 0.1% Co from 44m (JRC001);
 - 30m @ 0.9g/t Pd and 0.4g/t Pt from 8m (oxide) (JRC004);
 - 58m @ 0.9g/t Pd and 0.2g/t Pt from 132m (JRC004 – base metal assays pending);
 - 25m @ 1.3g/t Pd and 0.4g/t Pt from 5m (oxide) (JRC005 – base metal assays pending); and,
 - 60m @ 0.9g/t Pd and 0.2g/t Pt from 30m (JRC005 – base metal assays pending).
- Significant new intercepts (>0.3g/t Pd) at the northern end of the Intrusive include:
 - 119m @ 0.6g/t Pd and 0.1g/t Pt from 124m (JRC002); and,
 - 142m @ 0.6g/t Pd and 0.1g/t Pt from 17m (JRC003);
- The broad zones are associated with trace to c. 5-10% disseminated sulphides (pyrite, pyrrhotite, chalcopyrite) in serpentinised (altered) ultramafic.

- Importantly, **levels of potentially deleterious elements** including arsenic, cadmium and selenium **are all low** in the holes drilled to date.
- All other PGE assays (ruthenium, rhodium, osmium and iridium) remain pending.
- **An RC and diamond rig** are currently drilling and down-hole EM (DHEM) continues to generate off-hole targets that are interpreted to be massive sulphide zones.
- The **100%-owned** Julimar Project covers the entirety of the **~26km x 7km Julimar Intrusive Complex** that is largely under cover and had previously never been explored for nickel-copper-PGEs.
- Chalice remains **fully funded** to continue its **systematic exploration** programs in Western Australia and Victoria, with a current working capital and investments balance of **~\$25 million (~\$0.09 per share)**.

Chalice Gold Mines Limited ("Chalice" or "the Company", ASX: CHN | OTCQB: CGMLF) is pleased to report significant new drilling results at its 100%-owned **Julimar Nickel-Copper-PGE Project**, located ~70km north-east of Perth in Western Australia.

Since the last ASX announcement on 24 March 2020, Reverse Circulation (RC) drilling has intersected a significant new, wide, shallow, high-grade palladium-nickel-copper zone ~60m east of the discovery hole (JRC001). Based on geophysics, this new intercept is interpreted to be a parallel zone to that intersected in JRC001.

In addition, assays have now been received for a total of six RC drill holes (JRC001-006), all of which have intersected broad zones of PGE mineralisation, demonstrating the large scale potential of the newly-named Gonneville Intrusive.

The recent discoveries by Chalice confirm the region as a new Ni-Cu-PGE province, where Chalice now has a commanding >2,000km², 100%-owned licence holding.

Commenting on the discovery, Chalice's Managing Director, Alex Dorsch, said: "Activities at Julimar have ramped up significantly since our outstanding discovery hole, and the new exciting results confirm that we appear to have a very large palladium-nickel discovery on our hands, with associated platinum, copper and cobalt.

"We have defined what appears to be a new parallel high-grade Pd-Ni-Cu zone to the east of the discovery intercept that remains wide open and appears to have significant strike potential.

"In addition, assays received to date have confirmed that all of our drill holes have intersected significant broad zones of palladium – a surprising result that highlights the metal-rich nature of the intrusive and its potential to deliver a discovery of considerable scale.

"While the broad palladium intervals point to a large-scale PGE discovery, our focus remains on defining high-grade zones of mineralisation which, according to the geological analogues such as Jinchuan in China and Kabanga in Tanzania, could be found at depth below the disseminated sulphide zones.

"As such, two rigs continue to drill high-priority EM targets that are being generated with DHEM.

"The discovery at Julimar has demonstrated that this region is a new Ni-Cu-PGE province and regional activities are also now being planned. Chalice remains in an enviable position, with the funding to continue our systematic exploration programs through the current challenging market conditions."

Operational update

Following the discovery of high-grade nickel-copper-palladium mineralisation in the first drill hole at Julimar (JRC001 – refer to ASX Announcement on 23 March 2020), a total of eight RC holes have now been

completed, testing high-priority Moving Loop EM (MLEM) targets and nickel-copper soil anomalies at the newly-named Gonneville Intrusive.

A diamond drill rig has recently commenced drilling to provide early geological and structural information relating to the zone discovered in JRC001.

Based on logged geology and mineralised intervals in holes JRC001-006, base metal (Ni-Cu-Co) assays for massive/matrix sulphide zones and platinum-palladium assays for disseminated sulphide zones were prioritised to ensure rapid turnaround and to maximise drilling effectiveness.

All platinum-palladium assays have now been received for these six RC drill holes. Assays for base metals are yet to be received for several holes and assays for other PGEs (ruthenium, rhodium, osmium and iridium) are also pending.

The COVID-19 pandemic has had minimal impact on the operational schedule to date, however appropriate protocols are in place to reduce the associated risks to employees and contractors.

RC drilling results – Gonneville South

Five RC drill holes have been drilled to test Conductors 'E', 'D' and 'C' at the southern end of the Gonneville Intrusive (Figure 1).

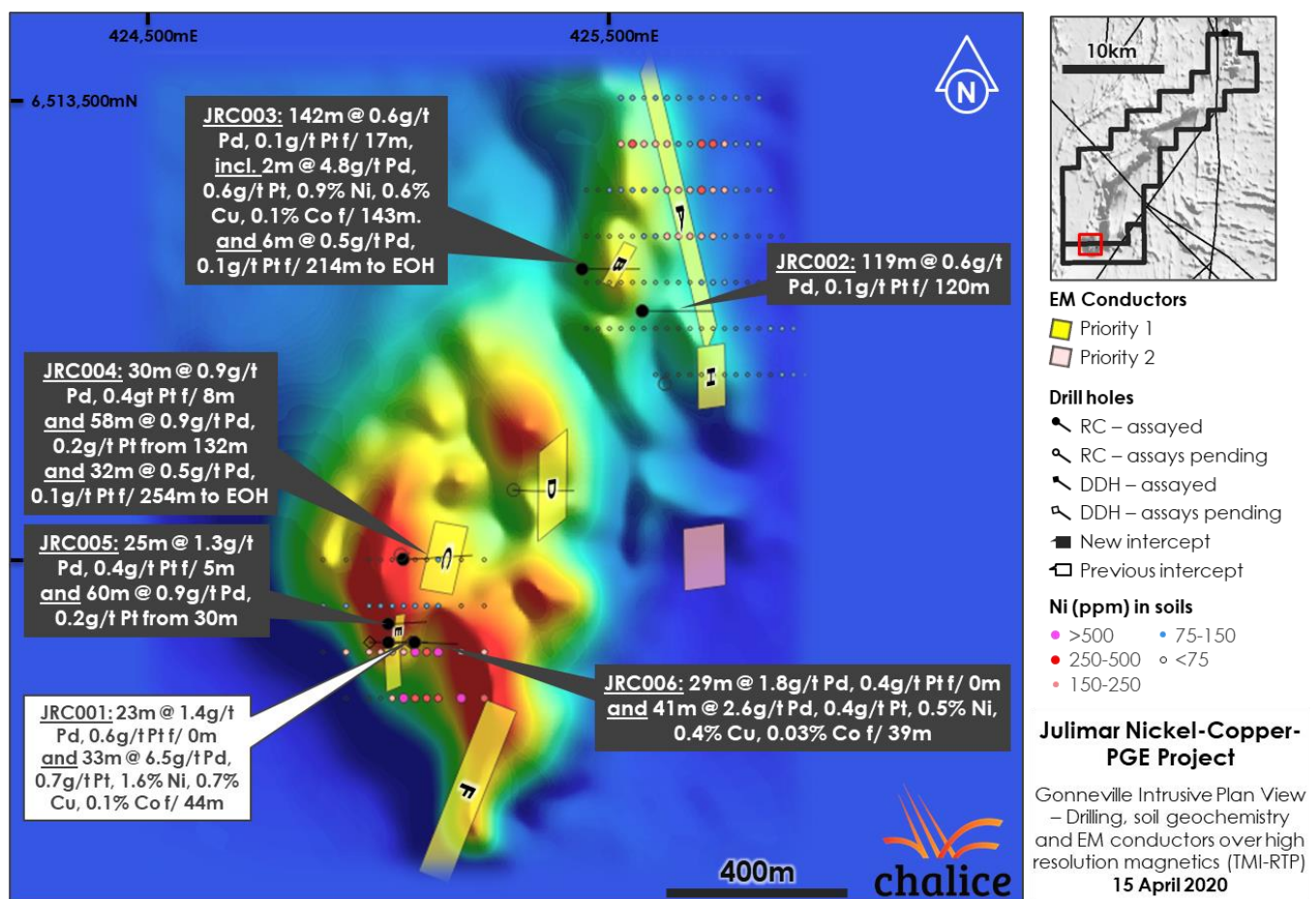


Figure 1. Gonneville Intrusive Plan View – Drilling and EM conductors over high-resolution magnetics.

JRC006

JRC006 was drilled ~60m east of discovery hole JRC001 (19m @ 8.37g/t Pd, 1.11g/t Pt, 2.59% Ni, 1.04% Cu and 0.14% Co from 48m) to test the eastern continuation of a coincident Ni-Cu soil anomaly. JRC006 has intersected:

- 29m @ 1.85g/t Pd and 0.36g/t Pt from surface in oxide, including:
 - 11m @ 3.81g/t Pd and 0.70g/t Pt from surface; including:
 - 5m @ 5.83g/t Pd and 1.13g/t Pt from 1m; and,
- 41m @ 2.58g/t Pd, 0.41g/t Pt, 0.55% Ni, 0.40% Cu and 0.03% Co from 39m to the limit of assays (assays below 80m are pending), in predominantly moderately oxidised matrix sulphides, subordinate massive sulphides and minor zones of serpentinite; including:
 - 31m @ 3.27g/t Pd, 0.51g/t Pt, 0.67% Ni, 0.48% Cu and 0.04% Co from 40m.

The true width of the intervals is unknown. The uppermost sulphide zone (40-56m) is moderately oxidised with pyrite-pyrrhotite-chalcopryrite sulphides. This transitions into a zone of predominantly pyrrhotite-chalcopryrite matrix sulphides over 56-63m and 66-72m.

The above sulphide zones were not directly detected with MLEM, however the new intercept is located ~200m north of, and along strike from, a moderate conductance, early to mid-time MLEM anomaly (**Figure 2**).

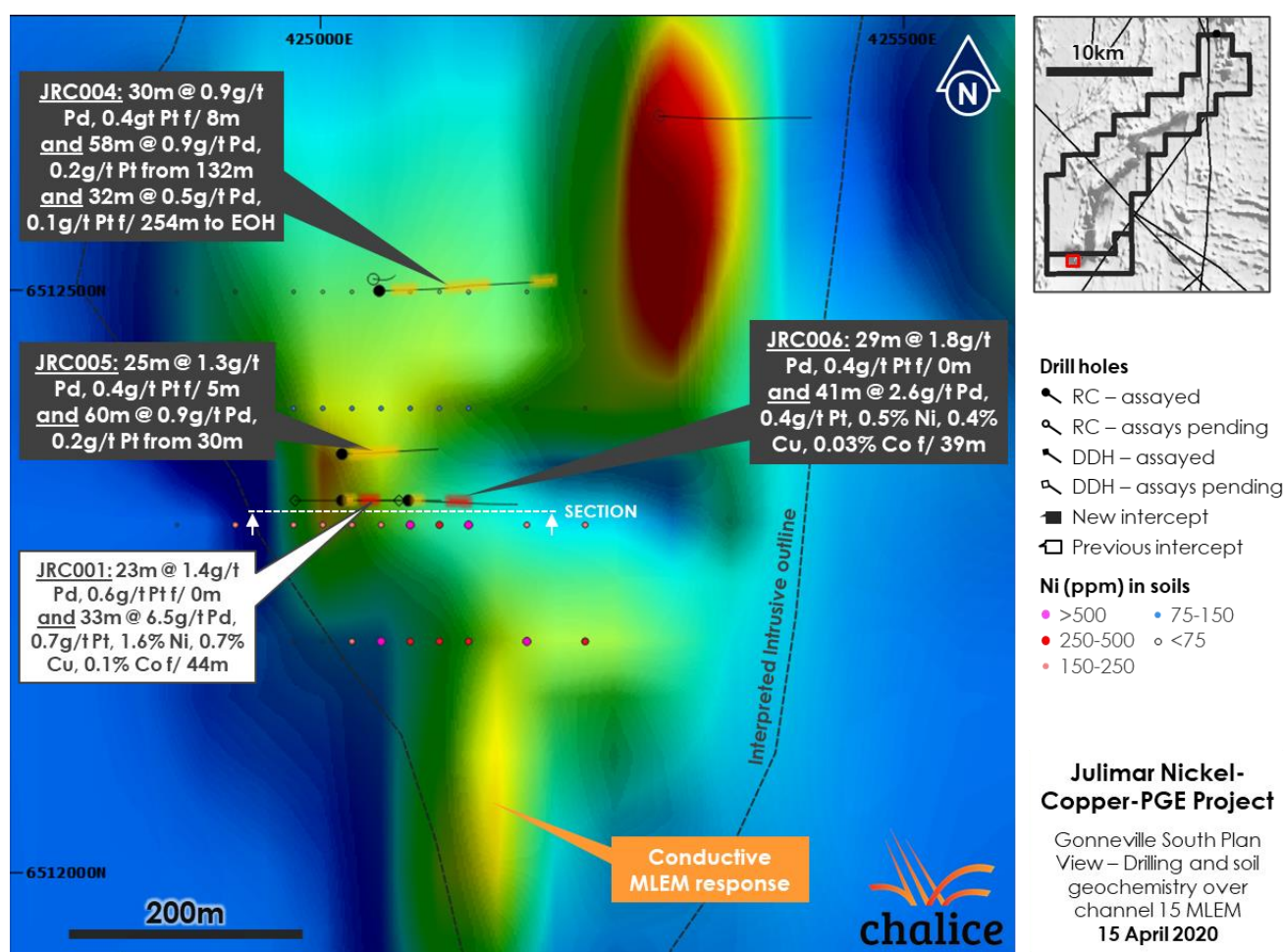


Figure 2. Gonneville South Plan View – Drilling and soil geochemistry over channel 15 MLEM.

Thus the intersection is interpreted as a new parallel zone to that intersected in JRC001, with an approximate north-south strike, which remains open in all directions – an exciting result.

Preliminary geological interpretation suggests that this zone may have been intersected in JRC001 from 99m down-hole (23m @ 0.60g/t Pd and 0.17g/t Pt from 99m), however more drilling is required to confirm the dip of the zone (**Figure 3**).

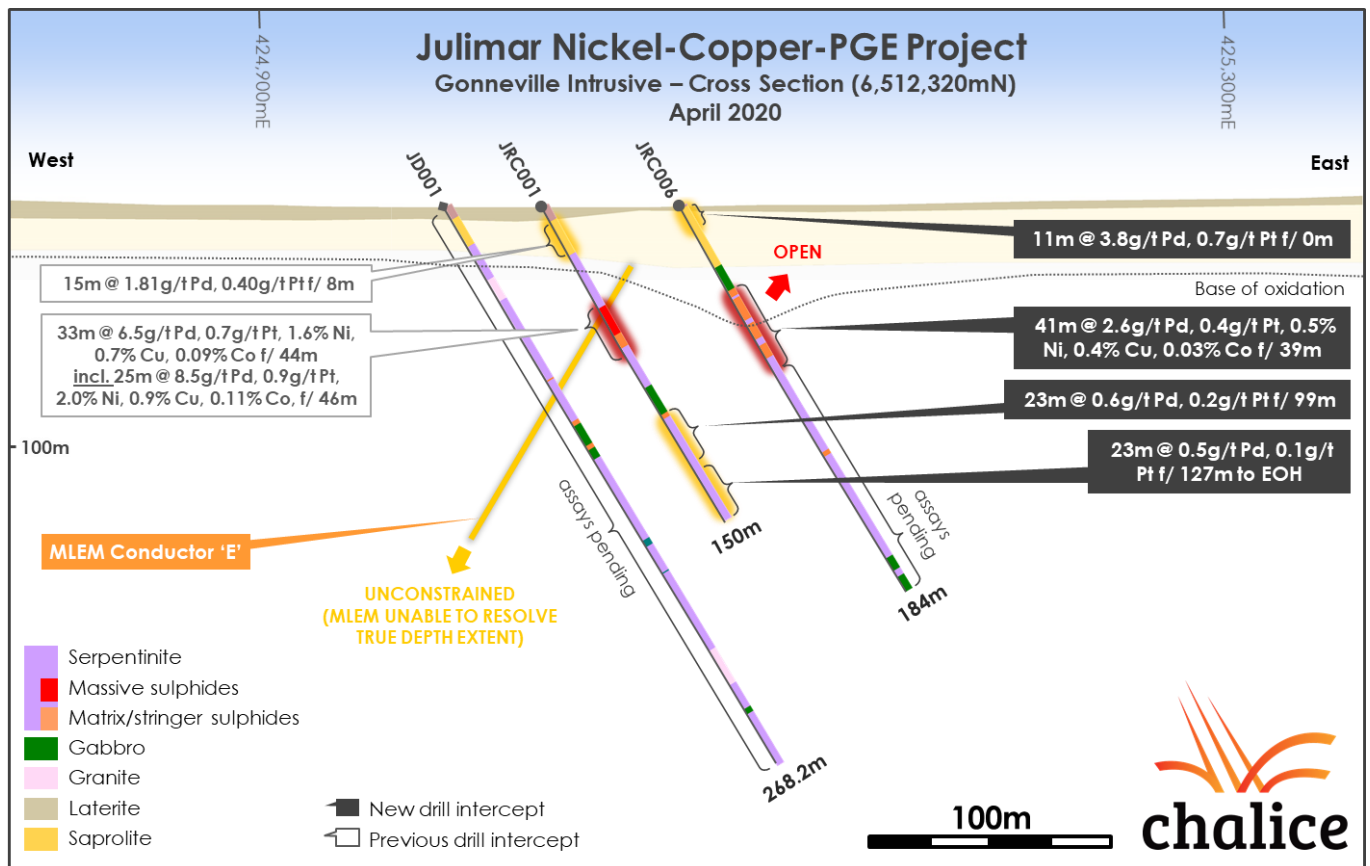


Figure 3. Gonneville Intrusive Cross-Section (JRC001, JRC006 and JD001)

JRC005

JRC005, which was drilled to test the possible northern extension to the mineralised zone discovered in JRC001, intersected:

- 25m @ 1.29g/t Pd and 0.39g/t Pt from 5m in oxide;
- 60m @ 0.87g/t Pd and 0.20g/t Pt from 30m; including:
 - 2m @ 1.65g/t Pd and 0.14g/t Pt from 49m in massive sulphide stringers; and,
 - 16m @ 1.76g/t Pd and 0.41g/t Pt from 74m.

The true width of the intervals is unknown. The elevated PGEs are associated with massive sulphide stringers and disseminated sulphides in predominantly serpentinised ultramafic intrusive rock-types. Base metal assays and DHEM results for the hole are pending.

JRC004 and JRC008

JRC004, which was drilled to test Conductor 'C', ~200m north-east of JRC001, intersected:

- 30m @ 0.90g/t Pd and 0.38g/t Pt from 8m in oxide; and,
- 58m @ 0.92g/t Pd and 0.24g/t Pt from 132m; including:
 - 8m @ 2.24g/t Pd and 0.49g/t Pt from 170m.

The full extent of the mineralised zones intersected is unknown, as the hole ended in mineralisation with an intersection of:

- 32m @ 0.46g/t Pd and 0.10g/t Pt from 254m to end-of-hole (EOH).

The true width of the intervals is unknown. The elevated PGEs are associated with disseminated sulphides in predominantly serpentinitised ultramafic intrusive rock-types. Base metal assays for the hole are pending.

No conductive zone was intersected in JRC004 to explain the presence of Conductor 'C'. However, a subsequent DHEM survey has identified a strong off-hole conductor ('C1'), consistent with a massive sulphide source, modelled to be about 30m below JRC004.

JRC008 was drilled to test the new Conductor 'C1', however had to be abandoned due to excessive deviation. 'C1' will be tested by a follow-up RC drill hole in the coming weeks.

JRC007

JRC007 was drilled to test Conductor 'D', ~400m north-east of JRC001, and intersected broad zones of disseminated sulphides with several narrow zones of massive sulphide stringers. All assays for this hole are pending.

JRC001

Pd and Pt assays have also been received for the lower section of JRC001 (100-150m) along with cobalt assays for the entire hole (not reported previously). Revised intercepts for JRC001 include:

- 23m @ 1.37g/t Pd, 0.63g/t Pt, 0.16% Ni, 0.23% Cu and 0.01% Co (oxide) from surface;
- 33m @ 6.54g/t Pd, 0.72g/t Pt, 1.56% Ni, 0.68% Cu and 0.09% Co from 44m; including:
 - 25m @ 8.50g/t Pd, 0.91g/t Pt, 2.02% Ni, 0.88% Cu and 0.11% Co from 46m;
- 23m @ 0.60g/t Pd and 0.17g/t Pt from 99m; and,
- 23m @ 0.50g/t Pd and 0.12g/t Pt from 127m to EOH.

The true width of the intervals is unknown. The elevated PGEs from 99m are associated with disseminated sulphides in predominantly serpentinitised ultramafic intrusive rock-types.

RC drilling results – Gonneville North

Two RC drill holes have been drilled to test Conductors 'A' and 'B' at the northern end of the Gonneville Intrusive (**Figure 1**).

JRC002

As reported to the ASX on 24 March 2020, JRC002 was drilled to test Conductor 'A' and did not intersect any significant zones of matrix or massive Ni-Cu sulphide mineralisation. However, assays have confirmed that this hole intersected a wide zone of palladium mineralisation:

- 119m @ 0.58g/t Pd and 0.12g/t Pt from 120m; including:
 - 12m @ 1.40g/t Pd and 0.22g/t Pt from 175m.

The true width of the intervals is unknown. The elevated PGEs are associated with disseminated sulphides in predominantly serpentinised ultramafic intrusive rock-types.

JRC003

JRC003, which was drilled to test Conductor 'B', ~100m north-west of JRC002, intersected another wide zone of palladium mineralisation:

- 142m @ 0.60g/t Pd and 0.13g/t Pt from 17m; including:
 - 2m @ 4.77g/t Pd, 0.65g/t Pt, 0.94% Ni, 0.64% Cu and 0.10% Co from 143m, within a zone of semi-massive sulphides, which corresponds with the modelled MLEM plate, however DHEM is yet to be completed on this hole.

The full extent of the mineralised zones intersected is unknown, as the hole ended in mineralisation with an intersection of:

- 6m @ 0.47g/t Pd and 0.10g/t Pt from 214m to EOH.

The true width of the intervals is unknown. The elevated PGEs (other than from 143-145m) are associated with disseminated sulphides in predominantly serpentinised ultramafic intrusive rock-types.

The mineralisation intersected in both JRC002 and JRC003 remains open in all directions – a significant result that confirms the scale potential of the intrusive.

Further work is underway to characterise the mineralogy of the massive, matrix and disseminated sulphide assemblages and the petrography of the mafic-ultramafic host rocks. Importantly, levels of potentially deleterious elements including arsenic, cadmium and selenium are all low in the holes drilled to date.

All new hole details are provided in **Table 1** and all new significant assays are detailed in **Table 2**.

Geophysical modelling

An inversion of regional 200m line spacing aeromagnetic data was recently performed by Chalice's geophysicist, in order to define a potential geometry of the intrusive in three dimensions.

The Gonneville Intrusive is modelled as a ~1,600m long x ~700m wide x ~650m deep chonolith body (an igneous rock intrusion of irregular shape but with a demonstrable base), with an interpreted gentle northerly plunge (**Figure 4**).

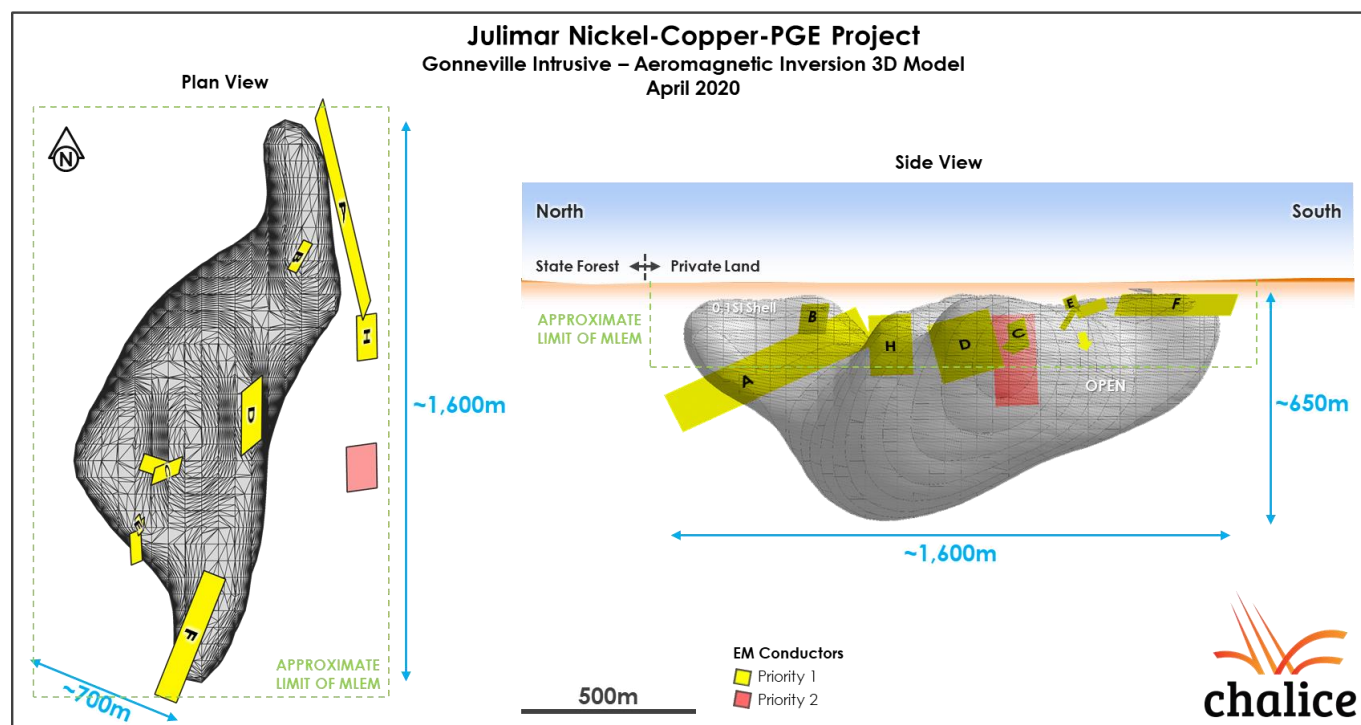


Figure 4. The Gonneville Intrusive – Aeromagnetic Inversion 3D Model and modelled EM conductors.

The interpreted chonolith geometry is considered significant, as similar irregular intrusive bodies host globally significant magmatic Ni-Cu+/-PGE sulphide deposits including Jinchuan in China and Kabanga in Tanzania.

A drone-based magnetic survey was recently completed which has highlighted potential structure and domaining within the Gonneville Intrusive (**Figure 1**). Further analysis and interpretation of these results is ongoing.

Diamond drilling – preliminary visual results

Diamond core hole JD001 was drilled as a 40m down-dip step-out hole to discovery hole JRC001, to test a strong off-hole conductor modelled from DHEM (Conductor 'E1'). Conductor 'E1' has a modelled conductance of ~10,000 Siemens and is interpreted to be sourced from massive sulphides.

JD001 intersected a 0.6m wide zone of semi-massive sulphides from 83m and two 2m wide zones of interstitial sulphides (up to 30% sulphide) at 103m and 114.5m down-hole – all assays are pending.

These zones are unlikely to have an EM conductance that is sufficient to explain off-hole Conductor 'E1' and hence further drilling and DHEM is required.

The two zones of interstitial sulphides are separated by a barren mafic intrusive and as such, it is possible that JD001 has intersected the edge of a plunging mineralised zone. DHEM will be completed on this hole to determine if there is a previously unrecognised plunge component to the massive sulphide mineralisation.

In addition, a second diamond hole, JD002, has commenced to the east of JRC001 as a 'scissor hole' with a westerly azimuth, in order to further improve the Company's understanding of the geological controls on the mineralisation.

Forward plan

The RC rig will continue to test new targets defined with DHEM, as well as to step-out around known zones of mineralisation.

A review of EM modelling techniques is underway to maximise the effectiveness of DHEM and to ensure modelling of conductive responses is verified. DHEM will continue to be critical in identifying potential targets for follow-up drilling and will be completed on all holes.

Soil sampling over the Gonneville Intrusive, including PGEs which were not covered with the existing pXRF soil sampling data, will commence shortly. A high-resolution ground gravity survey is also underway.

Preparations are underway to gain access to the State Forest covered areas of the Julimar Intrusive Complex, to the north of the Gonneville Intrusive. The approval process is anticipated to take 4-6 months and will be progressed in parallel to activities at Gonneville.

Chalice will continue to monitor the current advice from the Government and health authorities with regards to restrictions imposed due to the COVID-19 pandemic, and to ensure the ongoing health and well-being of its employees and contractors.

Authorised for release on behalf of the Company by:



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About the Julimar Nickel-Copper-PGE Project, Western Australia

The 100%-owned Julimar Nickel-Copper-PGE Project was staked in early 2018 and is located ~70km north-east of Perth in Western Australia on private land and State Forest. The Project was staked as part of Chalice's global search for high-potential nickel sulphide exploration opportunities.

Chalice interpreted the possible presence of a mafic-ultramafic layered intrusive complex at Julimar based on high resolution regional magnetics. The large complex is interpreted to be ~26km long and ~7km wide and is considered highly prospective for nickel, copper and platinum group elements. However, it had never been explored for these metals (**Figure 5**).

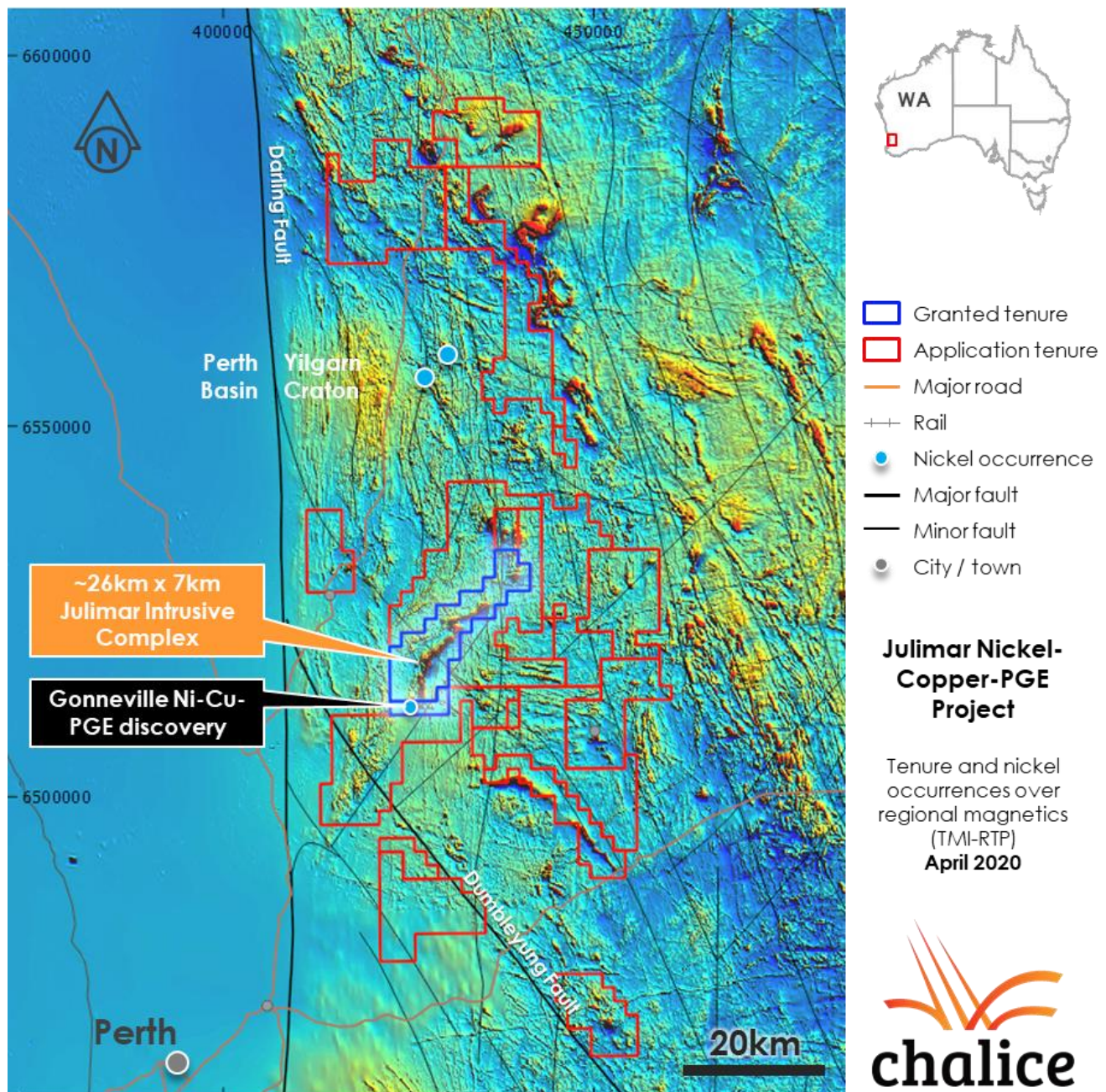


Figure 5. Julimar Project tenure and nickel occurrences over regional magnetics.

Chalice is targeting high-grade nickel-copper-PGE discoveries and commenced a systematic, regional-scale greenfield exploration program in mid-2019 upon gaining access, initially in the southern portion of the Project on private land. This included 200m-spaced Moving Loop Electromagnetic (MLEM) with selective 100m infill lines, targeted soil geochemistry over high-priority MLEM conductors, and geological mapping which failed to identify any bedrock exposures over the area of interest.

Two MLEM conductors were shown to be associated with anomalous nickel-in-soils and preferentially located along the margins of a ~2km x 0.5km discrete magnetic anomaly interpreted as a potential feeder zone located near the southern extent of the intrusive complex. An initial RC drill program commenced in Q1 2020 and resulted in the discovery of high-grade nickel-copper-cobalt-PGE mineralisation.

About Platinum Group Elements and Palladium

The Platinum Group Elements (PGEs) are a group of six precious metals clustered together on the periodic table: platinum (Pt), palladium (Pd), iridium (Ir), osmium (Os), rhodium (Rh) and ruthenium (Ru).

PGEs have many desirable properties and as such have a wide variety of applications. Most notably, they are used as auto-catalysts (pollution control devices for vehicles), but are also used in jewellery, electronics and hydrogen fuel cells.

Palladium is extremely rare and is now one of the most valuable precious metals, with an acute supply shortage driving prices to a recent record high of US\$2,856/oz in February 2020.

Strong demand growth (~11.5Moz in 2019¹) is being driven by regulations requiring increased use of the metal, particularly as an auto-catalyst in gasoline and gasoline-hybrid vehicles. The total palladium market supply from all sources in 2019 was ~10.8Moz, and >75% is sourced from mines in Russia and South Africa¹.

¹ Source: S&P Global Market Intelligence

Competent Persons and Qualifying Persons Statement

The information in this announcement that relates to Exploration Results in relation to the Julimar Nickel-Copper-PGE Project is based on information compiled by Dr. Kevin Frost BSc (Hons), PhD, a Competent Person, who is a Member of the Australian Institute of Geoscientists. Dr. Frost is a full-time employee of the company and has sufficient experience that is relevant to the activity being undertaken to qualify as a Competent Person as defined in the 2012 edition of the Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves, and is a Qualified Person under National Instrument 43-101 – 'Standards of Disclosure for Mineral Projects'. The Qualified Person has verified the data disclosed in this release, including sampling, analytical and test data underlying the information contained in this release. Dr. Frost consents to the inclusion in the announcement of the matters based on his information in the form and context in which it appears.

Forward Looking Statements

This report may contain forward-looking information within the meaning of Canadian securities legislation and forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995 (collectively, forward-looking statements). These forward-looking statements are made as of the date of this report and Chalice Gold Mines Limited (the Company) does not intend, and does not assume any obligation, to update these forward-looking statements.

Forward-looking statements relate to future events or future performance and reflect Company management's expectations or beliefs regarding future events and include, but are not limited to, the Company's strategy, the price of O3 Mining securities and Ramelius Resources Limited securities, receipt of tax credits and the value of future tax credits, the estimation of mineral reserve and mineral resources, the realisation of mineral resource estimates, the likelihood of exploration success at the Company's projects, the prospectivity of the Company's exploration projects, the timing of future exploration activities on the Company's exploration projects, planned expenditures and budgets and the execution thereof, the timing and availability of drill results, potential sites for additional drilling, the timing and amount of estimated future production, costs of production, capital expenditures, success of mining operations, environmental risks, unanticipated reclamation expenses, title disputes or claims and limitations on insurance coverage.

In certain cases, forward-looking statements can be identified by the use of words such as "plans", "planning", "expects" or "does not expect", "is expected", "will", "may", "would", "potential", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", "believes", "occur", "impending", "likely" or "be achieved" or variations of such words and phrases or statements that certain actions, events or results may, could, would, might or will be taken, occur or be achieved or the negative of these terms or comparable terminology. By their very nature forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements.

Such factors may include, among others, risks related to actual results of current or planned exploration activities; changes in project parameters as plans continue to be refined; changes in exploration programs based upon the results of exploration; future prices of mineral resources; possible variations in mineral resources or ore reserves, grade or recovery rates; accidents, labour disputes and other risks of the mining industry; delays in obtaining governmental approvals or financing or in the completion of development or construction activities; movements in the share price of O3 Mining and Ramelius Resources securities and future proceeds and timing of potential sale of O3 Mining and Ramelius Resources securities, as well as those factors detailed from time to time in the Company's interim and annual financial statements, all of which are filed and available for review on SEDAR at sedar.com, ASX at asx.com.au and OTC Markets at otcm Markets.com.

Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

Table 1. New drill hole details – Julimar Ni-Cu-PGE Project.

Hole ID	Easting (mE)	Northing (mN)	RL (m)	Azimuth (°)	Dip (°)	Total depth (m)
JRC003	425,435	6,513,129	258	090	-60	220
JRC004	425,050	6,512,500	247	090	-60	286
JRC005	425,018	6,512,360	239	090	-60	166
JRC006	425,075	6,512,320	240	090	-60	184
JRC007	425,290	6,512,650	252	090	-60	250
JRC008	425,045	6,512,510	247	090	-78	Abandoned at 136m due to excessive deviation
JRC009	425,619	6,512,880	250	090	-60	In progress
JD001	423,978	6,512,320	237	090	-60	268.2
JD002	424,067	6,512,323	240	270	-67	In progress

Table 2. Significant new drill intercepts (>0.3g/t Pd or >0.5% Ni cut-off grade) – Julimar Ni-Cu-PGE Project.

Hole ID	From (m)	To (m)	Width* (m)	Pd (g/t)	Pt (g/t)	Pt+Pd (g/t)	Ni (%)	Cu (%)	Co (%)	Geology
JRC001	0	23	23	1.37	0.63	2.00	0.16	0.23	0.01	Oxide
incl	8	23	15	1.81	0.40	2.21	0.22	0.31	0.09	Oxide
JRC001	23	36	13	0.38	0.07	0.45	0.15	0.12	0.01	Sulphide
JRC001	44	77	33	6.54	0.72	7.26	1.56	0.68	0.09	Sulphide
incl	46	71	25	8.50	0.91	9.41	2.02	0.88	0.11	Sulphide
JRC001	82	84	2	0.72	0.14	0.86	0.09	0.11	0.01	Sulphide
JRC001	99	122	23	0.60	0.17	0.77	0.16	0.07	0.02	Sulphide
incl	100	101	1	4.51	0.60	5.11	0.74	0.30	0.05	Sulphide
and	116	118	2	1.11	0.65	1.75	0.10	0.16	0.03	Sulphide
JRC001	127	150 (EOH)	23	0.50	0.12	0.61	0.16	0.04	0.02	Sulphide
JRC002	87	112	25	0.44	0.09	0.53	0.13	0.03	0.01	Sulphide
JRC002	120	239	119	0.58	0.12	0.70	0.14	0.07	0.01	Sulphide
incl	175	187	12	1.40	0.22	1.62	0.14	0.08	0.01	Sulphide
JRC003	17	159	142	0.60	0.13	0.73	0.15	0.11	0.01	Sulphide
incl	32	34	2	1.20	0.25	1.45	0.30	0.60	0.04	Sulphide
and	143	148	5	2.38	0.34	2.72	0.71	0.36	0.05	Sulphide
incl	143	145	2	4.77	0.65	5.42	0.94	0.65	0.10	Sulphide
JRC003	164	178	14	0.37	0.08	0.46	0.10	0.03	0.01	Sulphide
JRC003	190	206	16	0.61	0.12	0.73	0.14	0.06	0.01	Sulphide
JRC003	214	220 (EOH)	6	0.47	0.10	0.57	0.14	0.02	0.01	Sulphide
JRC004	8	38	30	0.90	0.38	1.28	0.13	0.12	0.01	Oxide
incl	12	24	12	1.30	0.60	1.90	0.14	0.21	0.06	Oxide
JRC004	38	45	7	0.69	0.16	0.85	0.16	0.09	0.01	Sulphide
JRC004	69	81	12	0.52	0.10	0.63	0.11	0.09	0.01	Sulphide

JRC004	97	117	20	0.32	0.07	0.39	0.12	0.05	0.02	Sulphide
JRC004	132	190	58	0.92	0.24	1.15				Sulphide
incl	136	145	9	1.51	0.50	2.01				Sulphide
and	162	165	3	1.16	0.33	1.49				Sulphide
and	170	178	8	2.24	0.49	2.73				Sulphide
JRC004	202	243	41	0.49	0.13	0.62				Sulphide
incl	219	221	2	1.18	0.89	2.06				Sulphide
JRC004	218	243	25	0.55	0.12	0.67				Sulphide
JRC004	254	286 (EOH)	32	0.46	0.10	0.55				Sulphide
JRC005	5	30	25	1.29	0.39	1.68				Oxide
incl	9	23	14	1.17	0.52	2.29				Oxide
and	29	30	1	2.09	0.52	2.61				Oxide
JRC005	30	90	60	0.87	0.20	1.07				Sulphide
incl	49	51	2	1.65	0.14	1.79				Sulphide
and	74	90	16	1.76	0.41	2.17				Sulphide
JRC005	95	105	10	0.45	0.13	0.58				Sulphide
JRC005	125	166	41	0.45	0.11	0.56				Sulphide
JRC006	0	29	29	1.85	0.36	2.21	0.11	0.27	0.02	Oxide
incl	0	11	11	3.81	0.70	4.51	0.07	0.18	0.02	Oxide
and	16	17	1	1.88	0.42	2.29	0.16	0.46	0.02	Oxide
JRC006	39	80	41	2.58	0.41	2.99	0.55	0.40	0.03	Sulphide
incl	40	71	31	3.27	0.51	3.78	0.67	0.48	0.04	Sulphide

**Downhole widths reported, true widths unknown. 1m samples in sulphide zones of interest and 4m composite samples elsewhere.*

[blank] = assays pending

Appendix 1: JORC Table 1 – Julimar Ni-Cu-PGE Project

Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	- Nature and quality of sampling (eg. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. - Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. - Aspects of the determination of mineralisation that are Material to the Public Report. - In cases where 'industry standard' work has been done this would be relatively simple (eg. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg. submarine nodules) may warrant disclosure of detailed information.	- Reverse Circulation (RC) drilling samples were collected as 1m to 4m composite samples. 1m samples were collected as a split from the rig cyclone using a cone splitter. Composite samples were collected from bulk samples using a PVC spear with the sample speared from top to bottom of the bag to ensure the sample is representative. Composite and 1m samples weigh approximately 3kg. 1m samples were selectively taken in oxide and in fresh rock based on sulphide content. - All samples were pulverised at an industry standard laboratory to nominal 85% passing 75 microns before being analysed. - Qualitative care was taken to ensure representative sample weights were consistent when sampling on a metre by metre basis.
Drilling techniques	Drill type (eg. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).	The drilling was completed via a Reverse Circulation (RC) drilling technique using a face-sampling hammer drill bit with a diameter of 5.5 inches (140mm).
Drill sample recovery	- Method of recording and assessing core and chip sample recoveries and results assessed. - Measures taken to maximise sample recovery and ensure representative nature of the samples. - Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	- Individual recoveries or composite samples were recorded on a qualitative basis. Sample weights were slightly lower through transported cover whereas drilling through bedrock yielded bags with more consistent weights. Samples with poor recovery were noted in the sample file. - No relationships have been evident between sample grade and recoveries.
Logging	- Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. - Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. - The total length and percentage of the relevant intersections logged.	- All holes were logged geologically including, but not limited to; weathering, regolith, lithology, structure, texture, alteration and mineralisation. Logging was at an appropriate quantitative standard for reconnaissance exploration. - Logging is considered qualitative in nature. - All holes were geologically logged in full.

Criteria	JORC Code explanation	Commentary
Sub-sampling techniques and sample preparation	• If core, whether cut or sawn and whether quarter, half or all core taken. • If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. • For all sample types, the nature, quality and appropriateness of the sample preparation technique. • Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. • Measures taken to ensure that the sampling is representative of the in-situ material collected, including for instance results for field duplicate/second-half sampling. • Whether sample sizes are appropriate to the grain size of the material being sampled.	• 1 metre RC samples were collected as 1m splits from the rig cyclone via a cone splitter. The cone splitter was horizontal to ensure sample representivity. Composite RC samples were collected using a PVC spear with the bulk sample speared from top to bottom to ensure the sample is as representative as possible. The majority of samples were dry. Wet or damp samples were noted in the sample logging sheet. • Field duplicates were collected from selected sulphide zones. • Sample sizes are considered appropriate for the style of mineralisation sought and the initial reconnaissance nature of the drilling programme.
Quality of assay data and laboratory tests	• The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. • For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. • Nature of quality control procedures adopted (eg. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie. lack of bias) and precision have been established.	• All samples underwent sample preparation and geochemical analysis by ALS in Perth. Au-Pt-Pd was analysed with a 50g fire assay fusion with an ICP-AES finish (ALS method code: PGM-ICP24). Ni and Cu assays were analysed using a 4-acid digestion with ICP-AES finish (ALS method code ME-MS61 or ME-OG62 for ore-grade intervals). The latter analytical method is optimised for accuracy and precision at high concentrations of base metals. • Certified analytical standards and blanks were inserted at appropriate intervals. Approximately 5% of samples submitted for analysis to date comprised QAQC. These include certified reference materials, blanks, and duplicates.
Verification of sampling and assaying	• The verification of significant intersections by either independent or alternative company personnel. • The use of twinned holes. • Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. • Discuss any adjustment to assay data.	• Significant intersections are checked by the Project Geologist and then by the General Manager of Exploration. Significant intersections are cross-checked with the geology logged and drill chips collected after final assays are received. • No twin holes have been drilled for comparative purposes. The target is still considered to be in an early exploration stage. • Primary data was collected as hard-copy records in the field and digitised at the Chalice Perth office where the data is validated and entered into the master database. • No adjustments have been made to the assay data received.
Location of data points	• Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.	• Hole collar locations have been recorded by Chalice employees using a handheld GPS with a +/- 3m margin of error. • The grid system used for the location of all drill holes is GDA94 - MGA (Zone 50).

Criteria	JORC Code explanation	Commentary
	- Specification of the grid system used. - Quality and adequacy of topographic control.	RLs were assigned from 1 sec (30m) satellite data.
Data spacing and distribution	- Data spacing for reporting of Exploration Results. - Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. - Whether sample compositing has been applied.	- Drill holes are positioned to allow optimal intersection with the modelled conductors. Nominal drill hole spacing is not yet applicable given the nature of the drill targets and the early stage of exploration. - Results from the drilling to date are not considered sufficient to assume any geological or grade continuity of the results intersected. - Samples were generally composited to a maximum length of 4m based on geology. 1m samples were selected in areas of higher sulphide content.
Orientation of data in relation to geological structure	- Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. - If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	The orientation of the mineralisation is unknown at this stage. However, the holes were oriented to be as close to orthogonal to the modelled MLEM plates as possible.
Sample security	The measures taken to ensure sample security.	Chain of custody is managed by Chalice. Samples are stored on site before being transported by Chalice personnel to ALS Perth.
Audits or reviews	The results of any audits or reviews of sampling techniques and data.	No review has been carried out to date.

Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	- Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. - The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	- Drilling was carried out within E70/5118 and E70/5119 on private property. The licences are 100% owned by CGM (WA) Pty Ltd, a wholly owned subsidiary of Chalice Gold Mines Limited with no known encumbrances. - Current drilling is on private land and granted tenure covers both private land and State Forest. - Access for exploration in the State Forest requires Ministerial approval which has not yet been obtained.
Exploration done by other parties	Acknowledgment and appraisal of exploration by other parties.	- Limited exploration has been completed by other exploration parties in the vicinity of the targets identified by Chalice to date. - Chalice has compiled historical records dating back to the early 1960's which indicate only two genuine explorers in the area, both

Criteria	JORC Code explanation	Commentary
		primarily targeting Fe-Ti-V mineralisation. - Three diamond holes were completed by Bestbet Pty Ltd targeting Fe-Ti-V situated approximately 3km NE of JRC001. No elevated Ni-Cu-PGE assays were reported. - Bestbet Pty Ltd completed 27 stream sediment samples within E70/5119. No significant Ni-Cu-PGE anomalism was reported. - A local AMAG survey was flown in 1996 by Alcoa using 200m line spacing which has been used by Chalice for targeting purposes.
Geology	Deposit type, geological setting and style of mineralisation.	The deposit type being explored for is magmatic Ni-Cu-PGE sulphide deposits within the Yilgarn Craton. The style of sulphide mineralisation intersected consists of massive, matrix, stringer and disseminated sulphides typical of metamorphosed and structurally overprinted magmatic Ni sulphide deposits.
Drill hole Information	- A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: - easting and northing of the drill hole collar - elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar - dip and azimuth of the hole - down hole length and interception depth - hole length. - If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.	- Provided in body of text - No material information has been excluded. Assay results which have been received for all new drill holes are summarised in the text
Data aggregation methods	- In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg. cutting of high grades) and cut-off grades are usually Material and should be stated. - Where aggregate intercepts incorporate short lengths of high-grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. - The assumptions used for any reporting of metal equivalent values should be clearly stated.	- Significant intercepts are reported using a >0.3g/t Pd cut off or >1% Ni depending on which is the primary element. A maximum of 2m internal dilution has been used except in areas with consecutive 4m composites in which case maximum internal dilution is 4m. No top cuts were applied. - Higher grade intercepts were aggregated on the basis of >1g/t Pd unless stated otherwise in the text of the report. No top cuts were applied.

Criteria	JORC Code explanation	Commentary
Relationship between mineralisation widths and intercept lengths	- These relationships are particularly important in the reporting of Exploration Results. - If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. - If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg. 'down hole length, true width not known').	- Metal equivalent values are not reported. - All widths quoted are down-hole. The orientation of the mineralisation is unknown due to insufficient drilling. However, holes were oriented to be as close to orthogonal to the modelled MLEM plates as possible.
Diagrams	Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.	Refer to figures in the body of text.
Balanced reporting	Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.	All significant intercepts have been reported.
Other substantive exploration data	Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.	Not Applicable.
Further work	- The nature and scale of planned further work (eg. tests for lateral extensions or depth extensions or large-scale step-out drilling). - Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	- RC drilling will continue to test high-priority EM conductors and soil geochemical targets. Further drilling along strike and down dip may occur at these and other targets depending on results. - Down-hole EM surveying will be carried out on the majority of the drill holes to test for off-hole conductors. Subsequent holes will undergo down-hole EM if required. - Any potential extensions to mineralisation are shown in the figures in the body of the text.