

9 July 2020

Chalice discovers new high-grade PGE-Cu-Au zone at Julimar

New style of PGE-copper-gold mineralisation intersected over wide interval below the extended high-grade G1-G2 zones at Gonneville, plus two new high-grade target areas to be tested

Highlights

- New high-grade PGE-Cu-Au sulphide zone discovered at depth below the high-grade G1-G2 zones:
 - **23.9m @ 1.7g/t Pd, 0.4g/t Pt, 0.5g/t Au, 0.1% Ni, 0.7% Cu, 0.02% Co** from 314.9m to end-of-hole (JD005), including:
 - **10.1m @ 2.9g/t Pd, 0.6g/t Pt, 1.2g/t Au, 0.1% Ni, 1.3% Cu, 0.01% Co.**
 - Zone represents a new style of high-grade PGE-Cu-Au mineralisation at the Gonneville Intrusion, comprising disseminated chalcopyrite-rich sulphides in serpentinite;
 - Zone wide-open in all directions (hole ended in mineralisation) – step-out drilling underway.
- High-grade G1-G2 zones extended over a strike length of **~400m** (from ~200m) and a dip extent of up to **~280m** (from ~100m) with three new massive/matrix sulphide intercepts – all assays pending.
- RC drilling recently commenced at the southern end of the Intrusion, testing high-priority EM Conductor 'F' and a co-incident **~650m x ~250m** PGE-Ni-Cu soil anomaly, with a peak value of **14.1g/t Pd**.
- Two new large targets (**600m x 300m** and **600m x 400m**) defined with HT SQUID EM, modelled at depth at the north-western end of the Intrusion, ~250m north of the high-grade G1-G2 zones.
- New wide PGE-rich disseminated sulphide intercepts continue to demonstrate the large scale potential of the **~1.6km x 0.7km Gonneville Intrusion**, including:
 - 233.8m @ 0.6g/t Pd, 0.1g/t Pt from 62m (JD004);
 - 92.8m @ 0.9g/t Pd, 0.2g/t Pt from 33.2m (JD005);
 - 51.0m @ 0.9g/t Pd, 0.2g/t Pt from 56m (JRC014);
 - 69.0m @ 1.8g/t Pd, 0.3g/t Pt from 134m (JRC014);
 - 99m @ 0.8g/t Pd, 0.2g/t Pt from 34m (JRC015);
 - 68m @ 0.6g/t Pd, 0.1g/t Pt from 28m (JRC017);
 - 117m @ 0.5g/t Pd, 0.1g/t Pt from 132m (JRC017);
- Assays are pending for 24 completed drill holes (5 diamond and 19 RC).
- Chalice **fully-funded** to continue its accelerated 3-rig program at Julimar with **~\$45 million in cash**.

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

Three rigs (two Reverse Circulation ("RC") and one diamond) are currently drilling at the Gonneville Intrusion – where Chalice recently made a high-grade PGE-Ni-Cu-Co discovery in March 2020 (refer to ASX Announcement on 23 March 2020).

Drilling results continue to demonstrate that the Intrusion hosts both extensive high-grade PGE-Ni-Cu-Co zones in massive/matrix/stringer sulphides and widespread PGE mineralisation in disseminated sulphides. The latest results highlight the potential for continued growth of the high-grade massive/matrix/stringer sulphide mineralisation.

The Company continues its dual approach of targeting both extensions of known high-grade PGE-Ni-Cu-Co zones (G1-G3) with 40-80m spaced step-out drill holes and scoping out the extensive zones of PGE-rich disseminated sulphides on a 200m x 80m spaced grid. A total of 10 diamond drill holes and 36 RC drill holes have been completed to date.

Assays have been received for two new diamond holes (JD004 and 5) and a further five RC holes (JRC013-17). Assays are pending for a further 24 completed drill holes (5 diamond and 19 RC).

In addition, a deep penetrating Fixed Loop HT SQUID EM (FLEM) survey and infill Moving Loop EM (MLEM) survey were recently completed over the entire ~1.6km x ~0.7km Intrusion. Several new deep EM targets were identified as well as potential extensions of existing high-grade mineralised zones.

Drilling results – G1-G2 Zones – JD005

JD005 was drilled ~40m north of the discovery hole JRC001 (33m @ 6.5g/t Pd, 0.7g/t Pt, 1.6% Ni, 0.7% Cu, 0.1% Co from 44m) to test along strike of the projected trend of the G1-G2 zone (**Figure 1**).

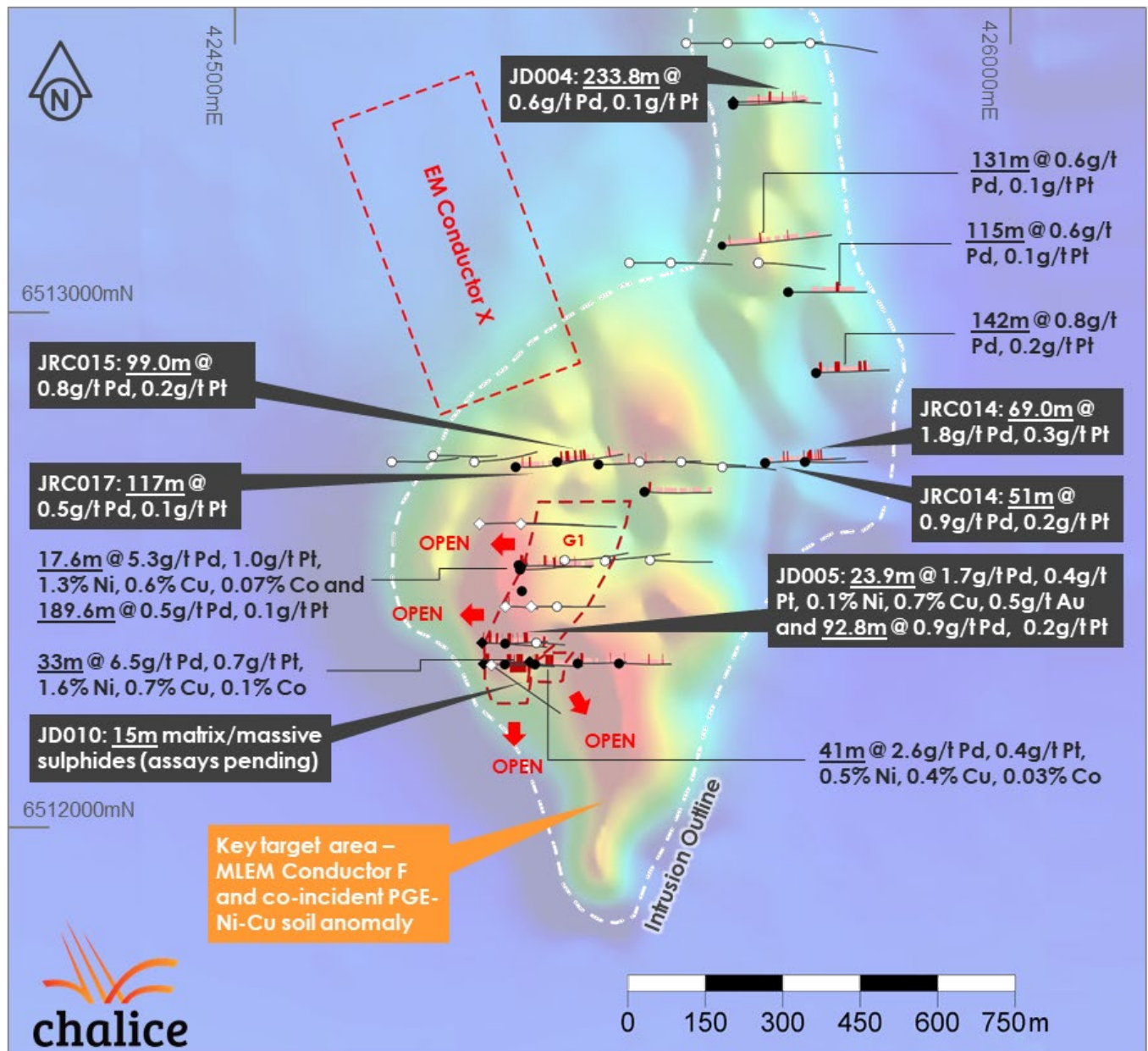


Figure 1. Gonneville Intrusion Plan View – Drilling results, high-grade G1-G2 zone projections and new Conductor 'X' target over TMI-RTP Magnetics.

JD005 intersected multiple shallow PGE-rich zones, including at the projected G1-G2 target depths, with these occurring within a broad halo of trace to 3% disseminated sulphides. The mineralisation comprises mostly disseminated sulphides (up to 5-10% sulphides) in serpentinite with narrow zones of matrix sulphides.

JD005 also intersected a wide interval of a **new style of high-grade PGE-copper-gold mineralisation** at depth which comprises disseminated chalcopyrite-rich sulphides in serpentinite (**Figure 2**).

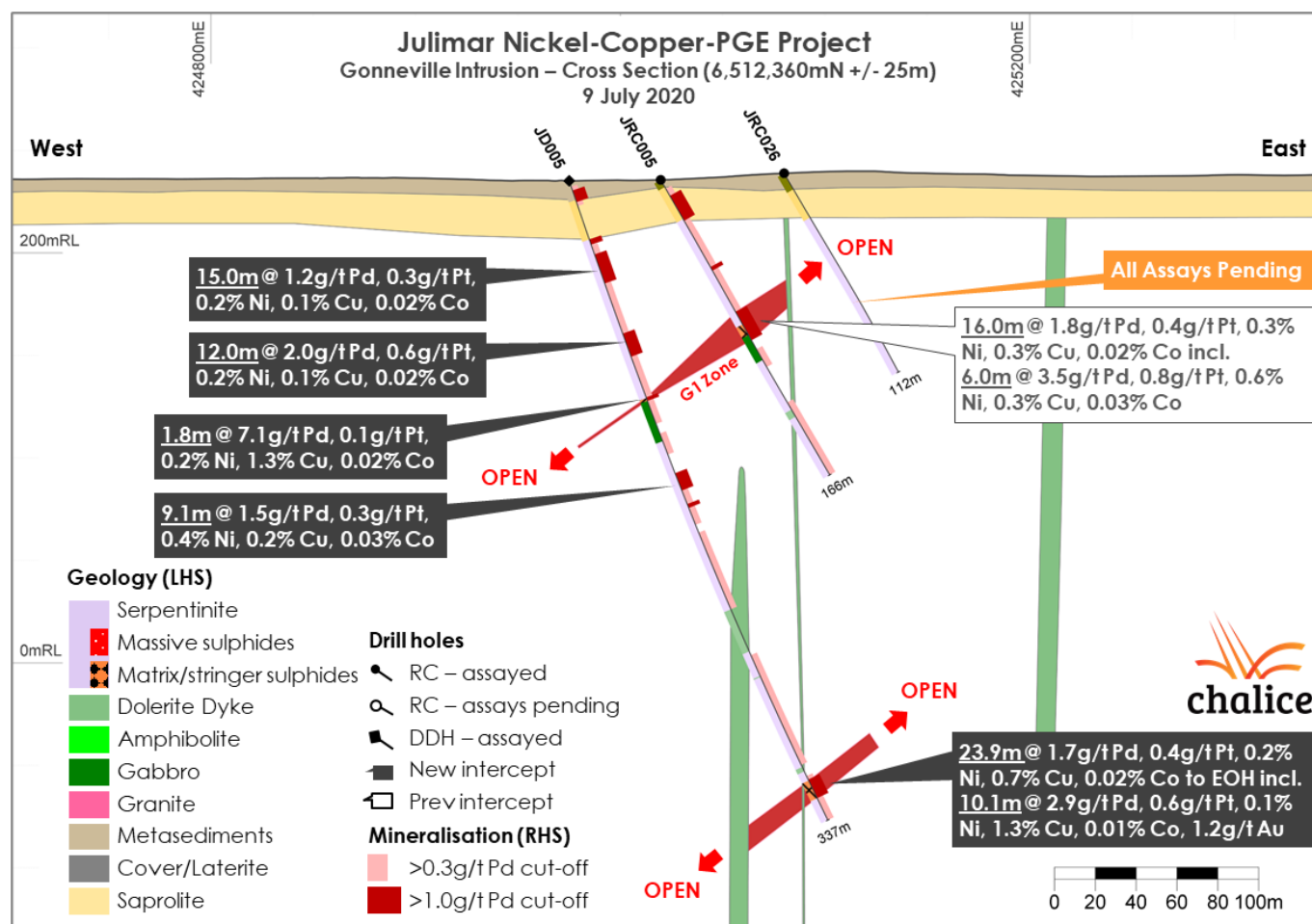


Figure 2. Gonneville Cross Section JD005 and JRC005, 26 (6,512,360mN +/- 25m).

JD005 ended in mineralisation and, as such, this newly-discovered zone is wide-open in all directions. Downhole EM completed on JD005 has identified an extensive, ~800 Siemens EM Conductor corresponding with the new zone.

Nearby drill holes are interpreted to have been too shallow to test this horizon elsewhere within the Gonneville Intrusion. Accordingly, a diamond tail is currently being drilled on JRC005, ~80m east up-dip of the intercept.

Drilling results – G1-G2 Zones – JD010

JD010 was drilled ~40m south of the discovery hole on an oblique azimuth (due to access constraints related to remnant vegetation), to test the southern extension of the G1 zone and to test a 7,000 Siemens EM conductor identified from the recent infill MLEM survey.

JD010 intersected a ~15m wide zone of mostly matrix sulphides with narrow massive sulphides from ~81m down-hole at the projected intersection of the modelled EM conductor. This has resulted in a modified interpretation of the G1 and G2 zones, with the discovery zone (G1) now interpreted to continue both to the north-north-east and south over a strike length of ~400m.

The high-grade interval intersected in JRC006 (41m @ 2.6g/t Pd, 0.4g/t Pt, 0.5% Ni, 0.4% Cu, 0.03% Co from 39m) is now interpreted to be a separate zone (G2) and remains open along strike. More drilling is required in this area to confirm.

Importantly, JD010 has confirmed that the G1 zone is open to the south. Recent auger soil geochemical sampling over the entire Gonneville Intrusion has identified highly anomalous PGE-Ni-Cu-Au in soils over a ~650m x 250m area at the southern end of the Intrusion. A peak Pd-in-soil value of 14.1g/t Pd was obtained immediately south of the discovery hole JRC001.

A large MLEM conductor (Conductor 'F') was previously identified in the area and as such, the area has been confirmed as a high-priority target. Permit approval for drilling was recently obtained and RC drilling in that area has commenced.

Drilling results – Disseminated Sulphide Zones

JD004 was drilled at the northern end of the Gonneville Intrusion, immediately adjacent and parallel to JRC010 (~5m collar separation), to provide core samples for metallurgical testwork and to provide a comparison of assay results for RC vs diamond core.

JD004 intersected a wide zone of serpentinite-hosted disseminated sulphides, comparable in width and grade to that reported for JRC010, confirming negligible grade variances between the drilling and sampling techniques.

An east-west traverse of 11 RC drill holes has been completed through the central and widest interpreted part of the Gonneville Intrusion. Assays have been received for 5 of the 11 holes, and all have intersected broad intervals of PGE-rich disseminated sulphides (**Figure 3**).

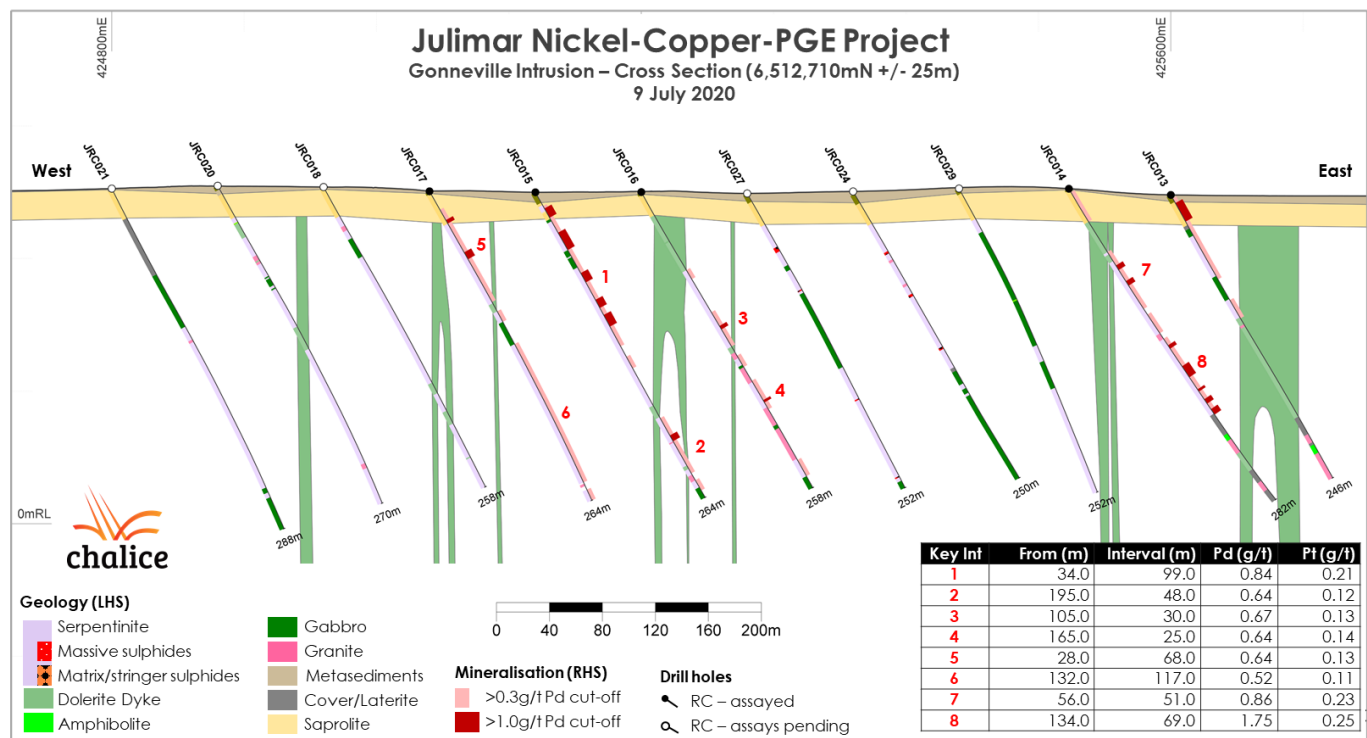


Figure 3. Gonneville Cross Section (6,512,710mN +/-25m)

All new significant drill intercepts are listed in Appendix 1 and new drill hole collar locations and hole orientation details are provided in Appendix 2.

SQUID EM survey results

A new extensive late-time anomaly was detected in the FLEM survey at the interpreted north-western margin of the Gonneville Intrusion, co-incident with the margin of the gravity inversion model and extending beyond the margin of the magnetic inversion model.

The anomaly is modelled as two large conductive zones at a depth of ~600m below surface (Conductors 'X' and 'Y') and located ~250m north of the high-grade G1-G2 zones (**Figure 4**).

Julimar Nickel-Copper-PGE Project

Gonneville Intrusion – Magnetic / Gravity Inversion Model, Drilling and new SQUID EM Conductors
July 2020

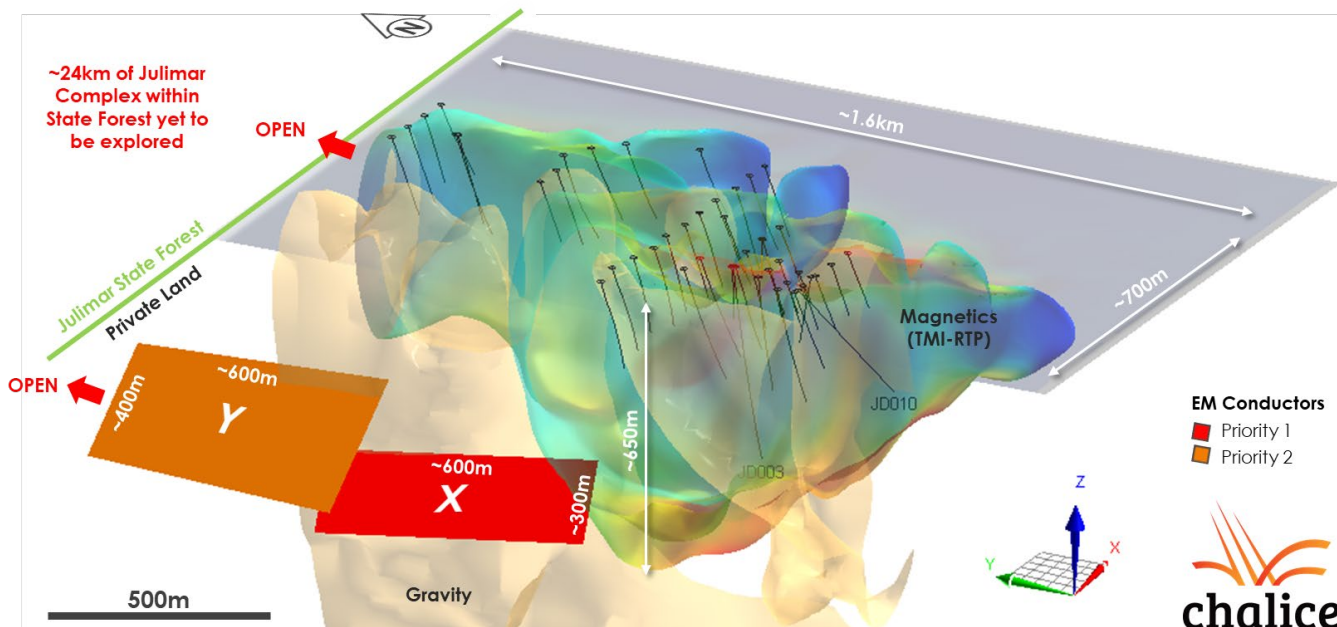


Figure 4. Magnetic / Gravity Inversion Model of the Gonneville Intrusion with new SQUID EM conductors X and Y (looking North-East).

Details of the two new EM targets are provided in Table 1 below.

Table 1. New FLEM Targets – Julimar Ni-Cu-PGE Project.

Conductor ID	Length (m)	Width (m)	Depth to top (m)	Conductance (Siemens)
Conductor X	600	300	600	800
Conductor Y	600	400	520	200

The overall northerly trend of the conductors along the interpreted plunge projection of the G1 high-grade zone is viewed as encouraging and approvals are currently being progressed in order to commence a deep diamond hole to initially test Conductor X.

Chalice has identified widespread sulphide mineralisation within the Intrusion to date, but this new EM data is interpreted to suggest that mineralisation may extend beyond the Intrusion into the surrounding host rocks.

High-grade sulphide mineralisation is commonly associated with the margins of mineralised intrusive bodies in orthomagmatic sulphide systems globally, and there are also numerous examples where sulphide mineralisation has been remobilised laterally into the surrounding country rocks, resulting in off-contact zone orientations.

The FLEM and MLEM surveys were also successful in validating the previously identified EM targets within the Gonneville Intrusion and have re-affirmed the prospectivity of the southern end of the Intrusion where RC drilling has recently commenced.

Forward plan

Chalice is continuing its approach of simultaneously exploring and evaluating the zones of high grade PGE-Ni-Cu-Co-Au mineralisation and the extensive disseminated PGE-Ni-Cu zones within the large-scale Gonneville Intrusion.

Ongoing and planned activities at Julimar include:

- **RC drilling** – a ~20,000m Phase 2 RC drill program is underway utilising two rigs. Drilling is being undertaken on a 200m x 80m spaced grid over the ~1.6km x ~0.7km Gonneville Intrusion to provide sectional east-west coverage and to define the extent of the mineralised system. RC drilling has recently commenced at the southern end of the Intrusion which is considered a high-priority target area, as noted above.
- **Diamond drilling** – a diamond drill rig will continue to step-out from known high-grade zones (on a nominal 80m x 80m grid) and test new DHEM targets. The current hole, JRC005D, is being drilled ~80m east of JD005, targeting the up-dip extension of the new PGE-Cu-Au zone.
- **EM Geophysics (DHEM and ground EM)** – DHEM continues to play a key role in identifying potential high-grade targets for follow-up drilling and will be completed on all diamond holes and selected RC holes. It is important to note the lack of an EM target does not preclude the presence of high-grade mineralisation as evidenced by recent intercepts.
- **Metallurgical testwork** – a preliminary metallurgical testwork program is underway on four ore types – massive, matrix, disseminated and oxide.
- **Access approvals** – the approval process to conduct non-ground disturbing exploration activities within the Julimar State Forest is underway.

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 is located ~70km north-east of Perth in Western Australia on private land and State Forest. The Project was staked in early 2018 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 is confirmed to be highly prospective for nickel, copper and platinum group elements. Prior to Chalice, it had never been explored for these metals (**Figure 5**).

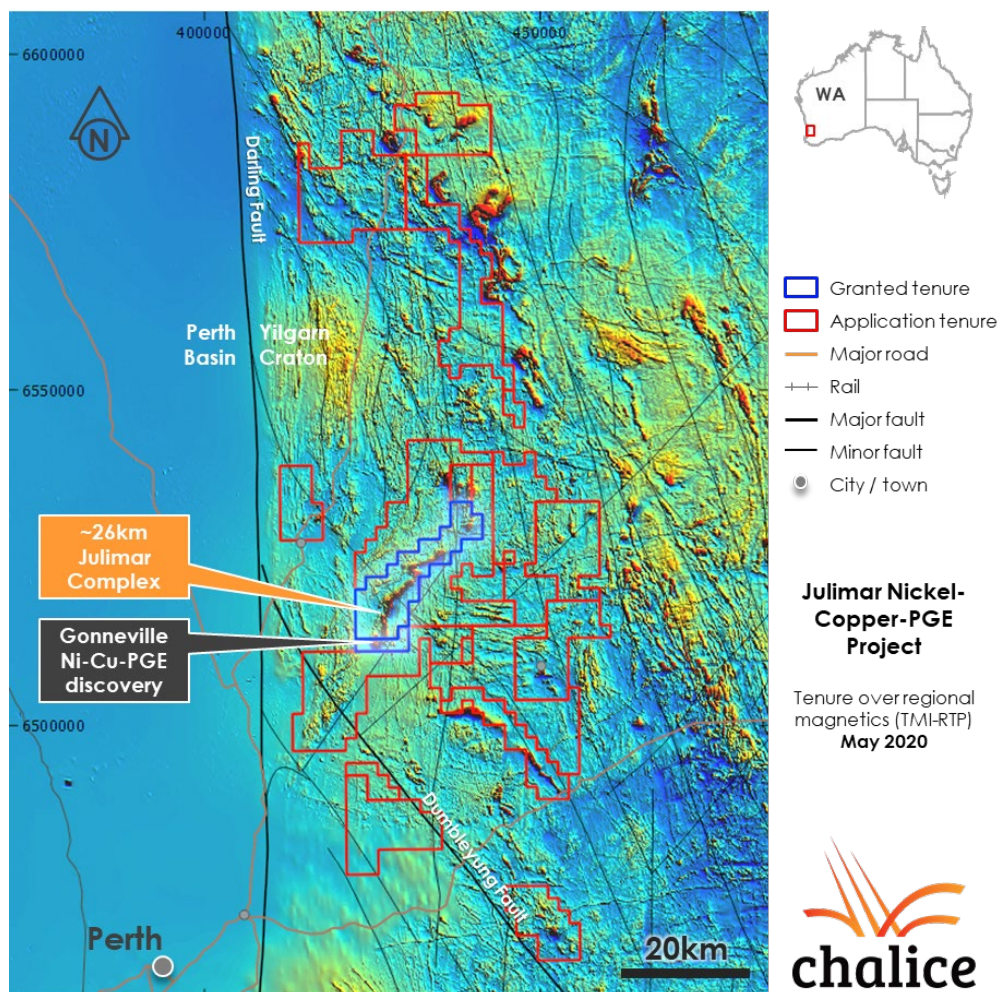


Figure 5. Julimar Project tenure over regional magnetics.

Chalice commenced a systematic, greenfield exploration program in mid-2019 in the southern portion of the Project, on private land, targeting high-grade Ni-Cu-PGEs.

An initial RC drill program commenced in Q1 2020 and resulted in the discovery of high-grade nickel-copper-cobalt-PGE mineralisation at the newly named Gonneville Intrusion. Drilling to date has established the ~1.6km x 0.7km Intrusion has widespread zones of PGE mineralisation as well as several wide zones of high-grade PGE-Ni-Cu-Co-Au. The significant discovery established a new Ni-Cu-PGE province.

High-grade massive / matrix sulphide zones intersected to date are up to ~30m wide and have been defined over a ~400m x ~280m area. The zones have a grade range of 3-12g/t PGEs, 0.5-3.3% Ni, 0.4-1.2% Cu and 0.03-0.18% Co.

Broad intervals of PGE mineralisation have been confirmed in all holes drilled to date at the Intrusion and disseminated sulphides (trace to 3% on average) have been identified down to ~450m below surface. Disseminated sulphide zones intersected to date have a grade range of 0.5-2.0g/t PGEs, 0.1-0.2% Ni, 0.05-0.15% Cu and <0.05% Co. In general, metal content appears to show a positive correlation with sulphur content and levels of potentially deleterious elements (arsenic, cadmium, selenium) are all low.

Weathering appears to extend down to ~30-40m below surface and a well-developed saprolite profile after serpentinite contains elevated PGE grades (ranging from 1.2-4.5g/t PGEs) from near surface to a depth of ~25m.

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 very rare and is currently 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. The current spot price is approximately US\$1,900/oz.

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, 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", "indicative" 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 securities and future proceeds and timing of potential sale of O3 Mining 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 otcmarkets.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.

Appendix 1: Significant new drill intercepts (>0.3g/t Pd cut-off) – Julimar Ni-Cu-PGE Project.

Hole ID	From (m)	To (m)	Interval (m)*	Pd (g/t)	Pt (g/t)	Pd+Pt (g/t)	Au (g/t)*	Ni (%)	Cu (%)	Co (%)	Geology
JD004	62.0	295.8	233.8	0.59	0.13	0.72	<0.05	0.16	0.09	0.02	Sulphide
incl	146.0	155.0	9.0	1.05	0.21	1.26	<0.05	0.24	0.17	0.02	Sulphide
and	198.0	201.0	3.0	1.42	0.28	1.70	<0.05	0.33	0.10	0.03	Sulphide
JD005	3.0	13.0	10.0	0.82	0.19	1.01	<0.05	0.05	0.11	0.01	Oxide
incl	5.0	11.0	6.0	1.05	0.19	1.25	<0.05	0.06	0.13	0.02	Oxide
JD005	30.3	33.0	2.8	1.18	0.21	1.39	<0.05	0.21	0.12	0.02	Oxide
JD005	33.2	126.0	92.8	0.95	0.20	1.15	<0.05	0.15	0.13	0.01	Sulphide
incl	38.0	53.0	15.0	1.17	0.27	1.44	<0.05	0.19	0.13	0.02	Sulphide
and	79.0	91.0	12.0	2.01	0.59	2.59	<0.05	0.18	0.14	0.02	Sulphide
JD005	131.0	142.0	11.0	0.62	0.16	0.78	<0.05	0.14	0.34	0.01	Sulphide
JD005	151.8	178.9	27.1	0.93	0.23	1.16	<0.05	0.22	0.11	0.02	Sulphide
incl	151.8	160.9	9.1	1.55	0.34	1.89	<0.05	0.39	0.18	0.03	Sulphide
and	168.0	170.0	2.0	1.61	0.20	1.80	<0.05	0.20	0.04	0.02	Sulphide
JD005	183.0	223.6	40.6	0.45	0.11	0.56	<0.05	0.15	0.05	0.02	Sulphide
JD005	248.0	307.0	59.0	0.43	0.18	0.61	<0.05	0.15	0.04	0.02	Sulphide
JD005	313.0	336.9	23.9	1.69	0.36	2.05	0.53	0.15	0.72	0.02	Sulphide
incl	314.9	325.0	10.1	2.89	0.61	3.50	1.19	0.13	1.29	0.01	Sulphide
JRC003D	214.0	258.7	44.7	0.59	0.13	0.72	<0.05	0.14	0.05	0.02	Sulphide
incl	228.0	230.0	2.0	1.18	0.24	1.41	<0.05	0.26	0.10	0.02	Sulphide
JRC003D	275.9	314.6	38.8	0.60	0.14	0.74	<0.05	0.14	0.08	0.01	Sulphide
JRC013	3.0	37.0	34.0	1.79	0.31	2.10	0.12	0.15	0.12	0.01	Oxide
incl	7.0	23.0	16.0	3.31	0.56	3.87	0.20	0.11	0.18	0.01	Oxide
JRC013	37.0	73.0	36.0	0.39	0.08	0.47	<0.05	0.14	0.06	0.01	Sulphide
JRC013	91.0	107.0	16.0	0.33	0.07	0.41	<0.05	0.14	0.04	0.01	Sulphide
JRC014	56.0	107.0	51.0	0.86	0.23	1.09	0.07	0.15	0.13	0.01	Sulphide
incl	68.0	72.0	4.0	1.31	0.38	1.69	<0.05	0.23	0.15	0.02	Sulphide
and	82.0	86.0	4.0	4.61	1.07	5.67	0.61	0.31	0.88	0.02	Sulphide
JRC014	112.0	129.0	17.0	0.47	0.15	0.62	<0.05	0.14	0.05	0.01	Sulphide
JRC014	134.0	203.0	69.0	1.75	0.25	2.00	0.07	0.14	0.08	0.01	Sulphide
incl	140.0	143.0	3.0	16.71	0.16	16.86	0.51	0.16	0.51	0.02	Sulphide
and	159.0	169.0	10.0	2.01	0.58	2.59	0.06	0.13	0.07	0.01	Sulphide
and	180.0	182.0	2.0	7.40	0.41	7.81	0.21	0.22	0.17	0.02	Sulphide
and	189.0	193.0	4.0	1.05	0.28	1.34	0.06	0.13	0.11	0.01	Sulphide
and	198.0	203.0	5.0	2.07	0.75	2.82	0.15	0.12	0.05	0.01	Sulphide
JRC015	12.0	34.0	22.0	0.80	0.22	1.02	0.12	0.13	0.13	0.03	Oxide
incl	14.0	22.0	8.0	1.03	0.28	1.31	0.20	0.09	0.15	0.05	Oxide
JRC015	34.0	133.0	99.0	0.84	0.21	1.05	<0.05	0.15	0.09	0.02	Sulphide
incl	35.0	50.0	15.0	1.31	0.30	1.61	0.08	0.19	0.15	0.02	Sulphide
and	70.0	78.0	8.0	1.02	0.20	1.22	<0.05	0.17	0.08	0.02	Sulphide

Hole ID	From (m)	To (m)	Interval (m)*	Pd (g/t)	Pt (g/t)	Pd+Pt (g/t)	Au (g/t)*	Ni (%)	Cu (%)	Co (%)	Geology
and	93.0	100.0	7.0	1.50	0.55	2.05	<0.05	0.19	0.14	0.02	Sulphide
and	106.0	116.0	10.0	1.55	0.35	1.89	<0.05	0.23	0.12	0.02	Sulphide
JRC015	142.0	152.0	10.0	0.44	0.10	0.54	<0.05	0.12	0.05	0.01	Sulphide
JRC015	195.0	243.0	48.0	0.64	0.12	0.76	<0.05	0.15	0.05	0.02	Sulphide
incl	210.0	215.0	5.0	1.07	0.20	1.27	<0.05	0.23	0.07	0.02	Sulphide
JRC015	249.0	258.0	9.0	0.59	0.11	0.70	<0.05	0.14	0.07	0.02	Sulphide
JRC016	68.0	76.0	8.0	0.52	0.20	0.72	<0.05	0.17	0.10	0.02	Sulphide
JRC016	105.0	135.0	30.0	0.67	0.13	0.80	<0.05	0.16	0.15	0.02	Sulphide
incl	117.0	120.0	3.0	1.72	0.31	2.03	<0.05	0.16	0.72	0.02	Sulphide
JRC016	143.0	153.0	10.0	0.63	0.12	0.75	<0.05	0.17	0.08	0.02	Sulphide
JRC016	165.0	190.0	25.0	0.64	0.14	0.78	<0.05	0.20	0.07	0.02	Sulphide
incl	182.0	184.0	2.0	1.88	0.30	2.18	<0.05	0.57	0.14	0.06	Sulphide
JRC016	234.0	248.0	14.0	0.36	0.07	0.43	<0.05	0.18	0.18	0.02	Sulphide
JRC017	16.0	28.0	12.0	0.74	0.14	0.88	0.06	0.07	0.17	0.01	Oxide
incl	25.0	28.0	3.0	1.53	0.35	1.88	0.15	0.19	0.38	0.04	Oxide
JRC017	28.0	96.0	68.0	0.64	0.13	0.77	<0.05	0.17	0.10	0.02	Sulphide
incl	53.0	59.0	6.0	1.02	0.23	1.25	<0.05	0.20	0.11	0.02	Sulphide
JRC017	104.0	113.0	9.0	0.47	0.09	0.56	<0.05	0.16	0.05	0.02	Sulphide
JRC017	132.0	249.0	117.0	0.52	0.11	0.63	<0.05	0.14	0.07	0.02	Sulphide
JRC017	255.0	264.0	9.0	0.43	0.10	0.52	<0.05	0.12	0.04	0.01	Sulphide

*Down-hole widths reported, true widths unknown. 10g/t Au top-cut applied.

Appendix 2: New drill hole details – Julimar Ni-Cu-PGE Project.

Hole ID	Type	Easting (m)	Northing (m)	RL (m)	Azi (°)	Dip (°)	Depth (m)	Survey type	Assaying status
JD004	Core	425,461	6,513,406	248.3	90	-63	344.8	GPS	Reported
JD005	Core	424,975	6,512,360	235.3	90	-71	336.9	GPS	Reported
JD006	Core	425,020	6,512,430	236.1	90	-80	259.1	GPS	Pending
JD007	Core	425,070	6,512,430	236.1	90	-60	155.4	GPS	Pending
JD008	Core	424,970	6,512,590	243.0	90	-60	389.3	GPS	Pending
JD009	Core	425,050	6,512,590	242.6	90	-61	353.0	GPS	Pending
JD010	Core	424,992	6,512,312	234.7	125	-50	377.5	GPS	Pending
JRC003D	RC-Core	425,439	6,513,128	255.9	88	-61	350.7	DGPS	Reported
JRC005D	RC-Core	425,019.7	6,512,358.6	235.6	92.9	-60.1	-	DGPS	Diamond tail in progress
JRC013	RC	425,600	6,512,710	247.9	90	-60	246	GPS	Reported
JRC014	RC	425,523	6,512,708	252.6	90	-60	282	GPS	Reported
JRC015	RC	425,120	6,512,710	250.0	90	-60	264	GPS	Reported
JRC016	RC	425,200	6,512,705	250.1	90	-60	258	GPS	Reported
JRC017	RC	425,040	6,512,700	250.7	90	-60	264	GPS	Reported
JRC018	RC	424,960	6,512,710	253.9	90	-60	258	GPS	Pending
JRC019	RC	425,135	6,512,520	241.0	90	-60	262	GPS	Pending
JRC020	RC	424,880	6,512,722	254.9	90	-60	270	GPS	Pending
JRC021	RC	424,800	6,512,710	252.7	90	-60	288	GPS	Pending
JRC022	RC	425,215	6,512,520	242.3	90	-60	274	GPS	Pending
JRC023	RC	425,213	6,512,518	242.2	NA	-90	82	GPS	Pending
JRC024	RC	425,360	6,512,710	250.6	90	-60	250	GPS	Pending
JRC025	RC	425,120	6,512,430	239.9	90	-60	184	GPS	Pending
JRC026	RC	425,080	6,512,360	238.8	90	-60	112	GPS	Pending
JRC027	RC	425,280	6,512,710	249.1	90	-60	252	GPS	Pending
JRC028	RC	425,300	6,512,520	241.5	90	-60	250	GPS	Pending
JRC029	RC	425,440	6,512,700	252.8	90	-60	252	GPS	Pending
JRC030	RC	425,610	6,513,520	247.2	90	-60	250	GPS	Pending
JRC031	RC	425,510	6,513,095	254.0	90	-60	252	GPS	Pending
JRC032	RC	425,530	6,513,520	248.5	90	-60	226	GPS	Pending
JRC033	RC	425,340	6,513,095	260.6	90	-60	252	GPS	Pending
JRC034	RC	425,450	6,513,520	250.5	90	-60	268	GPS	Pending
JRC035	RC	425,260	6,513,095	261.3	90	-60	211	GPS	Pending
JRC036	RC	425,370	6,513,520	253.0	90	-60	268	GPS	Pending

Appendix 3: 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.	- Diamond drill core samples were taken over selective intervals ranging from 0.2m to 1.2m (typically 1.0m). Qualitative care taken when sampling diamond drill core to sample the same half of the drill core. - Reverse Circulation (RC) drilling samples were collected as 1m samples. Two 1m assay samples were collected as a split from the rig cyclone using a cone splitter and are typically 3kg in weight. - Soil geochemical samples were collected by auger with a maximum depth of sample of 7m in areas of deep sand cover. Two samples were selected at each location with a fine fraction (-80# mesh) and a coarse fraction (+3/16 inch mesh).
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).	- Drilling has been undertaken by diamond and Reverse Circulation (RC) techniques. - Diamond drill core is HQ size (63.5mm diameter) with triple tube used from surface and standard tube in competent bedrock. - Core orientation is by an ACT Reflex (ACT II RD) tool - RC Drilling uses 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 of diamond drill core samples were recorded on a qualitative basis. Generally sample weights are comparable and any bias is considered negligible. - Individual recoveries for RC composite samples were recorded on a qualitative basis. Sample weights were slightly lower through transported cover whereas drilling through bedrock yielded samples with more consistent weights. - No relationships have been evident between diamond core, RC sample grade and recoveries.
Logging	Whether core and chip samples have been	All drill holes were logged geologically

Criteria	JORC Code explanation	Commentary
	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.	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. - Diamond drill core is photographed wet and dry before cutting.
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.	- Diamond core was sawn in half and one-half quartered and selectively sampled over 0.2-1.2m intervals (mostly 1m). - Diamond drill core field duplicates collected as ¼ core. - RC assay samples were collected as two 1m splits from the rig cyclone via a cone splitter. The cone splitter was horizontal to ensure sample representivity. Wet or damp samples were noted in the sample logging sheet and a majority of samples were dry. - Sample preparation is industry standard and comprises oven drying, jaw crushing and pulverising to -75 microns (80% pass). - Field duplicates were collected from selected sulphide zones as a second 1m split directly from the cone splitter. - Drill sample sizes are considered appropriate for the style of mineralisation sought and the nature of the drilling program. - Auger soil sampling procedures are considered to be industry standard techniques and appropriate for reconnaissance exploration.
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.	- Diamond drill core and RC samples underwent sample preparation and geochemical analysis by ALS Perth. Au-Pt-Pd was analysed by 50g fire assay fusion with an ICP-AES finish (ALS Method code PGM-ICP24). A 48-element suite was analysed by ICP-MS following a four-acid digest (ALS method code ME-MS61) including Ag, Al, As, Ba, Be, Bi, Ca, Cd, Ce, Co, Cr, Cs, Cu, Fe, Ga, Ge, Hf, In, K, La, Li, Mg, Mn, Mo, Na, Nb, Ni, P, Pb, Rb, Re, S, Sb, Sc, Se, Sn, Sr, Ta, Te, Th, Ti, Tl, U, V, W, Y, Zn, Zr. Additional ore-grade analysis was performed as required for elements reporting out of range for Ni, Cr, Cu (ALS method code ME-OG-62) and Pd, Pt (ALS method code PGM-ICP27). - Auger soil samples were analysed for a suite of elements by aqua regia digest with an ICP-AES finish. Pt, Pd and Au were analysed by fire assay with an ICP-MS finish using a 30g charge.

Criteria	JORC Code explanation	Commentary
		- Certified analytical standards and blanks were inserted at appropriate intervals for diamond, RC drill samples and auger soil samples - Approximately 5% of samples submitted for analysis comprised QAQC control samples.
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 drill intersections are checked by the Project Geologist and then by the General Manager Exploration. Significant intersections are cross-checked with the logged geology and drill core after final assays are received. - One RC was finned with a diamond hole to provide drill core for metallurgical testwork. These holes were also useful as a comparison between grade/thickness variations over a 5m separation between drill holes. - Primary drill 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. - A 10g/t Au top-cut has been applied to diamond drill core assays. No other adjustments were 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. - Specification of the grid system used. - Quality and adequacy of topographic control.	- Diamond and RC drill hole collar locations are initially recorded by Chalice employees using a handheld GPS with a +/- 3m margin of error. - Auger soil samples locations were collected using a handheld GPS. - DGPS collar pick-ups replace handheld GPS collar pick-ups and have <1m margin of error. - The grid system used for the location of all drill holes is GDA94 - MGA (Zone 50). The grid system used for stream sediment samples was WGS84 (UTM). - RLs were assigned either from 1 sec (30m) satellite data or DGPS pick-ups.
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.	- Diamond drill holes were typically positioned as close to orthogonal to the interpreted dip and strike of the known zone of mineralisation. - Results from the drilling to date are not considered sufficient to assume any geological or grade continuity. - Auger soil samples were collected on a nominal 100m x 50m spacing with infill samples collected at 25m x 50m spacing as part of an orientation survey. - No compositing undertaken for diamond drill core or RC samples.

Criteria	JORC Code explanation	Commentary
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 reported in diamond and RC drill hole results is interpreted as close to orthogonal to the drill holes. JD010 is orientated about 55 degrees to strike due to site access constraints.
Sample security	The measures taken to ensure sample security.	Samples are collected in polyweave bags and delivered by Chalice employees to ALS laboratories in Wangara, 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.	- Exploration activities are conducted over E70/5118 and 5119 on private property. 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 three genuine explorers in the area, all primarily targeting Fe-Ti-V mineralisation. - Over 1971-1972, Garrick Agnew Pty Ltd undertook reconnaissance surface sampling over prominent aeromagnetic anomalies in a search for 'Coates deposit style' vanadium mineralisation. Surface sampling methodology is not described in detail, nor were analytical methods specified, with samples analysed for V₂O₅, Ni, Cu, Cr, Pb and Zn, results of which are referred to in this announcement. - 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 undertook 27 stream sediment samples within E70/5119. Elevated levels of palladium were noted in the coarse fraction (-5mm+2mm) are

Criteria	JORC Code explanation	Commentary
		reported in this release. Finer fraction samples did not replicate the coarse fraction results. A local AMAG survey was flown in 1996 by Alcoa using 200m line spacing which has been used by Chalice for targeting purposes.
Geology	<i>Deposit type, geological setting and style of mineralisation.</i>	The target deposit type is a magmatic Ni-Cu-PGE sulphide deposit, 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.
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 length-weighted cut off. A maximum of 4m internal dilution has been applied. - A 10 g/t Au top cut has been applied to drill assay results. - Metal equivalent values are not reported.
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.	- All widths are quoted down-hole. - All drill holes were orientated to be as close as possible to orthogonal to the interpreted dip of the mineralised zone(s) and/or targets.

Criteria	JORC Code explanation	Commentary
	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').	
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.	A high temperature SQUID EM survey was undertaken by GEM Geophysics utilising two fixed-loops with the configuration of 1330m x 1000m (Nth) and 740m x 1000m (Sth) with stations read at 150m x 50m intervals. A total of 299 stations recorded using a Jessy Deeps HTS receiver at 0.25Hz and 60 A.
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.	- Diamond and RC drilling will continue to test high-priority EM conductors, 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 diamond and selective RC 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.