

28 July 2022

June 2022 Quarterly Activities Report

World-class Julimar Ni-Cu-PGE Project enhanced with Gonneville Resource upgrade and encouraging signs of mineralisation at greenfield Dampier Target

Highlights

Julimar Nickel-Copper-PGE Project, Western Australia (100% owned)

- « Updated Indicated and Inferred, open-pit and underground mineral resource estimate (Resource) completed for the Gonneville PGE-Ni-Cu-Co-Au sulphide deposit:
 - « 350Mt @ 0.96g/t 3E¹, 0.16% Ni, 0.10% Cu, 0.015% Co (~0.58% NiEq² or ~1.8g/t PdEq³);
 - « Containing **11Moz 3E, 560kt Ni, 360kt Cu, 54kt Co (~2.0Mt NiEq or ~20Moz PdEq)**;
 - « **Significant increase in geological confidence with ~70%** of the Resource now in the Indicated category (up from ~45%) following extensive infill drilling;
 - « **~90%** of the Resource above a depth of 250m is now classified as Indicated.
- « The **higher-grade sulphide** component of the Resource (>0.6% NiEq cut-off in-pit plus underground) increased to:
 - « **82Mt @ 1.7g/t 3E, 0.21% Ni, 0.20% Cu, 0.020% Co (~1.0% NiEq or ~2.9g/t PdEq)**;
 - « Containing 4.5Moz 3E, 180kt Ni, 170kt Cu, 16kt Co (~790kt NiEq or ~7.7Moz PdEq);
 - « Resources are defined from a depth of **~30m to ~700m** and remain **open down-dip**;
 - « This higher-grade component affords the project **significant optionality** in development and could potentially **materially enhance project economics** in the initial years of operations.
- « The Resource remains **open to the north along strike and at depth**, with the potential for further material growth with three drill rigs operating.
- « All approvals received for initial low-impact exploration drilling at the Hartog-Dampier targets:
 - « **70 drill sites planned** over the **~10km** of Julimar Complex strike length, with 12 drilled to date (not including initial lower-priority sites on tracks);
 - « **Four diamond drill rigs operating**, with drill order determined by target priority.
- « Encouraging visual results received from initial drilling at the greenfield **Dampier Target, located ~10km north of the Gonneville deposit**:
 - « **~15m to 80m wide zone** of disseminated sulphides (avg. 1-3% sulphide), with locally abundant **matrix sulphides** (up to 20-30% sulphide), intersected in ultramafic-mafic intrusive rocks in three **wide-spaced holes** (HD009, 010 & HD013);

¹ 3E = Palladium (Pd) + Platinum (Pt) + Gold (Au), with an average in-situ ratio of ~4.8:1:0.18 (Pd:Pt:Au)

² NiEq (Nickel Equivalent %) = Ni (%) + 0.33x Pd(g/t) + 0.24x Pt(g/t) + 0.29x Au(g/t) + 0.78x Cu(%) + 3.41x Co(%)

³ PdEq (Palladium Equivalent g/t) = Pd (g/t) + 0.72x Pt(g/t) + 0.86x Au(g/t) + 2.99x Ni(%) + 2.33x Cu(%) + 10.18x Co(%)

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- « The zone has been intersected across **a strike length of ~350m** and over **~250m of dip extent** and remains **open in all directions**.
- « The zone correlates with a **~1,000m long** coincident magnetic high and Ni-Cr in-soil anomaly, and has a very subtle EM response, opening up the possibility of further blind discoveries.
- « Gonnevillle Scoping Study for an initial stage of mine development at the Project is progressing well and expected to be completed in late **Q3 2022**.

Corporate

- « **A\$100 million** Placement (before costs) completed at \$6 per share to **leading domestic and international institutional and sophisticated investors**.
- « Chalice now **fully funded for the next ~18 months** of exploration and pre-development activities.
- « Chalice ended the quarter in a very strong financial position with **~\$131.7 million in cash**.

1. Environment, Social and Governance

There were no significant environmental or safety incidents during the quarter. The Company also had zero Lost Time Injuries across all operations for FY22.

The Company experienced an increase in cases of COVID-19 associated with the broader wave of Omicron variant infections in Western Australia, however there was no material impact on the business. The Company continued to maintain operational protocols, including Rapid Antigen Test (RAT) screening as part of the critical worker furloughing process, to minimise the transmission of COVID-19 at site.

Further development of safety and environmental management systems was undertaken with a focus on the Company's risk management framework and the management of material corporate and operational risks. Updated corporate policies covering health and safety, environment, and community and heritage were published.

The Company received all outstanding approvals to conduct planned low-impact exploration drilling at the Hartog-Dampier targets within the Julimar State Forest. This followed the resolution of appeals against the Company's permit awarded in January 2022.

The Company, together with third party subject matter experts, completed a biodiversity strategy for the Julimar Project. Further details of the Company's commitment and planned activities will be released as part of the Annual Sustainability Report for FY22.

The Whadjuk and Yued Traditional Owners continued cultural heritage monitoring of drilling activities within the Julimar State Forest during the quarter. No cultural heritage sites have been identified through surveys or monitoring activities.

There were no significant community concerns associated with Chalice's activities during the quarter. Stakeholder engagement at a local, state and federal level for the Julimar Project has increased with additional resources added internally. The Community Investment Program continues to expand with sponsorships being awarded in the Shires of Chittering, Northam and Toodyay.

2. Exploration and Development Activities

2.1 Julimar Nickel-Copper-PGE Project, WA (100% owned)

2.1.1 Overview of Activities

Chalice's strategy for the Julimar Project is to advance development studies and regulatory approvals for the Gonnevillle Deposit (as the likely starter mine for the project) in parallel with defining

the full extent of the Julimar mineral system through exploration activities across the largely untested >30km long mafic-ultramafic Complex.

The following activities continued at the project during the quarter:

- « The Gonneville Resource was updated to include 235 new drill holes completed post the maiden Resource in November 2021.
- « Resource definition and exploration RC/diamond drilling continued at Gonneville with three drill rigs (ongoing).
- « Metallurgical, geotechnical and groundwater drilling was completed at Gonneville.
- « Reconnaissance diamond drilling across the Hartog-Dampier targets continued with four drill rigs over ~10km of strike length to the north of Gonneville (ongoing).
- « Moving Loop Electromagnetic (MLEM) and Down-hole EM (DHEM) surveys continued across the Julimar Complex (ongoing).
- « An initial 3-line, 2D seismic survey of the Gonneville-Hartog area was completed to assess the overall architecture of the intrusive complex at depth (acquisition completed, results pending).
- « Access discussions continued for the Bindoon Training Area which covers the high-priority Flinders Target, ~25km NE of Gonneville (ongoing).
- « Mine development studies to support a Scoping Study for the initial development stage of the Gonneville Deposit continued (ongoing).
- « Baseline surveys of ground water, surface water, flora, fauna and dieback were undertaken, as part of a long-term baseline and monitoring program to support engineering studies and environmental assessments (ongoing).

In addition to the ongoing items above, the following activities are planned during Q3:

- « Detailed infill RC Resource definition drilling over a small area of the Gonneville Deposit to improve the understanding of the short range variability and continuity of higher grade zones.

The next major milestone for the Julimar Project is the Gonneville Scoping Study, which is targeted for completion in late Q3 2022.

2.1.2 Gonneville updated Mineral Resource Estimate

Chalice engaged Cube Consulting (Cube) to prepare an updated mineral resource estimate for the Gonneville deposit. The Resource has been reported in accordance with the JORC Code (2012) and is effective 8 July 2022.

The Resource was updated to **350Mt @ 0.96g/t 3E⁴, 0.16% Ni, 0.10% Cu, 0.015% Co (~0.58% NiEq⁵ or ~1.8g/t PdEq⁶)**, which includes a **higher-grade sulphide** component (>0.6% NiEq cut-off in-pit plus underground) of **82Mt @ 1.7g/t 3E, 0.21% Ni, 0.20% Cu, 0.020% Co (~1.0% NiEq or ~2.9g/t PdEq)**. The Resource is shown in full in Appendix B.

Since the maiden Resource was reported in November 2021, drilling at Gonneville has largely been focused on shallow infill, to improve the confidence level of the Resource from the Inferred category to Indicated. The proportion of Indicated category Resources has increased from ~45% to ~70% of the total (Figure 1), with ~90% of the Resource above a depth of 250m classified as Indicated.

⁴ 3E = Palladium (Pd) + Platinum (Pt) + Gold (Au), with an average in-situ ratio of ~4.8:1:0.18 (Pd:Pt:Au)

⁵ NiEq (Nickel Equivalent %) = Ni (%) + 0.33x Pd(g/t) + 0.24x Pt(g/t) + 0.29x Au(g/t) + 0.78x Cu(%) + 3.41x Co(%)

⁶ PdEq (Palladium Equivalent g/t) = Pd (g/t) + 0.72x Pt(g/t) + 0.86x Au(g/t) + 2.99x Ni(%) + 2.33x Cu(%) + 10.18x Co(%)

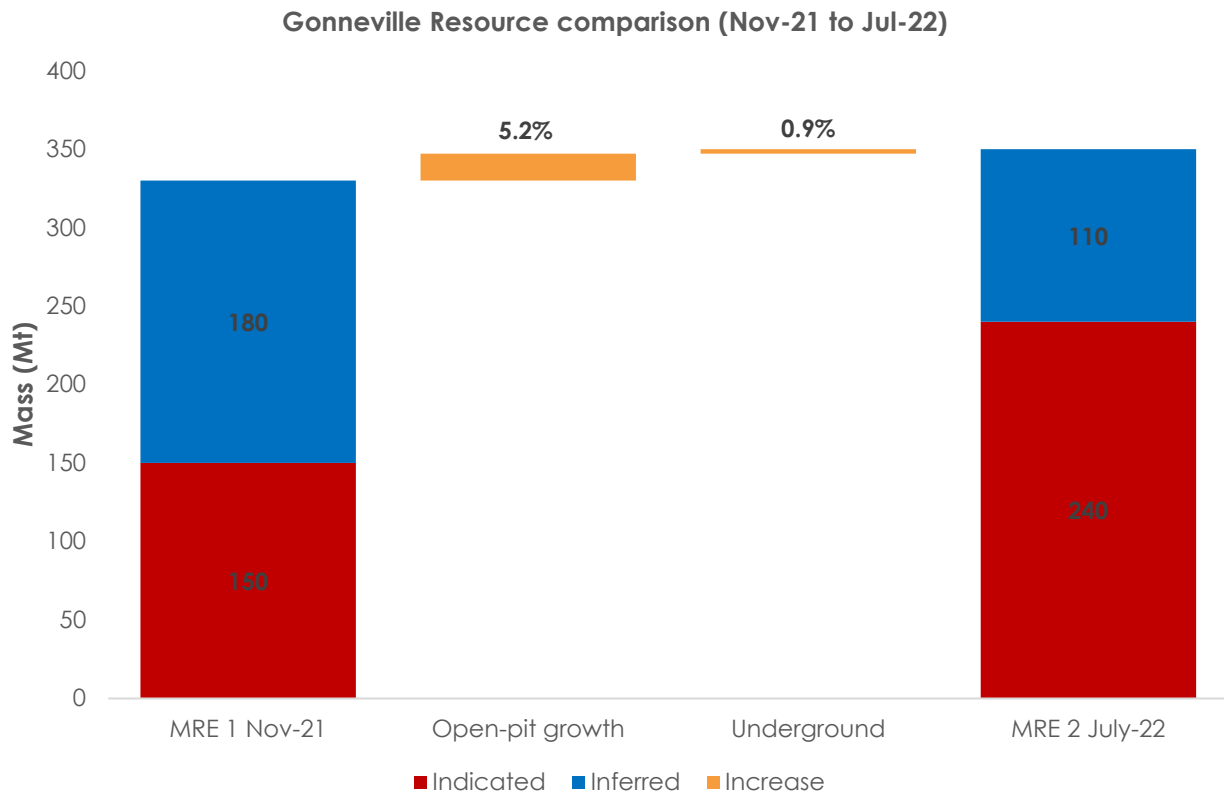


Figure 1. Change in Gonneville Resource from November 2021 to July 2022.

The Resource includes a mix of oxide, transitional and sulphide mineralisation. The sulphide mineralisation is reported at two different cut-off grades to highlight the scale and development optionality the Deposit affords.

The robust nature of the Resource is demonstrated by the grade-tonnage curve (Figure 2), which highlights the significant quantity of pit-constrained sulphide mineralisation at higher cut-off grades. Note, the grade-tonnage curve for the Resource includes material classified as Inferred, where data is insufficient to allow the geological grade and continuity to be confidently interpreted.

The significant higher-grade component of the Resource provides excellent optionality for any future development and could potentially materially improve project economics in the initial years of operation. This is a key focus of the Gonneville Scoping Study, which is due to be completed in late Q3 2022.

Drilling is continuing at the ~1.9km x 0.9km deposit outside the Resource, with two diamond rigs continuing to test for extensions of high-grade mineralisation at depth.

Gonneville remains open at the Julimar State Forest boundary to the north, where four diamond rigs are continuing an initial drill program at the Hartog-Dampier targets. The Deposit also remains open beyond a depth of ~700m.

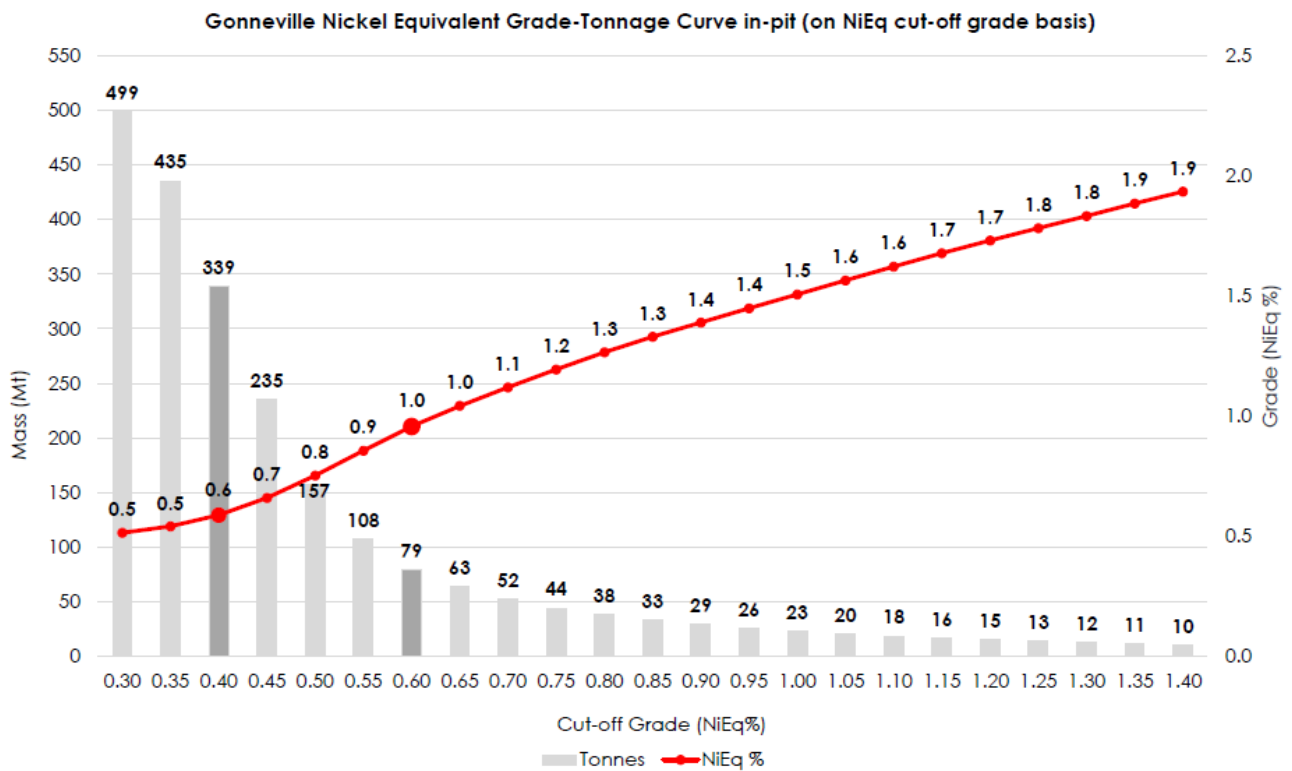


Figure 2. Gonneville NiEq grade-tonnage curve for pit-constrained sulphide mineralisation on a NiEq cut-off grade basis.

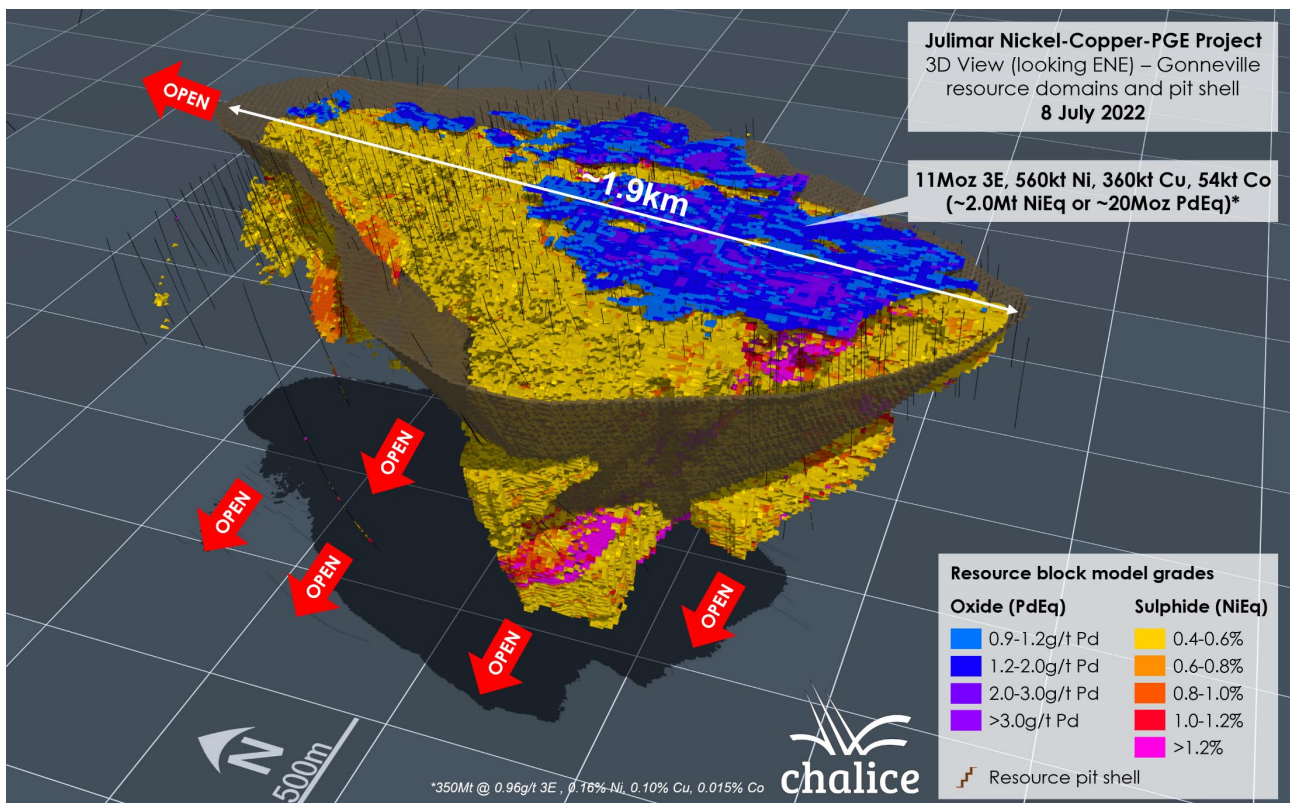


Figure 3. 3D view (looking ENE) of Gonneville block model (all domains) and Resource pit shell.

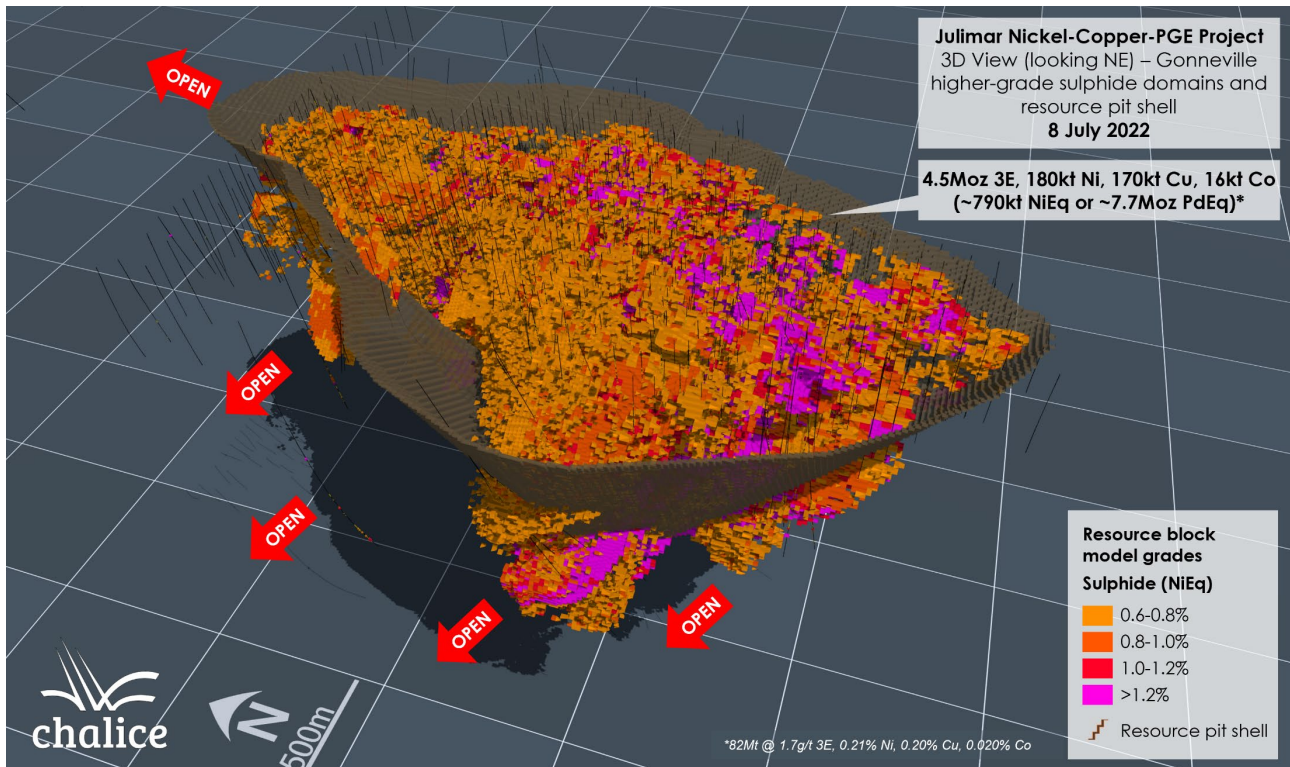


Figure 4. 3D view (looking NE) of Gonneville higher-grade sulphide block model (>0.6% NiEq) and Resource pit shell.

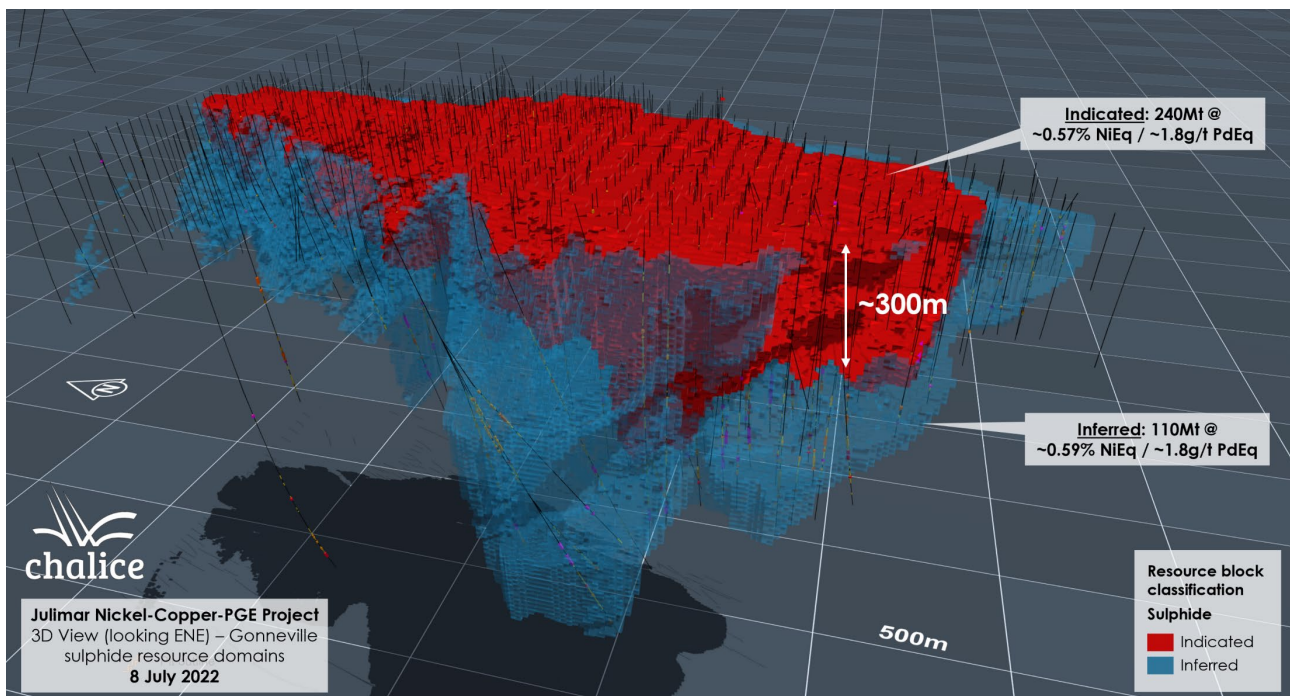


Figure 5. 3D view (looking NE) of Gonneville Indicated and Inferred category blocks (sulphide domains only).

2.1.3 Hartog-Dampier exploration drilling

Low-impact drilling and exploration activities are continuing across the >30km long Julimar Complex, with four diamond drill rigs currently drilling at the Hartog-Dampier Targets within the Julimar State Forest.

Initial diamond drilling at the greenfield Dampier Target, located 10km NE of Gonneville, has generated encouraging early visual results. HD013 intersected a 4.2m wide zone of heavily

disseminated to matrix (locally semi-massive) sulphides comprising pyrrhotite, chalcopyrite and pentlandite and an up to ~80m wide halo of weakly disseminated sulphides (avg. 1-3% sulphide) within an interlayered sequence of ultramafic to mafic intrusive rocks. Assay results for this hole are pending.

This is the first significant indication of orthomagmatic sulphide mineralisation outside of the Gonneville deposit itself and demonstrates the highly prospective nature of the Julimar Complex for additional Ni-Cu-PGE discoveries.

Initial geological observations suggest that the package of mineralised pyroxenite and lesser peridotite/gabbro intersected at Dampier has a similar intrusive geology to that intersected at the Gonneville Intrusion, including broad zones of weakly disseminated sulphides (pyrrhotite dominant) and locally developed heavy disseminated to matrix/semi-massive sulphides.

The mineralised zone has been intersected across a strike length of ~350m and over 250m of dip extent, and broadly aligns with a ~1,000m long magnetic anomaly with coincident Ni-Cr-in-soil (Figure 6 and Figure 7). The zone remains open in all directions and two rigs are continuing step-out drilling.

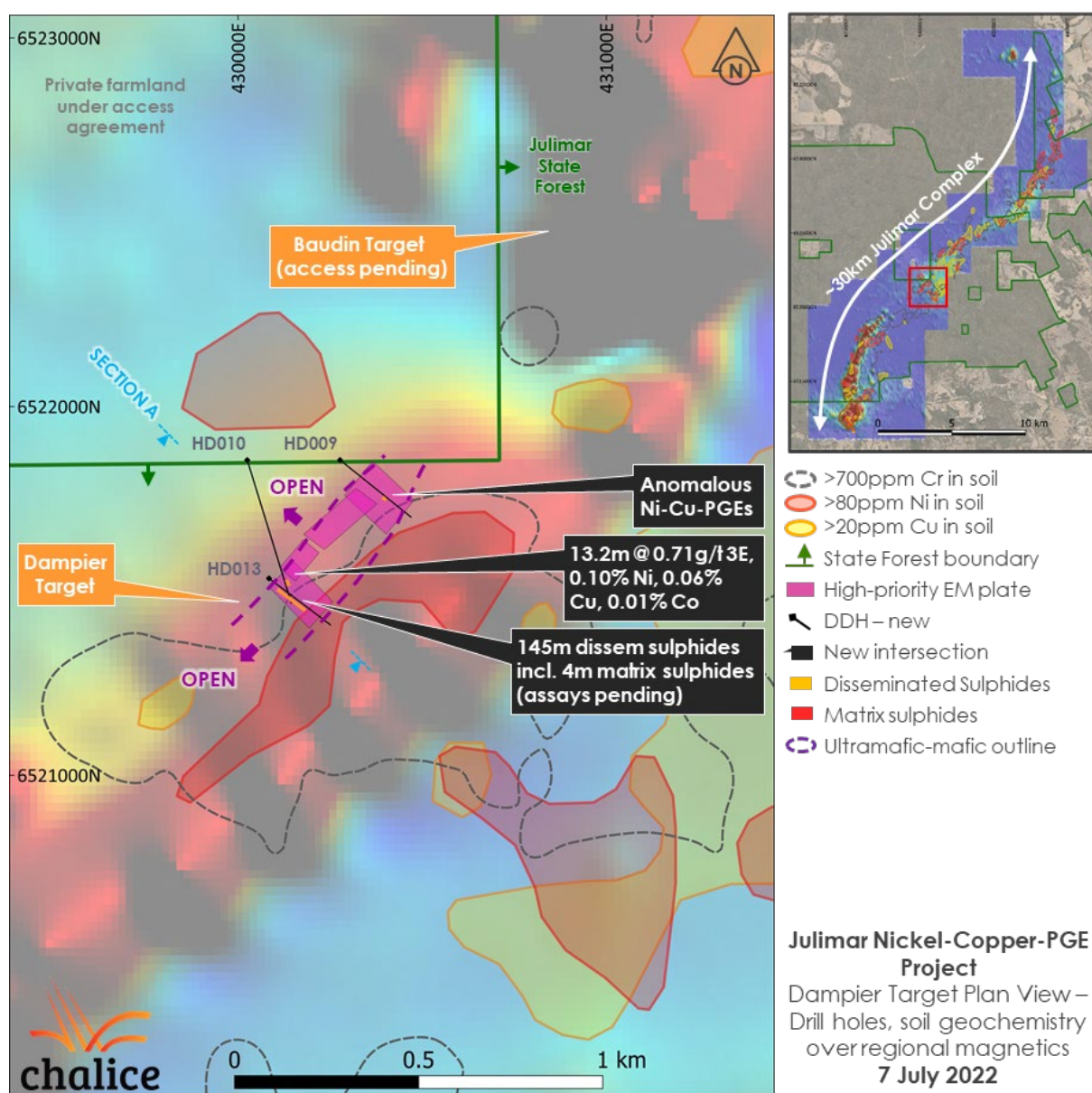


Figure 6. Dampier Target Plan View – drill holes, MLEM conductors and soil geochemistry over regional magnetics.

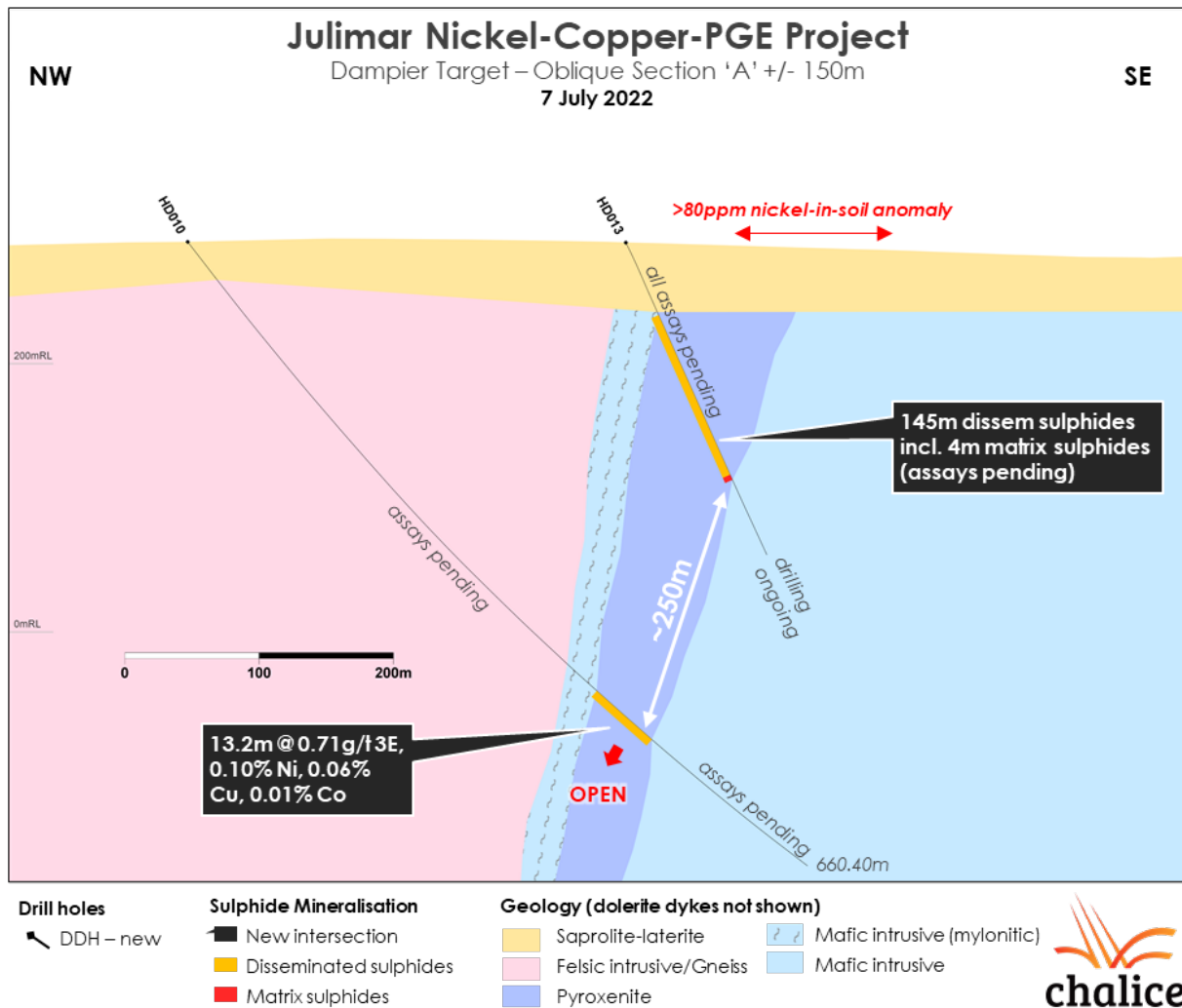


Figure 7. Dampier Target cross section through HD010 and HD013 (+/- 150m).

A total of 20 diamond drill holes have been completed at the Hartog-Dampier targets to date, with all assays pending for 12 completed holes (HD009-HD020).

Chalice's ongoing exploration drilling program in the Julimar State Forest is utilising small footprint diamond drill rigs and does not involve any mechanised clearing of vegetation or excavation. Comprehensive flora, fauna and cultural heritage surveys as well as heritage monitoring is underway according to industry best practice. The low-impact program is strictly governed by a Conservation Management Plan approved by the WA Government in late 2021.

2.1.4 Gonneville development studies

Mine development studies for Gonneville to support a Scoping Study continued to evaluate a range of production options for the initial development stage. The following work scopes were progressed during the quarter:

- « Pit Shell generated using Whittle Optimisation for updated Resource (completed).
- « Indicative open-pit and underground mining schedules at various mining throughput rates and using different flowsheet options are underway (ongoing).
- « Flotation testwork on disseminated sulphide and new variability composites (ongoing).
- « Additional mineralogical examination of flotation products to enhance understanding of metal deportment (ongoing).
- « Investigation into bulk concentrate enrichment alternatives for the disseminated sulphide mineralisation, with samples currently being tested using several different technologies (ongoing).

- « Leach testwork on transitional ore samples with various levels of weathering (completed).
- « An oxide sample was dispatched to assess the use of ion exchange for reagent recycling (ongoing).
- « Flowsheet development for comminution and flotation circuits at various plant throughput rates (completed).
- « Flowsheet development to produce a battery-grade nickel-cobalt intermediate product (together with a copper-PGE-gold concentrate for sale) as a potential alternative to selling a nickel-cobalt-PGE concentrate (ongoing).
- « Tailings characterisation testwork to assess environmental characteristics of an initial selection of tailings samples (ongoing).
- « Initial waste rock characterisation to establish environmental characteristics (ongoing).
- « Installation of groundwater monitoring equipment (completed) and surface water monitoring stations (ongoing).
- « Investigations into water supply options, power supply, tailings storage and logistics options (ongoing).

2.2 Julimar Regional Nickel-Copper-PGE Project, WA (90-100% owned)

Exploration activities continued during the quarter over two new early-stage targets identified through previous AEM surveys and roadside geochemical sampling. Activities included field reconnaissance, MLEM, ground gravity and auger soil geochemical sampling over confirmed prospective mafic-ultramafic intrusive rocks.

Initial RC drilling is planned at one target area in Q4, while auger soil geochemical sampling is planned in Q3 at the other target area.

A program of roadside auger soil sampling was completed over eight targets located in the eastern part of the project area as a follow-up over magnetic anomalies interpreted as potential ultramafic to mafic intrusives. Results are expected in Q3.

Field reconnaissance continued across other early-stage targets across the project area with the aim to advance targets to drill testing later in the year when access becomes available at the completion of cropping activities on farmland.

2.3 Barrabarra Nickel-Copper-PGE Project, WA (100% owned)

An 8 hole / 1,841m RC drilling program was completed during the quarter to test Ni, Cu and PGE anomalism identified in shallow AC drilling over the Recherche mafic-ultramafic intrusive sequence. Drilling failed to intersect any significant indications of orthomagmatic sulphide mineralisation within the ultramafic-mafic intrusive rock types and has downgraded the target.

Assays have been received for an auger soil geochemical program located ~15km west of the Recherche target. A follow-up program of AC drilling is scheduled in Q4 to test coincident Ni-Cu-Cr-PGE anomalies which are likely to be associated with ultramafic-mafic intrusive rock types.

Results have been received for a 2,095 line-km Helitem airborne electromagnetic (AEM) survey completed last quarter which has identified multiple AEM anomalies for follow up. Field reconnaissance is planned for Q3.

2.4 South West Nickel-Copper-PGE Project, WA (Chalice earning 70%)

Results were received for an auger soil geochemical program completed over the ~20km long Thor magnetic trend which defined two new coincident Ni-Cu-PGE targets located over interpreted ultramafic rocks. The targets will be followed up with MLEM, subject to approvals, to define targets for potential drill testing.

A 3 hole / 1,162m diamond drill program was completed during the quarter to test priority MLEM conductors associated with the Thor magnetic trend. Assay results have been received and no significant results are reported from sulphide mineralisation intersected at the target EM horizons.

The Company has earned a 51% interest in the project from Venture Minerals (ASX: VMS) having met an initial expenditure commitment of \$1.2 million.

2.5 Holt Rock Nickel-Copper-PGE Project, WA (100% owned)

Results have been received from an initial auger soil geochemical program completed in Q1 over a ~20km x 8km area of high-amplitude aeromagnetic anomalies interpreted as a potential mafic-ultramafic intrusive complex. Assay results have not identified any significant anomalism in well sampled lateritic residuum and the geology appears to be less favourable comprising mafic and felsic gneiss, granitoids and minor amphibolite. No further work is planned.

2.6 Hawkstone Nickel-Copper-Cobalt Project, WA (85-100% owned)

No activity was completed during the quarter. The Company continues to seek expressions of interest from third parties to acquire Chalice's interest in the project.

2.7 Auralia Nickel-Copper-PGE Project, WA (SensOre Limited earning 51%)

SensOre and Chalice continue to progress negotiations with the Central Land Council for heritage agreements to facilitate planned exploration activities over key target areas identified by SensOre.

2.8 Nulla South (Ramelius Resources earning 75%)

Ramelius undertook a 38 hole / 2,170m AC drilling program and a 5 hole / 430m RC drilling program at the Hitchings prospect which defined low-order gold anomalism over ~1-2km strike length of mafic gneiss, proximal to a contact/structure with footwall granite. Encouraging isolated results were obtained, with follow up exploration activities to be planned by Ramelius.

3. Corporate

3.1 Capital Raising

During the quarter, Chalice completed a A\$100 million placement at A\$6.00 per share to fund ongoing exploration and pre-development activities at its 100%-owned Julimar Nickel-Copper-PGE Project and across its highly prospective West Yilgarn licence holding.

The placement received very strong support from leading domestic and international institutions (including existing shareholders), as well as sophisticated investors.

Chalice is now fully funded for the next ~18 months of exploration and pre-development activities.

3.2 Cash and investments

As of 30 June 2022, Chalice had a cash balance of ~\$131.7 million and \$2.8 million in listed investments, which predominantly comprises shares held in Caspin Resources Ltd (ASX: CPN).

3.3 Cashflow

During the quarter, operating cash flows included expenditures of \$17.8 million on exploration and evaluation activities (including ~\$14.2 million at the Julimar Project) and \$1.1 million on staff costs, administration and corporate. A further \$1.4 million was paid in relation to the acquisition of two private properties in close proximity to Gonneville.

Further details are available in the attached Appendix 5B.

3.4 Payments to related parties of the entity and their associates

Payments of \$268k reported in Item 6.1 of the attached Appendix 5B relate to salaries and fees (including superannuation) paid to Directors.

3.5 Share Capital

On 30 May 2022, the Company issued 16,666,667 fully paid ordinary shares at \$6.00 per share to raise approximately \$100 million (before costs) in a placement to institutional and sophisticated investors.

On 31 May 2022, 50,000 options were exercised at \$2.1919 per fully paid ordinary share.

The following table provides a summary of the securities on issue as of 30 June 2022:

Security Description	No.
Ordinary fully paid shares	371,740,141
Unlisted options @ \$2.1919, expiry 30 June 2023	150,000
Unlisted options @ \$6.7119, expiry 19 Feb 2024	150,000
2019/2020 Performance Rights, measurement date 30 June 2022	4,557,053
2020/2021 Performance Rights, measurement date 30 June 2023	1,150,553
2021/2022 Performance Rights, measurement date 30 June 2024	347,458

Subsequent to the end of the quarter, on 8 July 2022, the Company issued 4,557,053 fully paid ordinary shares to CPU Share Plans Pty Ltd as trustee for the Chalice Mining Employee Share Trust following the vesting of the 2019/2020 Performance Rights (Performance Rights) in accordance with the Company's Employee Securities Incentive Plan.

The Performance Rights were issued to key management personnel and employees in 2019 and vested in full following determination by the Board that the performance conditions have been satisfied over the three-year measurement period ended 30 June 2022.

3.6 Tenement holdings

In accordance with ASX Listing Rule 5.3, please refer to Appendix A for a listing of all tenement holdings.

Authorised for release by the Board.

For further information, please visit www.chalicemining.com or contact:

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Competent Persons and Qualifying Persons Statement

The information in this report that relates to Exploration Results is based on and fairly represents information and supporting documentation compiled by Mr. Bruce Kendall BSc (Hons), a Competent Person, who is a Member of the Australian Institute of Geoscientists. Mr. Kendall 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 (the JORC Code), 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. Mr Kendall consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

The Information in this report that relates to prior exploration results for the Julimar Project is extracted from the following ASX announcements:

- « "Significant high-grade PGE-Cu-Au extensions at Julimar", 18 November 2020.
- « "Exceptional High-Grade Extensional Results at Julimar", 2 May 2022.
- « "New Mineralised Zone Intersected at Dampier Target", 7 July 2022.

The above announcements are available to view on the Company's website at www.chalicemining.com. The Company confirms that it is not aware of any new information or data that materially affects the exploration results included in the relevant original market announcements. The Company confirms that the form and context in which the Competent Person and Qualified Person's findings are presented have not been materially modified from the relevant original market announcements.

The Information in this announcement that relates to Mineral Resources has been extracted from the ASX announcement titled "Updated Gonneville Mineral Resource" dated 8 July 2022. This announcement is available to view on the Company's website at www.chalicemining.com.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original announcement and that all material assumptions and technical parameters underpinning the estimates in the original release continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person and Qualified Person's findings are presented have not been materially modified from the relevant original market announcement. Refer to Appendix B and Appendix C for further information on the Mineral Resource Estimate and metal equivalents.

Mineral Resources Reporting Requirements

As an Australian Company with securities listed on the Australian Securities Exchange (ASX), Chalice is subject to Australian disclosure requirements and standards, including the requirements of the Corporations Act 2001 and the ASX. Investors should note that it is a requirement of the ASX listing rules that the reporting of mineral resources in Australia is in accordance with the JORC Code and that Chalice's mineral resource estimates comply with the JORC Code.

The requirements of JORC Code differ in certain material respects from the disclosure requirements of United States securities laws. The terms used in this announcement are as defined in the JORC Code. The definitions of these terms differ from the definitions of such terms for purposes of the disclosure requirements in the United States.

As a designated reporting issuer in the province of Ontario, Chalice is also subject to certain Canadian disclosure requirements and standards, including the requirements of NI 43-101. The Julimar Project is a material mineral project for the purposes of NI43-101. The confidence categories assigned under the JORC Code were reconciled to the confidence categories in the Canadian Institute of Mining, Metallurgy and Petroleum (CIM) Definition Standards – for Mineral Resources and Mineral Reserves May 2014. As the confidence category definitions are the same, no modifications to the confidence categories were required.

Mineral Resources that are not Ore Reserves do not have demonstrated economic viability. Due to lower certainty, the inclusion of Mineral Resources should not be regarded as a representation by Chalice that

such amounts can necessarily be economically exploited, and investors are cautioned not to place undue reliance upon such figures. No assurances can be given that the estimates of Mineral Resources presented in this announcement will be recovered at the tonnages and grades presented, or at all.

Forward Looking Statements

This report may contain forward-looking statements and forward information, including 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 Mining 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 impact of the discovery on the Julimar Project's capital payback; the Company's strategy and objectives; the realisation of mineral resource estimates; the likelihood of exploration success; the timing of planned exploration and study activities on the Company's projects; access to sites for planned drilling activities; and the success of future potential mining operations; the timing of the receipt of exploration results.

In certain cases, forward-looking statements can be identified by the use of words such as, "affords", "considered", "continue", "could", "estimate", "expected", "for", "future", "interpreted", "likely", "may", "open", "optionality", "plan" or "planned", "progressing", "potential", "provides", "remains", "signs", "targets", "will" 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; whether geophysical and geochemical anomalies are related to economic mineralisation or some other feature; whether visually identified mineralisation is confirmed by laboratory assays; obtaining appropriate approvals to undertake exploration activities; results of planned metallurgical test work including results from other zones not tested yet, scaling up to commercial operations; changes in project parameters as plans continue to be refined; changes in exploration programs and budgets based upon the results of exploration, changes in commodity prices; economic conditions; grade or recovery rates; political and social risks, accidents, labour disputes and other risks of the mining industry; delays or difficulty in obtaining governmental approvals, necessary licences, permits or financing to undertake future mining development activities; changes to the regulatory framework within which Chalice operates or may in the future; movements in the share price of investments and the timing and proceeds realised on future disposals of investments, the impact of the COVID 19 pandemic 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](https://www.sedar.com), ASX at [asx.com.au](https://www.asx.com.au) and OTC Markets at [otcm Markets.com](https://www.otcm Markets.com). The Company also refers to the "Key Risks" section of its institutional capital raise presentation released to the ASX on 24 May 2022.

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.

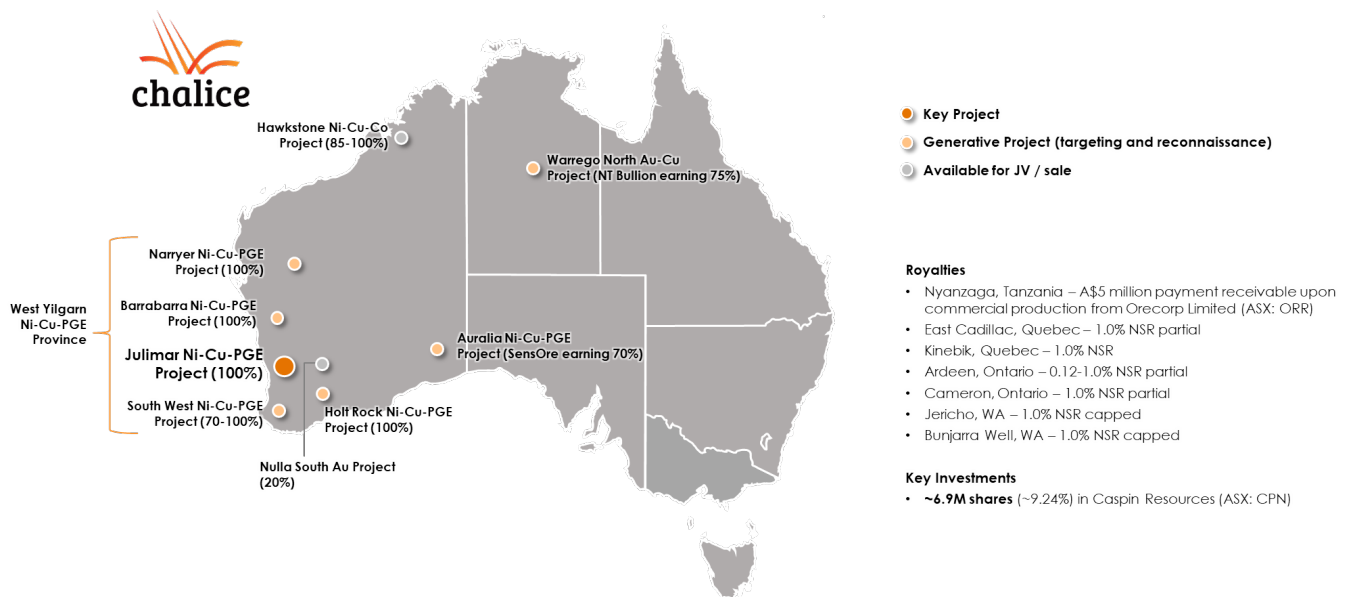


Figure 8. Chalice's project locations, royalties and investments.

The following information is provided in accordance with ASX Listing Rule 5.3 for the quarter ended 30 June 2022.

Table 1. Listing of tenements held

Location	Project	Tenement No.	Registered Holder	Nature of interest
Western Australia	Hawkstone	E04/1169	Waterford Bay Pty Ltd	100% of the hard-rock mineral rights
		E04/2405	Waterford Bay Pty Ltd	100% of the hard-rock mineral rights
		E04/2563	Kimberley Alluvials Pty Ltd	100% of the hard-rock mineral rights
		E04/2299	Strategic Metals Pty Ltd	0% - Earn-in agreement, right to earn up to an 85% interest
		E04/2325	Strategic Metals Pty Ltd	0% - Earn-in agreement, right to earn up to an 85% interest
	Nulla South	E77/2353 to E77/2354	CGM (WA) Pty Ltd	20% - JV with Ramelius Resources
	Julimar	E70/5118 to E70/5119	CGM (WA) Pty Ltd	100%
	Julimar (regional)	E70/5350 to E70/5354	CGM (WA) Pty Ltd	100%
		E70/5358 to E70/5361	CGM (WA) Pty Ltd	100%
		E70/5367 to E70/5369	CGM (WA) Pty Ltd	100%
		E70/5373	CGM (WA) Pty Ltd	100%
		E70/5704	CGM (WA) Pty Ltd	100%
		E70/5865	CGM (WA) Pty Ltd	100%
	Auralia	E69/3636 to E69/3637	CGM (WA) Pty Ltd	100% - SensOre Ltd has the right to earn up to a 70% interest
		E69/3700	CGM (WA) Pty Ltd	100% - SensOre Ltd has the right to earn up to a 70% interest
	Barrabarra	E70/5263 to E70/5264	CGM (WA) Pty Ltd	100%

Location	Project	Tenement No.	Registered Holder	Nature of interest
		E70/5355 to E70/5356	CGM (WA) Pty Ltd	100%
		E70/5535	CGM (WA) Pty Ltd	100%
		E70/5550 to E70/5551	CGM (WA) Pty Ltd	100%
		E70/5560	Koojan Exploration Pty Ltd	0% - Earn in agreement, right to earn up to an 80% interest
		E70/5624	CGM (WA) Pty Ltd	100%
		E70/5666 to E70/5667	CGM (WA) Pty Ltd	100%
		E70/5695	CGM (WA) Pty Ltd	100%
		E70/5705 to E70/5706	CGM (WA) Pty Ltd	100%
		E59/2451	CGM (WA) Pty Ltd	100%
		E59/2549	CGM (WA) Pty Ltd	100%
	South West	E70/5086	Nebula Pty Ltd	100%
		E70/5532	Nebula Pty Ltd	100%
		E70/5685	CGM (WA) Pty Ltd	100%
		E70/4837	Venture Lithium Pty Ltd	0% - Earn-in agreement, right to earn up to a 70% interest
		E70/5067	Venture Lithium Pty Ltd	
		E70/5421	Venture Lithium Pty Ltd	
	Holt Rock	E70/5536	CGM (WA) Pty Ltd	100%
	Wubin	E70/5357	CGM (WA) Pty Ltd	100%
	Narryer	E09/2436	CGM (WA) Pty Ltd	100%
		E09/2446 to E09/2447	CGM (WA) Pty Ltd	100%
Northern Territory	Warrego North	EL23764	CGM (WA) Pty Ltd (51%) & Meteoric Resources NL (49%)	Earn-in agreement, right to earn up to a 70% interest
		EL31608	CGM (WA) Pty Ltd	100% - TC Resources NT Pty Ltd has the right to earn up to a 75% interest
		EL31610	CGM (WA) Pty Ltd	
Queensland	Flinders River	EPM26861	CGM Lithium Pty Ltd	100%
		EPM26866	CGM Lithium Pty Ltd	100%

Table 2. Listing of tenements acquired (directly or beneficially) during the quarter

No tenements were acquired (directly or beneficially) during the quarter.

Table 3. Tenements relinquished, reduced or lapsed (directly or beneficially) during the quarter

No tenements were relinquished, reduced or lapsed (directly or beneficially) during the quarter.

Appendix B Updated Mineral Resource Estimate – Julimar Project

Table 4. Gonneville Mineral Resource Estimate (JORC Code 2012), 8 July 2022.

Domain	Cut-off Grade	Category	Mass	Grade								Contained Metal							
			(Mt)	Pd (g/t)	Pt (g/t)	Au (g/t)	Ni (%)	Cu (%)	Co (%)	NiEq (%)	PdEq (g/t)	Pd (Moz)	Pt (Moz)	Au (Moz)	Ni (kt)	Cu (kt)	Co (kt)	NiEq (kt)	PdEq (Moz)
Oxide	0.9g/t Pd	Indicated	8.6	1.9	-	0.06	-	-	-	-	1.9	0.52	-	0.02	-	-	-	-	0.54
		Inferred	0.4	1.9	-	0.13	-	-	-	-	2.0	0.03	-	0.00	-	-	-	-	0.03
		Subtotal	9.1	1.9	-	0.06	-	-	-	-	1.9	0.55	-	0.02	-	-	-	-	0.57
Sulphide (Transitional)	0.4% NiEq	Indicated	14	0.80	0.19	0.03	0.17	0.12	0.024	0.65	2.0	0.37	0.09	0.01	24	17	3	93	0.90
		Inferred	1.1	0.64	0.17	0.03	0.14	0.11	0.016	0.55	1.6	0.02	0.01	0	2	1	0	6	0.06
		Subtotal	15	0.79	0.19	0.03	0.16	0.12	0.023	0.65	1.9	0.39	0.09	0.01	25	18	4	99	0.96
Sulphide (Fresh)	0.4% NiEq	Indicated	220	0.73	0.16	0.03	0.16	0.10	0.016	0.59	1.8	5.1	1.1	0.20	360	230	34	1,300	12
		Inferred	110	0.71	0.15	0.03	0.16	0.11	0.015	0.58	1.7	2.4	0.52	0.10	170	110	16	610	5.9
		Subtotal	320	0.72	0.16	0.03	0.16	0.11	0.015	0.58	1.8	7.5	1.7	0.30	530	340	50	1,900	18
Underground	MSO	Indicated	0.03	1.7	0.33	0.08	0.16	0.15	0.016	0.99	3.0	0	0	0	0.1	0.1	0.0	0.3	0
		Inferred	2.9	1.8	0.40	0.06	0.27	0.21	0.021	1.2	3.7	0.17	0.04	0.01	7.6	6.0	0.6	35	0.34
		Subtotal	2.9	1.8	0.40	0.06	0.26	0.21	0.021	1.2	3.7	0.17	0.04	0.01	7.6	6.1	0.6	35	0.34
All		Indicated	240	0.78	0.16	0.03	0.16	0.10	0.015	0.57	1.8	6.0	1.2	0.22	380	240	37	1,400	14
		Inferred	110	0.74	0.16	0.03	0.16	0.11	0.015	0.59	1.8	2.6	0.57	0.11	180	120	17	650	6.3
		Total	350	0.77	0.16	0.03	0.16	0.10	0.015	0.58	1.8	8.6	1.8	0.33	560	360	54	2,000	20

Note some numerical differences may occur due to rounding to 2 significant figures.

PdEq oxide (Palladium Equivalent g/t) = Pd (g/t) + 1.27x Au (g/t)

NiEq sulphide (Nickel Equivalent %) = Ni (%) + 0.33x Pd(g/t) + 0.24x Pt(g/t) + 0.29x Au(g/t) + 0.78x Cu(%) + 3.41x Co(%)

PdEq sulphide (Palladium Equivalent g/t) = Pd (g/t) + 0.72x Pt(g/t) + 0.86x Au(g/t) + 2.99x Ni(%) + 2.33x Cu(%) + 10.18x Co(%)

MSO optimisation defined reasonable shapes that could be extracted by underground mining methods.

Includes drill holes drilled up to and including 18 March 2022.

Table 5. Higher-grade sulphide component of Gonneville Resource, 8 July 2022.

Domain	Cut-off Grade	Category	Mass	Grade								Contained Metal							
			(Mt)	Pd (g/t)	Pt (g/t)	Au (g/t)	Ni (%)	Cu (%)	Co (%)	NiEq (%)	PdEq (g/t)	Pd (Moz)	Pt (Moz)	Au (Moz)	Ni (kt)	Cu (kt)	Co (kt)	NiEq (kt)	PdEq (Moz)
High-grade Sulphide (Transitional)	0.6% NiEq	Indicated	4.8	1.3	0.31	0.04	0.20	0.18	0.038	0.99	3.0	0.20	0.05	0.01	10	9	2	48	0.46
		Inferred	0.2	1.1	0.26	0.06	0.18	0.18	0.019	0.82	2.4	0.01	0.00	0.00	0	0	0	2	0.02
		Subtotal	5.1	1.3	0.30	0.05	0.20	0.18	0.037	0.98	3.0	0.21	0.05	0.01	10	9	2	50	0.48
High-grade Sulphide (Fresh)	0.6% NiEq	Indicated	52	1.3	0.29	0.06	0.21	0.19	0.019	0.94	2.8	2.2	0.49	0.11	110	99	10	490	4.8
		Inferred	22	1.3	0.29	0.08	0.21	0.23	0.018	0.98	2.9	0.94	0.20	0.05	46	52	4	220	2.1
		Subtotal	74	1.3	0.29	0.07	0.21	0.20	0.019	0.95	2.9	3.1	0.69	0.16	160	150	14	710	6.9
Underground	MSO	Indicated	0.03	1.7	0.33	0.08	0.16	0.15	0.016	0.99	3.0	0	0	0	0.1	0.1	0.0	0.3	0
		Inferred	2.9	1.8	0.40	0.06	0.27	0.21	0.021	1.2	3.7	0.17	0.04	0.01	7.6	6.0	0.6	35	0.34
		Subtotal	2.9	1.8	0.40	0.06	0.26	0.21	0.021	1.2	3.7	0.17	0.04	0.01	7.6	6.1	0.6	35	0.34
All		Indicated	57	1.3	0.29	0.06	0.21	0.19	0.020	0.95	2.9	2.4	0.54	0.11	120	110	12	540	5.2
		Inferred	25	1.4	0.30	0.07	0.21	0.23	0.018	1.00	3.0	1.1	0.24	0.06	54	58	5	250	2.5
		Total	82	1.3	0.29	0.07	0.21	0.20	0.020	0.97	2.9	3.5	0.78	0.17	180	170	16	790	7.7

Note some numerical differences may occur due to rounding to 2 significant figures.

This higher-grade component is contained within the reported global Mineral Resource.

NiEq sulphide (Nickel Equivalent %) = Ni (%) + 0.33x Pd(g/t) + 0.24x Pt(g/t) + 0.29x Au(g/t) + 0.78x Cu(%) + 3.41x Co(%)

PdEq sulphide (Palladium Equivalent g/t) = Pd (g/t) + 0.72x Pt(g/t) + 0.86x Au(g/t) + 2.99x Ni(%) + 2.33x Cu(%) + 10.18x Co(%)

MSO optimisation defined reasonable shapes that could be extracted by underground mining methods.

Includes drill holes drilled up to and including 18 March 2022.

The Gonneville Resource is quoted in both nickel equivalent (NiEq) and palladium equivalent (PdEq) terms to take into account the contribution of multiple potentially payable metals. The cut-off grade for the sulphide domain was determined using NiEq in preference over PdEq, due to the assumed requirement for sulphide flotation to recover the metals.

PdEq is quoted given the relative importance of palladium by value at the assumed prices. Separate metal equivalent calculations are used for the oxide and transitional/sulphide zones to take into account the differing metallurgical recoveries in each zone.

Oxide Domain

Initial metallurgical testwork indicates that only palladium and gold are likely to be recovered in the oxide domain, therefore no NiEq grade has been quoted for the oxide. The PdEq grade for the oxide has been calculated using the formula:

$$\text{PdEq oxide (g/t)} = \text{Pd (g/t)} + 1.27 \times \text{Au (g/t)}.$$

- « Metal recoveries based on limited metallurgical test work completed to date:
 - « Pd – 75%, Au – 95%.
- « Metal prices used are consistent with those used in the pit optimisation:
 - « US\$1,800/oz Pd, US\$1,800/oz Au

Transitional and Fresh Sulphide Domains

Based on metallurgical testwork completed to date for the sulphide domain, it is the Company's opinion that all the quoted elements included in metal equivalent calculations (palladium, platinum, gold, nickel, copper and cobalt) have a reasonable potential of being recovered and sold.

Only limited samples have been collected from the transitional zone due to its relatively small volume. Therefore, the metallurgical recovery of all metals in this domain are unknown. However, given the relatively small proportion of the transition zone in the Mineral Resource, the impact on the metal equivalent calculation is not considered to be material.

Metal equivalents for the transitional and sulphide domains are calculated according to the formula below:

- « $\text{NiEq (\%)} = \text{Ni (\%)} + 0.33 \times \text{Pd (g/t)} + 0.24 \times \text{Pt (g/t)} + 0.29 \times \text{Au (g/t)} + 0.78 \times \text{Cu (\%)} + 3.41 \times \text{Co (\%)};$
- « $\text{PdEq (g/t)} = \text{Pd (g/t)} + 0.72 \times \text{Pt (g/t)} + 0.86 \times \text{Au (g/t)} + 2.99 \times \text{Ni (\%)} + 2.33 \times \text{Cu (\%)} + 10.18 \times \text{Co (\%)}.$

Metal recoveries used in the metal equivalent calculations are based on rounded average Resource grades for the higher-grade sulphide domain (>0.6% NiEq cut-off):

- « Pd – 70%, Pt – 70%, Au – 60%, Ni – 55%, Cu – 90%, Co – 55%.

Metal prices used are consistent with those used in the Whittle pit optimisation (based on P20-30 long term analyst estimates):

- « US\$1,800/oz Pd, US\$1,300/oz Pt, US\$1,800/oz Au, US\$22,00/t Ni, US\$10,500/t Cu and US\$75,000/t Co.

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Chalice Mining Limited

ABN

47 116 648 956

Quarter ended ("current quarter")

30 June 2022

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	19	153
1.2	Payments for		
	(a) exploration & evaluation	(17,798)	(56,428)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(655)	(2,797)
	(e) administration and corporate costs	(443)	(2,333)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	26	88
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes (paid)/received	-	-
1.7	Government grants and tax incentives	1,388	2,369
1.8	Other (provide details if material)		
	- Payroll taxes on vested performance rights	-	(2,450)
	- GST	(298)	(298)
	- Sale of livestock	-	522
1.9	Net cash from / (used in) operating activities	(17,761)	(61,174)

2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	(1,461)	(8,019)
	(d) exploration & evaluation	-	-
	(e) investments	-	(901)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
	(f) other non-current assets	-	(217)
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	109
	(d) investments	-	4,637
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	84
2.6	Net cash from / (used in) investing activities	(1,461)	(4,307)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	100,000	100,000
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	110	1,420
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(3,716)	(3,813)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	(120)	(451)
3.10	Net cash from / (used in) financing activities	96,274	97,156

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	54,510	99,884
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(17,761)	(61,174)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(1,461)	(4,307)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	96,274	97,156

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	150	153
4.6	Cash and cash equivalents at end of period	131,712	131,712

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	18,137	19,493
5.2	Call deposits	113,575	35,017
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	131,712	54,510

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	268
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	-	-
7.5	Unused financing facilities available at quarter end		
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(17,761)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(17,761)
8.4	Cash and cash equivalents at quarter end (item 4.6)	131,712
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	131,712
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	7.42
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>		
8.8	If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	Answer: Not applicable	
8.8.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	Answer: Not applicable	
8.8.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
	Answer: Not applicable	
<i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i>		

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date:28 July 2022.....

Authorised by:By the Board.....
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.

2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.