25 May 2020

High-grade Ni-Cu-PGEs confirmed in discovery zone at Julimar

Consistent high-grade mineralisation confirmed over ~75m down dip in the discovery zone plus wide-spaced 20,000m RC drill program now underway

Highlights

- Assay results received from first two diamond drill holes (JD001-2) at the **Julimar Ni-Cu-PGE Project,** ~70km north-east of Perth in Western Australia.
- Preliminary visual results for 'scissor hole' JD002 were reported previously, however assay results have now confirmed **consistent high-grade Ni-Cu-PGE mineralisation in fresh rock** throughout the Gonneville discovery zone:
  - **75.1m @ 6.2g/t Pd, 1.7g/t Pt, 1.7% Ni, 0.7% Cu and 0.10% Co from 34.9m**, including:
    - **9.8m @ 7.0g/t Pd, 0.8g/t Pt, 3.3% Ni, 1.2% Cu, 0.18% Co from 34.9m** (massive sulphides);
    - **20.4m @ 11.1g/t Pd, 1.1g/t Pt, 3.1% Ni, 1.0% Cu, 0.16% Co from 47.7m** (massive sulphides);
    - **33m @ 5.1g/t Pd, 3.0g/t Pt, 1.0% Ni, 0.6% Cu and 0.06% Co from 68.0m** (interlayered massive-matrix-stringer sulphides).

    Note: reported intervals are not true width and at this stage the true width is still unknown
  - JD002 was drilled to intersect the discovery zone (intersected in JRC001) at a low angle to confirm its westerly dip (i.e. it drilled sub-parallel to mineralisation) and provide samples for preliminary metallurgical testwork.
  - The discovery zone remains **open along strike**.
- Preliminary visual results for JD001 (drilled 40m down-dip of JRC001) were reported previously, however assay results have now confirmed several narrow PGE-Ni-Cu zones, separated by barren cross-cutting dykes, were intersected – as such the discovery zone remains **open at depth** and further drilling is required to determine its true dip extent.
- Initial petrographic and Scanning Electron Microscope (SEM) analysis on massive and matrix sulphide zones in JD002 has **identified various PGE minerals** mostly hosted in pyrrhotite – a positive result as it suggests the PGEs within unoxidised mineralisation **may be recoverable through flotation processing**, however this needs to be confirmed through metallurgical testwork.
- A **~20,000m Phase 2 Reverse Circulation (RC) drill program** has commenced at Gonneville, to scope out the extent of the Intrusive on a 200m x 80m grid pattern and to test **new high-grade targets** at the southern end of the Intrusive.
- **Diamond drilling and down-hole EM continues** to target high-grade Ni-Cu-PGE zones. Assays are pending for JD003-4. The SQUID EM survey is also in progress.
- The **100%-owned** Julimar Project covers the **entire >26km long** Julimar Intrusive Complex (JIC) and **~24km of the highly prospective complex is yet to be explored**.
- Chalice is **fully funded** to continue its systematic exploration programs in WA and Victoria, with a current cash balance of **~$48 million.**

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

New assay results

As reported in an ASX Announcement on 20 April 2020, the second diamond drill hole (JD002) at the Gonneville Intrusive was drilled as a 'scissor hole' of JRC001 (19m @ 8.4g/t Pd, 1.1g/t Pt, 2.6% Ni, 1.0% Cu, 0.14% Co from 48m), designed to intersect the high-grade Ni-Cu-Co-PGE discovery zone at a low angle in order to confirm the interpreted westerly dip of the high-grade mineralisation (**Figure 1**).

As a result, the hole was drilled sub-parallel to the zone and intercept lengths are not true widths. Based on drilling to date, the true width of the zone is still unknown.

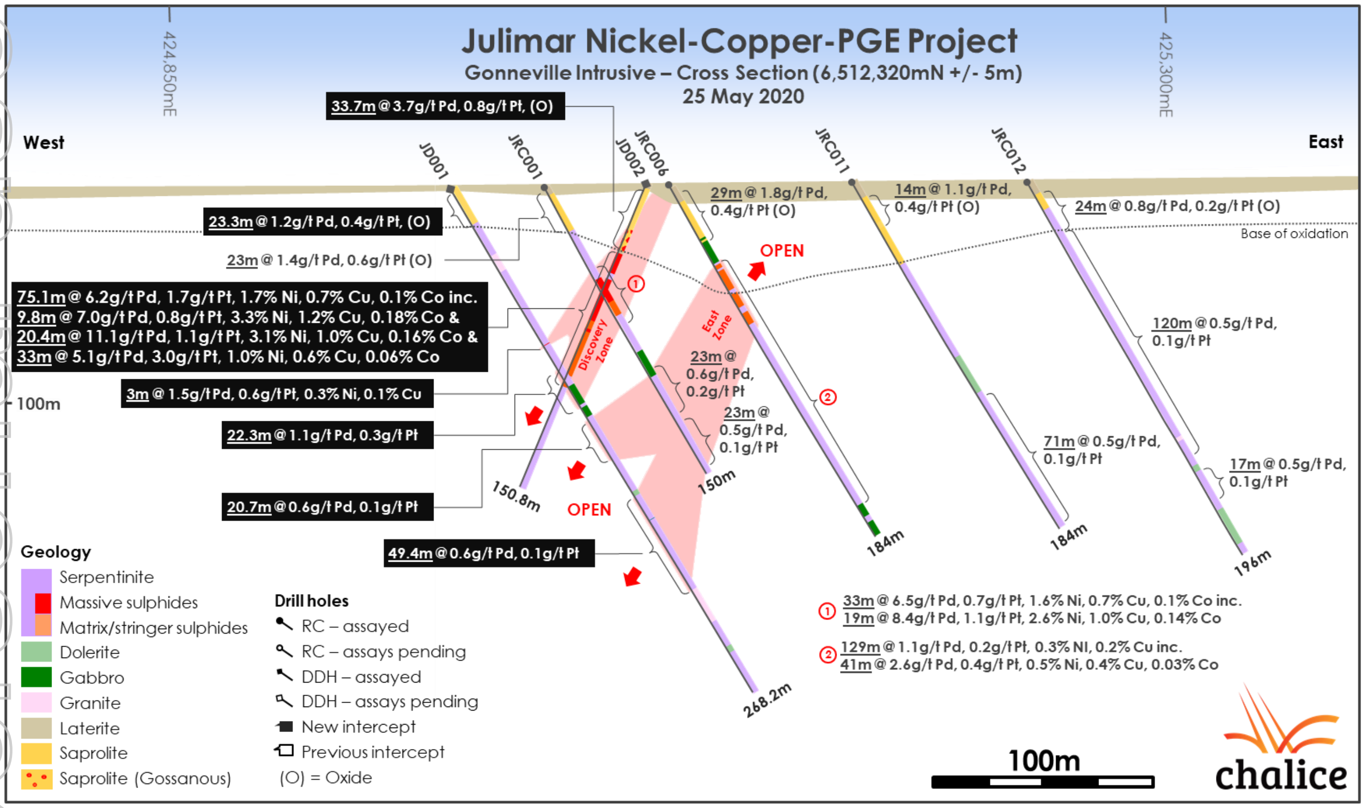


Figure 1. Gonneville Cross Section (6,512,320mN +/- 5m)

As previously reported, based on visual indications, JD002 intersected a strongly mineralised massive and matrix sulphide zone from the base of oxidation. All assays have now been received for this hole, which show consistent high-grade Ni-Cu-Co-PGE mineralisation from surface to a depth of 101m downhole, in both oxide and fresh rock.

Individual assays for JD002 are detailed in **Appendix 1** and show that the massive and matrix sulphide zones in particular have very consistent, high Ni-Cu-Co-PGE grades.

The high-grade discovery zone remains open along strike, however modelling of Moving Loop EM (MLEM) data to date has failed to demonstrate a significant conductive response along strike (**Figure 2**). This however does not rule out continuity of the mineralised zone along strike, as not all high-grade mineralisation intersected to date has a conductive EM response. As such further drilling is required to determine the true strike extent of the zone.

JD001, drilled 40m down-dip of JRC001, did not intersect massive sulphide mineralisation at the corresponding depth down-dip of the discovery zone, potentially due to a barren cross cutting dyke (refer to ASX Announcement on 15 April 2020).

Assays have confirmed that JD001 has intersected several high-grade PGE zones in matrix/disseminated sulphides, separated by the dyke, as well as several broad PGE zones in disseminated sulphides. As such the discovery zone remains open at depth and further drilling is required to determine its true dip extent.

Further diamond drilling is planned to test for extensions of the high-grade discovery zone, both at depth and along strike.

JWB001 was drilled as a vertical hole collared 40m south of JRC008. The hole intersected a 19m interval of oxide mineralisation from 6m downhole overlying serpentinite bedrock containing 2-3% disseminated sulphides.

Significant new intercepts for the above holes are detailed in **Table 1** and updated hole details are provided in **Table 2**. All widths reported are down-hole widths (which are not true widths).

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

Hole ID	From (m)	To (m)	Width* (m)	Pd (g/t)	Pt (g/t)	Pd+Pt (g/t)	Ni (%)	Cu (%)	Co (%)	Geology
JD001	6.0	29.3	23.3	**1.22**	0.36	**1.58**	0.17	0.19	0.07	Oxide
JD001	29.3	35.5	6.2	0.62	0.12	0.74	0.17	0.02	0.01	Sulphide
JD001	53.8	75.9	22.1	0.43	0.08	0.51	0.19	0.06	0.02	Sulphide
JD001	81.0	84.0	3.0	**1.45**	0.60	**2.05**	**0.33**	0.12	0.04	Sulphide
JD001	94.0	116.3	22.3	**1.13**	0.26	**1.39**	0.19	0.12	0.02	Sulphide
incl.	100.0	104.9	4.9	**2.11**	0.79	**2.89**	**0.34**	0.19	0.03	Sulphide
and	113.0	116.3	3.3	**3.01**	0.28	**3.29**	**0.31**	0.16	0.02	Sulphide
JD001	121.3	142.0	20.7	0.60	0.14	0.74	0.14	0.09	0.02	Sulphide
JD001	163.9	213.3	49.4	0.56	0.14	0.69	0.15	0.03	0.01	Sulphide
JD002	0	33.7	33.7	**3.69**	0.85	**4.54**	0.07	0.43	0.01	Oxide
incl.	17	33.7	16.7	**4.81**	**1.40**	**6.21**	0.07	**0.59**	<0.005	Oxide
JD002	34.9	110.0	75.1	**6.22**	**1.74**	**7.96**	**1.74**	**0.68**	**0.10**	Sulphide
incl.	34.9	44.7	9.77	**7.01**	0.79	**7.80**	**3.26**	**1.21**	**0.18**	Massive Sulphide
and	47.7	68.0	20.4	**11.1**	**1.06**	**12.2**	**3.13**	**0.99**	**0.16**	Massive Sulphide
and	68.0	101.0	33.0	**5.08**	**3.04**	**8.12**	**1.02**	**0.55**	0.06	Massive/Matrix Sulphide
JD002	117.0	120.0	3.0	**1.24**	0.12	**1.36**	0.22	0.19	0.02	Sulphide
JRC012	5	29	24	0.75	0.23	0.98	0.19	0.17	0.03	Oxide
JRC012	29	149	120	0.45	0.12	0.57	0.15	0.05	0.02	Sulphide
JRC012	154	171	17	0.52	0.13	0.65	0.17	0.10	0.02	Sulphide
JWB001	6	25	19	**1.04**	0.36	**1.39**	0.20	0.16	0.05	Oxide
JWB001	25	57	32	0.58	0.12	0.70	0.17	0.08	0.02	Sulphide
JWB001	62	96 (EOH)	34	0.84	0.16	**1.00**	0.14	0.11	0.02	Sulphide

**Down-hole widths reported, true widths unknown.*

Table 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
JD001	Core	424,978.0	6,512,319.2	234.6	90	-60	268.2	DGPS	Reported

JD002	Core	425,067.0	6,512,323.0	240.0	269.3	-66.9	150.8	GPS	Reported
JD003	Core	425,050.0	6,512,508.0	238.5	90	-78	528.9	GPS	Pending
JRC003D	RC-Core	425,439.3	6,513,128.1	255.9	88.2	-61.0	350.7	DGPS	Pending below 220m
JD004	Core	425,461	6,513,406	248.3	90	-60	344.8	GPS	Pending
JRC012	RC	426,240	6,512,320	240	90	-60	196	GPS	Reported
JWB001	RC	425,052	6,512,460	240	-	-90	96	GPS	Reported

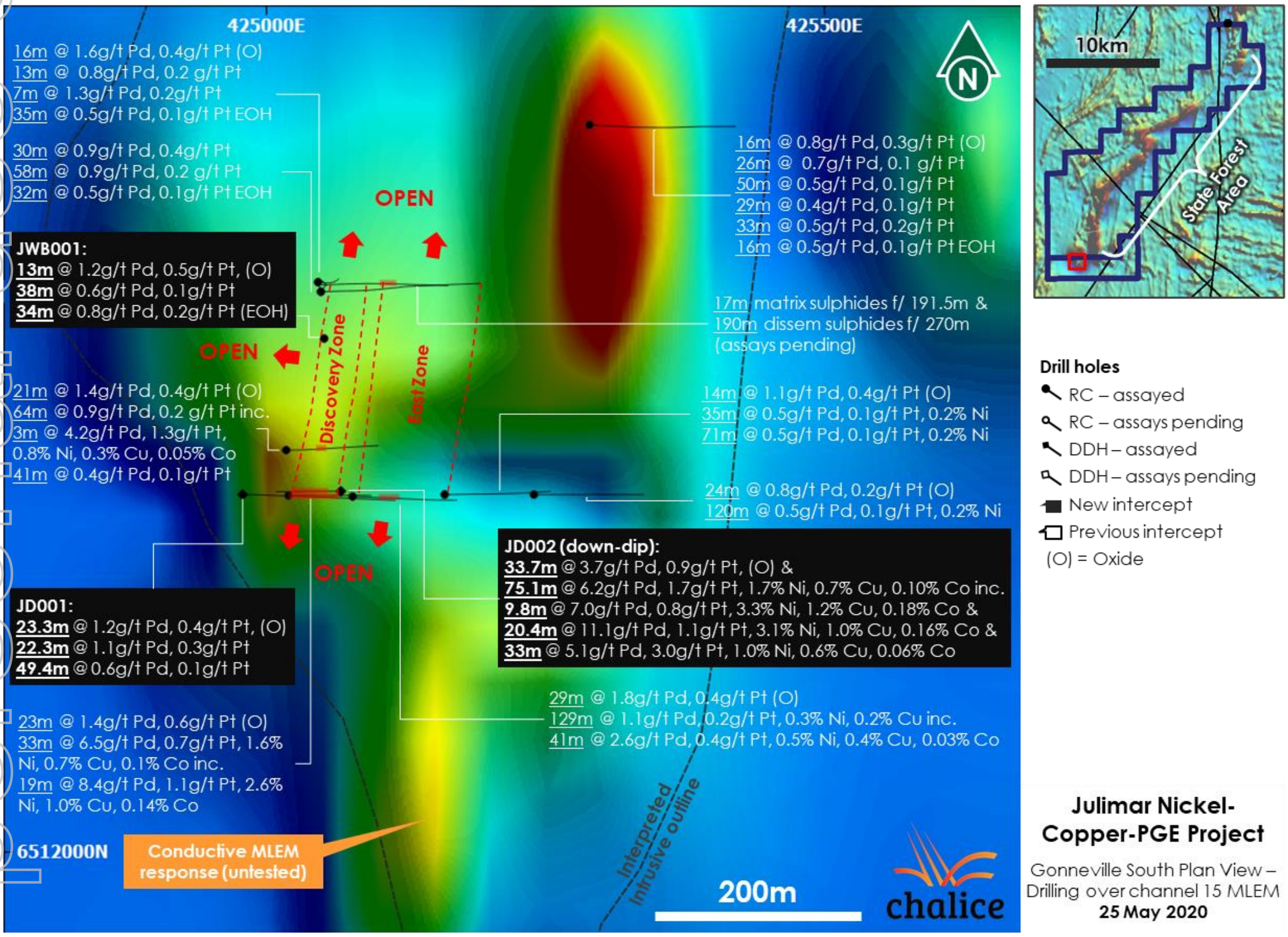


Figure 2. Gonneville South Plan View – drilling results over channel 15 MLEM.

Preliminary mineralogy analysis

Initial petrographic and SEM analysis undertaken on selective samples of massive and matrix sulphide mineralisation in JD002 has confirmed previous visual logging with the main sulphide assemblage identified as hypogene pyrrhotite, pentlandite and chalcopyrite.

Optical mineralogy and SEM has identified various PGE minerals as inclusions within pyrrhotite including merenskyite (PdTeBi), menshikovite (PdNiAs), kotulskite (PdTeBi) and mertieite (PdSbAs). The association of PGEs with sulphides is viewed as encouraging for the potential recovery of PGEs through flotation processing of sulphide ores, however this needs to be confirmed through metallurgical testwork.

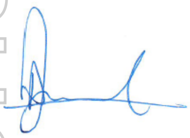
In addition, SEM analysis of pentlandite shows up to 2.3% cobalt, indicating this metal is directly associated with nickel.

Forward plan

Chalice continues its approach of simultaneously exploring and evaluating the high-grade and extensive low-grade zones within the Gonneville discovery. Ongoing and planned activities at Julimar include:

- **Diamond drilling** will continue to test key DHEM targets. The current hole, JD004, is designed to twin JRC010 and provide metallurgical samples for testwork.
- **Down-hole EM** will continue to play a critical role in identifying potential high-grade targets for follow-up drilling and will be completed on all holes.
- **SQUID EM** surveying is in progress, aiming to provide a deeper detection capacity than the previous ground MLEM survey.
- **RC drilling** – a ~20,000m Phase 2 RC drill program will commence shortly. One RC rig is being mobilised to site today and a second RC rig will be mobilised in the coming weeks. Drilling is being undertaken on a 200m x 80m spaced grid over the Gonneville Intrusive to give sectional east-west coverage as well to test new high-grade targets at the southern end of the Intrusive.
- **Mineralogy/Metallurgy** – mineralogy and petrographic analysis is ongoing and a preliminary metallurgical testwork program has commenced on four ore types – massive, matrix, disseminated and oxide.

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 ~7km wide and considered prospective for nickel, copper and platinum group elements. However, it had never been explored for these metals (**Figure 3**).

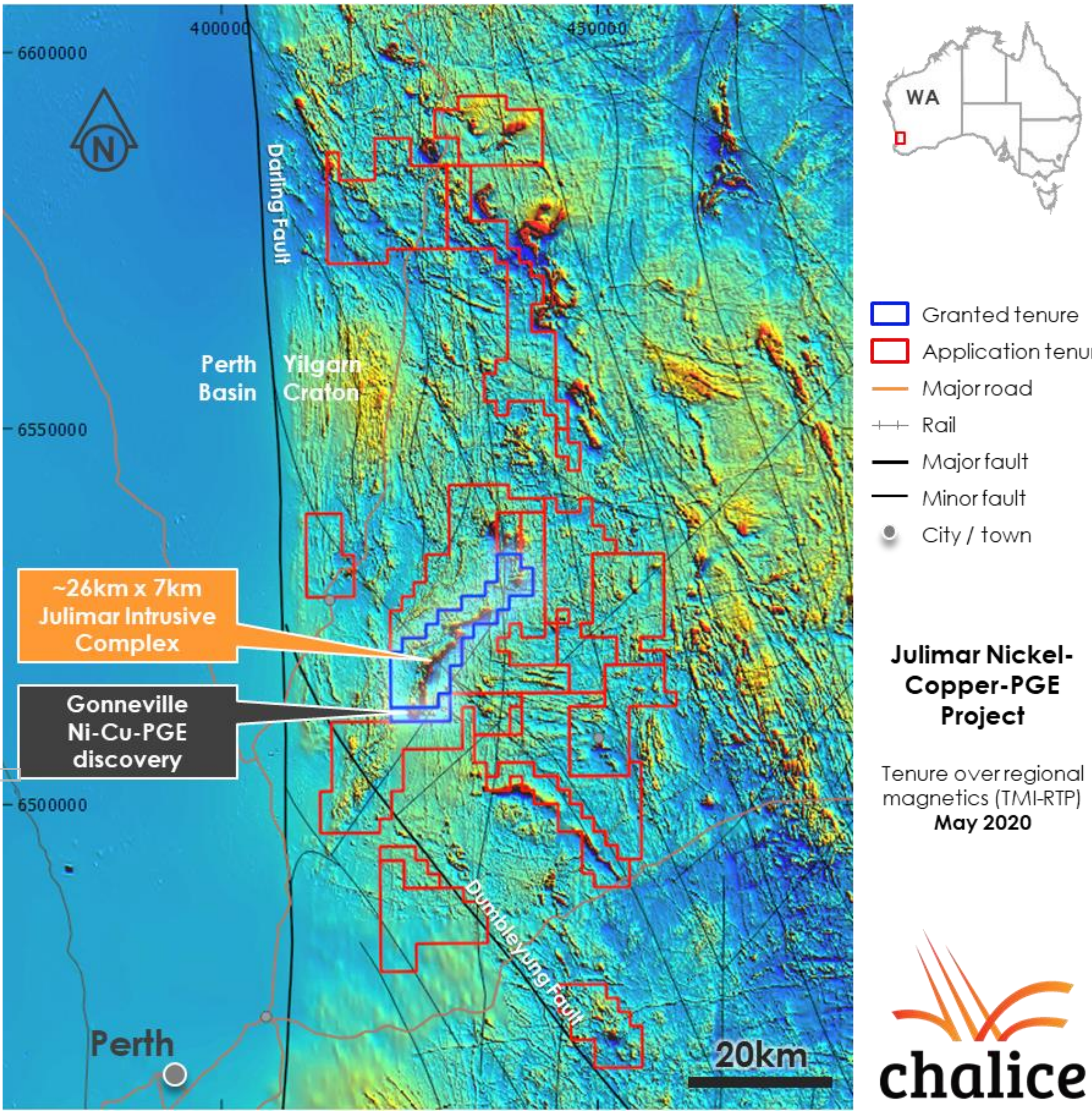

Figure 3. Julimar Project tenure over regional magnetics.

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. This included 200m-spaced Moving Loop Electromagnetic (MLEM) with selective 100m infill lines, targeted soil geochemistry over high-priority MLEM conductors, and geological mapping which failed to identify any bedrock exposures over the area of interest.

Two MLEM conductors were shown to be associated with anomalous nickel-in-soils and preferentially located along the margins of a ~2km x 0.5km discrete magnetic anomaly interpreted as a potential feeder zone located near the southern extent of the intrusive complex.

An initial RC drill program commenced in Q1 2020 and resulted in the discovery of high-grade nickel-copper-cobalt-PGE mineralisation at the newly named Gonneville Intrusive. Drilling to date has established the Gonneville Intrusive has widespread zones of PGE mineralisation as well as several wide zones of high-grade Ni-Cu-Co-PGE.

PGE mineralisation has been confirmed in 13 RC holes drilled to date over the ~1.6km x 0.7km Intrusive and disseminated sulphides (trace to 3% on average) have been identified up to ~450m below surface. Disseminated sulphide zones intersected to date have a grade range of 0.5-1.1g/t PGEs, <0.2% Ni, <0.15% Cu and <0.05% Co. In general, metal content appears to show a positive correlation with sulphur content.

High-grade massive or matrix sulphide zones intersected to date are up to ~30m wide and 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.

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 ~US$2,000/oz.

Strong demand growth (~11.5Moz in 2019[1]) 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 Africa[1].

[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, receipt of tax credits and the value of future tax credits, the estimation of mineral reserve and mineral resources, the realisation of mineral resource estimates, the likelihood of exploration success at the Company's projects, the prospectivity of the Company's exploration projects, the timing of future exploration activities on the Company's exploration projects, planned expenditures and budgets and the execution thereof, the timing and availability of drill results, potential sites for additional drilling, the timing and amount of estimated future production, costs of production, capital expenditures, success of mining operations, environmental risks, unanticipated reclamation expenses, title disputes or claims and limitations on insurance coverage.

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

Such factors may include, among others, risks related to actual results of current or planned exploration activities; changes in project parameters as plans continue to be refined; changes in exploration programs based upon the results of exploration; future prices of mineral resources; possible variations in mineral resources or ore reserves, grade or recovery rates; accidents, labour disputes and other risks of the mining industry; delays in obtaining governmental approvals or financing or in the completion of development or construction activities; movements in the share price of O3 Mining 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 1m assay results (>0.3g/t Pd) for JD002 – Julimar Ni-Cu-PGE Project

From (m)	To (m)	Width* (m)	Pd (g/t)	Pt (g/t)	Pd+Pt (g/t)	Ni (%)	Cu (%)	Co (%)	Geology
0.0	1.0	1.0	3.07	0.70	3.77	0.07	0.17	0.00	Oxide
1.0	2.0	1.0	9.09	0.72	9.81	0.12	0.25	0.01	Oxide
2.0	2.8	0.8	3.22	0.70	3.92	0.07	0.16	0.00	Oxide
2.8	4.0	1.2	4.94	0.31	5.25	0.06	0.21	0.00	Oxide
4.0	5.0	1.0	3.98	0.35	4.33	0.06	0.25	0.01	Oxide
5.0	6.0	1.0	3.29	0.30	3.59	0.08	0.27	0.01	Oxide
6.0	7.0	1.0	2.68	0.15	2.83	0.10	0.30	0.02	Oxide
7.0	8.0	1.0	2.77	0.43	3.20	0.14	0.44	0.10	Oxide
8.0	9.0	1.0	2.82	0.21	3.03	0.10	0.32	0.05	Oxide
9.0	10.0	1.0	1.93	0.25	2.18	0.10	0.26	0.04	Oxide
10.0	11.0	1.0	1.26	0.20	1.45	0.07	0.24	0.02	Oxide
11.0	12.0	1.0	0.94	0.30	1.24	0.08	0.31	0.05	Oxide
12.0	13.0	1.0	0.62	0.12	0.74	0.05	0.23	0.01	Oxide
13.0	14.0	1.0	0.93	0.20	1.13	0.06	0.33	0.01	Oxide
14.0	15.0	1.0	0.71	0.23	0.94	0.06	0.32	0.01	Oxide
15.0	16.0	1.0	0.68	0.07	0.75	0.04	0.24	0.00	Oxide
16.0	17.0	1.0	0.74	0.10	0.84	0.05	0.26	0.01	Oxide
17.0	18.0	1.0	1.31	0.12	1.43	0.15	0.58	0.01	Oxide
18.0	19.0	1.0	1.42	0.10	1.52	0.13	0.47	0.01	Oxide
19.0	20.0	1.0	1.97	0.16	2.13	0.07	0.24	0.00	Oxide
20.0	21.0	1.0	5.18	0.29	5.47	0.05	0.28	0.00	Oxide
21.0	22.0	1.0	2.92	0.18	3.10	0.05	0.27	0.00	Oxide
22.0	23.0	1.0	3.46	0.22	3.68	0.06	0.35	0.00	Oxide
23.0	24.0	1.0	3.49	1.49	4.98	0.08	0.91	0.01	Oxide
24.0	25.0	1.0	2.65	1.51	4.16	0.04	1.12	0.00	Oxide
25.0	26.0	1.0	3.85	3.53	7.38	0.04	0.81	0.00	Oxide
26.0	27.0	1.0	5.53	2.83	8.36	0.08	0.86	0.00	Oxide
27.0	28.0	1.0	5.40	5.83	11.23	0.07	0.89	0.00	Oxide
28.0	29.0	1.0	9.08	1.69	10.77	0.05	0.68	0.00	Oxide
29.0	30.0	1.0	6.92	0.72	7.64	0.06	0.76	0.00	Oxide
30.0	31.0	1.0	14.60	3.26	17.86	0.05	0.73	0.00	Oxide
31.0	32.0	1.0	9.18	1.37	10.55	0.06	0.39	0.00	Oxide
32.0	33.0	1.0	2.57	0.06	2.63	0.05	0.35	0.00	Oxide
33.0	33.7	0.7	1.20	0.09	1.29	0.07	0.24	0.00	Oxide
33.7	34.0	0.3	0.16	0.03	0.19	0.16	0.22	0.01	Oxide
34.0	34.9	0.9	0.11	0.01	0.11	0.18	0.26	0.00	Oxide
34.9	36.0	1.1	8.85	0.60	9.45	1.89	1.90	0.19	Massive sulphide
36.0	37.0	1.0	7.24	3.45	10.69	4.04	1.31	0.28	Massive sulphide
37.0	37.7	0.7	6.40	1.51	7.91	3.45	1.41	0.17	Massive sulphide
37.7	38.0	0.3	8.22	0.18	8.40	3.78	0.99	0.21	Massive sulphide
38.0	39.0	1.0	6.87	0.62	7.49	3.51	0.72	0.18	Massive sulphide
39.0	40.0	1.0	6.81	1.72	8.53	3.36	0.72	0.17	Massive sulphide
40.0	41.0	1.0	6.72	0.02	6.74	3.51	1.90	0.18	Massive sulphide
41.0	42.0	1.0	5.78	0.10	5.88	2.90	1.15	0.15	Massive sulphide
42.0	43.0	1.0	7.14	0.01	7.15	3.31	0.93	0.17	Massive sulphide
43.0	44.0	1.0	6.88	0.01	6.89	3.43	0.93	0.17	Massive sulphide
44.0	44.7	0.7	6.47	0.01	6.48	3.27	1.19	0.16	Massive sulphide
44.7	46.0	1.3	0.37	0.05	0.42	0.14	0.07	0.01	Disseminated sulphide
46.0	47.0	1.0	0.80	0.05	0.85	0.10	0.08	0.01	Disseminated sulphide
47.0	47.7	0.7	0.32	0.05	0.37	0.13	0.04	0.01	Disseminated sulphide
47.7	48.1	0.5	49.50	0.49	49.99	0.77	0.22	0.04	Massive sulphide

From (m)	To (m)	Width* (m)	Pd (g/t)	Pt (g/t)	Pd+Pt (g/t)	Ni (%)	Cu (%)	Co (%)	Geology
48.1	48.7	0.6	83.00	3.95	86.95	2.26	0.63	0.12	Massive sulphide
48.7	49.0	0.3	8.42	6.05	14.47	3.52	0.83	0.19	Massive sulphide
49.0	50.0	1.0	7.80	0.79	8.59	3.29	0.74	0.17	Massive sulphide
50.0	51.0	1.0	9.13	3.77	12.90	3.55	1.03	0.19	Massive sulphide
51.0	52.0	1.0	8.04	0.01	8.05	3.22	0.79	0.17	Massive sulphide
52.0	53.0	1.0	18.50	4.15	22.65	3.06	0.97	0.16	Massive sulphide
53.0	54.0	1.0	7.42	0.02	7.44	2.86	0.99	0.15	Massive sulphide
54.0	55.0	1.0	7.82	0.37	8.19	3.26	0.88	0.17	Massive sulphide
55.0	56.0	1.0	8.41	3.76	12.17	3.33	1.01	0.18	Massive sulphide
56.0	57.0	1.0	7.68	0.01	7.69	3.30	1.03	0.18	Massive sulphide
57.0	58.0	1.0	8.41	0.05	8.46	3.25	1.13	0.17	Massive sulphide
58.0	59.0	1.0	8.13	0.02	8.15	3.32	1.28	0.18	Massive sulphide
59.0	60.0	1.0	7.94	0.91	8.85	3.09	1.44	0.15	Massive sulphide
60.0	61.0	1.0	7.95	0.34	8.29	3.18	1.29	0.16	Massive sulphide
61.0	62.0	1.0	8.06	1.75	9.81	3.12	1.44	0.16	Massive sulphide
62.0	63.0	1.0	8.21	0.02	8.23	3.21	1.43	0.16	Massive sulphide
63.0	64.0	1.0	7.58	0.04	7.62	3.11	1.51	0.16	Massive sulphide
64.0	65.0	1.0	6.15	0.14	6.29	3.23	0.78	0.16	Massive sulphide
65.0	66.0	1.0	6.71	0.71	7.42	3.10	1.09	0.16	Massive sulphide
66.0	67.0	1.0	5.79	0.08	5.87	3.29	0.41	0.18	Massive sulphide
67.0	68.0	1.0	4.67	0.22	4.89	3.08	0.24	0.16	Massive sulphide
68.0	69.0	1.0	7.08	27.60	34.68	1.88	0.75	0.10	Matrix/stringer sulphide
69.0	70.0	1.0	5.00	32.60	37.60	0.87	1.93	0.05	Matrix/stringer sulphide
70.0	71.0	1.0	5.03	3.31	8.34	1.25	1.02	0.07	Matrix/stringer sulphide
71.0	72.0	1.0	7.30	5.64	12.94	1.56	1.20	0.09	Matrix/stringer sulphide
72.0	72.4	0.4	5.06	3.52	8.58	3.02	0.49	0.16	Massive sulphide
72.4	73.5	1.1	4.27	3.28	7.55	2.09	0.65	0.11	Massive sulphide
73.5	74.0	0.5	5.24	2.67	7.91	1.57	0.67	0.09	Matrix/stringer sulphide
74.0	75.0	1.0	6.69	1.28	7.97	1.65	1.11	0.09	Matrix/stringer sulphide
75.0	76.0	1.0	5.66	0.98	6.64	1.50	0.74	0.08	Matrix/stringer sulphide
76.0	77.0	1.0	4.72	1.15	5.87	1.27	0.53	0.07	Matrix/stringer sulphide
77.0	78.0	1.0	4.83	1.12	5.95	1.42	0.59	0.08	Matrix/stringer sulphide
78.0	79.0	1.0	4.75	0.67	5.42	1.57	0.38	0.09	Matrix/stringer sulphide
79.0	80.0	1.0	6.02	0.40	6.42	1.47	0.88	0.08	Matrix/stringer sulphide
80.0	81.0	1.0	6.42	0.22	6.64	1.28	1.10	0.07	Matrix/stringer sulphide
81.0	82.0	1.0	5.33	1.08	6.41	0.98	0.82	0.06	Matrix/stringer sulphide
82.0	83.0	1.0	5.83	0.37	6.20	0.59	0.43	0.03	Matrix/stringer sulphide
83.0	84.0	1.0	4.71	0.73	5.44	0.65	0.40	0.04	Matrix/stringer sulphide
84.0	85.0	1.0	6.04	0.69	6.73	1.05	0.32	0.06	Matrix/stringer sulphide
85.0	86.0	1.0	6.23	0.86	7.09	1.64	0.45	0.10	Matrix/stringer sulphide
86.0	87.0	1.0	8.33	2.29	10.62	1.13	0.47	0.06	Matrix/stringer sulphide
87.0	88.0	1.0	4.97	2.36	7.33	0.96	0.44	0.05	Matrix/stringer sulphide
88.0	89.1	1.1	19.15	0.92	20.07	1.23	0.69	0.07	Matrix/stringer sulphide
89.1	90.0	0.9	3.76	0.35	4.11	0.64	0.25	0.04	Matrix/stringer sulphide
90.0	91.0	1.0	3.18	0.25	3.43	0.64	0.26	0.04	Matrix/stringer sulphide
91.0	91.5	0.5	3.20	0.30	3.50	0.51	0.18	0.03	Matrix/stringer sulphide
91.5	92.0	0.5	0.53	0.10	0.63	0.12	0.03	0.01	Disseminated sulphide
92.0	93.0	1.0	0.38	0.08	0.46	0.12	0.04	0.01	Disseminated sulphide
93.0	94.0	1.0	0.34	0.07	0.41	0.11	0.03	0.01	Disseminated sulphide
94.0	95.0	1.0	0.57	0.14	0.71	0.17	0.08	0.01	Disseminated sulphide
95.0	95.2	0.2	0.81	0.22	1.03	0.16	0.19	0.01	Disseminated sulphide
95.2	95.7	0.5	3.11	1.98	5.09	0.35	0.26	0.02	Disseminated sulphide

From (m)	To (m)	Width* (m)	Pd (g/t)	Pt (g/t)	Pd+Pt (g/t)	Ni (%)	Cu (%)	Co (%)	Geology
95.7	96.0	0.3	3.82	0.25	4.07	0.69	0.27	0.05	Matrix/stringer sulphide
96.0	97.0	1.0	5.50	5.17	10.67	1.08	0.33	0.07	Matrix/stringer sulphide
97.0	98.0	1.0	5.44	0.87	6.31	0.51	0.51	0.04	Matrix/stringer sulphide
98.0	99.0	1.0	3.45	0.77	4.22	0.46	0.35	0.03	Matrix/stringer sulphide
99.0	100.0	1.0	2.89	0.30	3.19	0.70	0.23	0.05	Matrix/stringer sulphide
100.0	100.7	0.7	3.01	0.55	3.56	0.49	0.24	0.03	Matrix/stringer sulphide
100.7	101.0	0.3	1.16	0.13	1.29	0.22	0.08	0.02	Matrix/stringer sulphide
101.0	102.0	1.0	0.38	0.09	0.46	0.11	0.04	0.01	Disseminated sulphide
102.0	103.0	1.0	0.16	0.03	0.20	0.10	0.02	0.01	Disseminated sulphide
103.0	104.0	1.0	0.22	0.07	0.29	0.10	0.03	0.01	Disseminated sulphide
104.0	105.0	1.0	0.23	0.07	0.30	0.08	0.02	0.01	Disseminated sulphide
105.0	106.0	1.0	0.32	0.08	0.40	0.10	0.04	0.01	Disseminated sulphide
106.0	107.0	1.0	0.31	0.07	0.39	0.10	0.03	0.01	Disseminated sulphide
107.0	108.0	1.0	0.35	0.09	0.44	0.11	0.06	0.01	Disseminated sulphide
108.0	109.0	1.0	0.42	0.08	0.50	0.11	0.10	0.02	Disseminated sulphide
109.0	110.0	1.0	0.37	0.08	0.45	0.12	0.08	0.02	Disseminated sulphide
110.0	111.0	1.0	0.29	0.07	0.37	0.10	0.05	0.01	Disseminated sulphide
111.0	112.0	1.0	0.21	0.05	0.26	0.10	0.05	0.02	Disseminated sulphide
112.0	113.0	1.0	0.21	0.06	0.27	0.11	0.05	0.02	Disseminated sulphide
113.0	114.0	1.0	0.19	0.06	0.25	0.09	0.04	0.01	Disseminated sulphide
114.0	115.0	1.0	0.28	0.07	0.36	0.12	0.03	0.02	Disseminated sulphide
115.0	116.0	1.0	0.15	0.06	0.21	0.08	0.02	0.01	Disseminated sulphide
116.0	117.0	1.0	0.17	0.06	0.23	0.10	0.01	0.01	Disseminated sulphide
117.0	118.0	1.0	0.36	0.09	0.44	0.13	0.02	0.01	Disseminated sulphide
118.0	118.7	0.7	0.41	0.09	0.50	0.12	0.02	0.01	Disseminated sulphide
118.7	119.3	0.6	2.63	0.24	2.87	0.50	0.38	0.05	Matrix/stringer sulphide
119.3	120.0	0.7	2.15	0.12	2.27	0.23	0.43	0.02	Matrix/stringer sulphide

**Downhole widths reported, true widths unknown.*

Appendix 2: 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*	• Diamond drill core samples were taken over selective intervals ranging from 0.2m to 1.2m (typically 1.0m). • Reverse Circulation (RC) drilling samples were collected as 1m to 4m samples. 1m samples were collected as a split from the rig cyclone using a cone splitter. Composite samples were collected from bulk samples using a PVC spear with the sample speared from top to bottom of the bag to ensure the sample is representative. Composite and 1m samples weigh approximately 3kg. • All samples pulverised to nominal 85% passing 75 microns before being analysed. • Qualitative care taken when sampling diamond drill core to sample the same half of the drill core. Care was taken to ensure representative RC samples weights

Criteria	JORC Code explanation	Commentary
	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.	were consistent when sampling on a metre by metre basis.
Drilling techniques	• *Drill type (eg. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• 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. RC drilling utilised a face-sampling hammer drill bit with a diameter of 5.5inches (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 both diamond and composite RC samples were recorded on a qualitative basis. Generally sample weights are comparable and any bias is considered negligible. • No relationships have been evident between RC sample grade and recoveries.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• All holes were logged geologically including, but not limited to; weathering, regolith, lithology, structure, texture, alteration and mineralisation. Logging was at an appropriate quantitative standard for reconnaissance exploration. • Logging is considered qualitative in nature. • All holes were geologically logged in full.
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 selectively sampled over 0.2-1.2m intervals (mostly 1m). • 1m RC samples were collected as 1m splits from the rig cyclone via a cone splitter. The cone splitter was horizontal to ensure sample representivity. Composite samples were collected from bulk samples using a PVC spear with the bulk sample speared from top to bottom of the bag to ensure the sample is as representative as possible. The majority of samples were dry. Wet or damp samples were noted in the sample logging sheet. • Diamond drill core field duplicates collected as ¼ core. • RC field duplicates were collected from selected sulphide zones as a second 1m split directly from the cone splitter. • Sample sizes are considered appropriate for the style of mineralisation sought and the initial reconnaissance nature of the

Criteria	JORC Code explanation	Commentary
		drilling program.
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). • Certified analytical standards and blanks were inserted at appropriate intervals for diamond and RC drill 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 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 and RC drill chips after final assays are received. • No twin holes have been drilled for comparative purposes. The target is still considered to be at an early exploration stage. • 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. • No adjustments have been made to the assay data received.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Diamond and RC hole collar locations are initially recorded by Chalice employees using a handheld GPS with a +/- 3m margin of error. • 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*	• Diamond drill hole JD002 was positioned as a low angle intercept to provide geological confirmation of the same zone

Criteria	JORC Code explanation	Commentary
	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.*	intersected by previous drill hole JRC001. • RC drill holes are positioned to drill at high angle to the interpreted dip and strike of the mineralised zone. • Results from the drilling to date are not considered sufficient to assume any geological or grade continuity. • **No compositing undertaken for diamond drill core samples.** RC samples have been composited to a maximum of 4m based on consistent geology.
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 in JD002 is interpreted as a low angle to the drill hole. • RC drill holes drilled as close as possible to be orthogonal to the target(s)
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.*	• Diamond and RC holes were drilled on E70/5118 and 5119 on private property. The licences are 100% owned by CGM (WA) Pty Ltd, a wholly owned subsidiary of Chalice Gold Mines Limited with no known encumbrances. • Current drilling is on private land and granted tenure covers both private land and State Forest. • Access for exploration in the State Forest requires Ministerial approval which has not yet been obtained.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Limited exploration has been completed by other exploration parties in the vicinity of the targets identified by Chalice to date. • Chalice has compiled historical records dating back to the early 1960's which indicate only 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

Criteria	JORC Code explanation	Commentary
		detail, nor were analytical methods specified, with samples analysed for V_2O_5, 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 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	• *Deposit type, geological setting and style of mineralisation.*	• The deposit type being explored for is magmatic Ni-Cu-PGE sulphide deposits within the Yilgarn Craton. The style of sulphide mineralisation intersected consists of massive, matrix, stringer and disseminated sulphides typical of metamorphosed and structurally overprinted magmatic Ni sulphide deposits.
Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* o *easting and northing of the drill hole collar* o *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* o *dip and azimuth of the hole* o *down hole length and interception depth* o *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*	• Significant intercepts are reported using a >0.3g/t Pd length-weighted cut off. A maximum of 4m internal dilution has been. No top cuts were applied. • Metal equivalent values are not reported

Criteria	JORC Code explanation	Commentary
	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.*	
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg. 'down hole length, true width not known').*	• All widths are quoted down-hole. The orientation of the mineralisation in diamond drill hole JD002 is interpreted as low angle to drill hole and true width is not known. • All drill holes except JD002 were orientated to be as close as possible to orthogonal to the interpreted dip of the mineralised zone(s) and/or targets.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• Refer to figures in the body of text.
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• All significant intercepts have been reported.
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• Not Applicable.
Further work	• *The nature and scale of planned further work (eg. tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• 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 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.