



Drilling at Pyramid Hill Gold Project Jan-2019

Noosa Mining and Exploration Investor Conference Presentation

July 2019

ASX : CHN

TSX : CXN

Forward looking statements and disclosures



This presentation does not include all available Information on Chalice Gold Mines Limited and should not be used in isolation as a guide to investing in the Company. Any potential investor should also refer to Chalice Gold Mines Limited Annual Reports, filings on sedar.com, and to ASX/TSX releases and take independent professional advice before considering investing in the Company. For further information about Chalice Gold Mines Limited, visit the website at www.chalicegold.com

Forward-Looking Statements

This document 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 document 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 estimation of mineral reserve and mineral resources at the East Cadillac Gold Project, the realisation of mineral reserve estimates; the likelihood of exploration success including results of future geophysical surveys, drilling at the Company's projects and other exploration activities; the timing and costs of future exploration activities on the Company's exploration projects; the potential to define future mineral resources and, if successful at any of the Company's exploration projects, the potential viability of any mineral resource so defined; planned expenditures and budgets and the execution thereof; the timing and availability of drill results; potential sites for additional drilling, that general business and economic conditions will not change in a materially adverse manner; 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", "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 exploration activities; changes in exploration programmes based upon 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; the ultimate outcome for shareholders of any Class Ruling received from the Australian Tax Office ("ATO") in relation to any proposed capital return, 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. 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.

Competent Person and Qualifying Persons Statement

The Information in this presentation that relates to the exploration results for the Pyramid Hill Project is extracted from ASX announcements entitled "Chalice secures extensive strategic position in highly prospective northern Bendigo region, Victoria", "Chalice identifies two 12km+ gold-in-soil anomalies at Pyramid Hill Project, Bendigo", "Chalice set to drill large-scale gold targets at Pyramid Hill Gold Project, Victoria", "December 2018 Quarterly Report", "Reconnaissance drilling at Pyramid Hill Gold Project continues to outline high-priority target areas" and "Shallow drilling hits gold in basement and outlines three high priority targets for follow-up at the Pyramid Hill Gold Project, Victoria" released on 26 February 2018, 12 July 2018, 27 September 2018, 18 January 2019, 19 March 2019 and 8 July 2019 respectively.

The Information in this presentation that relates to exploration results for the King Leopold Project is extracted from ASX announcement entitled "Chalice acquires highly prospective nickel sulphide project in west Kimberley region of WA" released on 18 June 2019.

The above announcements are available to view on the Company's website at www.chalicegold.com. The Company confirms that it is not aware of any new information or data that materially affects the information 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.

A unique,
well-funded
explorer



Drilling at Pyramid Hill Gold Project, Dec-2018

1

District-scale exploration projects in high-grade provinces of Australia

- Targeting large scale, high-grade gold and nickel sulphide discoveries in Bendigo (Victoria) and the Kimberley (WA)

2

Unique strong financial position

- ~A\$19M in cash (estimate at 30-Jun-19)
- ~A\$14M in liquid investments expected on close of O3 transaction
- No capital raised (no dilution) since 2011

3

Strong track record of value creation

- ~A\$107M after-tax proceeds generated from multiple well timed asset sales
- 2 capital returns completed to shareholders since 2012 (~A\$36M / A\$0.14 per share)



The **O3 Mining transaction** further strengthens Chalice's balance sheet and allows the company to focus on its opportunities in Australia

Quebec projects sale »

- East Cadillac and Kinebik Gold Projects in Quebec sold to **O3 Mining Inc.** in July 2019
- O3 is new spin-off from highly regarded Quebec-based **Osisko Mining Inc.**
- O3 will hold several resource stage gold projects in the Val-d'Or district and elsewhere in the Abitibi

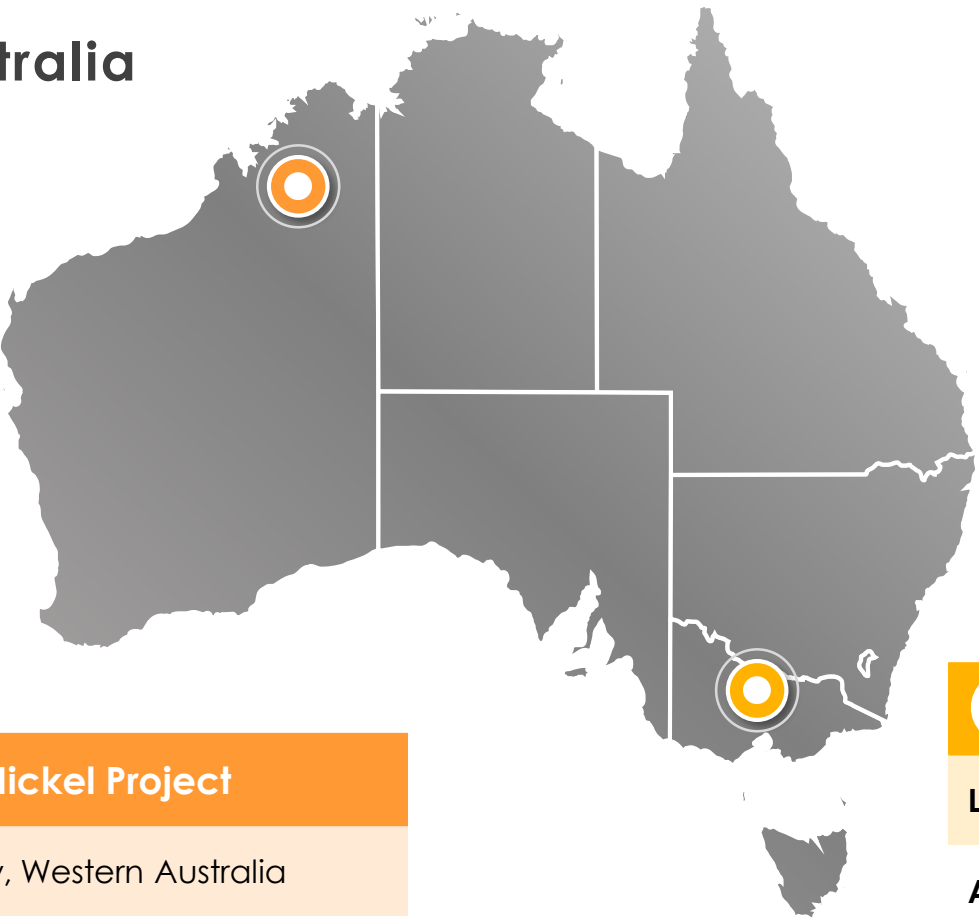
Key terms »

- **C\$12 million** in O3 Mining shares (~A\$13.3 million)
- **C\$1.3 million** in tax credits to be reimbursed in cash (expected in late 2019)
- **1.0% NSR royalty** on 507 claims within East Cadillac and Kinebik Gold Projects
- Deal expected to complete in early Q3 2019

Benefits for Chalice »

- **Maintain upside exposure** through share + royalty interest
- Further **strengthens the balance sheet**
- Allows Chalice to focus on its two **high potential** gold and nickel sulphide opportunities in **Australia**

Two District-Scale, High Potential Projects in Australia



2 King Leopold Nickel Project

Location Kimberley, Western Australia

Acquisition 2019 (purchase + staked)

Area ~1,800km²

Ownership 85-100% owned

Stage Target definition, drilling Q3 2019

1 Pyramid Hill Gold Project

Location Bendigo, Victoria

Acquisition 2017 (staked)

Area ~5,140km²

Ownership 100% owned

Stage Reconnaissance AC drilling

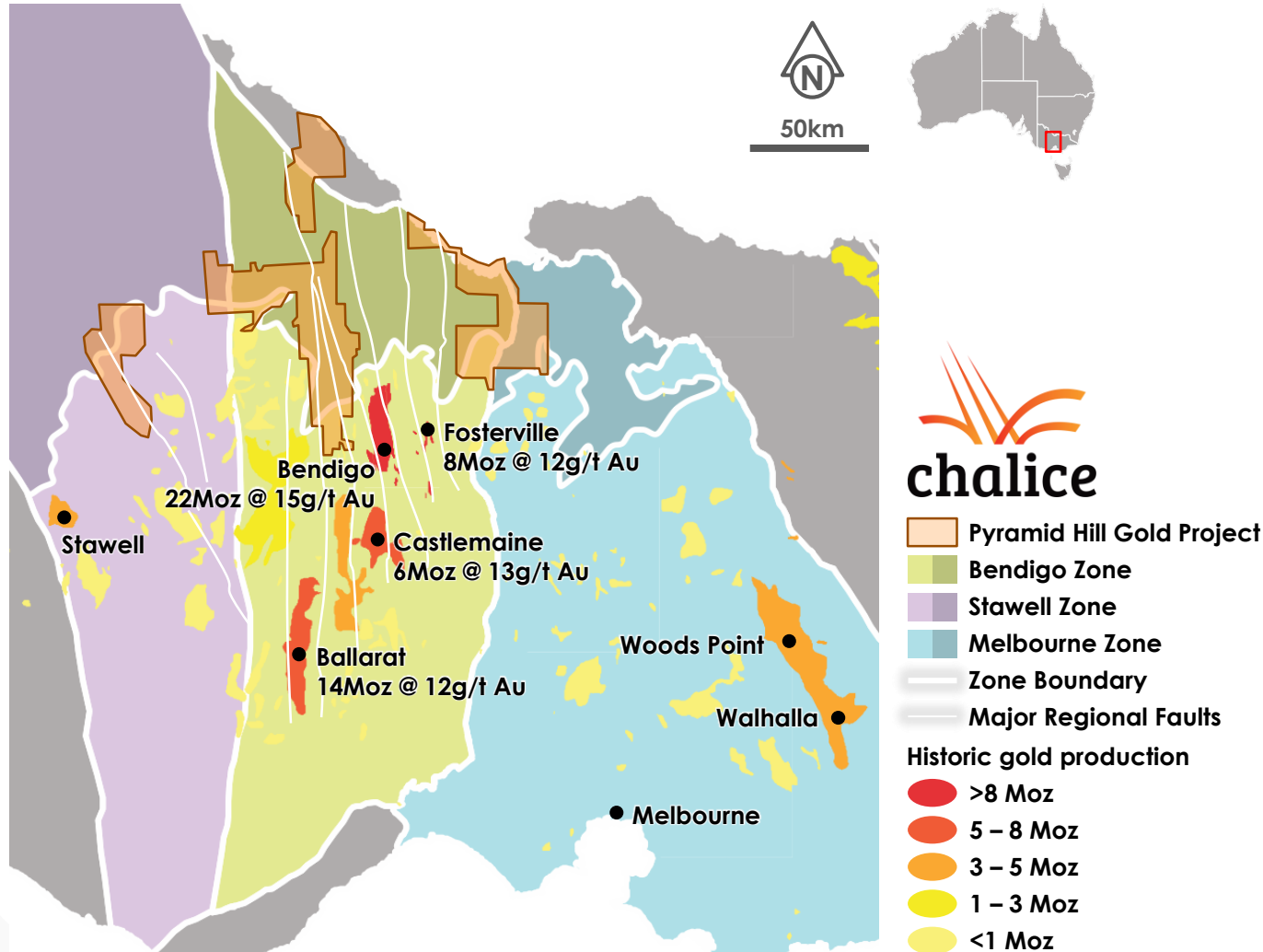


Pyramid Hill Gold Project

Victoria



Pyramid Hill is located in the hotly contested northern goldfields of Victoria – a region that has produced >60Moz of high-grade gold



- **>60Moz** of gold production has come from outcropping (easier to find) areas in the **South Bendigo Zone**, at an average grade of **~15g/t Au**
- The host geology and major regional N-S structures extend to the north under thin, highly variable Murray Basin cover (darker shaded areas), however this area is poorly explored – **this is the opportunity**
- Victorian Govt 'Gold Undercover' estimated an undiscovered gold endowment of **32Moz Au** (P50 mid case) in this **northern Bendigo Zone**
- Chalice holds c. **60%** of the total 7,000km² prospective area
- Historic region now capturing global attention once again thanks to Kirkland Lake Gold's **Fosterville turnaround story**

Kirkland Lake's **Fosterville** has placed the district back on the global map thanks to bonanza gold grades and ultra-low production costs



Fosterville Mineral Reserves History

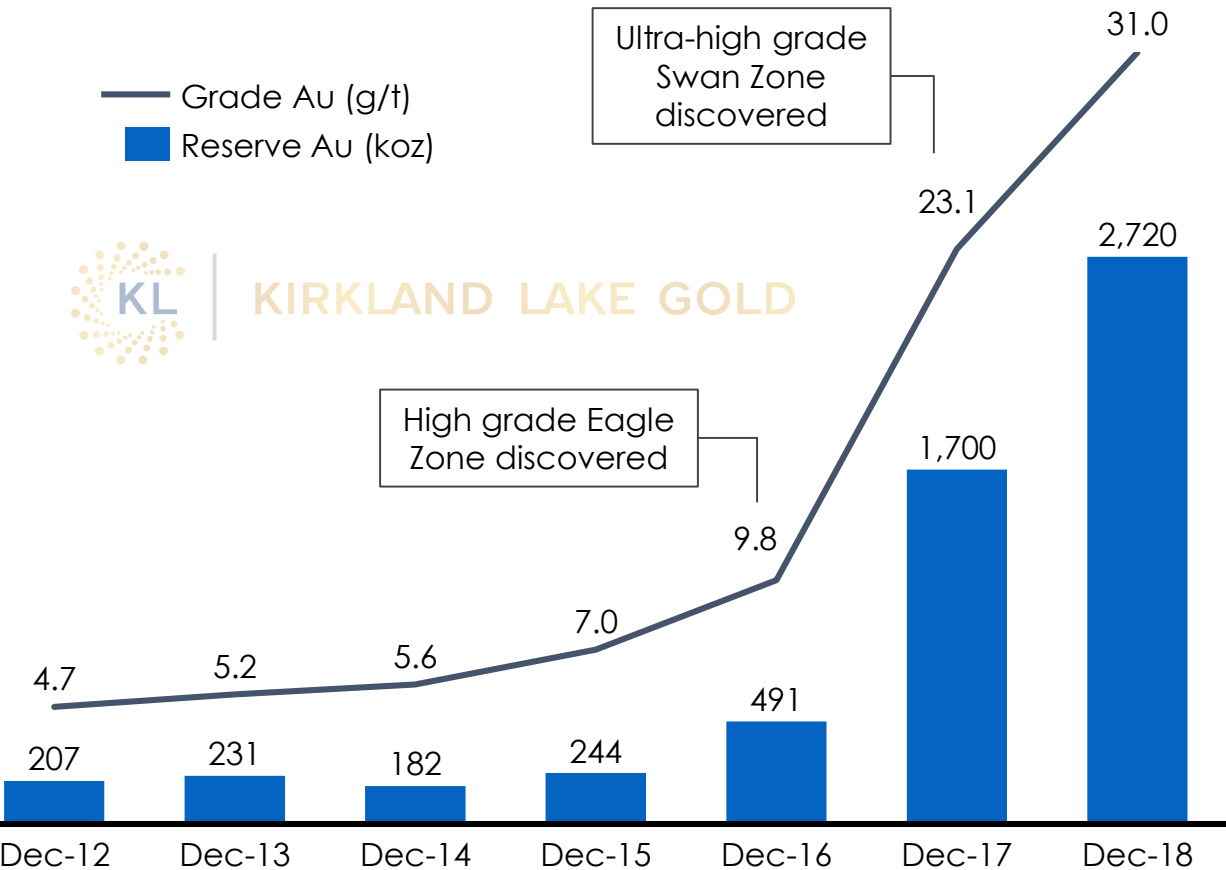
Op. cash costs guidance 2019

US\$170-190/oz

Australian top quartile is ~US\$600/oz

2021 production target

>570koz p.a. at ~30g/t Au



Current Mineral Reserve

2.7Moz at 31.0g/t Au

includes Swan Zone reserve of 2.34Moz at 49.6g/t Au

Regional exploration budget 2019

A\$15M+

Fosterville Large Ore Deposit Exploration programme

Chalice is positioned well in this exciting, underexplored district, with a **~5,140km²** land holding near Fosterville and Bendigo

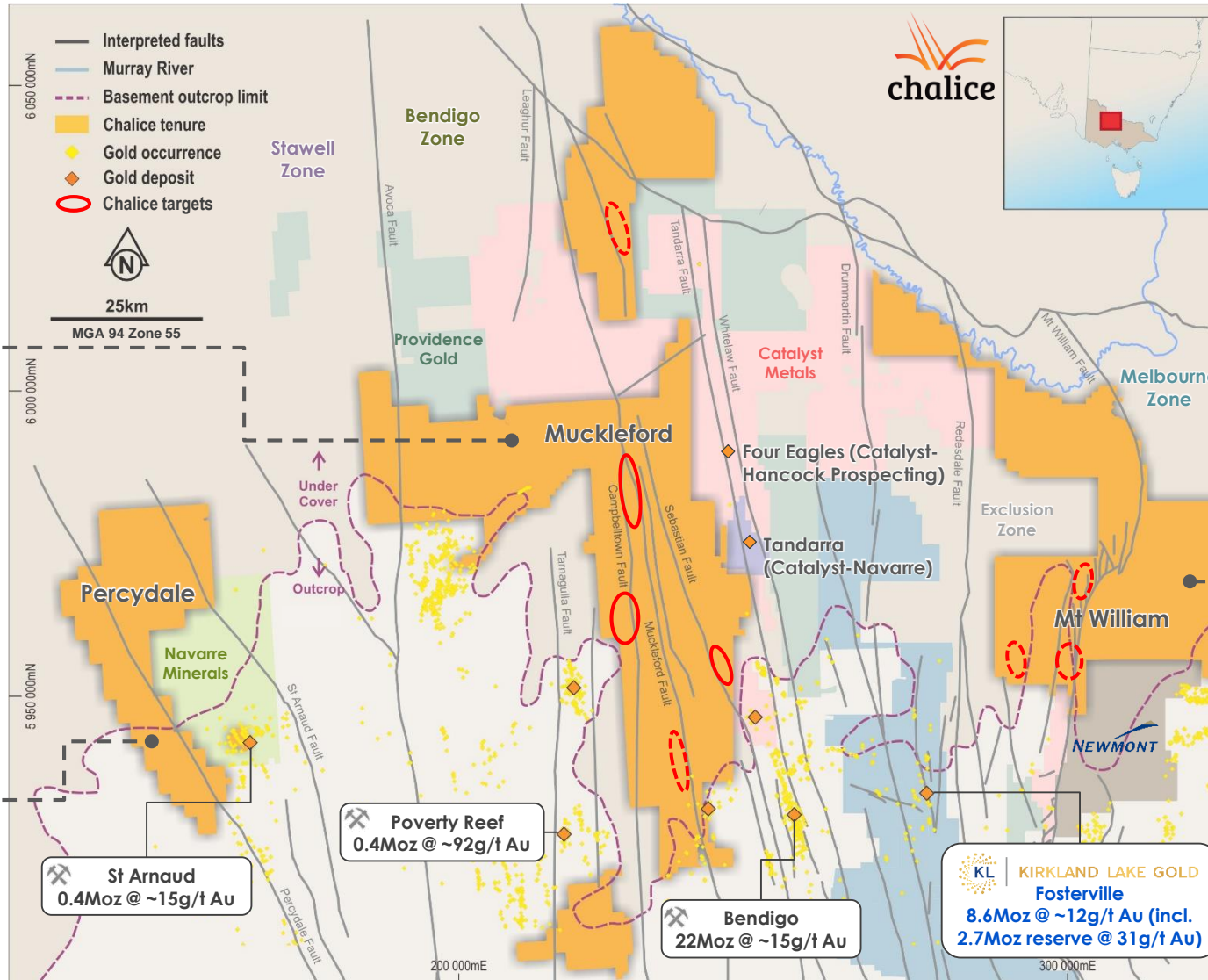


Muckleford Area

- NW of historic **~22Moz high-grade** Bendigo Goldfield and West of **two undercover discoveries**
- <50 effective historic drill holes over 100km+ of strike!
- ~35,000m recon AC **drilling** to date – three high priority targets outlined

Percydale Area

- NW of historic high-grade St Arnaud Goldfield
- <30 effective historic drill holes
- Soil sampling complete



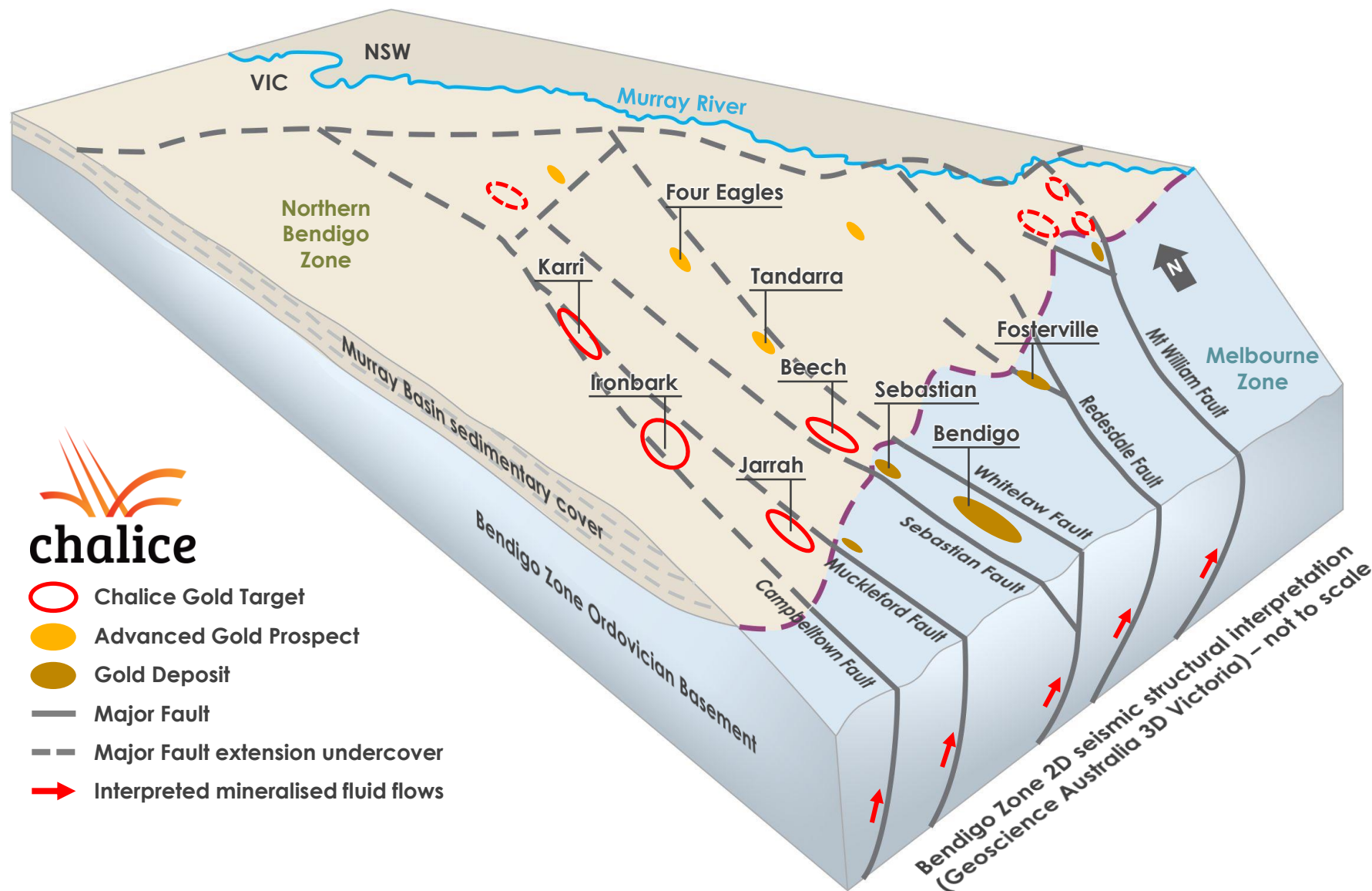
Land use is predominantly low intensity agriculture (mix of crops and grazing)

Drilling access on private farming areas for typically **~9 months** a year

Mt William Area

- NE of the **~8Moz ultra-high grade** Fosterville Gold Mine of Kirkland Lake Gold (ASX: KLA | TSX: KL)
- <80 effective historic drill holes
- ~4,000m recon AC **drilling** to date

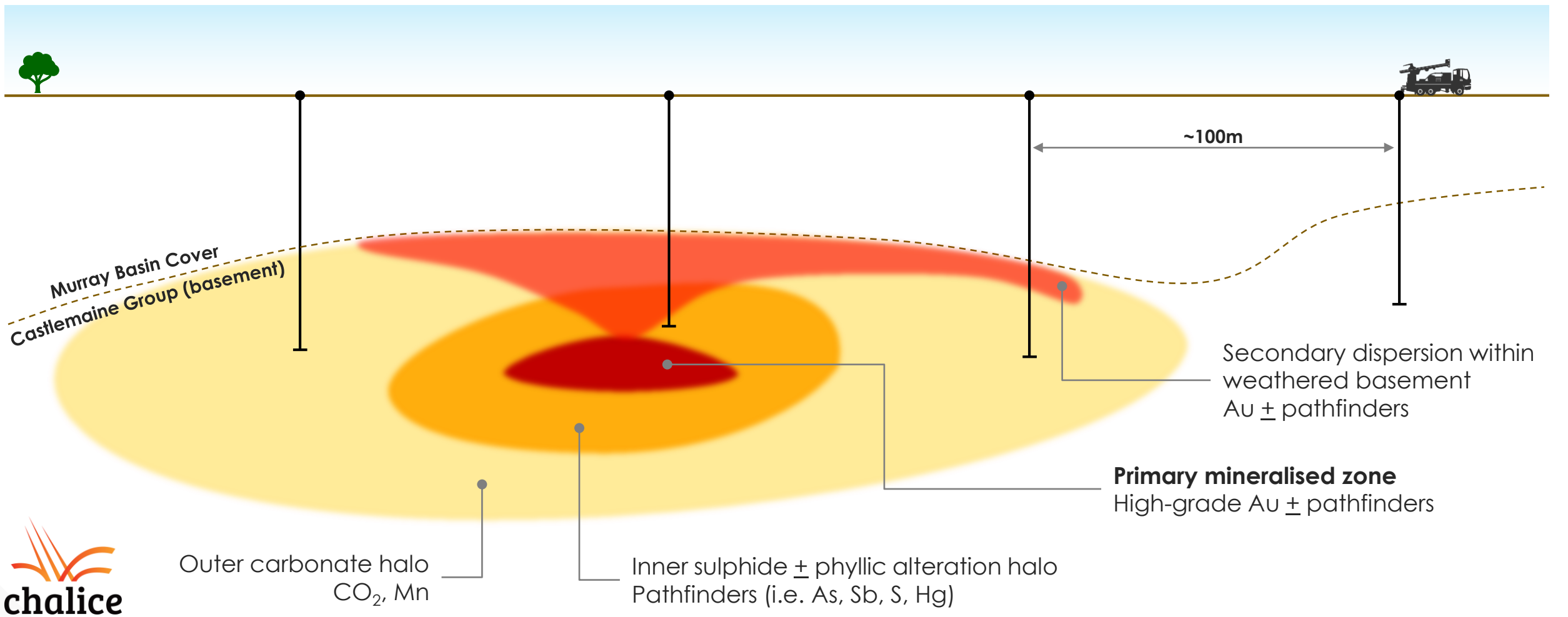
Chalice has defined **several large targets under thin cover** within the prospective and underexplored northern Bendigo Zone



Wide-spaced shallow AC drilling aims to hit **alteration halos and secondary dispersion zones** in basement, which typically surround gold zones in Victoria



Conceptual cross section along phase 1 drill lines (representative scale)

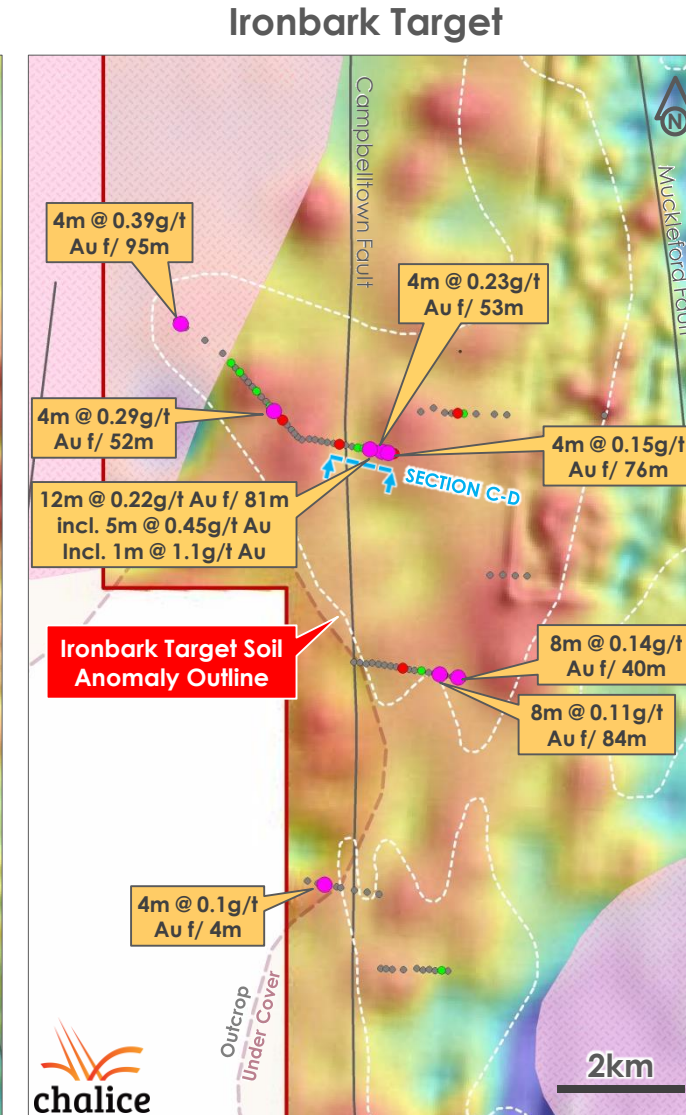
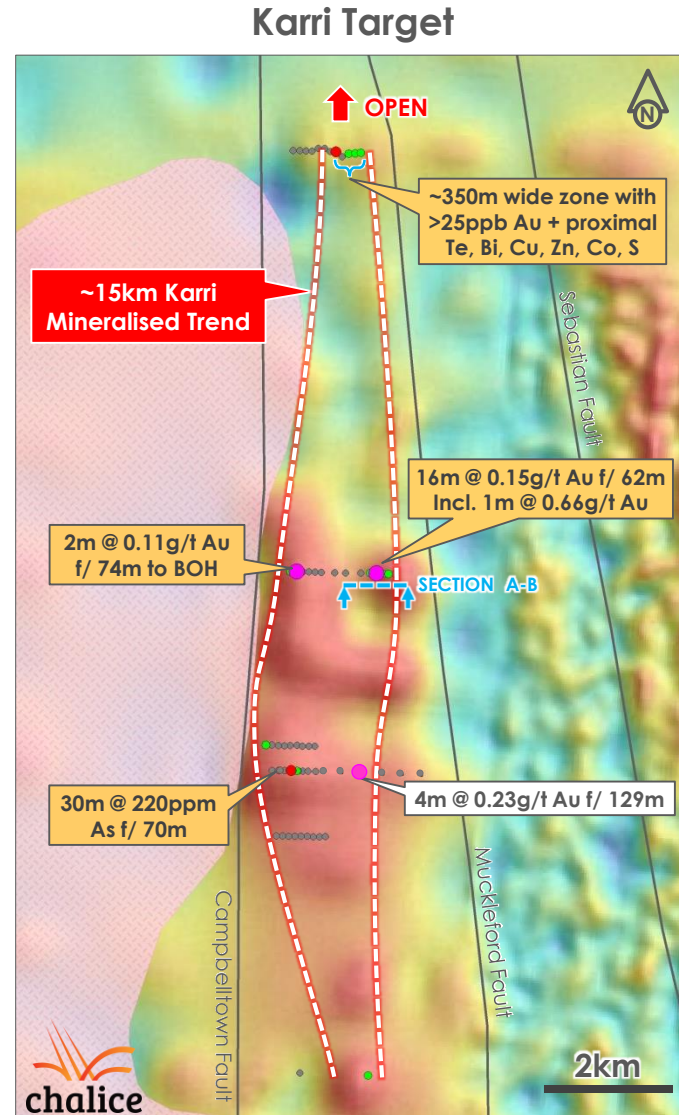


Adapted from Arne et al. (2008). Lithogeochemical haloes surrounding central Victorian gold deposits (Geoscience Victoria Gold Undercover Report 4). Department of Primary Industries, Victoria.

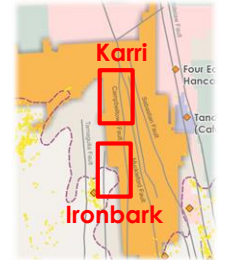
Several gold zones in basement have been intersected at the strike-extensive Karri and Ironbark Targets – step-out drilling to commence **Q3 2019**



- ~**39km** of shallow recon AC drilling completed to date
- AC drilling very effective exploration tool undercover:
 - ~**A\$40/m** all-in drill costs
 - max AC hole depth ~175m
- Shallow gold intersections on drill lines **kilometres apart** potentially indicates strike extensive gold systems
- Presence of gold in basement indicates the gold is from a **primary bedrock source**
- Ironbark overlies **large gold-in-soil anomaly**
- Step-out drilling at 0.5 – 1km spacing in **Q3 2019**



Muckelford Area



- Pyramid Hill Project Tenure
- Historic mining centre
- Advanced gold prospect
- Gold occurrences
- Limit of outcrop
- Granitoid
- Mineralised trend
- >5ppb Au in soil

- AC drill hole max Au (g/t)
- 0.1 – 0.4
- 0.05 – 0.1
- 0.025 – 0.05
- <0.05

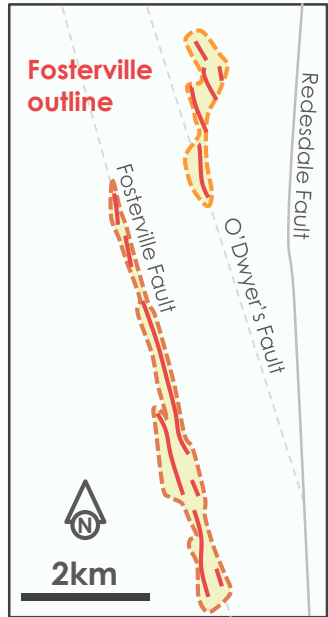
- Chalice drill intercept
- Historic drill intercept

Phase 1 AC Drilling over
1VD Gravity – Plan View
July 2019

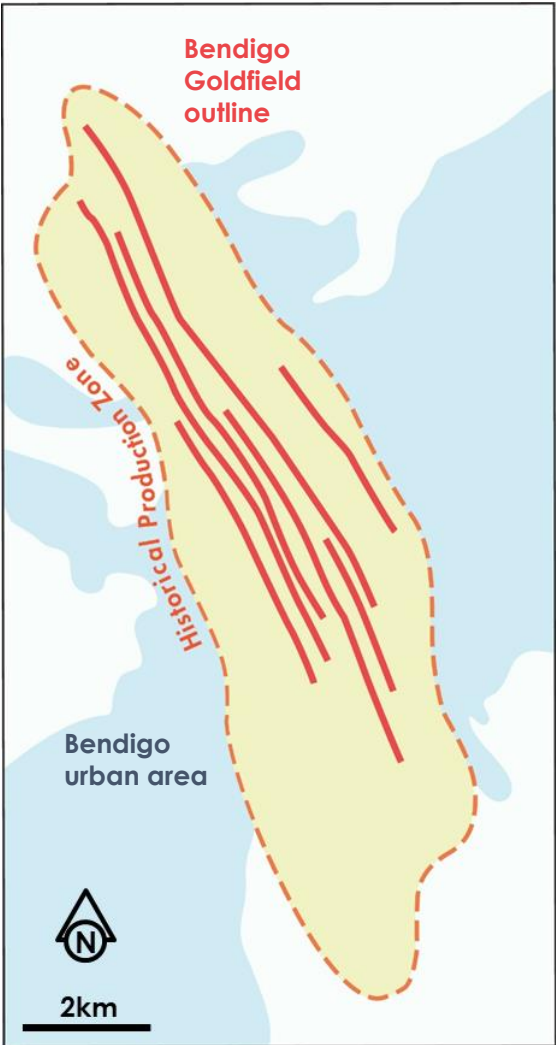
Both Targets have a huge footprint – comparable to Fosterville (>8Moz) and Bendigo (~22Moz) – the **size of the prize is significant**



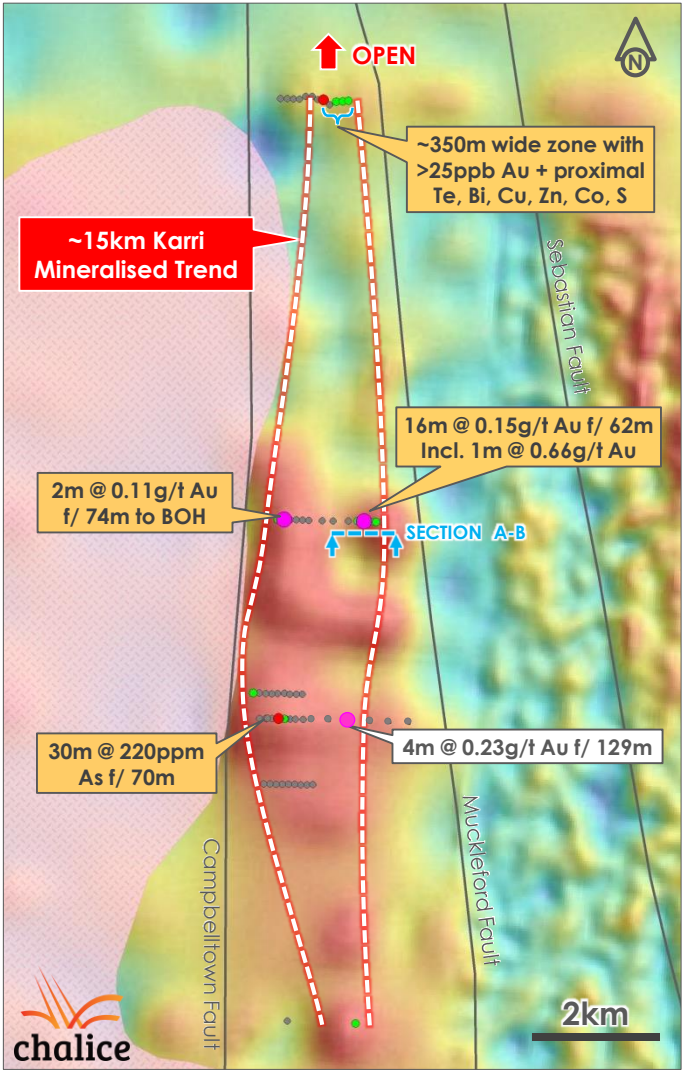
>8Moz Fosterville Gold Mine



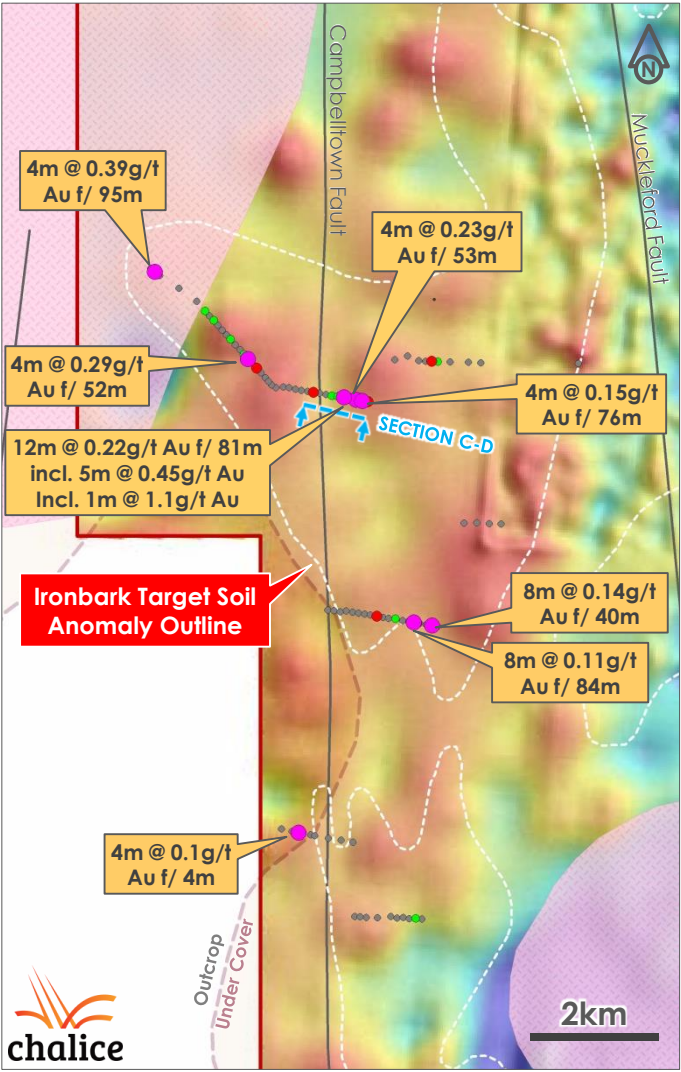
~22Moz Bendigo Goldfield



Karri Target



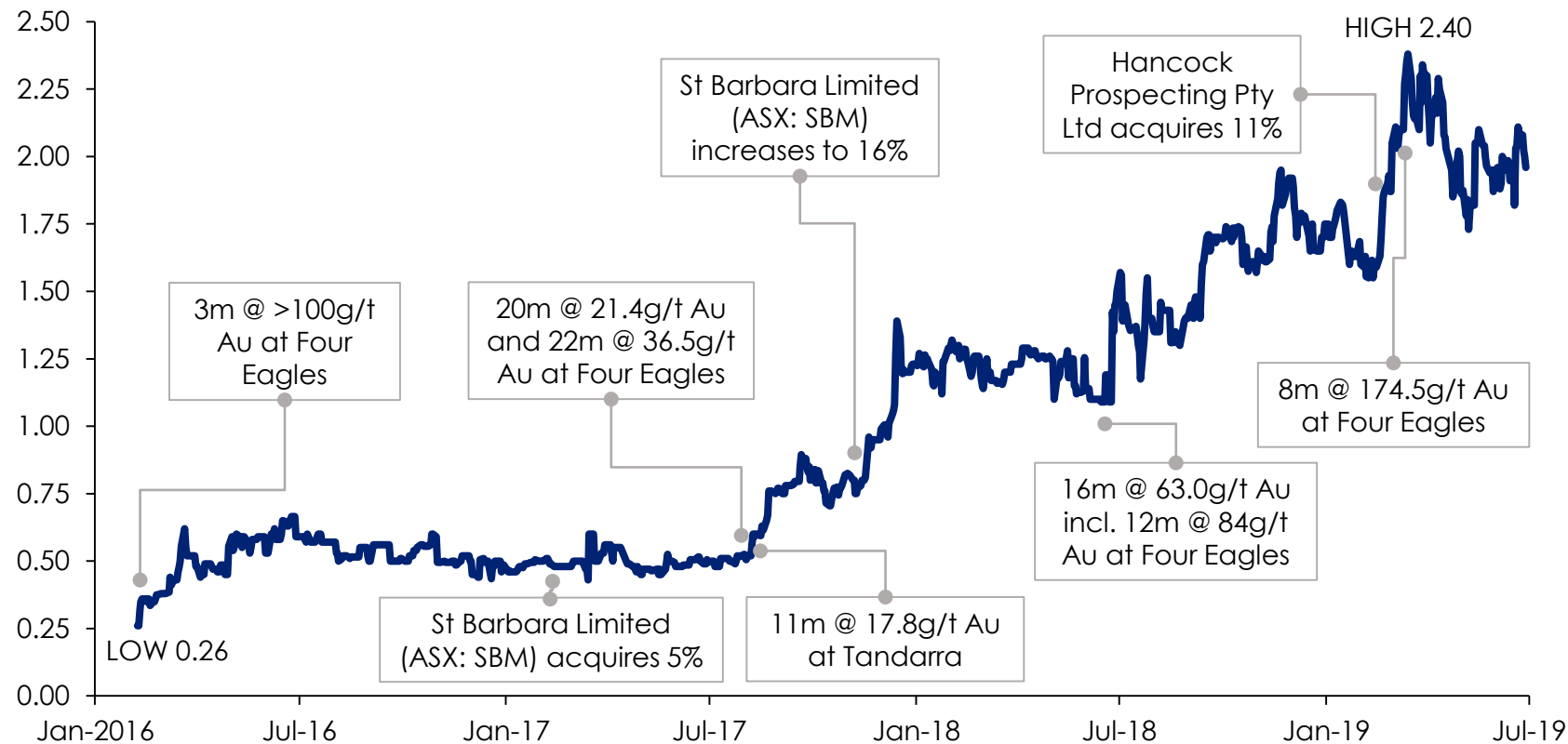
Ironbark Target



Catalyst Metals (ASX: CYL) have shown that **high-grade discoveries** undercover in this area can drive significant value for shareholders



Catalyst Metals (ASX: CYL) Share Price (A\$)



- Catalyst's EV has increased **from ~A\$30M to ~A\$160M**
- Catalyst own **~50%** of their two key projects:
 - Four Eagles (50:50 JV with Hancock Prospecting)
 - Tandarra (51:49 JV with Navarre Minerals ASX: NML)
- Both are in the undercover North Bendigo Zone – a **proof of concept**
- Both were discovered with **shallow reconnaissance AC drilling** along prospective fault corridors



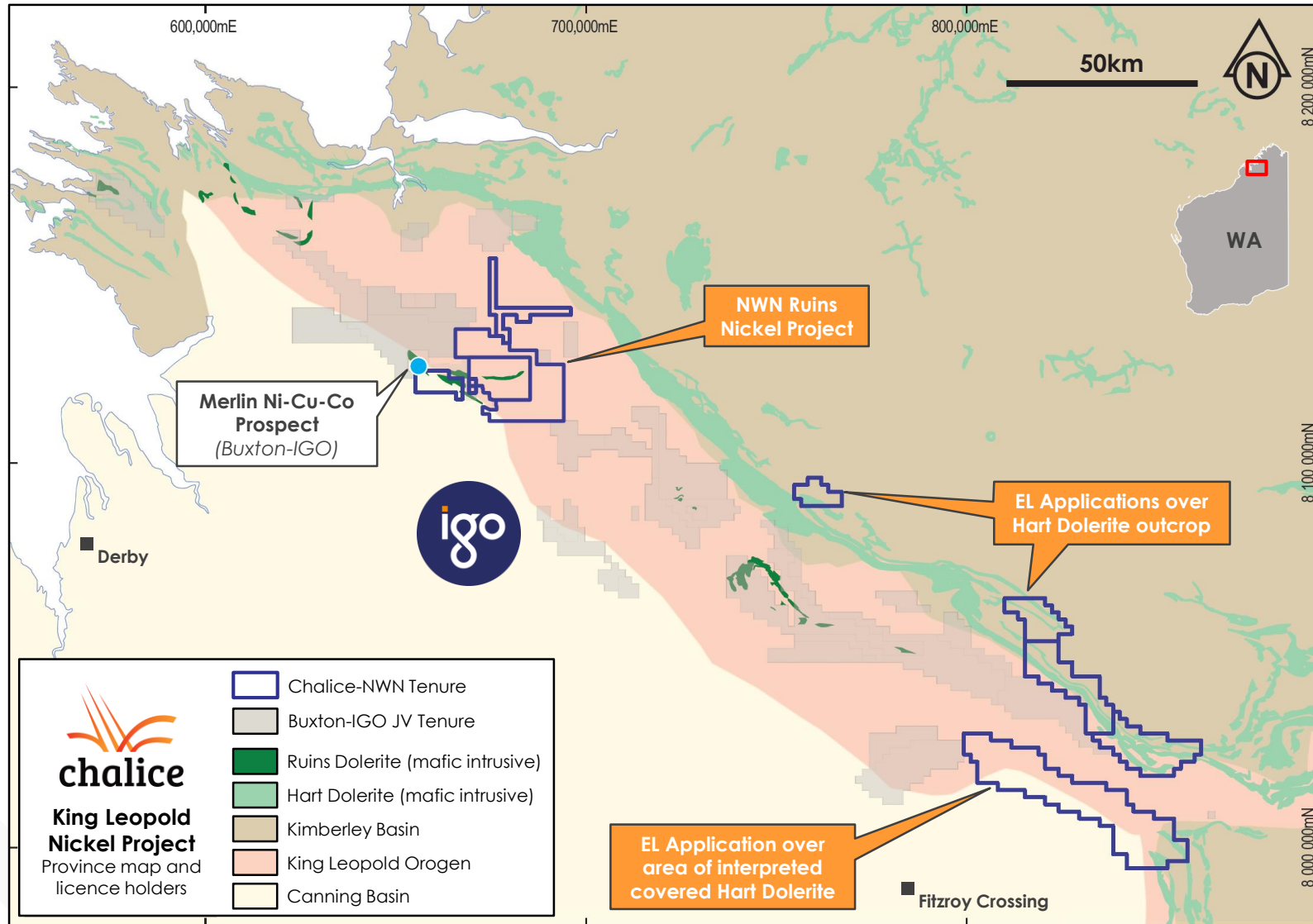
King Leopold Nickel Project

Western Australia





The King Leopold Nickel Project covers **1,800km²** in the frontier and largely unexplored King Leopold Orogen of the west Kimberley



- Frontier province highly prospective for magmatic **Ni-Cu-Co sulphide** deposits
- **Minimal modern exploration**
- 2015 Merlin discovery by Buxton Resources (ASX: BUX) highlighted potential of Ruins Dolerite
- **Independence Group** (ASX: IGO) entered the region in late 2018 in regional JV with Buxton
- Chalice now a **significant** player:

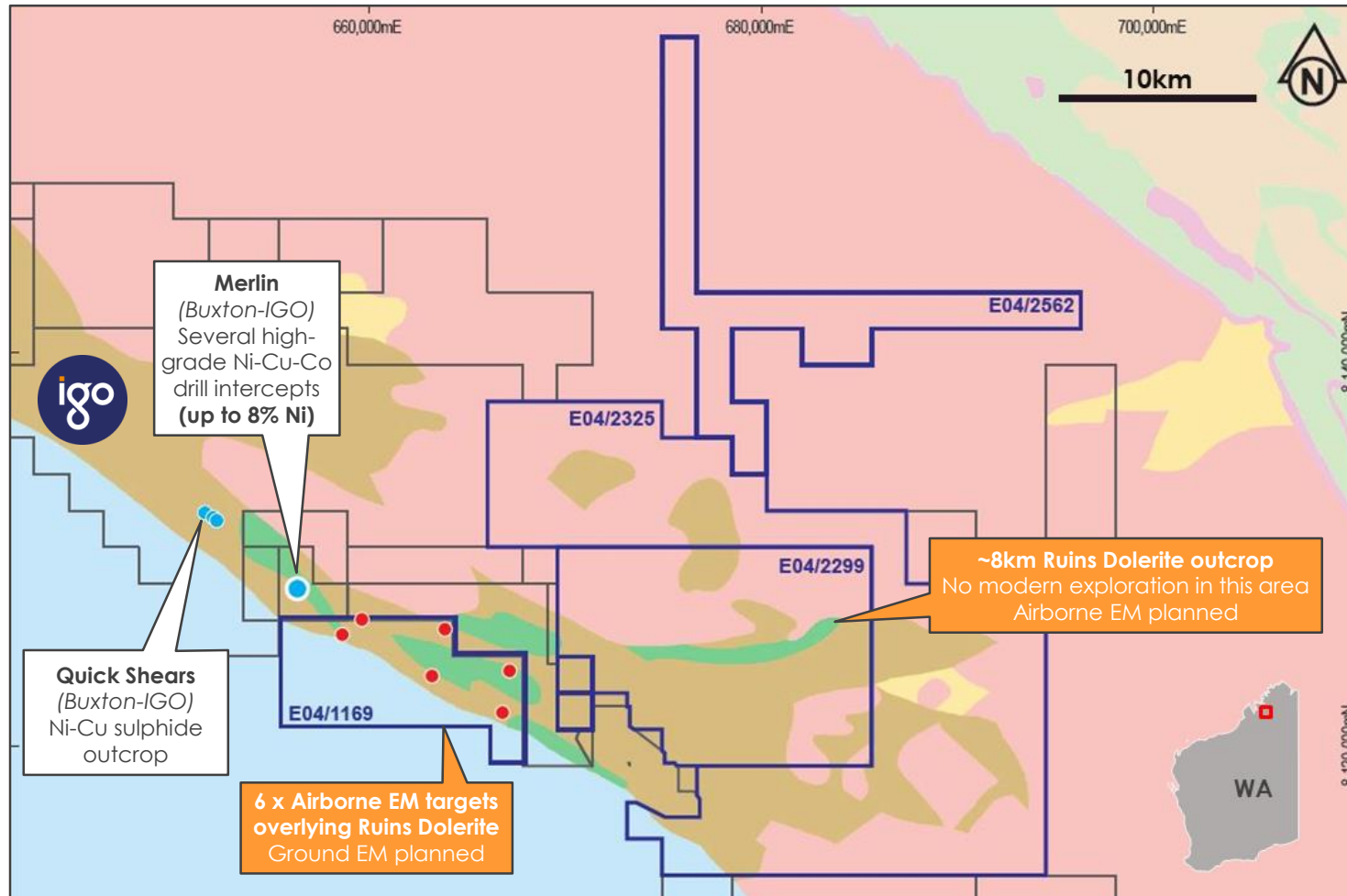
Ruins Dolerite

- 600km² Ruins Project acquired in June 2019
- Immediately SE of Merlin (proven host)

Hart Dolerite

- 1200km² of EL applications made in late 2018
- Conceptual host to magmatic sulphides

Chalice's immediate focus is exploring areas east of Merlin discovery, where **several nickel sulphide targets** have already been defined



- Merlin hosts drill intercepts with grades up to **8.14% Ni, 5.26% Cu and 0.69% Co**
→ Ruins Dolerite hosts high-grade Ni-Cu-Co sulphides
- Six untested airborne EM targets** already defined along strike to SE of Merlin
- Native Title and access agreements already in place

Exploration Plan

- Additional airborne EM to be flown on untested **~8km** Ruins Dolerite outcrop in July 2019
- Ground EM planned over all AEM targets in **Q3 2019**
- Drill testing anticipated in **Q3 2019**

Corporate



Corporate snapshot



Capital Structure

Equity listings & tickers	ASX: CHN TSX: CXN
Shares – on issue	266.6M
Shares – fully diluted	287.1M
Share price (ASX)	A\$0.12
52 week high / low (ASX)	A\$0.165 / A\$0.11
3mth avg daily volume (ASX)	~270,000
Market capitalisation	~A\$32M

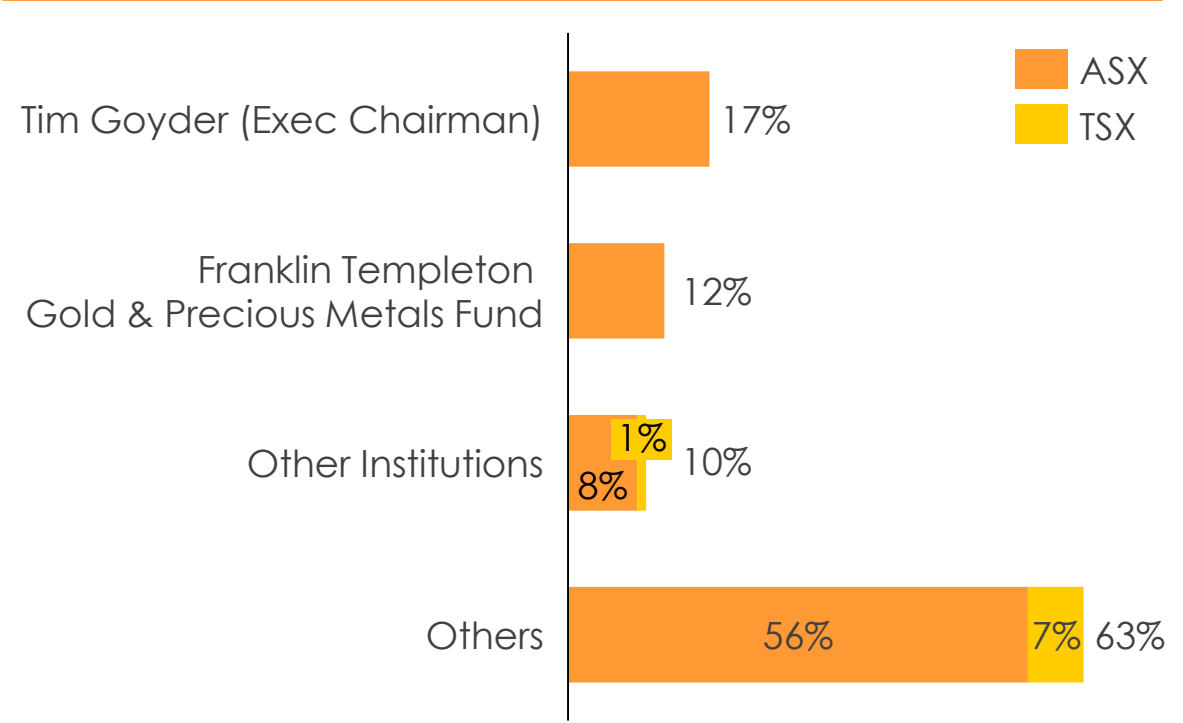
As of 30 Jun 2019

Financials (A\$)

Cash	\$18.6M (\$0.07ps)
Liquid investments (pro-forma O3 close)	\$14.2M (\$0.05ps)
Total working capital	\$32.8M (\$0.12ps)

Estimate at 30 Jun 2019, assuming O3 transaction completion

Top Shareholders



Directors and Management	18% (24% F/D)
Top 20	51%

As of 27 Jun 2019



Company Highlights

- 1 Active exploration on district-scale projects in high-grade gold & nickel sulphide provinces
- 2 ~A\$33M in working capital (~A\$0.12ps)
- 3 >A\$100M generated from asset sales – team with a solid track record



Thank You



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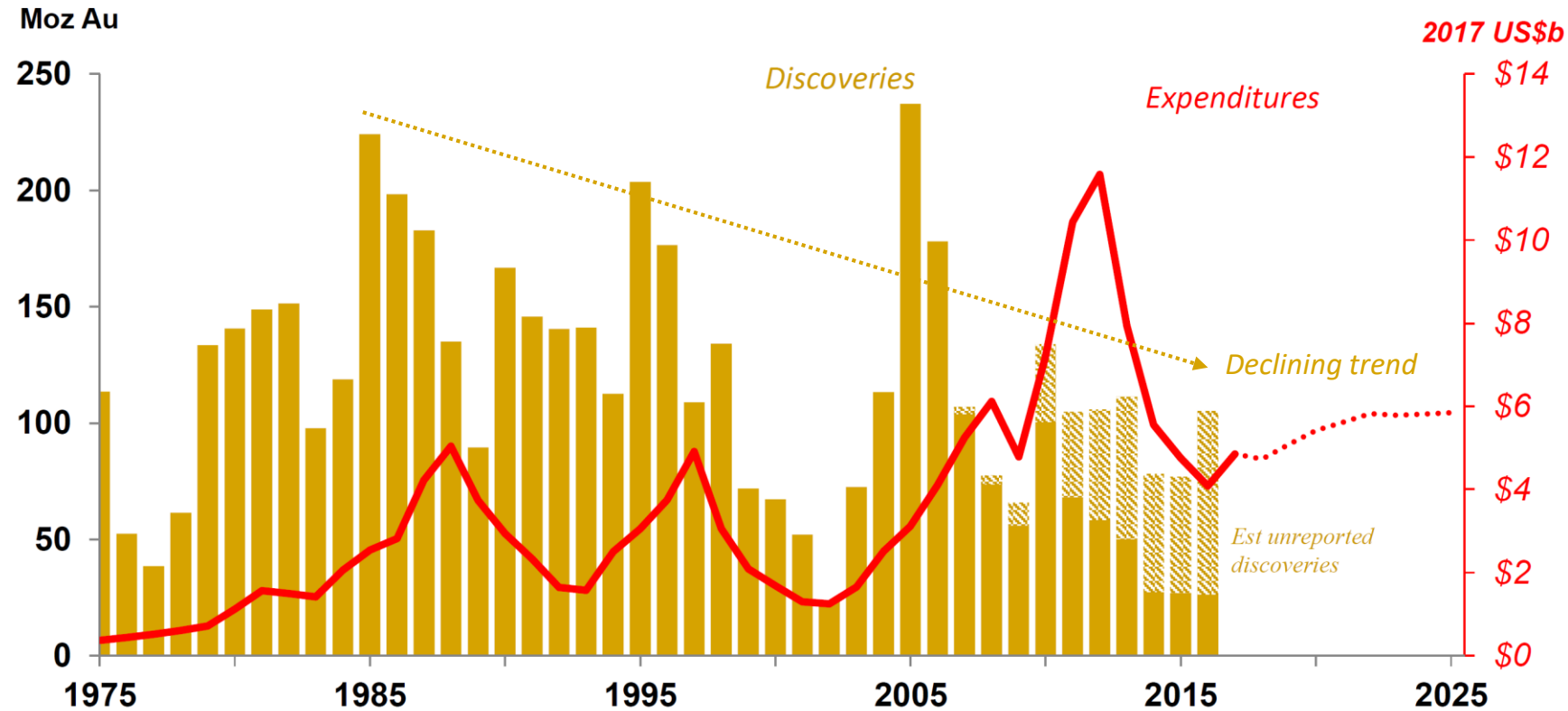
twitter.com/chalicegold



Appendix

Our strategy is to explore greenfield terranes in premier jurisdictions; aiming to address the rapid decline in tier 1 discoveries worldwide

Exploration Expenditures and Primary Gold discovered globally



Tier 1 discoveries (>US\$1bn NPV) now represent only ~2% of all discoveries worldwide. None in Australia in last 10 years.

“

Peaks in discoveries precede the peaks in exploration spend. So the best time to get in [to explorers], is when exploration spend bottoms out and starts rising... which is now!

MinEx Consulting, Nov 2018

Source: MinEx Consulting © October 2018

”

Board and management team



Tim Goyder, Executive Chairman

- 40+ year industry veteran
- Long track record of success as an investor, entrepreneur and company director
- Largest shareholder of Chalice (~17%)



Alex Dorsch, Managing Director, BEng (Hons), BFin

- Company CEO since March 2018
- Experienced consultant, engineer and corporate advisor in the energy and resources sectors
- Previously Specialist consultant with McKinsey & Company



Morgan Ball, Lead Independent Non-Exec Director, BCom, ACA

- Chartered Accountant with 25+ years experience
- Significant mining, commercial and corporate experience
- Chief Financial Officer of Saracen Mineral Holdings (ASX: SAR)



Stephen Quin, Independent Non-Exec Director, PGeo

- Mining Geologist with 35 years experience
- Significant international experience in exploration, feasibility, mine development, financing and operations
- President, CEO, Director of Midas Gold Corp (TSX: MAX)



Dr Kevin Frost, GM – Exploration, BSc (Hons) PhD MAIG

- Geologist with 30+ years experience
- Highly regarded in gold and nickel exploration
- Co-recipient of the prestigious AMEC Prospector Award in 2009 for the discovery of the Spotted Quoll nickel sulphide deposit in WA (Western Areas)



Richard Hacker, Chief Financial Officer, BCom, ACA, ACIS

- Chartered Accountant with 20+ years experience
- Significant commercial and corporate experience in the resources and energy sector in Australia and the UK

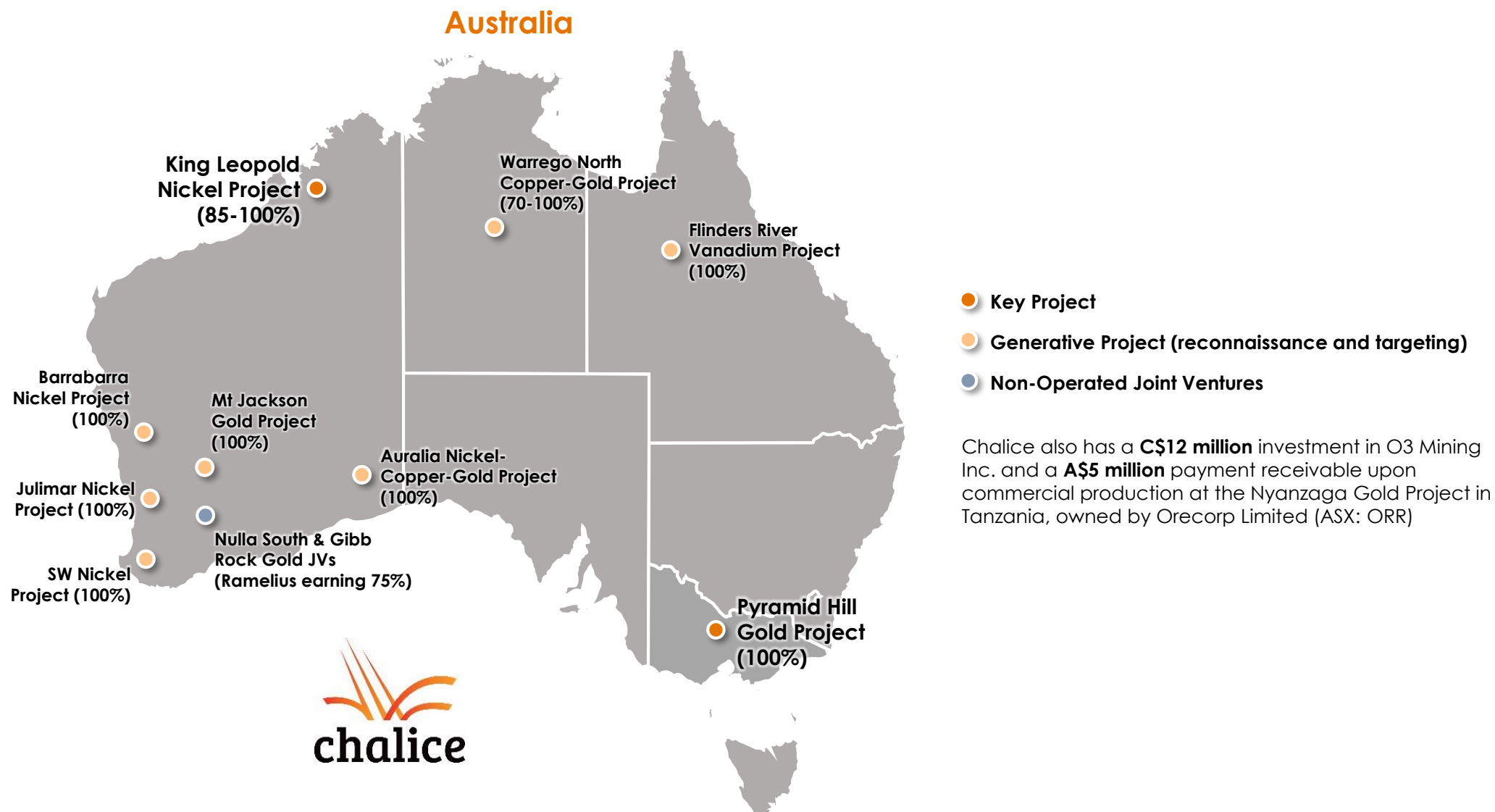


Patrick Lengyel, Exploration Manager – Canada, BSc

- Geologist with 20+ years experience
- Extensive international experience in orogenic gold and base metals
- Previously Principal Geologist at Teck Resources Limited

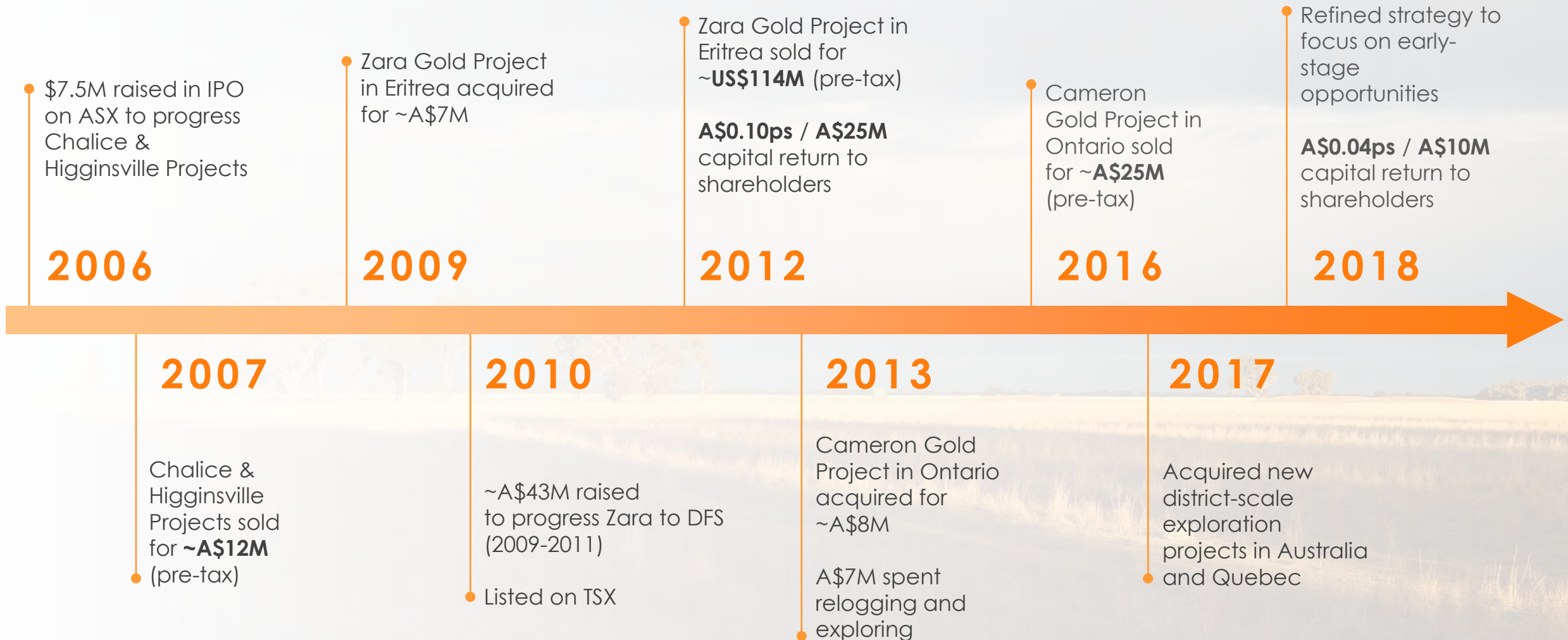


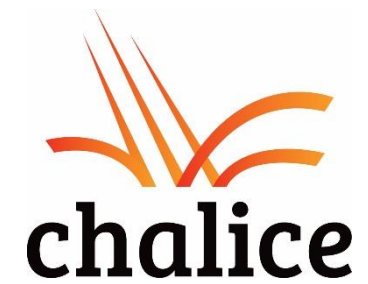
Chalice's portfolio also includes several generative exploration opportunities, non-operated JVs and investments





Our track record is sound; we have acquired well, advanced projects quickly and generated **A\$100M+ in after-tax proceeds** from sales

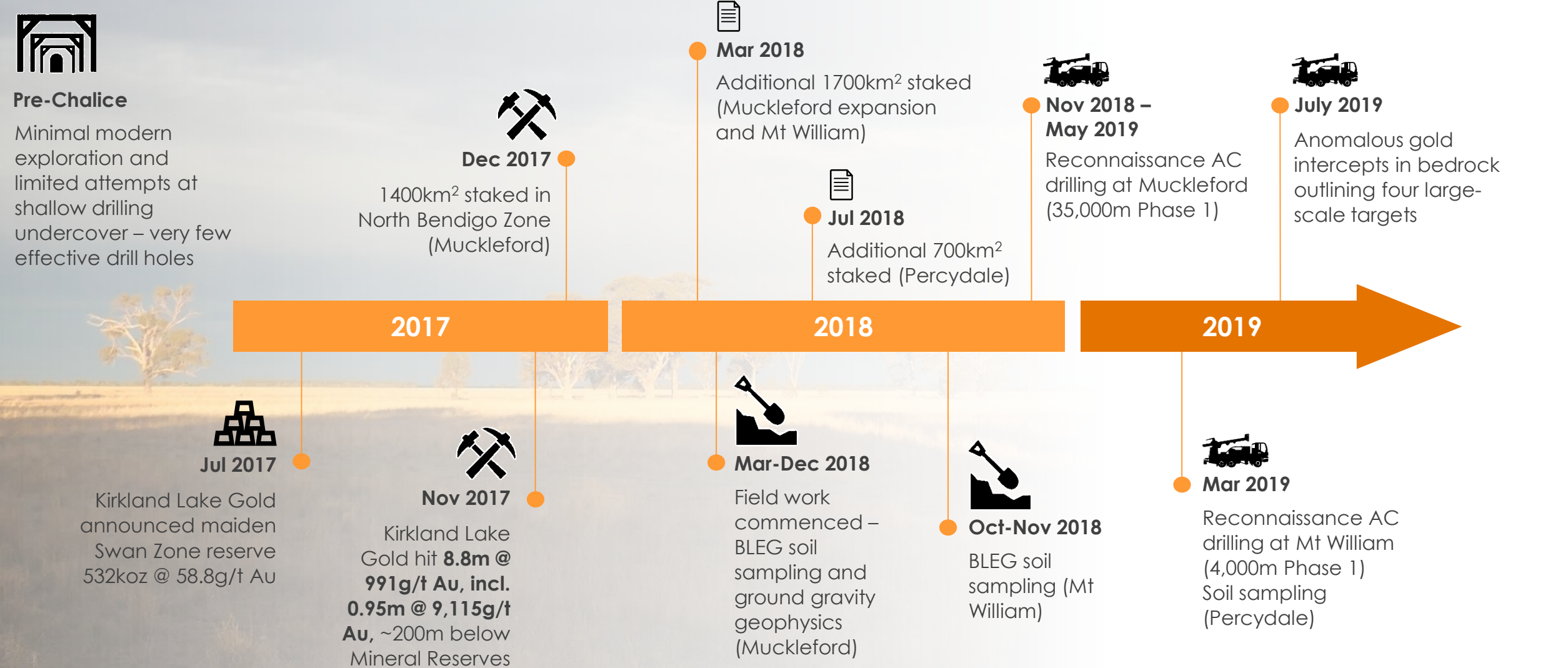




Appendix

Pyramid Hill Gold
Project, Victoria

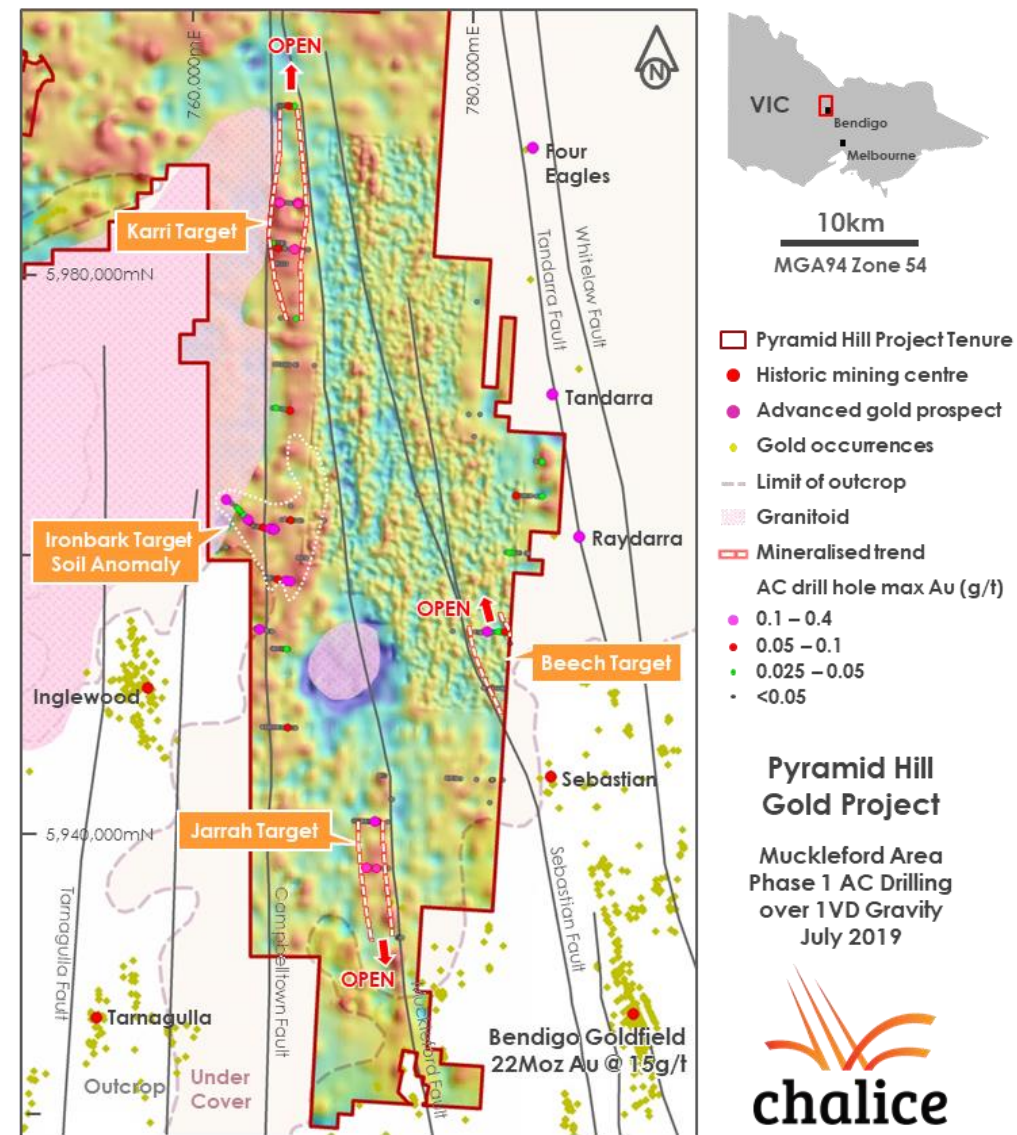
We commenced activities in Victoria in Q2 2018 and are in the reconnaissance phase, **targeting a 5Moz+ gold discovery** undercover



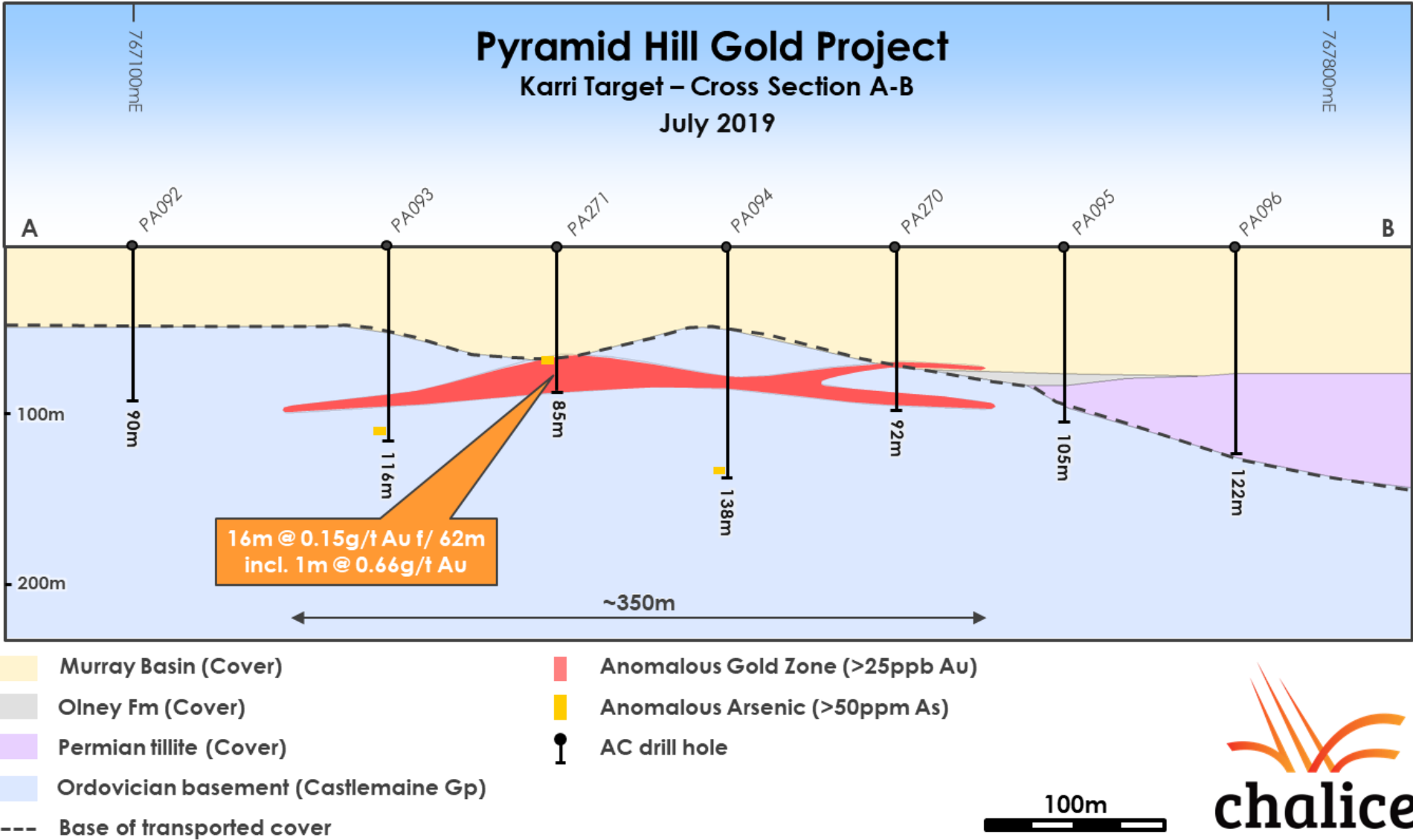
Reconnaissance AC drilling has identified four **large-scale targets** to date on the Muckleford Area



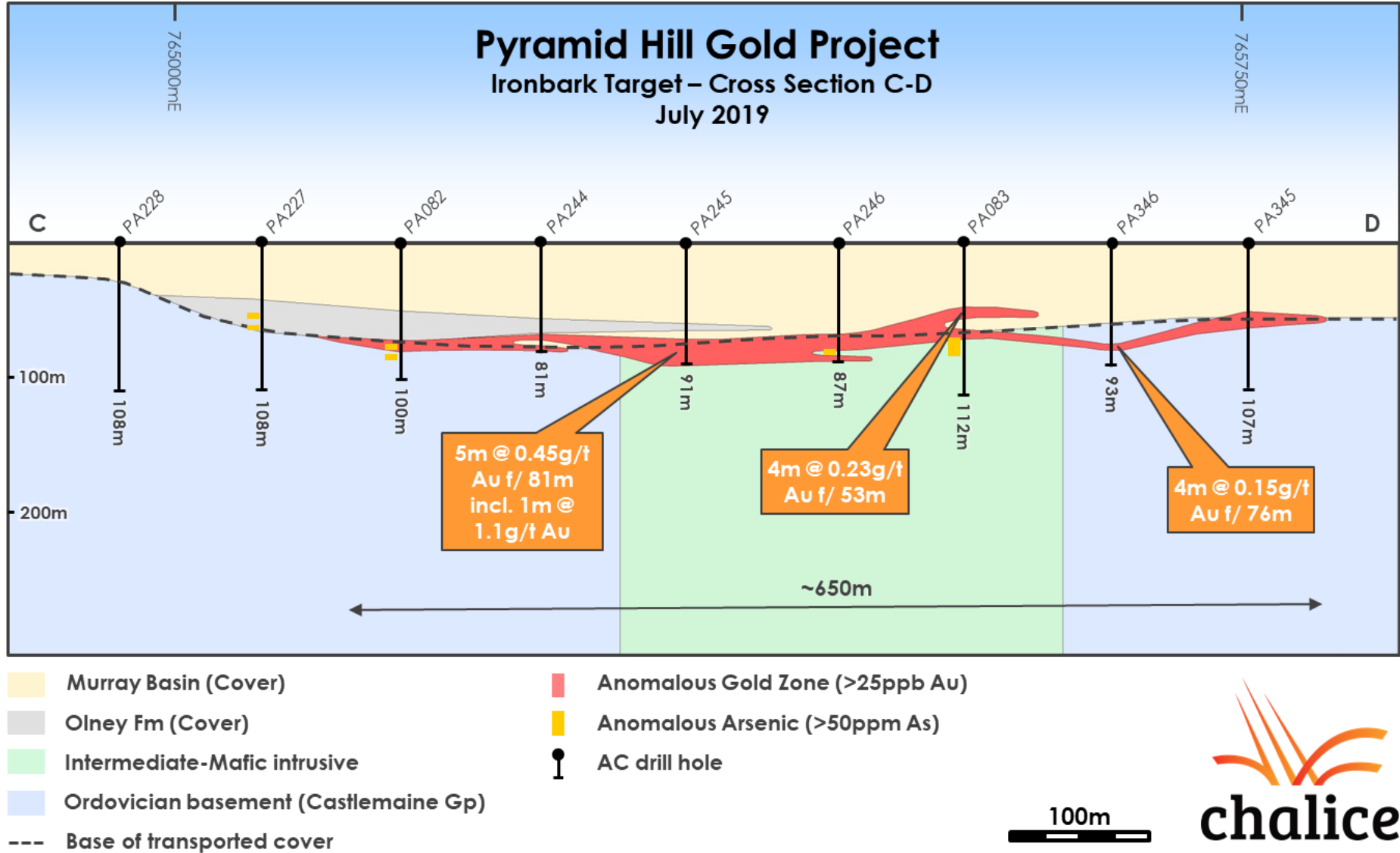
- Karri:** shallow gold intersections up to 0.66g/t Au over ~15km of strike, under 50-70m of Murray Basin cover, ~20km west of Four Eagles
- Ironbark:** shallow gold intersections up to 1.1g/t Au under 25-75m of Murray Basin cover, co-incident with a large >5ppb gold-in-soil anomaly
- Beech:** outlined by highly anomalous As and Sb (gold pathfinders) in basement, ~25km north-west of Bendigo (~22Moz Au) along the Sebastian Fault
- Jarrah:** elevated gold intersections up to 0.38g/t Au within Murray Basin gravels (no bedrock source found yet), under 30-40m of Murray Basin cover



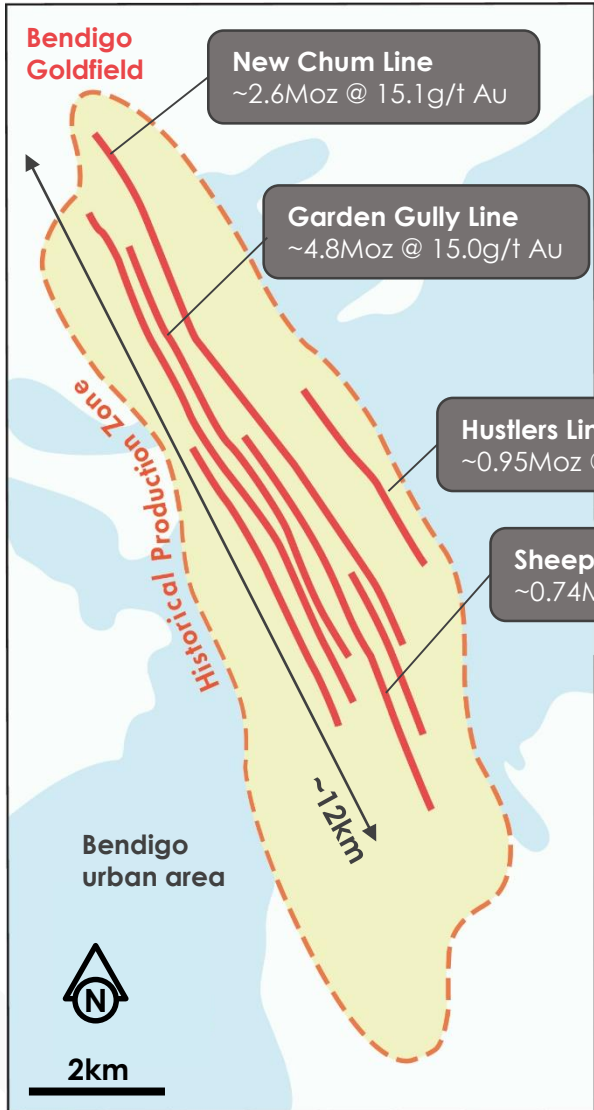
Two ~350m wide zones of anomalous gold, 7km apart, have been intersected at the **Karri Target**



A ~650m wide zone of anomalous gold and pathfinders has been intersected at the **Ironbark Target**

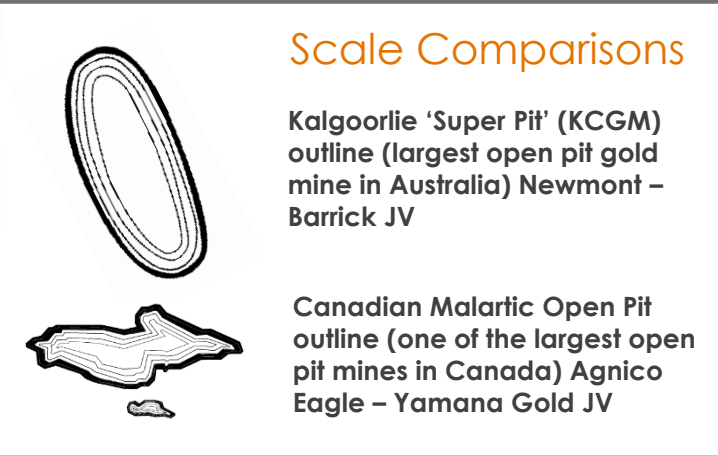


Drilling at Muckleford is targeting a Bendigo style deposit (~22Moz @ 15g/t Au) – the **size of the prize is significant**

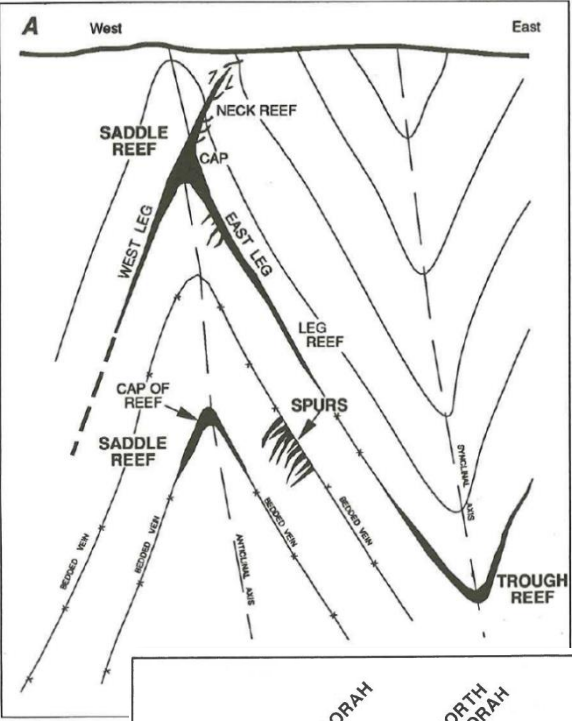


Large, high grade deposit of **~22Moz @ 15g/t Au**

World's largest producer from 1850 to 1890



Schematic cross section showing Saddle and Bedded Reefs



Every 100 vertical metres contained **3-5Moz gold**

Schematic long section

