25 March 2021

New highly prospective EM conductors and nickel-copper soil anomalies defined at Hartog Target, Julimar Project

Extensive soil anomalies and discrete EM conductors identified from initial on ground exploration at the ~6.5km long Hartog Target, located directly north of the Gonneville discovery

Highlights

- Initial soil sampling and first-pass ground EM completed at the ~6.5km long Hartog Target, located immediately north of Chalice's significant Gonneville PGE-Ni-Cu-Co-Au discovery at Julimar.
- Cluster of **29** low to moderate conductance, **mid to late-time bedrock EM conductors** defined, similar to those that led to the Gonneville discovery.
- Several **extensive Ni-Cu+/-Pd soil anomalies** proximal to and in cases coincident with these new EM conductors.
- Ni-Cu+/-Pd anomalism in soils at Hartog comparable to initial soil results over the Gonneville discovery.
- Results highlight the potential for the discovery to **expand considerably along strike to the north**.
- Additional ground EM surveys and soil sampling underway at the Baudin and Jansz airborne EM targets.
- Chalice is **fully funded** to continue its reconnaissance program along the ~26km long Julimar Complex, in parallel with the ongoing 7-rig resource drill-out and early-stage mining studies at Gonneville.

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

A first-pass ground Moving Loop Electromagnetic (MLEM) survey has now been completed over the ~6.5km long Hartog airborne EM (AEM) target, located directly north of the Gonneville discovery.

The survey over Hartog has defined a cluster of 29 low to moderate conductance, mid to late-time bedrock EM conductors (Figures 1-3 & Table 1), interpreted to be potentially significant Ni-Cu-PGE targets, of similar aerial extent and range of conductance to those at the Gonneville discovery immediately to the south (refer ASX Announcement of 23 March 2020).

Most of the MLEM conductors (A1-G6) occur within a ~6.5km long, 1-2km wide corridor that extends directly north from Gonneville, although four conductors (Hartog East 1-4) are located to the north and north-east of the main corridor and appear to define a new trend.

There is no outcropping bedrock geology over this broad area of MLEM anomalism that would allow for an initial geological assessment of the source of the conductors; however, the distribution and orientation of the MLEM conductors appears to be consistent with the results obtained over the Gonneville discovery, where MLEM surveys conducted prior to the discovery identified a series of sub-parallel, moderately west-dipping conductors extending over up to ~1km of strike.

EM conductors corresponding to the mineralised zones at Gonneville have typically been in the order of 200-2,500 Siemens. Importantly, only one of the initial eight MLEM conductors at Gonneville was shown to be associated with barren sulphidic sediments. The other seven conductors were associated with zones of

Ni-Cu-PGE mineralisation. The new conductors at Hartog have a similar conductance, ranging from ~100 to 3,750 Siemens.

Surface soil sampling at Hartog was also completed as a first-pass screening technique to assess and prioritise MLEM conductors. Soil samples were collected by hand on 200m x 100m and 400m x 200m spaced grids to facilitate rapid sample collection and to minimise environmental disturbance.

For comparison, a single orientation line of soil samples (250m spacing) was undertaken across Gonneville prior to the discovery to test the suitability of surface soil geochemistry as a first-pass geochemical technique, and to determine the most responsive soil fraction. Soil samples were sieved into 4 size fractions from fine (-80mesh; 0.2mm) through to coarse lag (+5mm-12.5mm) and the results demonstrated that the coarser soil fractions (+1.6mm-5mm and +5mm-12.5mm) showed significantly higher metal abundances compared to finer fractions. On this basis, the initial soil sampling at Hartog was designed to collect the coarser soil fractions (+3.1mm-5mm) for geochemical analysis.

Soil sampling at Hartog has outlined extensive areas of moderately anomalous nickel, copper and/or palladium, both coincident with and proximal to the new MLEM conductors (Figures 1-3) and similar to the results generated over Gonneville prior to its discovery.

A strong and coherent chrome anomaly (>700ppm Cr) has also been identified central to the Ni, Cu and Pd soil anomalies, and is interpreted to indicate that prospective ultramafic (pyroxenite) geology extends north from Gonneville through Hartog.

The southern coincident Cu-Ni-Cr anomaly overlies the Hartog East #3 and #4 MLEM conductors, which are considered to be high-priority drill targets. The northern coincident Cu-Pd-Cr soil anomaly remains open to the north, with further soil geochemical results pending. All new soil anomalies and MLEM conductors at Hartog are untested by drilling.

Given the inherent difficulties with sampling a consistent part of the regolith profile, the results are considered to be highly encouraging and the lack of a soil geochemical response over certain MLEM conductors is not considered to have downgraded those targets given very weak to absent soil anomalism over known high-grade mineralisation at Gonneville itself.

Platinum and gold anomalism in soils at Hartog was relatively weak, as they were at Gonneville, and samples were not assayed for other PGEs (Rh, Ir, Os, Ru).

In summary, several of the new MLEM conductors at Hartog are discrete/discordant, short strike length conductors (similar to those at Gonneville) that have supporting Cu +/- Pd-Ni soil anomalies and are also mostly aligned directly along strike from Gonneville, making these high priority drill targets.

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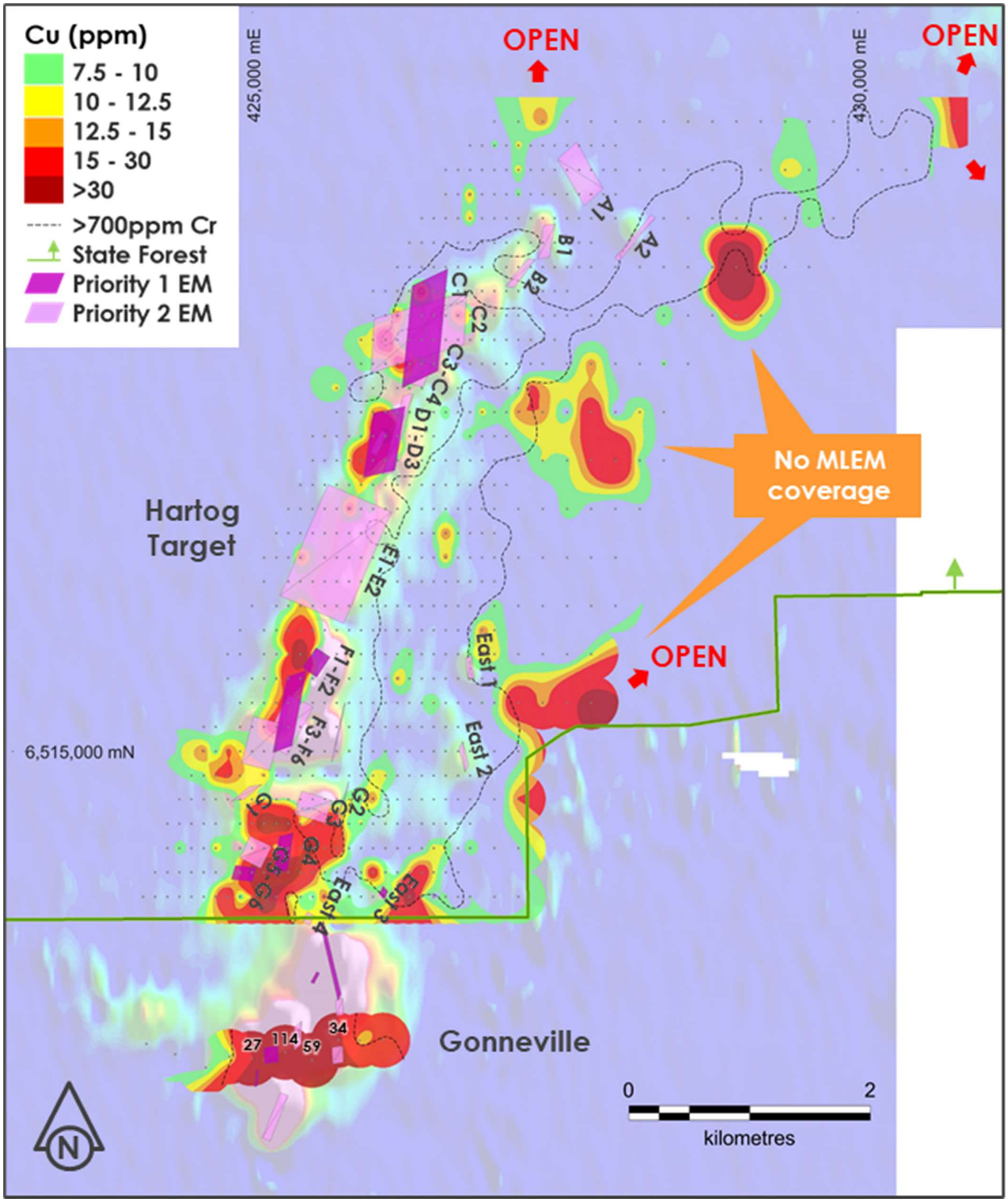

Figure 1. Hartog-Gonneville Plan View – preliminary new MLEM conductors and copper soil geochemistry results over Airborne EM (flown in September 2020).

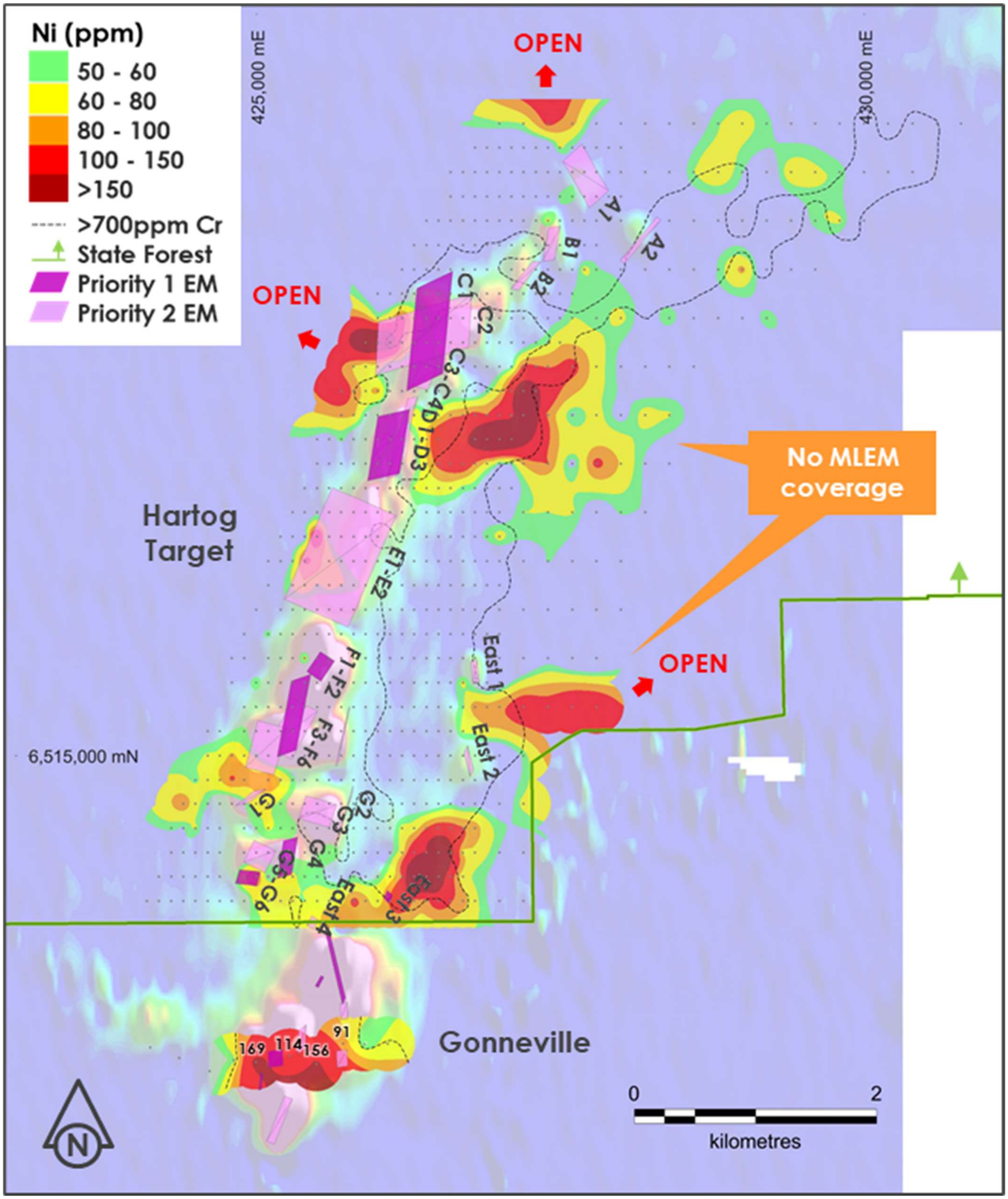

Figure 2. Hartog-Gonneville Plan View – preliminary new MLEM conductors and nickel soil geochemistry results over Airborne EM (flown in September 2020).

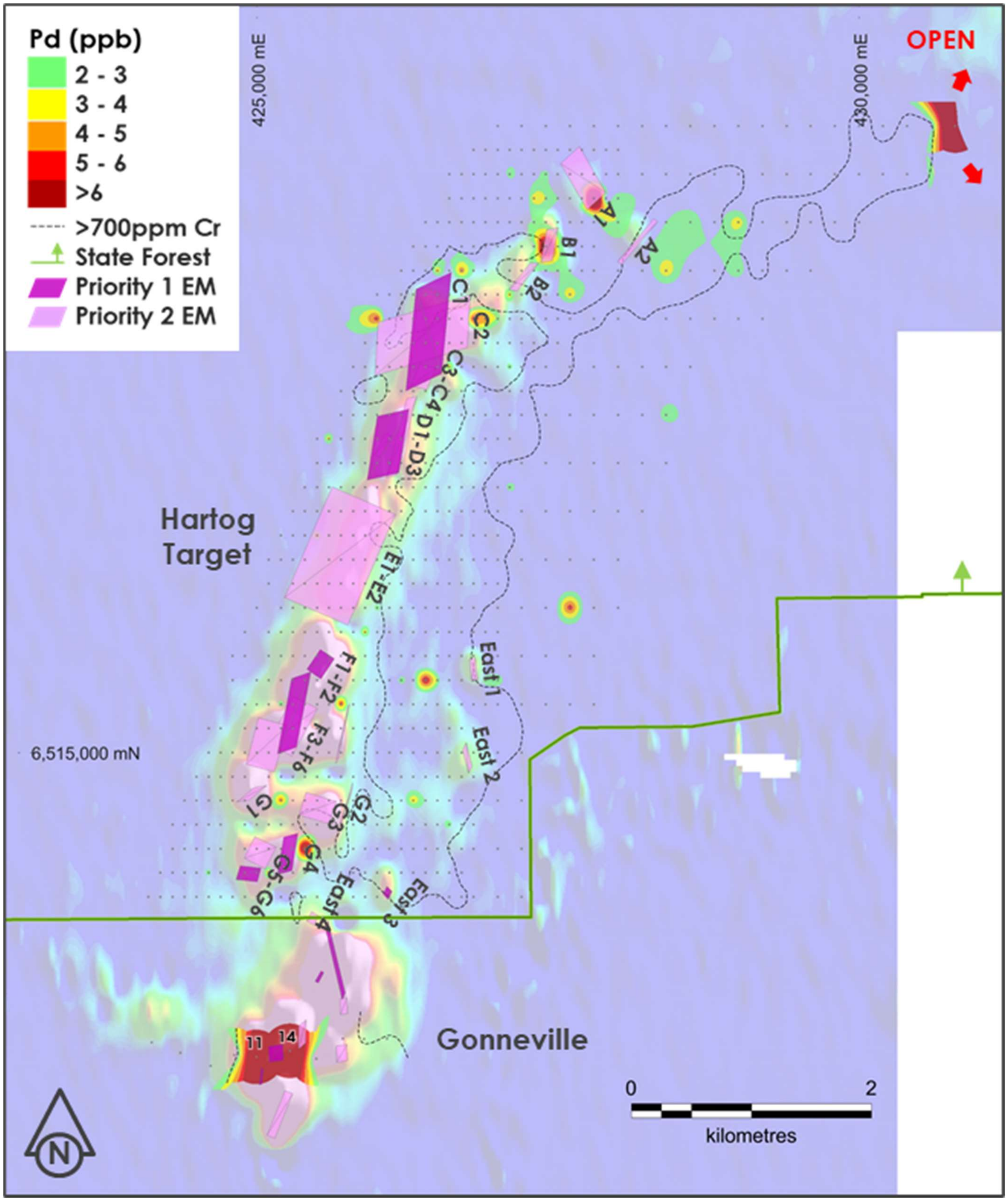

Figure 3. Hartog-Gonneville Plan View – preliminary new MLEM conductors and palladium soil geochemistry results over Airborne EM (flown in September 2020).

Table 1. Preliminary modelled MLEM conductors at Hartog.

Conductor	Strike extent (m)	Dip extent (m)	Depth to top (m below surface)	Conductance (Siemens)
A1	210	1,050	33	160
A2	460	79	100	800
B1	300	130	101	610
B2	300	189	81	730
C1	**100**	**150**	**55**	**1,150**
C2	500	940	117	40
C3	200	200	80	150
C4	**400**	**1,050**	**101**	**1,110**
D1	700	170	88	570
D2	**550**	**500**	**104**	**2,210**
D3	200	200	64	500
E1	1,000	850	106	400
E2	200	200	43	100
F1	**200**	**200**	**65**	**2,000**
F2	**200**	**200**	**26**	**1,000**
F3	**738**	**223**	**213**	**2,600**
F4	450	400	27	100
F5	500	70	62	960
F6	400	400	122	250
G1	200	290	38	980
G2	350	200	64	300
G3	200	350	151	800
G4	**330**	**200**	**108**	**1,200**
G5	200	250	98	600
G6	**120**	**250**	**72**	**2,000**
East 1	200	50	108	410
East 2	230	400	99	200
East 3	**70**	**130**	**64**	**3,750**
East 4	90	250	48	360

Forward Plan

Based on the results of the initial MLEM survey, additional surveying is underway to expand and infill geophysical coverage to approximately 200m spaced lines across the Hartog Target. This program aims to define drill-ready targets and is anticipated to be completed by mid-April.

First-pass surface soil sampling is also underway to the north of Hartog, along the remainder of the ~26km long Julimar Complex, including the Baudin and Jansz AEM targets where historical rock-chip and stream sediment sampling identified Ni, Cu and Pd anomalism.

Once drill targets are finalised, a second approval will be sought from the relevant State Government departments to allow first-pass drill testing, anticipated to occur in Q3 2021.

Concurrently, seven rigs (three Reverse Circulation and four diamond) are continuing the ~160,000m step-out and resource definition drill program at the ~1.6km x >0.8km Gonneville Intrusion.

Chalice Managing Director, Alex Dorsch, said: *"Initial reconnaissance exploration activities along the ~26km long Julimar Complex to the north of our Gonneville discovery have delivered exciting results, with a significant number of EM-soil targets already defined at the highest priority Hartog Target.*

"The identification of discrete EM conductors together with extensive nickel-copper soil anomalies highlights the significant potential of this area to deliver further growth at Julimar directly along strike to the north of where we have a major resource drill-out underway.

"Soil sampling and ground EM at Gonneville guided us to the initial discovery and we are very encouraged to see similar early results at Hartog. We are also pleased that our first regional field exploration program has validated the results generated by the airborne EM survey flown last year, which is a positive sign for our ongoing exploration of the broader district.

"Meanwhile, we have stepped up drilling activities again at Gonneville, with seven rigs now drilling prioritising definition and expansion of high-grade mineralised zones. Initial resource and pit-shell modelling is also being undertaken concurrently, which is guiding our drill pattern."

Authorised for release on behalf of the Company by:

Alex Dorsch
Managing Director

For further information, please visit www.chalicemining.com to view our latest corporate presentation, or contact:

Corporate Enquiries
Alex Dorsch
Managing Director
Chalice Mining Limited
+61 8 9322 3960
info@chalicemining.com

Media Enquiries
Nicholas Read
Principal and Managing Director
Read Corporate Investor Relations
+61 8 9388 1474
info@readcorporate.com.au

Follow our communications:
LinkedIn: chalice-mining
Twitter: @chalicemining

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

The 100%-owned Julimar Nickel-Copper-PGE Project is located ~70km north-east of Perth on private farmland and State Forest. The Project has direct access to major highway, rail, power and port infrastructure in one of the world's most attractive mining jurisdictions – Western Australia.

The Project was staked in 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 (the 'Julimar Complex') based on high-resolution airborne magnetics. The Julimar Complex is interpreted to extend over ~26km of strike and is confirmed to be highly prospective for nickel, copper and platinum group elements (Figure 4).

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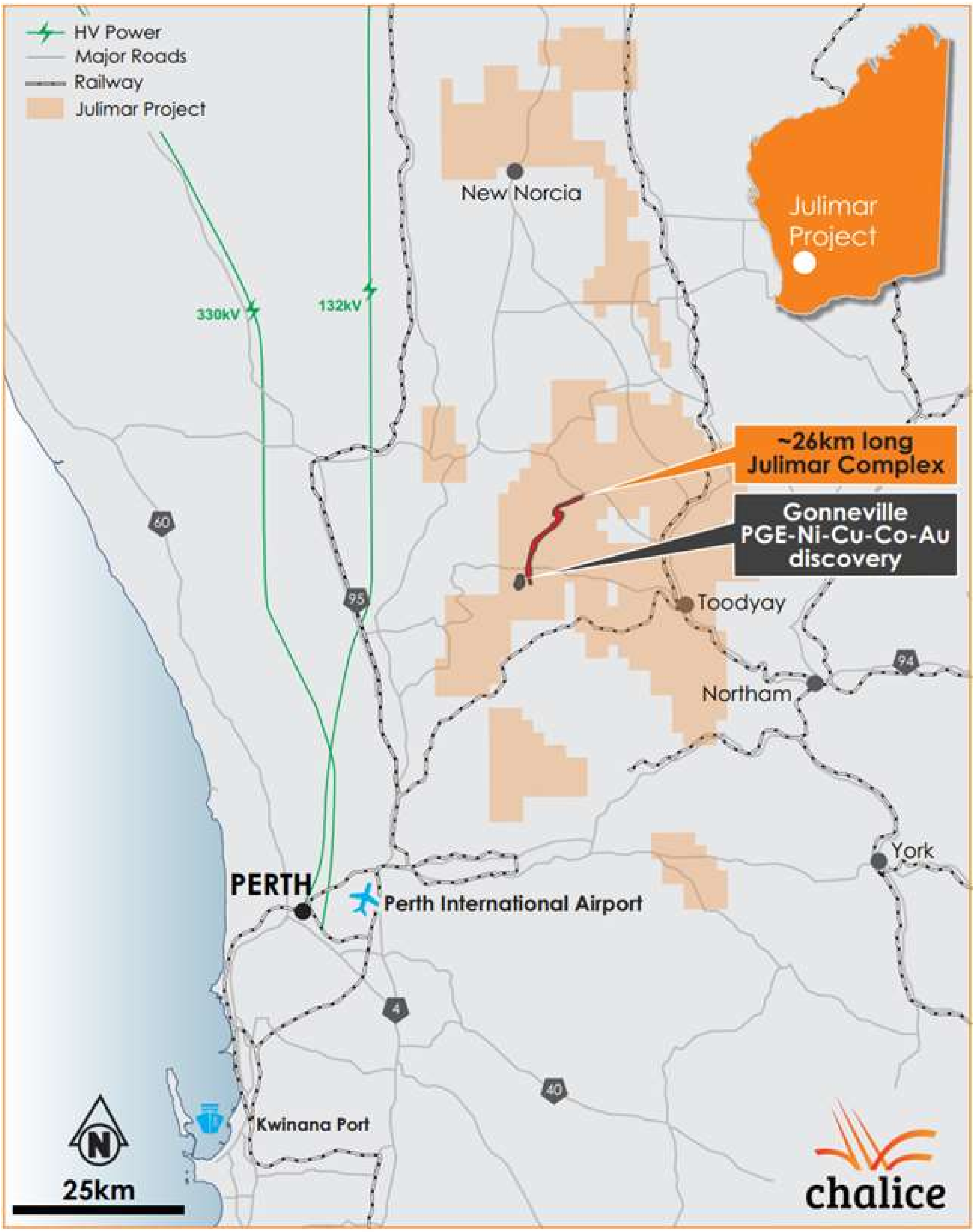

Figure 4. Julimar Project tenure, Gonneville discovery and nearby infrastructure.

Prior to Chalice's major discovery, the Julimar Complex had never been explored for Ni-Cu-PGE mineralisation, and the lack of any significant bedrock geology exposures and widespread development of laterite and transported cover in the region hindered the confirmation of the conceptual geological model.

Exploration activities to date had largely been confined to the ~1.6km x >0.8km Gonneville Intrusion, located on partly Chalice-owned private land, while the access approval to the remainder of the Julimar Complex within the Julimar State Forest was pending.

Chalice commenced a systematic greenfield exploration program over the Gonneville Intrusion in mid-2019. The initial drill program commenced in Q1 2020 and resulted in the discovery of shallow high-grade PGE-nickel-copper-cobalt mineralisation. The first drill hole (JRC001) intersected 19m @ 8.4g/t Pd, 1.1g/t Pt, 2.6% Ni, 1.0% Cu and 0.14% Co from 48m. The major greenfield discovery at Julimar defined the new West Yilgarn Ni-Cu-PGE Province.

The Gonneville Intrusion is interpreted to be a layered mafic-ultramafic 'sill', with a moderate westerly dip and gentle northerly plunge. The potential 'feeder' for the system, a highly prospective area for high-grade mineralisation, is yet to be discovered. PGE-Ni-Cu-Co +/- Au sulphide mineralisation is widespread throughout the Gonneville Intrusion and has been intersected down to ~850m below surface to date. The intrusion is open to the north into the Julimar State Forest and its depth extent is still unknown.

Eleven high-grade massive / matrix / heavily disseminated sulphide zones (G1-11) have been defined to date within the Gonneville Intrusion. The discrete high-grade PGE-Ni-Cu-Co +/- Au zones comprise sulphide-rich accumulations (10-100% sulphide, defined by >1g/t Pd cut-off) and typically have a grade range of 1-15g/t PGE+Au, 0.5-3.3% Ni, 0.4-4.5% Cu and 0.03-0.27% Co.

The Gonneville Intrusion also hosts widespread disseminated PGE-Ni-Cu-Co mineralisation (trace to 3% sulphides, on average) surrounding the high-grade zones, which typically has a grade range of 0.5-2.0g/t PGE, 0.1-0.2% Ni, 0.05-0.15% Cu and 0.01-0.03% Co.

Weathering at Gonneville extends down to ~30-40m below surface and a well-developed saprolite (oxide) profile after serpentinite contains elevated PGE-Au grades (typically ranging from 1.2-4.5g/t PGE+Au) from near surface to a depth of ~25m.

Early stage metallurgical testwork completed to date on selected high-grade and disseminated sulphide mineralisation samples from Gonneville has returned promising flotation results, giving initial encouragement that the sulphide-hosted mineralisation at Gonneville will be amenable to conventional flotation under standard conditions.

Tests completed on a composite of oxide mineralisation samples has also returned promising results, with the extraction of palladium and gold achieved through oxidative leaching under standard conditions.

An airborne electromagnetic (AEM) survey was completed in September 2020 over the entire Julimar Complex. Three new large AEM anomalies were identified – Hartog, Baudin and Jansz. The Hartog EM Anomaly extends ~6.5km directly north of the Gonneville Intrusion into the Julimar State Forest.

About Platinum Group Elements

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 as well as in hydrogen production, purification and fuel cells.

Palladium is very rare and is currently one of the most valuable precious metals, with an acute supply shortage driving prices to a recent record high of US$2,856/oz in February 2020. The current spot price is approximately US$2,600/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*

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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 and fairly represents information and supporting documentation 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.

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

- "High-Grade Ni-Cu-Pd Sulphide Intersected at Julimar Project", 23 March 2020
- "Major new 6.5km-long EM anomaly identified at Julimar", 22 September 2020
- Four new high-grade zones defined as Julimar continues to grow", 27 January 2021

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.

Forward Looking Statements

This report may contain forward-looking 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 Company's strategy, the fair value of investments ultimately realised, the estimation of mineral reserve and mineral resources, the realisation of mineral resource estimates, estimation of metallurgical recoveries, the forecast timing of the estimation of mineral resources, the likelihood of exploration success at the Company's projects, the prospectivity of the Company's exploration projects, the existence of additional EM anomalies within the project, 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 "appears", "considered", "will", "interpreted", "may", "potential", "potentially", "highly", "plan" or "planned", "prospective", "promising", "targeted", "to expand", 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; assay results of soil samples; whether geophysical and geochemical anomalies are related to economic mineralisation or some other feature; obtaining appropriate access to undertake additional ground disturbing exploration work on EM anomalies located in the Julimar State Forrest; the results from testing EM anomalies; 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 based upon the results of exploration, future prices of mineral resources; 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 investments and the timing and proceeds realised on future disposals of investments, the impact of the COVID 19 epidemic 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.

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

Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (eg. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg. submarine nodules) may warrant disclosure of detailed information.*	• Hartog soils samples collected from below the surface organic layer at a depth of approximately 20cm. Soil samples are sieved on site and the +3.1-5mm fraction is retained for geochemical analysis. Gonneville orientation soil samples collected at 20cm depth from surface to avoid tilled soil and sieved to four size ranges including -80 mesh (-0.2mm), -1.6mm, +1.6mm-5mm and +5mm-12.5mm with all size fractions retained for geochemical analysis • Hartog soil samples weights are approximately 300gm. Gonneville orientation sample weights are approx. 200g-1.5kg depending on size fraction with each sample fraction retained • All sieved material collected is collected in either kraft paper bags (up to 300gm) or calico bags • The soil sampling techniques utilised for Hartog and Gonneville are considered standard industry practise
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).*	• No drilling results reported
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.*	• No drilling results reported
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.*	• Soil sample sites are described noting landform and nature of soil media • Soil sample descriptions are considered qualitative in nature

Criteria	JORC Code explanation	Commentary
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in-situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• Sample preparation of Chalice samples follows industry best practise standards at accredited laboratories. • Sample preparation comprises oven drying, jaw crushing and pulverising to -75 microns (80% pass) • Field duplicates were taken from selected sample sites • Hartog soil samples collected on a 200m x 100m and 400m x 200m grid to provide initial coverage over the target area. • Gonneville orientation samples collected on 250m spacing over a single E-W traverse with four sieved splits collected from each sample site • Sample sizes (0.2-1.5kg) are considered appropriate for the technique
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.*	• Hartog soil samples submitted to ALS laboratories for Pt, Pd, Au by 50g lead collection fire assay ICP finish (PGM-ICP24) and 48 elements by four acid digest, ICP-MS finish (ME-MS61). This technique is considered total for elements assayed. • Gonneville orientation soil samples submitted to Intertek Genalysis laboratory for a multi-element ICP-OES/MS suite (52 elements) following aqua-regia digest (AR25/OE/MS) Detection limits for the elements include Pd (10ppb), Pt (5ppb), Ni (0.5ppm), Cu (0.5ppm) and Cr (1ppm). A comparison of assay results from the four separate soil fractions showed the coarser size fractions (+1.6-5mm and +5-12.5mm) showed more elevated levels and therefore assay results for the +1.6-5mm size fraction are referenced in this report • Certified analytical standards, blanks and field duplicates were inserted at appropriate intervals in sample batches • Approximately 6% of the Hartog and 10% of the Gonneville orientation survey submitted for analysis comprise 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.*	• No drilling results reported • Primary soil sampling data was collected in hard copy and entered into excel spreadsheets before being transferred to the master SQL database. • No assay data has been adjusted
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*	• Soil sample locations are recorded by Chalice employees using a handheld GPS with a +/- 3m margin of error • The grid system used for the location of all

Criteria	JORC Code explanation	Commentary
	estimation. • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	soil sample sites is GDA94 - MGA (Zone 50). • Nominal RLs were assigned from 1 sec (30m) satellite data
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• Hartog soil samples collected on a 200m x 100m and a 400m x 200m grid. Gonneville orientation soil samples were collected along one line at a 250m spacing • Unknown sample representivity at this early stage of exploration sampling • No compositing undertaken for soil samples
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 soil sampling lines **has** not considered to have introduced sampling bias • No compositing undertaken on soil samples
Sample security	• *The measures taken to ensure sample security.*	• Samples are collected in polyweave bags and delivered directly from site to the assay laboratories in Wangara, Perth by a Chalice employees or contractors
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No review has been carried out to date

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Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• Exploration activities are ongoing over E70/5118 and 5119 and the tenements are in good standing. The holder CGM (WA) Pty Ltd is a wholly owned subsidiary of Chalice Mining Limited with no known encumbrances • Current exploration is on private land and State Forest • Access for non-ground disturbing exploration activities in the Julimar State Forest was approved in early 2021 • The Company has an approved Conservation Management Plan (CMP) from the Department of Biodiversity, Conservation and Attractions (DBCA). The CMP details Chalice's planned non-ground disturbing reconnaissance exploration activities within the Julimar State Forest • Access for ground disturbing exploration (including drilling) in the Julimar State Forest requires an additional approval which has not been obtained. • E70/5119 partially overlaps ML1SA, a State Agreement covering Bauxite mineral rights only
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Limited exploration has been completed by other exploration parties in the vicinity of the targets identified by Chalice to date • Chalice has compiled historical records dating back to the early 1960's which indicate only three genuine explorers in the area, all primarily targeting Fe-Ti-V mineralisation • Over 1971-1972, Garrick Agnew Pty Ltd undertook reconnaissance surface sampling over prominent aeromagnetic anomalies in a search for 'Coates deposit style' vanadium mineralisation. Surface sampling methodology is not described in detail, nor were analytical methods specified, with samples analysed for 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.

Criteria	JORC Code explanation	Commentary
		• 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 target deposit type is a magmatic Ni-Cu-PGE sulphide deposit, within the Yilgarn Craton. The style of sulphide mineralisation intersected consists of massive, matrix, stringer and disseminated sulphides typical of metamorphosed and structurally overprinted magmatic Ni sulphide deposits.
Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* 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.*	• No drilling results reported • No material information has been excluded.
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg. cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high-grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• Soil assay results are reported only • Metal equivalent values are not reported
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *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').*	• No drilling results reported

Criteria	JORC Code explanation	Commentary
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 results from the Hartog and Gonneville orientation soil geochemical surveys are reported. • Results from the current MLEM surveys 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.*	• Ground Moving-loop EM surveying undertaken with a 100m x 100m loop and 50m stations using a slingram configuration. Surveying undertaken over an Airborne EM anomaly • All relevant and material data and results are reported
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.*	• Soil sampling is continuing over the Julimar Complex which will extend coverage to the north across other AEM targets • Moving-loop EM surveys are continuing with additional infill over the Hartog AEM target. MLEM is planned over other AEM targets within the Julimar Complex