

26 April 2019

Chalice continues aggressive exploration in Victoria and Quebec with >25,000m of drilling completed at high-potential gold projects

Highlights

Pyramid Hill Gold Project – Bendigo Region, Victoria, Australia

- **~35,000m Phase 1 reconnaissance air-core (AC) drilling programme** continues with two rigs operating at **Muckleford** and **Mt William** at Quarter-end.
- **Several high-priority zones of interest outlined for immediate follow-up at Muckleford**, after drilling identified highly anomalous gold and pathfinder elements on wide-spaced drill lines.
- **Drilling continues** at Muckleford using the highly effective multi-purpose AC/RC rig.
- **Two new Exploration Licence Applications made** further strengthening Chalice's position as a major player in this exciting region with total of ~5,140km² of Exploration Licences and applications, all 100%-owned.

East Cadillac Gold Project – Val-d'Or Region, Quebec, Canada

- **~5,300m** reconnaissance diamond drill programme completed at two of the seven high-priority prospects on the East Cadillac Gold Project – Legrand and Anderson.
- New zones identified at Legrand hosting anomalous gold and Timiskaming conglomerate, indicating the presence of a **new significant fault system** – the Windward Fault.
- Newly uncovered Windward Fault is **untested over ~10km** to the west of Legrand, parallel to the highly endowed Larder Lake Cadillac Fault (LLCF).
- 3D-IP survey completed, highlighting **multiple chargeability** anomalies, the strongest extending ~3km to the east of the North Contact Prospect – now a high priority for follow-up work.
- Next phase of targeting and planning activities underway on advanced prospects on the Project including North Contact, Lac Rapides, Simon West, Nordeau West and Legrand.
- New results continue to demonstrate the potential for the 233km² East Cadillac Gold Project to host a **new gold district**, ~35-60km east of Val-d'Or along the prolific LLCF.

Corporate

- **Strong cash balance of ~A\$21.7 million** at Quarter-end plus liquid investments and current receivables of ~A\$2 million (working capital of **~A\$22.8 million** or **~A\$0.09 per share**).

1. OVERVIEW

Commenting on the March Quarter activities, Chalice Managing Director Alex Dorsch said, “the Company's extensive exploration programmes continued in full swing throughout the Quarter, with more than 25,000m of drilling completed across its two key projects in Victoria and Quebec”.

“Reconnaissance drilling at Pyramid Hill in the Bendigo Region of Victoria continues to generate interesting early-stage results, which we believe could represent peripheral mineralisation to large-scale gold systems.

We look forward to seeing the remaining assays for Phase 1 and we intend to move quickly into Phase 2, where we will further define and advance those gold targets with 5Moz+ scale potential."

"At East Cadillac, we are encouraged by the presence of anomalous gold at the Legrand and Anderson Targets, as well as the significant geological and structural information obtained in the latest drilling programme. Based on the new 3D-IP survey, it is now clear that the North Contact Prospect and Windward Fault both have significant untested strike extensions, and both are now priority targets moving forward."

"Looking to activities in the current Quarter, Phase 1 drilling will continue at Pyramid Hill, and we look forward to receiving new results from the Muckleford and Mt William Areas. Our strong financial position allows us to continue to aggressively explore our key Projects and also evaluate and secure attractive new gold and nickel opportunities to bring into the portfolio."

2. EXPLORATION ACTIVITIES

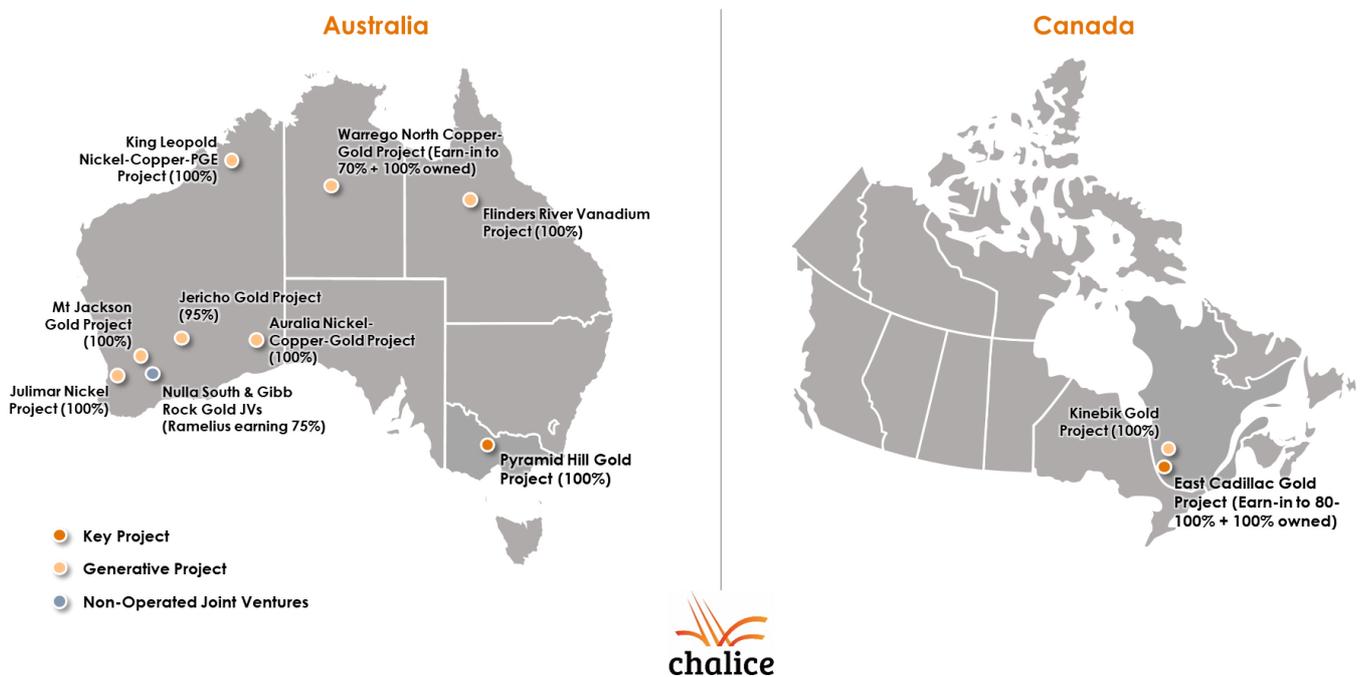


Figure 1. Chalice's project locations in Australia and Canada.

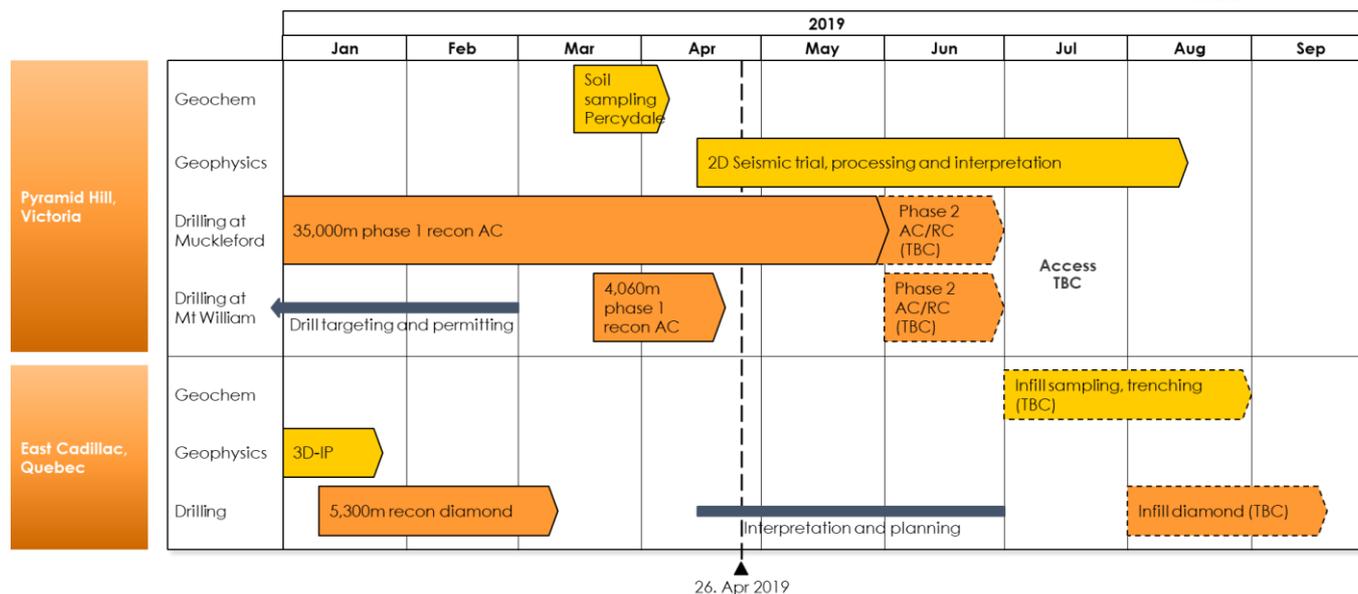


Figure 2. Chalice's exploration schedule for key projects Q1-Q3 2019.

2.1 Pyramid Hill Gold Project – Bendigo Region, Victoria, Australia

The 100%-owned Pyramid Hill Gold Project was staked in 2017 and now covers an area of ~5,140km² in the Bendigo region of Victoria. The Project comprises three key districts within the Murray Basin covered North Bendigo and North Stawell Zones: Muckleford, Mt William and Percydale (Figure 6).

The central Muckleford Area extends to the north-west of the world-class >22Moz Bendigo Goldfield. The Mt William Area extends to the north-east of one of the world's highest-grade gold mines, the >8Moz Fosterville Gold Mine owned by Kirkland Lake Gold (NYSE / TSX: KL | ASX: KLA). The Percydale Area is located north-west of the historical high-grade St Arnaud Goldfield.

The 'Gold Undercover'¹ initiative by the Victorian Government estimated a potential ~32Moz (P50) of undiscovered high-grade gold beneath Murray Basin cover in the Bendigo Zone, where Chalice holds ~60% of the total ~7,000km² prospective area (**Error! Reference source not found.**). Chalice is targeting large-scale (5Moz+), high-grade gold deposits, and is currently conducting regional scale greenfields exploration.

In Q2 2018 geochemistry and gravity geophysics programmes commenced, outlining multiple large-scale targets in areas of thin to moderate cover. The first phase of reconnaissance aircore (AC) drilling commenced in Q4 2018 within the Muckleford Area.

Overview

During the Quarter, Phase 1 reconnaissance AC drilling continued at Muckleford and commenced at Mt William, while soil sampling commenced at Percydale. Detailed planning and permitting of the Muckleford Phase 2 drill programme also commenced.

A trial of 2D seismic technology commenced during the Quarter, to test the technique's resolution in mapping near-surface geology and structural features (first-order faulting and folding). This technology

¹ V. Lisitsin, A. Olshina, D.H. Moore & C.E. Willman 2007, Assessment of undiscovered mesozonal orogenic gold endowment under cover in the northern part of the Bendigo Zone, GeoScience Victoria Gold Undercover Report 2, Department of Primary Industries. <http://earthresources.efirst.com.au/categories.asp?cid=42>

could provide an additional exploration tool which could be used to guide and refine the Company's exploration approach.

Several new exploration licences were granted during the period, for which open file historical exploration reviews were completed. The Company also continued to expand its land position in the Bendigo region with two new licence applications.

Muckleford Phase 1 Drilling Update

The Company's Phase 1 reconnaissance AC drill programme is continuing on its 100%-owned tenure (EL6737, EL6661) in the central Muckleford Area, 20-70km north-west of Bendigo (Figure 6).

The AC drill programme has been designed to provide an effective first-pass test of three high priority, large-scale geochemical, geophysical and structural targets (East, West and South) in areas of reduced cover. Drilling has been successful in intersecting the Castlemaine Group basement, which is the host geological unit for all gold deposits and occurrences in the Bendigo Zone.

Drilling has been undertaken on wide-spaced east-west drill lines with the aim of drilling and sampling at least 30m of basement below Murray Basin and Permian tillite cover. This type of reconnaissance drilling aims to quickly screen large areas and narrow down to priority targets, based on the presence of

anomalous gold and pathfinder elements within halos commonly surrounding gold deposits in the region.

Drilling to date has achieved this objective, with only a minor proportion of drill holes having failed to penetrate isolated areas of deep cover (>150m).

At Quarter end, a total of 231 drill holes for 22,770m have been completed and assay results have been received for the first 189 holes totalling 18,260m.

Several areas of anomalous gold and pathfinder elements have been identified (Figure 3).

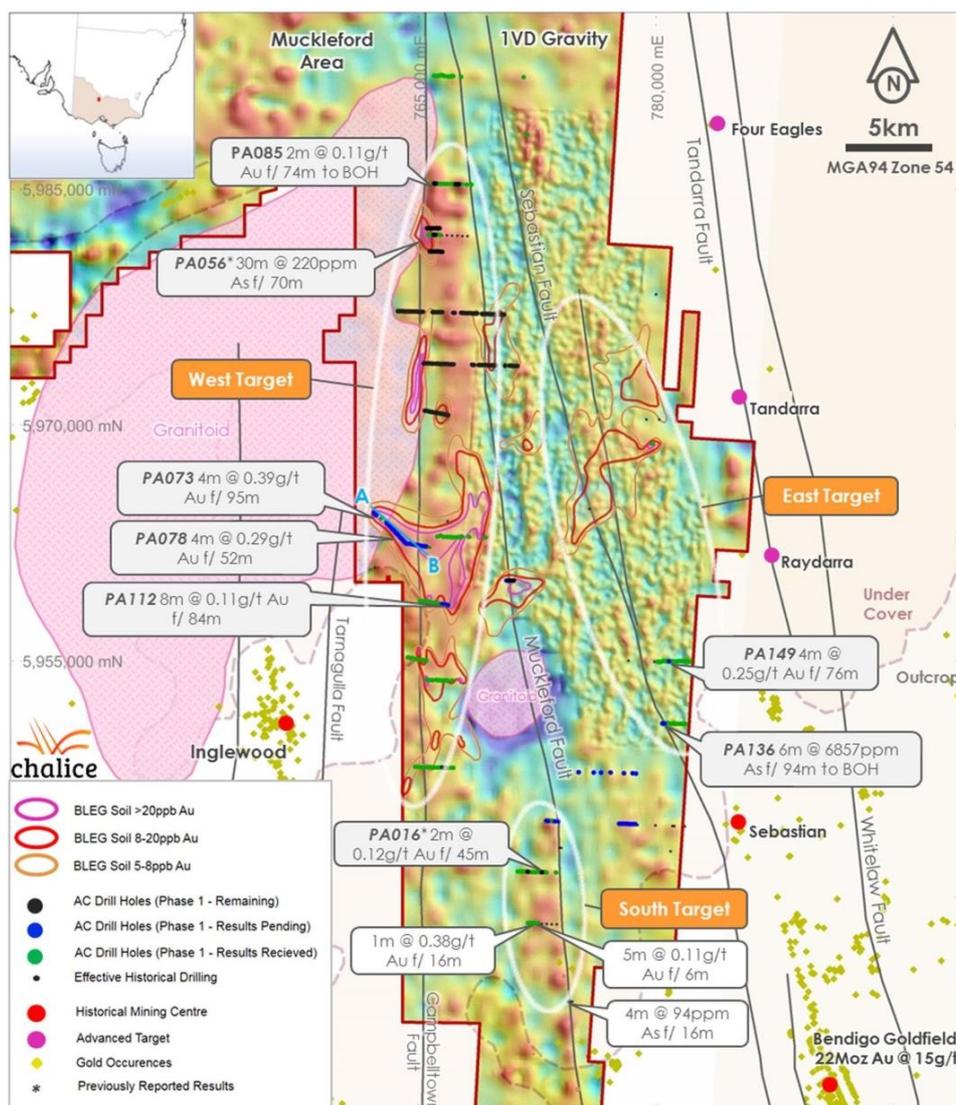


Figure 3. Phase 1 drill results from Muckleford Area over 1VD gravity image and gold soil geochemistry contours.

At the **East Target**, drilling has been undertaken on two 4km-spaced lines to test a structural corridor located along and adjacent to the

interpreted position of the Sebastian Fault. The east-dipping Sebastian Fault is an important regional structure associated with gold mineralisation at Sebastian and continues to the south and immediately west of the high-grade >22Moz Bendigo Goldfield.

Drill hole PA136 intersected a zone of strongly elevated arsenic (6m @ 6,857ppm As from 94m) through to the bottom-of-hole. Arsenic is considered one of the better gold pathfinders and therefore this interval was followed up with additional in-fill drilling along the line (assays pending).

Drill hole PA149, drilled 4km north of PA116, intersected 4m @ 0.25g/t Au from 76m at the strongly weathered basement/cover interface. Given that these anomalous drill holes are located along strike from the high-grade >22Moz Bendigo Goldfield, they provide encouraging vectors for follow-up drilling in Phase 2.

At the **West Target**, drilling was designed to test a gold + pathfinder soil geochemical trend coincident with a regionally extensive (>30km) gravity anomaly located adjacent to the interpreted position of the Campbelltown Fault and to the immediate east of a Devonian granitoid.

Drill hole PA073 intersected 4m @ 0.39g/t Au from 95m, associated with coarse quartz gravels at the base of the Murray Basin cover. This hole is located on section with drill hole PA078, which intersected 4m @ 0.29g/t Au from 52m located at a redox front between oxidised and reduced saprolite clays after Castlemaine Group sediments (Figure 4).

As these strongly anomalous results were from initial very wide (400m) drill hole spacing, in-fill drilling to 100m spacing has since been completed along the line (assays pending), with the aim of better defining the mineralised envelope prior to any Phase 2 step-out drilling.

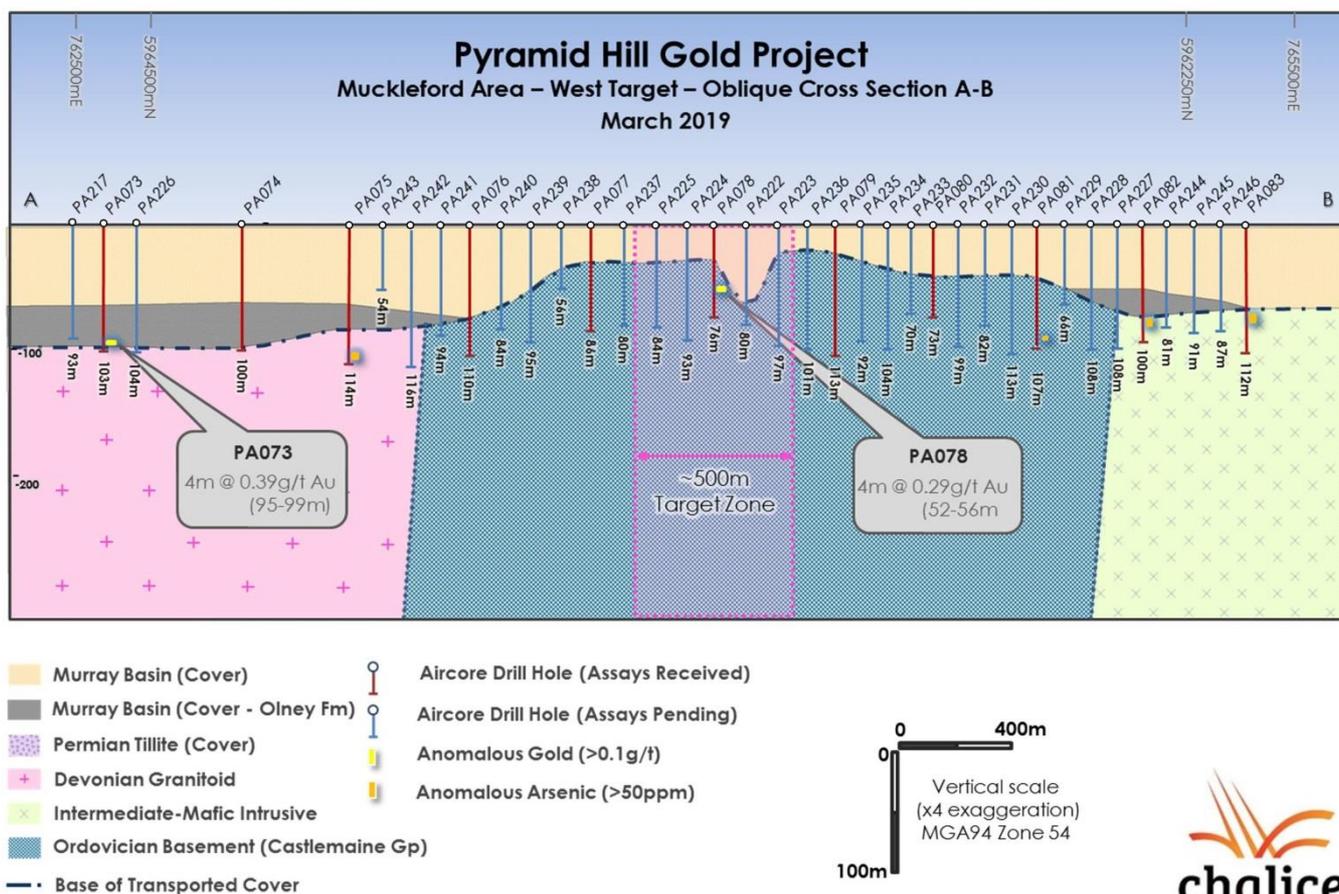


Figure 4. West Target Oblique Cross Section A-B.

Anomalous gold was also intersected in drill holes PA085, ~25km NNE, and PA112, ~4km SE. In PA085, gold mineralisation (2m @ 0.11g/t Au from 74m) is located at the bottom-of-hole within fine-grained micaceous sandstone and remains open at depth and along strike.

In PA112, gold mineralisation (8m @ 0.11g/t Au from 84m) is located within oxidised clay directly above reduced saprolitic shale. In-fill drilling along the line has been completed surrounding hole PA112 (assays pending) and will be undertaken adjacent to PA085 in Q2.

Low-level gold and anomalous key pathfinder element levels (As, Sb) are important in identifying geochemical footprints and potential vectors to gold mineralisation. The low-level gold intervals (>0.05g/t Au) and anomalous arsenic (>50 ppm As) and antimony intersected thus far represent immediate follow-up drill targets for Phase 2.

In addition to arsenic and antimony, geochemical analysis of the drilling results to date at Muckleford has highlighted mercury (Hg) as another potentially important pathfinder element. An additional ~8,000m of Phase 1 drilling remains to conclude first-pass reconnaissance testing of the initial target areas (~35,000m).

Muckleford Phase 2 Drilling

At the completion of the Phase 1 reconnaissance drill programme, a second phase of AC/RC drilling is being planned to step-out along strike to a drill line spacing of approximately 0.5 – 1.0km where warranted.

It is anticipated that Phase 2 will commence following the completion of Phase 1 in May 2019, where access and permitting constraints allow.

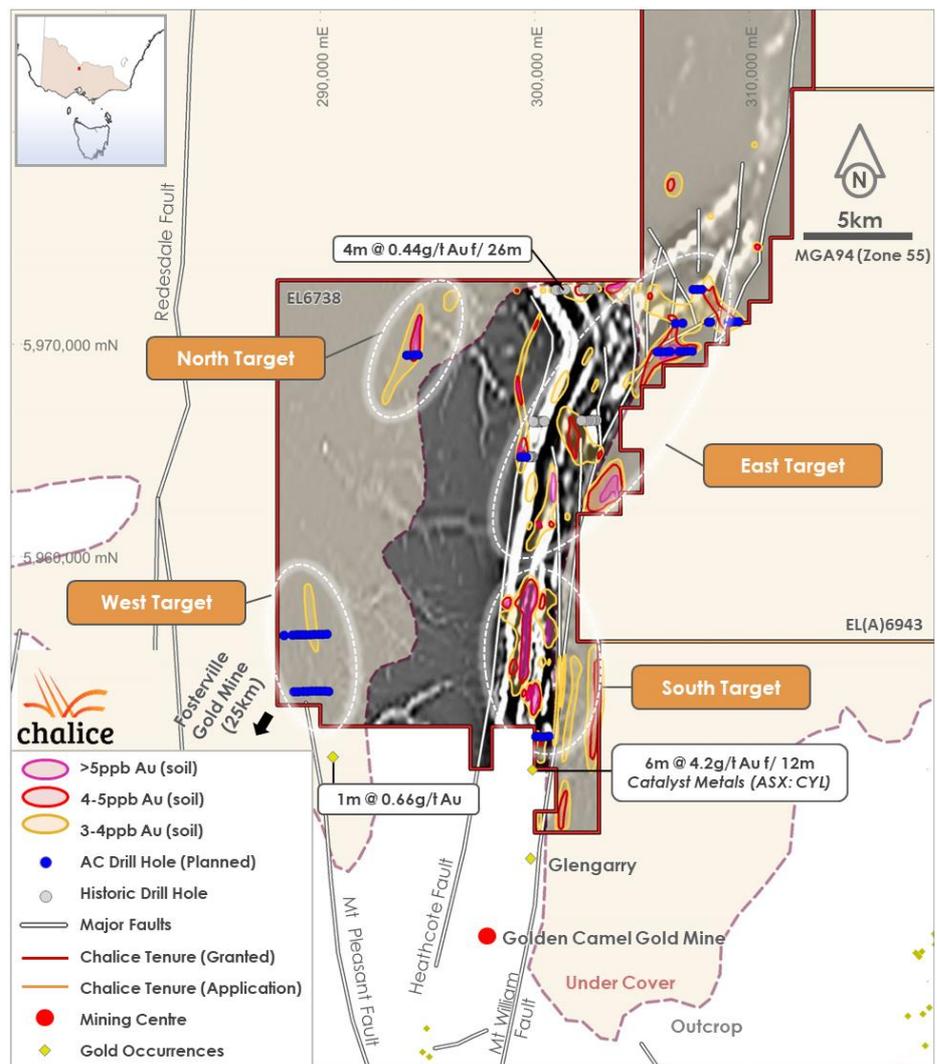
Mt William Phase 1 Drilling

A 4,061m maiden Phase 1 reconnaissance AC drill programme was completed during the Quarter on EL6738 in the southern Mt William Area, 25-50km north-east of Fosterville.

The AC drill programme was designed as a first-pass shallow test of several identified soil geochemical and structural targets (Figure 5).

A total of 47 drill holes for 4,061m have been completed (all assays pending).

Figure 5. Mt William Phase 1 drill targets and soil geochemistry results over 1VD Magnetic Image.



Four targets have been tested as part of this initial Phase 1 reconnaissance drill programme (Figure 5):

- South Target: A gold-in-soil geochemical anomaly located directly along strike from a recent drill intersection of 6m @ 4.2 g/t Au reported by Catalyst Metals (ASX: CYL) at their Golden Camel Project.
- East Target: A cluster of gold-in-soil geochemical anomalies associated with the interpreted position of the Mt William Fault and associated faults splays along the eastern edge of EL6738.
- North Target: A gold-in-soil geochemical trend to the west of a splay fault off the Heathcote Fault.
- West Target: A gold-in-soil geochemical anomaly associated with Castlemaine Group sediments under shallow Murray Basin cover along the western part of EL6738.

Percydale Soil Sampling

A reconnaissance soil geochemistry survey comprising approximately 800 samples commenced during the Quarter within EL6805 at the Percydale Area. The programme is scheduled to be completed at the end of April, once permitting is finalised. This tenement lies to the north-west of the historical St Arnaud Goldfield and contains strike extensions of the St Arnaud and Percydale Faults.

Navarre Minerals (ASX: NML) recently reported results from several phases of wide-spaced reconnaissance AC drilling to the south-east of EL6805, with better results including 6m @ 2.5g/t Au from 80m and 4m @ 1.7g/t Au from 32m.

Any anomalous results generated from the soil sampling programme would form the basis for a Phase 1 reconnaissance AC drilling programme.

Tenure

Three new Exploration Licences (EL6864, EL6898 and EL6901) were granted and two new Exploration Licence Applications (EL6943 and EL6960) were lodged during the Quarter (Figure 6).

EL6943 is located immediately east of and adjoining EL6738. The area was staked to ensure adequate coverage of NNE trending gold in soil geochemical anomalies located of the eastern side of the Cambrian Volcanics within the Melbourne Zone.

EL6960 is located south-west of EL6737 within the Bendigo Zone and covers favourable Castlemaine Group sediments under interpreted thin Murray Basin cover.

The Company has commenced a review of historical open file exploration results in order to assess the gold prospectivity of the new applications.

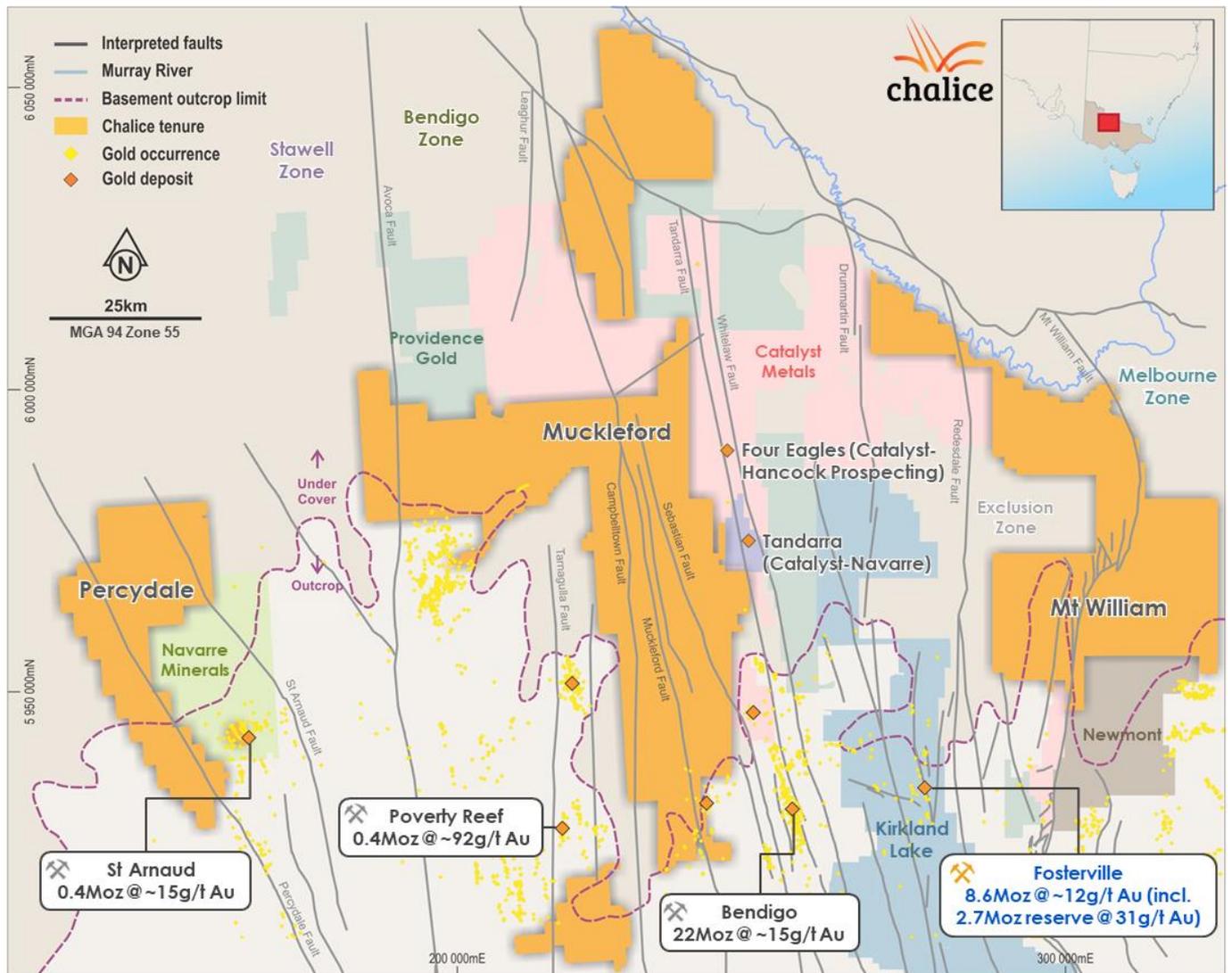


Figure 6. Pyramid Hill Gold Project tenure, regional gold deposits, occurrences and licence holders.

2.2 East Cadillac Gold Project, Quebec, Canada

The East Cadillac Gold Project covers an area of 233km² and is located ~35km east of the >20Moz Val-d'Or gold camp in Quebec, Canada. With land-holdings encompassing a strike length of 27km of the Larder Lake-Cadillac Fault (LLCF), the most prolifically endowed gold trend in the southern Abitibi, the Project is along strike from several globally significant mines including Canadian Malartic (>16Moz Au Agnico Eagle and Yamana) and Sigma Lamaque (>11Moz Au Eldorado Gold).

The Project surrounds the historic Chimo gold mine, owned by Cartier Resources (TSX: ECR), which produced ~379koz @ 4.8g/t Au, down to ~800m below surface. Drilling by Cartier (17% owned by Agnico Eagle) has resulted in significant extensions to mineralisation below historic workings, with the potential to plunge onto Chalice's claims at depth.

Acquired in late 2016, the Project is a consolidation of several earn-in option agreements (Chalice earning 80 to 100%) and Chalice's 100%-owned claims. Previously segmented ownership hindered any modern regional exploration being applied effectively, meaning the Project is underexplored relative to the remainder of the LLCF trend.

Since acquiring the Project, Chalice has completed systematic geochemistry and geophysics field programmes, targeting a 5Moz+ discovery. This work has generated seven new, large-scale targets. Chalice has drilled ~35,000m to date on the Project, testing five of these new targets resulting in three new wide-open discoveries. Drilling has also expanded two existing advanced prospects along strike and down-plunge.

Overview

An 18-hole, 5,316m reconnaissance diamond drill programme was completed during the Quarter at two of the seven high-priority prospects identified by Chalice within the Project, Legrand and Anderson, including:

- One 3-hole fence on the Anderson Target; and
- Three 5-hole fences (at ~1km spacing) on the Legrand Target.

Holes were on average 300m deep for sectional reconnaissance coverage. Down-hole wireline surveying (in-situ imaging and geophysical measurements) was completed to assist with ongoing structural interpretation, in preference to standard geo-tech core orientation to reduce costs and to allow more consistent structural orientations in areas of broken core.

Anomalous gold was intersected at both targets, indicating the presence of a gold system. Importantly, drilling at Legrand intersected a significant new untested fault, the Windward Fault, parallel to the Larder Lake Cadillac Fault (LLCF) and interpreted to extend for ~10km west of Legrand.

Legrand Target

The three Legrand fences intersected a major new fault system (the Windward Fault) within Pontiac sediments containing multiple fault panels of Timiskaming conglomerate and intermediate tuff. Numerous mafic dykes also occur along the fault and along extension planes to the immediate south.

Several lamprophyre dykes intersected in the northernmost drill hole (ECG-19-091) appear to be the eastern extension of lamprophyre dykes in the Lac Rapides target that returned a gold intersection (3.1m @ 4.27g/t Au within 20.8m @ 0.74g/t Au) in the previous (2018) drill programme (refer to Chalice ASX announcement dated 31 May 2018).

Widespread quartz-calcite vein arrays with adjacent zones of disseminated pyrite-pyrrhotite-arsenopyrite were identified on all three drill fences. The veining and sulphides are controlled by axial planar structures orientated sub-parallel to the main Windward Fault. Low-grade gold mineralisation was identified along the main fault panel (up to 0.62g/t Au), along extensional structures to the south (up to 1.1 g/t Au) and along the lamprophyre dyke-hosted structure to the north (up to 0.34 g/t Au).

Although the gold grades intercepted to date are low and occur over narrow intervals (up to 2.6m), the identification of previously unrecognised fault panels of Timiskaming conglomerate and intermediate volcanics, together with intrusive dolerite/lamprophyre dykes in the Pontiac sediments, indicate a prospective setting for gold mineralisation outside of the main LLCF corridor.

The elevated gold zones in drill core occur within broader zones of elevated pathfinder elements including Ag, As, Bi, Cs, Cu, Li, Mo, Pb, S, Sb, Te, W & Zn. The pathfinder suite has a similar anomalous response as the MMI soil anomaly, and in terms of maximum and average values, similar or in some cases higher (e.g. Bi, Cs, Cu, Mo, Pb, W, Zn) than what has been observed at the Nordeau West gold deposit (Indicated Mineral Resource of 225,000t @ 4.17g/t Au and Inferred Mineral Resource of 1.11Mt @ 4.09g/t Au).

Similar MMI soil anomalies and one historical gold showing (Marilynne) occur along the 16km long Windward Fault. Other than the current drilling and one reconnaissance fence over the Marilynne showing in 2018, the entire 16km strike length remains largely untested – providing a new trend for exploration on the Project.

Anderson Target

Drilling at the Anderson Target identified one narrow zone of orogenic gold mineralisation (up to 0.73 g/t Au) and another narrow zone of gold-rich VMS style mineralization to the south (up to 0.71 g/t Au) from the same assemblage that hosts the Aur Louvem VMS deposit, located approximately 10km to the west. No further work on the Target is planned.

3D-IP Survey

During the Quarter, a 116.8 line km 3D-IP survey was completed at 200m/400m line spacing, extending the survey coverage to ~21km of the LLCF as well as ~3km over the new Windward Fault at the Legrand Prospect. An inversion model of the current survey was merged with the 2018 survey and the interpretation of results is ongoing.

From preliminary analysis, the 3D-IP survey has defined several strong chargeability anomalies over the survey area, many of which are extensions to anomalies identified from the 2018 survey (Figure 7).

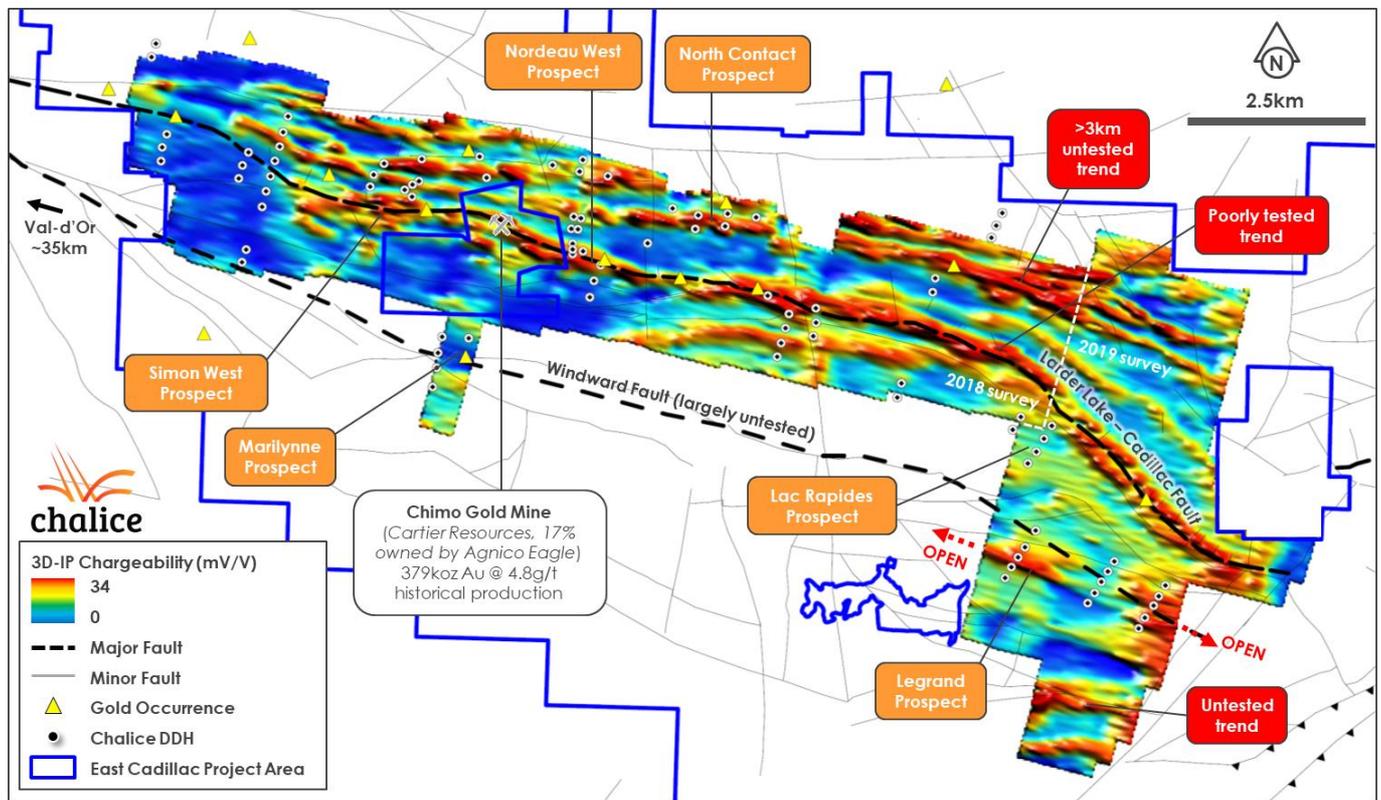


Figure 7. 3D-IP chargeability iso-surface, prospects and Chalice drilling to date.

An anomaly at the eastern end of the Legrand Prospect coincides with the main Windward Fault encountered in the drilling. An additional anomaly to the south of the Windward Fault appears to be a new sub-parallel fault and was not tested by the 2019 drilling.

The 2019 survey has also extended the main chargeability anomaly along the LLCF an additional 4.5km east and delineated an extension to the North Contact chargeability anomaly another 3km east of the 2017-2018 survey. Additional interpretation work is underway on an inversion model to refine these targets.

Targeting and Planning Activities

New targeting and planning activities are underway on five priority Prospects on the Project – North Contact, Lac Rapides, Simon West, Nordeau West and Legrand. Two additional targets – Marquise and Makwa, remain untested and require further in-fill geochemical sampling to refine (refer to Chalice ASX announcement dated 25 Oct 2018).

This follow-up activity is intended to build on previously identified mineralised zones from the reconnaissance drilling by Chalice to date (Figure 8).

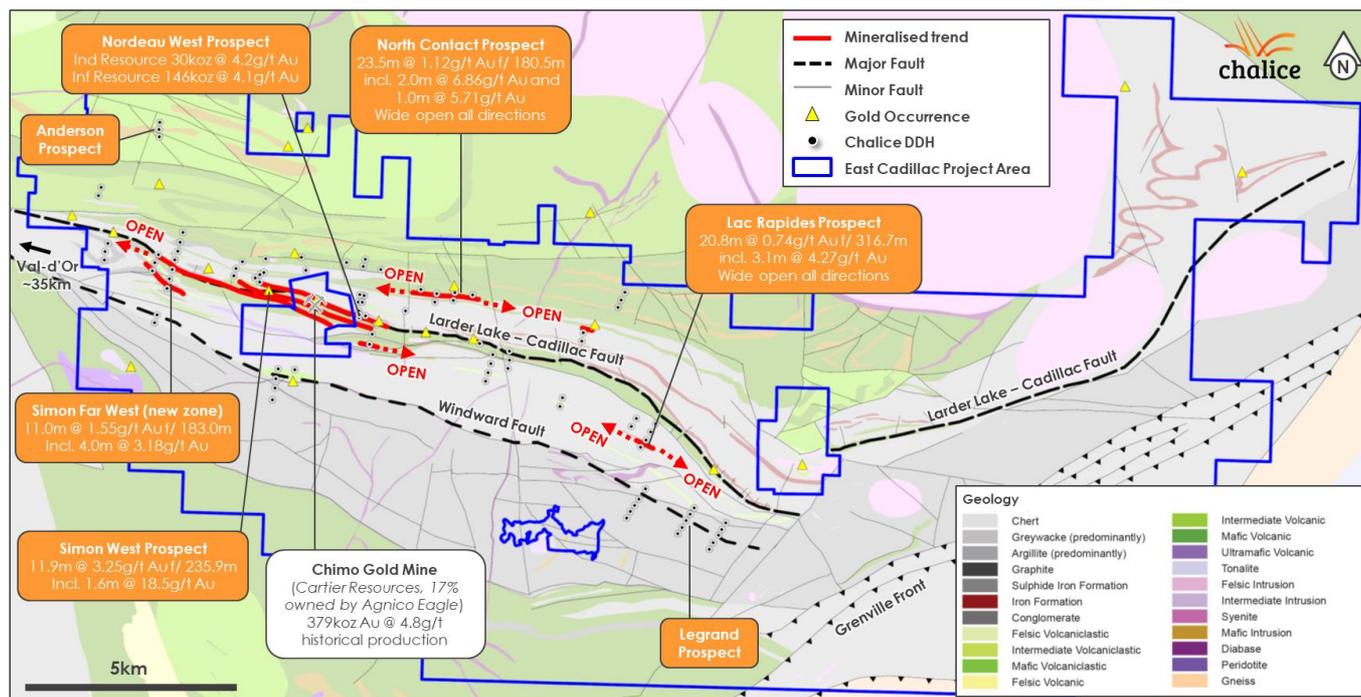


Figure 8. Advanced Prospects, key intercepts to date and mineralised trends over regional geology.

It is expected that all additional results from ongoing activities, including structural data from wireline logging, multi-element geochemistry, spectral scanning of selected drill core and thin section description of alteration assemblages, will be incorporated into a comprehensive targeting review to assist with prioritising work programmes over these key Prospects.

As part of this review, the potential for shallow, open-pit style mineralisation at the North Contact and Simon West Prospects is being investigated. The Company anticipates that this targeting work will be completed by mid-May 2019.

2.3 Julimar Nickel Project, Western Australia

The Julimar Nickel Project is located 80km north-east of Perth, with excellent access via the Great Northern Highway. The Project is prospective for magmatic-style Nickel-Copper-Platinum Group Elements (Ni-Cu-PGE) within an interpreted large (26 x 7km) layered mafic-ultramafic complex.

The Company undertook a reconnaissance mapping and geochemistry survey in early 2019 and is planning to conduct a ground geophysics programme to define new EM targets.

An initial reconnaissance geochemical programme was completed during the Quarter, to map and improve understanding of the local geology as well as undertake an orientation geochemical survey to test the effectiveness of this exploration technique.

Sub-crop and scree after gabbro was located proximal to the southern magnetic anomaly (an interpreted feeder zone of the Julimar mafic-ultramafic intrusion) and, while not anomalous in nickel-copper, these rock-types support the geological interpretation of mafic rock-types associated with the southern magnetic anomaly.

A 9.5 line km moving loop EM programme will commence in May 2019. The ground EM survey is planned to cover the southern magnetic anomaly associated with intrusive gabbroic which is potentially a feeder zone to the strike extensive Julimar mafic-ultramafic intrusion.

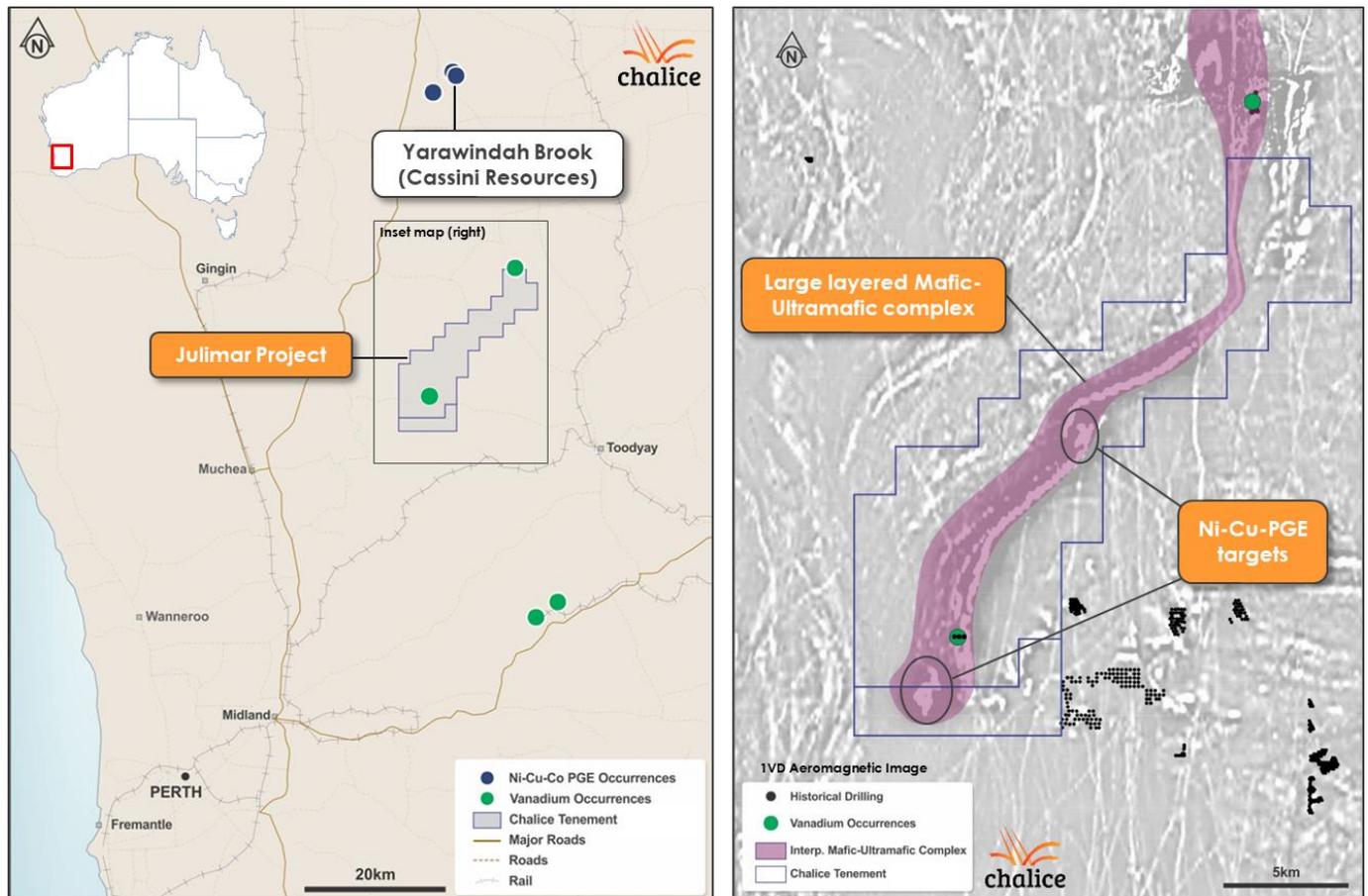


Figure 9. Julimar Project location and regional mineral occurrences (left) / interpreted mafic-ultramafic complex and Ni-Cu-PGE targets over 1VD magnetic image (right)

2.4 Generative Projects

No activity was conducted on the Warrego North, King Leopold, Flinders River, Yilgarn or Kinebik Projects during the Quarter.

2.5 Non-Operated Joint Ventures

Nulla South and Gibb Rock Gold Projects, Western Australia (Ramelius earning 75%)

Operator Ramelius Resources (ASX: RMS) completed a total of 3,490m of air-core drilling at the Nulla South Project (EL77/2353 & 2354) to test areas of weak soil anomalism over prospective greenstone belt

stratigraphy away from the historical Felsteads Find working. No anomalous results were returned and no further work is planned for these target areas.

Ramelius elected to waive its Condition Precedent over the Gibb Rock Gold Project, having successfully negotiated land access agreements. Ramelius is now advancing work programmes over selected target areas within the Project.

3. CORPORATE

Chalice's **cash balance was A\$21.7 million** as at 31 March 2019. In addition, Chalice holds a number of liquid investments in ASX and TSX listed companies to the value of A\$0.9 million and has current receivables of A\$1.1 million (largely comprising Quebec exploration and tax credits).

The Company also has a contingent A\$5 million payment receivable upon commercial production at the Nyanzaga Gold Project in Tanzania (OreCorp Limited ASX: ORR).

During the Quarter, the Company spent ~A\$2.6 million on exploration activities and ~A\$0.5 million on administration, business development and corporate costs (net of interest). The Company also divested its interest in Ausgold Limited (ASX: AUC) for total proceeds of ~A\$1.3 million.

The Company is awaiting a Class Ruling from the Australian Taxation Office (ATO) in relation to the capital return in December 2018.

Estimated outflows for the next quarter include ~A\$2.3 million on exploration activities and ~A\$0.7 million on administration, business development and corporate costs. Further details are available in the attached Appendix 5B.

4. TENEMENT SCHEDULES

In accordance with ASX Listing Rule 5.3, please refer to Appendix 1 for a listing of all tenement holdings.



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Competent Persons and Qualifying Persons Statement

The information in this announcement that relates to the exploration results for the Pyramid Hill Project is extracted from the ASX announcements entitled "Chalice set to drill large-scale gold targets at Pyramid Hill Gold Project, Victoria" dated 27 September 2018 and "Reconnaissance drilling at Pyramid Hill Gold Project continues to outline high-priority target areas" dated 19 March 2019.

The information in this announcement that relates to exploration results for the East Cadillac Gold Project is extracted from ASX announcements entitled "Two new gold discoveries expand the district-scale potential of the East Cadillac gold Project, Canada", "Newly defined large-scale gold anomalies prioritised for drill testing at East Cadillac gold Project, Quebec", "Chalice prepares for major new drill program to test large-scale gold targets at East Cadillac Gold Project in Quebec" and "Exploration Update – East Cadillac Gold Project, Quebec" dated 31 May 2018, 25 October 2018, 20 November 2018 and 26 April 2019 respectively.

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.

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 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" 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 programmes 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; the ultimate outcome for shareholders of any Class Ruling received from the Australian Tax Office ("ATO") in relation to any 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.

Appendix 1. Tenement Schedule

The following information is provided in accordance with ASX Listing Rule 5.3 for the Quarter ended 31 March 2019.

1. Listing of tenements held

Australia

| Location | Project | Tenement No. | Registered Holder | Nature of interest |
|--------------------|--------------------------|----------------------|--|---|
| Western Australia | Yilgarn (Jericho) | E39/1914 | CGM (WA) Pty Ltd | 95% |
| | Yilgarn (Bunjarra Well) | E39/1976 | CGM (WA) Pty Ltd | 95% |
| | Gibb Rock | E70/4869 | CGM (WA) Pty Ltd | 95% - Farm-out agreement, Ramelius Resources Ltd has the right to earn up to 75% interest |
| | Nulla South | E77/2353 to E77/2354 | CGM (WA) Pty Ltd | 95% - Farm-out agreement, Ramelius Resources Ltd has the right to earn up to 75% interest |
| | Yilgarn (Kurrajong Bore) | P37/8702 to P37/8711 | CGM (WA) Pty Ltd | 95% |
| | | P39/5600 to P39/5601 | CGM (WA) Pty Ltd | 95% |
| | | P37/9012 to P37/9023 | CGM (WA) Pty Ltd | 100% |
| | | P37/9028 to P37/9031 | CGM (WA) Pty Ltd | 100% |
| Julimar | E70/5118 | CGM (WA) Pty Ltd | 100% | |
| Victoria | Pyramid Hill | EL006661 | CGM (WA) Pty Ltd | 100% |
| | | EL006737 to EL006738 | CGM (WA) Pty Ltd | 100% |
| | | EL006669 | CGM (WA) Pty Ltd | 100% |
| | | EL006805 | CGM (WA) Pty Ltd | 100% |
| | | EL006864 | CGM (WA) Pty Ltd | 100% |
| | | EL006898 | CGM (WA) Pty Ltd | 100% |
| | | EL006901 | CGM (WA) Pty Ltd | 100% |
| Northern Territory | Warrego North | EL23764 | CGM (WA) Pty Ltd (51%) & Meteoric Resources NL (49%) | Farm-in agreement, right to earn up to 70% interest |
| | | EL31608 | CGM (WA) Pty Ltd | 100% |
| | | EL31610 | CGM (WA) Pty Ltd | 100% |
| Queensland | Flinders River | EPM26858 to EPM26860 | CGM Lithium Pty Ltd | 100% |
| | | EPM26863 | CGM Lithium Pty Ltd | 100% |
| | | EPM26919 | CGM Lithium Pty Ltd | 100% |
| | | EPM26861 to EPM26862 | CGM Lithium Pty Ltd | 100% |
| | | EPM26864 to EPM26866 | CGM Lithium Pty Ltd | 100% |

Canada

| Location | Project | Claim Numbers | Registered Holder | Nature of Interest |
|--------------------|---|---|----------------------------------|--------------------|
| Quebec | Kinebik | 2448108 to 2448207 | Chalice Gold Mines (Quebec) Inc. | 100% |
| | | 2448409 to 2448497 | Chalice Gold Mines (Quebec) Inc. | 100% |
| | | 2449277 to 2449375 | Chalice Gold Mines (Quebec) Inc. | 100% |
| | | 2454112 to 2454113 | Chalice Gold Mines (Quebec) Inc. | 100% |
| | | 2454308 to 2454320 | Chalice Gold Mines (Quebec) Inc. | 100% |
| | | 2454863 to 2454867 | Chalice Gold Mines (Quebec) Inc. | 100% |
| | | 2466152 to 2466176 | Chalice Gold Mines (Quebec) Inc. | 100% |
| | | 2468010 to 2468012 | Chalice Gold Mines (Quebec) Inc. | 100% |
| | | 2499665 to 2499668 | Chalice Gold Mines (Quebec) Inc. | 100% |
| | | 2515283 to 2515284 | Chalice Gold Mines (Quebec) Inc. | 100% |
| | 2514476 to 2514481 | Chalice Gold Mines (Quebec) Inc. | 100% | |
| | East Cadillac | 2385084 | Chalice Gold Mines (Quebec) Inc. | 100% |
| | | 2434329 | Chalice Gold Mines (Quebec) Inc. | 100% |
| | | 2434769 to 2434771 | Chalice Gold Mines (Quebec) Inc. | 100% |
| | | 2438058 to 2438067 | Chalice Gold Mines (Quebec) Inc. | 100% |
| | | 2438103 to 2438104 | Chalice Gold Mines (Quebec) Inc. | 100% |
| | | 2438130 to 2438133 | Chalice Gold Mines (Quebec) Inc. | 100% |
| | | 2438140 to 2438211 | Chalice Gold Mines (Quebec) Inc. | 100% |
| | | 2445500 to 2445501 | Chalice Gold Mines (Quebec) Inc. | 100% |
| | | 2456677 to 2456680 | Chalice Gold Mines (Quebec) Inc. | 100% |
| | | 2456713 to 2456714 | Chalice Gold Mines (Quebec) Inc. | 100% |
| | | 2457365 to 2457366 | Chalice Gold Mines (Quebec) Inc. | 100% |
| | | 2457890 to 2457892 | Chalice Gold Mines (Quebec) Inc. | 100% |
| | | 2458268 to 2458272 | Chalice Gold Mines (Quebec) Inc. | 100% |
| | | 2461488 to 2461495 | Chalice Gold Mines (Quebec) Inc. | 100% |
| | | 2466091 to 2466092 | Chalice Gold Mines (Quebec) Inc. | 100% |
| | | 2468029 to 2468043 | Chalice Gold Mines (Quebec) Inc. | 100% |
| | | 2470586 | Chalice Gold Mines (Quebec) Inc. | 100% |
| | | 2471188 to 2471202 | Chalice Gold Mines (Quebec) Inc. | 100% |
| | | 2472374 to 2472375 | Chalice Gold Mines (Quebec) Inc. | 100% |
| | | 2481223 to 2481300 | Chalice Gold Mines (Quebec) Inc. | 100% |
| | | 2491126 | Chalice Gold Mines (Quebec) Inc. | 100% |
| | | 2491239 to 2491250 | Chalice Gold Mines (Quebec) Inc. | 100% |
| 2491522 | | Chalice Gold Mines (Quebec) Inc. | 100% | |
| 2514628 | Chalice Gold Mines (Quebec) Inc. | 100% | | |
| 2515519 | Chalice Gold Mines (Quebec) Inc. | 100% | | |
| 2525102 to 2525138 | Chalice Gold Mines (Quebec) Inc. | 100% | | |
| 2437791 to 2437811 | Globex Mining Enterprises Inc. | 0% - Option agreement to earn a 100% interest | | |
| 2437862 to 2437873 | Globex Mining Enterprises Inc. | | | |
| 2437912 to 2437915 | Globex Mining Enterprises Inc. | | | |
| 2438798 to 2438811 | Chalice Gold Mines (Quebec) (40%) Globex Mining Enterprises Inc. (60%) | | | |

| Location | Project | Claim Numbers | Registered Holder | Nature of Interest |
|----------|---------|--------------------|---|---|
| | | 2438935 to 2438937 | Chalice Gold Mines (Quebec) (40%) Globex Mining Enterprises Inc. (60%) | 40% - Option agreement to acquire a further 60% interest |
| | | 2443200 to 2443243 | Renforth Resources Inc. 100% | 0% - Option and farm-in agreement to earn an 80% interest |
| | | 2480250 to 2480258 | Renforth Resources Inc. 100% | 0% - Option and farm-in agreement to earn an 80% interest |
| | | 2481131 to 2481222 | Renforth Resources Inc. 100% | 0% - Option and farm-in agreement to earn an 80% interest |
| | | 2405317 to 2405327 | Renforth Resources Inc. 100% | 0% - Option and farm-in agreement to earn an 80% interest |
| | | 2423153 to 2423166 | Renforth Resources Inc. 100% | 0% - Option and farm-in agreement to earn an 80% interest |
| | | 2462745 to 2462751 | Renforth Resources Inc. 100% | 0% - Option and farm-in agreement to earn an 80% interest |
| | | 2477257 to 2477258 | Renforth Resources Inc. 100% | 0% - Option and farm-in agreement to earn an 80% interest |
| | | 2480184 to 2480187 | Renforth Resources Inc. 100% | 0% - Option and farm-in agreement to earn an 80% interest |
| | | 2484903 | Renforth Resources Inc. 100% | 0% - Option and farm-in agreement to earn an 80% interest |

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

| Location | Project | Claim Number | Registered Holder | Interest at beginning of Quarter | Interest at end of Quarter |
|----------|--------------|--------------|-------------------|----------------------------------|----------------------------|
| Victoria | Pyramid Hill | EL6864 | CGM (WA) Pty Ltd | 0% | 100% |
| | | EL6898 | CGM (WA) Pty Ltd | 0% | 100% |
| | | EL6901 | CGM (WA) Pty Ltd | 0% | 100% |

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

| Location | Project | Tenement No. | Registered Holder | Interest at end of Quarter |
|-------------------|--------------------------|--------------|-------------------|---|
| Western Australia | Yilgarn (Kurrajong Bore) | P37/9026 | CGM (WA) Pty Ltd | 0% |
| | Gibb Rock | E70/4869 | CGM (WA) Pty Ltd | 95% - Farm-out agreement, Ramelius Resources Ltd has the right to earn up to 75% interest |

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

Chalice Gold Mines Limited

ABN

47 116 648 956

Quarter ended ("current quarter")

31 March 2019

| Consolidated statement of cash flows | Current quarter \$A'000 | Year to date (9 months) \$A'000 |
|---|----------------------------|---------------------------------------|
| 1. Cash flows from operating activities | | |
| 1.1 Receipts from customers | 75 | 149 |
| 1.2 Payments for | | |
| (a) exploration & evaluation | (2,557) | (5,748) |
| (b) development | - | - |
| (c) production | - | - |
| (d) staff costs ⁽¹⁾ | (310) | (982) |
| (e) administration and corporate costs | (179) | (593) |
| 1.3 Dividends received (see note 3) | - | - |
| 1.4 Interest received | 59 | 332 |
| 1.5 Interest and other costs of finance paid | - | - |
| 1.6 Income taxes paid | - | (2) |
| 1.7 Research and development refunds | - | - |
| 1.8 Other: | | |
| - Business development | (188) | (662) |
| - Quebec exploration tax credits received | 2,128 | 2,128 |
| 1.9 Net cash from / (used in) operating activities | (972) | (5,378) |

⁽¹⁾Year to date staff costs includes a one-off payment of cash in lieu of shares on the vesting of performance rights (\$61,000) and the pay out of long service leave entitlements (\$67,000).

| Consolidated statement of cash flows | | Current quarter \$A'000 | Year to date (9 months) \$A'000 |
|---|---|------------------------------------|--|
| 2. | Cash flows from investing activities | | |
| 2.1 | Payments to acquire: | | |
| | (a) property, plant and equipment | (3) | (10) |
| | (b) tenements (see item 10) | - | - |
| | (c) investments | - | - |
| | (d) other non-current assets | - | - |
| 2.2 | Proceeds from the disposal of: | | |
| | (a) property, plant and equipment | 16 | 16 |
| | (b) tenements (see item 10) | - | 50 |
| | (c) investments | 1,312 | 1,312 |
| | (d) other non-current assets | - | - |
| 2.3 | Cash flows from loans to other entities | - | - |
| 2.4 | Dividends received (see note 3) | - | - |
| 2.5 | Other: | | |
| | - Tenement security deposits | (10) | (65) |
| 2.6 | Net cash from / (used in) investing activities | 1,315 | 1,303 |

| | | | |
|-------------|---|------------|-----------------|
| 3. | Cash flows from financing activities | | |
| 3.1 | Proceeds from issues of shares | - | - |
| 3.2 | Proceeds from issue of convertible notes | - | - |
| 3.3 | Proceeds from exercise of share options | - | - |
| 3.4 | Transaction costs related to issues of shares, convertible notes or options | (6) | (21) |
| 3.5 | Proceeds from borrowings | - | - |
| 3.6 | Repayment of borrowings | - | - |
| 3.7 | Transaction costs related to loans and borrowings | - | - |
| 3.8 | Dividends paid | - | - |
| 3.9 | Other: | | |
| | - Equal capital reduction | - | (10,663) |
| 3.10 | Net cash from / (used in) financing activities | (6) | (10,684) |

| Consolidated statement of cash flows | | Current quarter \$A'000 | Year to date (9 months) \$A'000 |
|---|--|------------------------------------|--|
| 4. | Net increase / (decrease) in cash and cash equivalents for the period | | |
| 4.1 | Cash and cash equivalents at beginning of period | 21,342 | 35,739 |
| 4.2 | Net cash from / (used in) operating activities (item 1.9 above) | (972) | (5,378) |
| 4.3 | Net cash from / (used in) investing activities (item 2.6 above) | 1,315 | 1,303 |
| 4.4 | Net cash from / (used in) financing activities (item 3.10 above) | (6) | (10,684) |
| 4.5 | Effect of movement in exchange rates on cash held | - | 699 |
| 4.6 | Cash and cash equivalents at end of period | 21,679 | 21,679 |

| 5. Reconciliation of cash and cash equivalents | | Current quarter \$A'000 | Previous quarter \$A'000 |
|---|--|------------------------------------|-------------------------------------|
| at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts | | | |
| 5.1 | Bank balances | 11,644 | 10,394 |
| 5.2 | Call deposits | 10,035 | 10,948 |
| 5.3 | Bank overdrafts | - | - |
| 5.4 | Other (provide details) | - | - |
| 5.5 | Cash and cash equivalents at end of quarter (should equal item 4.6 above) | 21,679 | 21,342 |

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

| Current quarter \$A'000 |
|------------------------------------|
| 183 |
| - |

Includes directors' fees and salaries (including superannuation) of \$183,000.

| 7. Payments to related entities of the entity and their associates | Current quarter \$A'000 |
|--|------------------------------------|
| 7.1 Aggregate amount of payments to these parties included in item 1.2 | - |
| 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3 | - |
| 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2 | |
| | |

| 8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i> | Total facility amount at quarter end \$A'000 | Amount drawn at quarter end \$A'000 |
|--|---|--|
| 8.1 Loan facilities | - | - |
| 8.2 Credit standby arrangements | - | - |
| 8.3 Other (please specify) | - | - |
| 8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well. | | |
| | | |

| 9. Estimated cash outflows for next quarter | \$A'000 |
|---|----------------|
| 9.1 Exploration and evaluation | (2,327) |
| 9.2 Development | - |
| 9.3 Production | - |
| 9.4 Staff costs | (510) |
| 9.5 Administration and corporate costs ⁽¹⁾ | (152) |
| 9.6 Other | - |
| 9.7 Total estimated cash outflows | (2,989) |

⁽¹⁾Administration and corporate costs are net of interest revenue and receipts from customers.

Appendix 5B
Mining exploration entity and oil and gas exploration entity quarterly report

| 10. | Changes in tenements (items 2.1(b) and 2.2(b) above) | Tenement reference and location | Nature of interest | Interest at beginning of quarter | Interest at end of quarter |
|------|---|---|-------------------------|----------------------------------|---|
| 10.1 | Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced | Western Australia: <i>Yilgarn</i> P37/9026 <i>Gibb Rock</i> E70/4869 | Owned Owned | 100% 95% | 0% 95% - Farm-out agreement, Ramelius Resources Ltd has the right to earn up to 75% interest |
| 10.2 | Interests in mining tenements and petroleum tenements acquired or increased | Victoria: <i>Pyramid Hill</i> EL006864 EL006898 EL006901 | Owned Owned Owned | 0% 0% 0% | 100% 100% 100% |

Compliance statement

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

Sign here: .. 
(Company secretary)

Date: 26 April 2019

Print name: Leanne Stevens

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.