

31 July 2019

Drilling continues to highlight substantial exploration upside at Victoria and sale of Canadian assets crystallises value

Highlights

Pyramid Hill Gold Project – Victoria (100%-owned)

- Maiden ~39,000m reconnaissance aircore (AC) drill program completed in June.
- Three strike-extensive mineralised trends outlined on wide-spaced drill lines under shallow cover.
- Multiple gold intersections in the highly weathered top of basement indicate the gold is from a primary bedrock source.
- No previous drilling in the vicinity of any of the targets (all zones are open).
- Similar shallow, anomalous gold intercepts on wide-spaced drill lines has led to significant gold discoveries undercover by other explorers in the region.
- New program comprising ~23,000m of AC drilling on 0.5-1.0km spaced lines planned to commence as soon as possible in Q3 2019.

O3 Mining Transaction – Quebec, Canada

- East Cadillac and Kinebik Gold Projects in Quebec sold to O3 Mining Inc. (TVX: OIII) for C\$12M in shares, a partial 1.0% NSR royalty and ~C\$1.3M in cash.
- O3 Mining is a new venture led by highly regarded Osisko Mining Inc. (TSX: OSK), which holds a portfolio of gold projects in Quebec and Ontario with significant exploration potential.
- Transaction completed and O3 Mining shares issued on 25 July 2019.

King Leopold Nickel Project – Western Australia (85-100% owned)

- Successful acquisition of the Ruins Nickel Sulphide Project in the west Kimberley region of WA, with the transaction completed and shares issued on 17 July 2019.
- Project considered highly prospective for high-grade nickel sulphide mineralisation, with several late-time airborne EM targets already defined adjacent to the Merlin Prospect, a joint venture between Buxton Resources (ASX: BUX) and Independence Group (ASX: IGO).
- IGO has continued to rapidly expand their land holding in this frontier province.
- Ground EM and additional airborne EM geophysical surveys currently underway.
- Maiden drilling program anticipated to commence in late Q3 2019.

Corporate

- **Strong** working capital and investments balance of **~A\$21.2M** (or **~\$A0.08 per share**) of which includes a **cash balance of ~A\$18.6M** at Quarter-end (excluding O3 Mining shares received in July 2019).
- Favourable Class Ruling published by the Australian Tax Office in relation to the ~A\$10.7M (A\$0.04 per share) capital return of December 2018.

1. OVERVIEW

Commenting on the June Quarter activities, Chalice's Managing Director, Alex Dorsch, said: "Chalice has had an exceptional quarter in which we successfully divested our Canadian gold assets, in the process crystallising significant value for our shareholders, released promising initial results from drilling in Victoria and acquired an exciting entry point into a frontier nickel sulphide province in WA.

"The sale of our Canadian gold projects gives Chalice a strong platform for growth, with a working capital and investments balance now totalling approximately A\$33 million. The transaction also simplifies our business, allowing us to focus on our high-profile exploration opportunities in Victoria and WA.

"The latest drilling results from the Pyramid Hill Gold Project in Victoria have highlighted the potential for multiple large-scale gold discoveries under shallow cover. We have made significant progress on the Project in a short timeframe and have now upgraded conceptual targets to defined gold intercepts within the weathered top of basement. We are especially encouraged by the scale and strike extent of the mineralised footprints, and we look forward to the next phase of drilling, which will begin this quarter.

"Meanwhile, the new King Leopold Nickel Project in WA is a logical acquisition for the Company and its opposite field season is expected to be complementary to our activities in Victoria. The recent move into the province by Independence Group shows that this province has the potential to deliver a major discovery. We have already commenced field activities with a view to rapidly defining and drill testing promising new high-grade nickel sulphide targets.

"Our rapid execution of high impact exploration activities continues to be underpinned by a strong balance sheet, sound capital management and technical discipline. The next quarter will be action packed, with exploration programs kicking off at both of our key projects and the launch of O3 Mining."



2. EXPLORATION ACTIVITIES

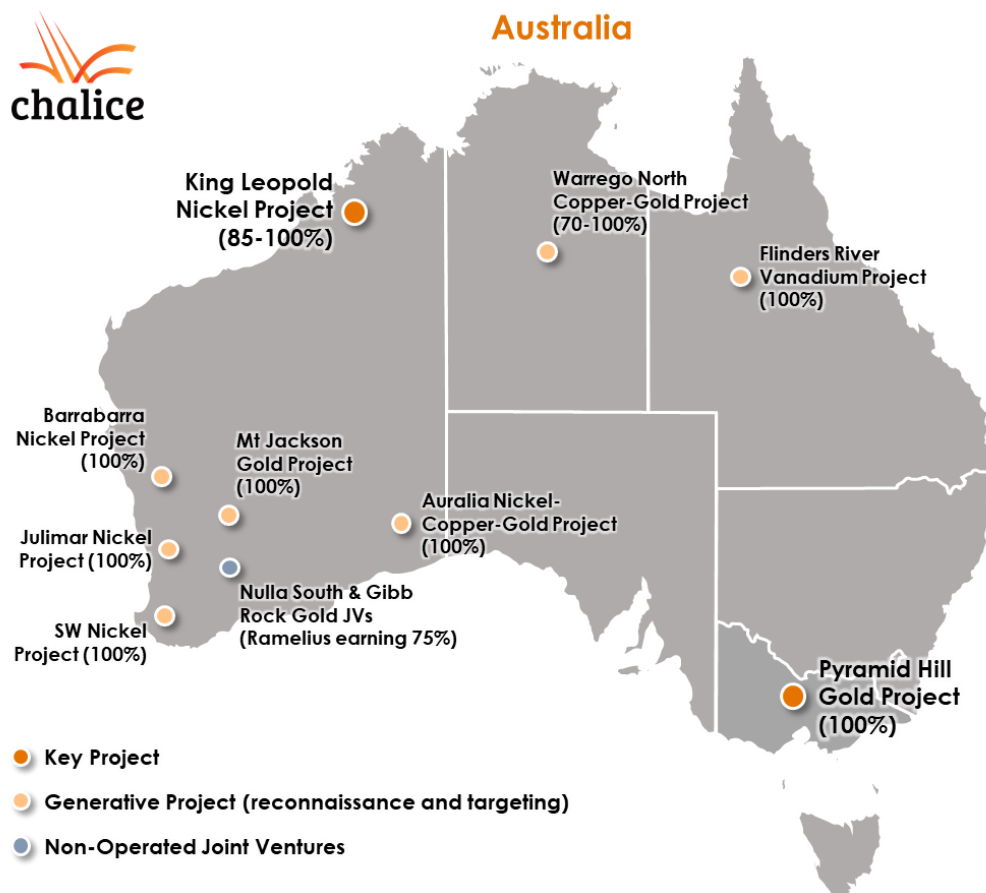


Figure 1. Chalice's project locations in Australia.

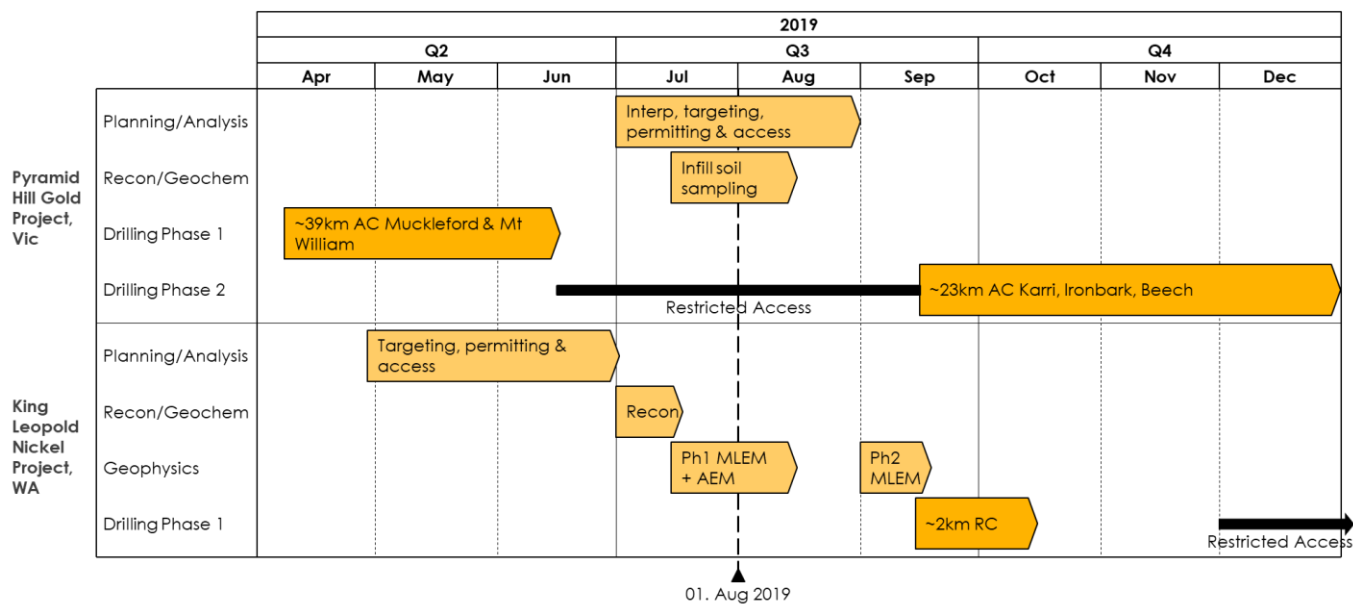


Figure 2. Chalice's indicative exploration schedule Q2-Q4 2019.

2.1 Pyramid Hill Gold Project, Victoria

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 encompasses three key districts within the Murray Basin covered North Bendigo and North Stawell Zones: Muckleford, Mt William and Percydale (Figure 3).

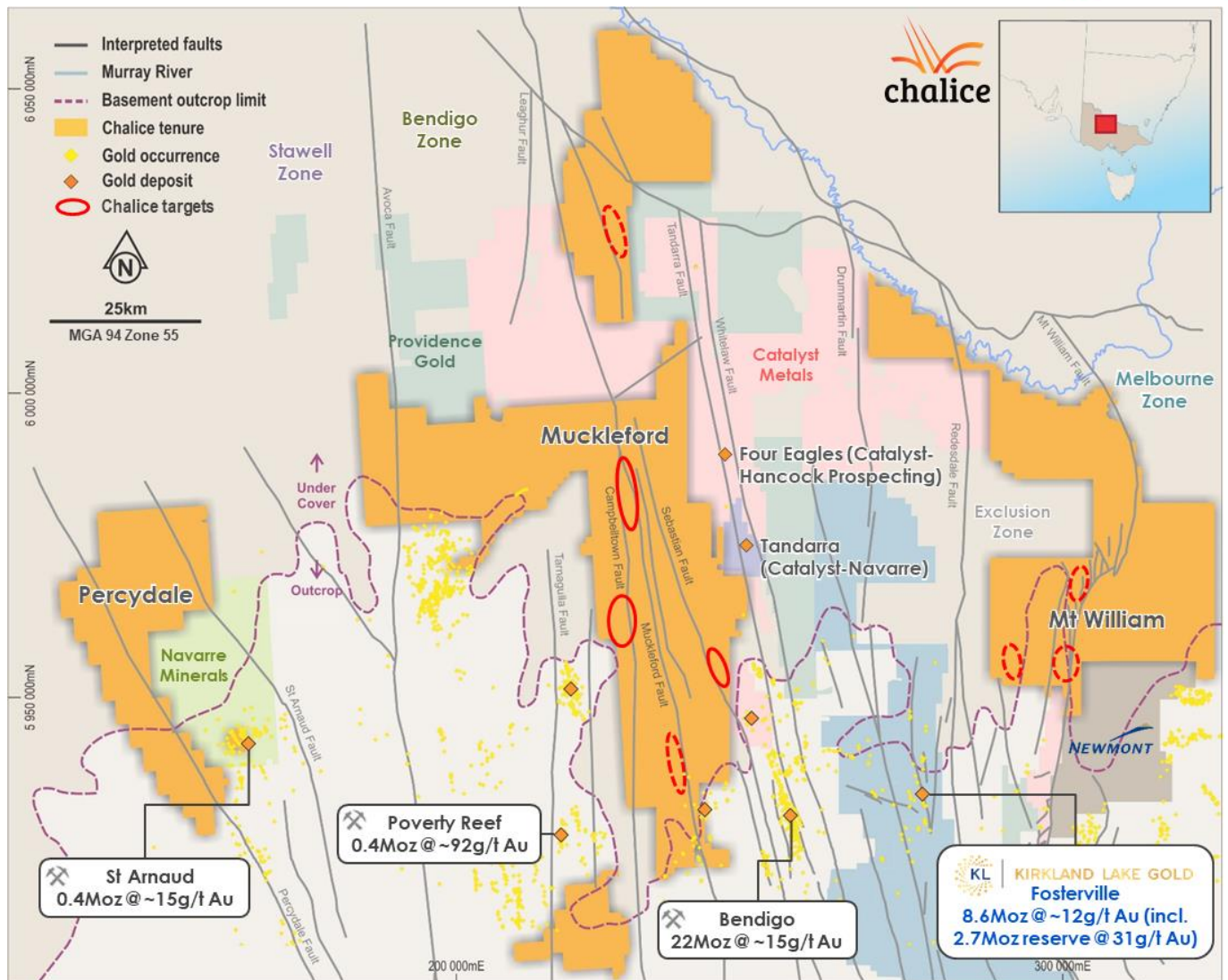


Figure 3. Pyramid Hill Gold Project tenure, regional land holders, gold deposits and occurrences.

The central Muckleford Area extends to the north-west of the high-grade historic >22Moz Bendigo Goldfield. The Mt William Area extends to the north-east of one of the world's highest-grade and lowest-cost producing 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 St Arnaud Goldfield within the Stawell Zone.

The 'Gold Undercover' initiative by the Victorian Government estimated a potential ~32Moz (P50 mid case) of undiscovered gold beneath Murray Basin cover in the Bendigo Zone, where Chalice holds ~60% of the total ~7,000km² prospective area.

Chalice is targeting large-scale, high-grade gold discoveries under shallow cover, and is currently conducting regional scale greenfield exploration. ~39km of reconnaissance aircore (AC) drilling has been completed to date, outlining three high priority target areas for the next phase of in-fill and step-out drilling.

Overview

During the quarter, Chalice completed its maiden ~39,000m reconnaissance AC drill program which was designed to provide an initial shallow test of soil geochemical, gravity and structural targets, and to identify areas of anomalous gold and associated pathfinder elements – providing potential vectors to large-scale mineralised gold systems (**Figure 4**).

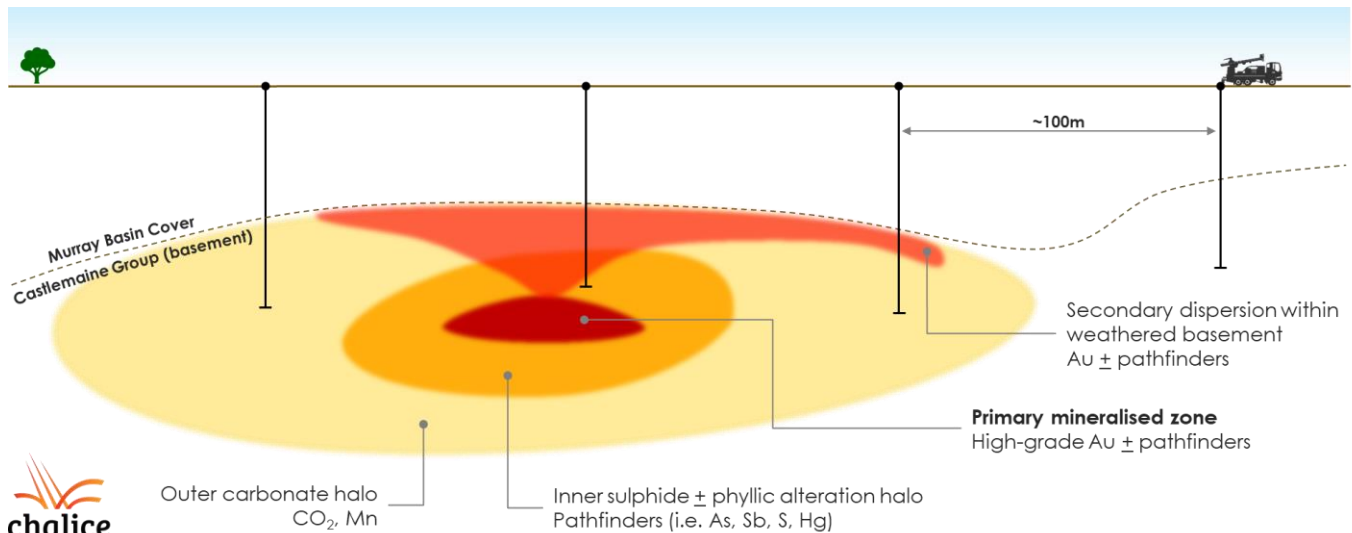


Figure 4. Conceptual cross-section of the Phase 1 reconnaissance AC drilling approach, mineralised halo and secondary dispersion targeting (representative scale)ⁱⁱ.

Several new strike-extensive mineralised trends have been intersected across shallow wide-spaced AC drill lines completed within the ~1,500km² Muckleford Area. The newly defined mineralised trends at the Karri, Ironbark and Beech Targets occur within highly weathered Castlemaine Group sediments, directly beneath the Murray Basin cover interface, indicating that the gold is from a primary bedrock source.

Muckleford Phase 1 AC Drilling

A total of 349 AC drill holes (34,929m) were completed at the Muckleford Area (EL6661, 6737 and 6901), 20-70km north-west of the Bendigo Goldfield (~22Moz Au). The drilling was successful in identifying three high-priority target areas: Karri, Ironbark and Beech (Figure 5).

Full details of all results can be found in Chalice's ASX Announcement dated 8 July 2019.

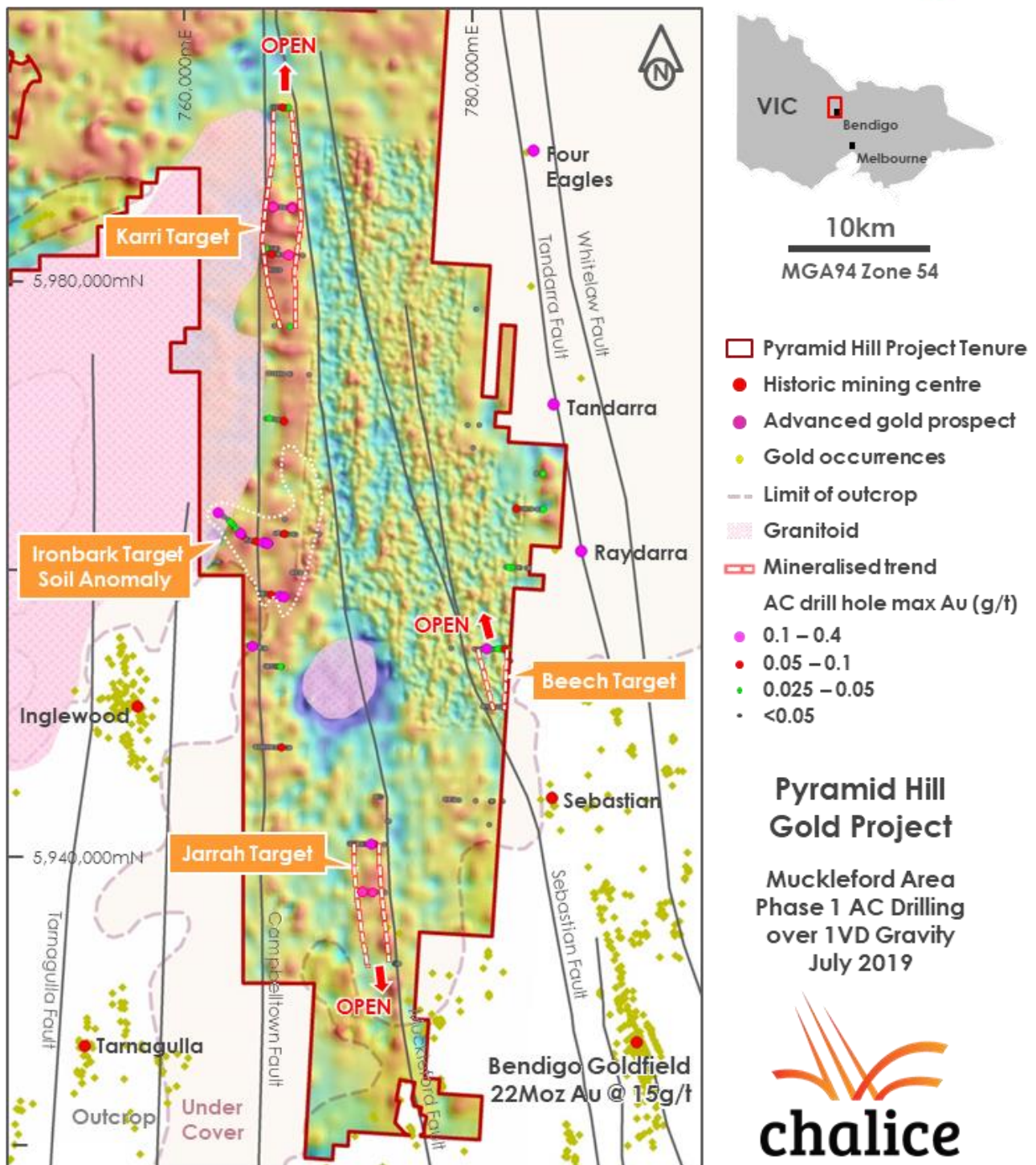


Figure 5. Muckleford Area Phase 1 AC drilling results over 1VD gravity geophysics.

Forward Plan

A ~23,000m Phase 2 AC drilling program is planned at Karri, Ironbark and Beech, which aims to further refine the multi-kilometre Target areas. This program will involve AC drilling on a grid pattern at a line spacing of approximately 0.5 to 1.0km and a hole spacing of 100 to 200m across all three target areas.

AC drilling will be conducted in a similar manner to the previous phase with the aim to drill and sample a minimum of 30m of Castlemaine Group basement undercover. Geological logging will be conducted in “real time” as drilling progresses to identify potential gold and pathfinder zones of interest and modify the drill pattern and depths accordingly.

This systematic reconnaissance approach is considered essential to improve and refine the geochemical vector to potential primary gold mineralisation and to avoid ineffective drilling. Deeper and tighter spaced drilling, targeting potential primary gold zones is planned to follow the Phase 2 program.

The Phase 2 drilling program will commence as soon as access constraints allow, which in most cases, is once overlying crops on private land are harvested. Access discussions on private land are well advanced and all agreements expected to be finalised over the coming weeks.

In-fill and orientation soil sampling over the Muckleford and Percydale Areas is also underway to further assist drill targeting. Regional 2D seismic reprocessing and interpretation is also ongoing, which is aimed at refining structural domains of interest within the Bendigo Zone along major regional fault corridors.

Mt William Phase 1 AC Drilling

A total of 46 AC drill holes (4,061m) were completed at the Mt William Area (EL6738), 25-50km north-east of the >8Moz high-grade producing Fosterville Gold Mine owned by Kirkland Lake Gold (NYSE / TSX: KL | ASX: KLA).

The maiden drilling program aimed to provide the first effective shallow test of four gold-in-soil anomalies. Elevated gold values peaking at 0.16g/t Au were intersected in transported quartz gravels at the base of Murray Basin cover, however no indicative source of this transported gold has been identified as yet.

2.2 King Leopold Nickel Project, Western Australia

The King Leopold Nickel Project covers an area of ~1,800km² in the West Kimberley region of WA. The Project covers several known areas of Ruins and Hart Dolerite (Figure 6), which are both considered highly prospective for magmatic nickel sulphides as well as other related metals (Cu, Co and PGEs).

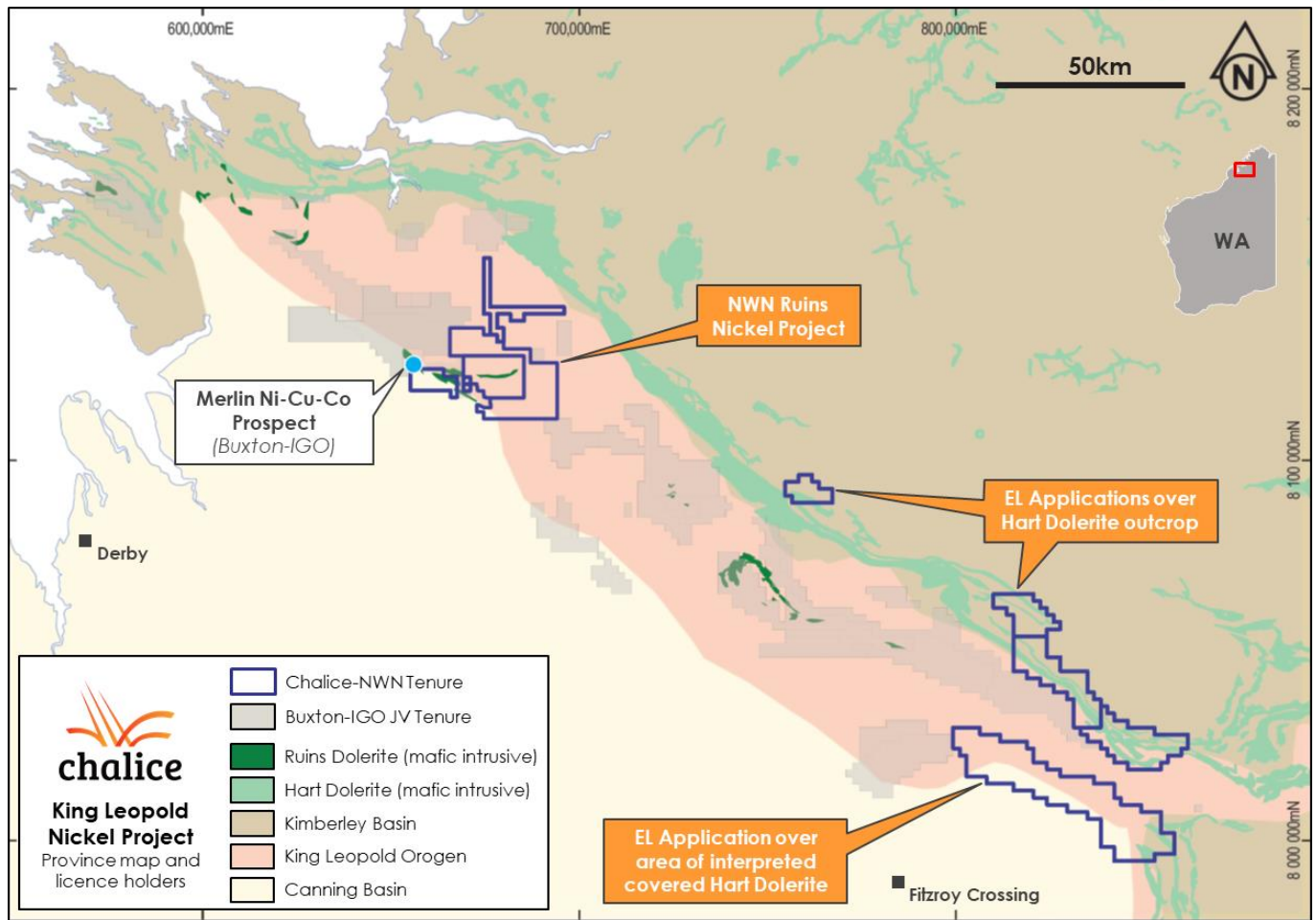


Figure 6. Chalice's King Leopold Project tenure and Buxton-IGO tenure over geological domains.

The Ruins Dolerite has been demonstrated to host high-grade nickel sulphides (drill intercept grades up to 8% Ni) following the Merlin discovery in 2015 of Buxton Resources (ASX: BUX). Buxton has since executed two option and earn-in joint venture agreements with Independence Group (ASX: IGO) in late 2018 and exploration activities are currently ramping up in the region. The JV has also substantially increased its licence holding in the frontier province.

The Project is a combination of several 100%-owned exploration licences, 100%-owned hard rock rights, as well as an earn-in agreement (earning up to 85%). Field activity on the Project commenced in June 2019, initially focusing on areas immediately adjacent to the Merlin discovery.

NWN Acquisition

Chalice acquired private nickel explorer North West Nickel Pty Ltd ("NWN") in late June 2019. NWN holds a portfolio of nickel exploration projects, including the Ruins Project, located adjacent to the recent nickel sulphide discoveries reported by Buxton Resources ("Buxton", ASX: BUX) at its Merlin Project.

The Ruins Project is located immediately south-east of Buxton's Merlin Project and is considered highly prospective for nickel sulphides as well as other associated metals (Cu, Co and PGEs), having similar geology and proximity to the Merlin discovery.

An airborne electromagnetic (EM) survey conducted over the south-west part of the Project (E04/1169) by NWN has identified several late-time EM anomalies co-incident with known Ruins Dolerite geology, along strike to the south-east of Buxton's Merlin Prospect in mapped Ruins Dolerite (Figure 7).

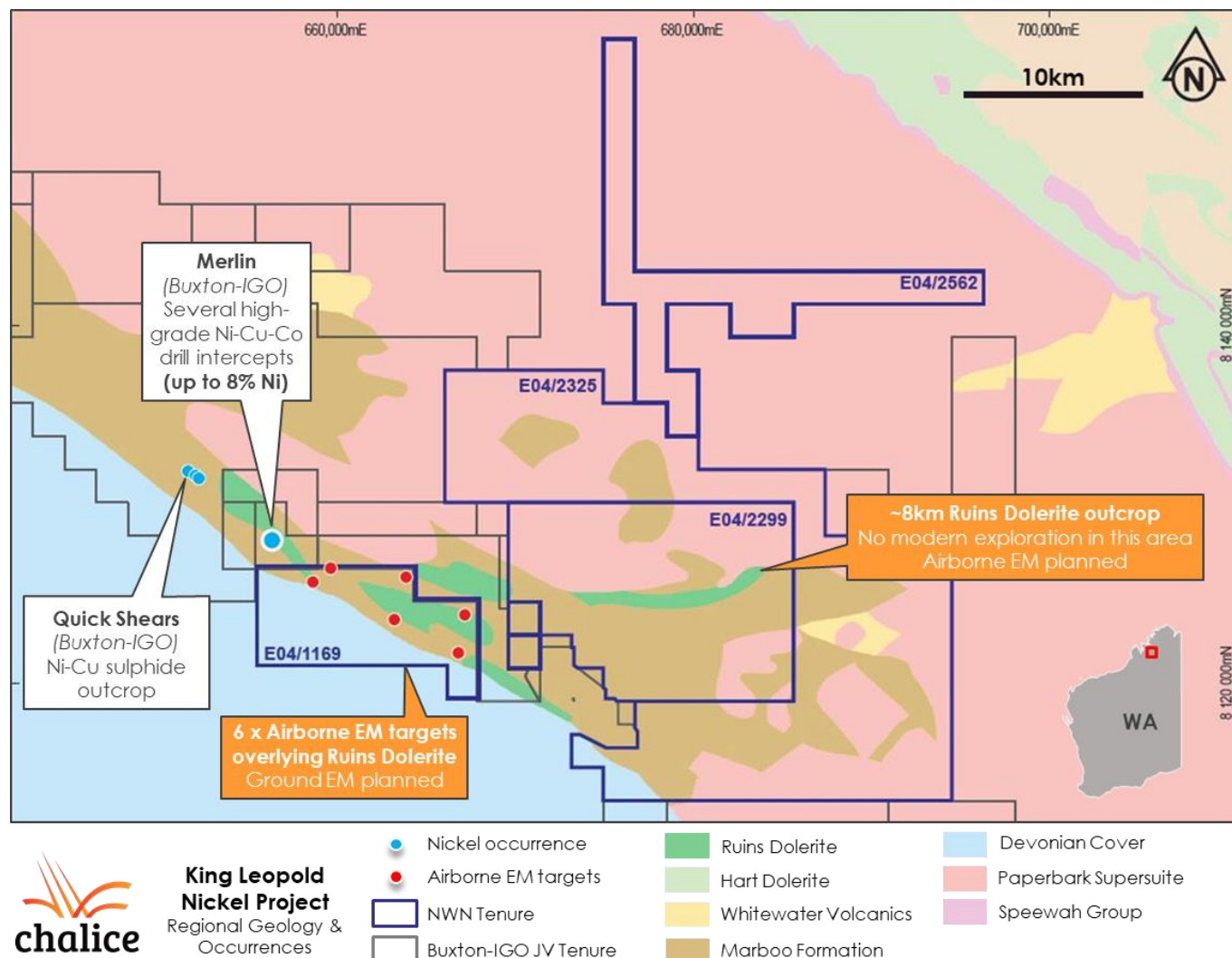


Figure 7. Ruins Project tenure and nickel occurrences over regional geology.

Buxton's Merlin Prospect includes several high-grade nickel sulphide drill intercepts (up to 8% Ni), which indicates a fertile and highly prospective mafic-ultramafic system in the area.

Under the acquisition agreement, which was completed in July 2019, Chalice acquired all of the outstanding shares in NWN by issuing 7.5 million fully paid ordinary Chalice shares to NWN, effectively reimbursing NWN for costs incurred to date.

The agreement also included a contingent deferred consideration whereby, subject to the following milestones being achieved at the Ruins Project, Chalice will pay to NWN:

- A\$1.75 million in cash or Chalice shares, at Chalice's election, within 60 days of Chalice releasing to the ASX a Mining Scoping Study or Feasibility Study in relation to the Project;
- A\$4.5 million in cash or Chalice shares, at Chalice's election, within 60 days of commencement of commercial production and cumulative gross sales exceeding A\$300 million from the Project.

Any future issuance of Chalice shares to NWN remains subject to shareholder approval, as required. All shares issued by Chalice are subject to a separate 12-month escrow period.

Exploration Activities

The Ruins Project acquisition forms a key part of Chalice's wider district-scale ~1,800km² King Leopold Nickel Project. The following field activities are now either underway or scheduled within Q3 2019:

1. A maiden Phase 1 Moving Loop Electromagnetic (MLEM) survey has commenced over four of the six previously identified late-time airborne EM anomalies co-incident with known Ruins Dolerite on E04/1169.
2. A 1,450 line-km airborne EM survey (at 150m line spacing) has commenced over an ~8km long east-west trending body of prospective Ruins Dolerite and surrounding country rocks in adjoining tenements E04/2299 and 2325.
3. A Phase 2 MLEM survey is scheduled for late August 2019, subject to access constraints, to follow up any conductors identified in the above airborne EM survey.
4. A maiden Reverse Circulation drilling program is anticipated to commence in late Q3 2019.

2.3 Generative Projects

The Company completed a geochemistry and ground-based EM geophysics program at the Julimar Nickel Project during the Quarter, with the aim of defining drill targets prospective for nickel sulphide mineralisation. Results are currently being interpreted.

The Company is planning a maiden reconnaissance AC drilling program at the Flinders River Vanadium Project, which aims to define any areas of shallow, vanadium-bearing mineralisation within oxidised Toolebuc Shale. The program is expected to be completed in Q3 2019.

Reconnaissance and soil geochemistry programs are also planned at the Mt Jackson Gold Project in the Southern Cross region of WA and the Barrabarra Nickel Project in the Midwest region of WA during Q3 2019.

No exploration activity was undertaken on other projects during the Quarter.

2.4 Non-Operated Joint Ventures

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

Operator Ramelius Resources (ASX: RMS) reported that no exploration drilling was undertaken during the quarter due to access constraints. Ramelius continues to advance land access discussions and is designing work programs over selected target areas.

3. CORPORATE

As at 30 June 2019, Chalice had a working capital and investments balance of ~A\$21.2 million, which included a **cash balance of ~A\$18.6 million**. As at the date of this report, Chalice's current working capital and investments balance is ~A\$33.0 million.

During the Quarter, the Australian Taxation Office ("ATO") published a final Class Ruling (CR 2019/37) in relation to the Company's equal capital return and reduction that completed in December 2018. The Class Ruling confirms that no portion of the capital return will be deemed to be a dividend to the class of entities to which the Class Ruling applies.

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\$2.9 million on exploration activities and ~A\$0.5 million on administration, business development and corporate costs (net of interest).

Estimated outflows for the next quarter include ~A\$1.5 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.

3.1 Sale of Quebec Gold Projects

Subsequent to Quarter-end, Chalice entered into a binding share purchase agreement ("SPA") with O3 Mining Inc. ("O3 Mining" TSX-V: OIII), whereby O3 Mining purchased Chalice's wholly-owned subsidiary Chalice Gold Mines (Quebec) Inc. ("CGMQ"). CGMQ is the registered holder of the East Cadillac and Kinebik Gold Projects in Quebec, Canada.

Chalice has been issued 3,092,784 common shares and currently holds approximately 9% of the current issued shares of O3 Mining, which are subject to a statutory trading restriction in Canada for a period of four months from the date of issuance.

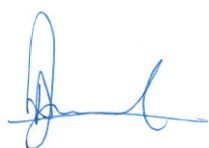
In addition, cash consideration will be paid to Chalice by O3 Mining for existing tax credits upon receipt from Canadian tax authorities totalling ~C\$1.3 million.

In connection with the transaction, O3 Mining has granted Chalice a net smelter returns ("NSR") royalty of 1.0% on certain mining claims within the East Cadillac and Kinebik Gold projects which are not encumbered by pre-existing royalties.

Completion occurred on 26 July 2019.

4. TENEMENT SCHEDULES

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



Alex Dorsch
Managing Director

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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 announcement entitled "Shallow drilling hits gold in basement and outlines three high priority targets for follow-up at the Pyramid Hill Gold Project, Victoria" dated 8 July 2019.

The information in this announcement that relates to exploration information for the Ruins Nickel Sulphide Project is extracted from the ASX announcement entitled "Chalice acquires highly prospective nickel sulphide project in west Kimberley region of WA" dated 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.

Forward Looking Statements

This report may contain forward-looking information within the meaning of Canadian securities legislation and forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995 (collectively, forward-looking statements). These forward-looking statements are made as of the date of this report and Chalice Gold Mines Limited (the Company) does not intend, and does not assume any obligation, to update these forward-looking statements.

Forward-looking statements relate to future events or future performance and reflect Company management's expectations or beliefs regarding future events and include, but are not limited to, the Company's strategy, the price of O3 Mining securities, receipt of tax credits and the value of future tax credits, the estimation of mineral reserve and mineral resources, the realisation of mineral resource estimates, the likelihood of exploration success at the Company's projects, the prospectivity of the Company's exploration projects, the timing of future exploration activities on the Company's exploration projects, planned expenditures and budgets and the execution thereof, the timing and availability of drill results, potential sites for additional drilling, the timing and amount of estimated future production, costs of production, capital expenditures, success of mining operations, environmental risks, unanticipated reclamation expenses, title disputes or claims and limitations on insurance coverage.

In certain cases, forward-looking statements can be identified by the use of words such as "plans", "planning" "expects" or "does not expect", "is expected", "will", "may", "would", "potential", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", "believes", "occur" 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; movements in the price of O3 Mining securities and future proceeds and timing of potential sale of O3 Mining securities, as well as those factors detailed from time to time in the Company's interim and annual financial statements, all of which are filed and available for review on SEDAR at sedar.com.

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 30 June 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%
		P37/9016 to P37/9017	CGM (WA) Pty Ltd	100%
		P37/9021	CGM (WA) Pty Ltd	100%
		P37/9028	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	CGM Lithium Pty Ltd	100%
		EPM26863	CGM Lithium Pty Ltd	100%
		EPM26861	CGM Lithium Pty Ltd	100%
		EPM26864 to EPM26866	CGM Lithium Pty Ltd	100%

Note: NWN tenements were acquired subsequent to quarter-end.

Canada

Note: all Canadian tenements were divested subsequent to quarter-end.

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%
		2535859 to 2535872	Chalice Gold Mines (Quebec) Inc.	100%
		2535906 to 2535959	Chalice Gold Mines (Quebec) Inc.	100%
		2437791 to 2437811	Globex Mining Enterprises Inc.	

Location	Project	Claim Numbers	Registered Holder	Nature of Interest
		2437862 to 2437873	Globex Mining Enterprises Inc.	0% - Option agreement to earn a 100% interest
		2437912 to 2437915	Globex Mining Enterprises Inc.	
		2438798 to 2438811	Chalice Gold Mines (Quebec) (40%) Globex Mining Enterprises Inc. (60%)	40% - Option agreement to acquire a further 60% interest
		2438935 to 2438937	Chalice Gold Mines (Quebec) (40%) Globex Mining Enterprises Inc. (60%)	
		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
Quebec	East Cadillac	2535859-2535872	Chalice Gold Mines (Quebec) Inc.	0%	100%
		2535906-2535959	Chalice Gold Mines (Quebec) Inc.	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
Queensland	Flinders River	EPM26859	CGM (Lithium) Pty Ltd	0%
		EPM26862	CGM (Lithium) Pty Ltd	0%
		EPM26860	CGM (Lithium) Pty Ltd	0%
		EPM26919	CGM (Lithium) Pty Ltd	0%

Location	Project	Tenement No.	Registered Holder	Interest at end of Quarter
Western Australia	Yilgarn (Kurrajong Bore)	P37/9012 – P37/9015	CGM (WA) Pty Ltd	0%
		P37/9018 - P37/9020	CGM (WA) Pty Ltd	0%
		P37/9022 – P37/9023	CGM (WA) Pty Ltd	0%
		P37/9029 – P37/9031	CGM (WA) Pty Ltd	0%

ⁱ 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>

ⁱⁱ Adapted from Arne, D.C., House, E. & Lisitsin, V., 2008. *Lithogeochemical haloes surrounding central Victorian gold deposits: Part 1 – Primary alteration systems*, Gold Undercover Report 4. Department of Primary Industries, Victoria.

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")

30 June 2019

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	85	234
1.2 Payments for		
(a) exploration & evaluation	(2,869)	(8,617)
(b) development	-	-
(c) production	-	-
(d) staff costs ⁽¹⁾	(337)	(1,319)
(e) administration and corporate costs	(203)	(796)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	52	384
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	(112)	(774)
- Quebec exploration tax credits received	-	2,128
1.9 Net cash from / (used in) operating activities	(3,384)	(8,762)

⁽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 (12 months) \$A'000
2.	Cash flows from investing activities		
2.1	Payments to acquire:		
	(a) property, plant and equipment	(48)	(58)
	(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
	(b) tenements	50	100
	(c) investments	2	1,314
	(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)	(75)
2.6	Net cash from / (used in) investing activities	(6)	1,297

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	-	(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	-	(10,684)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 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	21,679	35,739
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(3,384)	(8,762)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(6)	1,297
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	(10,684)
4.5	Effect of movement in exchange rates on cash held	332	1,031
4.6	Cash and cash equivalents at end of period	18,621	18,621

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	9,293	11,644
5.2	Call deposits	9,328	10,035
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)	18,621	21,679

6.	Payments to directors of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to these parties included in item 1.2	183
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	
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	(1,482)
9.2 Development	-
9.3 Production	-
9.4 Staff costs	(335)
9.5 Administration and corporate costs ⁽¹⁾	(168)
9.6 Other ⁽²⁾	(180)
9.7 Total estimated cash outflows	(2,165)


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

⁽²⁾Other represents transaction completion costs associated with the sale of the Company's wholly owned subsidiary Chalice Gold Mines (Quebec), as announced on 3 July 2019. The sale was subsequently completed on 26 July 2019.

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	<p>Queensland: <i>Flinders River</i> EPM26859 EPM26862 EPM26860 EPM26919</p> <p>Western Australia: <i>Yilgarn (Kurrajong Bore)</i> P37/9012 – P37/9015 P37/9018 - P37/9020 P37/9022 – P37/9023 P37/9029 – P37/9031</p>	<p>Owned</p> Owned Owned Owned Owned Owned Owned Owned	<p>100%</p> 100% 100% 100% 100% 100% 100% 100%	<p>0%</p> 0% 0% 0% 0% 0% 0% 0%
10.2	Interests in mining tenements and petroleum tenements acquired or increased	<p>Canada: <i>East Cadillac Gold Project</i> 2535859-2535872 2535906-2535959</p>	<p>Owned</p> Owned	<p>0%</p> 0%	<p>100%</p> 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: 31 July 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.