

31 July 2020

Significant Ni-Cu-PGE discovery at Julimar advancing rapidly to maiden resource and gold prospects advancing in Victoria

Highlights

Julimar Nickel-Copper-PGE Project – Western Australia (100%-owned)

- Gonneville Nickel-Copper-PGE discovery continues to be rapidly advanced.
- Chalice continues its dual approach of targeting both extensions of known high-grade PGE-Ni-Cu-Co-Au zones (G1-G3) and scoping out the extensive zones of PGE mineralisation associated with disseminated sulphides.
- High-grade G1 zone extended over a strike length of >400m and a dip extent of up to ~280m, with the zone remaining open.
- New high-grade PGE-Cu-Au sulphide zone discovered at depth below the high-grade G1 zone.
- Broad PGE zones associated with disseminated sulphides continue to demonstrate the large-scale potential of the ~1.6km x 0.7km Gonneville Intrusion.
- Three rigs currently drilling at Gonneville, with assays pending for ~39 drill holes.
- Drilling to continue at pace over the coming months, laying the foundations for a maiden Mineral Resource Estimate targeted for mid-2021.
- Chalice is leveraging its proprietary knowledge gained from the discovery to target other areas within the new West Yilgarn Ni-Cu-PGE Province.

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

- Maiden 10-hole geological diamond drill program completed at the Karri, Ironbark North and Ironbark South Prospects to define the underlying geological and structural setting.
- All six initial diamond drill holes at the Karri Prospect intersected tightly folded, upright stratigraphy and primary gold mineralisation.
- Several high-grade gold zones were intersected ~1-2km apart, which is promising given that the objective of the drill program was to define geology and structural setting.
- Results indicate that the Karri Prospect has the potential for a tier-1 scale gold system.
- Next phase of diamond drilling planned for late Q3 2020.

Corporate

- A\$30 million raised (before costs) at A\$1.05 per share, from major institutional and sophisticated investors.
- Chalice remains fully funded to continue its systematic exploration programs in Western Australia and Victoria, with a cash and investments balance of ~\$54.3 million, including ~\$45.7 million in cash, as of 30 June 2020.
- The COVID-19 pandemic has had minimal impact on Chalice's operational schedule; however, appropriate protocols are in place to minimise the associated risks to employees and contractors.

1. OVERVIEW

Commenting on the June Quarter, Chalice's Managing Director, Alex Dorsch, said: "Chalice has had an exceptional quarter, during which we confirmed a significant nickel-copper-PGE discovery at the Julimar Project in WA, made substantial progress with our gold exploration activities in Victoria, raised \$30 million from new institutional and sophisticated investors and expanded the size and depth of our team to oversee the substantial increase in the scale of our activities.

"All of this was achieved against the challenging backdrop of the COVID-19 pandemic, which is testament to the strength and professionalism of the Chalice team. I am extremely proud of the Company's achievements, particularly given these circumstances and I am excited about our future growth avenues, both at Julimar and elsewhere in the portfolio.

"The Gonneville discovery is already looking like it could be an exceptional and rare nickel-palladium-rich find, and to think that we have just 'scratched the surface' so far in the Julimar Complex is an exciting thought. We are continuing to drill at a rapid pace and we look forward to releasing more results over the coming months. Our aim is to deliver a maiden Mineral Resource Estimate at Gonneville by the middle of next year.

"Our reputation as a leading explorer in Australia has been cemented, and it is great to see recognition for our technical team. We will continue our generative approach, targeting 'company-making' discovery opportunities, leveraging the knowledge gained from Julimar in WA and our proven approach in Victoria.

"There is lots to look forward to over the coming quarter at Julimar, and I am also excited about the resumption of drilling at the Karri Prospect in Victoria, which now looks to have all the ingredients for a potential tier-1 scale gold discovery under cover".

2. EXPLORATION ACTIVITIES

2.1 Julimar Nickel-Copper-PGE Project

The 100%-owned Julimar Nickel-Copper-PGE Project is located ~70km north-east of Perth in Western Australia on private land and State Forest. The Project was staked in early 2018 as part of Chalice's global search for high-potential nickel sulphide exploration opportunities.

Chalice interpreted the possible presence of a mafic-ultramafic layered intrusive complex at Julimar based on high resolution regional magnetics. The large complex is interpreted to be ~26km long and is confirmed to be highly prospective for nickel, copper and platinum group elements. Prior to Chalice, it had never been explored for these metals (**Figure 1**).

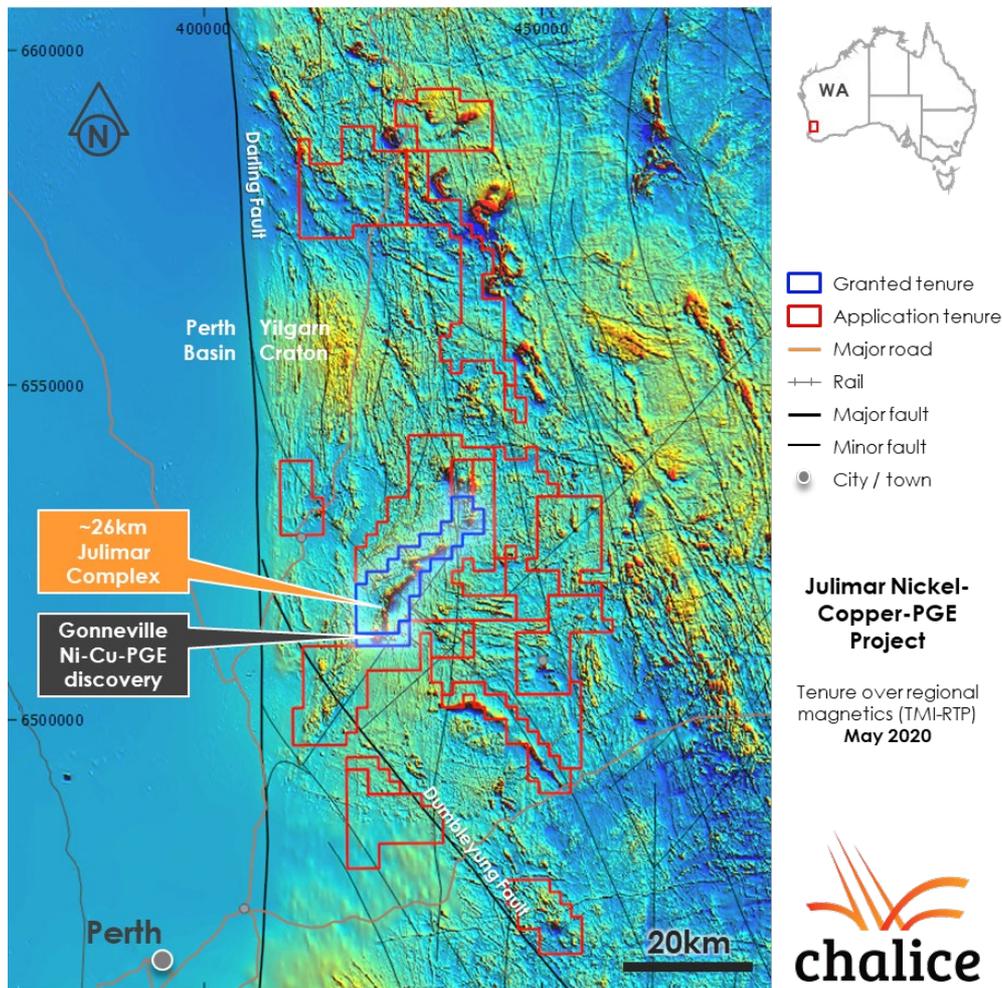


Figure 1. Julimar Project tenure over regional magnetics.

Chalice commenced a systematic, greenfield exploration program in mid-2019 in the southern portion of the Project, on private land, targeting high-grade Ni-Cu-PGEs.

An initial RC drill program commenced in Q1 2020 and resulted in the discovery of high-grade nickel-copper-cobalt-PGE mineralisation at the newly named Gonneville Intrusion. Drilling to date has established the ~1.6km x 0.7km Intrusion has widespread zones of PGE mineralisation as well as several wide zones of high-grade PGE-Ni-Cu-Co-Au. The significant discovery established the new West Yilgarn Ni-Cu-PGE province.

Overview of Activities

Three rigs (two Reverse Circulation ("RC") and one diamond) are currently drilling at the Julimar Project to test the extent of the mineralised system at the Gonneville Intrusion, where Chalice made a high-grade Ni-Cu-Co-PGE discovery in March 2020.

The following activities at the Project were completed (or remain ongoing) during the quarter:

- 30 RC holes for 6,408m were completed – drilling is being undertaken on a 200m x 80m spaced grid over the ~1.6km x ~0.7km Gonneville Intrusion to provide sectional east-west coverage and to define the extent of the mineralised system.

- 11 diamond holes for 3,121.3m were completed – drilling is stepping-out from known high-grade zones (on a nominal 80m x 80m grid) and test new DHEM targets.
- Down-hole EM (DHEM) continues to play a key role in identifying potential high-grade targets for follow-up drilling with DHEM being completed on all diamond holes and selected RC holes.
- A deep penetrating Fixed Loop HT SQUID EM (FLEM) survey and infill Moving Loop EM (MLEM) survey were completed over the entire ~1.6km x ~0.7km intrusion. Several new deep EM targets were identified as well as potential extensions of existing high-grade mineralised zones.
- Auger geochemical sampling was completed over the entire Gonneville Intrusion, which indicated widespread Ni-Cu-PGE anomalism in soils. A ~650m x 250m area at the southern end of the Intrusion was confirmed as highly anomalous and is currently being tested with wide-spaced RC drilling.
- A preliminary metallurgical testwork program is underway on four ore types – massive, matrix, disseminated and oxide.
- The approval process to conduct non-ground disturbing exploration activities within the Julimar State Forest is underway. The majority of the ~26km long Julimar Complex is interpreted to lie within the State Forest and is yet to be explored.

The Company continues its dual approach at Gonneville of targeting both extensions of known high-grade PGE-Ni-Cu-Co zones (G1-G3) with 40-80m spaced step-out drill holes, and scoping out the extensive zones of PGE associated with broad zones of disseminated sulphides on a 200m x 80m spaced grid.

Assay results have been received and reported for five diamond holes (JD001-5) and 17 RC holes (JRC001-17).

Results are currently pending for a further 39 completed drill holes (six diamond and 33 RC).

Drilling Results – High-Grade G1-G3 Zones

Drilling results continue to demonstrate that the intrusion hosts both extensive high-grade PGE-Ni-Cu-Co zones in massive/matrix/stringer sulphides and widespread PGE mineralisation in disseminated sulphides (**Figure 2**).

Results highlight the potential for continued growth of the high-grade massive/matrix/stringer sulphide mineralisation.

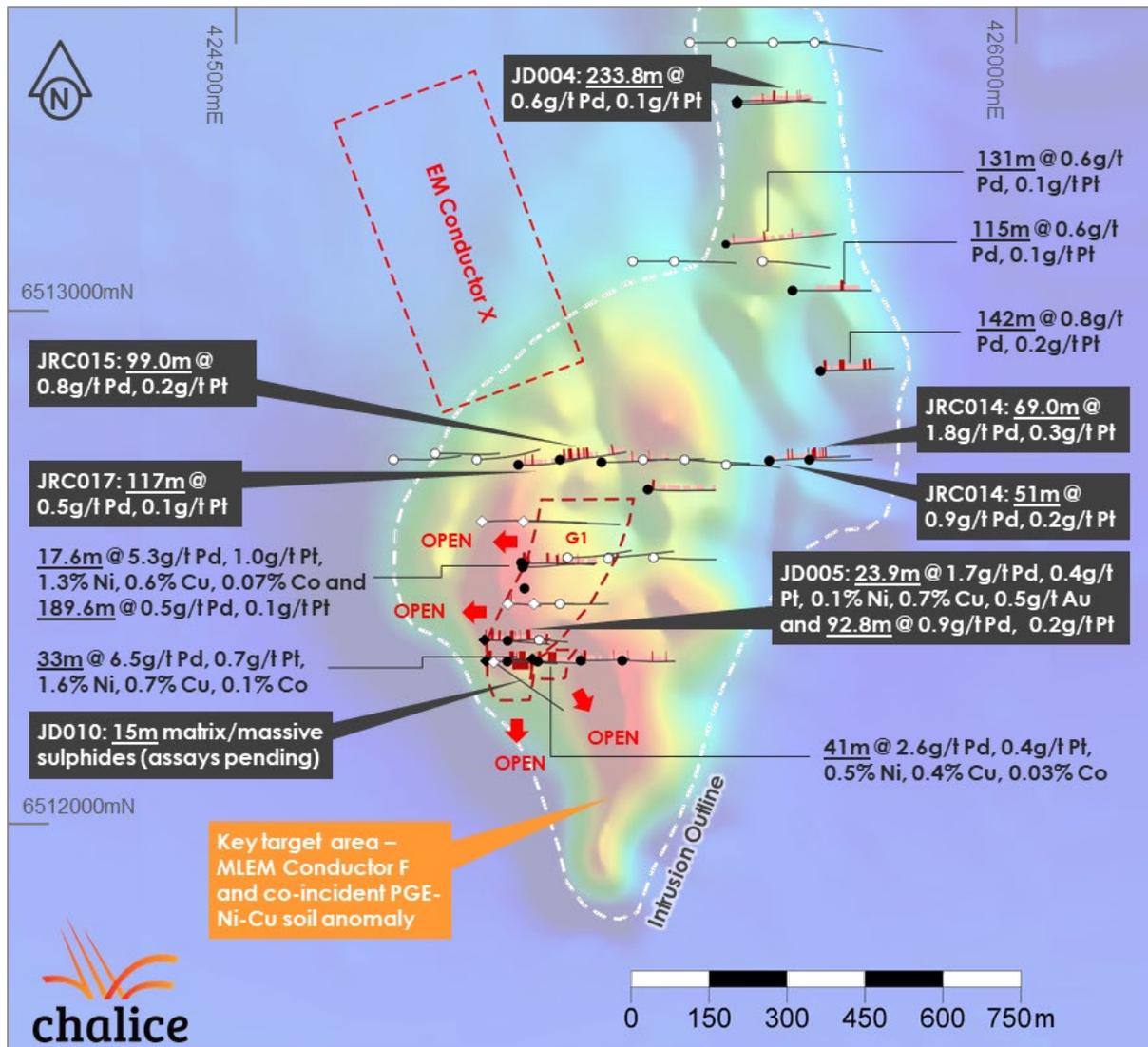


Figure 2. Gonneville Intrusion Plan View – Drilling results, high-grade G1-G2 zone projections and new Conductor 'X' target over TMI-RTP Magnetics.

Drilling has intersected multiple shallow high-grade zones and has so far confirmed that the high-grade G1 zone extends over a strike length of ~400m and a dip extent of up to ~280m. The zone is up to ~20m wide, is continuous and has a grade range of 2-12g/t PGE 0.3-3.3% Ni, 0.3-1.3% Cu, 0.03-0.18% Co (**Figure 3**).

The G1 zone remains poorly constrained and importantly, JD010 (assays pending) confirmed that the G1 zone is open to the south (**Figure 3**).

The high-grade interval intersected in JRC006 (41m @ 2.6g/t Pd, 0.4g/t Pt, 0.5% Ni, 0.4% Cu, 0.03% Co from 39m) is now interpreted to be a separate zone (G2) and remains open along strike. More drilling is required in this area to confirm the current interpretation.

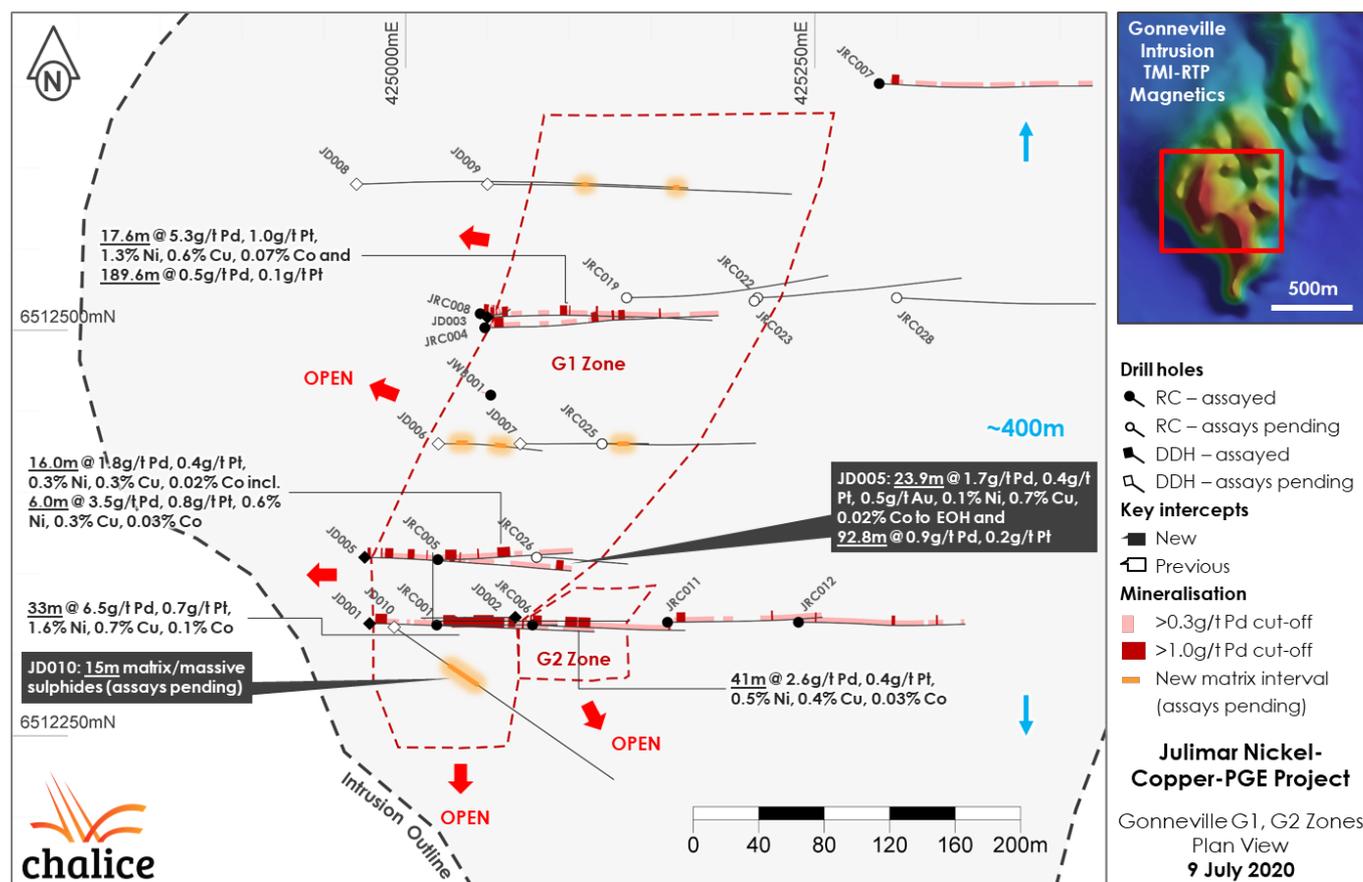


Figure 3. Gonneville G1, G2 Zones Plan View – drilling results and zone projections.

Drilling Results – Disseminated Sulphide Zones

Drilling to date has intersected wide zones of disseminated sulphide with elevated PGEs in every drill hole indicating that PGE mineralisation is widespread within the Gonneville intrusion, to a maximum depth of ~450m thus far. Typical grades range from 0.5-2.0g/t PGEs, 0.1-0.2% Ni, 0.05-0.15% Cu.

An east-west traverse of 11 RC drill holes has been completed through the central and widest interpreted part of the Gonneville intrusion. Assays have been received for 5 of the 11 holes, and all have intersected broad intervals of PGE mineralisation (**Figure 4**).

Drilling also continues to define an oxide zone enriched in PGEs (~1.2-4.5g/t PGEs) from surface.

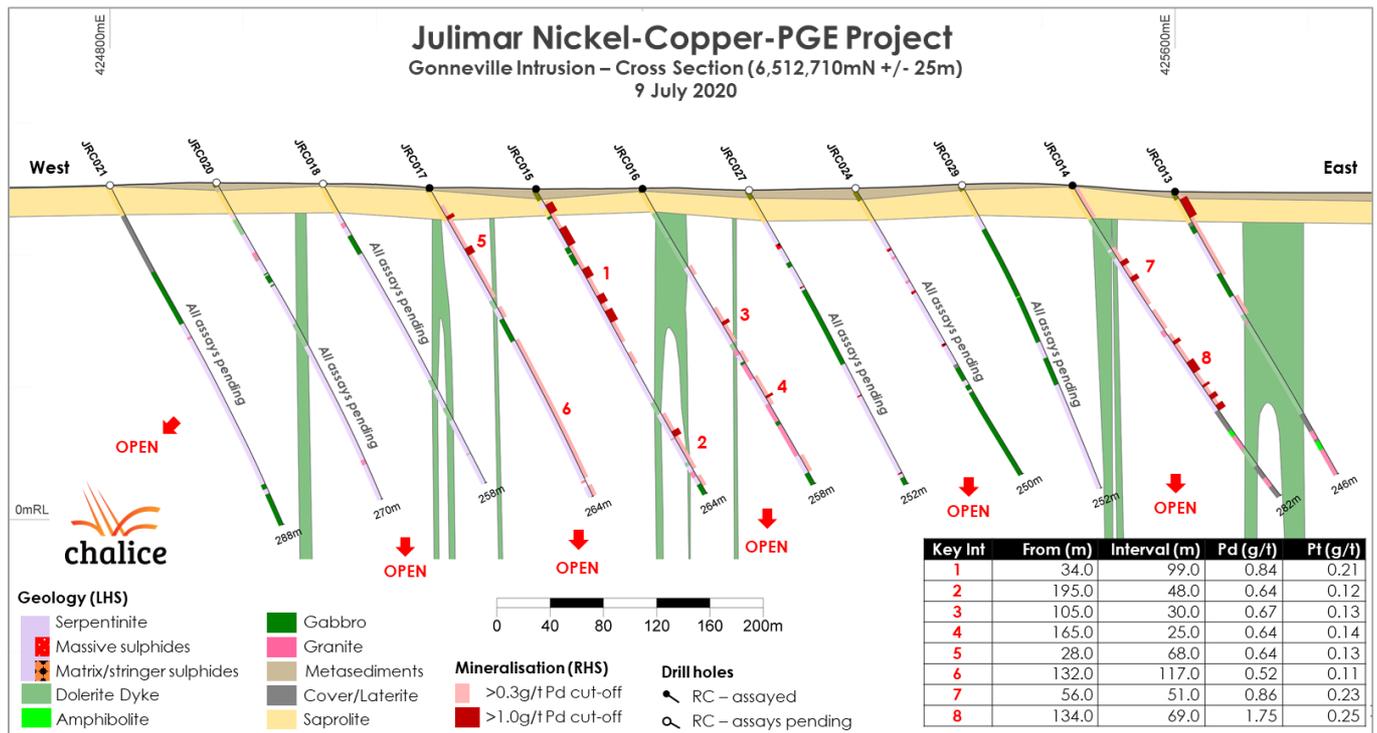


Figure 4. Gonneville Cross Section (6,512,710mN +/-25m).

Forward plan

Chalice is continuing its approach of simultaneously exploring and evaluating the zones of high-grade PGE-Ni-Cu-Co-Au mineralisation and the extensive disseminated PGE+/-Cu-Ni zones within the large-scale Gonneville Intrusion.

Ongoing and planned activities at Julimar include:

- **RC drilling** – a ~40,000m RC drill program is ongoing utilising two rigs. Drilling is being undertaken on a 200m x 80m spaced grid over the ~1.6km x ~0.7km Gonneville Intrusion to provide sectional east-west coverage and to define the extent of the mineralised system. Once complete, RC drilling will infill the high-grade zones at a nominal 80m x 40m spaced grid and infill the disseminated zones at a nominal 100m x 80m spaced grid.
- **Diamond drilling** – a diamond drill rig is continuing to step-out and infill known high-grade zones (on a nominal 80m x 80m spaced grid) and test new DHEM targets. Once complete, diamond drilling will infill the high-grade zones at a nominal 80m x 40m spaced grid. A second diamond drill rig is planned to be mobilised in the coming weeks.
- **EM Geophysics (DHEM, ground EM and airborne EM)** – DHEM continues to play a key role in identifying potential high-grade targets for follow-up drilling and will be completed on all diamond holes and selected RC holes. It is important to note the lack of an EM target does not preclude the presence of high-grade mineralisation as evidenced by several intercepts. An airborne EM survey is planned in August over the entire Julimar Complex.
- **Metallurgical testwork** – a preliminary metallurgical testwork program is underway on four ore types – massive, matrix, disseminated and oxide.
- **Access approvals** – the approval process to conduct non-ground disturbing exploration activities within the Julimar State Forest is underway.

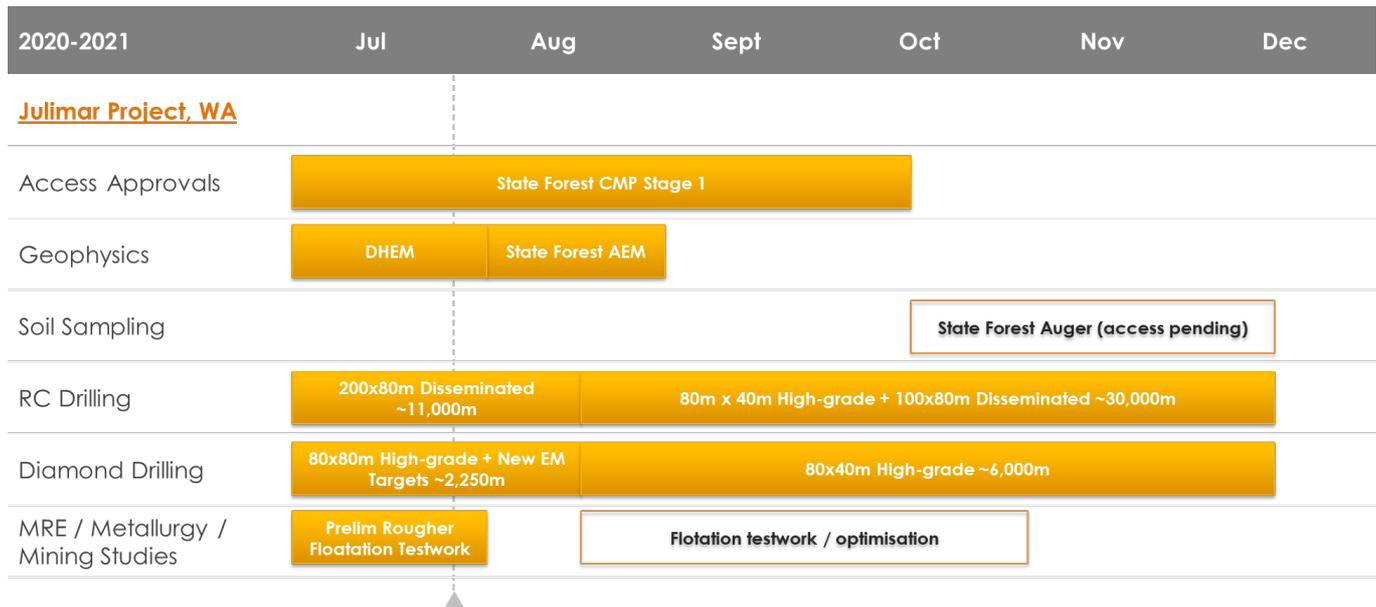


Figure 5. Julimar Project indicative exploration schedule H2 2020.

2.2 Pyramid Hill Gold Project, Victoria

The 100%-owned Pyramid Hill Gold Project was staked in late 2017 and now covers an area of >5,000km² in the Bendigo region of Victoria. The Project comprises three key districts within the Murray Basin covered North Bendigo Zone: Muckleford, Mt William and Percydale (**Figure 6**).

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 producing gold mines, the >9Moz Fosterville Gold Mine owned by Kirkland Lake Gold (NYSE / TSX: KL | ASX: KLA).

The 'Gold Undercover' initiative by the Victorian Government in 2006-2009 estimated a potential ~32Moz (P50 mid-case) of undiscovered gold beneath Murray Basin cover in the Bendigo Zone. However, the vast majority of the covered area remains sparsely explored. Given there is highly variable, shallow cover over a large portion of the Project, the Company believes that there is excellent potential for the discovery of new commercially viable gold deposits.

Chalice is targeting tier-1 scale (>US\$1bn NPV), high-grade gold discoveries and is currently conducting a systematic, regional-scale greenfield exploration program. The Company is utilising all available targeting tools at its disposal, including the substantial pre-existing regional geophysics database (including crustal scale 2D seismic), regional-scale soil sampling and ground geophysics.

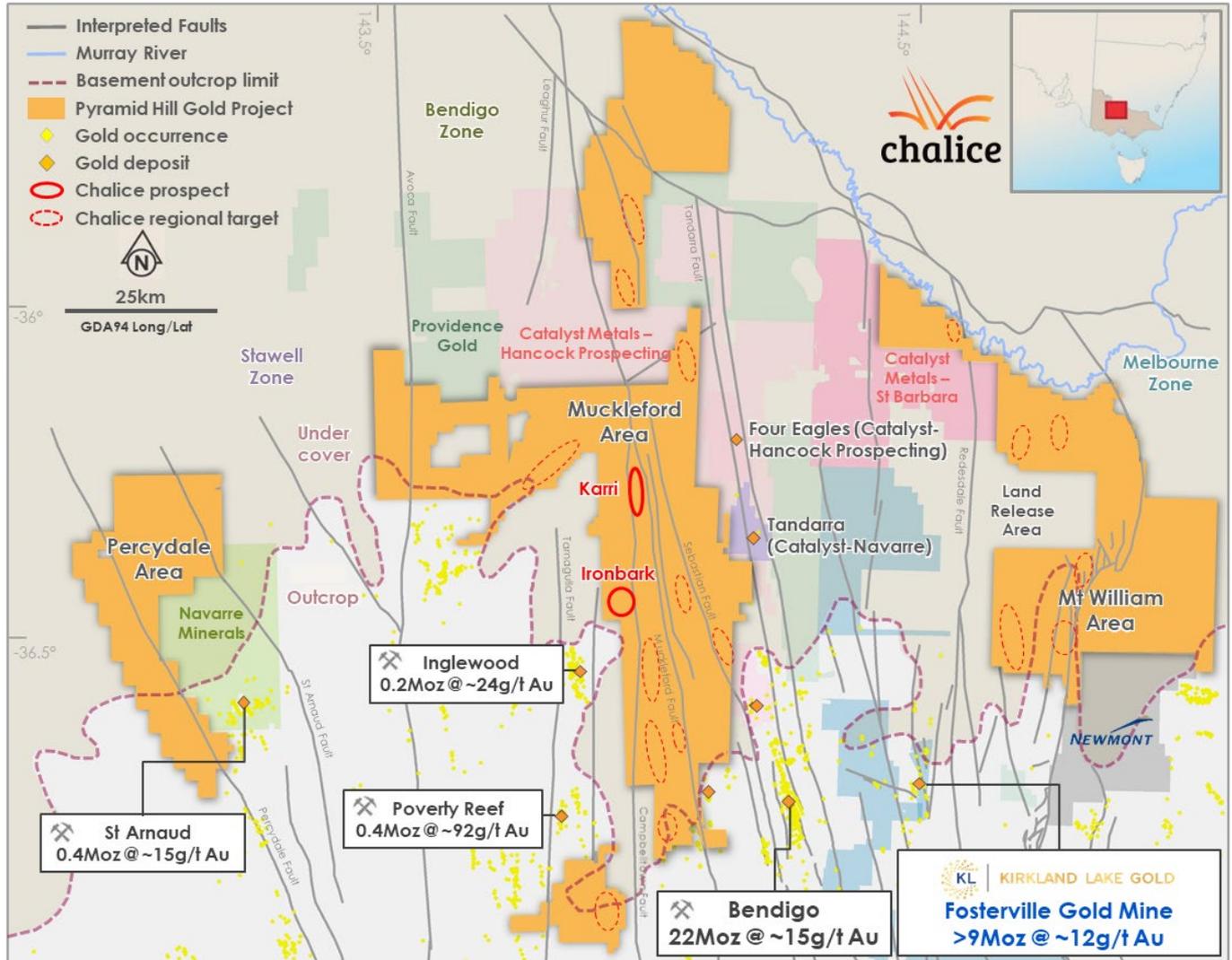


Figure 6. Pyramid Hill Gold Project tenure, regional licence holders and gold occurrences / deposits.

Overview of Activities

The Company continued its systematic exploration drilling program at the Pyramid Hill Gold Project during the quarter, and completed a 10 hole, ~3,500m maiden geological diamond drill-hole program.

This drill program was designed as a first-pass geological assessment of three key under cover targets generated from the Company's initial phases of shallow air-core (AC) drilling – Karri, Ironbark North and Ironbark South. All three greenfield targets were generated by Chalice and are located under ~40-80m of Murray Basin cover.

Diamond drill results – Karri Prospect

Wide-spaced, reconnaissance diamond holes (6 holes for ~2,000m) were designed to assess the prospective structural setting at the Karri Prospect where AC drilling has defined a strong and extensive gold trend at the weathered top of the Castlemaine Group basement over >4km of strike length.

Drilling was undertaken on ~500m spaced offset drill lines, with one hole completed per line, to provide initial geological and structural information (as opposed to direct targeting of primary gold lodes).

All six drill holes intersected strongly anomalous primary gold mineralisation including several significant high-grade gold zones (**Figure 7**).

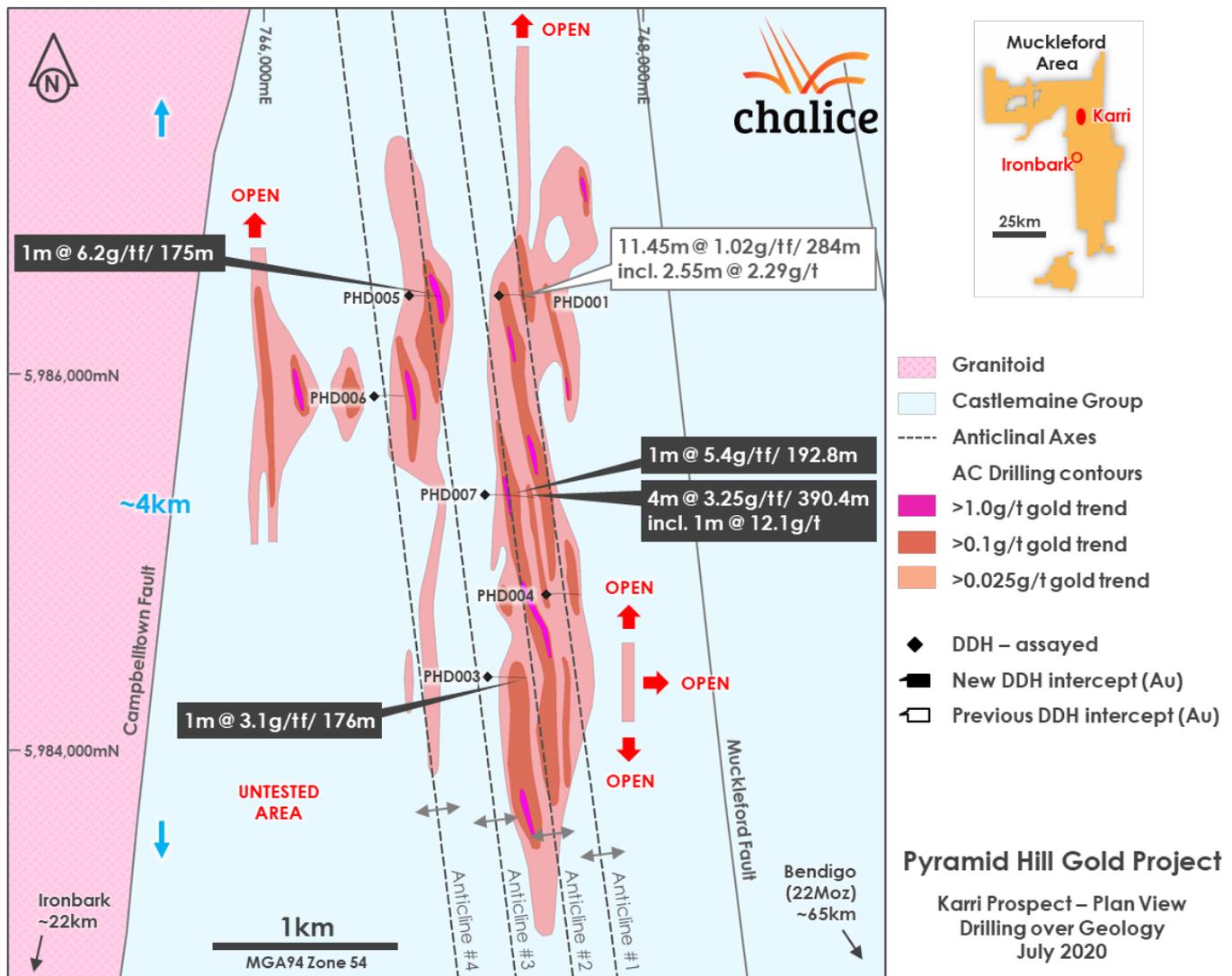


Figure 7: Karri Prospect – Plan View of diamond drill results and AC gold trends over geology.

Detailed geological and structural analysis of the diamond core has identified four discrete and tightly folded anticlines developed over a 1km width which have a gentle northerly plunge. The anticlinal folds have been confirmed along a ~2km strike length however, based on the >4km long gold trend in AC drilling, these fold hinges are expected to continue beyond the limits of drilling.

Tightly folded / upright Castlemaine Group sediments with gently plunging anticlinal fold hinges are a characteristic feature of all large high-grade gold deposits in the Bendigo Zone including Bendigo (>22Moz Au), Fosterville (>9Moz Au) and Ballarat (>14Moz Au).

Several cross-cutting structures have been identified at Karri which, together with the interpreted anticlinal fold hinges, provide exciting new targets for the next phase of drilling. For example, a prospective structural setting is evident up-dip of diamond hole PHD007 where interpreted limb thrusts propagate through a thick coarse channel sandstone unit and cross-cut a major anticline (**Figure 8**).

A previous AC hole, PA547, located ~20m to the west of the interpreted anticlinal position, intersected 30m @ 1.12g/t Au to the end-of-hole, including 2m @ 11.54g/t Au and is considered to be proximal to a primary gold lode.

The presence of high-grade gold mineralisation, in proximity to structures that cross-cut anticlinal fold hinges, intersected across a multi-kilometre footprint, confirms that Karri has a similar geological setting to the large scale, high grade gold deposits in the region.

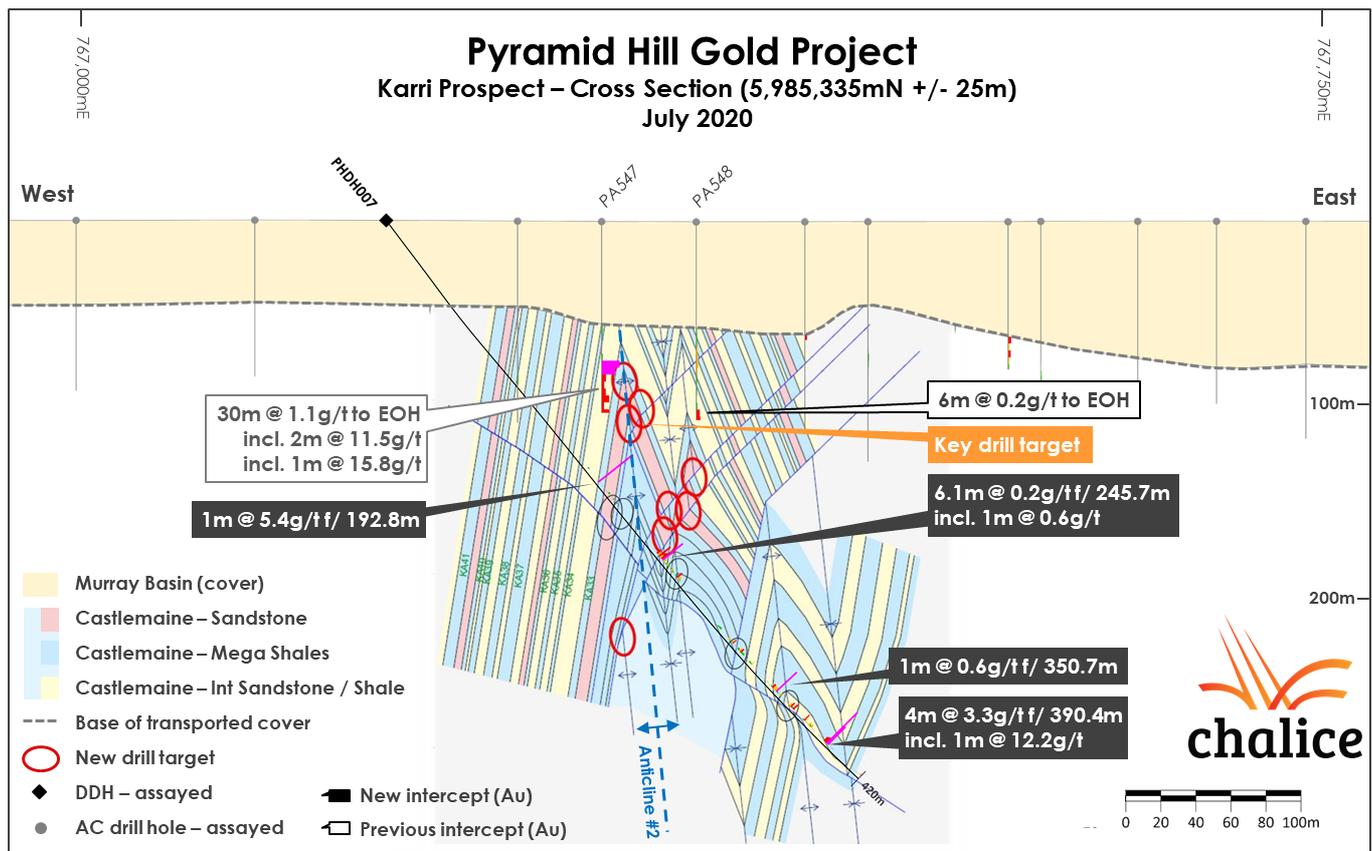


Figure 8: Karri Prospect – Cross Section of PHD007 (5,985,335mN +/- 25m).

Diamond drill results – Ironbark Prospects

The maiden diamond drill program at the Ironbark North Prospect (2 holes for ~660m) was designed to provide a first-pass geological assessment of the ~750m x ~600m northern diorite intrusion and in particular its margins with Castlemaine Group Sediments.

The diorite margins returned highly anomalous gold, arsenic and antimony in previous shallow AC drilling in late 2019, including 8m @ 2.02g/t Au and 8m @ 0.45g/t Au. New anomalous gold zones were intersected in close proximity to both the western and eastern contacts, with all significant gold intersections open along strike to the north and south.

The drill results confirm that the contact zones between the diorite and Castlemaine Group Sediments host primary gold mineralisation and further diamond drilling is planned to test the prospective diorite-sediment contacts.

The maiden diamond drill program at the Ironbark South Prospect (2 holes for ~790m) was designed to provide a first-pass geological assessment of the ~600m x ~500m southern diorite intrusion, which was also confirmed as gold-bearing from previous shallow AC drilling.

Diamond drilling was completed internal to the intrusion to test a predominantly east-north-east orientated gold and pathfinder metal trend defined from AC drilling.

Two holes were drilled with opposing azimuths, as the dip of any potentially significant structures was unknown. The drilling confirmed the presence of primary gold within quartz veining both in the diorite and the adjacent Castlemaine Group Sediments, which is viewed as encouraging.

Forward plan

Ongoing and planned activities at Pyramid Hill include:

- **Geological modelling** – an initial structural and stratigraphic model for the Karri Prospect is currently being finalised utilising the results of diamond drill core logging and the Company's recent 2D seismic survey.
- **Diamond drilling** – a Phase 2 diamond drill program at the Karri Prospect is planned to commence in late Q3 2020.
- **Follow-up AC drilling** – Phase 3 reconnaissance drill program is planned at the Ironbark Prospects to extend coverage between the diorite intrusions and to the south-west of the Ironbark South diorite, where anomalous primary gold remains open along strike. AC drilling is planned to commence in late Q3 2020.
- **Regional AC drilling** – a regional reconnaissance AC drill program is planned at new targets within the Muckleford and Mt William Areas, on 3-5km spaced drill lines. This program will commence once AC drilling at Ironbark is completed.

2.3 King Leopold Nickel Project, Western Australia

No field activities were completed during the quarter, however reconnaissance, soil geochemical sampling and ground EM has commenced subsequent to quarter-end over the Waterford and King Sound areas.

The Company is planning a maiden RC drill program in Q3 2020 to test several new EM targets, including the high-priority ~2.5km x 1.5km Ephesus Target.

2.4 South West Nickel-Copper Project, Western Australia

Subsequent to quarter-end, Chalice secured a significant new opportunity in the South West region of Western Australia with the potential for nickel-copper-PGE sulphide discoveries.

The South West Nickel Project includes a 'Julimar look-alike' Ni-Cu-PGE target, a ~20km long interpreted mafic-ultramafic complex with a strong magnetic signature and massive sulphide occurrence (the Thor Target).

Chalice's immediate focus at the project will be geological reconnaissance, systematic surface geochemistry and ground-based electromagnetic (EM) geophysics over the >20km long Thor Target. These activities are planned to commence in late Q3 2020.

The Company has executed an earn-in agreement with Venture Minerals ("Venture", ASX: VMS), whereby Chalice may earn up to a 70% interest in the project by spending \$3.7 million on exploration over 4 years (with a minimum commitment of \$300,000).

2.5 Generative Projects

Subsequent to quarter end, Chalice executed an agreement whereby TC Resources NT Pty Ltd (a subsidiary of NT Bullion Pty Ltd) may earn up to a 75% interest in Chalice's 100%-owned granted exploration licences and exploration licence applications at its Warrego North Project in the Northern Territory, by spending \$1.15 million over six years (with a minimum commitment of \$300,000 within 12 months). The agreement is conditional on the tenement applications being granted.

No exploration activity was undertaken on the Barrabarra, Warrego North, Mt Jackson, Auralia and Flinders River Projects during the quarter. These projects are early-stage opportunities where low-cost prospect generation can contribute to a diversified pipeline of future projects in the Chalice portfolio. The Company has commenced seeking joint venture partners for certain projects.

2.6 Non-Operated Joint Ventures

Nulla South Gold Project, Western Australia (Ramelius earning 75%)

Operator Ramelius Resources Ltd (ASX: RMS) reported that no exploration was completed during the quarter.

Gibb Rock Gold Project, Western Australia (Ramelius earning 75%)

Operator Ramelius Resources Ltd (ASX: RMS) reported that aircore (AC) drilling, designed to test broad gold-in-soil anomalies along the interpreted granite-greenstone contact, commenced during the quarter. All assays are pending.

3. CORPORATE

As at 30 June 2020, Chalice had a combined cash and investments balance of ~\$54.3 million. This includes ~\$45.7 million in cash and \$8.3 million in O3 Mining Inc. (TSX-V: OIII) shares.

The Company has a contingent \$5 million payment receivable upon commercial production at the Nyanzaga Gold Project in Tanzania from OreCorp Limited ("OreCorp", ASX: ORR). OreCorp is currently awaiting grant of a Special Mining Licence.

On 20 May 2020, Chalice completed a \$30 million (before costs) capital raising at \$1.05 per share, to advance the discovery at Julimar.

The Company is planning a significant greenfield exploration program for FY21, which includes (subject to results):

- ~70,000m of drilling at the Gonneville Ni-Cu-PGE discovery;
- ~45,000m of drilling at the Pyramid Hill Gold Project;
- ~3,000m of drilling at King Leopold Nickel Project;
- First-pass reconnaissance and targeting across the Julimar, South West and Barrabarra Ni-Cu-PGE Projects (Chalice's new tenure within the West Yilgarn Ni-Cu-PGE Province), leveraging knowledge from the Gonneville discovery.

Chalice will continue to monitor the current advice from the Government and health authorities with regards to restrictions imposed due to the COVID-19 pandemic, and to ensure the ongoing health and well-being of its employees and contractors.

During the Quarter, the Company spent ~\$3.1 million on exploration activities, ~\$0.4 million on corporate, administration and business development costs (net of interest and receipts).

Receipts from investing activities of \$13.2 million includes the proceeds from the takeover of Spectrum Metals Ltd ("Spectrum", ASX:SPX) by RMS and subsequent sale of RMS shares ~\$12.3 million together with the final deferred consideration of \$0.9 million from O3 Mining Inc relating to the sale of the East Cadillac and Kinebik Gold Projects in Quebec, Canada.

Further details are available in the attached Appendix 5B.

3.1 Spectrum Metals Ltd Investment

Following the acceptance of the Ramelius takeover of Spectrum in March 2020, during the quarter, the Company received cash consideration of \$1.65 million as per the terms of the takeover and disposed of the ~9.7 million shares received in Ramelius for total proceeds of ~\$10.6 million. The disposal resulted in a total gain of ~\$6.5 million from the investment in Spectrum.

3.2 Vesting and Exercise of 2017/2018 Performance Rights

Subsequent to the end of the quarter, on 14 July 2020, in accordance with the terms of the Company's Long Term Incentive Plan, 4,382,655 2017/2018 Performance Rights that were issued to Key Management Personnel and employees in 2017 vested in full due to the achievement of the performance conditions measured over the three years ended 30 June 2020.

Upon vesting, 3,967,290 Performance Rights were exercised into an equivalent number of fully paid ordinary shares (Shares) in accordance with the terms of the Plan. The Board resolved to pay cash in lieu of the exercise of 415,365 Performance Rights, held by a non-Australian resident.

3.3 Appendix 5B – Payments to Related Parties of the Entity and their Associates

Payments of \$171k reported in Item 6.1 of the attached Appendix 5B, relates to salaries and fees (including superannuation) paid to Directors of \$160k, payments made to Liantown Resources Ltd (a director related entity) for storage rent at cost (\$5k) and payments made to Devex Resources Ltd (a director related entity) for the provision of geological consulting services (\$6k).

4. TENEMENT SCHEDULES

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

Authorised for release on behalf of the Company by:



Alex Dorsch
Managing Director

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

Corporate Enquiries
Alex Dorsch
Managing Director
Chalice Gold Mines Limited

Media Enquiries
Nicholas Read
Principal and Managing Director
Read Corporate Investor Relations

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Competent Persons and Qualifying Persons Statement

The information in this report that relates to Exploration Results is based on information prepared by or 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 report that relates to exploration results for the Julimar Project is extracted from the following ASX announcements:

- "Significant nickel-palladium discovery confirmed at Julimar", 15 April 2020
- "Second diamond hole intersects discovery zone at Julimar", 20 April 2020
- "Exciting visual results from deep diamond drill hole at Julimar", 5 May 2020
- "Large-scale PGE system further expanded at Julimar", 11 May 2020
- "High-grade Ni-Cu-PGEs confirmed in discovery zone at Julimar", 25 May 2020
- "Extension of wide, high-grade PGE-Ni-Cu matrix zone at Julimar", 15 June 2020
- "Chalice discovers new high-grade PGE-Cu-Au zone at Julimar", 9 July 2020

The Information in this report that relates to the exploration results for the Pyramid Hill Project is extracted from the following ASX announcements:

- "Discovery of new >2km gold trend in air-core drilling at Karri Target indicates potential for a significant gold system", 12 December 2019
- "Several new gold zones discovered in first drill holes at Ironbark North Target", 19 December 2019
- "Karri gold trend expanded to over 3km of strike extent", 13 January 2020
- "Infill AC drilling at Karri returns best intercept to date of 4m at ~4g/t gold", 3 February 2020
- "New High-Grade Gold Zones at the Large-Scale Karri Target", 4 March 2020
- "First diamond drill hole at Karri hits primary gold zone", 7 April 2020
- "Large gold system confirmed at Karri, Pyramid Hill", 29 July 2020

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

Such factors may include, among others, risks related to actual results of current or planned exploration activities; changes in project parameters as plans continue to be refined; changes in exploration programs based upon the results of exploration; future prices of mineral resources; possible variations in mineral resources or ore reserves, grade or recovery rates; accidents, labour disputes and other risks of the mining industry; delays in obtaining governmental approvals or financing or in the completion of development or construction activities; movements in the share price of O3 Mining securities and future proceeds and timing of potential sale of O3 Mining securities, as well as those factors detailed from time to time in the Company's interim and annual financial statements, all of which are filed and available for review on SEDAR at sedar.com, ASX at asx.com.au and OTC Markets at otcm Markets.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. Portfolio and Tenement Schedule

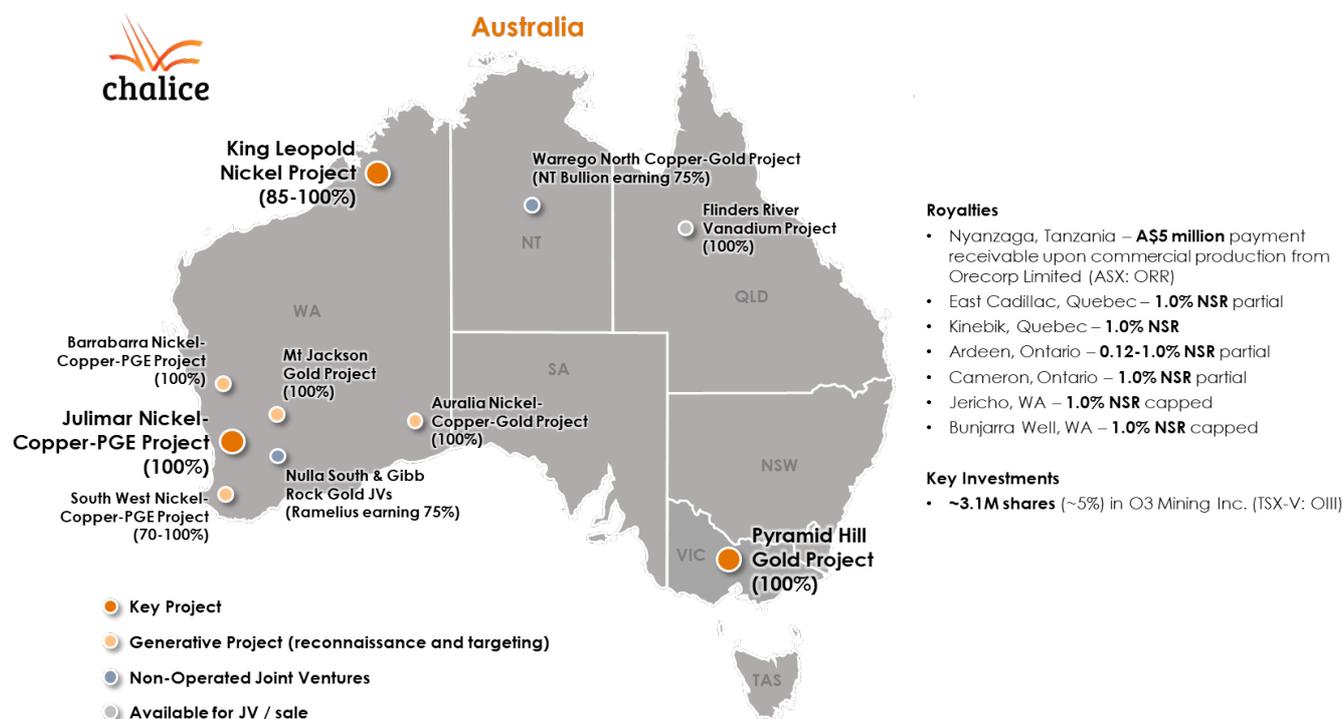


Figure 9. Chalice's project locations in Australia, non-operated JV interests, investments and royalties.

The following information is provided in accordance with ASX Listing Rule 5.3 for the Quarter ended 30 June 2020.

1. Listing of tenements held

Location	Project	Tenement No.	Registered Holder	Nature of interest
Western Australia	King Leopold	E04/1169	Waterford Bay Pty Ltd	100% of the hard-rock mineral rights
		E04/2405	Waterford Bay Pty Ltd	100% of the hard-rock mineral rights
		E04/2563	Kimberley Alluvials Pty Ltd	100% of the hard-rock mineral rights
		E04/2299	Strategic Metals Pty Ltd	0% - Farm-in agreement, right to earn up to 85% interest
		E04/2325	Strategic Metals Pty Ltd	0% - Farm-in agreement, right to earn up to 85% interest
	Gibb Rock	E70/4869	CGM (WA) Pty Ltd	95% - Farm-out agreement, Ramelius Resources Ltd has the right to earn up to 75% interest
		E70/5194	CGM (WA) Pty Ltd	100% - 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
	Julimar	E70/5118 to E70/5119	CGM (WA) Pty Ltd	100%
	Auralia	E69/3636 to E69/3637	CGM (WA) Pty Ltd	100%
E69/3700		CGM (WA) Pty Ltd	100%	
Barrabarra	E70/5263	CGM (WA) Pty Ltd	100%	

Location	Project	Tenement No.	Registered Holder	Nature of interest
		E70/5264	CGM (WA) Pty Ltd	100%
	Mt Jackson	E77/2577	CGM (WA) Pty Ltd	100%
	South West	E70/5086	Banks, Aaron Peter; Keil, Michael; Roseberry Holdings 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%
		EL006960	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	EPM26861	CGM Lithium Pty Ltd	100%
		EPM26864 to EPM26866	CGM Lithium Pty Ltd	100%

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

Location	Project	Tenement No.	Registered Holder	Interest at end of Quarter
-	-	-	-	-

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	King Leopold	E04/2562	North West Nickel Pty Ltd	0%

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Chalice Gold Mines Limited

ABN

47 116 648 956

Quarter ended ("current quarter")

30 June 2020

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 ⁽¹⁾	98	404
1.2 Payments for		
(a) exploration & evaluation	(3,137)	(7,713)
(b) development	-	-
(c) production	-	-
(d) staff costs	(314)	(1,337)
(e) administration and corporate costs	(335)	(1,099)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	8	55
1.5 Interest and other costs of finance paid	(2)	(14)
1.6 Income taxes refunded/(paid)	-	110
1.7 Government grants and tax incentives	134	134
1.8 Other (provide details if material)		
- Business development costs	(64)	(730)
- Canadian transaction and restructuring costs ⁽²⁾	(8)	(281)
- Other	51	111
1.9 Net cash from / (used in) operating activities	(3,569)	(10,360)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	(66)	(81)
(d) exploration & evaluation	-	-
(e) investments	-	(5,633)
(f) other non-current assets	-	-

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	958	1,573
	(b) tenements	-	-
	(c) property, plant and equipment	-	9
	(d) investments	12,308	12,944
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	27	38
2.6	Net cash from / (used in) investing activities	13,227	8,850
3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	30,050	30,050
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	171	171
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(1,607)	(1,615)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(51)	(197)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	28,563	28,409
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	7,594	18,621
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(3,569)	(10,360)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	13,227	8,850
4.4	Net cash from / (used in) financing activities (item 3.10 above)	28,563	28,409
4.5	Effect of movement in exchange rates on cash held	(121)	174
4.6	Cash and cash equivalents at end of period	45,694	45,694

- (1) Includes receipts from corporate services provided by Chalice staff and subleases.
- (2) Canadian transaction (eg. legal fees etc.) and restructuring costs associated with the disposal of the East Cadillac and Kinebik Gold Projects and discontinuing operations in Canada.

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	1,817	7,594
5.2 Call deposits	43,877	-
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)	45,694	7,594

6. Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1 Aggregate amount of payments to related parties and their associates included in item 1	171
6.2 Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

7. Financing facilities <i>Note: the term 'facility' includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	-	-
7.5 Unused financing facilities available at quarter end		
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(3,569)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(3,569)
8.4 Cash and cash equivalents at quarter end (item 4.6)	45,694
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	45,694
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	12
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: Not applicable	
8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: Not applicable	
8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
Answer: Not applicable	
<i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i>	

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.

31 July 2020

Date:

By the Board

 Authorised by:
 (Name of body or officer authorising release – see note 4)

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow 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 cash flow 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.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.