



Drilling at Pyramid Hill Gold Project Jan-2019

Corporate Presentation – Precious Metals Summit Beaver Creek

12 September 2019

ASX : CHN | TSX: CXN | OTCQB: CGMLF



Forward looking statements and disclosures

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

Forward-Looking Statements

This document may contain forward-looking information within the meaning of Canadian securities legislation and forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995 (collectively, forward-looking statements). These forward-looking statements are made as of the date of this document and Chalice Gold Mines Limited (the Company) does not intend, and does not assume any obligation, to update these forward-looking statements. Forward-looking statements relate to future events or future performance and reflect Company management's expectations or beliefs regarding future events and include, but are not limited to, the likelihood of exploration success including results of future geophysical surveys, drilling at the Company's projects and other exploration activities; the timing and costs of future exploration activities on the Company's exploration projects; the potential to define future mineral resources and, if successful at any of the Company's exploration projects, the potential viability of any mineral resource so defined; planned expenditures and budgets and the execution thereof; the timing and availability of drill results; potential sites for drilling, that general business and economic conditions will not change in a materially adverse manner; the timing and amount of estimated future production, costs of production, capital expenditures, success of mining operations, environmental risks, unanticipated reclamation expenses, title disputes or claims and limitations on insurance coverage. In certain cases, forward-looking statements can be identified by the use of words such as "plans", "planning", "expects" or "does not expect", "is expected", "will", "may", "would", "potential", "budget", "scheduled", "estimates", "forecasts", "intends", "prospects" "anticipates" or "does not anticipate", "believes", "occur", "be achieved", or variations of such words and phrases or statements that certain actions, events or results may, could, would, might or will be taken, occur or be achieved or the negative of these terms or comparable terminology. By their very nature forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors may include, among others, risks related to actual results of current or planned exploration activities; changes in exploration programmes based upon results of exploration; future prices of commodities; geophysical anomalies may or may not be associated with economic mineralisation; 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, 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](https://www.sedar.com), ASX at [asx.com.au](https://www.asx.com.au) and OTC Markets at [otcm Markets.com](https://www.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.

Competent Person and Qualifying Persons Statement

The Information in this presentation that relates to the exploration results for the Pyramid Hill Project is extracted from ASX announcements entitled "Chalice secures extensive strategic position in highly prospective northern Bendigo region, Victoria", "Chalice identifies two 12km+ gold-in-soil anomalies at Pyramid Hill Project, Bendigo", "Chalice set to drill large-scale gold targets at Pyramid Hill Gold Project, Victoria", "Reconnaissance drilling at Pyramid Hill Gold Project continues to outline high-priority target areas", "Shallow drilling hits gold in basement and outlines three high priority targets for follow-up at the Pyramid Hill Gold Project, Victoria" and "Drilling to recommence at the Pyramid Hill Gold Project in late September" released on 26 February 2018, 12 July 2018, 27 September 2018, 19 March 2019, 8 July 2019 and 2 September 2019 respectively.

The Information in this presentation that relates to exploration results for the King Leopold Project is extracted from ASX announcement entitled "Chalice acquires highly prospective nickel sulphide project in west Kimberley region of WA" and "Strong EM Conductors Identified at King Leopold Project" released on 18 June 2019 and 20 August 2019.

The above announcements are available to view on the Company's website at [chalicegold.com](https://www.chalicegold.com). The Company confirms that it is not aware of any new information or data that materially affects the information included in the relevant original market announcements. The Company confirms that the form and context in which the Competent Person and Qualified Person's findings are presented have not been materially modified from the relevant original market announcements.

A unique, well-funded exploration business



Drilling at Pyramid Hill Gold Project, Dec-2018

1

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

- Tier-1 (>US\$1bn NPV) discovery model
- Gold undercover in Nth Bendigo Zone (Victoria)
- Nickel sulphides in frontier west Kimberley (WA)

2

Strong financial position

- ~A\$33M (~US\$22M) in working capital and investments (~A\$0.12 per share)
- No capital raised since 2011

3

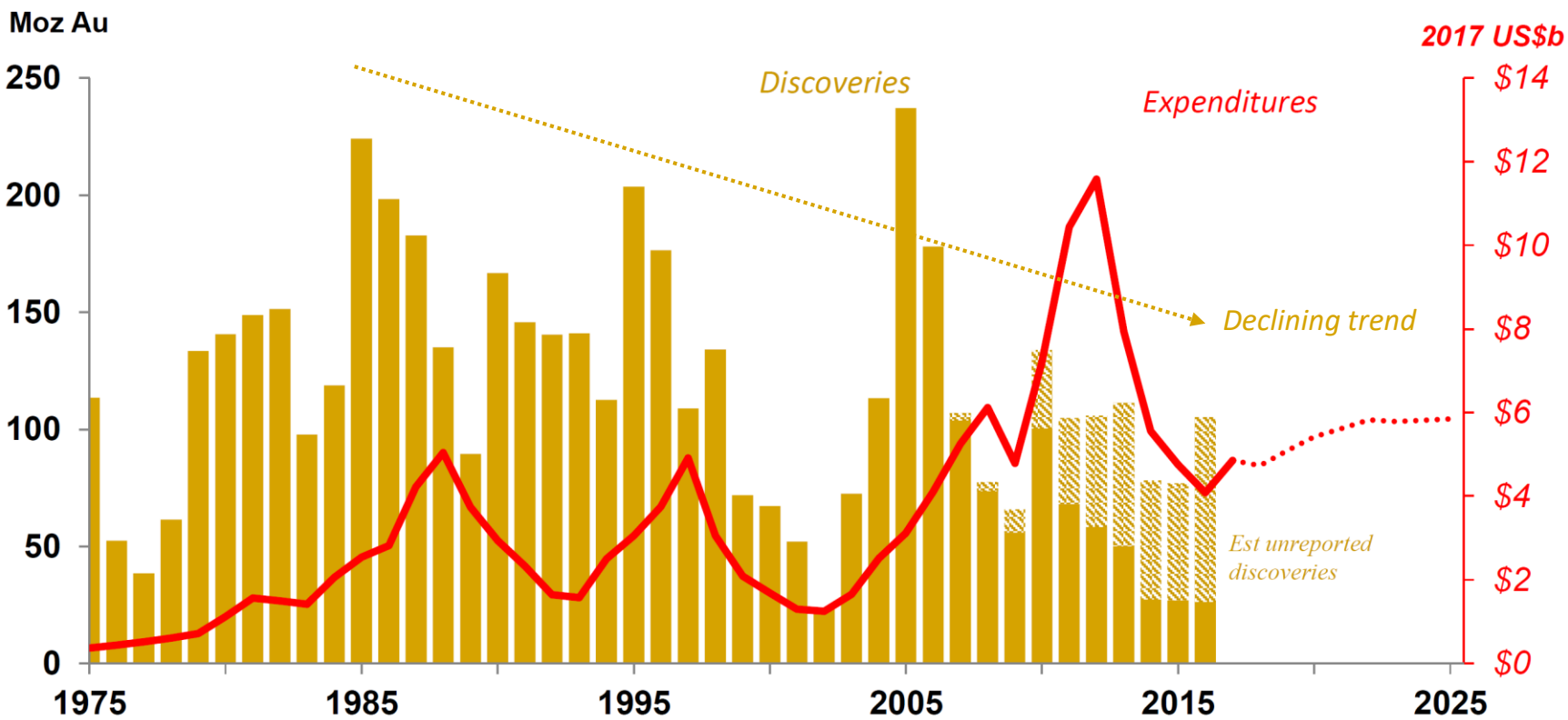
Track record of value creation

- ~A\$107M (~US\$73M) after-tax proceeds generated from multiple well timed asset sales
- ~A\$36M (~US\$24M) returned to shareholders since 2012 (A\$0.14 per share)

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



Exploration Expenditures and Primary Gold discovered globally

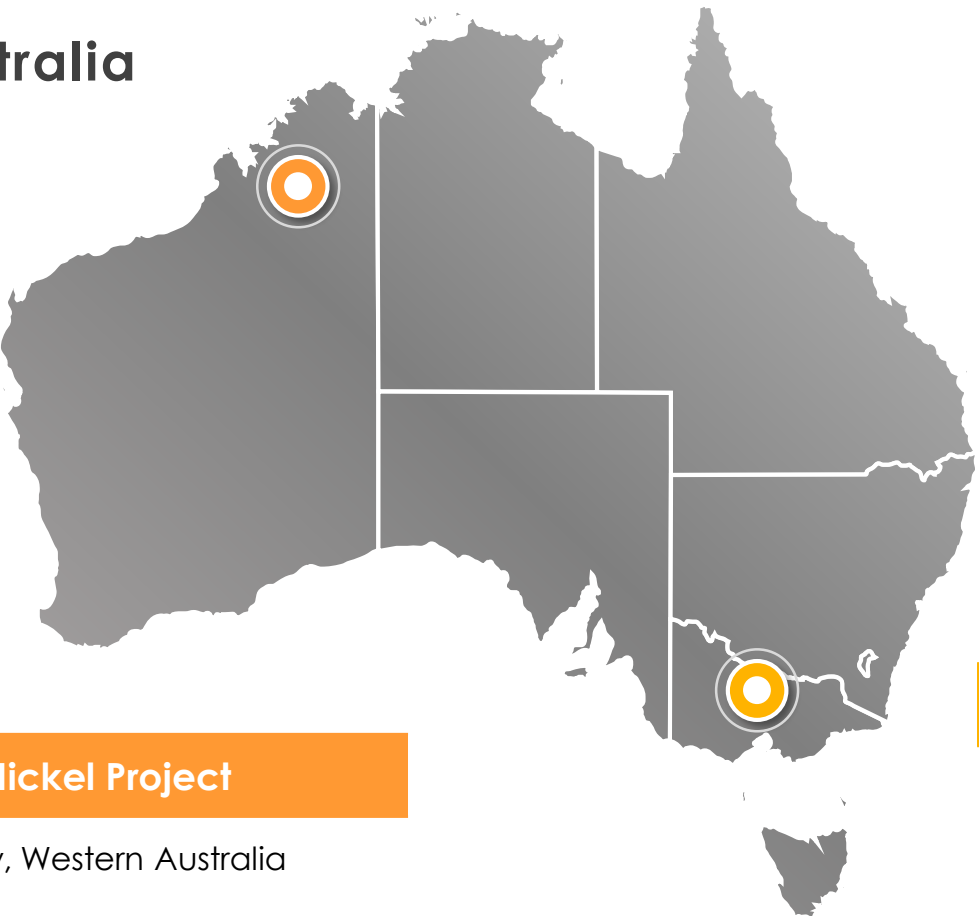


Tier 1 discoveries (>US\$1bn NPV) now represent only ~2% of all discoveries worldwide. None in Australia in last 10 years.

“Peaks in discoveries precede the peaks in exploration spend. So the best time to get in [to explorers], is when exploration spend bottoms out and starts rising... which is now!”
MinEx Consulting, Nov 2018



Two District-Scale, High Potential Projects in Australia



2 King Leopold Nickel Project

Location	Kimberley, Western Australia
Acquisition	2019 (purchase + staked)
Area	~1,800km ²
Ownership	85-100% owned
Stage	Target definition, drilling Q3 2019



1 Pyramid Hill Gold Project

Location	Bendigo, Victoria
Acquisition	2017 (staked)
Area	~5,140km ²
Ownership	100% owned
Stage	Reconnaissance AC drilling

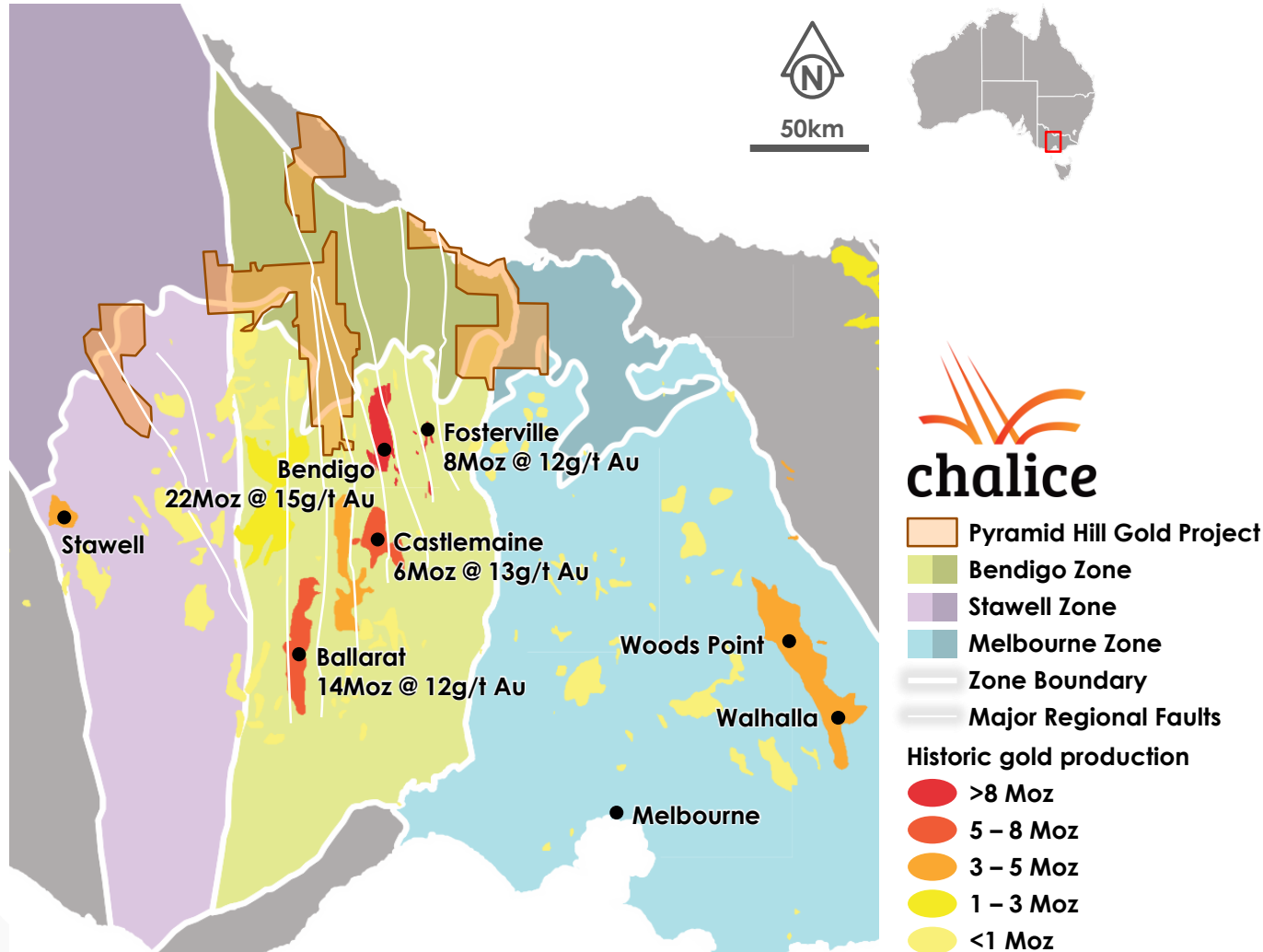


Pyramid Hill Gold Project

Victoria



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



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

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



Fosterville Mineral Reserves History

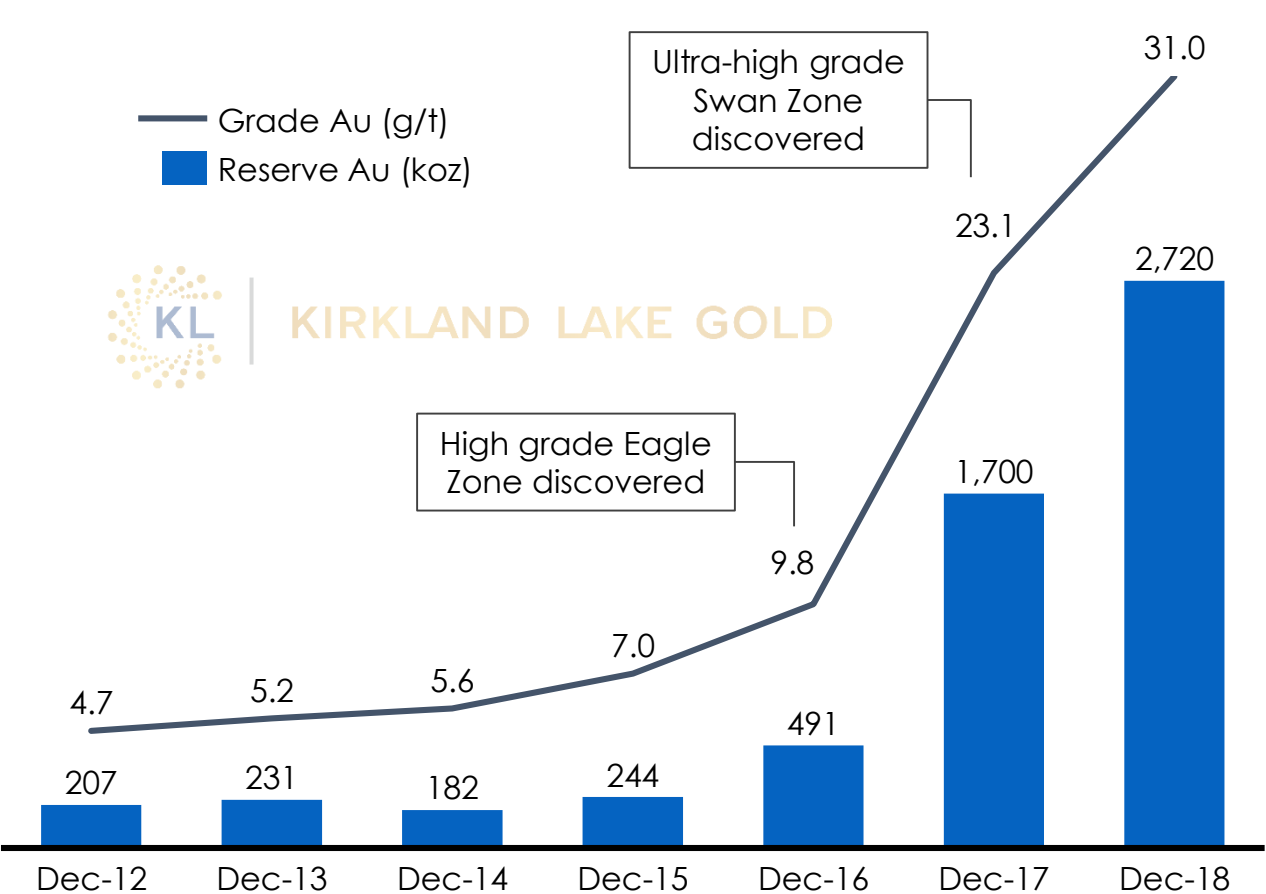
2019 op. cash costs guidance

US\$130-150/oz

Australian 1st quartile is ~US\$570/oz

2019 production guidance

570-610koz at ~30g/t Au



Current Mineral Reserve

2.7Moz at 31.0g/t Au

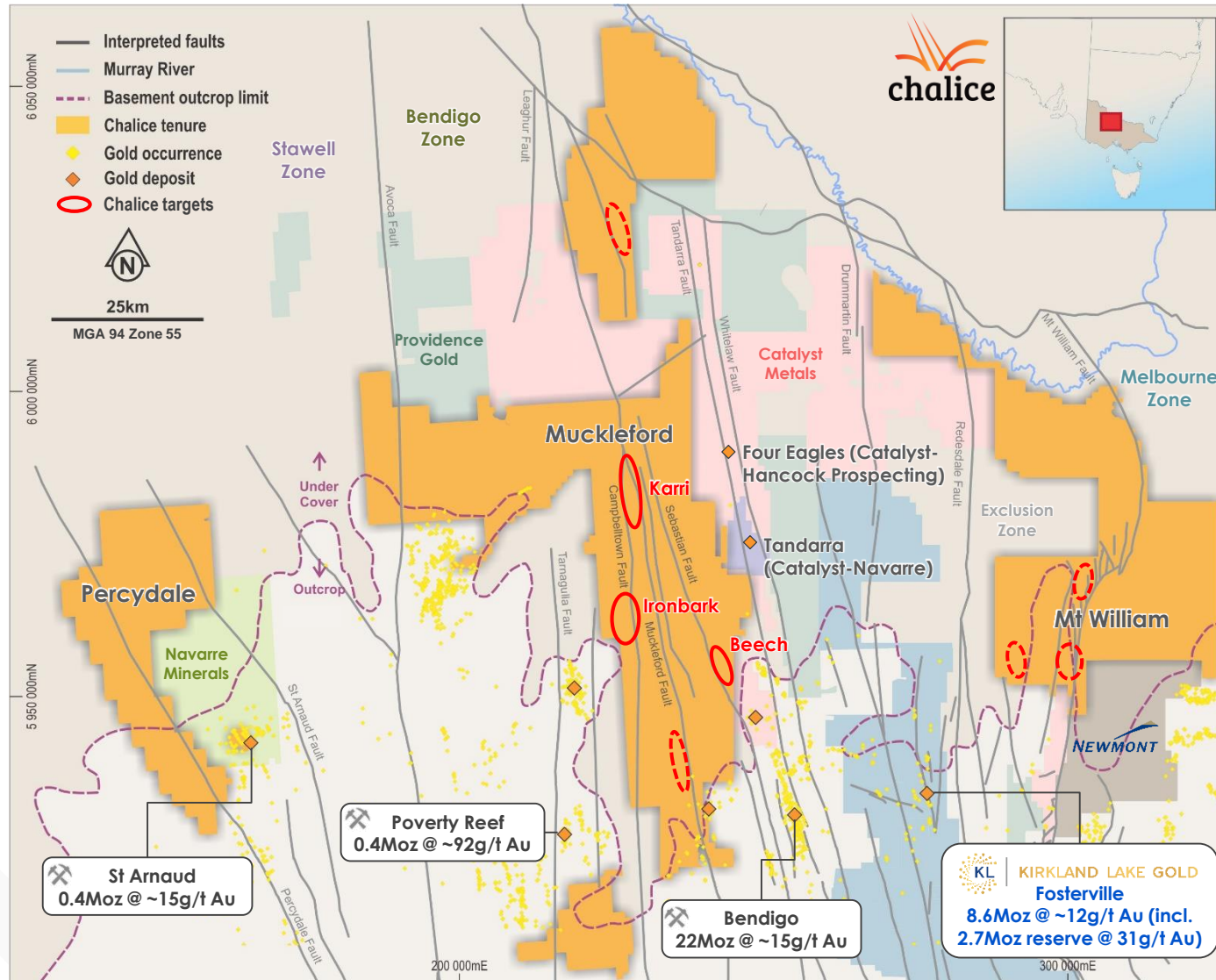
includes Swan Zone reserve of 2.34Moz at 49.6g/t Au

Regional exploration budget 2019

A\$15M+

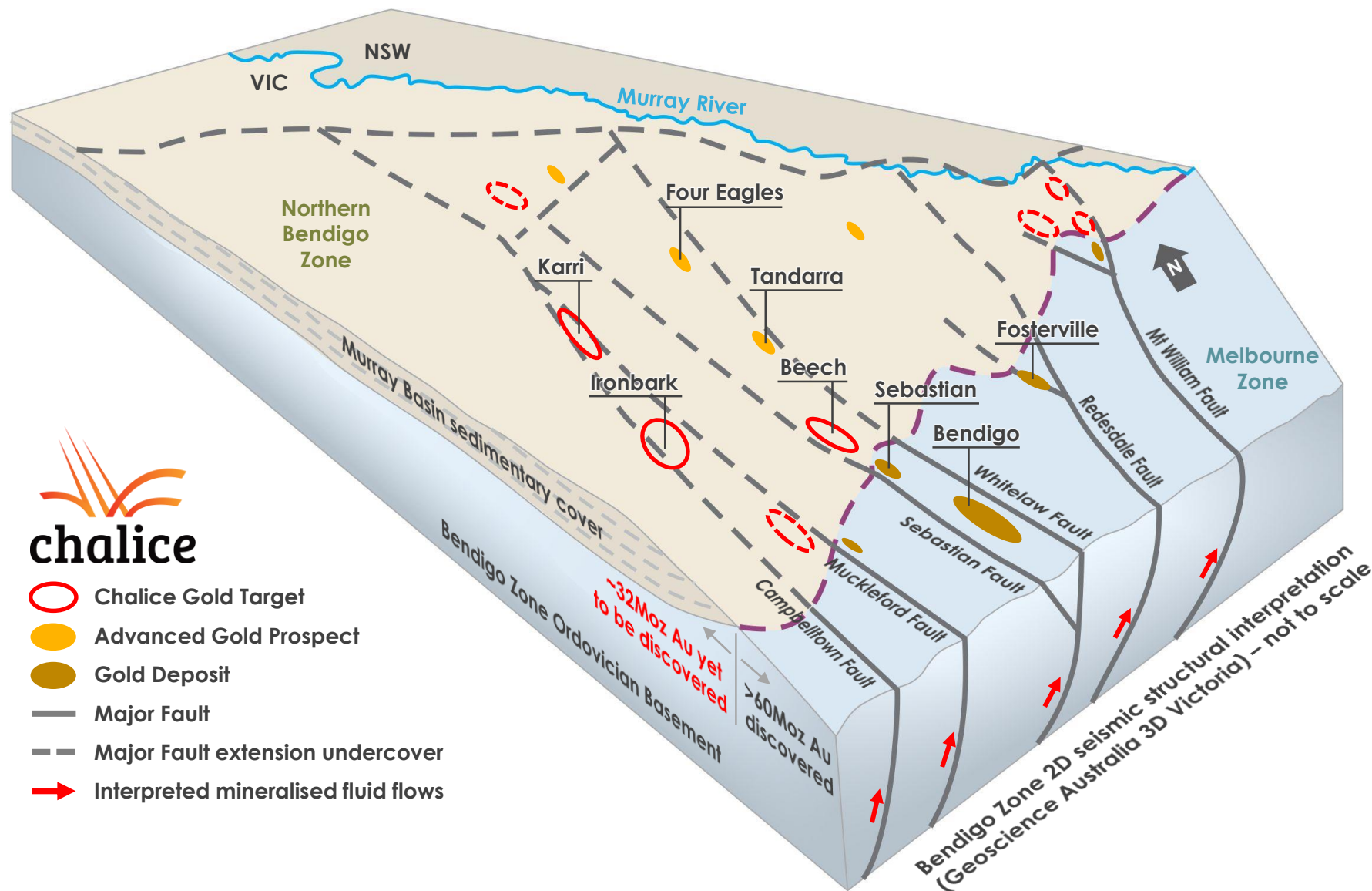
Fosterville Large Ore Deposit Exploration programme

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



- Chalice's tenure covers three key undercover districts, with minimal historic exploration:
 - **Muckleford:** W / NW of Bendigo, Chalice's initial focus
 - **Mt William:** NE of Fosterville
 - **Percydale:** NW of St Arnaud
- Land use is predominantly low intensity agriculture (mix of crops and grazing)
- Private land accessible all year round
- Cropping on certain areas restricts drilling for 3-4 months a year
- **All access agreements in place** for next phase of drilling to commence in late Sept 2019

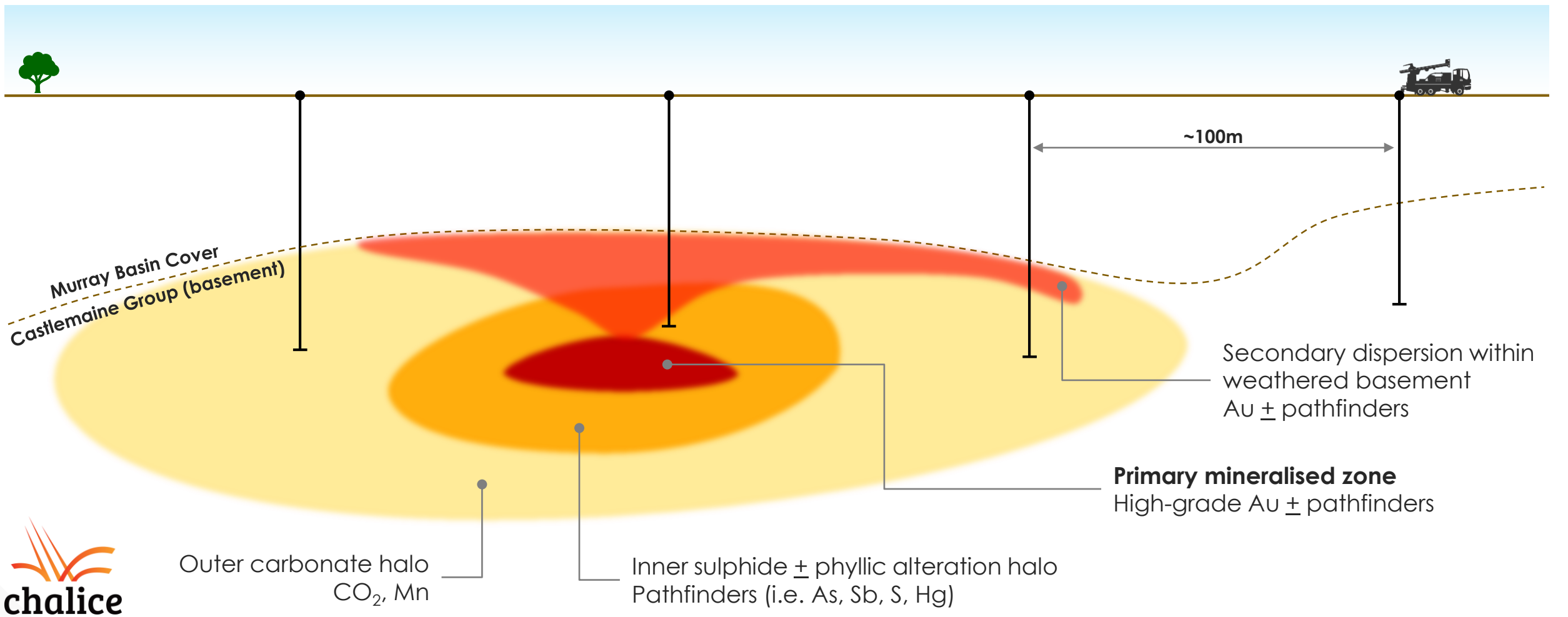
Chalice has defined **several large targets under thin cover** within the prospective and underexplored northern Bendigo Zone



Targets were defined with wide-spaced shallow AC drilling, targeting **alteration halos and secondary dispersion zones** in basement



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

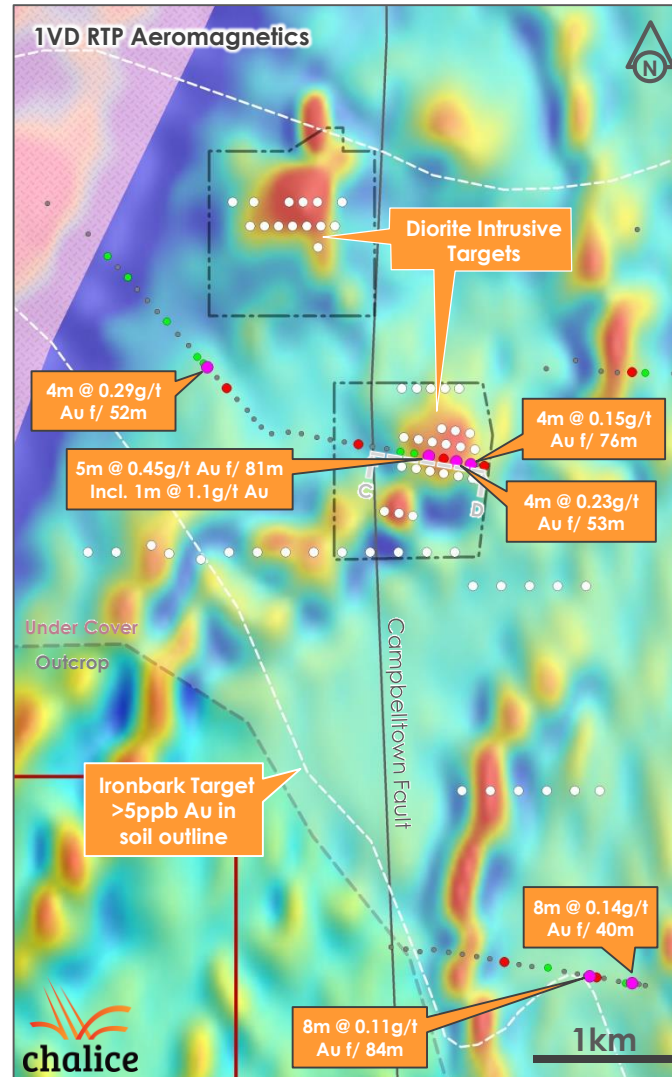


Several gold zones in the weathered top of basement have been intersected at the high priority **Ironbark** and **Karri** Targets, within the Muckleford Area

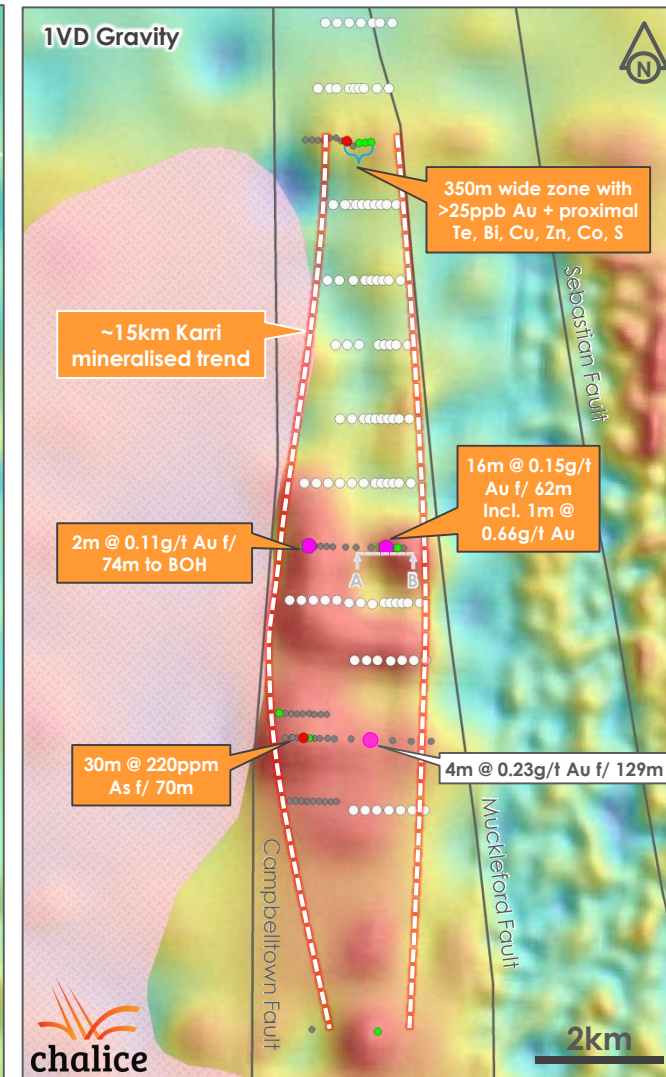


- ~39km of shallow recon AC drilling completed to date
- AC drilling very effective exploration tool undercover:
 - ~A\$40/m all-in drill costs
 - max hole depth ~200m
- Gold intersected in weathered basement indicates the gold is from a **primary bedrock source**
- Ironbark overlies **large gold + pathfinder soil anomaly**, centred around several interpreted intrusions
- Shallow gold intersections on drill lines **kilometres apart** at Karri potentially indicates a **strike extensive gold system**
- ~25km Phase 2 AC to commence in late Sept 2019

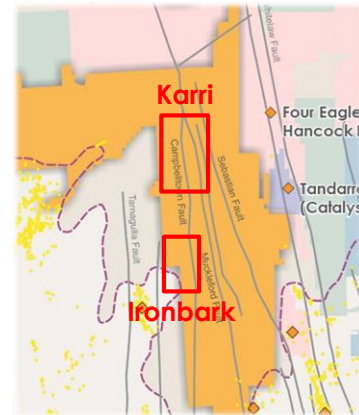
Ironbark Target (25-75m cover)



Karri Target (50-70m cover)

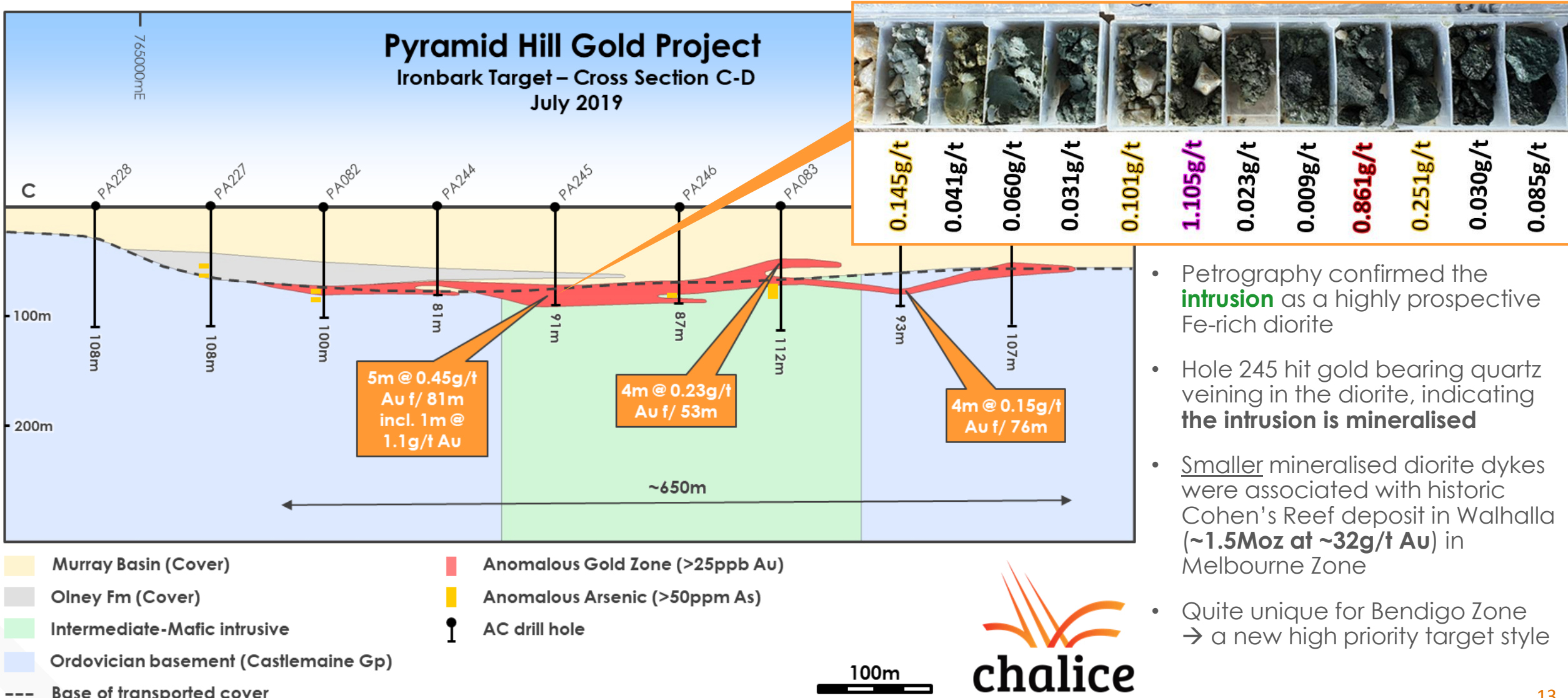


Muckleford Area



- Pyramid Hill Project Tenure
- Limit of outcrop
- Granitoid
- Mineralised trend
- Planned ground mag svy
- Planned Phase 2 AC collars
- Phase 1 AC max Au (g/t)
 - 0.1 – 0.4
 - 0.05 – 0.1
 - 0.025 – 0.05
 - <0.05
- Chalice drill intercept
- Historic drill intercept

A ~650m wide zone of anomalous gold and pathfinders has been intersected at the **Ironbark Target**, coincident with a ~380m diameter diorite intrusion

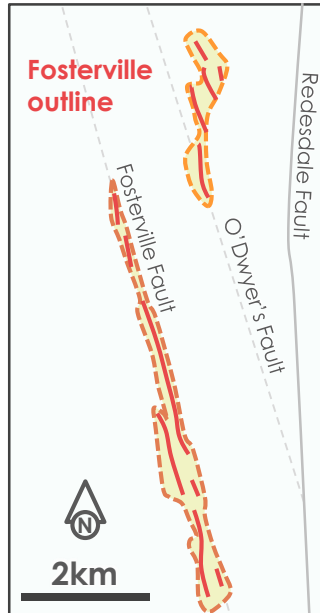


- Petrography confirmed the **intrusion** as a highly prospective Fe-rich diorite
- Hole 245 hit gold bearing quartz veining in the diorite, indicating **the intrusion is mineralised**
- Smaller mineralised diorite dykes were associated with historic Cohen's Reef deposit in Walhalla (~1.5Moz at ~32g/t Au) in Melbourne Zone
- Quite unique for Bendigo Zone → a new high priority target style

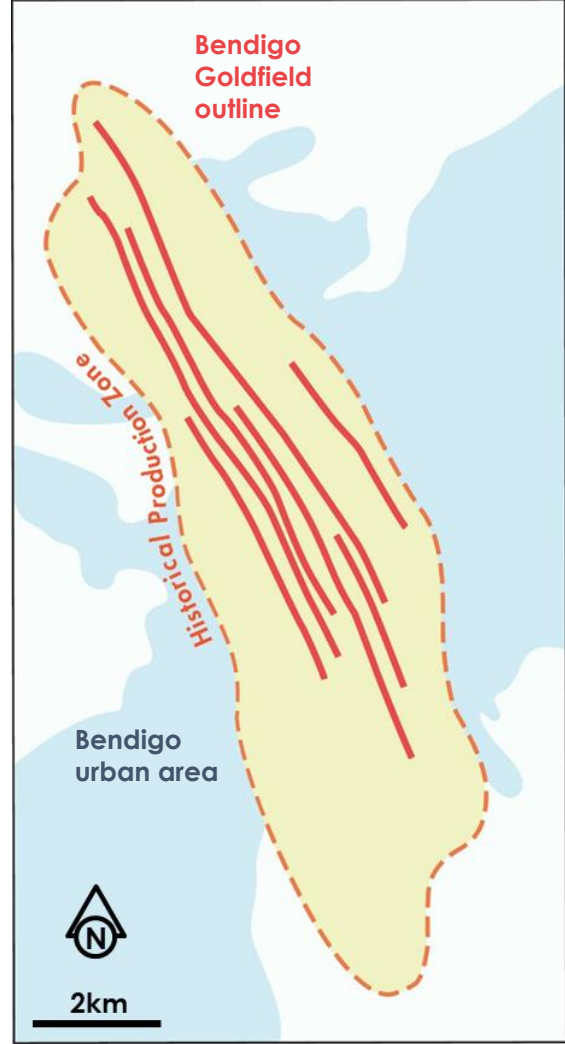
Initial results at **Karri** indicate a typical Bendigo Zone style target with a potentially significant footprint – the **size of the prize is significant**



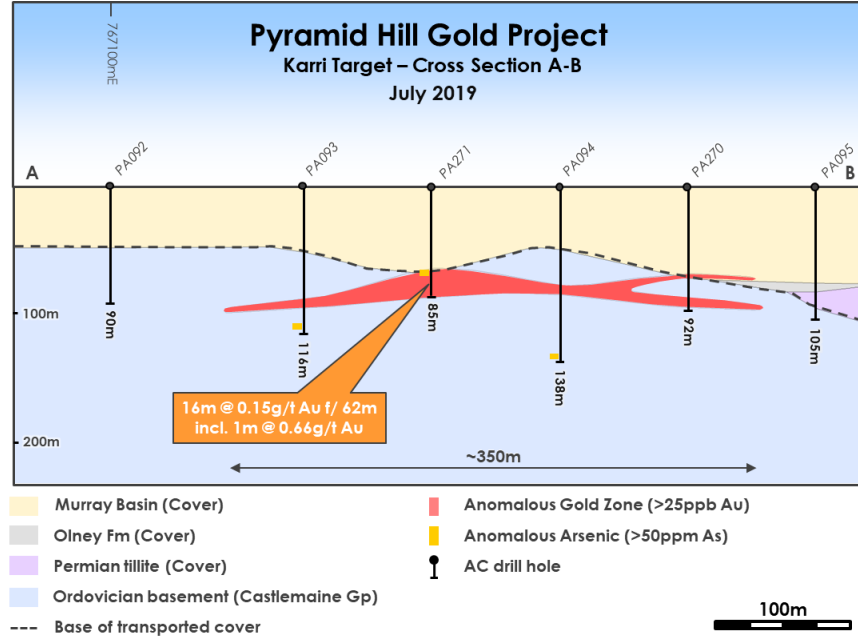
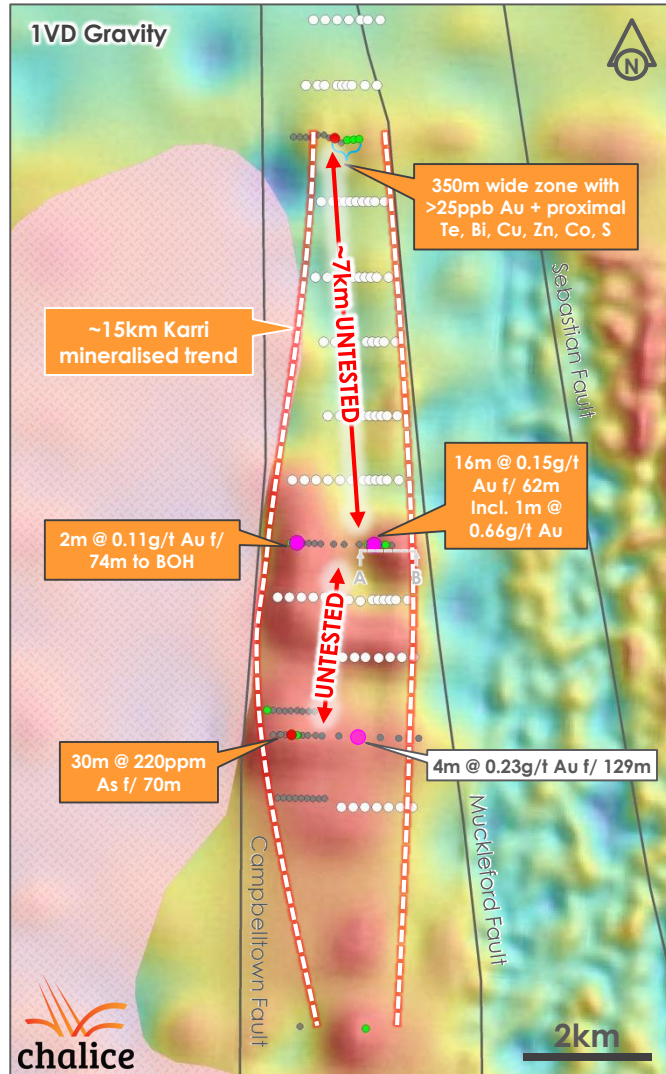
>8Moz Fosterville Gold Mine



~22Moz Bendigo Goldfield



Karri Target (50-70m cover)



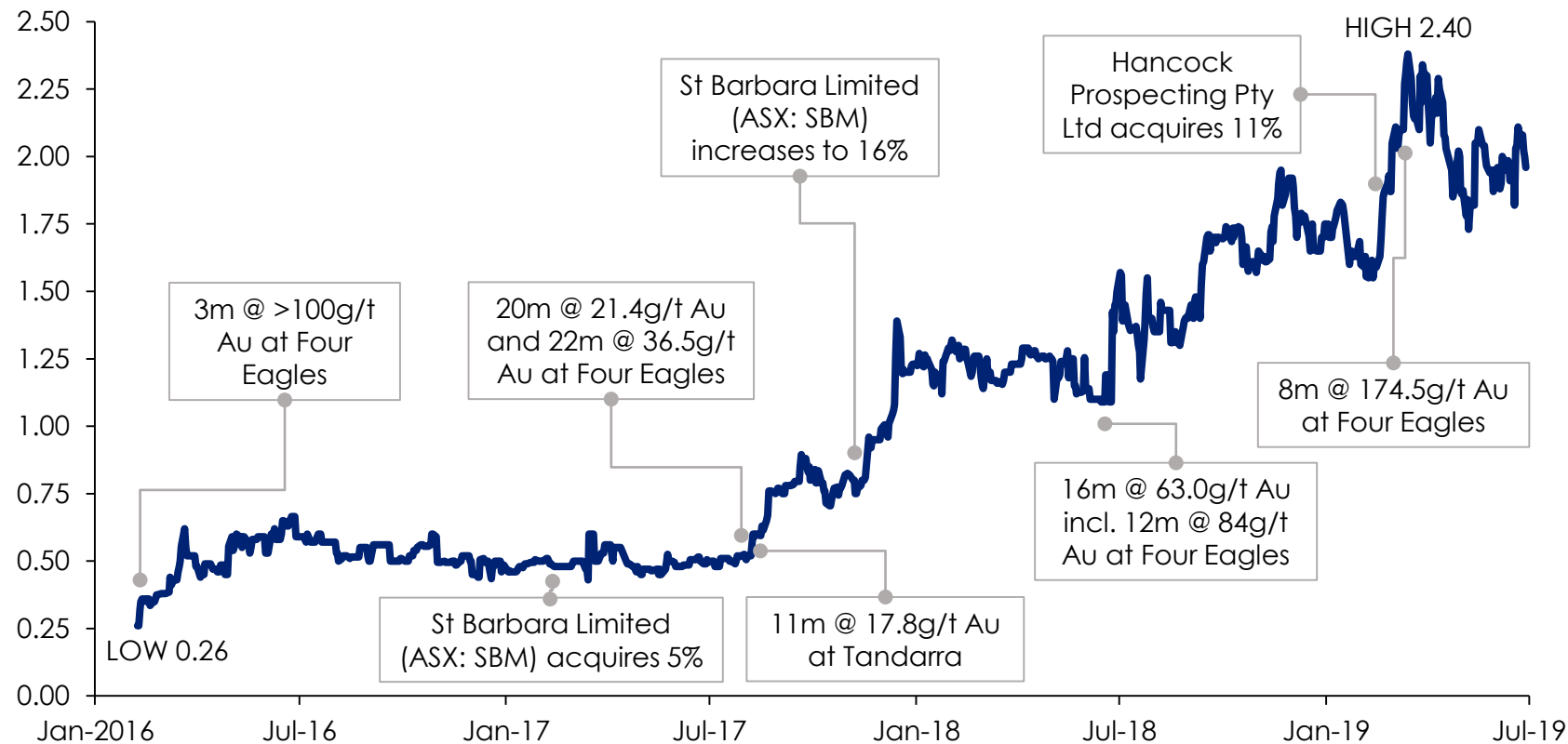
- Two drill lines **~7km apart** at northern end of target returned similar shallow gold anomaly across ~350m
- Zones also anomalous in pathfinder metals such as As, Te, Bi
- Infill drilling between the lines to 0.5-1.0km spacing to refine mineralised footprint at top of basement

Scale Comparison



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

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



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

Corporate



Corporate snapshot



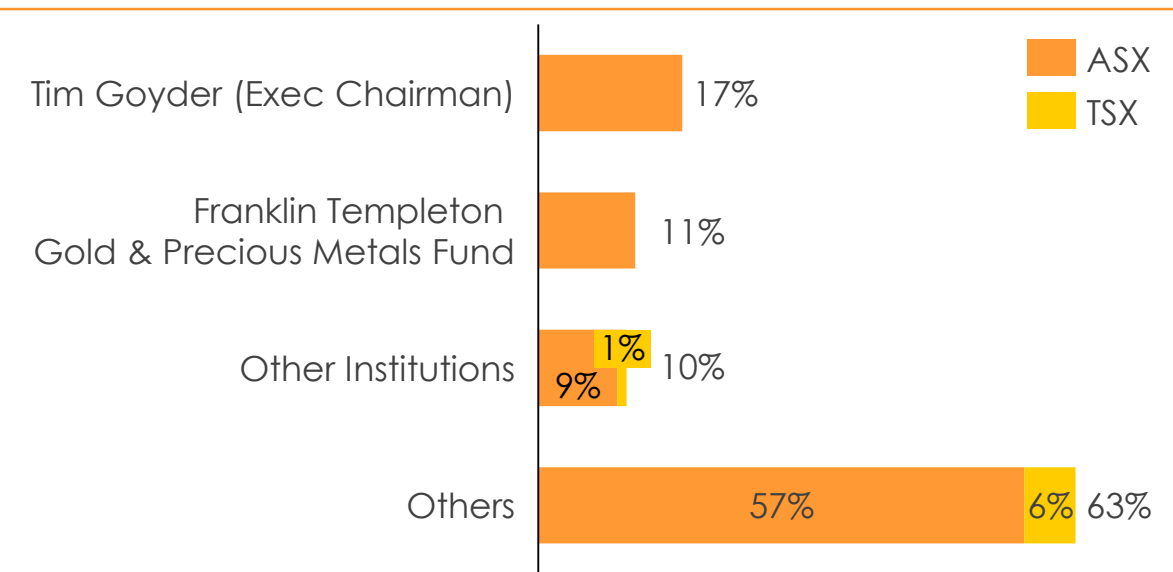
Capital Structure and Financials

Equity listings & tickers	ASX: CHN TSX: CXN OTCQB: CGMLF
Shares – on issue	274.1M
Shares – fully diluted	291.2M
Market capitalisation	~A\$53M / ~US\$36M (@ A\$0.19ps)
Cash and investments	~A\$33M / ~US\$22M (~A\$0.12ps)
Debt	Nil
3mth avg daily vol (ASX)	~780,000

As of 29 Aug 2019



Top Shareholders



Directors and Management	18% (23% F/D)
Top 20	~60%

As of 4 Sept 2019

Analyst Coverage

Redcloud Klondike Strike	Jacob Willoughby
Patersons Securities	Xavier Braud



Company Highlights

- 1 Drilling at Pyramid Hill and King Leopold to commence in coming weeks – targets have significant potential
- 2 ~A\$33M (~US\$22M) in working capital and investments (~A\$0.12ps) – well funded
- 3 >A\$100M generated to date – team has a solid technical and commercial track record



Thank You



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