ASX Announcement

September 2020 Quarterly Activities Report

28 October 2020

Globally significant Julimar PGE-Ni-Cu-Co discovery continues to grow, plus high-impact diamond drilling recommences in Victoria

Highlights

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

- Resource definition drilling continues at the Gonneville PGE-Ni-Cu-Co discovery with four rigs.
- **Five high-grade zones (G1-G5)** extended over up to ~550m of strike extent and up to ~340m of dip extent, with several significant new drill intersections, including:
  - 25.7m @ 3.9g/t Pd, 2.3g/t Pt, 0.7g/t Au, 0.2% Ni, 0.8% Cu, 0.02% Co from 418.1m (G4, JD006);
  - 45.1m @ 2.9g/t Pd, 0.8g/t Pt, 0.4% Ni, 0.3% Cu, 0.03% Co from 223.9m (G2, JD013);
  - 26.3m @ 3.8g/t Pd, 0.9g/t Pt, 0.5% Ni, 0.2% Cu, 0.04% Co from 80.7m (G2, JD010); and
  - 24.4m @ 3.3g/t Pd, 0.4g/t Pt, 0.4% Ni, 0.2% Cu, 0.03% Co from 164.6m (G2, JD006).
- Significant new PGE-copper-gold horizon defined with several wide PGE-Cu+/-Au intersections in initial wide-spaced drill holes over a ~1.2km strike length along the **eastern contact** of the intrusion:
  - 33m @ 2.1g/t Pd, 0.5g/t Pt, 0.2g/t Au, 0.2% Ni, 0.5% Cu, 0.02% Co from 81m (JRC048);
  - 33m @ 2.0g/t Pd, 0.4g/t Pt, 0.5g/t Au, 0.3% Ni, 0.8% Cu, 0.02% Co from 236m (JRC060);
  - 15m @ 2.5g/t Pd, 0.5g/t Pt, 0.2g/t Au, 0.3% Ni, 0.3% Cu, 0.02% Co from 139m (JRC052); and
  - 18.6m @ 2.1g/t Pd, 0.8g/t Pt, 0.2% Ni, 0.1% Cu, 0.02% Co from 240.4m (JD010).
- Initial test of **deep EM target (Conductor 'X')** indicates the Gonneville Intrusion is open to the north-west and has extended disseminated sulphide mineralisation to ~600m below surface.
- Three new large EM anomalies, including the **6.5km long Hartog EM Anomaly**, identified to the north of Gonneville within the Julimar State Forest – highlighting potential for a new district.
- Initial metallurgical testwork results indicate sulphide mineralisation is amenable to conventional flotation and oxide mineralisation is amenable to oxidative leaching – further testwork ongoing.
- Accelerated drilling and metallurgical testwork program continues, on track to deliver a maiden Mineral Resource Estimate by mid-2021.

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

- 12-hole, Phase 2 diamond drill program underway at the >4km long Karri Prospect.
- Drilling following up highly promising initial geological drill program completed in H1 2020.

Corporate

- Highly regarded mining executive Mr Garret Dixon joined the Board as a Non-Executive Director.
- Chalice remains fully funded to continue its systematic exploration programs in Western Australia and Victoria, with a cash and investments balance of ~$50 million as of 30 September 2020.

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1. OVERVIEW

Chalice's Managing Director, Alex Dorsch, said: *"Chalice has had another exceptional quarter which saw the market capitalisation of the Company increase from $300 million to ~$1 billion. This rapid growth trajectory reflects the significance and ever-increasing scale of the Julimar discovery in Western Australia, as well as our rapid and successful de-risking activities on the project.*

"The Gonneville discovery itself, at the southern end of the Julimar Complex, hosts at least five zones of high-grade PGE, nickel, copper, cobalt +/- gold mineralisation and is shaping up as a world class discovery of critical metals on its own. Drill results have continued to surprise on the upside as our drill coverage has expanded.

"Perhaps the most exciting moment for the quarter was seeing the results from the recent airborne EM survey over the entirety of the Julimar Complex. The 6.5km long Hartog EM Anomaly, immediately north of the Gonneville discovery, is an enticing and significant target. We are progressing the approvals required to start initial non-ground disturbing exploration activities within the Forest.

"Meanwhile, we are continuing to drill-out Gonneville at a rapid pace while also scoping out potential new high-grade zones, and we look forward to releasing more results. We remain on track to deliver a maiden Mineral Resource Estimate at Gonneville by the middle of next year.

"Elsewhere, we will continue our generative exploration and discovery approach across the portfolio, targeting 'company-making' discovery opportunities within WA and Victoria. The current quarter should be another action packed one, with seven rigs drilling across the Julimar, Pyramid Hill and Hawkstone projects. This level of activity is testament to our commitment to greenfield exploration in frontier provinces and reflects our core strategic objective to reward our shareholders and stakeholders with substantial new mineral discoveries.

"On the corporate front, our leadership team has also been further strengthened during the quarter with the appointment of highly regarded mining executive Garret Dixon to the Chalice Board. We will continue to build our in-house capability across the organisation as we progress our world-class discovery."

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 farmland 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.

An initial RC drill program commenced in Q1 2020 on private farmland and resulted in the discovery of high-grade nickel-copper-cobalt-PGE mineralisation at the newly named Gonneville Intrusion. Drilling to date has established that the ~1.6km x 0.8km Intrusion hosts several wide zones of high-grade PGE-Ni-Cu-Co+/-Au as well as widespread zones of PGE-dominant mineralisation associated with disseminated sulphides. The significant discovery has established the new West Yilgarn Ni-Cu-PGE province in WA.

Overview of Activities

Four rigs (two Reverse Circulation ("RC") and two diamond) are currently drilling at the Julimar Project to test the extent of the mineralised system at the Gonneville Intrusion and to define a JORC compliant maiden Mineral Resource Estimate, which is targeted for completion by mid-2021.

Early metallurgical studies and the approvals process to access the Julimar State Forest for non-ground disturbing exploration activities are being progressed in parallel to the ongoing resource definition drilling program.

The following activities were completed during the quarter:

- 60 RC holes for 13,519m – step-out drilling continues on an initial 200m x 80m spaced grid over the ~1.6km x ~0.8km Gonneville Intrusion and on a nominal 80m x 80m spacing over the high-grade G1-G5 Zones. Infill RC drilling over the high-grade zones on a nominal 80m x 40m spacing commenced during the quarter.
- 9 diamond holes for 3,689.9m – step-out drilling continues on a nominal 80m x 80m spacing at the high-grade G1-G5 Zones and as required to test new EM targets, including an ~800m step-out hole to the north-west of the high-grade G1-G5 Zones targeting the new EM Conductor 'X'.
- Assay results were reported for seven diamond holes (JD006-13) and 42 RC holes (JRC018-60), while assay results remain pending for a further 51 completed drill holes.
- Preliminary metallurgical testwork (Phase 1) – early stage sighter testwork was completed on limited samples from the high-grade G1 Zone, disseminated sulphide mineralisation from hole JD004, and oxide mineralisation from four RC holes.
- Phase 2 metallurgical testwork – 200kg of composite metallurgical samples were compiled from various mineralisation styles within the Gonneville intrusion in preparation for the next phase of metallurgical testwork. This program will focus on rougher and differential flotation of fresh sulphide mineralisation and oxidative cyanide leaching of oxide mineralisation.
- Airborne EM – an Airborne Electromagnetic (AEM) survey was flown across the entirety of Chalice's granted tenure on 200m line spacing.
- Flora, fauna, dieback (phytophthora) and heritage surveys were completed on the private farming properties at Gonneville. While no active native fauna habitats were identified, any potential sites have been recorded – none of which impact current operations. No significant conservation listed flora or Aboriginal sites were identified in the current area of operations.

Drilling results

Drilling results received during the quarter continue to demonstrate that the Gonneville Intrusion hosts both extensive high-grade PGE-Ni-Cu-Co zones in massive/matrix/stringer/heavily disseminated sulphides and widespread PGE mineralisation associated with disseminated sulphides.

Diamond drilling and subsequent geological interpretation has confirmed the presence of at least five high-grade (defined as >1.0g/t Pd cut-off grade) zones of mineralisation (G1-G5) around the discovery zone, which now extends over an area of ~550m x ~340m. Drilling to the west (down-dip of G1-G3) has so far been restricted by pending permitting approvals.

The high-grade G1-G3 and G5 Zones remain open along strike and down-dip and the western contact position of the Gonneville Intrusion has not yet been intersected.

RC drilling tested the eastern margin of the Gonneville intrusion and intersected wide intervals of disseminated sulphides containing higher grade mineralised sub-intervals over a strike length of ~1.2km. This eastern contact position of the intrusion is located 200-500m to the north-east, east and south-east of the previously identified high-grade G1-G5 Zones (**Figure 1**).

The initial drill test of EM Conductor 'X' successfully intersected the Gonneville Intrusion from 428m down-hole, some 800m to the north-west of the G1-G5 Zones, confirming that the intrusion extends beyond the limits of the ~1.6km x ~0.8km magnetic anomaly.

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Hole JD018 intersected disseminated sulphide mineralisation from 631m to 646m, based on visual logging, a highly encouraging result. All assay results are pending.

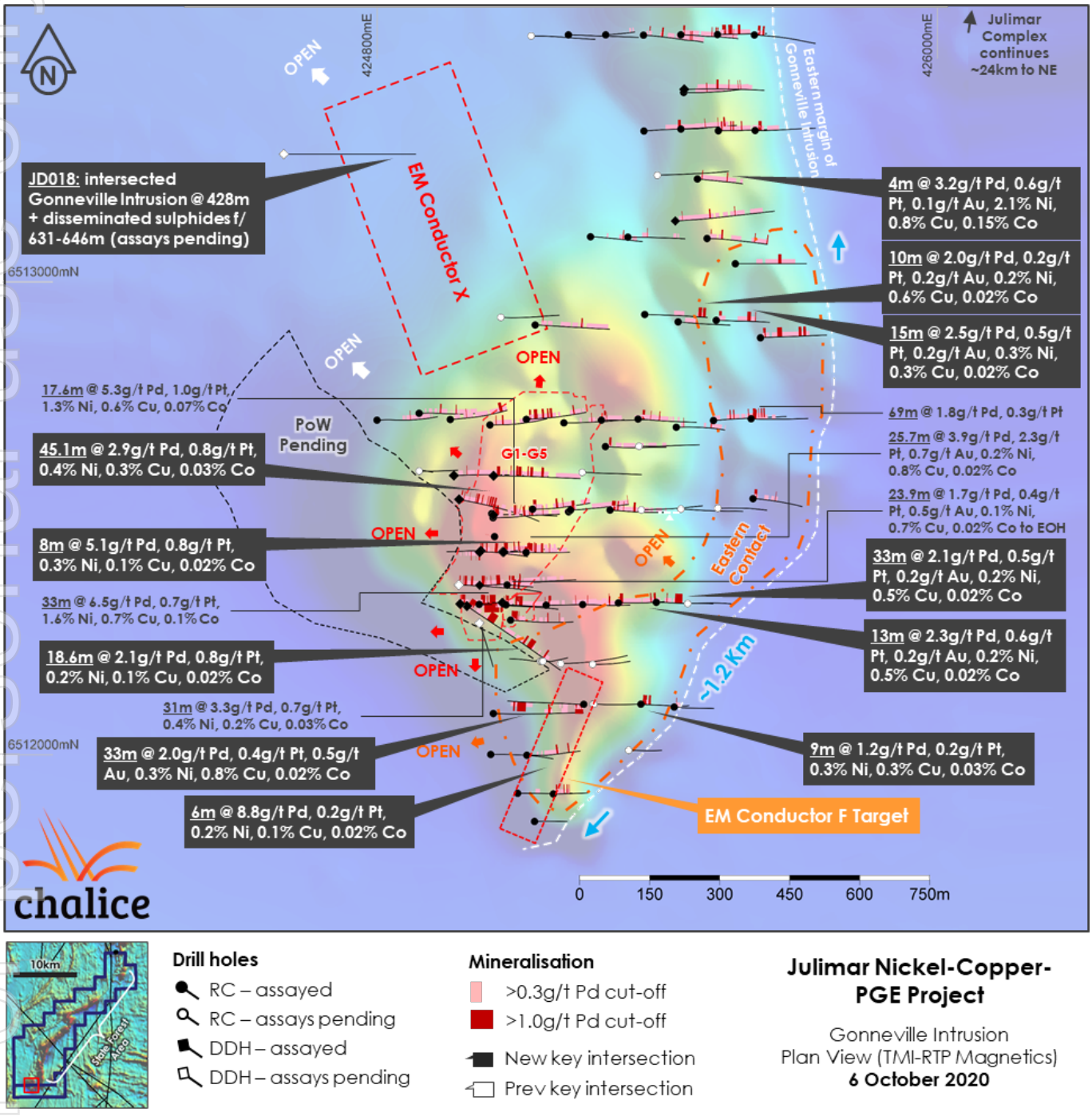


Figure 1. Gonneville Intrusion Plan View – key drill results over TMI-RTP magnetics.

Broad zones of PGE mineralisation associated with disseminated sulphides have been intersected across the intrusion. Significant shallow, high-grade Pd-Pt-Au mineralisation also continues to be intersected in the oxide zone above the high-grade G1-G5 and Eastern Contact areas.

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Airborne EM results

The recently flown AEM survey has outlined three new extensive EM anomalies within the Julimar State Forest – Hartog, Baudin and Jansz, immediately north of the Gonneville discovery (**Figure 2**).

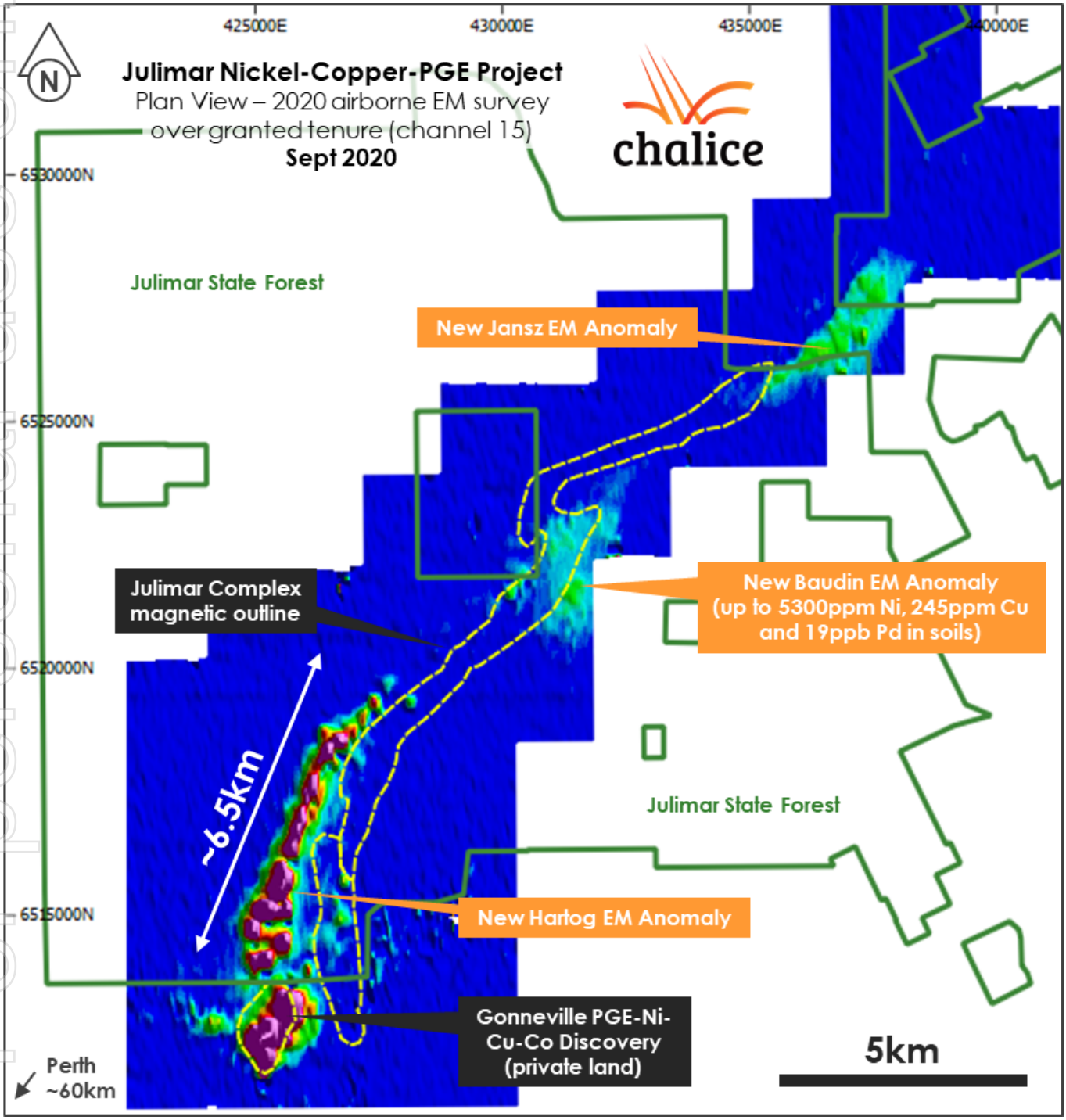


Figure 2. Julimar Complex Plan View – Airborne EM survey preliminary mid-time response.

The Hartog EM Anomaly, which extends for ~6.5km directly north and along strike from Gonneville, is the highest priority target. The results highlight the district-scale potential of the ~26km long Julimar Complex.

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Metallurgical testwork results

Early stage sighter metallurgical testwork completed on limited samples from the G1 Zone demonstrated that the sulphides were amenable to conventional flotation concentration techniques and all concentrates produced exhibited low levels of deleterious elements. Recovery of precious metals in the oxide sample was achieved under atmospheric oxidative leach conditions.

Further mineralogical studies and metallurgical testwork will focus on the variability of the various lithologies, mineralised zones and mineralisation types, including initial testwork on newly identified high-grade zones.

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 PGE-Ni-Cu zones associated with disseminated sulphides within the ~1.6km x 0.8km Gonneville Intrusion.

Ongoing and planned activities at Julimar include:

- **Resource definition drilling** – a ~70,000m RC/diamond drill program is underway. Step-out drilling continues on an 80m x 80m spaced grid over the high-grade areas, with infill then to a 40m x 40m spaced grid. Drilling to a 200m x 80m spaced grid will be extended to the west over the disseminated sulphide zones to a depth of ~250m. A third RC rig is expected to mobilise to site shortly.
- **EM Geophysics (DHEM and ground EM)** – DHEM continues to play a key role in identifying potential high-grade targets for follow-up drilling and will be completed on selected holes and in areas of wide-spaced drilling. It is important to note the lack of an EM target does not preclude the presence of high-grade mineralisation, based on the drill results received to date.
- **Metallurgical testwork** – A second phase of metallurgical testwork has commenced. This program will focus on rougher and differential flotation of fresh PGE-Ni-Cu-Co sulphide mineralisation and oxidative cyanide leaching of oxide Pd-Pt-Au mineralisation.
- **Geochemistry and Geochronology** – the Company has engaged the Geological Survey of WA (GSWA) and a consultant specialist to conduct initial litho-geochemical and metallogenesis studies. This work aims to improve our geological understanding of the Gonneville discovery and enhance our internal targeting capability as we look to expand our exploration activities across our large land holding in the West Yilgarn Ni-Cu-PGE Province.
- **Julimar State Forest Access** – the majority of the ~26km long Julimar Complex is interpreted to lie within the State Forest and is yet to be explored. The permitting process to conduct low impact, non-ground disturbing exploration activities to identify potential additional mineralised areas on granted tenure within the Julimar State Forest is ongoing. The primary purpose of this first phase of activities is to effectively screen large areas with minimal impact. Exploration activities will have negligible impact on vegetation, fauna or recreational activities.

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 >5,000km^2 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.

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).

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Chalice is continuing its systematic approach to gold exploration under cover in central Victoria, following the promising maiden diamond drill results at the Karri, Ironbark North and Ironbark South Prospects returned in 1H 2020.

Encouraging results at Karri demonstrate the presence of primary gold systems at relatively shallow depth, paving the way for the next stage of exploration, which is targeted towards the discovery of primary gold lodes.

Two diamond rigs recommenced drilling at the >4km long Karri Prospect in late September 2020, following the end of the cropping season. A 12-hole, ~4,000m Phase 2 program is currently underway.

The Company also plans to continue its reconnaissance exploration activities across multiple target areas to systematically explore the southern part of the Muckleford and Mt William Areas. These areas will be tested with a combination of soil geochemical sampling and/or wide-spaced reconnaissance AC drilling.

The objective of the next phase of regional exploration (outside of Karri and Ironbark) is both to refine existing targets and to identify any potential new large-scale gold targets.

2.3 Hawkstone Nickel-Copper-Cobalt Project, Western Australia

The Hawkstone Nickel-Copper-Cobalt Project (formerly the King Leopold Nickel Project) covers an area of ~1,800km^2 in the west Kimberley region of Western Australia. The Project covers several known areas of Ruins and Hart Dolerite, both of which are considered highly prospective for magmatic nickel sulphides as well as other related metals (Cu, Co, PGEs, Au, Sn, W).

Field activities recommenced during the quarter, with a ground-based Electromagnetic survey (MLEM) and a program of soil and rock chip sampling completed over the Waterford and King Sound Areas.

A previous MLEM survey was partially completed over the Waterford Area in 2019, with the objective of defining drill-ready, discrete, late-time EM conductors. Two high priority, strong, discrete and shallow EM conductors were identified and modelled at the Ephesus Target.

Chalice's immediate focus remains on the Ruins Dolerite which has been demonstrated to host high-grade nickel sulphides after the Merlin discovery in 2015 by Buxton Resources (ASX: BUX) on adjacent tenements.

A maiden RC drill program commenced at the project during the quarter, designed to test several of the new EM targets.

2.4 Generative Projects

No exploration activity was undertaken on the South West, Viking, Barrabarra, Mt Jackson, Auralia and Flinders River Projects during the quarter. The Company continued to progress access approvals for the South West and Viking Projects.

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.

The Company continued to expand its licence holding in the new West Yilgarn Ni-Cu-PGE Province, with a total of >8,000km^2 of new licence applications made since the discovery at Julimar.

2.5 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.

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

Operator Ramelius Resources Ltd (ASX: RMS) reported results for a total of 42 AC drill holes for 1,474m. Low order gold anomalism was returned with significant intersections including:

- 8m @ 0.22g/t Au from 12m (GRAC032);
- 5m @ 0.15g/t Au from 32m to EOH (GRAC021).

Follow-up drilling is planned.

Warrego North Copper-Gold Project, Northern Territory (NT Bullion Pty Ltd earning 75%)

Operator NT Bullion Pty Ltd reported that no exploration was completed during the quarter.

3. CORPORATE

As of 30 September 2020, Chalice had a combined cash and investments balance of ~$50 million. This includes ~$39.5 million in cash and $10.2 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 the grant of a Special Mining Licence.

During the Quarter, the Company spent ~$5.1 million on exploration activities, ~$1.1 million on corporate, administration and business development costs (net of interest, government grants and tax incentives). Corporate costs included cash paid in lieu of vested performance rights of $0.5 million and $0.3 million in payroll tax in relation to the exercise of performance rights issued to employees and directors during the quarter.

Further details are available in the attached Appendix 5B.

To strengthen the Board's depth and breadth of skills, highly-regarded mining executive Mr Garret Dixon was appointed as an independent Non-Executive Director. As a result, the Board now comprises three independent Non-Executive Directors.

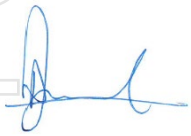
3.1 Appendix 5B – Payments to Related Parties of the Entity and their Associates

Payments of $200k reported in Item 6.1 of the attached Appendix 5B, relates to salaries and fees (including superannuation) paid to Directors of $193k, payments made to Liontown Resources Ltd (a director related entity) for storage rent at cost and the provision of technical services ($7k).

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:

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Corporate Enquiries
Alex Dorsch
Managing Director
Chalice Gold Mines Limited
+61 8 9322 3960
info@chalicegold.com

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

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Competent Persons and Qualifying Persons Statement
The information in this report that relates to Exploration Results is based on and fairly represents information and supporting documentation 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:

- "Chalice discovers new high-grade PGE-Cu-Au zone at Julimar", 9 July 2020
- "Significant extension of high-grade PGE-Ni-Cu-Co zones at Julimar", 17 August 2020
- "Positive preliminary metallurgical results at Julimar", 1 September 2020
- "Major new 6.5km-long EM anomaly identified at Julimar", 22 September 2020
- "Significant new PGE-copper-gold horizon defined at Julimar", 6 October 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 fair value of investments, 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 existence of additional EM anomalies within the project, the timing of future exploration activities on the Company's exploration projects, planned expenditures and budgets and the execution thereof, the timing and availability of drill results, potential sites for additional drilling, the timing and amount of estimated future production, costs of production, capital expenditures, success of mining operations, environmental risks, unanticipated reclamation expenses, title disputes or claims and limitations on insurance coverage.

In certain cases, forward-looking statements can be identified by the use of words such as "can", "plans", "promising", "prospective", "expects" or "does not expect", "is expected", "will", "may", "would", "potential", "budget", "estimates", or "looking", "to deliver", "prospects", "promising", 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.

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Such factors may include, among others, risks related to actual results of current or planned exploration activities; assay results of visually interpreted mineralised intersections; whether geophysical anomalies are related to economic mineralisation or some other feature; obtaining access to undertake additional exploration work on EM anomalies located in the Julimar State Forrest; the results from testing EM anomalies; results of planned metallurgical test work; changes in project parameters as plans continue to be refined; changes in exploration programs based upon the results of exploration, future prices of mineral resources; grade or recovery rates; accidents, labour disputes and other risks of the mining industry; delays in obtaining governmental approvals or financing or in the completion of development or construction activities; movements in the share price of investments and the timing and proceeds realised on future disposals of investments, the impact of the COVID 19 epidemic as well as those factors detailed from time to time in the Company's interim and annual financial statements, all of which are filed and available for review on SEDAR at sedar.com, ASX at asx.com.au and OTC Markets at otcmarkets.com

Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

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Appendix 1. Portfolio and Tenement Schedule

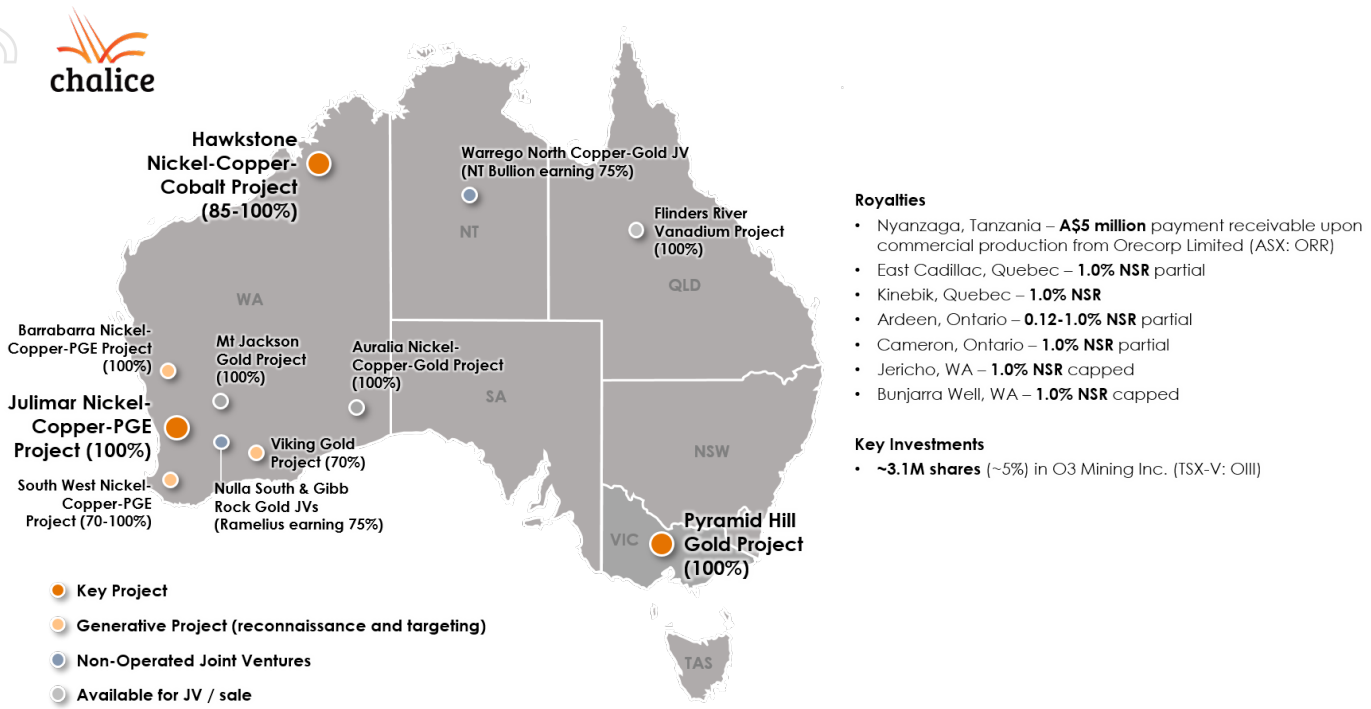


Figure 3. Chalice's project locations in Australia, non-operated JV interests, investments and royalties.

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

1. Listing of tenements held

Location	Project	Tenement No.	Registered Holder	Nature of interest
Western Australia	Hawkstone *(formerly 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	
	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%

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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%
	Kurrajong Bore	P37/8702	CGM (WA) Pty Ltd	95%
		P37/8706 to P37/8707	CGM (WA) Pty Ltd	95%
		P37/8710 to P37/8711	CGM (WA) Pty Ltd	95%
		P37/9021	CGM (WA) Pty Ltd	100%
		P37/9028	CGM (WA) Pty Ltd	100%
	South West	E70/5086	Banks, Aaron Peter; Keil, Michael; Roseberry Holdings Pty Ltd	100%
		E70/4837	Venture Lithium Pty Ltd	0% - Earn-in agreement, right to earn up to 70% interest
		E70/5067	Venture Lithium Pty Ltd	0% - Earn-in agreement, right to earn up to 70% interest
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%
		EL007121	CGM (WA) Pty Ltd	100%
		EL007120	CGM (WA) Pty Ltd	100%
Northern Territory	Warrego North	EL23764	CGM (WA) Pty Ltd (51%) & Meteoric Resources NL (49%)	Earn-in agreement, right to earn up to 70% interest
		EL31608	CGM (WA) Pty Ltd	100% - Farm-out agreement, TC Resources NT Pty Ltd has the right to earn up to 75% interest
		EL31610	CGM (WA) Pty Ltd	100% - Farm-out agreement, TC Resources NT Pty Ltd has the right to earn up to 75% interest
Queensland	Flinders River	EPM26861	CGM Lithium Pty Ltd	100%
		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
Western Australia	South West	E70/4837	Venture Lithium Pty Ltd	0% - Earn-in agreement, right to earn up to 70% interest
		E70/5067	Venture Lithium Pty Ltd	0% - Earn-in agreement, right to earn up to 70% interest
	Kurrajong Bore	P37/8702	CGM (WA) Pty Ltd	95%
		P37/8706 to P37/8707	CGM (WA) Pty Ltd	95%

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Location	Project	Tenement No.	Registered Holder	Interest at end of Quarter
		P37/8710 to P37/8711	CGM (WA) Pty Ltd	95%
		P37/9021	CGM (WA) Pty Ltd	100%
		P37/9028	CGM (WA) Pty Ltd	100%
Victoria	Pyramid Hill	EL007121	CGM (WA) Pty Ltd	100%
		EL007120	CGM (WA) Pty Ltd	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	EPM26864	CGM Lithium Pty Ltd	0%
		EPM26865	CGM Lithium Pty Ltd	0%

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Appendix 5B

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

Name of entity

Chalice Gold Mines Limited

ABN	Quarter ended ("current quarter")
47 116 648 956	30 September 2020

Consolidated statement of cash flows		Current quarter $A'000	Year to date (3 months) $A'000
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	29	29
1.2	Payments for		
	(a) exploration & evaluation	(5,112)	(5,112)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs[(1)]	(1,174)	(1,174)
	(e) administration and corporate costs	(247)	(247)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	70	70
1.5	Interest and other costs of finance paid	(7)	(7)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	211	211
1.8	Other (provide details if material)	-	-
1.9	**Net cash from / (used in) operating activities**	**(6,230)**	**(6,230)**

[(1)]Staff costs includes cash paid in lieu of the exercise of long term incentives of ~$0.5 million and $0.3 million of payroll tax incurred in relation to the exercise of employee and director performance rights.

2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	(51)	(51)
	(d) exploration & evaluation	-	-
	(e) investments	-	-
	(f) other non-current assets	-	-

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Consolidated statement of cash flows		Current quarter $A'000	Year to date (3 months) $A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	102	102
	(e) other non-current assets	(11)	(11)
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	**Net cash from / (used in) investing activities**	**40**	**40**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(14)	(14)
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 (provide details if material)	-	-
3.10	**Net cash from / (used in) financing activities**	**(14)**	**(14)**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	45,694	45,694
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(6,230)	(6,230)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	40	40
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(14)	(14)

Consolidated statement of cash flows		Current quarter $A'000	Year to date (3 months) $A'000
4.5	Effect of movement in exchange rates on cash held	(4)	(4)
4.6	**Cash and cash equivalents at end of period**	**39,486**	**39,486**

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	169	1,817
5.2	Call deposits	39,317	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)**	**39,486**	**45,694**

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	200
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.

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7.	**Financing facilities** *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.*	**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.	

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (item 1.9)	(6,230)
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)	(6,230)
8.4	Cash and cash equivalents at quarter end (item 4.6)	39,486
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	39,486
8.7	**Estimated quarters of funding available (item 8.6 divided by item 8.3)**	6

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.

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

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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	

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.

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.

Date: .....28 October 2020.....

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

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.

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