

29 January 2021

Julimar PGE-Ni-Cu-Co-Au discovery advancing rapidly to maiden resource

Highlights

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

- Ongoing step-out and resource definition drilling at the ~1.6km x >0.8km Gonneville Intrusion continues to expand the **major Julimar PGE-Ni-Cu-Co-Au discovery**.
- Maiden Mineral Resource for Gonneville expected mid-2021**, followed by conceptual and detailed mining studies over the next ~18 months.
- High-grade G1-G5 Zones extended** and **six new high-grade PGE +/- Ni-Cu-Co-Au zones (G6-G11)** defined over the quarter.
- Significant new high-grade drill intersections over the quarter included:
 - 50m @ 1.8g/t Pd**, 0.5g/t Pt, **0.9g/t Au**, 0.2% Ni, **1.1% Cu**, 0.02% Co from 112m (JRC089, G4);
 - 39m @ 3.8g/t Pd**, 0.6g/t Pt, 0.3% Ni, 0.2% Cu, 0.02% Co from 290m (JD023, G1-G2);
 - 34.5m @ 2.8g/t Pd**, 0.7g/t Pt, 0.4g/t Au, 0.2% Ni, **1.9% Cu**, 0.02% Co from 139.8m (JD019, G4);
 - 14.4m @ 7.7g/t Pd**, **1.7g/t Pt**, 0.1g/t Au, **1.2% Ni**, **0.6% Cu**, **0.07% Co** from 36.7m (JD016, G1-G2);
 - 11m @ 13.0g/t Pd**, **1.3g/t Pt**, 0.3g/t Au, 0.1% Ni, 0.1% Cu, 0.01% Co from 78m (JRC121, G11);
 - 36.6m @ 2.7g/t Pd**, 0.6g/t Pt, 0.1g/t Au, 0.2% Ni, 0.4% Cu, 0.07% Co from 0m (JD015, Oxide);
 - 22.7m @ 4.4g/t Pd**, 0.7g/t Pt, **0.5% Ni**, 0.3% Cu, 0.04% Co from 83m (JD014, G1-G2);
 - 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, G6)
 - 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, G4)
 - 7m @ 13.8g/t Pd**, 0.3g/t Pt, 0.5g/t Au, 0.2% Ni, 0.2% Cu, 0.02% Co from 83m (JRC064, G4);
 - 18m @ 4.6g/t Pd**, 0.5g/t Pt, 0.4% Ni, 0.1% Cu, 0.03% Co from 121m (JRC112, G10); and,
 - 19m @ 3.1g/t Pd**, 0.7g/t Pt, **1.1g/t Au**, 0.2% Ni, **0.8% Cu**, 0.02% Co from 67m (JRC070, G7).
- Initial non-ground disturbing exploration activities commenced on airborne EM anomalies immediately north of Gonneville.
- Project significantly de-risked by acquiring four private properties, including one property that covers ~85% of the Gonneville Intrusion.

Corporate

- Strongly supported Placement of **A\$100 million** (before costs) and **\$15 million** Share Purchase Plan completed at **\$3.75 per share**.
- Chalice fully-funded with **~\$119 million** in cash as at 31 December 2020 (**\$132 million** as at 29 January 2021).

Chalice Mining

ABN 47 116 648 956

Level 2, 1292 Hay Street

West Perth, Western Australia

GPO Box 2890, Perth WA 6001

T: +61 8 9322 3960

F: +61 8 9322 5800

info@chalicemining.com

www.chalicemining.com



@chalicemining

chalice-mining

OVERVIEW

Chalice's Managing Director, Alex Dorsch, said: "The significant achievements of the December quarter capped what was an extraordinary year for Chalice in 2020. We continued to enjoy drilling success at Julimar, allowing us to substantially expand the high-grade footprint of the Gonneville discovery, completed a strongly supported \$115 million capital raising, and secured access to explore major new targets along strike to the north of Gonneville.

"With six rigs drilling currently and more rigs mobilising shortly, we are on track to meet our mid-2021 guidance for a maiden Mineral Resource for Gonneville and continue to prioritise the growth of the high-grade mineralised zones with step-out drilling.

"Importantly, we have now received government approval to commence initial non-ground disturbing exploration activities at the Hartog, Baudin and Jansz AEM Anomalies within our Julimar tenements north of Gonneville. We are eagerly anticipating first results from that work over the coming weeks. The initial activities should determine the potential for Julimar to be a multi-deposit, world-class mineral province.

"The demand for our institutional placement and SPP was incredibly strong, which is a testament to the scale and quality of the Julimar discovery. I would like to thank our shareholders again for their tremendous support.

"Chalice moves into the New Year in an enviable position with over \$130 million in cash, with what is shaping up to be a globally significant mineral discovery that is advancing rapidly towards a maiden resource, and an entirely new mineral province right here in Western Australia."

1. EXPLORATION ACTIVITIES

1.1 Julimar Nickel-Copper-PGE Project

The 100%-owned Julimar PGE-Nickel-Copper Project is located ~70km north-east of Perth in Western Australia. 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+/-Au mineralisation at the newly named Gonneville Intrusion. Drilling to date has established that the ~1.6km x 0.8km Intrusion hosts at least eleven wide zones of high-grade PGE-Ni-Cu-Co+/-Au in fresh rock, a substantial PGE-rich oxide zone, 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 Western Australia.

OVERVIEW OF ACTIVITIES

Six rigs (three Reverse Circulation ("RC") and three 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. Reconnaissance soil sampling and Moving Loop EM (MLEM) programs have commenced concurrently in the Julimar State Forest to the north.

The following activities were completed during the quarter:

- 66 RC holes for 16,163m – step-out drilling continued on an initial 200m x 80m spaced grid over the northern portion of Gonneville Intrusion and infill RC drilling on a nominal 80m x 40m spacing over the high-grade G1-G7 Zones.

- 15 diamond holes for 6065.2m – step-out drilling continued testing down-dip and along strike of the high-grade G1-G7 Zones. Infill drilling continued on selected sections to test the eastern footwall contact.
- Assay results were reported for 11 diamond holes (JD014-23, JD026) and 63 RC holes (JRC061-134), while assay results remain pending for a further 45 completed drill holes.
- Phase 2 metallurgical testwork – flotation testwork on 200kg of composite metallurgical samples from various mineralisation styles within the Gonneville Intrusion continued. Oxidative leaching testwork also continued on oxide mineralisation samples.

DRILLING RESULTS

Drilling results received during the quarter continue to demonstrate that the Gonneville Intrusion hosts multiple extensive high-grade PGE-Ni-Cu-Co zones (defined as >1.0g/t Pd cut-off grade) within broad zones of PGE mineralisation associated with disseminated sulphides.

Drilling at the southern end of the Gonneville Intrusion continued to expand zones of high-grade mineralisation (G1-G5) around the discovery zone including the identification of two new hanging wall zones (G8 and G9), and two new high-grade zones (G6 and G7), which are interpreted to have a more northerly strike and a steeper dip than the other high-grade zones.

Drilling at the eastern margin of the intrusion continued to expand the high-grade G4 zone, as well as define two new high-grade zones (G10 and G11). The table below summarises the current maximum dimensions and status of the high-grade zones in fresh rock.

Table 1. Maximum dimensions and status of high-grade zones at Gonneville.

Zone	Previous strike extent	Previous dip-extent	Current strike extent	Current dip-extent	Status
G1	450m	390m			Merges with G2 at depth
G2	600m	400m	690m	490m	Open down-dip and to the north
G3	465m	210m	465m	280m	Open down-dip and to the north
G4	800m	430m	1000m	430m	Open down-dip and to the north
G5	450m	200m	450m	270m	Open down-dip
G6	300m	450m	300m	450m	Open down-dip
G7	350m	500m	350m	500m	Open down-dip
G8			350m	250m	Open down-dip and along strike
G9			350m	200m	Open down-dip and along strike
G10			400m	300m	Open down-dip and to the north
G11			1000m	300m	Open down-dip and to the north

Significant shallow, high-grade Pd-Pt-Au mineralisation also continues to be intersected in the oxide zone above the high-grade G1-G11 zones.

A major step-out hole, JD018, targeting deep EM Conductor 'X', intersected a ~550m thick sequence of the Gonneville Intrusion, confirming that the Intrusion extends beyond the limits of the ~1.6km x ~0.8km magnetic anomaly.

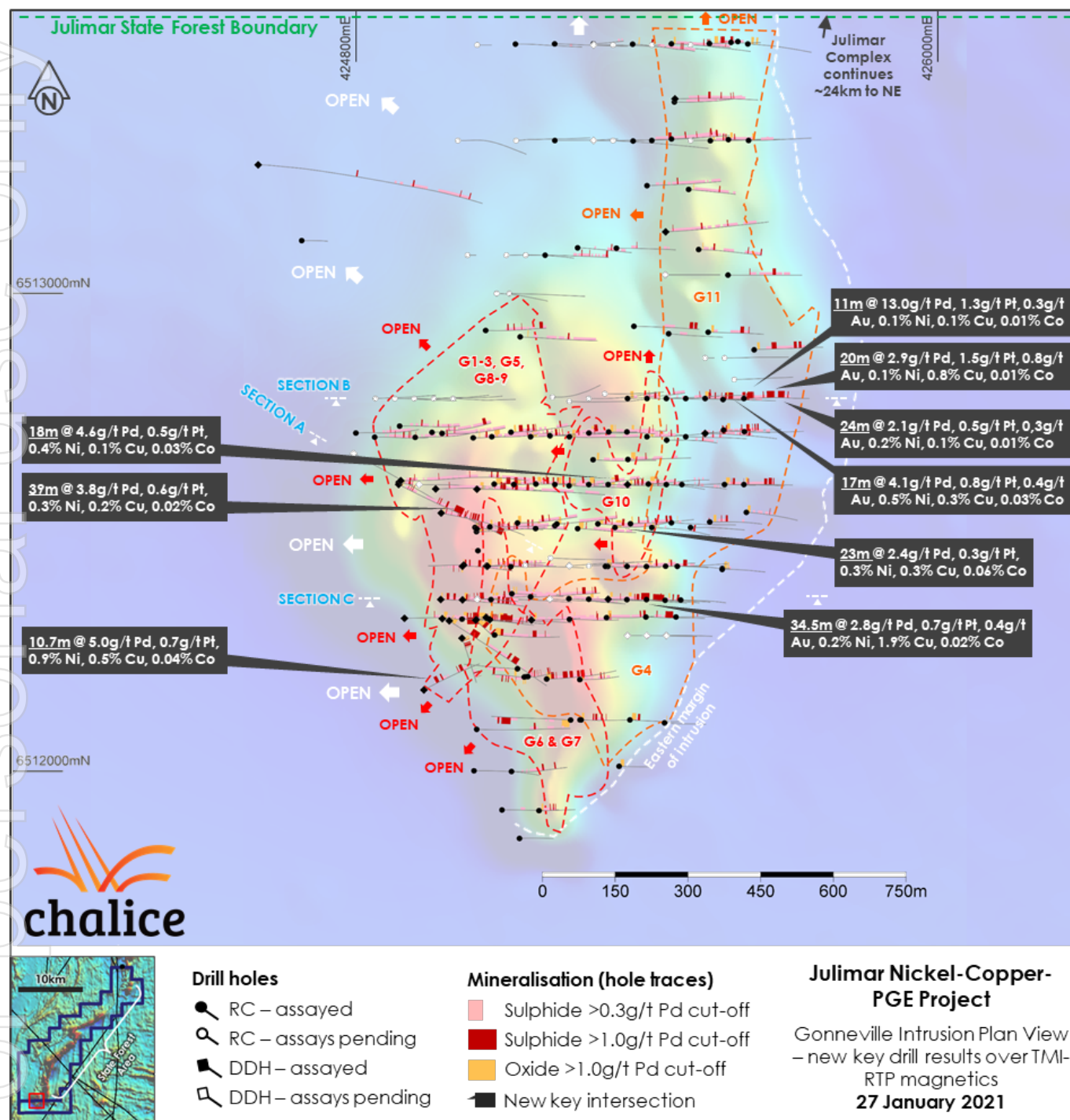
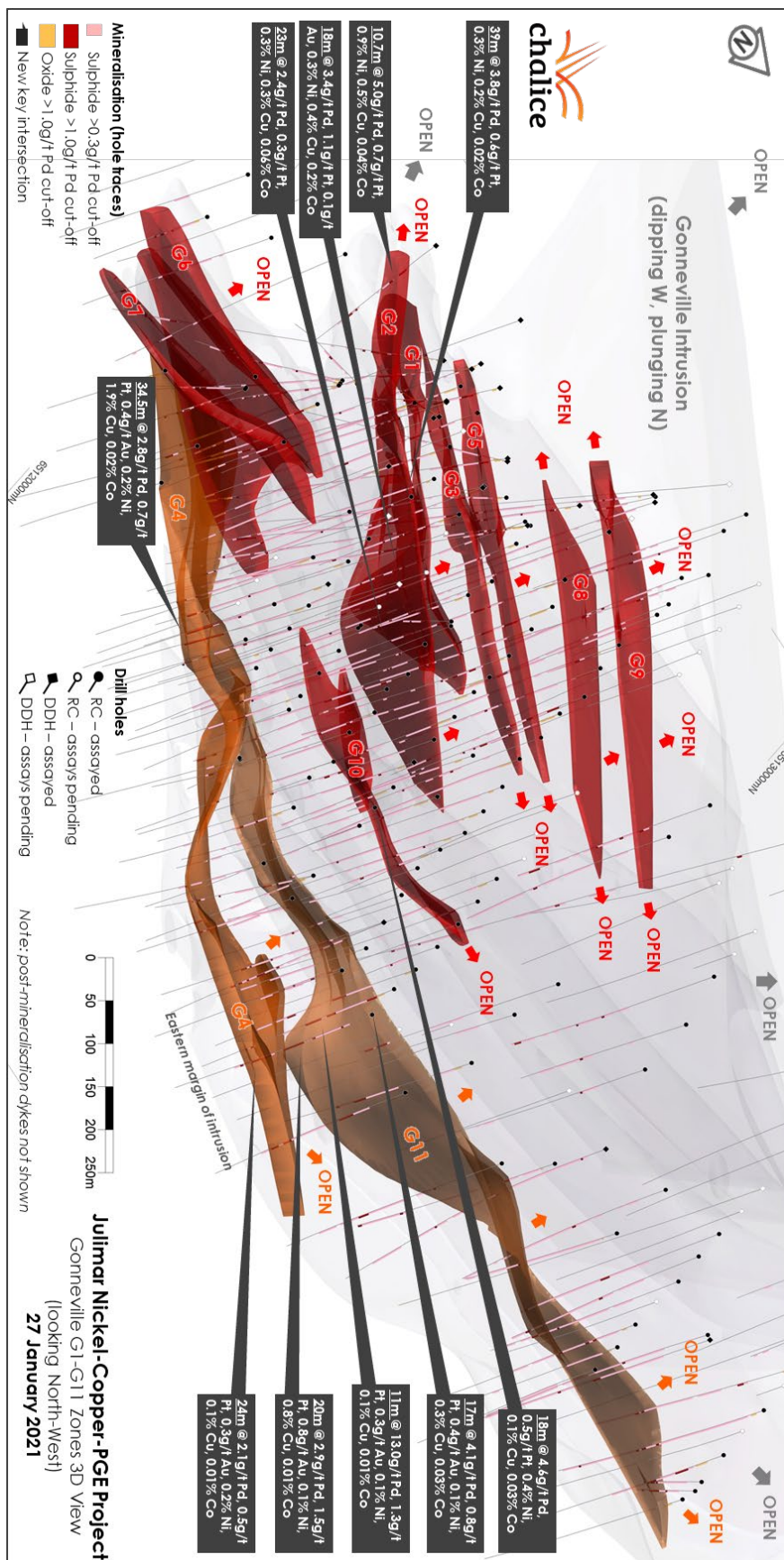


Figure 1. Gonneville Intrusion Plan View – new key drill results and high-grade G1-G11 zone outlines over TMI-RTP magnetics.

Figure 2 (next page). Gonneville high-grade G1-G11 zones 3D View looking North-West (approx. down-dip of the high-grade zones).



EXPLORATION ACCESS TO THE JULIMAR STATE FOREST

The Western Australian Minister for Mines and Minister for Environment have provided approval (concurrence) for initial non-ground disturbing (i.e. low impact) activities within the Julimar State Forest on granted Exploration Licence E70/5119, under the approved Stage 1 Conservation Management Plan (CMP). This approval paves the way for the first ever Ni-Cu-PGE exploration activities within the State Forest.

Exploration activities will have negligible impact on vegetation, fauna or recreational activities within the area, and will be governed by the approved CMP.

In September 2020, Chalice identified several large-scale AEM anomalies (Hartog, Baudin and Jansz) located directly along strike from the Company's Gonnevillle discovery and within the interpreted ~26km long Julimar Intrusive Complex (**Figure 3**).

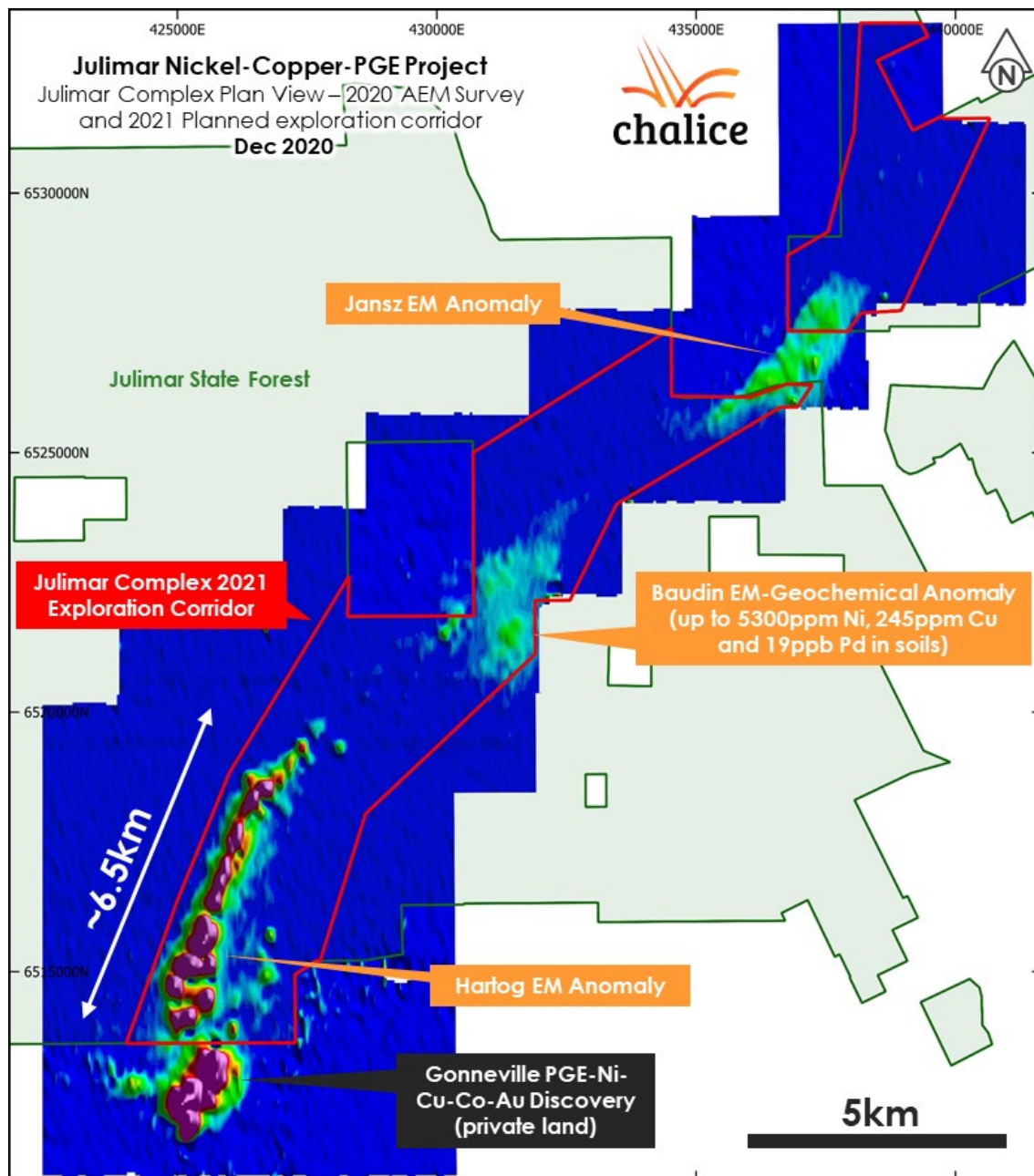


Figure 3. Julimar Complex Plan View – 2020 AEM Survey and 2021 planned exploration corridor.

Exploration activities initially comprise prospect-scale soil geochemical sampling (200m x 100m) in conjunction with 200m-spaced MLEM centred over the Hartog, Baudin and Jansz AEM anomalies. This will be followed by infill soil geochemical sampling and MLEM to define targets for drill testing.

The entire ~20km x ~3km exploration corridor along the interpreted Julimar Complex will also be subject to first-pass exploration including wide-spaced soil geochemistry and ground gravity surveying and/or MLEM. Any additional areas of interest will be infilled to define potential targets for future drill testing.

PRIVATE PROPERTY ACQUISITIONS

During the quarter, Chalice acquired three key private properties at the Julimar Project covering a combined area of ~945 hectares with one property covering ~85% of the Gonneville Intrusion.

The properties, plus associated livestock and farming assets were acquired pursuant to a binding purchase agreement for consideration comprising \$7 million in cash and 2,303,010 ordinary fully-paid Chalice shares.

A further private property, which is adjacent to the Gonneville Intrusion, was acquired in December 2020 for \$3.5 million in cash and is expected to settle in early February 2021.

Securing the title to these properties is an important milestone and a significant de-risking step for the potential development of a future mining operation.

METALLURGICAL TESTWORK PROGRAM

Stage 2 metallurgical testwork on several composite samples representing the main high-grade mineralised zones continued during the quarter. This testwork is focusing on differential flotation of the sulphide mineralisation and the potential to use conventional cyanide leach for the oxide mineralisation.

The metallurgical variability of the various mineralised zones and mineralisation types, including the oxide zone, is also being assessed.

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-Co+/-Au 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 ~160,000m RC/diamond drill program is underway with 3 RC and 3 diamond rigs. Drilling is initially being undertaken on an 40m x 40m spaced grid over the high-grade areas. This 40m spacing is expected to be sufficient to define mineral resources in the indicated category.
- **Down-hole EM Geophysics** – 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 that the lack of an EM target does not necessarily preclude the presence of high-grade mineralisation, based on drill results received to date.
- **Metallurgical testwork** – Further sulphide flotation and oxide leach testwork is underway on 200kg of composite metallurgical samples, compiled from drill samples collected from various mineralisation styles within the intrusion.
- **Geochemistry and Geochronology** – the Company has engaged the Geological Survey of WA (GSWA) and a specialist consultant to conduct initial geochemical analysis and metallogenesis studies. This work aims to improve our geological and mineralogical understanding of the discovery and enhance our targeting capability as we search for similar discoveries across our large land holding in the West Yilgarn Ni-Cu-PGE Province.

- **Reconnaissance activities within the Julimar State Forest** – initial wide-spaced soil sampling and Moving Loop EM programs have commenced at the Hartog AEM Anomaly. Reconnaissance activities will continue over the next 1-2 months. The results of this work will assist in determining whether Julimar has the potential to host multiple Ni-Cu-PGE mineralised systems.

1.2 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.

Chalice's 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).

Chalice is continuing its systematic approach to gold exploration under cover in Central Victoria, following promising maiden drill results at the Karri, Ironbark North and Ironbark South Prospects returned in H1 2020. Two diamond rigs are continuing a 12 hole, ~4,000m Phase 2 program at the Karri Prospect, testing beneath the >4km gold trend identified by previous air-core (AC) drilling.

The first two diamond drill holes were drilled to follow up hole PHDH001 (which intersected 11.45m @ 1.0g/t Au from 284m). The two holes intersected further anomalous gold zones associated with auriferous quartz veining and arsenic anomalism. Diamond drilling will continue into Q1 2021 and is designed to establish key geological domains and vector towards potential high-grade bedrock gold mineralisation.

Elsewhere on the Project, the Company is continuing reconnaissance exploration activities across multiple target areas in the southern, shallow cover parts of the Muckleford and Mt William Areas. Wide spaced AC drilling is underway with one rig, aiming to outline potential new large-scale gold targets.

Additional AC drilling is also planned at the Ironbark North and Ironbark South prospects to further refine the footprint of secondary gold anomalism observed to date. Results will then determine the next phase of focused diamond drilling.

1.3 Hawkstone Nickel-Copper-Cobalt Project, Western Australia

The Hawkstone Nickel-Copper-Cobalt Project (formerly the King Leopold Nickel Project) covers an area of ~1,800km² 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).

A maiden RC drill program of 11 holes for 2,043m was completed during the quarter to test priority ground MLEM targets identified from both a 2019 MLEM survey over the Waterford area and a maiden MLEM survey over the King Sound Area, which was undertaken earlier in the quarter.

Conductors were prioritised for drill testing based on a broad association with either outcropping Ruins Dolerite or similar interpreted prospective rocks under shallow cover. Due to surface access constraints, the two highest priority conductors at the Ephesus Target were not able to be drilled. Diamond drilling at this Target is planned for mid-2021.

RC drilling intersected mostly graphitic shales and/or sulphidic (pyrrhotite-rich) Marboo Formation metasediments at the target positions, which are located internal or adjacent to Ruins Dolerite intrusions. The sulphidic intervals contain anomalous base metals (zinc, copper and lead).

One hole intersected weakly disseminated sulphides in Ruins Dolerite containing anomalous nickel and copper. The occurrence of Ni/Cu sulphides in the Ruins Dolerite is viewed as encouraging for the broader Ni-Cu sulphide prospectivity of these intrusions.

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

1.4 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 Barrabarra, 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 >8,000km² of new licence applications made since the discovery at Julimar.

1.5 Non-Operated Joint Ventures

NULLA SOUTH GOLD PROJECT, WESTERN AUSTRALIA (RAMELIUS EARNING 75%)

Operator Ramelius Resources Ltd ("Ramelius", ASX: RMS) reported that reconnaissance AC drilling was completed over three conceptual targets during the quarter. An aggregate of 5,978m was drilled from 116 holes (NUSA218-333), with the best anomalous result of 4m @ 0.87 g/t Au from 12m in NUSA241. No follow-up drilling is currently planned by Ramelius. (Refer to ASX announcement by Ramelius - 28 January 2021)

GIBB ROCK GOLD PROJECT, WESTERN AUSTRALIA (RAMELIUS EARNING 75%)

Operator Ramelius reported that two RC holes (GRRC001-2) were completed as follow-up to the weakly anomalous AC drilling results reported in the previous quarter. Best results included 1m @ 0.48 g/t Au from 72m in GRRC001. No follow-up drilling is planned by Ramelius. (Refer to ASX announcement by Ramelius - 28 January 2021)

WARREGO NORTH COPPER-GOLD PROJECT, NORTHERN TERRITORY (NT BULLION PTY LTD EARNING 75%)

No exploration was completed during the quarter.

2. CORPORATE

2.1 Equity Raising

During the quarter Chalice completed a A\$100 million share placement to sophisticated, professional and institutional investors ("Placement") at an issue price of \$3.75. In addition to the Placement, the Company also announced a Share Purchase Plan ("SPP") of up to A\$10 million at the same price as the Placement. Due to strong demand, the SPP was subsequently increased to \$15 million and was completed after quarter end.

The combined Placement and SPP comprised the issue of ~30.7 million new fully paid ordinary shares and raised gross proceeds of \$115 million ("Offer").

2.2 Cash and Investments

In November 2020, Chalice acquired a strategic 10% interest in ASX listed Caspin Resources ("Caspin", ASX: CPN) for \$1.2 million as part of an Initial Public Offering. Caspin holds a prospective land position of 400km² in the emerging Ni-Cu-PGE belt 40km north of Chalice's Julimar discovery.

As at 31 December 2020, Chalice had a cash balance of ~\$119 million and \$13.5 million in listed investments, which include shares held in O3 Mining Inc. (TSX-V: OIII) and Caspin (ASX: CPN). An additional \$15 million raised pursuant to the SPP was received after quarter-end.

2.3 Appendix 5B - Quarterly Cash flow

During the quarter, operating cashflows included expenditures of \$7.7 million on exploration activities (including ~\$6 million at the Julimar Project) and \$0.7 million on corporate and administration (net of interest, government grants and tax incentives).

Investing activities included cash consideration paid of \$6.9 million (including stamp duty) for the acquisition of three private properties at the Julimar Project and the acquisition of the Caspin shares for \$1.2 million.

Financing activities included receipt of funds (net of costs) from a \$100 million equity placement.

Further details are available in the attached Appendix 5B.

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

Payments of \$179k reported in Item 6.1 of the attached Appendix 5B, relates to salaries and fees (including superannuation paid to Directors).

3. 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.chalicemining.com to view our latest corporate presentation, or contact:

Corporate Enquiries

Alex Dorsch
Managing Director
Chalice Mining Limited
+61 8 9322 3960
info@chalicemining.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:

- "High-grade nickel-copper-palladium sulphide intersected at Julimar Project in WA", 23 March 2020
- "Preliminary results from second target at Julimar Project", 24 March 2020
- "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
- "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
- "Chalice secures access to major new targets at Julimar", 4 January 2021
- "Four new high-grade zones defined as Julimar continues to grow", 27 January 2021

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

- "First diamond drill hole at Karri hits primary gold zone", 7 April 2020

The above announcements are available to view on the Company's website at www.chalicemining.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 Mining 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 ultimately realised, the estimation of mineral reserve and mineral resources, the realisation of mineral resource estimates, the forecast timing of the estimation of mineral resources, 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 or "advancing", "expected", "will", "potential", "forecasts", "highly", "plan", "prospects", "targeted", 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; 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 otcm Markets.com. The Company also refers to the "Key Risks" section of its investor presentation released to the ASX on 1 December 2020.

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

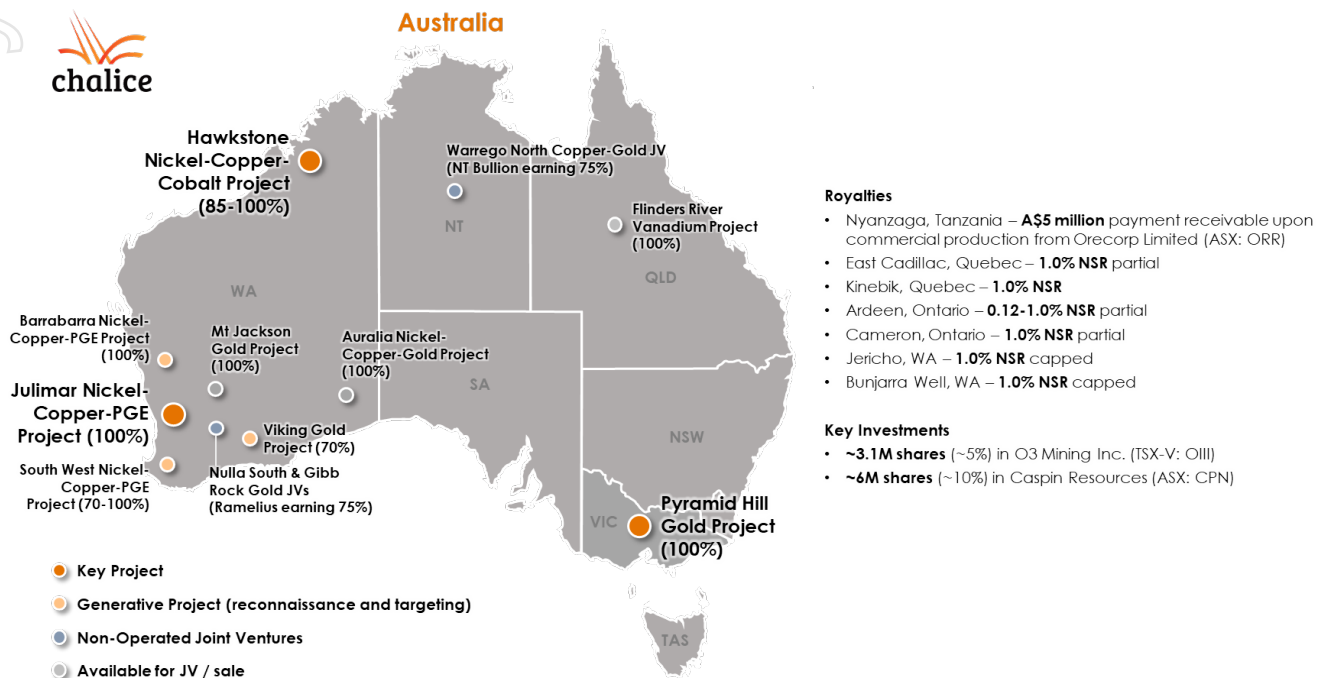


Figure 4. Chalice's project locations in Australia, non-operated JV interests, investments and royalties.

The following information is provided in accordance with ASX Listing Rule 5.3 for the Quarter ended 31 December 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	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%
	Julimar (regional)	E70/5350	CGM (WA) Pty Ltd	100%
		E70/5358 to E70/5359	CGM (WA) Pty Ltd	100%
		E70/5361	CGM (WA) Pty Ltd	100%
		E70/5367	CGM (WA) Pty Ltd	100%
		E70/5369	CGM (WA) Pty Ltd	100%

Location	Project	Tenement No.	Registered Holder	Nature of interest
	Auralia	E70/5373	CGM (WA) Pty Ltd	100%
		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%
		E70/5264	CGM (WA) Pty Ltd	100%
		E70/5355 to E70/5356	CGM (WA) Pty Ltd	100%
		E70/5535	CGM (WA) Pty Ltd	100%
		E70/5550 to E70/5551	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%
		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
		E70/5421	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%
		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	Julimar (regional)	E70/5350	CGM (WA) Pty Ltd	100%
		E70/5358 to E70/5359	CGM (WA) Pty Ltd	100%
		E70/5361	CGM (WA) Pty Ltd	100%
		E70/5367	CGM (WA) Pty Ltd	100%
		E70/5369	CGM (WA) Pty Ltd	100%
		E70/5373	CGM (WA) Pty Ltd	100%
	Barrabarra	E70/5355 to E70/5356	CGM (WA) Pty Ltd	100%
		E70/5535	CGM (WA) Pty Ltd	100%
		E70/5550 to E70/5551	CGM (WA) Pty Ltd	100%
	South West	E70/5421	Venture Lithium Pty Ltd	0% - Earn-in agreement, right to earn up to 70% interest

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	Kurrajong Bore	P37/8702	CGM (WA) Pty Ltd	0%
		P37/8706 to P37/8707	CGM (WA) Pty Ltd	0%
		P37/8710 to P37/8711	CGM (WA) Pty Ltd	0%
		P37/9021	CGM (WA) Pty Ltd	0%
		P37/9028	CGM (WA) Pty Ltd	0%
Victoria	Pyramid Hill	EL006805	CGM (WA) Pty Ltd	0%

Appendix 5B

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

Name of entity

Chalice Mining Limited

ABN

47 116 648 956

Quarter ended ("current quarter")

31 December 2020

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities			
1.1 Receipts from customers		48	77
1.2 Payments for			
(a) exploration & evaluation		(7,745)	(12,857)
(b) development		-	-
(c) production		-	-
(d) staff costs ⁽¹⁾		(534)	(1,708)
(e) administration and corporate costs		(358)	(605)
1.3 Dividends received (see note 3)		-	-
1.4 Interest received		36	106
1.5 Interest and other costs of finance paid		(4)	(11)
1.6 Income taxes paid		-	-
1.7 Government grants and tax incentives		127	338
1.8 Other (provide details if material)			
- acquisition of livestock		(560)	(560)
- GST Paid		(271)	(271)
- Other		166	166
1.9 Net cash from / (used in) operating activities		(9,095)	(15,325)
2. Cash flows from investing activities			
2.1 Payments to acquire or for:			
(a) entities		-	-
(b) tenements		-	-
(c) property, plant and equipment		(369)	(420)
(d) exploration & evaluation		-	-
(e) investments		(1,202)	(1,202)

⁽¹⁾Year to date 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.

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 (6 months) \$A'000
	(f) other non-current assets	-	-
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	102
	(e) other non-current assets	(12)	(23)
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)		
	- Acquisition of private land (Julimar property acquisition)	(6,862)	(6,862)
2.6	Net cash from / (used in) investing activities	(8,445)	(8,405)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	100,000	100,000
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	304	304
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(3,570)	(3,583)
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	96,735	96,721

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	39,486	45,694
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(9,095)	(15,325)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(8,445)	(8,405)

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 (6 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	96,735	96,721
4.5	Effect of movement in exchange rates on cash held	25	21
4.6	Cash and cash equivalents at end of period	118,706	118,706

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	607	169
5.2	Call deposits	118,099	39,317
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)	118,706	39,486

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	179
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>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.</i>		

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

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.		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(15,325)
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)	(15,325)
8.4	Cash and cash equivalents at quarter end (item 4.6)	118,706
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	118,706
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	7.7
<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.

Date:29 January 2021.....

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.