

"A New East African-Focused Gold Company"

Corporate Presentation June 5, 2009



CHALICE
GOLD MINES LIMITED

www.chalicegold.com



Disclaimer

The material used in this presentation is intended to be a summary of the proposed merger between Chalice Gold Mines Limited and Sub-Sahara Resources NL and includes activities that are current and proposed based on the information available to Chalice Gold Mines Limited as at 3rd June 2009.

This presentation may contain value references and "forward looking statements" which are subject to various risks and uncertainties that could cause actual results and future events to differ materially from those expressed or implied by such statements. Investors are cautioned that such statements are not guarantees of future performance and results.

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 and to ASX releases and take independent professional advice before considering investing in the Company.

For further information about Chalice Gold Mines Limited, visit the website at www.chalicegold.com

- Well-funded ASX-listed gold company (ASX: CHN)
- Strong track record in successful development & operation of mining projects
- Proposed merger with Sub-Sahara Resources NL targeted for completion by August 2009
- Strategy to consolidate ownership and fund development of 944,000oz high grade Zara Gold Project, Eritrea
- Unique growth opportunity in emerging Arabian-Nubian gold & base metal province (Sukari, Bisha Projects)
- Major work program underway targeting Pre-Feasibility Study by October 2009 and Feasibility Study by October 2010

Overview

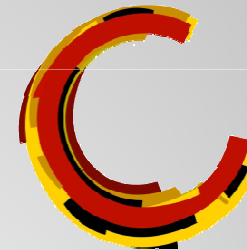
- Listed on ASX since 2006
- 72.8M shares on issue – top 20 hold 56.6%
- ~\$10M cash
- Portfolio of gold and base metal exploration projects in WA – JV's with Teck Cominco, Atlas Iron, AngloGold Ashanti
- Reviewed large number of assets before identifying Sub-Sahara Resources opportunity
- Strong depth of expertise in gold exploration and development projects

Board

Tim Goyder (Executive Chairman)

Doug Jones (Managing Director)

Anthony Kiernan (Non-executive Director)



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Corporate Snapshot

- Chalice and Sub-Sahara to merge via Scheme of Arrangement, subject to consents and approvals
- Scheme consideration will comprise 1 Chalice Share for every 10.73 Sub-Sahara Shares
- Fully supported by both Boards
- Deemed to be in best interests of Sub-Sahara shareholders by independent expert BDO Kendalls
- Proposed merger to combine Chalice's strong cash resources with Sub-Sahara's 69% interest in the Zara Project
- Chalice to acquire further 11.12% interest, subject to completion of the merger, giving the merged group a consolidated 80% interest in the Zara Project

Merger Overview

Scheme Booklet lodged with ASX and ASIC

2 June 2009

First Court Hearing

18 June 2009

**Despatch of Notice of Meeting
& Scheme Booklet to SBS Shareholders**

23 June 2009

Scheme Meeting

22 July 2009

Second Court Hearing

30 July 2009

Lodging of Court Order with ASIC

6 August 2009

Indicative Merger Timetable (subject to change)

- Approximately 121M shares on issue on completion of the merger
- Post merger market capitalisation of ~A\$30M (based on Chalice share price of \$0.25)
- Capability to rapidly progress Zara Project through to definitive feasibility study
- Sufficient funding to carry project through to a decision to mine
- Seasoned board with extensive African gold experience, including Eritrea

Post Merger Board

Tim Goyder (Executive Chairman)

Doug Jones (Managing Director)

Mike Griffiths (Executive Director)

Anthony Kiernan (Non-executive Director)

Expected Post Merger Substantial Shareholders:

Tim Goyder	14.2%
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Anvil Mining	6.9%
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David Kennedy	5.6%
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Post Merger Snapshot



Zara Gold Project – Location

- **Stable operating and social environment**
- **Increasing foreign investment, e.g. US\$250M Bisha development (Nevsun Resources)**
- **Proactive Government stance on mining developments – “open for business”**
- **Zara Project tenements located 160km NW of capital, Asmara**



Eritrea Overview

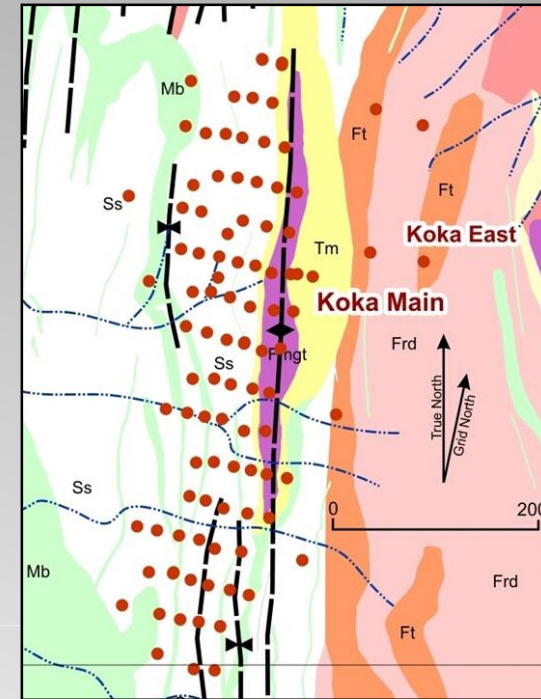
- An emerging gold and base metal province
- Numerous +1Moz deposits and mines dating back to ancient times
- Gold endowment >20Mozs – but largely unexplored in modern times
- Various deposit types including mesothermal & epithermal gold and polymetallic (VHMS) styles
- Associated with structural controls (regional scale sutures, faults and shear zones) and granitoid magmatism
- Nevsun's ~US\$250M Bisha gold and base metal mine currently under construction in Eritrea

(LOM production of 1.06 million oz gold, 749 million lb copper, 1,093 million lb zinc, 9.4 million oz silver)



Gold in the Arabian-Nubian Shield

- Koka Deposit - JORC compliant Indicated and Inferred resource of **5.04 Mt grading 5.8 g/t gold for 944,000 oz contained**
- Current resource based on results from 109 diamond drill holes (~18,000 metres drilled)
- 570 metres strike length
- 20-30 metres wide
- Drilled to a depth of 300 metres
- Potential remains open down plunge towards the south

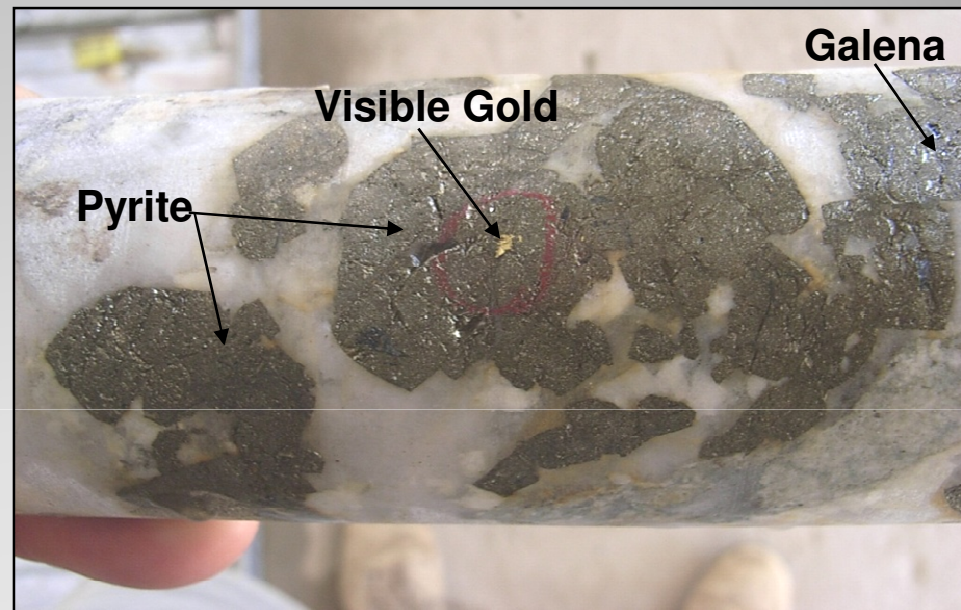


Category	Lower grade cut-off (g/t)	Tonnes (Mt)	Gold (g/t)	Metal (Koz)
Indicated	1.2	4.55	5.9	867
Inferred	1.2	0.49	4.9	77
TOTAL	1.2	5.04	5.8	944

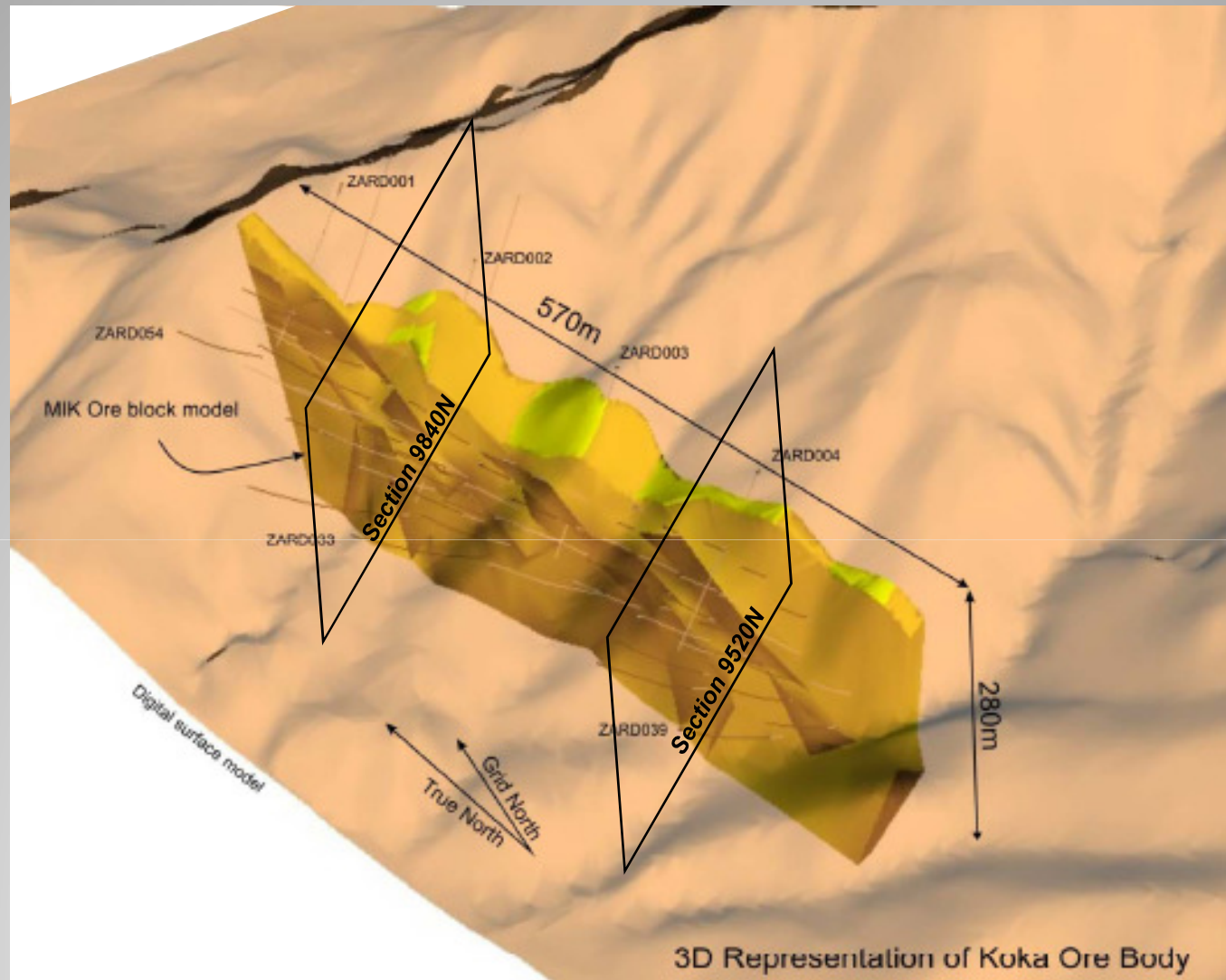
From Coffey Report dated 29th April, 2009 for the Koka Insitu Mineral Resource reported above a nominal 1.2 g/t Au lower cutoff grade and below a statistically derived 60g/t top-cut. MIK derived SMU model estimates using a nominal 5mE x 10mN x 5mRL SMU dimension to emulate assumed open pit mining selectivity. Bulk density of 2.74t/m³ has been applied to mineralized zones. Gold grade tonnage distributions are subdivided by JORC resource categories. Depletion is to the current natural surface, with no mining assumed to-date. The reported resource is otherwise unconstrained but limited by depth of drilling and model extents.

The Zara Gold Project

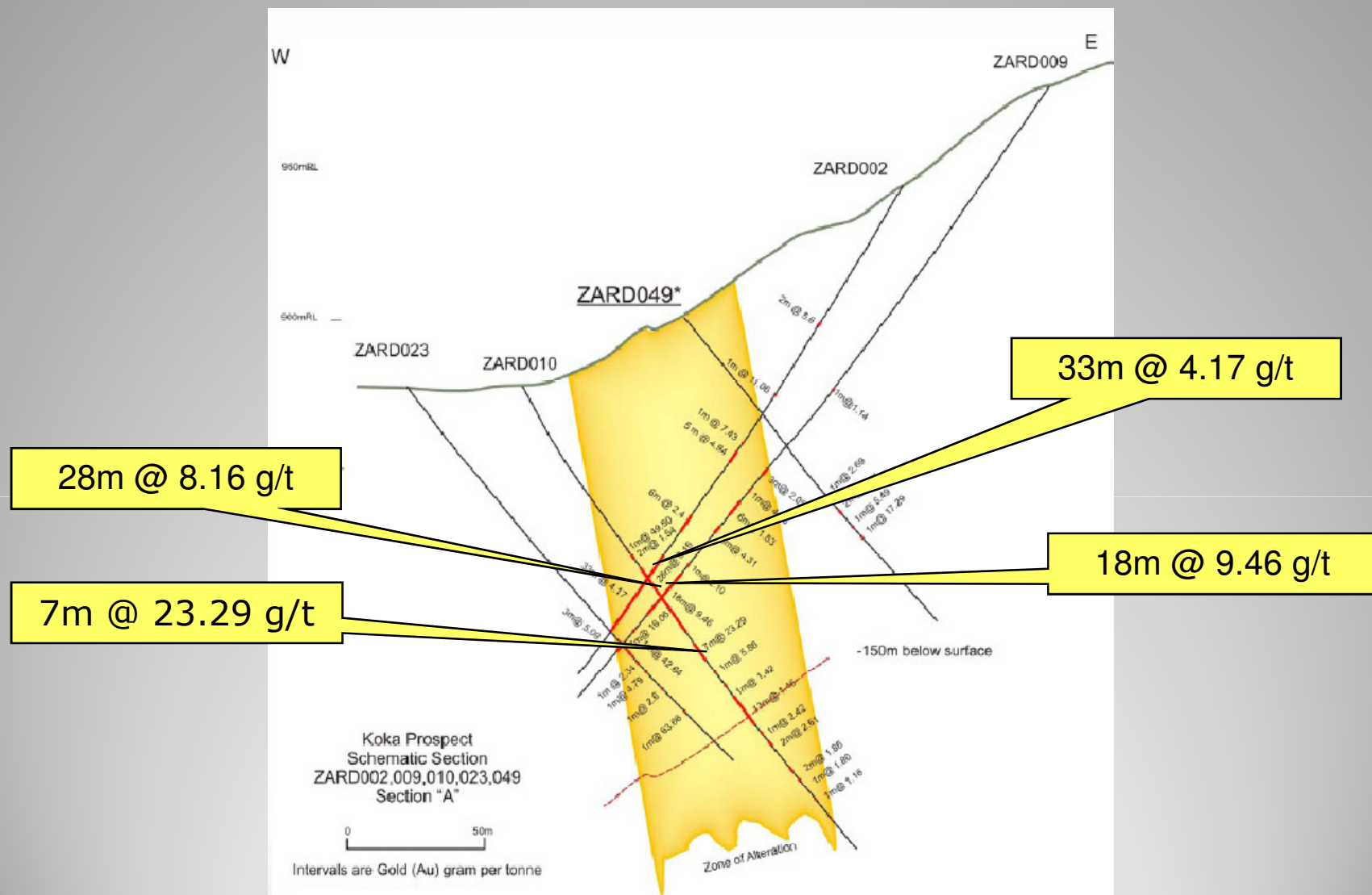
- **Quartz stockwork system cutting micro-granite sill**
- **Limited oxide – bulk of resource is primary sulphide**
- **Coarse sulphide blebs associated with quartz veins**
- **Visible gold & high gold values associated with pyrite, galena, sphalerite & minor chalcopryrite**
- **Metallurgically benign - preliminary testwork indicates high gold recoveries (>95%) with low reagent consumptions**



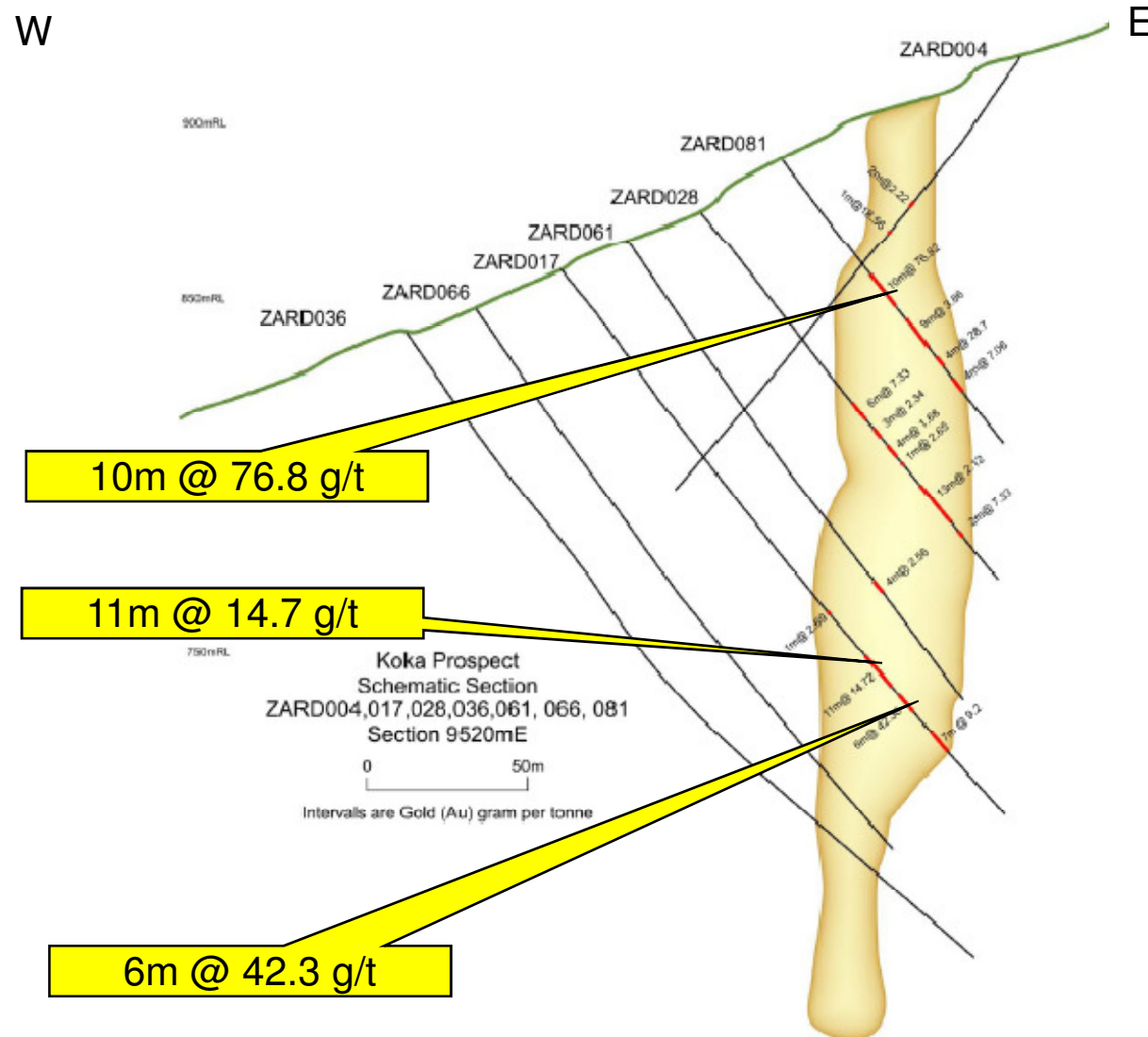
Koka Deposit - Mineralisation



Koka Deposit – 3D Model

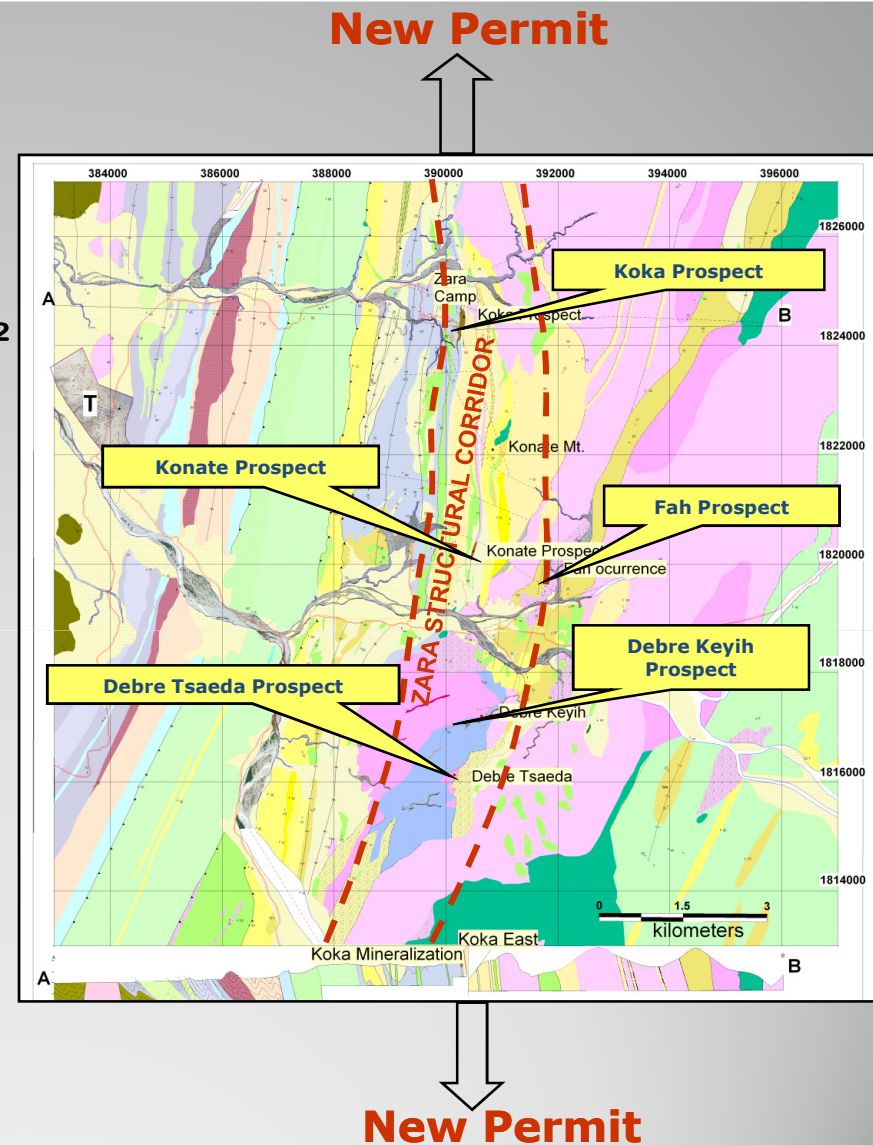


Koka Deposit – Section 9840N



Koka Deposit – Section 9520N

- Major regional scale structural corridor controls gold occurrences
- Tenements cover 50km strike on this corridor (approx 600km² including new permits to north and south)
- Numerous prospects identified from artisanal gold workings
- Only Koka Prospect explored in detail so far
- Drainage BLEG geochemical anomalies identified within corridor – not followed up to date



Exploration Upside ... virtually untouched

- **Complete Prefeasibility Study by October 2009**
- **Complete Feasibility Study by May 2010**
- **Experienced 'Owner's Representative' appointed – metallurgist Steven Chadwick**
- **'Request for Proposal' or PFS and FS dispatched to 5 engineering consulting firms**
- **Site preparation for 5,000m of drilling commenced – upgrade current Indicated & Inferred to Measured & Indicated – expect to commence mid-August**
- **Hydrological drilling – discussions with contractors underway**
- **Metallurgical studies pending on purpose-drilled core held at Ammtec in Perth**
- **Geotechnical studies**
- **On-going Socio-Economic and Environmental Studies**

Forward Program

- Focused growth strategy via proposed Sub-Sahara merger
- Rare opportunity to develop a high-grade open-pit gold project
- Sub-Sahara portfolio includes extensive tenement position in emerging gold & base metal province
- Work commencing on the ground while merger is completed
- Experienced Board and Management with extensive expertise in African gold sector
- Excellent growth potential

Summary – Investment Proposition

Competent Persons Statement

The information in this report that relates to Exploration Results is based on information compiled by Dr Doug Jones, a full-time employee and Director of Chalice Gold Mines Limited, who is a Member of the Australasian Institute of Mining and Metallurgy and is a Chartered Professional Geologist. Dr Jones has sufficient experience in the field of activity being reported to qualify as a Competent Person as defined in the 2004 edition of the Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves, and consents to the release of information in the form and context in which it appears here.

The Independent Resource Estimate for the Koka deposit was prepared by Mr Brian Woolf, whilst employed as a Specialist Resource Geologist for Coffey Mining Pty Ltd. Mr Woolf, who is a Member of the Australasian Institute of Mining and Metallurgy, has sufficient experience in the field of Resource Estimation to qualify as a Competent Person as defined in the 2004 edition of the Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves, and consents to the release of information in the form and context in which it appears here.