

Chalice: A new chapter begins

- **Cash:** *\$80M expected net cash following sale of Zara asset*
- **Today's opportunity:** *Drilling in world-class VMS field*
- **Tomorrow's potential:** *Seeking world-class projects*

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Disclaimer and Competent Persons Statement

- 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
- 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.



Overview

Divestment of Eritrean gold asset a catalyst for new phase of growth...

- Dual-listed international mining company (ASX: CHN, TSX: CXN)
 - *Strong track record of identifying, securing & developing quality resource assets*
- Acquired and brought Zara Gold Project to cusp of production
- Imminent completion of Zara sale opens up a new growth chapter:
 - *~\$80M in net cash post-completion and net of tax = **32cps cash backing***
 - *Further **US\$5M** trailing royalty payment expected upon commencement of mining at the Tusker deposit, Tanzania (African Barrick)*
- Drilling to test potential repeats of world-class Bisha VMS deposit at Mogoraib North (10km from Bisha mine) in Eritrea
- Uniquely positioned to secure new high quality resource assets



Corporate Snapshot

An experienced team with global capability – dual-listed on ASX/TSX

Capital Structure:

Shareprice	~A\$0.25
Shares on Issue	250 million
Market Capitalisation	~A\$62.5 million
Options on Issue	7 million
Debt	-
Cash & Receivables	~A\$80 million*

Board and Senior Management

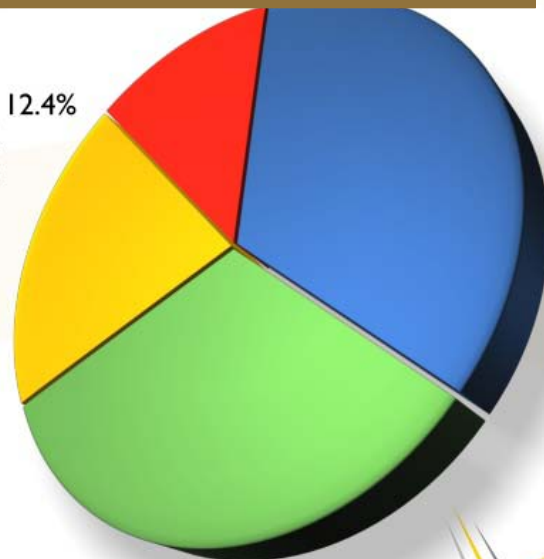
Tim Goyder	Executive Chairman
Dr Doug Jones	Managing Director
Anthony Kiernan	Non-Exec Director
Stephen Quin	Non-Exec Director
Richard Hacker	CFO
Dr Harry Wilhemij	Exploration Manager
Mike Griffiths	Technical Consultant

**Post completion of Zara sale, expected in early September 2012*



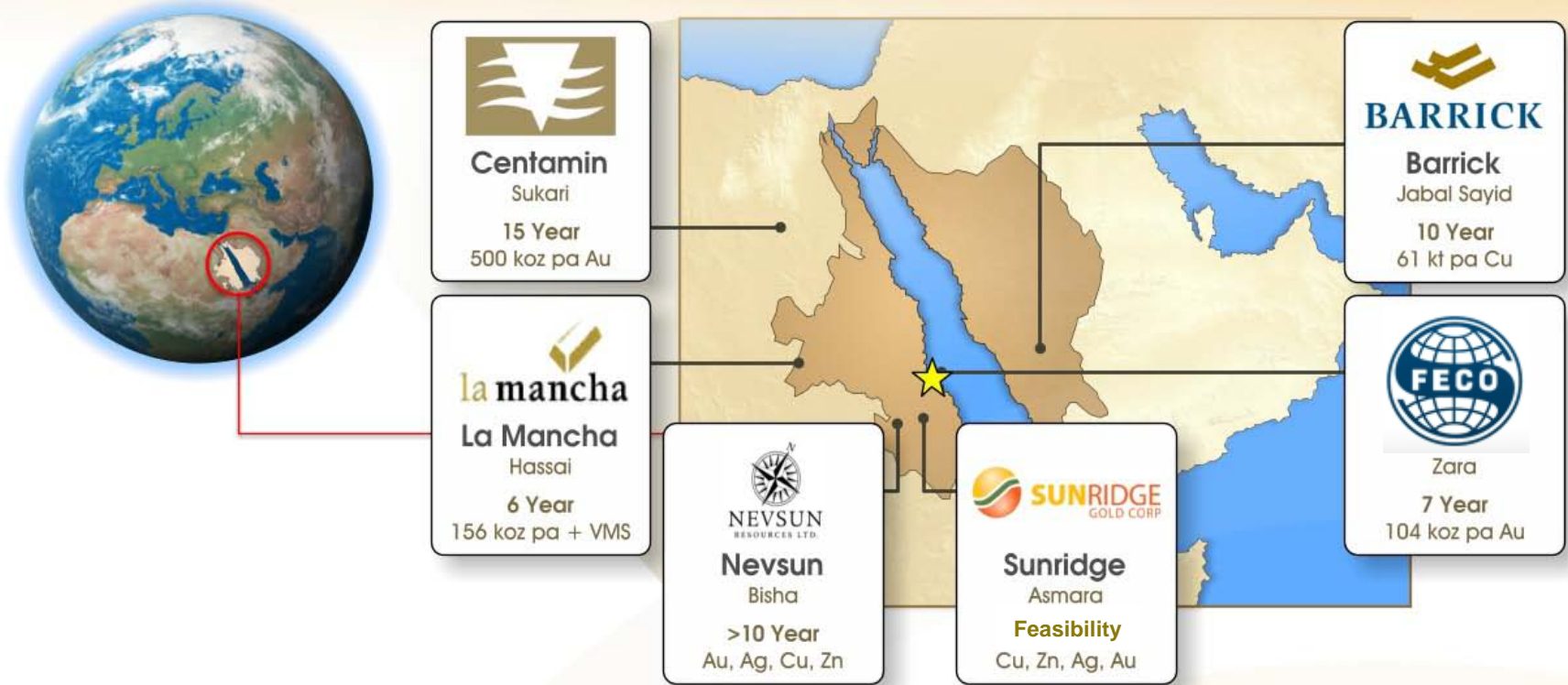
Substantial Shareholders

- Tim Goyder - 13.5%
- Franklin Resources - 12.4%
- Lujeta Pty Ltd - 8.1%
- Acorn Capital - 5.0%



Current Regional Focus: the Arabian-Nubian Shield

Strong strategic foothold in one of the world's exploration "hot spots"

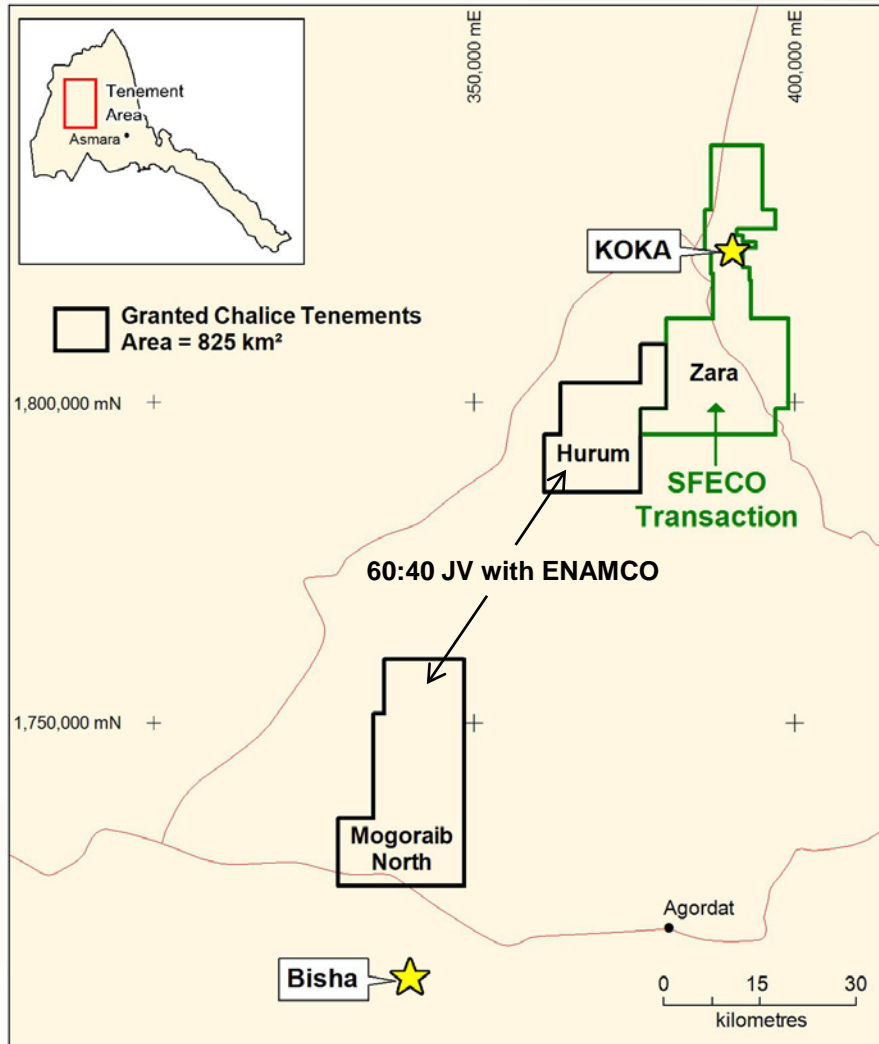


- Long mining history (+1,000 recorded ancient copper and gold mines)
- Minimal modern exploration
- World-class projects now being developed



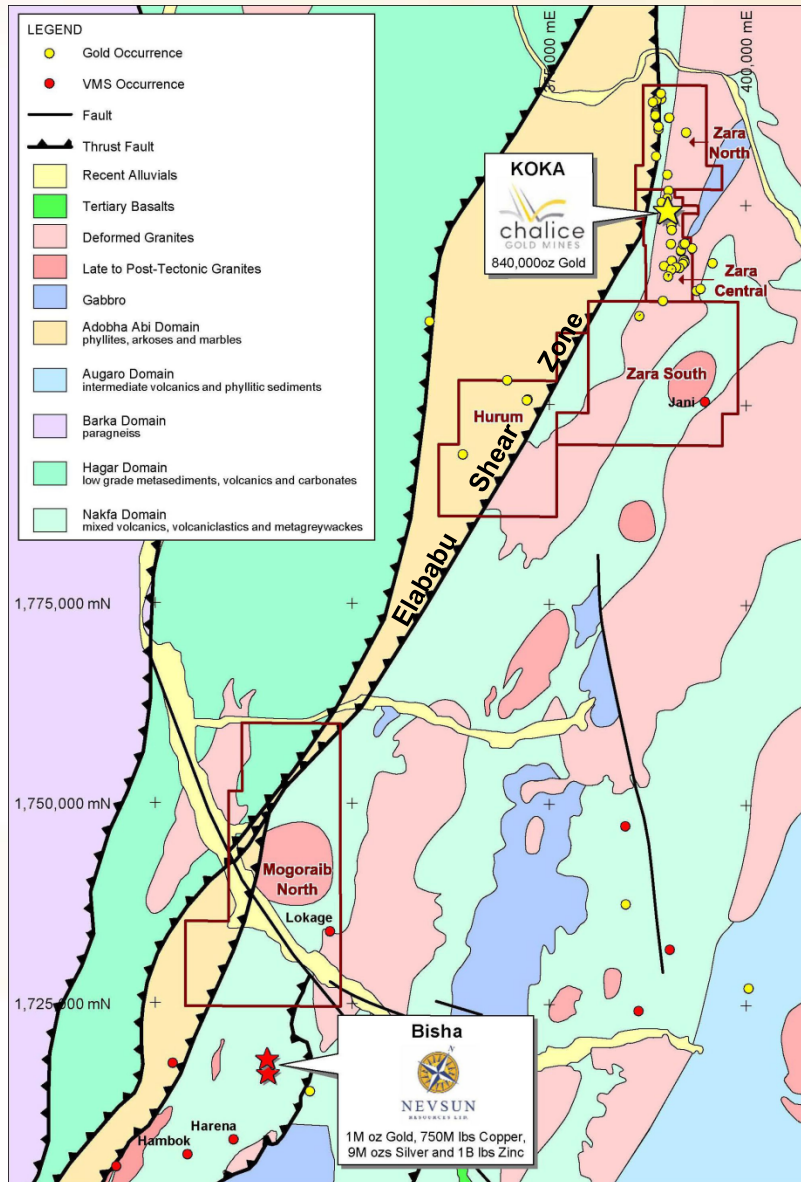
Current Ground Position - Eritrea

Tenements encompass high-grade gold deposit and outstanding exploration potential...



All the Right Geological Ingredients....

....but with very little modern exploration coverage

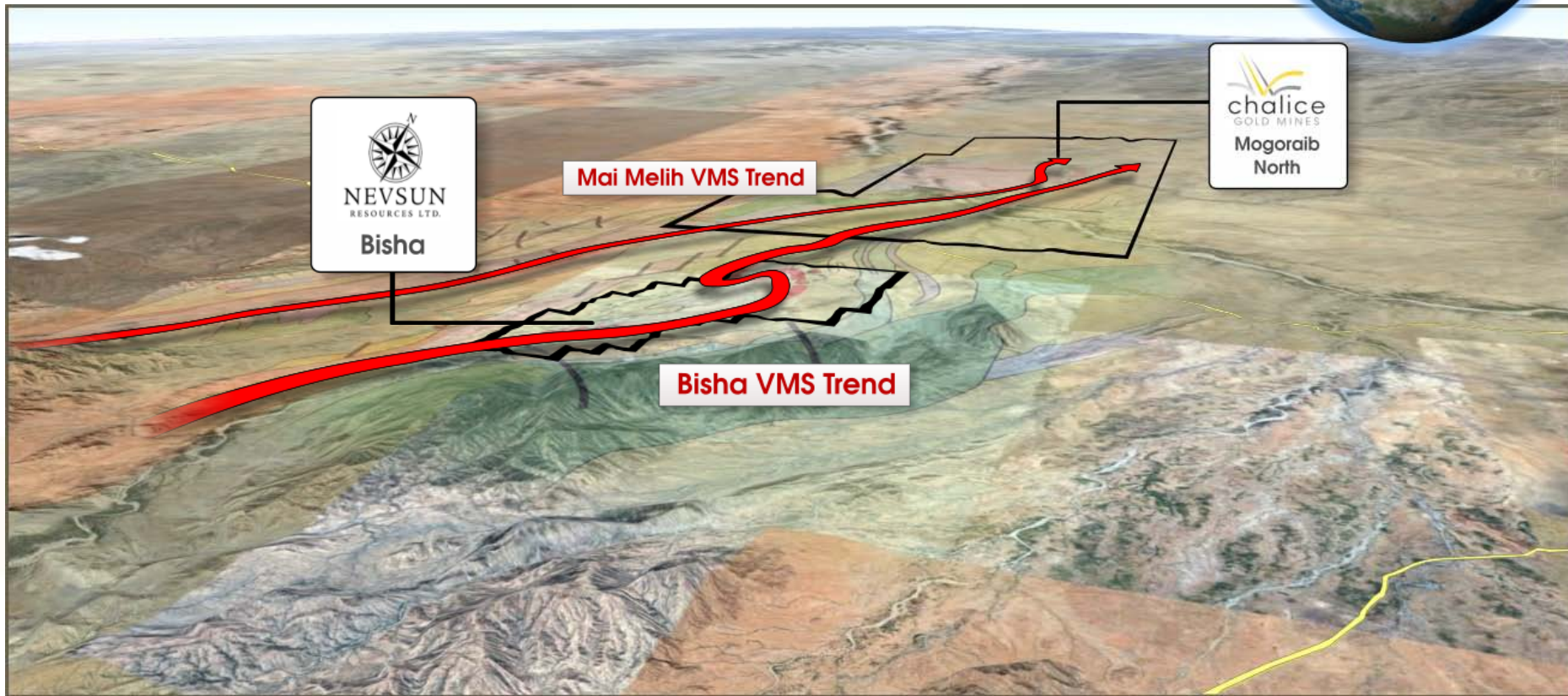


- Favourable Geology
 - Granite-greenstone style geology
 - Properties straddle Elababu Shear Zone – deep crustal-scale regional structure: ‘gold fairway’
- Multiple gold targets
 - Hurum
 - Western side of Mogoraib North
- Gold + base metal VMS targets
 - VTEM conductors on Mogoraib North



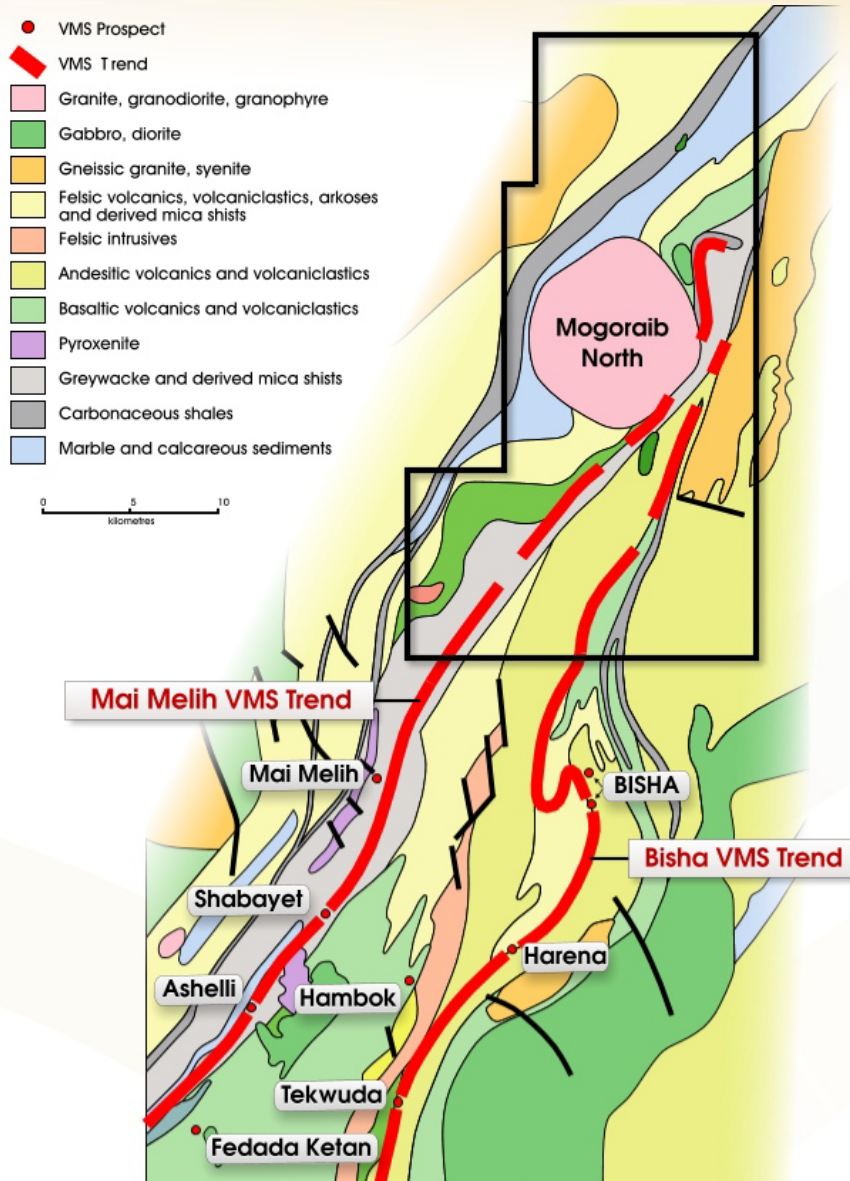
Mogoraib North: On the Doorstep of a Giant

On the doorstep of one of the world's premier new VMS mines



Mogoraib North Exploration Licence

Primary target polymetallic VHMS but gold potential as well



- 550 sq km tenement
- Regional geology & stream sediment geochem completed
- VTEM survey ~3825 line kilometres
- Numerous bedrock conductor targets identified – VHMS?
- Follow-up ground geophysics and soil geochem used to refine targets
- Gold potential along Elababu Shear Zone and Intrusive Related Gold Systems (IRGS)



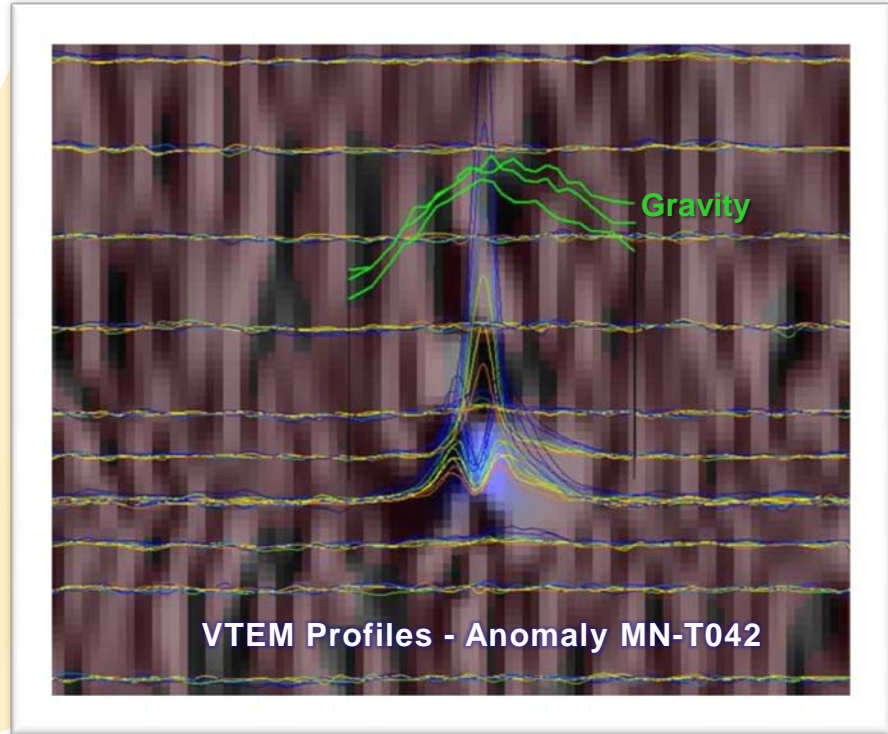
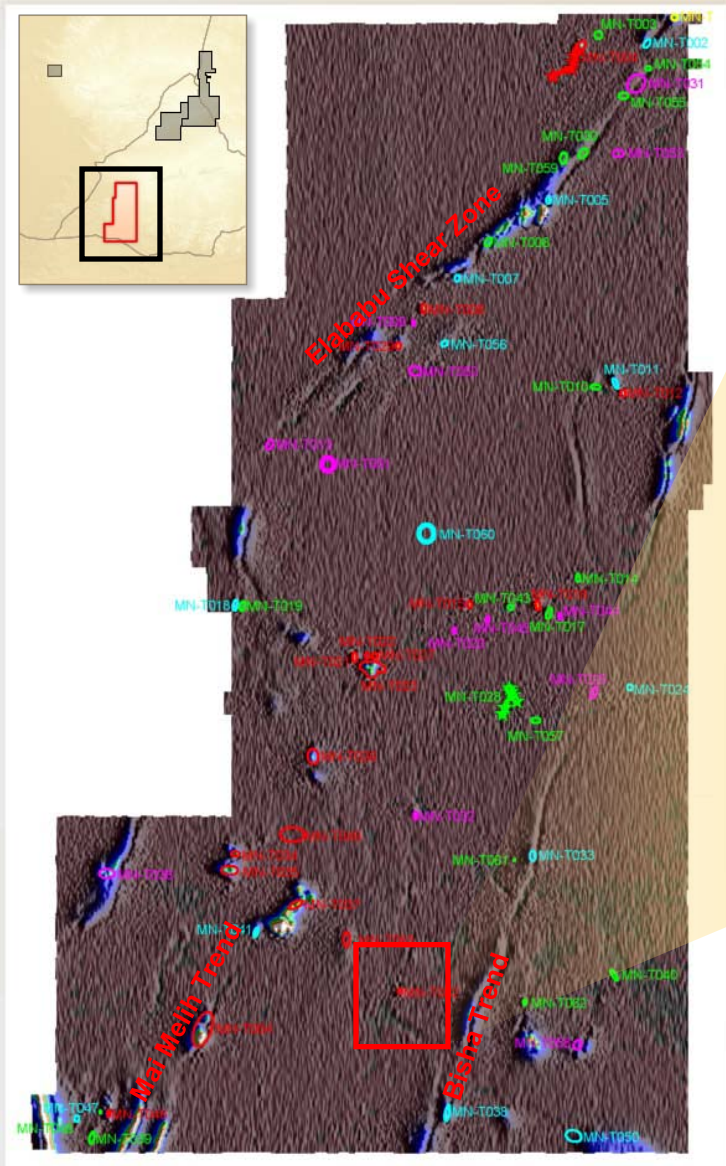
Mogoraib North – Exploration Environment

Primary target polymetallic VHMS but gold potential as well



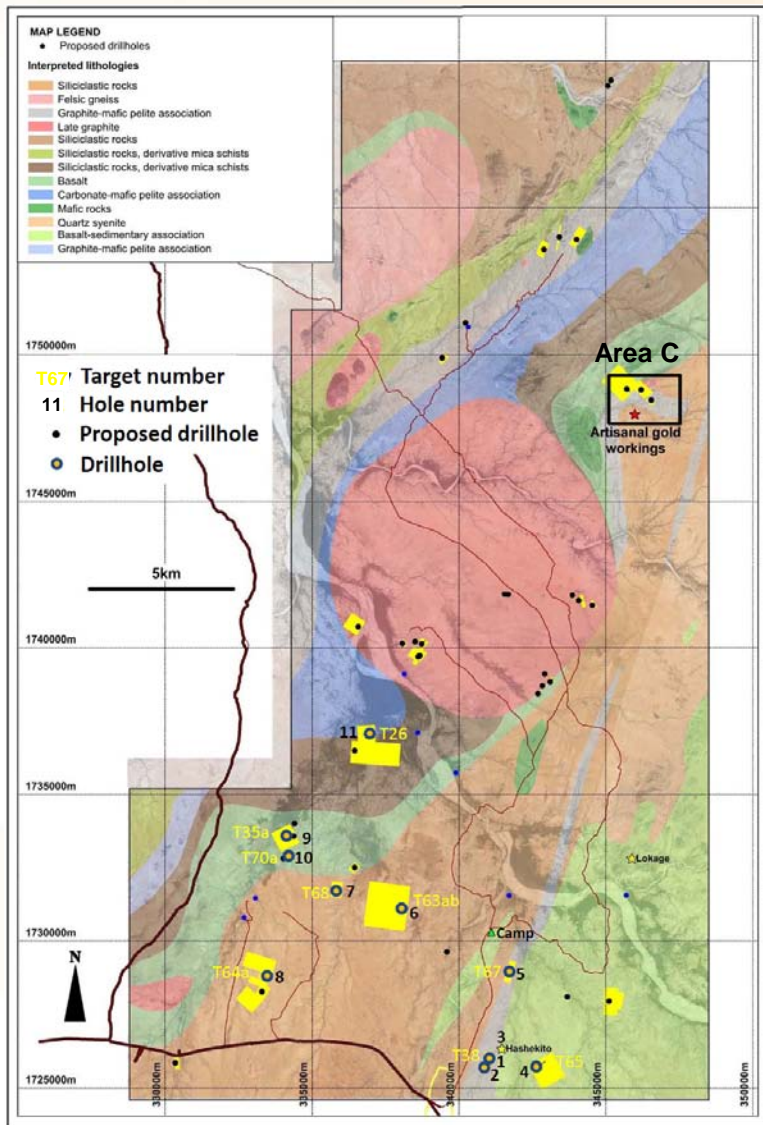
Looking for bedrock conductors with coincident gravity anomalies

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GOLD MINES



Mogoraib North – VTEM Targets & Drilling

Looking for bedrock conductors with coincident gravity anomalies

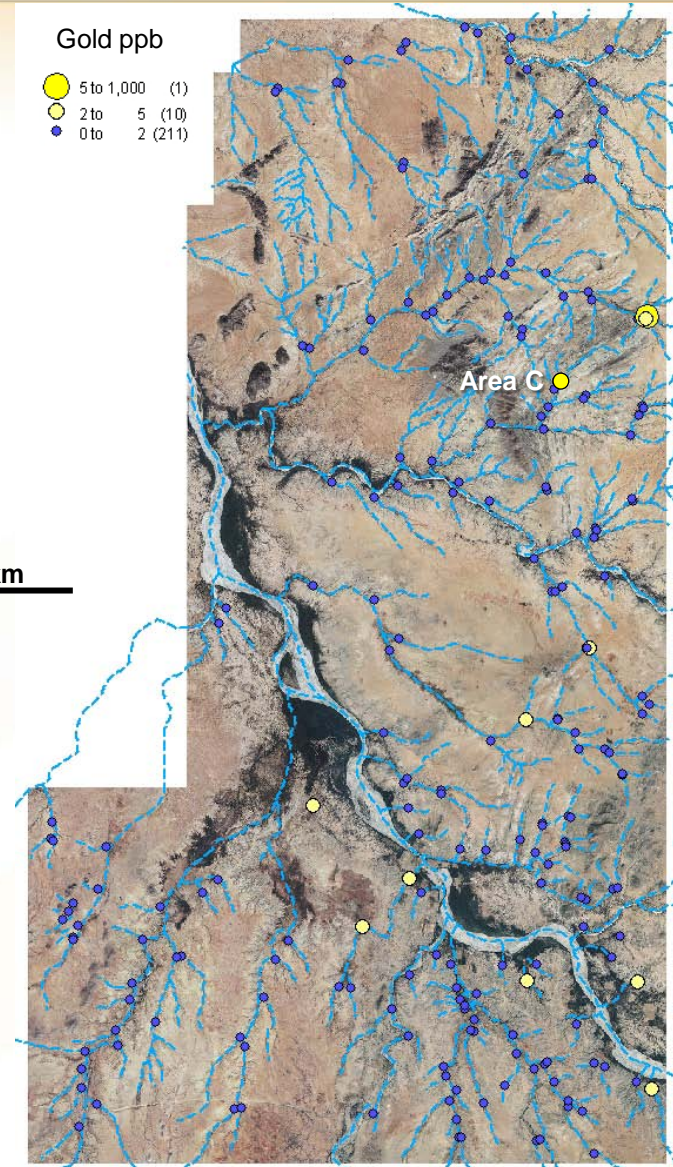
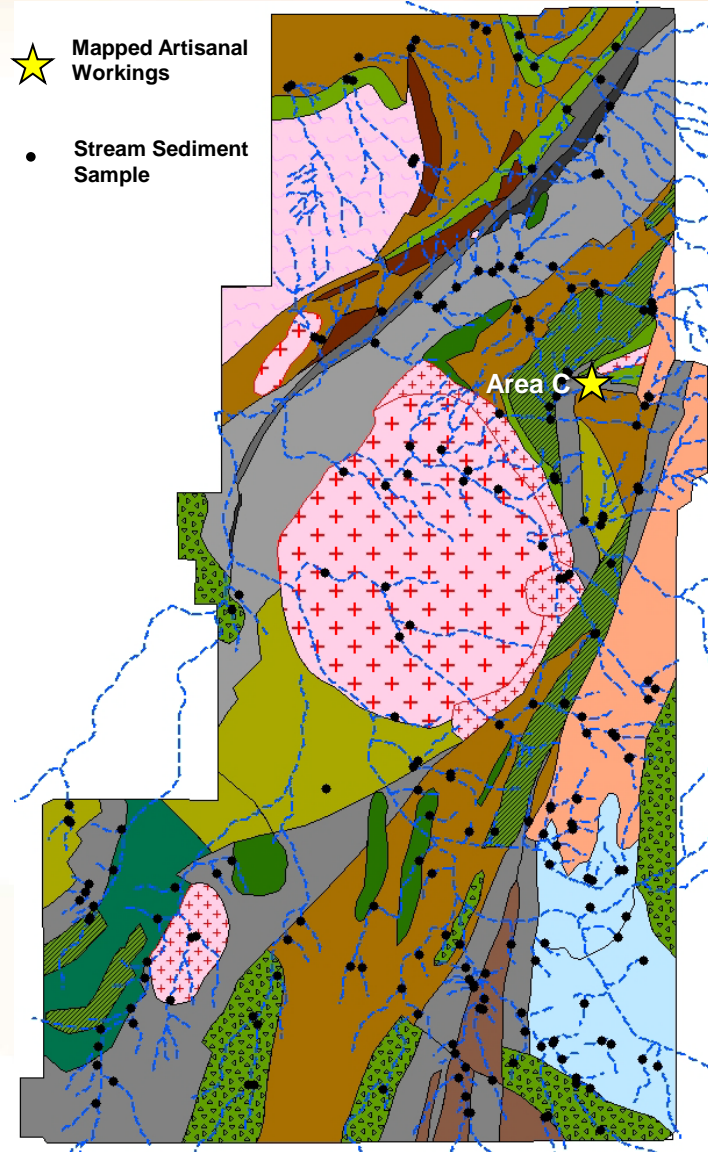


- Diamond drilling – 11 holes, 2,365m completed of initial 5,000m program
- No assays yet available
- Drilling currently suspended due to wet season flooding
- Recommencing early-mid October



Mogoraib North – Stream Sediment Gold Anomalies

Looking for bedrock conductors with coincident gravity anomalies



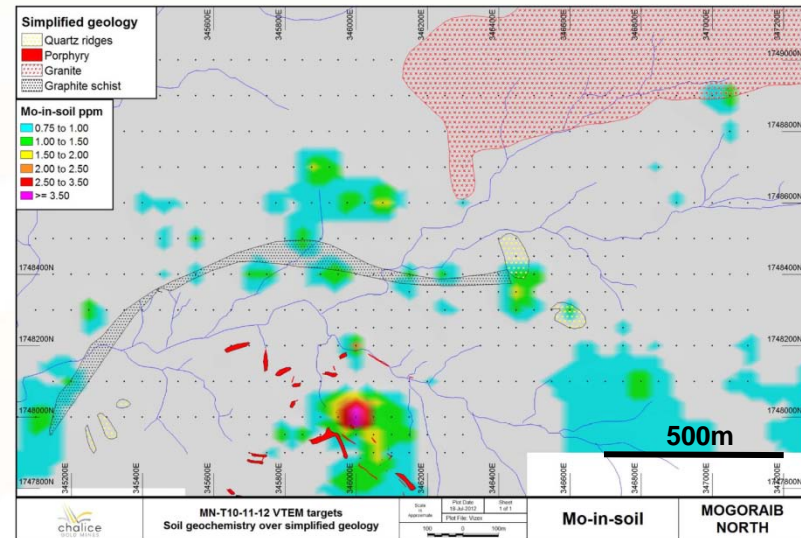
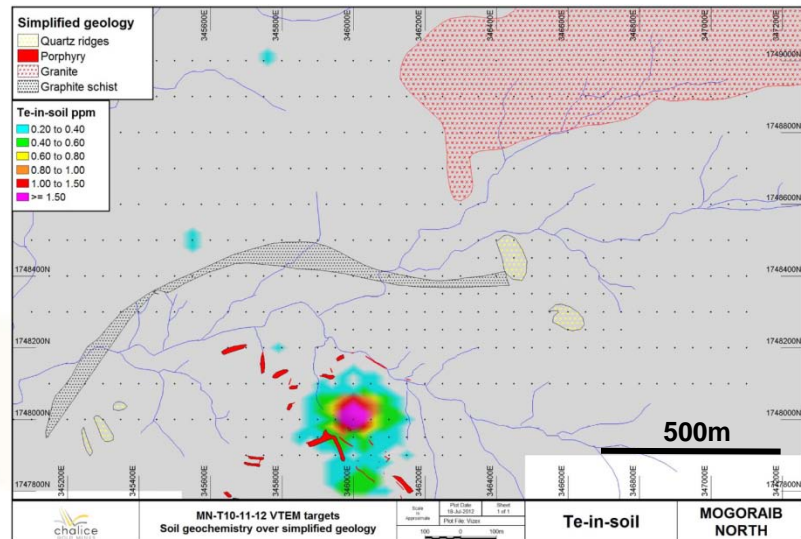
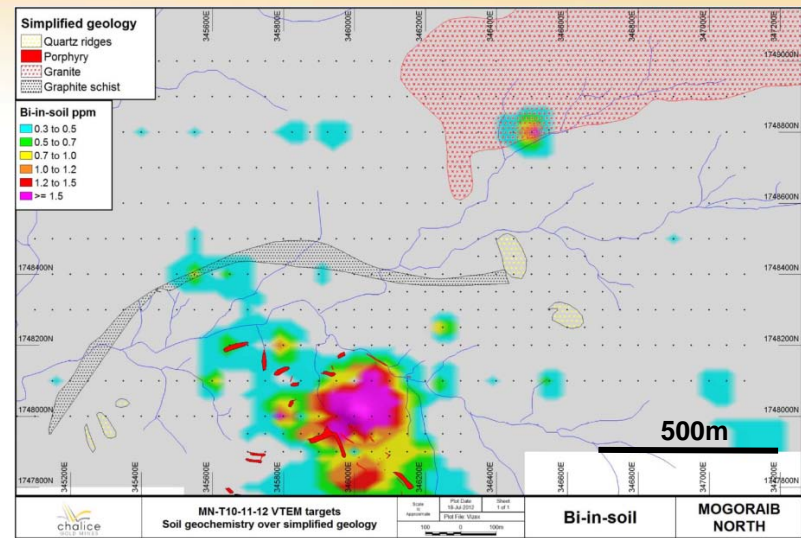
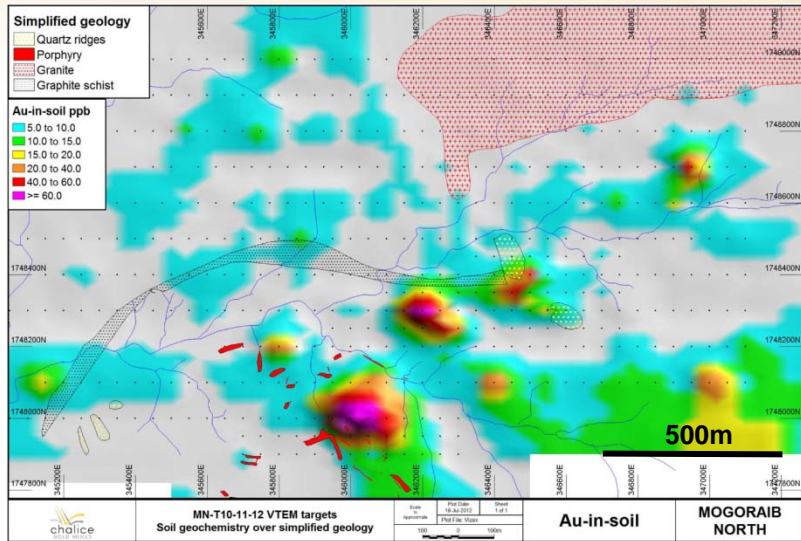
Mogoraib North – Area C Gold

Looking for bedrock conductors with coincident gravity anomalies



Mogoraib North – Area C Soil Geochemistry

Looking for bedrock conductors with coincident gravity anomalies



Business Development Focus

A significant war-chest to secure quality new opportunities with potential to add value

- Aiming to put \$80 million to work
- Preference for advanced exploration or development stage opportunities with growth potential
- Preference for gold or gold-copper (\pm silver) but will consider other commodities on project-specific merits
- Initial focus on Africa but prepared to consider other jurisdictions
- >80% equity available
- Technical due diligence team formed to assess projects



Summary: A New Chapter Begins

Cash, Exploration Potential, Opportunity

- **Divestment** of Zara Project **completed**: settlement imminent
- **\$80M** expected treasury
- Cash-backing = **32cps**
- VHMS & gold targets at **Mogoraib North & Hurum**
- Hunt for **new opportunities** underway



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Chalice: A new chapter begins

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- ***Today's opportunity:*** Drilling in world-class VMS field
- ***Tomorrow's potential:*** Seeking world-class projects

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