ASX Announcement
6 March 2018

Significant new gold intersections at East Cadillac Project, Quebec confirm mineralisation over ~3.5km

Large number of assays still awaited from drilling of high-potential targets

Highlights

- **Significant gold mineralisation intersected at the East Cadillac Gold Project, Quebec, with significant new assays including:**
  - **11.6m at 3.32g/t Au from 235.9m down-hole including 1.6m at 18.52 g/t Au from 244.0m (hole ECG-18-21) at Simon West prospect; and**
  - **6.5m at 1.77 g/t Au from 157m down-hole (ECG-18-24) at North Contact prospect.**
- **Drilling to date has confirmed gold mineralisation along ~3.5km of strike of the Larder Lake – Cadillac Fault in the Simon West area – an extremely encouraging result.**
- **An additional drill hole is planned to test the steep westerly plunge of the high-grade mineralisation intersected in ECG-18-21.**
- **Significant progress made towards completion of the ~29,000m diamond drill program during the winter field season, with drilling continuing to test a number of high-potential targets.**
- **Only ~40% of the 29,000m program assayed so far.**

Chalice Gold Mines Limited ("Chalice" or "the Company") **(ASX: CHN) (TSX: CXN)** is pleased to advise that it is making excellent progress with the expanded exploration program at its East Cadillac Gold Project, located in the Abitibi gold province in Quebec, Canada, with the receipt of a number of encouraging new assay results confirming and further expanding the potential of the project.

As announced on 16 January 2018, Chalice has increased its planned drilling program at East Cadillac to a planned 29,000m, representing an increase of 21,000m. Drilling activity has increased with four diamond rigs now operating.

Drilling Overview

The current diamond drill program was designed to follow-up on potential extensions to the mineralisation previously intersected at Nordeau and Simon West and to complete an initial assessment of prioritised targets identified from both surface geochemistry and 3D Induced Polarisation surveys undertaken in 2017 (see Figure 1).

The latest assay results have confirmed the presence of significant gold mineralisation at Simon West (ECG-18-21) and the continuation of multiple mineralised zones up to 10m in width (ECG-18-16 and 37) over a strike length of ~3.5km to the west of the Chimo Mine boundary. The mineralisation is typical of the Abitibi region and is seen elsewhere along the Larder Lake – Cadillac Fault structure.

Chalice is also encouraged by results received from drilling on the Northern Contact, located ~1km north and parallel to the Larder Lake – Cadillac Fault, where drill hole ECG-18-24 intersected **6.5m at 1.77 g/t Au from 157m**. This result warrants further testing of the Northern Contact (Figure 1).

The area west of the Chimo Mine boundary is subject to an option and earn-in agreement with Monarques Gold Corp. (TSX-V: MQR), where Chalice may earn a 70% interest by spending C$3.1 million and paying option payments totalling

C$200,000. Chalice is expected to meet its expenditure commitments under this agreement in March 2018. Drilling along the northern contact is subject to the Monarques agreement and also an option and earn-in agreement with Globex Mining Enterprises Inc. (TSX: GMX), where Chalice can earn a 100% interest by spending C$2.5 million and making option payments of C$590,000 (Globex will retain a 3% Gross Metal Royalty).

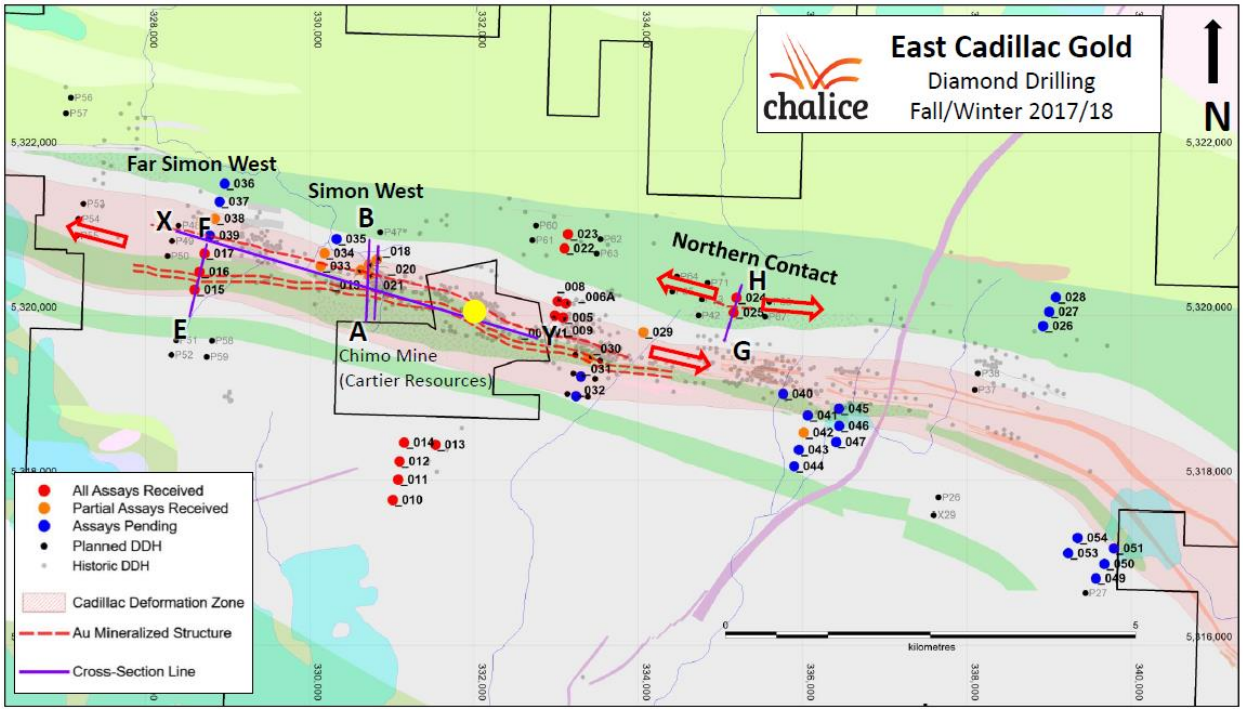

Figure 1. East Cadillac Gold Project showing progress of diamond drilling (drill-hole numbers prefixed by ECG-18)

The latest significant intercepts are listed below in Table 1 (full listing of intersections can be found in Appendix 1). Assays are continuing to be received from the laboratory, with only ~40% of the planned 29,000m program assayed to date.

Table 1. East Cadillac Gold Project latest significant diamond drilling intercepts.

Prospect	Hole	From	To	Interval (m)	Grade (g/t)
2km west of Simon West	ECG_18_016	38.0	43.8	**5.8**	**1.62**
	ECG_18_016	***incl.***		***1.0***	***3.72***
	ECG_18_016	251.0	261.8	10.8	0.99
	ECG_18_016	***incl.***		***1.3***	***3.11***
Simon West	ECG_18_018	538.5	544.5	**6.0**	**1.55**
	ECG_18_018	incl.		**2.0**	**3.18**
	ECG_18_018	441.0	442.0	**1.0**	**9.00**
	ECG_18_020	368.5	369.4	0.9	3.44
	ECG_18_020	564.3	566.5	2.2	1.47
	ECG_18_021	235.9	247.7	**11.6**	**3.32**
	ECG_18_021	***incl.***		***1.6***	***18.52***
2km west of Simon West	ECG_18_037	125.8	138.8	13.0	0.58
	ECG_18_037	***incl.***		*7.0*	*0.74*
	ECG_18_037	***incl.***		*1.0*	*1.17*
	ECG_18_037	153.8	156.5	2.7	1.28
	ECG_18_037	***incl.***		*0.7*	*3.00*
	ECG_18_037	214.6	220.0	5.4	0.77
	ECG_18_037	***incl.***		*1.4*	*2.44*

Prospect	Hole	From	To	Interval (m)	Grade (g/t)
Northern Contact	ECG_18_024	157.0	163.5	**6.5**	**1.77**
	ECG_18_024	***incl.***		*3.5*	*2.10*

Simon West Target

At Simon West, drill hole ECG-18-21, which was designed to test the westward extension of the historical deposit, returned a best intercept of **11.6m at 3.32 g/t Au from 235.9m** including a higher-grade interval of **1.6m at 18.52 g/t Au from 244.0m** (true widths are estimated at 70% of quoted down-hole widths). Assays from the down-dip extension of this zone are pending from drill hole ECG-18-20.

Mineralisation is hosted in sheared and altered mafic volcanic rocks altered to a quartz-biotite+ sericite schist. Visible gold was observed in the interval and the gold is associated with trace to 15% by volume arsenopyrite. Three significantly mineralised zones were intersected in the hole (Figure 2), typical of the multiple parallel mineralised horizons seen at many of the deposits along the Larder Lake – Cadillac Fault.

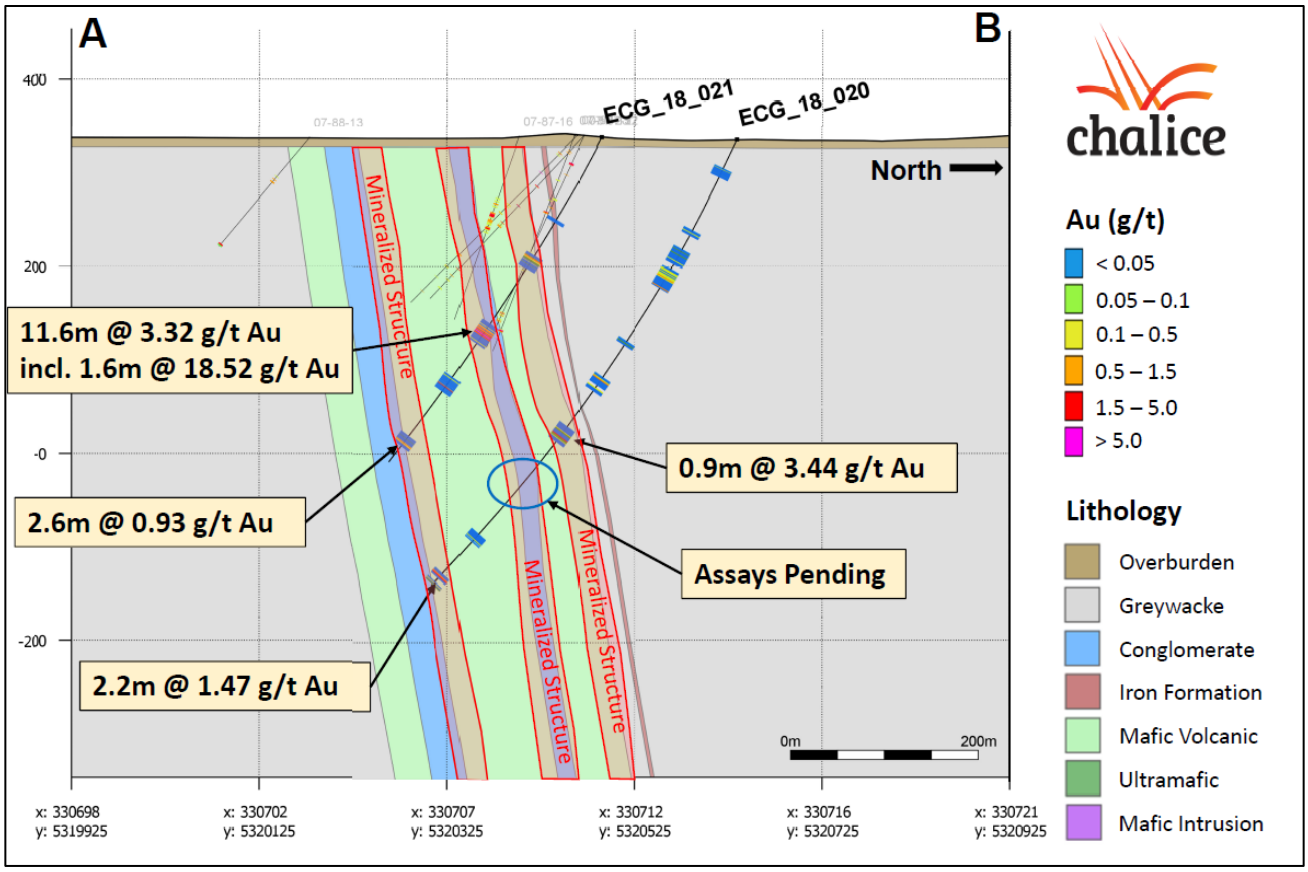

Figure 2. Simon West cross-section at drill holes ECG-18-20 and ECG-18-21.

The high-grade mineralisation encountered in ECG-18-21 is interpreted to plunge steeply to the west, as seen at the Chimo Mine (Figure 3).

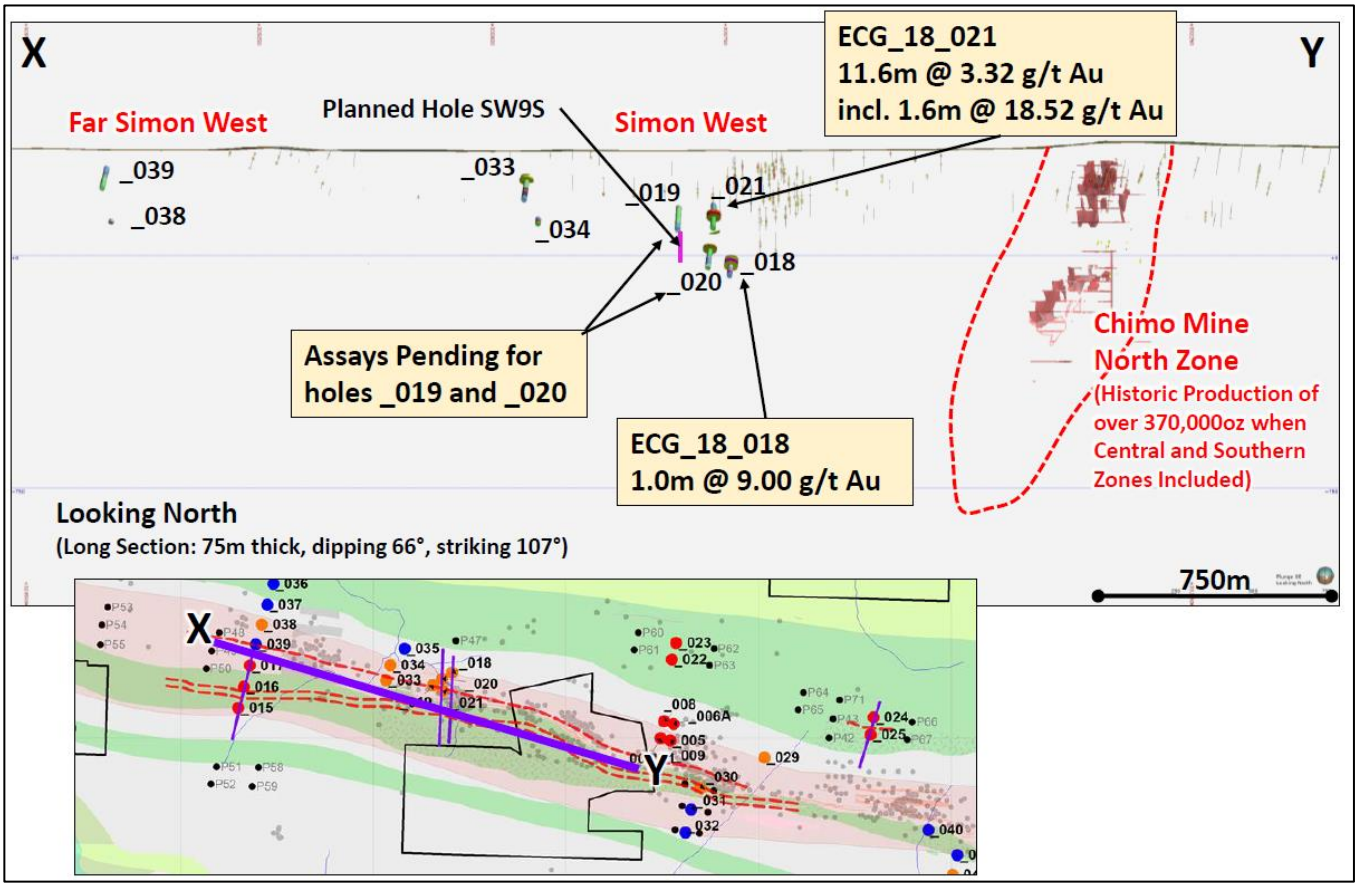

Figure 3. Long section through Chimo Mine – Simon West – Far Simon West, showing steep westerly plunge of mineralisation at the Chimo Gold Mine (owned by Cartier Resources Inc.).

The structures hosting the mineralisation at Simon West and the Chimo Mine have been intersected a further 2km west of Simon West, extending the known mineralisation over ~3.5km of strike, comprised of a number of zones – which is considered to be an extremely encouraging result as it suggests a large scale plumbing system. An additional drill hole is planned to test the steep westerly plunge of high-grade mineralisation intersected in ECG-18-21.

At Far Simon West, drill hole ECG-19-16 intersected two mineralised zones with the deeper zone returning a down-hole intercept of 10.8m at 0.99 g/t Au (Figure 4) and will be followed up with additional drilling.

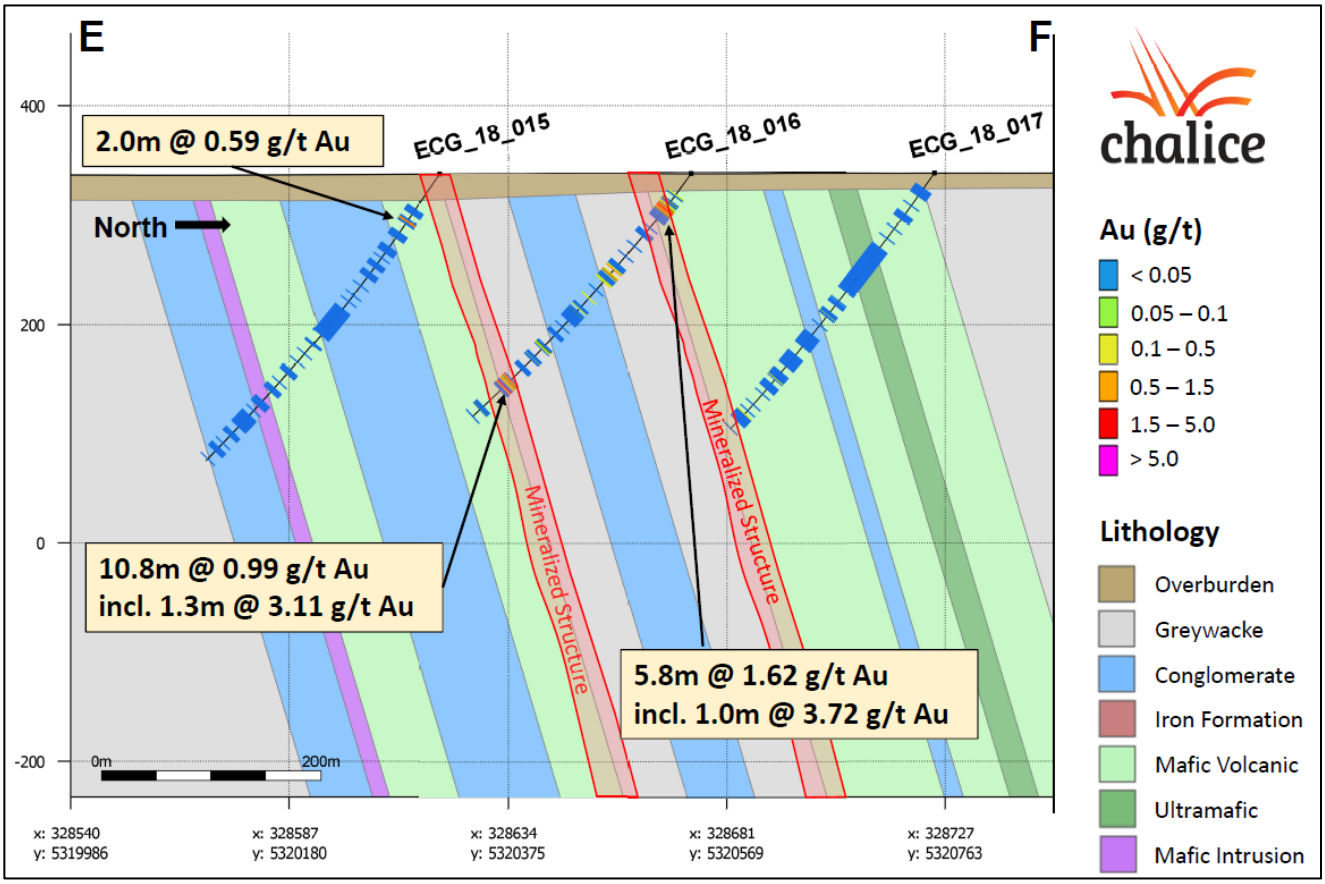

Figure 4. Far Simon West cross section – drill hole ECG-18-16.

Northern Contact Target

Chalice is encouraged by the discovery of a new mineralised structure referred to as the Northern Contact, located approximately 1km north and running parallel to the Larder Lake – Cadillac Fault.

Drill-hole ECG18-24 at the Northern Contact, which was designed to test a coincident soil and IP chargeability anomaly, intersected a mineralised structure positioned at the mafic volcanic and sediment contact (Figure 5). This is newly identified mineralised horizon within the project area which requires significant further work.

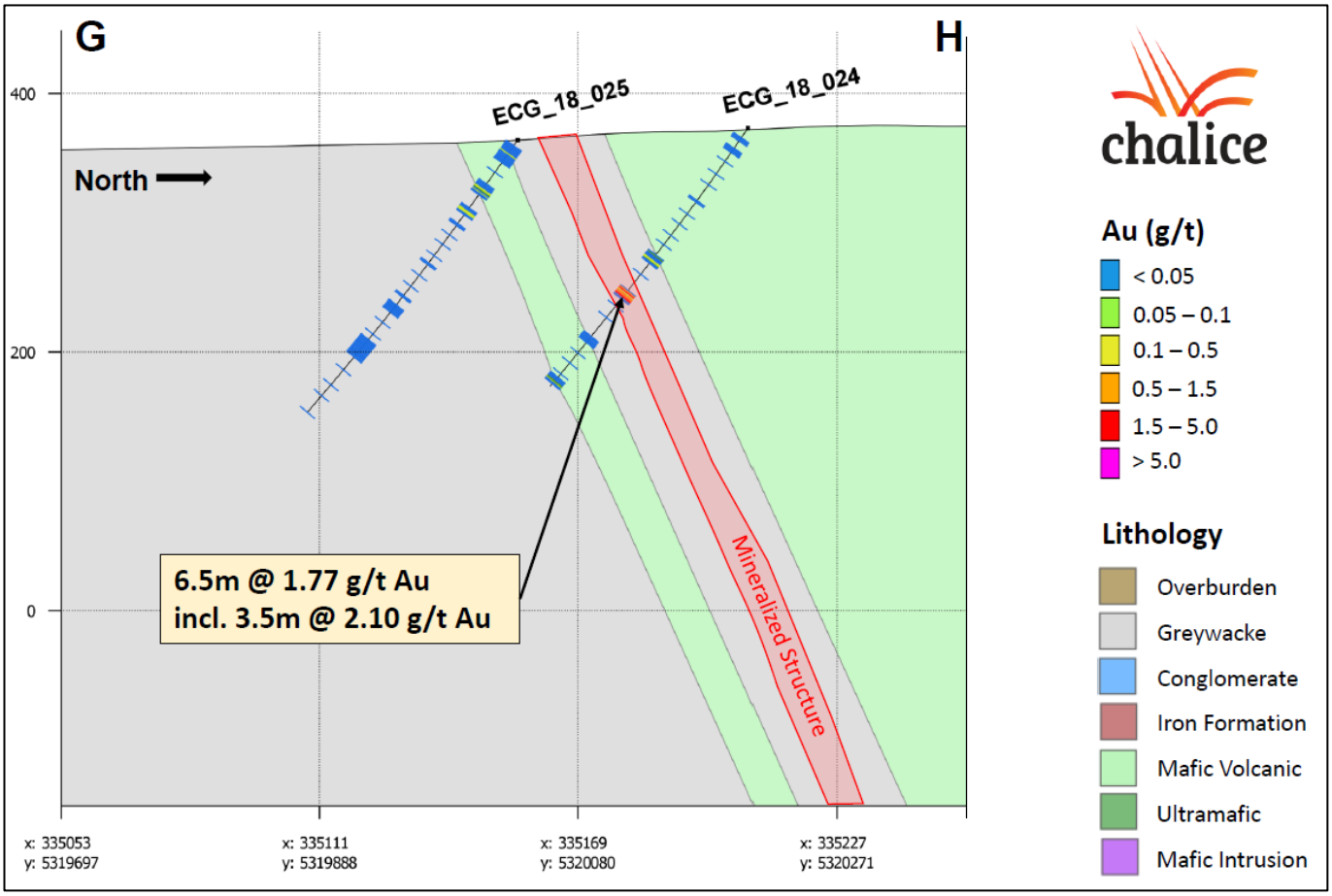

Figure 5. Northern Contact cross section – drill hole ECG-18-24

Commenting on the results, Chalice's Managing Director, Mr Tim Goyder, said: *"The intersections at the Simon West and Northern Contact Targets are very encouraging and clearly show that we have identified a potentially large mineralised system at East Cadillac with significant potential notwithstanding we only have results for approximately 40% of the 29,000m program to date.*

"Given that it is just 18 months since we first secured an initial interest in the East Cadillac Gold Project, we have made excellent progress and believe that we are now beginning to understand where the focus of the project lies from an exploration perspective. We are looking forward to completing the current 29,000m program and to receiving the remaining assay results."

TIM GOYDER
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About the East Cadillac Gold Project, Quebec, Canada

The East Cadillac Gold Project ("ECG Project") covers an area of 145km^2 and is located 35km east of the 20Moz Val-d'Or gold camp. With land holdings encompassing a strike length of 16km of the Larder Lake-Cadillac Fault – the most prolifically endowed gold trend in the southern Abitibi – the project is situated amongst some of the region's most significant mines, and is adjacent to the historical Chimo gold mine (owned by Cartier Resources (TSX: ECR)).

Competent Persons and Qualifying Persons

The information in this report that relates to Exploration Results in relation to the East Cadillac Gold Project is based on information compiled by Dr Kevin Frost BSc (Hons), PhD, who is a Member of the Australian Institute of Geoscientists. Dr Frost is a full-time employee of the company and has sufficient experience in the field of activity being reported 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 release of information in the form and context in which it appears here.

Forward Looking Statements

This document may contain forward-looking information within the meaning of Canadian securities legislation and forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995 (collectively, forward-looking statements). These forward-looking statements are made as of the date of this document and Chalice Gold Mines Limited (the Company) does not intend, and does not assume any obligation, to update these forward-looking statements.

Forward-looking statements relate to future events or future performance and reflect Company management's expectations or beliefs regarding future events and include, but are not limited to, the estimation of mineral reserve and mineral resources at the East Cadillac Gold Project, the realisation of mineral reserve estimates; the likelihood of exploration success including results of future geophysical surveys, drilling at the East Cadillac Gold Project; the timing and costs of future exploration activities on the Company's exploration projects; the potential to define future mineral resources and, if successful at any of the Company's exploration projects, the potential viability of any mineral resource so defined; planned expenditures and budgets and the execution thereof; the timing and availability of drill results; potential sites for additional drilling, that general business and economic conditions will not change in a materially adverse manner; the timing and amount of estimated future production, costs of production, capital expenditures, success of mining operations, environmental risks, unanticipated reclamation expenses, title disputes or claims and limitations on insurance coverage.

In certain cases, forward-looking statements can be identified by the use of words such as plans, planning, expects or does not expect, is expected, will, may, would, potential, budget, scheduled, estimates, forecasts, intends, anticipates or does not anticipate, or believes, occur, 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. Such factors may include, among others, risks related to actual results of current exploration activities; changes in exploration programs based upon results of exploration; future prices of mineral resources; possible variations in mineral resources or ore reserves, grade or recovery rates; accidents, labour disputes and other risks of the mining industry; delays in obtaining governmental approvals or financing or in the completion of development or construction activities; as well as those factors detailed from time to time in the Company's interim and annual financial statements, all of which are filed and available for review on SEDAR at sedar.com. 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 – Drill Hole Intercepts

Hole	Easting	Northing	Azi	RL	Dip	From	To	Interval (m)	Grade (g/t)
ECG_17_005	333080	5319992	188.6	354.0	-83.5	66.6	69.6	3.0	0.47
ECG_17_005	333080	5319992	188.6	354.0	-83.5	261.0	265.0	4.0	0.59
ECG_17_005	333080	5319992	188.6	354.0	-83.5	594.3	619.8	25.5	1.08
ECG_17_005	333080	5319992	188.6	354.0	-83.5	***incl.***		*12.9*	*1.52*
ECG_17_005	333080	5319992	188.6	354.0	-83.5	***incl.***		*3.1*	*4.74*
ECG_17_006A	333118	5320149	188.2	363.0	-77.0	488.0	503.3	15.3	0.60
ECG_17_006A	333118	5320149	188.2	363.0	-77.0	497.3	503.3	6.0	1.12
ECG_17_006A	333118	5320149	188.2	363.0	-77.0	501.3	503.3	2.0	2.68
ECG_17_006A	333118	5320149	188.2	363.0	-77.0	812.8	823.0	10.2	2.78
ECG_17_006A	333118	5320149	188.2	363.0	-77.0	***incl.***		*2.5*	*9.72*
ECG_17_006A	333118	5320149	188.2	363.0	-77.0	841.2	844.2	3.0	2.21
ECG_17_007W1	332983	5319997	188.0	355.0	-80.0	77.4	79.4	2.0	1.19
ECG_17_007W1	332983	5319997	188.0	355.0	-80.0	243.1	246.1	3.0	0.70
ECG_17_007W1	332983	5319997	188.0	355.0	-80.0	292.0	293.0	1.0	4.83
ECG_17_007W1	332983	5319997	188.0	355.0	-80.0	480.8	493.1	12.3	0.49
ECG_17_007W1	332983	5319997	188.0	355.0	-80.0	***incl.***		*3.0*	*0.98*
ECG_17_007W1	332983	5319997	188.0	355.0	-80.0	491.2	493.1	1.9	1.24
ECG_17_007W1	332983	5319997	188.0	355.0	-80.0	600.4	603.5	3.1	0.58
ECG_17_007W1	332983	5319997	188.0	355.0	-80.0	607.3	608.3	1.0	3.08
ECG_17_007W1	332983	5319997	188.0	355.0	-80.0	625.4	627.9	2.5	1.69
ECG_17_007W1	332983	5319997	188.0	355.0	-80.0	681.4	683.2	1.8	1.40
ECG_17_007W1	332983	5319997	188.0	355.0	-80.0	690.7	691.4	0.7	7.84
ECG_17_008	333021	5320173	188.0	364.0	-78.0	903.7	910.7	7.0	0.67
ECG_17_008	333021	5320173	188.0	364.0	-78.0	***incl.***		*1.7*	*1.95*
ECG_17_009	333075	5319994	181.0	354.0	-69.0	134.5	136.0	1.5	4.49
ECG_17_009	333075	5319994	181.0	354.0	-69.0	521.4	541.4	20.0	0.93
ECG_17_009	333075	5319994	181.0	354.0	-69.0	***incl.***		*4.8*	*2.04*
ECG_17_009	333075	5319994	181.0	354.0	-69.0	593.3	594.1	0.8	25.80
ECG_18_015	328604	5320317	195.1	338.0	-55.0	51.7	53.6	2.0	0.59
ECG_18_016	328661	5320540	195.2	339.0	-55.0	38.0	43.8	5.8	1.62
ECG_18_016	328661	5320540	195.2	339.0	-55.0	***incl.***		*1.0*	*3.72*
ECG_18_016	328661	5320540	195.2	339.0	-55.0	110.9	113.4	2.5	0.46
ECG_18_016	328661	5320540	195.2	339.0	-55.0	116.7	120.4	3.6	0.49
ECG_18_016	328661	5320540	195.2	339.0	-55.0	125.3	127.8	2.5	0.28
ECG_18_016	328661	5320540	195.2	339.0	-55.0	208.0	210.5	2.5	0.20
ECG_18_016	328661	5320540	195.2	339.0	-55.0	251.0	261.8	10.8	0.99
ECG_18_016	328661	5320540	195.2	339.0	-55.0	***incl.***		*1.3*	*3.11*
ECG_18_018	330817	5320678	180.4	334.0	-60.0	90.0	96.0	6.0	0.18
ECG_18_018	330817	5320678	180.4	334.0	-60.0	105.3	106.7	1.4	0.82
ECG_18_018	330817	5320678	180.4	334.0	-60.0	134.8	138.0	3.2	0.43
ECG_18_018	330817	5320678	180.4	334.0	-60.0	195.0	197.0	2.0	0.30

Hole	Easting	Northing	Azi	RL	Dip	From	To	Interval (m)	Grade (g/t)
ECG_18_018	330817	5320678	180.4	334.0	-60.0	264.7	267.0	2.3	0.21
ECG_18_018	330817	5320678	180.4	334.0	-60.0	330.0	332.2	2.2	0.68
ECG_18_018	330817	5320678	180.4	334.0	-60.0	346.9	350.0	3.1	0.45
ECG_18_018	330817	5320678	180.4	334.0	-60.0	372.9	373.5	0.6	1.15
ECG_18_018	330817	5320678	180.4	334.0	-60.0	538.5	544.5	6.0	1.55
ECG_18_018	330817	5320678	180.4	334.0	-60.0	incl.		2.0	3.18
ECG_18_018	330817	5320678	334.0	180.4	-60.0	435.4	439.0	3.6	0.31
ECG_18_018	330817	5320678	334.0	180.4	-60.0	441.0	442.0	1.0	9.00
ECG_18_019	330620	5320542	179.9	334.0	-60.0	332.7	333.3	0.6	1.14
ECG_18_019	330620	5320542	179.9	334.0	-60.0	444.0	446.1	2.1	0.72
ECG_18_020	330729	5320634	181.5	334.0	-64.6	143.6	144.6	1.0	0.38
ECG_18_020	330729	5320634	181.5	334.0	-64.6	156.5	167.0	10.5	0.21
ECG_18_020	330729	5320634	181.5	334.0	-64.6	175.9	177.0	1.1	0.84
ECG_18_020	330729	5320634	181.5	334.0	-64.6	293.0	295.2	2.2	0.42
ECG_18_020	330729	5320634	181.5	334.0	-64.6	368.5	369.4	0.9	3.44
ECG_18_020	330729	5320634	181.5	334.0	-64.6	564.3	566.5	2.2	1.47
ECG_18_021	330729	5320457	180.4	335.0	-65.0	235.9	247.7	11.6	3.32
ECG_18_021	330729	5320457	180.4	335.0	-65.0	***incl.***		*1.6*	*18.52*
ECG_18_021	330729	5320457	180.4	335.0	-65.0	312.5	314.1	1.6	0.91
ECG_18_021	330729	5320457	180.4	335.0	-65.0	387.0	389.6	2.6	0.93
ECG_18_024	335191	5320211	190.0	373.0	-55.0	157.0	163.5	6.5	1.77
ECG_18_024	335191	5320211	190.0	373.0	-55.0	***incl.***		*3.5*	*2.10*
ECG_18_025	335157	5320035	190.0	364.0	-55.0	46.2	50.4	4.2	0.14
ECG_18_025	335157	5320035	190.0	364.0	-55.0	67.0	69.6	2.6	0.26
ECG_18_029	334063	5319792	190.4	350.0	-55.0	236.2	237.2	1.0	1.49
ECG_18_030	333397	5319474	190.7	347.0	-55.0	37.6	39.1	1.5	1.43
ECG_18_033	330134	5320602	190.0	334.0	-55.0	115.0	122.1	7.1	0.18
ECG_18_033	330134	5320602	190.0	334.0	-55.0	297.2	298.3	1.1	0.91
ECG_18_034	330182	5320776	190.0	333.0	-55.0	47.0	57.8	10.8	0.18
ECG_18_034	330182	5320776	190.0	333.0	-55.0	61.0	69.5	8.6	0.25
ECG_18_034	330182	5320776	190.0	333.0	-55.0	***incl.***		*1.0*	*1.09*
ECG_18_035	330327	5320934	332.0	191.0	-55.0	289.0	290.0	1.0	0.90
ECG_18_035	330327	5320934	332.0	191.0	-55.0	299.9	301.0	1.1	0.84
ECG_18_037	328903	5321381	195.0	335.0	-55.0	125.8	138.8	13.0	0.58
ECG_18_037	328903	5321381	195.0	335.0	-55.0	***incl.***		*7.0*	*0.74*
ECG_18_037	328903	5321381	195.0	335.0	-55.0	***incl.***		*1.0*	*1.17*
ECG_18_037	328903	5321381	195.0	335.0	-55.0	142.8	147.8	5.0	0.16
ECG_18_037	328903	5321381	195.0	335.0	-55.0	153.8	156.5	2.7	1.28
ECG_18_037	328903	5321381	195.0	335.0	-55.0	***incl.***		*0.7*	*3.00*
ECG_18_037	328903	5321381	195.0	335.0	-55.0	214.6	220.0	5.4	0.77
ECG_18_037	328903	5321381	195.0	335.0	-55.0	***incl.***		*1.4*	*2.44*
ECG_18_038	328850	5321175	195.0	337.0	-55.0	119.0	122.0	3.0	0.63
ECG_18_038	328850	5321175	195.0	337.0	-55.0	***incl.***		*1.0*	*1.20*
ECG_18_038	328850	5321175	195.0	337.0	-55.0	193.1	195.8	2.7	0.19

Hole	Easting	Northing	Azi	RL	Dip	From	To	Interval (m)	Grade (g/t)
ECG_18_038	328850	5321175	195.0	337.0	-55.0	215.8	216.8	1.0	0.60
ECG_18_038	328850	5321175	195.0	337.0	-55.0	257.5	258.3	0.9	0.54

APPENDIX 2 – EAST CADILLAC GOLD - JORC TABLE 1
Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	*Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used* *Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.*	Rock core samples collected using a diamond drill. Core is cut in half using a saw and the half core is sent to the lab for analysis, with one half of the core retained in the core box. For every 20 samples sent to the lab, there is one standard, one duplicate, and one blank sample included within those 20. Duplicate samples are core that has been cut in half, and then the half core cut in half once again, so that each duplicate represents one quarter of the core. NQ diamond drilling was completed to obtain core which was cut and sent to ALS Chemex laboratories for analysis. Gold is analysed using ALS Chemex's Au-AA23 method, which is the analysis of a 30g crushed and homogenized sample using fire assay and atomic absorption. Any sample which registers a value of greater than 10 ppm Au is run again using the Au-GRA21, which analysis a 30g crushed and homogenized sample using fire assay with a gravimetric finish.
Drilling techniques	*Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	NQ diamond drilling, oriented using the Reflex Act III tool, and downhole surveys were collected using both the Reflex EZ-trac and EZ-gyro tools, depending on the hole. Some holes have been independently surveyed using a gyro by an independent contract surveyor.
Drill sample recovery	*Method of recording and assessing core and chip sample recoveries and results assessed.* *Measures taken to maximise sample recovery and ensure representative nature of the samples.* *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	Core recovery lengths are measured and collected for each core run. Core samples are cut in half using a core saw, and half of the core is kept in the core box and stored in a locked and secure storage area in Val d'Or, QC There was no significant loss of core during the drill program. QAQC methods were used to ensure that there was no lab bias or sample contamination (QAQC methods and results included in report)
Logging	*Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* *The total length and percentage of the relevant intersections logged.*	Core was logged with respect to lithology, alteration, deformation, texture, and mineralization. Magnetic susceptibility readings were collected systematically on the core. All samples collected were also analysed for pathfinder geochemistry. All of this information combined will be used in the interpretation of the geology of the holes. Logging is a combination of qualitative and quantitative observation. Wet and dry photos of all the core were collected 100% of the core was logged.

Criteria	JORC Code explanation	Commentary
Sub-sampling techniques and sample preparation	*If core, whether cut or sawn and whether quarter, half or all core taken.* *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* *Measures taken to ensure that the sampling is representative of the in-situ material collected, including for instance results for field duplicate/second-half sampling.* *Whether sample sizes are appropriate to the grain size of the material being sampled.*	Sawn core, half-core sent to lab (except in case of duplicate sampling, where one half of the core is cut again, with the two quarter-core samples being sent to the lab) Samples were prepped using ALS Chemex PREP-31, "Crush to 70% less than 2mm, riffle split off 250g, pulverize split to better than 85% passing 75 microns" Within every subset of 20 samples, there is one blank, one standard (randomized selection of OREAS standards) and one duplicate. Scrutinizing the QAQC results to ensure that there is no sample smear or unexplainable results/anomalies. Sample sizes are considered appropriate.
Quality of assay data and laboratory tests	*The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established*	Laboratory procedures and assay data have been carefully selected based on appropriate techniques for the type of analysis required. A Terraspec Halo instrument is used to collect short wave infrared data at approximately 3m intervals on all core. Within every subset of 20 samples, there is one blank, one standard (randomized selection of OREAS standards) and one duplicate.
Verification of sampling and assaying	*The verification of significant intersections by either independent or alternative company personnel.* *The use of twinned holes.* *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* *Discuss any adjustment to assay data.*	Not applicable. Not applicable. All logging was completed using Geotic logging software. Completed logs are then exported and brought into a MS Access database which is backed up and stored on a server. All hard copy assay certificates are kept in the Winnipeg office. None applied
Location of data points	*Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* *Specification of the grid system used* *Quality and adequacy of topographic control.*	Drill collar locations were collected using a handheld GPS unit, which has an accuracy of roughly +/- 5m. The grid system used is UTM NAD83 Zone 18 datum Topographic control is based on a property scale LiDAR survey

Criteria	JORC Code explanation	Commentary
Data spacing and distribution	*Data spacing for reporting of Exploration Results.* *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* *Whether sample compositing has been applied.*	Rock chip and whole rock samples collected from available outcrops which occur sporadically in the areas traversed. Soil samples collected on a 400m x 400m grid with infill to 200m x 200m Not applicable Not applicable Composited assay values are composited using a simple weighted average method based on grade and sample length
Orientation of data in relation to geological structure	*Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	Drilling was oriented to achieve as close as possible to orthogonal intersection of mineralized zones, and this was achieved with a relatively high degree of confidence. The drilling orientation did not introduce any sampling bias.
Sample security	*The measures taken to ensure sample security.*	Samples are delivered directly to the laboratory by a company representative and are double bagged with a security tag attached, and a bag list which is verified by the lab when processed.
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	None completed

Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	*Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.*	The East Cadillac Gold Project comprises agreements with Globex Enterprises Inc, Monarques Gold Corp and Khalkos Exploration Inc, and claims held by Chalice Gold Mines (Quebec) Inc. located approximately 35-40km east of Val-d'Or, Quebec, Canada. Chalice Gold Mines (Quebec) Inc has entered into a binding option and farm-in term sheet to acquire Globex's interest in the Nordeau Gold Project through total option payments of C$590,000 and incurring exploration expenditures of C$2,500,000 over 4 years. Chalice shall grant a 3% gross metal royalty to Globex upon exercising the option. Claims owned 100% by Globex Enterprises Inc include title nos. 2437791-2437811; 2437912-2437915; 2437862-2437873. Claims owned 60% Globex Enterprises Inc - 40% Bateman Inc. include title nos. 2438798-2438811; 2438935-2438937. The Globex Option comprises a total 54 claims for 1,499.89Ha. Chalice Gold Mines (Quebec) Inc has entered into a binding option and farm-in term sheet to acquire a 70% interest in Monarques Gold Corp. Chimo Gold Project through total option payments of C$200,000 and incurring

Criteria	JORC Code explanation	Commentary
	The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	exploration expenditures of C$3,100,000 over 4 years. Chalice shall grant a 1% net smelter royalty to Monarques upon exercising the option. A 2% net smelter royalty is held by third parties (Paul Boyd and Patsy Currie Mills) on 748Ha of claims held by Monarques. Claims owned 100% by Monarques include title nos. 2385084, 2438140-2438211 for a total of 73 claims for 2,899.81.4Ha. Chalice Gold Mines (Quebec) Inc has entered into a binding option and farm-in term sheet to acquire a 70% interest in the Project by making total option payments of C$375,000 to Khalkos and funding exploration expenditures of C$1.75 million over a period of five years. Upon meeting these requirements and exercising the option, Chalice shall then grant a 1% Net Smelter Royalty (NSR) to Khalkos on the claims on the basis that all royalties (including pre-existing royalties) do not exceed 3%. Chalice maintains a pre-emptive right over the Khalkos royalty. The Project comprises a total 27 claims for 12.4 km² and includes title Nos.2437916-2437942. Claims owned 100% by Chalice Gold Mines (Quebec) Inc. include title no's 2434329, 243469-243471,2438058-2438067,2438103-2438104, 2438130-2438133,2445500-2445501, 2456677-2456680, 2456713-2456714,2457365-2457366, 2457890-2457892,2458268-2458272, 2466091-2466092,2461488-2461495,2468029-2468043,2470586, 2471188-2471200,2472374-2472375,2481223-2481300,2491522, 2491126,2491239-2491250, for a total of 170 claims for 8,719.14Ha. All tenements are in good standing and there are no known impediments to operating in the area.
Exploration done by other parties	*Acknowledgment and appraisal of exploration by other parties.*	Exploration commenced in the 1940's and numerous companies have carried out prospecting, geological mapping, trenching and outcrop sampling and ground geophysical surveys and drilling. Multiple programs of diamond drilling were completed prior to Chalice Gold securing options with Globex, Richmont and Khalkos and pegging new claims over adjoining areas.
Geology	*Deposit type, geological setting and style of mineralisation.*	Gold deposits on the East Cadillac Gold project are greenstone-hosted gold deposits that belong to the orogenic class of gold deposits. The East Cadillac Gold project contains a sequence of volcano-sedimentary rocks that is known as the Trivio structural domain, a kilometres-wide deformation corridor interpreted as the eastern extension of the larder lake – Cadillac tectonic zone.

Criteria	JORC Code explanation	Commentary
		Gold mineralization is categorized into two types of epigenetic gold occurrences: i) Gold mineralisation in silicified lodes with disseminated to semi-massive sulphides (arsenopyrite, pyrrhotite and pyrite) spatially related to sedimentary banded iron formations. Secondary quartz veining is commonly associated with this type of gold mineralisation. ii) Structurally controlled gold mineralisation in altered and sheared zones with quartz or quartz carbonate veins parallel to the schistosity and shear zones (most likely to be found in volcanic units). Associated disseminated sulphides include arsenopyrite, pyrite and minor chalcopyrite; graphitic horizons are common. Both types of mineralization occur as free gold associated with sulphide minerals ranging from 1% to 5% when in quartz veins to as much as 20% to 50% when in association with magnetite iron formations.
Drill hole Information	*A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* • *easting and northing of the drill hole collar* • *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* • *dip and azimuth of the hole* • *down hole length and interception depth* • *hole length.*	A collar table containing all holes drilled to date and containing all the requested information is included in the body of this document.
Data aggregation methods	*In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	For composited grade intercepts a simple average of grade intercept over length was used. Not applicable Not applicable
Relationship between mineralisation widths and intercept lengths	*These relationships are particularly important in the reporting of Exploration Results.* *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	Drilling was oriented to achieve as close as possible to orthogonal intersection of mineralized zones, and this was achieved with a relatively high degree of confidence.
Diagrams	*Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should*	Cross sections and plan map included

Criteria	JORC Code explanation	Commentary
	include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.	
Balanced reporting	*Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	Included
Other substantive exploration data	*Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	All meaningful and material data reported
Further work	*The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).*	Further drilling along strike and down plunge of multiple targets