

Initial substantial shareholder notice

form 603

Corporations Law
709(3)

To: company name Chalice Gold Mines Limited

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Substantial shareholder

name of substantial shareholder Resolute Mining Limited

became a substantial shareholder on 26/09/06

This notice is given by Resolute Mining Limited on behalf of itself and each of its related bodies corporate.

1. Total number of voting shares

The total number of shares in each class of voting shares in the company to which the substantial shareholder was entitled on that date is:

Class of shares	Total number	Percentage of total shares in class
Ordinary	7,624,546	10.47%

2. Details of entitlements and relevant interests

On that date, the substantial shareholder was entitled to the following voting shares in which it, or an associate, held relevant interests. For each relevant interest, full particulars are provided of:

Holder of relevant interest	Nature of relevant interest	Class and number of shares
Resolute Mining Limited	Indirect ownership	7,624,546 fully paid ordinary shares.

3. Present registered holders and persons entitled to be registered holders

The following persons are registered, or entitled to be registered, as holders of the shares referred to in paragraph 2 above:

Holder of relevant interest	Registered holder of shares	Person entitled to be registered as holder	Class and number of shares
Resolute Mining Limited	Resolute Limited	Resolute Limited	7,624,546 fully paid ordinary shares

4. Consideration

The consideration paid for each relevant interest referred to in paragraph 2 above, and acquired in the four months prior to the day that the substantial shareholder became a substantial shareholder, was:

Holder of relevant interest	Date of acquisition	Consideration		Class and number of shares
		cash	non-cash	
Resolute Mining Limited	26/06/06		Nil. The Chalice Gold Mines Limited shares were distributed by Uranium Equities Limited to its shareholders on a pro-rata basis.	3,062,273 fully paid ordinary share
Resolute Mining Limited	26/09/06		Nil. The Chalice Gold Mines Limited shares were distributed by Uranium Equities Limited to its shareholders on a pro-rata basis.	3,062,273 fully paid ordinary shares

5. Associates

The persons named in paragraph 2 above are associates of the substantial shareholder [and of each Subsidiary] for the following reasons:

Name of associate	Reason
Resolute Limited	Resolute Mining Limited owns 100% of Resolute Limited's issued capital

6. Addresses

The addresses of the persons named in this form are:

Name	Address
Resolute Mining Limited	4th Floor, BGC Centre, 28 The Esplanade, Perth WA 6000
Resolute Limited	4th Floor, BGC Centre, 28 The Esplanade, Perth WA 6000

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Signature

signature



date 05/10/06

director, secretary or substantial shareholder.