
AVOCA RESOURCES TRANSACTION SETTLEMENT

Chalice Gold Mines Limited (Chalice Gold Mines) advises that completion has today been achieved for Tranche 2 of the sale of the Higginsville and Chalice gold projects to Avoca Resources Limited (Avoca), as approved by shareholders on 22 June 2007.

The Tranche 2 settlement comprised a package of exploration tenements south of the Chalice Gold Mine and completion was subject to the grant of Exploration License 63/1071 and then the subsequent amalgamation into EL63/1071 of certain Prospecting Licenses held by Chalice Gold Mines. These conditions have now been satisfied.

Chalice Gold Mines has been issued 483,335 Avoca shares (ASX: AVO), being \$841,000 of Tranche 2 consideration in full and final satisfaction for the sale.

The Company now has \$9.4 million of cash on hand (as reported in the December 2008 Appendix 5B) and \$0.9 million of liquid investments.



Tim Goyder
Executive Chairman

12 February 2009