

ASX Announcement

13 April 2012

Completion of SFECO Due Diligence

Chalice Gold Mines Limited (ASX:CHN) (TSX:CXN) advises that it has received notification from China SFECO Group (SFECO) that SFECO has completed its due diligence in respect to the purchase of Chalice's 60 per cent interest in the Zara Project in Eritrea in accordance with the agreed timetable.

As advised to the ASX on 2 March 2012, SFECO's board approval is required by 26 April 2012.



TIM GOYDER
Executive Chairman



INVESTMENT HIGHLIGHTS

High grade gold open pit

Mine permitting nearing completion

- Low cash costs of \$338/oz of gold
- 7 year mine life at >100,000 oz average production per year

Large underexplored ground position in the Arabian Nubian Shield

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