



ASX Announcement

18 November 2014

ABN 47 116 648 956

Clarifying news release

Chalice Gold Mines ("Chalice" or "The Company") ASX:CHN TSX:CNX advises that, as a result of a review by staff of the Ontario Securities Commission, the Company issues the following news release to clarify aspects of the Company's disclosure in relation to its listing on the Toronto Stock Exchange.

Chalice completed the acquisition of the Cameron Gold Project from Coventry Resources Inc. ("Coventry") in February 2014. In the Company's corporate presentation included on the Company's website titled "*Well funded, Experienced Exploration and Development Company*" dated February 2014 ("the Corporate Presentation"), reference is made to the Preliminary Economic Assessment ("PEA") relying on a previously filed Technical Report prepared for Coventry in February 2013.

Under the National Instrument 43-101, Chalice was required to file a Technical Report for the Cameron Gold Project within 180 days of acquiring the asset. A Technical Report was subsequently filed by Chalice on July 28, 2014. The Technical Report included a revised Mineral Resource estimate for the Cameron Gold Project but did not include a PEA.

To the best of the Company's knowledge and belief, there is no new material scientific or technical information that would make the disclosure of the results of the Coventry PEA relating to the Cameron Gold Project inaccurate or misleading. However, as Chalice has not updated or prepared a revised PEA for inclusion in its Technical Report filed in July 2014, reliance should not be placed on the PEA disclosures made in the Corporate Presentation. As such, the Company will not refer to the economic results of the Coventry PEA in future disclosures.

A handwritten signature in blue ink, appearing to read "Tim Goyder".

Tim Goyder
Managing Director

For further information, please contact:

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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, except as required by law or regulation.

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, statements regarding the quantum and price of shares to be acquired under a share buyback, the estimation of mineral reserves and mineral resources, the realisation of mineral reserve estimates, the likelihood of exploration success, 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, expects or does not expect, is expected, budget, scheduled, estimates, forecasts, intends, anticipates or does not anticipate, or believes, 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 include, among others; risks related to actual results of current exploration activities; changes in project parameters as plans continue to be refined; future prices of mineral resources; possible variations in ore reserves, grade or recovery rates; accidents, labour disputes and other risks of the mining industry, 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.