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**2015
NOTICE OF ANNUAL GENERAL MEETING,
EXPLANATORY STATEMENT AND PROXY FORM**

The Annual General Meeting of the Company will be held at the office of Chalice Gold Mines Limited, Level 2, 1292 Hay Street, West Perth, Western Australia, on 24 November 2015 at 12.30 pm (WST)

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TIME AND PLACE OF MEETING AND HOW TO VOTE

VENUE

The Annual General Meeting of the Shareholders of Chalice Gold Mines Limited ("**Chalice**" or "**the Company**") to which this Notice of Meeting relates will be held at 12.30 pm (WST) on Tuesday 24 November 2015 at the office of Chalice Gold Mines Limited, Level 2, 1292 Hay Street, West Perth, Western Australia.

YOUR VOTE IS IMPORTANT

The business of the Annual General Meeting affects your shareholding and your vote is important.

VOTING IN PERSON

To vote in person, attend the Annual General Meeting on the date and at the place set out above.

VOTING BY PROXY

All Shareholders who are entitled to attend and vote at the meeting have the right to appoint a proxy to attend and vote for them. The proxy does not have to be a Shareholder. Shareholders holding two or more Shares can appoint either one or two proxies. If two proxies are appointed, the appointing Shareholder can specify what proportion of their votes they want each proxy to exercise. The solicitation of proxies is being made by management of the Company.

To vote by proxy, please complete and sign the proxy form enclosed and either send it:

- (a) by post to Chalice Gold Mines Limited, GPO Box 2890, Perth, WA, 6001; or
- (b) by facsimile (within Australia) (08) 9322 5800 and (outside Australia) +61 8 9322 5800,

so that it is received **no later than 12.30 pm (WST) on 22 November 2015**, being not less than 48 hours prior to the commencement of the meeting. Proxy forms received later than this time will be invalid. Where the proxy form is executed under power of attorney, the power of attorney must be lodged in the same way as the proxy form.

Proxy vote if appointment specifies way to vote

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, if it does:

- (a) the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed);
- (b) if the proxy has 2 or more appointments that specify different ways to vote on the resolution – the proxy must not vote on a show of hands;
- (c) if the proxy is the chairman of the meeting at which the resolution is voted on – the proxy must vote on a poll, and must vote that way (i.e. as directed); and
- (d) if the proxy is not the chairman – the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

Transfer of non-chair proxy to chair in certain circumstances

Section 250BC of the Corporations Act provides that, if:

- (a) an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members;
- (b) the appointed proxy is not the chairman of the meeting;
- (c) at the meeting, a poll is duly demanded on the resolution; and
- (d) either of the following applies:
 - (i) the proxy is not recorded as attending the meeting;
 - (ii) the proxy does not vote on the resolution,

the chairman of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

BODIES CORPORATE – CORPORATE REPRESENTATION

A body corporate may appoint an individual as its representative to exercise any of the powers the body may exercise at the meeting of Shareholders. The appointment may be a standing one. A "Certificate of Appointment of Corporate Representative" is attached.

VOTING ENTITLEMENTS

The Board has determined that, for the purpose of voting at the meeting, Shareholders are those persons who are the registered holders of the Company's shares at 4.00pm (WST) on 22 November 2015. As at 14 October 2015 there were 282,710,802 Shares outstanding. Subject to the disclosure set-out herein, each holder of Shares is entitled to one vote per Share.

MAJOR SHAREHOLDERS

To the knowledge of the Company, other than as set out herein, no person beneficially owns, controls or directs directly or indirectly, voting securities carrying 10% or more of the voting rights:

- Mr Tim Goyder, a director of Chalice, owns approximately 41.7 million Shares, representing 14.8% of the issued and outstanding Shares of the Company; and
- Franklin Resources Inc. and its affiliates owns approximately 31.1 million Shares, representing 11.0% of the issued and outstanding Shares of the Company.

ENQUIRIES

The Company welcomes enquiries in respect of matters covered in this Annual Notice of Meeting and Explanatory Statement and the attendance of Shareholders at the General Meeting. Should you require further information please contact:

The Company Secretary
Leanne Stevens
Phone: (+61 8) 9322 3960
Fax: (+61 8) 9322 5800
Email: lstevens@chalicegold.com

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS GIVEN that the Annual General Meeting ("**Meeting**") of the Shareholders of Chalice Gold Mines Limited (the **Company**) will be held at the office of Chalice Gold Mines Limited, Level 2, 1292 Hay Street, West Perth, Western Australia on Tuesday 24 November 2015 at 12.30 pm (WST).

AGENDA

FINANCIAL REPORT

To receive and consider the Company's Financial Report and the reports of the directors and auditor for the year ended 30 June 2015.

RESOLUTION 1 - REMUNERATION REPORT

To consider and, if thought fit, to pass as an ordinary resolution:

"That for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's annual financial report for the financial year ended 30 June 2015."

Note: The vote on Resolution 1 is advisory only and does not bind the Directors or the Company.

Voting Exclusion Statement

In accordance with section 250R of the Corporations Act votes must not be cast and the Company will disregard any vote cast on Resolution 1 by, or on behalf of:

- (a) a member of the key management personnel whose remuneration details are included in the Remuneration Report ("**Key Management Personnel**"); or
- (b) a closely related party (such as close family members and any controlled companies) of those persons ("**closely related party of Key Management Personnel**"),

unless the vote is cast by a person as a proxy for a person entitled to vote in accordance with a direction on the Proxy Form, or by the Chairman as proxy for a person entitled to vote and the Chairman has received express authority to vote undirected proxies as the Chairman sees fit even if Resolution 1 is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

The Chairman intends to vote all available proxies in favour of the Resolution.

RESOLUTION 2 - RE-ELECTION OF MR ANTHONY KIERNAN AS A DIRECTOR

To consider and if thought fit, to pass the following as an ordinary resolution:

"To elect as a Director, Mr Anthony Kiernan, who retires by rotation in accordance with clause 14.4(a) of the Company's constitution and ASX Listing Rule 14.4 and, being eligible, offers himself for re-election."

The Chairman intends to vote all available proxies in favour of the Resolution.

RESOLUTION 3 – ISSUE OF PERFORMANCE RIGHTS TO MR TIM GOYDER

To consider and if thought fit, to pass the following as an ordinary resolution:

"That for the purposes of ASX Listing Rule 10.14 and for all other purposes, approval is given to issue up to 1,664,707 Performance Rights (and the issue of Shares following vesting of the Performance Rights) to the Managing Director of the Company, Mr Tim Goyder, for no cash consideration, in accordance with the Company's Employee Long Term Incentive Plan and on the terms set out in the Explanatory Statement."

Voting Exclusion Statement

The Company will disregard any vote cast on Resolution 3 by Mr Tim Goyder (and his nominee) and by any other director of the Company who is eligible to participate in any of the Company's employee incentive schemes and any of their respective associates.

However the Company need not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (b) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Further, members of Key Management Personnel and their closely related parties may not vote (and the Company will disregard any such votes) as a proxy on Resolution 3 if the appointment does not specify how the proxy is to vote, unless the proxy is the Chairman of the Meeting and the appointment expressly authorises the Chairman to exercise the proxy even if Resolution 3 is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

The Chairman intends to vote all available proxies in favour of the Resolution.

By order of the Board



LEANNE STEVENS
Company Secretary

14 October 2015

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of the Shareholders in connection with the business to be conducted at the Annual General Meeting of Chalice Gold Mines Limited (“Chalice” or “the Company”) to be held at the office of Chalice Gold Mines Limited, Level 2, 1292 Hay Street, West Perth, Western Australia on Tuesday 24 November 2015 at 12.30 pm (WST).

At the Annual General Meeting, Shareholders will be asked to consider the following Resolutions:

Resolution 1	Remuneration Report
Resolution 2	Re-election of Mr Anthony Kiernan as a Director
Resolution 3	Issue of Performance Rights to Mr Tim Goyder

The purpose of this Explanatory Statement is to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the resolutions in the Notice of Meeting. It explains the Resolutions and identifies the Board’s reasons for putting them to Shareholders. The Explanatory Statement should be read in conjunction with the accompanying Notice of Meeting.

FINANCIAL STATEMENT AND REPORTS

The Corporations Act at section 317 requires the Company to lay before the Annual General Meeting the Financial Report, Directors’ Report (including the remuneration report) and the Auditor’s Report for the last financial year that ended before the Annual General Meeting.

No resolution is required for this item, but Shareholders will be provided with a reasonable opportunity to ask questions or make comments in relation to these reports. The Company’s auditor will also be present at the meeting and Shareholders will be given the opportunity to ask the auditor questions about the conduct of the audit, the preparation and content of the Auditor’s Report, the accounting policies adopted by the Company and the independence of the auditor.

RESOLUTION 1 – REMUNERATION REPORT

A resolution for adoption of the Remuneration Report is required to be considered and voted on in accordance with section 250R(2) of the Corporations Act. The Remuneration Report details the Company’s policy on the remuneration of the Company’s Key Management Personnel, being its non-executive Directors, executive Directors, the Managing Director and senior executives and is set out in the Company’s 2015 Annual Report. In accordance with section 250R(3), the vote on the adoption of the Remuneration Report is advisory only and does not bind the Directors or the Company. However, the Board will take the outcome of the vote into consideration when reviewing the remuneration practices and policies of the Company.

Part 2G.2, Division 9 of the Corporations Act provides Shareholders with the opportunity to remove the whole Board except the managing director if the Remuneration Report receives a 'no' vote of 25% or more (“Strike”) at two consecutive annual general meetings.

Where a resolution on the Remuneration Report receives a Strike at two consecutive annual general meetings, the Company will be required to put to Shareholders at the second annual general meeting a resolution on whether another meeting should be held (within 90 days) at which all Directors (other than the managing director) who were in office at the date of approval of the applicable Directors’ Report must stand for re-election.

The Company’s Remuneration Report did not receive a Strike at the 2014 annual general meeting. If the Remuneration Report receives a Strike at this Meeting, Shareholders should be aware that if a second Strike is received at the 2016 annual general meeting, this may result in the re-election of the Board.

Shareholders will be provided with a reasonable opportunity to ask questions and to make comments on the Remuneration Report at the Annual General Meeting.

Proxy voting restrictions

Shareholders appointing a proxy for this Resolution should note the following:

- (a) If you appoint a member of the Key Management Personnel (other than the Chairman) whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such a member as your proxy:

You must direct your proxy how to vote on this Resolution. Undirected proxies granted to these persons will not be voted and will not be counted in calculating the required majority if a poll is called on this Resolution.

- (b) If you appoint the Chairman as your proxy (where he/she is also a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such a member):

You do not need to direct your proxy how to vote on this Resolution. If you do not direct the Chairman how to vote, you will be taken to expressly authorise the Chairman to exercise his/her discretion in exercising your proxy even though this Resolution is connected directly or indirectly with the remuneration of Key Management Personnel.

(c) If you appoint any other person as your proxy:

You do not need to direct your proxy how to vote on this Resolution, and you do not need to mark any further acknowledgement on the Proxy Form.

Recommendation

The Board unanimously recommends that Shareholders vote **in favour** of Resolution 1.

RESOLUTION 2 – RE-ELECTION OF MR ANTHONY KIERNAN AS A DIRECTOR

Under clause 14.4(a) of the Company's Constitution, one-third (or the number closest to one-third) of the Directors (other than the Managing Director) are required to retire by rotation each year.

Mr Kiernan, previously a practising lawyer, is a corporate advisor with extensive experience in the administration and operation of listed public companies. He is the Chairman of BC Iron Limited, Venturex Resources Limited and is a director of Danakali Limited (previously South Boulder Mines Limited), all listed on ASX. During the past three years, Mr Kiernan was a director of ASX listed Uranium Equities Limited and Liontown Resources Limited. Mr Kiernan was appointed Chairman on 10 October 2014, and previously held the position of Non-executive Director.

Mr Kiernan is Chairman of the Audit Committee and Remuneration Committee. Mr Kiernan is not an independent director, however the Board believe that Mr Kiernan is the most appropriate person for the position as Chair because of his seniority and expertise. The Board has appointed Mr Stephen Quin as the Senior Independent Director and to act as lead when any conflicts of interest arise.

Mr Anthony Kiernan was first appointed as a Director of the Company on 15 February 2007 and was last elected by Shareholders at the 2013 annual general meeting. In accordance with clause 14.4(a) of the Constitution and the ASX Listing Rules, Mr Kiernan retires and, being eligible, has offered himself for re-election as a Director in accordance with clause 14.4(c) of the Constitution.

Recommendation

The Board (other than Mr Kiernan) unanimously recommends that Shareholders vote **in favour** of Resolution 2.

WAIVER FROM TSX REQUIREMENTS FOR ANNUAL DIRECTOR ELECTIONS

Effective 31 December 2012, TSX listed entities are required under Section 461.1 of the TSX Company Manual to permit security holders of each class or series of listed securities to vote at each annual general meeting of holders of listed securities on the election of all directors to be elected by such class or series (the 'Annual Election Requirement').

Since the Company's constitution does not require annual election of directors, the Company applied for and was granted a waiver by the TSX from the Annual Election Requirement. The waiver was granted for the following reasons:

- (i) the Company was incorporated under the Corporations Act and its securities are listed on the ASX;
- (ii) the Company has confirmed that at least 75 per cent of the Company's trading value and volume over the six-month period preceding the request for such waiver has occurred on the ASX; and
- (iii) the Company has confirmed that it is in compliance with director election standards and practices of Australia and the ASX.

The Company is required to apply for the aforementioned waiver annually in advance of its subsequent annual meeting.

RESOLUTION 3 – ISSUE OF PERFORMANCE RIGHTS TO MR TIM GOYDER

Background

Shareholder approval is sought for the issue of up to but not exceeding 1,664,707 Performance Rights to Mr Tim Goyder, the Managing Director of the Company under the terms of the Company's Employee Long Term Incentive Plan (the "Plan").

Shareholder approval of the proposed issue of Performance Rights to Mr Goyder is required under ASX Listing Rule 10.14 because Mr Goyder is a Director.

Mr Goyder commenced as Managing Director on 10 October 2014, and prior to this appointment, Mr Goyder was the Executive Chairman of the Company. Further information on Mr Goyder appears at the end of this section of the Explanatory Statement.

Remuneration arrangements

As previously announced, Mr Goyder's employment contract specified the following remuneration arrangements:

- (a) An Annual Fixed Salary of \$390,000 per annum inclusive of superannuation.
- (b) By way of incentive arrangements, Mr Goyder may participate in incentive plans that may be in place from time to time subject to the Board's discretion and any Shareholder approvals required.

Plan

The Company established the Plan to provide its executives (including executives and Directors) with long term incentives designed to create a link between the delivery of value to Shareholders, financial performance and the rewarding and retaining of executives. Under the Plan, which was approved by Shareholders on 26 November 2014, the Board has discretion to grant Performance Rights to any person it determines eligible upon the terms of the Plan. An issue to Directors would additionally require a separate Shareholder approval.

A Performance Right is, in effect, a contractual right to be issued a Share on the satisfaction of certain conditions. It follows, therefore, that if these conditions are not satisfied, the Shares would not be issued. Also, the number of Shares ultimately to be issued may not equate to the number of Performance Rights as the issue of those Shares is subject to performance hurdles/conditions to be met.

Proposed number of Performance Rights to be issued

Approval is being sought for the 2015/2016 annual grant of 1,664,707 Performance Rights to Mr Goyder. Any future annual issues of Performance Rights to be issued to Mr Goyder will require separate Shareholder approval.

Following the issue of the Performance Rights, there is a test or measuring date (which in this case is 30 June 2017). At that date the Board will assess the extent to which the performance conditions or hurdles are met.

If Resolution 3 is approved, Mr Goyder will be invited to apply for, and if application is made, will be issued 1,664,707 Performance Rights.

Performance conditions and vesting period

The Performance Rights will not vest (and the underlying Shares will not be issued) unless the performance conditions set by the Board have been satisfied. For the 2015/2016 annual grant of Performance Rights, the Remuneration Committee recommended that 50% of the Plan be based on share price and the remaining 50% be based on achieving key business objectives.

It is the intention of the Company to use the "standard" measure of Total Shareholder Return ("TSR") as the performance measure for the Plan, where the Company's TSR will be compared against that of a comparator group of companies over the selected performance period for each cycle of the Plan. However, given the Company's current strategy (i.e. its most significant asset is cash) a comparator group of companies cannot yet be determined. The Board has therefore selected absolute share price as the most appropriate measure for Performance Rights.

The number of Performance Rights that will vest will be dependent on the achievement of the performance conditions set by the Board and the Company's share price as at the measurement (or test) date of 30 June 2017 as compared to the Share price hurdles outlined in the following table. The Company's share price will be calculated on its 30 day VWAP.

The following table outlines key business objectives and weightings of the performance condition:

Overall Performance Condition	Specific Performance Conditions	Percentage of grant Performance Rights that will vest if Performance Conditions are met
Strategic objectives	<p>Undertake a significant acquisition: acquire one or more assets in addition to the Cameron Gold Project with potential to generate an IRR of at least 20% using consensus commodity prices and Board approved cost assumptions.</p> <p>AND/OR</p>	50%

Overall Performance Condition	Specific Performance Conditions	Percentage of grant Performance Rights that will vest if Performance Conditions are met
	<p>Value generation at existing assets through:</p> <ul style="list-style-type: none"> • Making a significant new discovery which shows the potential to be economic based on consensus commodity prices and Board approved cost assumptions; or • Substantially increasing the Company's resource base; or • Conducting economic/feasibility studies which show the potential to generate an IRR of at least 20% using consensus commodity prices and Board approved cost assumptions; or • The sale of an asset(s) at a significant profit. <p>NB: The determination as to whether the above objectives have been met will be done by the Board of the Company in a timely manner, acting reasonably and in good faith.</p>	
Share price objectives if the 30 day VWAP as at the measurement date is:	Below 15 cents	0%
	15 cents	16.5%
	Between 15 cents and 30 cents	Pro rata between 16.5% and 50%
	Above 30 cents	50%

Following the measurement date on 30 June 2017 it is a condition that an additional 12 month service period must be completed by Mr Goyder meaning that any Performance Rights will not vest or convert into Shares until 30 June 2018. It is a condition that Mr Goyder be an employee of the Company at 30 June 2018 at the earliest. The total vesting period will be 3 years.

Summary

For additional clarity, if Resolution 3 is approved by Shareholders, the Performance Rights to be issued to Mr Goyder will be calculated and treated as follows:

- On or about 24 November 2015, Mr Goyder will be issued 1,664,707 Performance Rights.
- The number of Performance rights to be issued was calculated by reference to 40% of Mr Goyder's Annual Fixed Salary and the Company's 30 day VWAP.
- On 30 June 2017, being the measurement date, the 30 day VWAP will be evaluated against the criteria set out in the table above to determine the percentage of Performance Rights that will vest, if any.

By way of example, if the share price was 17 cents on 30 June 2017 (based on the 30 day VWAP) and the Company has undertaken a significant transaction (i.e. meet the strategic objectives), then, Mr Goyder would be entitled to 71% (or 1,181,942) of the Performance Rights at 30 June 2017 (calculated as $50\% + (16.5\% + ((17 \text{ cents} - 15 \text{ cents}) / (30 \text{ cents} - 15 \text{ cents})) \times 33.5\%)$). However, Mr Goyder must complete an additional 12 months service period before the Performance rights vest or can be converted into Shares.

- Mr Goyder will be entitled to an annual issue of Performance Rights on 1 July each year which will require future Shareholder approval.

Regulatory Information

Shareholder approval is required under Listing Rule 10.14 for the issue of Performance Rights to Mr Goyder as he is a Director and therefore a related party of the Company. The Board has considered the application of Chapter 2E of the Corporations Act and has resolved that the reasonable remuneration exception provided by section 211 of the Corporations Act is relevant in the circumstances and accordingly, the Company will not seek approval for the issue of Performance Rights to Mr Goyder pursuant to section 208 of the Corporations Act in addition to the approval now being sought under the ASX Listing Rules.

In accordance with ASX Listing Rule 10.14, the acquisition of securities by a director under an employee incentive scheme requires shareholder approval. Listing Rule 10.15 requires the following information to be provided in relation to the Performance Rights which may be issued to Mr Goyder pursuant to the Plan:

- (a) The maximum number of Performance Rights (and hence the maximum number of Shares on vesting of the Performance Rights) which may be issued to Mr Goyder for the period 1 July 2015 to 30 June 2016 is 1,664,707.
- (b) The price payable on the issue or grant of each Performance Right is nil.
- (c) There have been 11,718,529 Performance Rights issued under the Plan to date of which 4,387,399 have been forfeited or lapsed. 2,108,444 Performance Rights have previously been issued to persons referred to in ASX Listing Rule 10.14 as follows:

Director	Performance Rights issued under the Plan to date	Acquisition Price
William Bent	1,453,444	Nil
Douglas Jones	655,000	Nil
TOTAL	2,108,444	Nil

- (d) The executive directors, executives and employees of the Company are entitled to participate in the Plan. Mr Goyder is the only person referred to in ASX Listing Rule 10.14 who is entitled to participate in the Plan.
- (e) No loans will be made by the Company in connection with the issue of Performance Rights to Mr Goyder.
- (f) The Performance Rights will be issued to Mr Goyder no later than one year after the date of the Meeting.

Except as stated above, all other terms and conditions of Mr Goyder's Performance Rights are described in the Plan.

Recommendation

The non-executive Directors are of the view that the remuneration for Mr Goyder, including the grant of Performance Rights is reasonable having regard to the circumstances of the Company, the duties and responsibilities of Mr Goyder as Managing Director and market levels of remuneration for managing directors of similar companies.

The Directors (excluding Mr Goyder) unanimously recommend that Shareholders vote **in favour** of Resolution 3.

Earlier History of Mr Goyder

Mr Goyder has considerable experience in the resource industry as an executive and investor. He has been involved in the formation and management of a number of publicly-listed and private companies and is currently Chairman of Uranium Equities Limited and Liontown Resources Limited, both listed on ASX.

GLOSSARY

The following is a glossary of terms and abbreviations used frequently throughout this Explanatory Statement and in the Notice of Meeting and which such meanings shall apply unless the context requires otherwise. Additional terms used only occasionally are defined where used in their first instance in the body of this Explanatory Statement.

"ASX" means ASX Limited or the Australian Securities Exchange, as appropriate.

"ASX Listing Rules" means the Listing Rules of ASX.

"Board of Directors" or **"Board"** means the board of Directors.

"Chairman" means the chair appointed for the Annual General Meeting.

"Chalice" or **"Company"** means Chalice Gold Mines Limited (ABN 47 116 648 956).

"Constitution" means the constitution of the Company.

"Corporations Act" means the *Corporations Act 2001* (Cth).

"Director" means a director of the Company.

"Explanatory Statement" means this explanatory statement.

"IRR" means internal rate of return.

"Key Management Personnel" means persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company.

"Managing Director" means the managing director of Chalice.

"Meeting" or **"Annual General Meeting"** means the meeting of Shareholders called by the Notice of Meeting.

"Notice" or **"Notice of Meeting"** means this notice of meeting including the Explanatory Statement.

"Office" means Level 2, 1292 Hay Street, West Perth, WA 6005, Australia.

"Performance Right" means a right granted under the Plan to acquire a Share on the terms set out in the Plan subject to the satisfaction of certain performance conditions.

"Plan" means the Company's Employee Long Term Incentive Plan.

"Remuneration Report" means the remuneration report of the Company for the financial year ended 30 June 2015 (unless otherwise stated) as set out in the Directors' Report contained in the annual 2015 Annual Report to Shareholders.

"Resolution" means a resolution to be considered by the Shareholders at the Meeting.

"Share" means a fully paid ordinary share in the capital of the Company.

"Shareholder" means a holder of a Share.

"Strike" means a 'no' vote of 25% or more on the Resolution approving the Remuneration Report.

"TSX" means the Toronto Stock Exchange.

"WST" means Western Standard Time.

PROXY FORM

APPOINTMENT OF PROXY

I/We

being a Shareholder of Chalice Gold Mines Limited entitled to attend and vote at the Annual General Meeting hereby appoint

the Chairman of the Meeting OR

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Chalice Gold Mines Limited to be held at 12.30 pm (WST) on 24 November 2015 at Chalice Gold Mines Limited, Level 2, 1292 Hay Street, West Perth, Western Australia and at any adjournment or postponement of that meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolutions 1 and 3 (except where I/we have indicated a different voting intention below) even though Resolutions 1 and 3 is connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolutions 1 and 3 by marking the appropriate box below.

Voting on Business of the Annual General Meeting

		FOR	AGAINST	ABSTAIN
Resolution 1	Approval of the Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-election of Mr Anthony Kiernan as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Issue of Performance Rights to Mr Tim Goyder	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote all available proxies in favour of each item of business.

Signed this day of 2015

By:

Individuals and joint holders

Companies (affix common seal if appropriate)

Signature
Signature
Signature

Director
Director/Company Secretary
Sole Director and Sole Company Secretary

Instructions for Completing 'Appointment of Proxy' Form

1. A Shareholder entitled to attend and vote at a meeting is entitled to appoint not more than two proxies to attend and vote on their behalf. Where more than one proxy is appointed, such proxy must be allocated a proportion of the Shareholder's voting rights. If the Shareholder appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half the votes.

2. A duly appointed proxy need not be a Shareholder of the Company.

3. **Signing Instructions**

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, all of the Shareholders should sign.

Power of Attorney: to sign under Power of Attorney, you must have already lodged this document with the Company's share registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

If a representative of the corporation is to attend the meeting a "Certificate of Appointment of Corporate Representative" should be produced prior to admission. A form of the certificate is either included in the Notice of Annual General Meeting or may be obtained from the Company's share registry.

4. Completion of a proxy form will not prevent individual Shareholders from attending the meeting in person if they wish. Where a Shareholder completes and lodges a valid proxy form and attends the meeting in person, then the proxy's authority to speak and vote for that Shareholder is suspended while the Shareholder is present at the meeting.

5. Please complete and sign the proxy form enclosed and either:

(a) send the proxy form by post to Chalice Gold Mines Limited, GPO Box 2890, Perth, Western Australia, 6001;
or

(b) send the proxy form by facsimile to the Company on facsimile number (+61 8) 9322 5800,

so that it is received **no later than 12.30 pm (WST) on 22 November 2015**, being not less than 48 hours prior to the commencement of the meeting. **Proxy forms received later than this time will be invalid.**

Appointment of Corporate Representative

Section 250D of the Corporations Act 2001 (Cwlth)

This is to certify that by a resolution of the directors of:

..... *(Insert name of company)*

(Company), the Company has appointed:

....., *(Insert name of corporate representative)*,

in accordance with the provisions of section 250D of the Corporations Act 2001 (Cwlth), to act as the body corporate representative of that company at the Annual General Meeting of Chalice Gold Mines Limited to be held at 12.30 pm (WST) on 24 November 2015 and at any adjournment of that meeting.

DATED 2015

Executed by the Company)

)

in accordance with its constituent documents

.....

Signed by authorised representative

.....

Name of authorised representative (print)

.....

Position of authorised representative (print)

.....

Signed by authorised representative

.....

Name of authorised representative (print)

.....

Position of authorised representative (print)

INSTRUCTIONS FOR COMPLETION

Under Australian law, an appointment of a body corporate representative will only be valid if the Certificate of Appointment is completed precisely and accurately.

Please follow the following instructions to complete the Certificate of Appointment:

1. Execute the certificate following the procedure required by your company's constitution or other constituent documents.
2. Print the name and position (eg director) of each company officer who signs this certificate on behalf of the company.
3. Insert the date of execution where indicated.
4. Send or deliver the certificate to the registered office of Chalice Gold Mines Limited or fax the certificate to the registered office at (+61 8) 9322 5800.



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