



ASX Announcement

23 March 2018

Chalice implements Board and Management restructure to drive next chapter of growth

Chalice Gold Mines Limited (“Chalice” or “the Company”) (ASX: CHN) (TSX: CXN) is pleased to announce a Board and Management restructure aimed at unlocking the value of the Company’s prospective gold and base metal projects and its strong balance sheet.

The changes will see Chalice Managing Director Tim Goyder be appointed as Executive Chairman and Chalice General Manager of Corporate Development, Alex Dorsch, appointed as Chief Executive Officer. Chalice’s current Chairman, Anthony (Tony) Kiernan will step down as Chairman but will remain on the Board as Lead Independent Non-Executive Director. Stephen Quin and Morgan Ball will continue as Independent Non-executive Directors.

Mr Goyder said the changes were part of what would be a new chapter of growth for Chalice, underpinned by extensive drilling programs in Canada and a substantial cash position. He said Mr Dorsch would bring the invaluable skills and experience he has gained while working in engineering, consultancy and corporate advisory roles for several leading organisations, including global management consultancy McKinsey & Company.

“Since joining Chalice in October 2017, Alex has demonstrated his outstanding commercial acumen and management strengths. We are very pleased to have Alex move into the role of Chief Executive. His demonstrated abilities strongly align with our corporate growth objectives and we are confident he can lead the Company in delivering these.” Mr Goyder said.

Mr Dorsch will be granted 4,000,000 unlisted share options pursuant to the Company’s Employee Share Option Plan. This will consist of 2,000,000 options with an exercise price of \$0.20 and 2,000,000 options with an exercise price of \$0.22 all with a three-year term. One-third of the options will vest immediately, one-third in 12 months’ time and one-third in 24 months’ time (on a pro-rata basis), conditional on employment at the time.

The Board and management changes detailed herein are effective immediately. Pursuant to ASX Listing Rule 3.16.4, details of Alex’s employment contract can be found in Appendix 1.

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

Tim Goyder
Executive Chairman

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Appendix 1: Chief Executive Officer material terms of service

The material terms of Mr Dorsch's Executive Services Agreement (effective 23 March, 2018) are as follows.

Total fixed remuneration: \$320,000 per annum Annual Salary (inclusive of superannuation).

Variable remuneration: Mr Dorsch is entitled to participate in both the Employee Share Option Plan and the Employee Long Term Incentive Plan (which currently consists of an annual grant of performance rights as determined by the Remuneration Committee and the Board).

Termination: Either Chalice or Mr Dorsch can terminate the agreement upon 3 months' notice. Chalice can immediately terminate the agreement at any time for cause. In the event of a material change in the Mr Dorsch's position, status, remuneration, benefits, title, work location, duties or responsibilities including but not limited to a material change in his direct reporting line or reporting structure, Mr Dorsch shall be entitled to a severance payment equal to 6 months' worth of his Annual Salary.

Restraint: The Company has the discretion to impose a restraint (non-compete) period of up to a maximum of 12 months following cessation of employment.