

16 November 2020

Key private properties secured at Julimar

Chalice Gold Mines Limited ("Chalice" or "the Company", ASX: CHN | OTCQB: CGMLF) is pleased to announce that it has entered into a binding agreement to acquire three key private properties at its 100%-owned **Julimar Nickel-Copper-PGE Project**, located ~70km north-east of Perth in Western Australia.

The three properties cover a combined area of ~945 hectares and one property covers ~85% of the Gonneville Intrusion, the geological host to Chalice's recent major PGE-Ni-Cu-Co discovery. Securing the title to these properties is considered to be an important milestone for the Project and a significant de-risking step for the potential development of a future mining operation.

The properties, plus associated livestock and farming assets, are to be acquired pursuant to the binding purchase agreement. The consideration comprises \$7 million in cash and 2,303,010 ordinary fully-paid Chalice shares. The agreement is on terms considered customary for agreements of this nature, and settlement is not subject to any material conditions precedent. Settlement is due to occur in mid-December.

Five rigs (three Reverse Circulation ("RC") and two diamond) are continuing a step-out and resource definition drill program at the ~1.6km x >0.8km Gonneville Intrusion. The transaction does not affect ongoing drilling operations, as drilling has been undertaken under a land access and compensation agreement (which will terminate upon settlement of the acquisition).

Authorised for release on behalf of the Company by:

A handwritten signature in blue ink, appearing to read "Alex Dorsch".

Alex Dorsch
Managing Director

For further information, please visit www.chalicegold.com to view our latest corporate presentation, or contact:

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Forward Looking Statements

This report 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 report and Chalice Gold Mines Limited (the Company) does not intend, and does not assume any obligation, to update these forward-looking statements.

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, the Company's strategy, the fair value of investments, the estimation of mineral reserves and mineral resources, the realisation of mineral resource estimates, the likelihood of exploration success at the Company's projects, the prospectivity of the Company's exploration projects, the existence of additional EM anomalies within the project, the timing of future exploration activities on the Company's exploration projects, planned expenditures and budgets and the execution thereof, the timing and availability of drill results, potential sites for additional drilling, 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 "planned", "potential", "future" "de-risking" 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 may include, among others, risks related to actual results of current or planned exploration activities; assay results of visually interpreted mineralised intersections; obtaining appropriate access to relevant freehold properties and the Julimar State Forest, whether geophysical anomalies are related to economic mineralisation or some other feature; obtaining access to undertake additional exploration work on EM anomalies located in the Julimar State Forrest; the results from testing EM anomalies; results of planned metallurgical test work; changes in project parameters as plans continue to be refined; changes in exploration programs based upon the results of exploration, future prices of mineral resources; grade or recovery rates; accidents, labour disputes and other risks of the mining industry; delays in obtaining governmental approvals or financing or in the completion of development or construction activities; movements in the share price of investments and the timing and proceeds realised on future disposals of investments, the impact of the COVID 19 epidemic 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, ASX at asx.com.au and OTC Markets at otcmarkets.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.