Chalice Gold Mines Limited - March 2019 Quarterly Activity & Cash flow Reports

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PERTH, Western Australia, April 26, 2019 - Chalice Gold Mines Ltd. (ASX: CHN, TSX: CXN) ("Chalice" or the "Company") advises that its Quarterly Activity and Cash Flow Reports for the quarter ended March 31, 2019 have been issued today. The full text of these reports are available at the Company's website www.chalicegold.com and under the Company's profile at www.sedar.com.

Quarterly Highlights:

Pyramid Hill Gold Project – Bendigo Region, Victoria, Australia

- ~35,000m Phase 1 reconnaissance air-core (AC) drilling programme continues with two rigs operating at Muckleford and Mt William at Quarter-end.
- Several high-priority zones of interest outlined for immediate follow-up at Muckleford, after drilling identified highly anomalous gold and pathfinder elements on wide-spaced drill lines.
- Drilling continues at Muckleford using the highly effective multi-purpose AC/RC rig.
- Two new Exploration Licence Applications made further strengthening Chalice's position as a major player in this exciting region with total of ~5,140km^2 of Exploration Licences and applications, all 100%-owned.

East Cadillac Gold Project – Val-d'Or Region, Quebec, Canada

- ~5,300m reconnaissance diamond drill programme completed at two of the seven high-priority prospects on the East Cadillac Gold Project – Legrand and Anderson.
- New zones identified at Legrand hosting anomalous gold and Timiskaming conglomerate, indicating the presence of a new significant fault system – the Windward Fault.
- Newly uncovered Windward Fault is untested over ~10km to the west of Legrand, parallel to the highly endowed Larder Lake Cadillac Fault (LLCF).
- 3D-IP survey completed, highlighting multiple chargeability anomalies, the strongest extending ~3km to the east of the North Contact Prospect – now a high priority for follow-up work.
- Next phase of targeting and planning activities underway on advanced prospects on the Project including North Contact, Lac Rapides, Simon West, Nordeau West and Legrand.
- New results continue to demonstrate the potential for the 233km^2 East Cadillac Gold Project to host a new gold district, ~35-60km east of Val-d'Or along the prolific LLCF.

Corporate

- Strong cash balance of ~A$21.7 million at Quarter-end plus liquid investments and current receivables of ~A$2 million (working capital of ~A$22.8 million or ~A$0.09 per share).

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Competent Persons and Qualifying Persons Statement

The Information in this announcement that relates to the exploration results for the Pyramid Hill Project is extracted from the ASX announcements entitled "Chalice set to drill large-scale gold targets at Pyramid Hill Gold Project, Victoria" dated 27 September 2018 and "Reconnaissance drilling at Pyramid Hill Gold Project continues to outline high-priority target areas" dated 19 March 2019.

The Information in this announcement that relates to exploration results for the East Cadillac Gold Project is extracted from ASX announcements entitled "Two new gold discoveries expand the district-scale potential of the East Cadillac gold Project, Canada", "Newly defined large-scale gold anomalies prioritised for drill testing at East Cadillac gold Project, Quebec", "Chalice prepares for major new drill program to test large-scale gold targets at East Cadillac Gold Project in Quebec" and "Exploration Update – East Cadillac Gold Project, Quebec" dated 31 May 2018, 25 October 2018, 20 November 2018 and 26 April 2019 respectively.

The above announcements are available to view on the Company's website at www.chalicegold.com. The Company confirms that it is not aware of any new information or data that materially affects the information included in the relevant original market announcements. The Company confirms that the form and context in which the Competent Person and Qualified Person's findings are presented have not been materially modified from the relevant original market announcements.

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 Ltd. (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 estimation of mineral reserve 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 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 "plans", "planning" "expects" or "does not expect", "is expected", "will", "may", "would", "potential", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", "believes", "occur" or "be achieved" 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; changes in project parameters as plans continue to be refined; changes in exploration programmes based upon the results of exploration; future prices of mineral resources; possible variations in mineral resources or ore reserves, 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; the ultimate outcome for shareholders of any Class Ruling received from the Australian Tax Office ("ATO") in relation to any capital return, 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.

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Contact
please contact: Alex Dorsch, Managing Director, Chalice Gold Mines Ltd., Telephone +618 9322 3960; Nicholas Read, Principal and Managing Director, Read Corporate Investor Relations, Telephone +61 8 9388 1474