Chalice completes nickel sulphide acquisition and commences exploration in the west Kimberley region of WA

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EM programs underway targeting a high-grade nickel sulphide discovery

PERTH, Western Australia, July 18, 2019 - Further to its announcement of June 18, 2019, Chalice Gold Mines Ltd. ("Chalice" or "the Company") (ASX: CHN | TSX: CXN) is pleased to advise that it has now completed the acquisition of all outstanding shares in private nickel explorer, North West Nickel Pty Ltd ("NWN"). Chalice has issued 7.5 million fully-paid ordinary shares to NWN, all subject to a 12-month voluntary escrow period.

NWN holds a portfolio of nickel exploration projects including the Ruins Nickel Sulphide Project ("the Project") in the west Kimberley region of WA. The Ruins Project is located adjacent to recent nickel sulphide discoveries reported by Buxton Resources ("Buxton", ASX: BUX) at its Merlin Project. Buxton recently entered into two option and earn-in joint venture agreements with Independence Group ("IGO", ASX: IGO) in the region, with both companies now actively exploring the district.

The acquisition forms a key part of Chalice's new ~1,800km^2 district-scale King Leopold Nickel Project in the West Kimberley, which represents an exciting new high-grade nickel exploration opportunity alongside its high-profile Pyramid Hill Gold Project in Victoria.

Exploration Plan

Field reconnaissance and exploration planning for the Ruins Project has commenced and the following activities are now either underway or scheduled for Q3 2019:

1. A maiden Phase 1 Moving Loop Electromagnetic (MLEM) survey has commenced over four of the six previously identified late-time airborne EM anomalies co-incident with known Ruins Dolerite on E04/1169.
2. A 1,450 line-km airborne EM survey (at 150m line spacing) is scheduled to commence in late July over an ~8km long east-west trending body of prospective Ruins Dolerite and surrounding country rocks in adjoining tenements E04/2299 and 2325.
3. A Phase 2 MLEM survey is scheduled for late August 2019, subject to access constraints, to follow up any conductors identified in the airborne EM survey.
4. A maiden Reverse Circulation drilling program is anticipated to commence in late Q3 2019.

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About the King Leopold Nickel Project, WA
The King Leopold Nickel Project covers an area of ~1,800km^2 in the west Kimberley region of Western Australia. The Project covers several known areas of Ruins and Hart Dolerite, which are both considered highly prospective for magmatic nickel sulphides as well as other related metals (Cu, Co and PGEs).

The Ruins Dolerite has been demonstrated to host high-grade nickel sulphides (drill intercept grades up to

8% Ni) after the Merlin discovery in 2015 by Buxton Resources (ASX: BUX). Buxton has since executed two option and earn-in joint venture agreements with Independence Group (ASX: IGO) and large-scale exploration activities are underway in the region. The JV has also substantially increased its licence holding in this frontier province.

The Project is a combination of several 100% owned exploration licences, 100% owned hard rock rights as well as an earn-in agreement (earning up to 85%). Field activity on the Project commenced in late June 2019, initially focusing on areas immediately adjacent to the Merlin discovery.

Competent Persons and Qualifying Persons Statement
The information in this announcement that relates to Exploration Information for the Ruins Project, is extracted from the ASX Announcement entitled "Chalice acquires highly prospective nickel sulphide project in west Kimberley region of WA" dated 18 June 2019, which is 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 original market announcement. 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 original market announcement.

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 including King Leopold, the prospectivity of the Company's exploration projects including King Leopold, 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; 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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