

# Appendix 5B

## Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

CHALICE GOLD MINES LIMITED

ABN

47 116 648 956

Quarter ended ("current quarter")

31 MARCH 2007

### Consolidated statement of cash flows

	Current quarter \$A	Year to date (9 months) \$A
<b>Cash flows related to operating activities</b>		
1.1 Receipts from product sales and related debtors	118,935	192,785
1.2 Payments for (a) exploration and evaluation	(182,996)	(2,361,932)
(b) development	-	-
(c) production	-	-
(d) administration	(255,712)	(793,382)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	74,438	210,266
1.5 Interest and other costs of finance paid	(54)	(1,805)
1.6 Income taxes paid	-	-
1.7 Other	-	-
<b>Net Operating Cash Flows</b>	<b>(245,389)</b>	<b>(2,754,068)</b>
<b>Cash flows related to investing activities</b>		
1.8 Payment for purchases of: (a)prospects	-	-
(b)equity investments	-	-
(c)other fixed assets	(13,030)	(59,973)
1.9 Proceeds from sale of: (a)prospects	-	-
(b)equity investments	-	-
(c)other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material)	-	-
<b>Net investing cash flows</b>	<b>(13,030)</b>	<b>(59,973)</b>
1.13 Total operating and investing cash flows (carried forward)	<b>(258,419)</b>	<b>(2,814,041)</b>

+ See chapter 19 for defined terms.

<b>Cash flows related to financing activities</b>			
1.14	Proceeds from issues of shares, options, etc. (net)	-	-
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	(5,276)
1.18	Dividends paid	-	-
1.19	Other	-	(20,000)
	<b>Net financing cash flows</b>	<b>-</b>	<b>(25,276)</b>
<b>Net increase (decrease) in cash held</b>		<b>(258,419)</b>	<b>(2,839,317)</b>
1.20	Cash at beginning of quarter/year to date	<b>2,846,352</b>	<b>5,427,250</b>
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	<b>Cash at end of quarter</b>	<b>2,587,933</b>	<b>2,587,933</b>

**Payments to directors of the entity and associates of the directors**

**Payments to related entities of the entity and associates of the related entities**

		Current quarter \$A
1.23	Aggregate amount of payments to the parties included in item 1.2	60,583
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Receipts from product sales and related debtors (item 1.1) comprise corporate service fees charged to Uranium Equities Limited and Liontown Resources Limited. This has applied administration costs between the 3 companies consistent with services utilized and has re-charged approximately 46% of Chalice Gold Mines Limited' administration and corporate costs for the quarter (item 1.2 (d)).

Amount payable to related parties in 1.23 include payment of salaries, fees and reimbursements of expenses to directors.

**Non-cash financing and investing activities**

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

N/A

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

N/A

+ See chapter 19 for defined terms.

### Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A	Amount used \$A
3.1 Loan facilities	Nil	Nil
3.2 Credit standby arrangements	Nil	Nil

### Estimated cash outflows for next quarter

	\$A
4.1 Exploration and evaluation	160,000
4.2 Development	Nil
<b>Total</b>	<b>160,000</b>

### Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A	Previous quarter \$A
5.1 Cash on hand and at bank	619,004	419,148
5.2 Deposits at call	1,968,929	2,427,204
5.3 Bank overdraft	-	-
5.4 Other (Bank Guarantee)		
<b>Total: cash at end of quarter (item 1.22)</b>	<b>2,587,933</b>	<b>2,846,352</b>

### Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed	E63/1066	Relinquishment	100%	0%

+ See chapter 19 for defined terms.

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**Mining exploration entity quarterly report**

6.2	Interests in mining tenements acquired or increased NIL	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter

**(1) Issued and quoted securities at end of current quarter**


*Description includes rate of interest and any redemption or conversion rights together with prices and dates.*

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 <b>Preference +securities</b> <i>(description)</i>	Nil	Nil	Nil	Nil
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs.	N/A	N/A	N/A	N/A
7.3 <b>+Ordinary securities</b>	72,800,000	72,800,000	N/A	N/A
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital.	Nil	Nil	N/A	N/A
7.5 <b>+Convertible debt securities</b> <i>(description)</i>	Nil	Nil	N/A	N/A
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured.	Nil	Nil	N/A	N/A
7.7 <b>Options</b> <i>(description and conversion factor)</i>	5,825,000	Nil	Exercise price \$0.25	Expiry date 21 March 2011
7.8 Issued during quarter	Nil	Nil	N/A	N/A
7.9 Exercised during quarter	Nil	Nil	N/A	N/A
7.10 Expired during quarter	Nil	Nil	Exercise price	Expiry date
7.11 <b>Debentures</b> <i>(totals only)</i>	Nil	Nil		
7.12 <b>Unsecured notes</b> <i>(totals only)</i>	Nil	Nil		

+ See chapter 19 for defined terms.

## **Compliance statement**

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
  
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here:  Date: 30 April 2007  
Executive Chairman

Print name: Andrew Bantock

## Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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