

# Chalice makes discovery just outside Perth

SHARES in Chalice Gold Mines more than doubled today on news of a surprise discovery outside of its two main projects.



## Exploration / Development > Discovery

The first drill hole at the Julimar project in Western Australia hit 19m at 2.59% nickel, 1.04% copper, 8.37 grams per tonne palladium and 1.11gpt platinum from 48m in fresh rock.

Comments

The hit included a massive sulphide zone of 13m at 3.15% nickel, 1.19% copper, 8.85gpt palladium and 1.08gpt platinum and a matrix/stringer sulphide zone of 6m at 1.39% nickel, 0.72% copper, 7.33gpt palladium and 1.16gpt platinum.

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## Kristie Batten



The massive sulphide zone coincided with a strong moving-loop electromagnetic conductor.

The zones sat within a broader high-grade palladium zone of 25m at 2.02% nickel, 0.88% copper, 8.5gpt palladium and 0.91gpt platinum from 46m.

Other platinum group element (PGE) and cobalt assays are pending.

Managing director Alex Dorsch described the intercept as an "outstanding result and a credit to Chalice's technical team".

"Given the rarity and value of nickel sulphide discoveries, particularly in WA, and the recent all-time high palladium price of more than US\$2800/oz, the result is especially significant," he said.

The project is just 70km northeast of Perth to the southwest of Gingin.

"The lack of nickel-copper-PGE exploration on the surrounding intrusive complex, within an hour's drive of Perth and close to established infrastructure, is quite extraordinary," Dorsch said.

"While we are obviously still at a very early stage of exploration at Julimar, the discovery of a shallow high-grade massive sulphide zone within a large layered ultramafic-mafic intrusion is very exciting, as it draws potential parallels with other large-scale nickel-copper-PGE sulphide discoveries worldwide.

"We have three more high-priority geophysical targets within the intrusion to test in the current program and down-hole EM surveying will commence in the coming days to define step-out targets."

The mineralisation is hosted within a lens-shaped, layered ultramafic-mafic intrusion measuring about 2km by 500m that remains open in all directions.

A second drill hole is underway, 900m to the northeast of the first, and has already intersected a sequence of intrusive mafic to ultramafic rock-types 40m above the targeted conductor.

A further three high-priority MLEM targets to the northeast will be drilled over the coming weeks and an additional four targets are being evaluated.

Chalice's flagship projects are the Pyramid Hill gold project near Bendigo in Victoria and the King Leopold nickel project in the Northern Territory.

Chalice pegged the Julimar project in early 2018 due to its interest in nickel sulphide exploration.

The project covers the entirety of a 26km by 7km layered ultramafic-mafic intrusive complex, which is largely under cover and has never been explored for nickel.

Chalice has applied for 2300sq.km of additional licenses in the area and is evaluating regional targets.

As of Friday, Chalice had cash and investments worth about A\$23 million after recently selling its stake in Spectrum Metals to Ramelius Resources.

"Chalice remains in a strong financial position, with the funding to continue our systematic exploration programs through the current challenging market conditions," Dorsch said.

"Our recent success vindicates our corporate strategy of identifying high-potential greenfield gold and nickel exploration opportunities in safe jurisdictions and creating value through discovery."

Chalice also has three drill rigs working at Pyramid Hill, where recent work identified high-grade zones grading up to 15.85 grams per tonne at the large Karri target.

MineLife analyst Gavin Wendt initiated coverage on Chalice in March 2019 with a 16c price target.

"Great results, especially from a brand new prospect that's never been drilled, close to surface," he said via Twitter today.

Shares in Chalice were up 100% to 32c after rising as high as 35c, an eight-year high.



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