



ABN 47 116 648 956



ASX Announcement

22 January 2014

## COVENTRY SHAREHOLDERS APPROVE PLAN OF ARRANGEMENT

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Chalice Gold Mines Limited (**TSX: CXN; ASX: CHN**) ("**Chalice**") and Coventry Resources Inc. (**ASX: CYC; TSXV: CYC; "Coventry"**) are pleased to advise that Coventry security holders have resoundingly approved the Plan of Arrangement ("the Arrangement") for Chalice's acquisition of a 100% interest in the Cameron Gold Project in Ontario, Canada.

Coventry shareholders approved the Arrangement at a meeting held in Vancouver at 10am on 21 January 2014. The motion was carried on a poll with 39,849,393 (99.89%) votes cast in favour of the transaction.

Following satisfaction of the remaining conditions precedent contained within the Arrangement Agreement, which includes final orders from the Court in British Columbia for approval of the Arrangement, Chalice will issue 46 million shares in Chalice to Coventry which will then be distributed directly to Coventry shareholders on a pro rata basis on or around 7 February 2014.

An indicative timetable for completion of the transaction is included in Annexure A.

Coventry President and CEO, Steven Chadwick thanked Coventry shareholders for their support of the transaction.

Commenting on the results of Coventry's shareholder meeting, Chalice Managing Director, Bill Bent said "*Chalice's Board and Management are very pleased with Coventry shareholder's support for this acquisition. We are confident that Chalice can unlock the excellent upside potential of the Cameron Project. The existing Preliminary Economic Assessment and previous study work focuses on the potential for a combined open pit and underground development running almost in parallel. We see potential to enhance the economics of the project by focusing on the open pit potential, with the underground as optional upside later in the mine life.*"

Mr Bent said "*Chalice's immediate focus during 2014 will be on optimising and increasing the existing open pit mineral resource through pit optimisation and near mine exploration. We will also continue to progress critical path project development and approval work scopes in parallel, to make sure we are well positioned to move quickly to a development decision once the project meets our internal hurdle criteria.*"

BILL BENT  
Managing Director  
Chalice Gold Mines Limited  
22 January 2014

STEVEN CHADWICK  
President and Chief Executive Officer  
Coventry Resources Inc.  
22 January 2014

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**Forward Looking Statements**

This document 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 document and Chalice Gold Mines Limited (the Company) does not intend, and does not assume any obligation, to update these forward-looking statements, except as required by law or regulation.

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, statements with respect to whether the conditions to the Coventry transaction will be met, the estimation of mineral reserves and mineral resources, the realisation of mineral reserve estimates, the likelihood of exploration success, 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, expects or does not expect, is expected, budget, scheduled, estimates, forecasts, intends, anticipates or does not anticipate, or believes, 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 include, among others, conditions precedent to completion of the Coventry transaction being met; risks related to actual results of current exploration activities; changes in project parameters as plans continue to be refined; future prices of mineral resources; possible variations in ore reserves, grade or recovery rates; accidents, labour disputes and other risks of the mining industry, 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](http://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.

None of the securities anticipated to be issued pursuant to the Arrangement have been or will be registered under the United States Securities Act of 1933, as amended (the “U.S. Securities Act”), or any state securities laws, and any securities issued in the Arrangement are anticipated to be issued in reliance upon available exemptions from such registration requirements pursuant to Section 3(a)(10) of the U.S. Securities Act and applicable exemptions under state securities laws. This press release does not constitute an offer to sell or the solicitation of an offer to buy any securities.

**ANNEXURE A - INDICATIVE TIMETABLE**

<b>Activity</b>	<b>Date</b>
Announcement of results of Coventry's shareholder meeting to approve the Arrangement.	22 January 2014
Obtain final court orders from the Court in British Columbia for approval of the Arrangement.	24 January 2014
TSX-V issues bulletin announcing the effective date/distribution record date and payment date.	29 January 2014
Coventry CDI's commence trading ex-distribution on ASX.	29 January 2014
Coventry shares commence trading ex-distribution on TSX-V.	31 January 2014
Effective Date/Distribution Record Date	4 February 2014
Despatch Date of Chalice Shares to Coventry shareholders	7 February 2014