

ASX Announcement

COURT APPROVES PLAN OF ARRANGEMENT

Chalice Gold Mines Limited (**TSX: CXN; ASX: CHN**) (“Chalice”) and Coventry Resources Inc. (**ASX: CYI; TSXV: CYI; Coventry**) advise that the Supreme Court of British Columbia has approved the Plan of Arrangement (“the Arrangement”) for Chalice’s acquisition of a 100% interest in the Cameron Gold Project in Ontario, Canada.

Following satisfaction of the remaining conditions precedent contained within the Arrangement Agreement, which are generally procedural in nature, 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.



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Managing Director

28 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.

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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. 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

Activity	Date
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

Appendix 1 – Oodnadatta & Marla Project JORC Tables

According to Clauses 18 & 19 of the 2012 JORC Code, the criteria listed in the following tables need to be addressed when first reporting exploration results.

Section 1: Sampling Techniques and Data

JORC Criteria	Explanation
Sampling techniques	No sampling has been conducted to date.
Drilling techniques	No drilling has been conducted to date. It is planned to undertake rotary mud drilling with diamond tails.
Drill sample recovery	Due to no previous drilling, no samples have been recovered.
Logging	Due to no previous drilling, no drill samples have been logged.
Sub-sampling techniques and sample preparation	As per above.
Quality of assay data and laboratory tests	Due to no previous drilling, no samples have been assayed.
Verification of sampling and assaying	Due to no previous drilling, no samples have been verified.
Location of data points	It is intended that future drillhole collars will be located using a hand held Garmin GPS MAP62s with an accuracy of <3m. Down-hole surveys using Reflex downhole camera or similar is planned for future holes.
Data spacing and distribution	Planning of drill hole collar positions relative to the geophysical targets to be tested is still in the planning stage.
Orientation of data in relation to geological structure	No drill data has been oriented relative to structure. Orientation of diamond core tails is planned for future drill holes.
Sample security	Due to no previous drilling, no samples have been collected.
Audits or reviews	Due to no previous drilling, no audits have been conducted.

Section 2: Reporting of Exploration Results

JORC Criteria	Explanation
Mineral tenement and land tenure status	<p>The Marla Project includes a total of 7 granted exploration licences totaling 2,886 sq km. Licences are held by GE Resources Pty Ltd, a wholly owned subsidiary of Uranium Equities Limited. Exploration licences were granted on 25th January 2011 for an initial period of 4 years.</p> <p>The Oodnadatta Project includes a total of 9 granted exploration licences totalling 4,860 sq km. Licences are held by GE Resources Pty Ltd, a wholly owned subsidiary of Uranium Equities Limited. Exploration licences EL4679 to EL4688 were granted on 22/02/2011, EL4959 was granted on 09/07/2012 and EL5144 was granted on 10/01/2013. Each exploration lease was granted for an initial period of 2 years with EL4679 to EL4688 currently under renewal. All of the EL's are in good-standing as of the date of this announcement.</p>
Exploration done by other parties	<p>Oodnadatta area - limited historical drilling was conducted in areas of cover and numerous small iron-oxide, copper, gold and uranium mineral occurrences were identified by prospectors (c1800's to early 1900's) in the adjacent outcropping Peake and Denison Ranges. No significant deposits have been identified to date.</p> <p>Marla area - previous exploration in the Marla Project region is extremely sparse to non-existent. Large areas of unexplored ground exist which are prospective for uranium mineralisation in Mesozoic and Tertiary stratigraphy. Previous exploration has predominantly been for diamonds, with lesser uranium, coal, and base metal focus. No significant deposits have been identified to date.</p>
Geology	<p>The Oodnadatta Project tenements are situated at the north-eastern margin of the Archaean to Palaeoproterozoic Gawler Craton, and cover both outcropping basement within the Peake and Denison Ranges, and buried basement flanking the Ranges. Proterozoic basement blocks are largely covered by five superimposed Phanerozoic intra-cratonic basins, separated by unconformities (Figure 5). The basal "cover" sequence comprises Neo-Proterozoic sediments associated with the Adelaide Geosyncline, and is in turn overlain by the Cambro-Ordovician Officer Basin, comprising a thick sequence of marine and non-marine sediments.</p> <p>The Marla Project is located in the North east corner of the Gawler Craton and is bounded by two craton bounding structures- a major ENE-trending suture zone separating the Meso-Proterozoic basement of the Musgrave Province to the north west from the Archaean to Palaeo-Proterozoic basement of the Gawler Craton's Nawa Domain to the south east, and the Torrens Hinge Zone to the north east, a north west trending structural zone separating the Gawler Craton from rocks of the Curnamona Craton.</p> <p>The Marla & Oodnadatta projects are prospective for the discovery of economic Iron – Oxide Copper – Gold ± Uranium (IOCGU) deposits.</p> <p>The Gawler Craton hosts a number of significant IOCGU deposits including Olympic Dam, Prominent Hill and Carrapateena.</p>
Drill hole Information	No drilling has been undertaken.
Data aggregation methods	Due to no previous drilling, no sample data has been aggregated.

JORC Criteria	Explanation
Relationship between mineralisation widths and intercept lengths	Due to no previous drilling, no mineralization identified to date.
Diagrams	See Figures 2 & 3
Balanced reporting	Results reported reference all available data.
Other substantive exploration data	Regional geological mapping has been conducted by the SA Geol Survey. Geophysical surveys (aeromagnetism & gravity) come from public domain data sets. An infill gravity survey has been completed over parts of the Marla property. No other material results are available.
Further work	RC/DD drilling is proposed to follow up the targets identified from geophysics. Further ground geophysics (gravity) may be undertaken to confirm and refine targets for drilling.