

Chalice confirms high grades in Julimar discovery zone

CHALICE Gold Mines has received assay results for the first two diamond holes at the Julimar discovery, which have confirmed high-grade nickel, copper and platinum group elements.



Exploration / Development > Discovery

Preliminary results were previously reported, and the laboratory assays confirmed consistent mineralisation in fresh rock throughout the Gonneville discovery zone.

Comments

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Assays included 75.1m at 6.2 grams per tonne palladium, 1.7gpt platinum, 1.7% nickel, 0.7% copper and 0.10% cobalt from 34.9m, including 9.8m of massive sulphides grading 7gpt palladium, 0.8gpt platinum, 3.3% nickel, 1.2% copper and 0.18% cobalt; 20.4m of massive sulphides at 11.1gpt palladium, 1.1gpt platinum, 3.1% nickel, 1% copper and 0.16% cobalt; and 33m of interlayered massive-matrix-stringer sulphides at 5.1gpt palladium, 3gpt platinum, 1% nickel, 0.6% copper and 0.06% cobalt.

Initial petrographic and scanning electron microscope analysis on the massive and matrix sulphide zones identified various PGE minerals mostly hosted in pyrrhotite - a positive result as it suggests the PGEs within unoxidised mineralisation may be recoverable through flotation processing.

True widths are unknown.

The discovery zone remains at depth and open along strike, though a moving-loop electromagnetic survey failed to demonstrate a significant conductive response along strike.

Chalice said it did not rule out continuity of the mineralised zone, as not all high-grade mineralisation intersected to date had a conductive EM response.

The 20,000m phase two reverse circulation drilling program is underway to scope out the extent of the intrusive on a 200m by 80m grid pattern and to test new high-grade targets at the southern end.

Diamond drilling and down-hole EM is continuing.

A preliminary metallurgical testwork program is underway on four ore types: massive, matrix, disseminated and oxide.

Chalice raised A\$30 million earlier this month at \$1.05 per share to continue and accelerate work at Julimar, 70km northeast of Perth.

It now has about \$48 million cash.

Chalice owns the entire 26km strike length of the 26km-long Julimar Intrusive Complex, of which only 2km has been explored.

Shares in Chalice opened 3% higher at \$1.185.

Euroz Securities has a \$1.50 price target for Chalice.

"Genuine company making discoveries are rare and as such highly valued, especially when it's a junior in a potentially new province," analyst Andrew Clayton said earlier this month.

"The results thus far are excellent with palladium mineralisation in every hole drilled thus far and the shape of the intrusive giving rise to a potentially large plus-250Mt orebody.

"Whilst early days, we believe there is considerable room for Chalice to continue to appreciate - despite the 4x uplift since the discovery was announced in early March 2020."