

Chalice looking to make big discoveries

CHALICE Gold Mines says it has the balance sheet to think big on the discovery front.



Chalice holds over 5900sq.km in Victoria

Exploration / Development > Discovery

The company has A\$30 million in working capital and investments due to savvy project sales, and has not raised capital since 2011.

Comments

Chalice's flagship project is the Pyramid Hill project in Victoria, comprising 5190sq.km in the Bendigo region, where 60 million ounces of high-grade gold has been discovered.

Share

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However, Chalice sees the opportunity for further discoveries under the cover of the underexplored Murray Basin, where the Victorian government estimates 32Moz of undiscovered gold sits.

As well as the success story of Kirkland Lake Gold's Fosterville mine, Chalice has also been buoyed by other interest in the region.

Newmont Goldcorp is active in the area, while Hancock Prospecting and St Barbara are both shareholders and partners of Catalyst Metals.

Chalice managing director Alex Dorsch said the company's ground held the potential for dozens of discoveries.

"We could be here in years announcing our tenth discovery," he told the Resources Rising Stars Summer Series last week.

"The chance of success here is good and the prize is substantial."

The company is particularly encouraged by the scale potential at the Karri target, where two drill lines about 7km apart intersected similar gold anomalism across a 350m-wide zone.

Assays for 6000m of drilling are pending.

Aircore drilling at the Ironbark target has defined a 500m by 500m diorite intrusion, which is open in all directions.

One hole hit gold-bearing quartz veining, indicating the intrusion is mineralised.

A maiden diamond drilling program will begin in the March quarter of 2020.

"It's early days for us but we really could make multiple discoveries and set the province on fire," Dorsch said.

Chalice's second, and newer, project is the King Leopold nickel project, which covers 1800sq.km of the underexplored King Leopold orogen of Western Australia's Kimberley region.

The company's ground is surrounded by Independence Group, which has made a big push into the region via a joint venture with Buxton Resources and a hostile takeover offer for Panoramic Resources.

Chalice's priority is the undrilled Ruins target, which is along strike from Buxton's Merlin discovery.

The target will be drilled in May next year after the wet season.

Shares in Chalice were 2.8% higher this morning at 18c, valuing the company at more than \$48 million.

