

# Latest Victorian results bode well for Chalice elephant hunt

CASHED-up Chalice Gold Mines has kicked off its hunt for the next major Victorian gold discovery.



**Gold And Silver > Site-visits** Chalice has long-had a healthy bank balance from the sale of A\$107 million of assets earlier this decade.

**Comments** The company previously returned around \$25 million to shareholders, but was hanging on to cash with the view to acquire a new project.

**Share**

**Kristie Batten** However, the decision was made to focus on its two early stage projects: Pyramid Hill in Victoria and East Cadillac in Quebec, given their belt-scale potential.



As a result, Chalice returned another \$10.6 million to shareholders last month, and still has \$21.6 million cash and \$5.1 million in investments and receivables.

Chalice managing director Alex Dorsch said the company's cash position allowed it to explore at a rate not typical of juniors.

Pyramid Hill was pegged late last year as a result of strong drilling results from others in the area - namely Kirkland Lake Gold at its nearby Fosterville operation.

Chalice now holds around 4600sq.km - or around a 10<sup>th</sup> of Victoria - making it one of the state's largest landholders.

The company completed an initial 3000m aircore program, but has since launched an 8500m program using a special Strike Drilling multi-purpose rig sent over from Western Australian that has the ability to blade drill then hammer drill through rock.

"It's very much a reconnaissance program," Dorsch said during a visit to site last week.

Drilling is being conducted over around a 10km strike using drill section spacing of up to 3km.

"As well as testing that first 30m of bedrock, it gives us the best possible chance of not missing a deposit," Dorsch said.

"We're targeting plus-2 million ounces, which would span well over 3km."

Gold explorers including Homestake, St Barbara, Providence Metals and Metex have explored part of the ground, but a review of historical data has found most previous exploration to be ineffective due to wide spacing and/or a lack of sampling of the prospective geology.

"It's quite surprising really, given we're only 15km from a 20Moz orebody," Dorsch said.

"It's not been densely drilled."

Chalice is around 3500m through the program and of the 49 holes drilled to date, 47 have hit the target Ordovician basement.

"We've already drilled more effective holes than the entire history of the project - it's astounding," Chalice supervising geologist Iain Groves said.

The program should cost around \$600,000 and continue until February.

"We'll likely continue on with the Strike rig and take the total to 15,000m," Dorsch said.

"It's really going to be results-driven from that point."

Last week the company received further validation of its hunt with further strong gold results coming out of Victoria.

Kirkland Lake continued its success at Fosterville's Swan Zone with hits of 6.4m at 598gpt gold (estimated true width 5.8m); 3.6m at 625gpt gold (ETW 3.3m); 5.6m at 218gpt gold (ETW 5.2m); and 16.5m at 144gpt (ETW 14.4m).

The Swan Zone already has reserves of 1.16 million ounces at 61.2gpt gold and measured and indicated resources of 171,000oz at 116gpt gold, and Kirkland Lake has promised a "significant" upgrade in February.

South of Stawell, Navarre Minerals also announced a hit of 11m at 5.1gpt gold from 75m at its Langi Logan prospect.

Chalice's ground also adjoins Catalyst Metals and Hancock Prospecting's high-grade Four Eagles project, where wide hits of high-grade gold have been intersected over a 2.5km strike length.

Catalyst, which features St Barbara as a 15.9% shareholder, is yet to report a maiden resource.

The first assays from Chalice's drilling are due early in the new year.



**Aspermont**  
*Information for Industry*

Copyright © 2000-2018 Aspermont Ltd. All rights reserved. Aspermont Limited (ABN 66 000 375 048), PO Box 78, Leederville, Western Australia 6902