

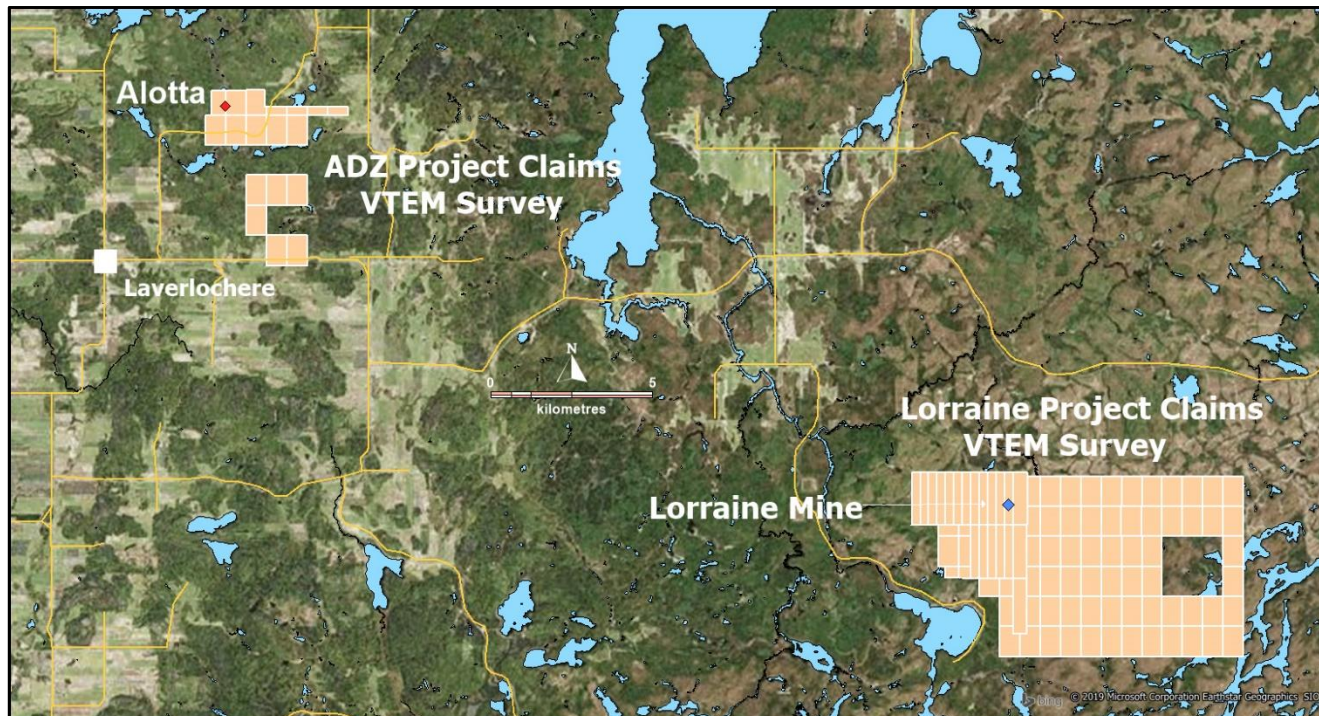
ASX ANNOUNCEMENT

28 March 2019

**Strong VTEM anomalies identified in the Zeus Project area**

- The Company has received preliminary results from the detailed airborne electromagnetic geophysical survey over two Project areas within its 100% owned **Zeus Project** in Quebec, Canada;
- The 718 line-kilometre survey was flown by Geotech Ltd utilising their helicopter-borne **VTEM™ Max** system;
- Several strong anomalies were identified in the Lorraine Project area including over the historic Lorraine Ni-Cu Mine; and,
- It is anticipated that the final data will be available in late-April and that modelling of anomalies will be completed 3-4 weeks later.

Ontario based Geotech Ltd has completed a 718 line-kilometre airborne survey utilising its helicopter-borne Versatile Time-Domain Electromagnetic (**VTEM™ Max**) geophysical system over the Company's **Lorraine and Alotta-Delphi-Zullo (ADZ)** Project areas in south-west Quebec (Figure 1).



**Figure 1: Zeus Project Locality Map – Showing the Lorraine and ADZ VTEM Survey Areas**



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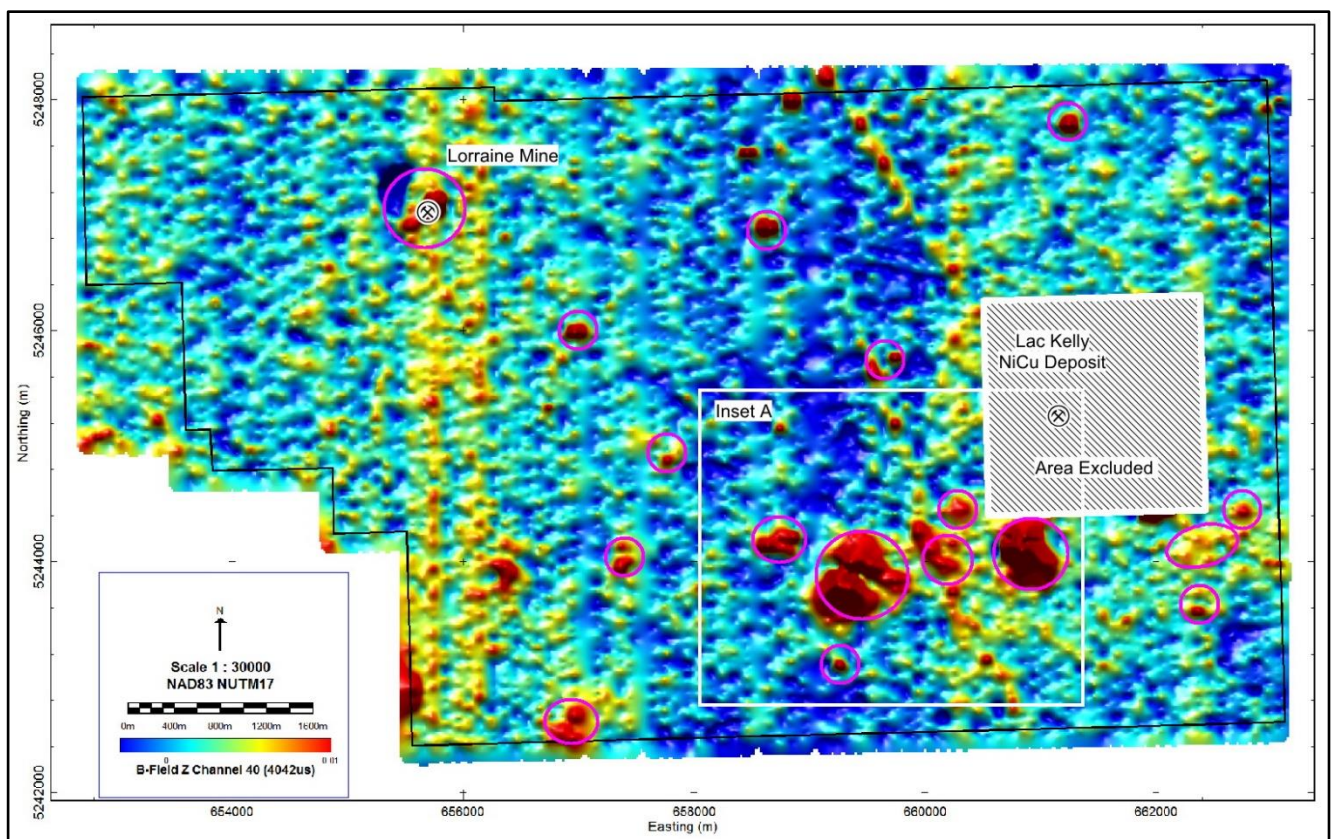


The preliminary results from the survey have been received and an initial assessment completed by the Company's consultant geophysicists, Core Geophysics forms the basis for this announcement. The final data is expected to be delivered by Geotech Ltd in late-April and will then be further processed by Core Geophysics.

The principal target within the Company's claims are Ni-Cu-Co-PGE massive sulphides (conductors) associated with the basal zone of differentiated gabbro sills in the Belletierre-Angliers Greenstone Belt (ASX 4 March 2019). There is also significant recorded gold prospectivity associated with the gabbro / footwall metasediment-felsic tuff contact zone at the Lorraine Mine that needs further evaluation.

There are a number of robust anomalies identified in the Project areas during the first pass evaluation that require further evaluation initially through modelling in conjunction with interrogation of the existing drilling, geophysical databases and ground truthing.

The preliminary results over the Lorraine Project area have indicated several strong, late time anomalies which include a response from the historic Lorraine Ni-Cu Mine which produced 600,000 tonne of ore for processing from 1964 to 1968 (Figure 2).



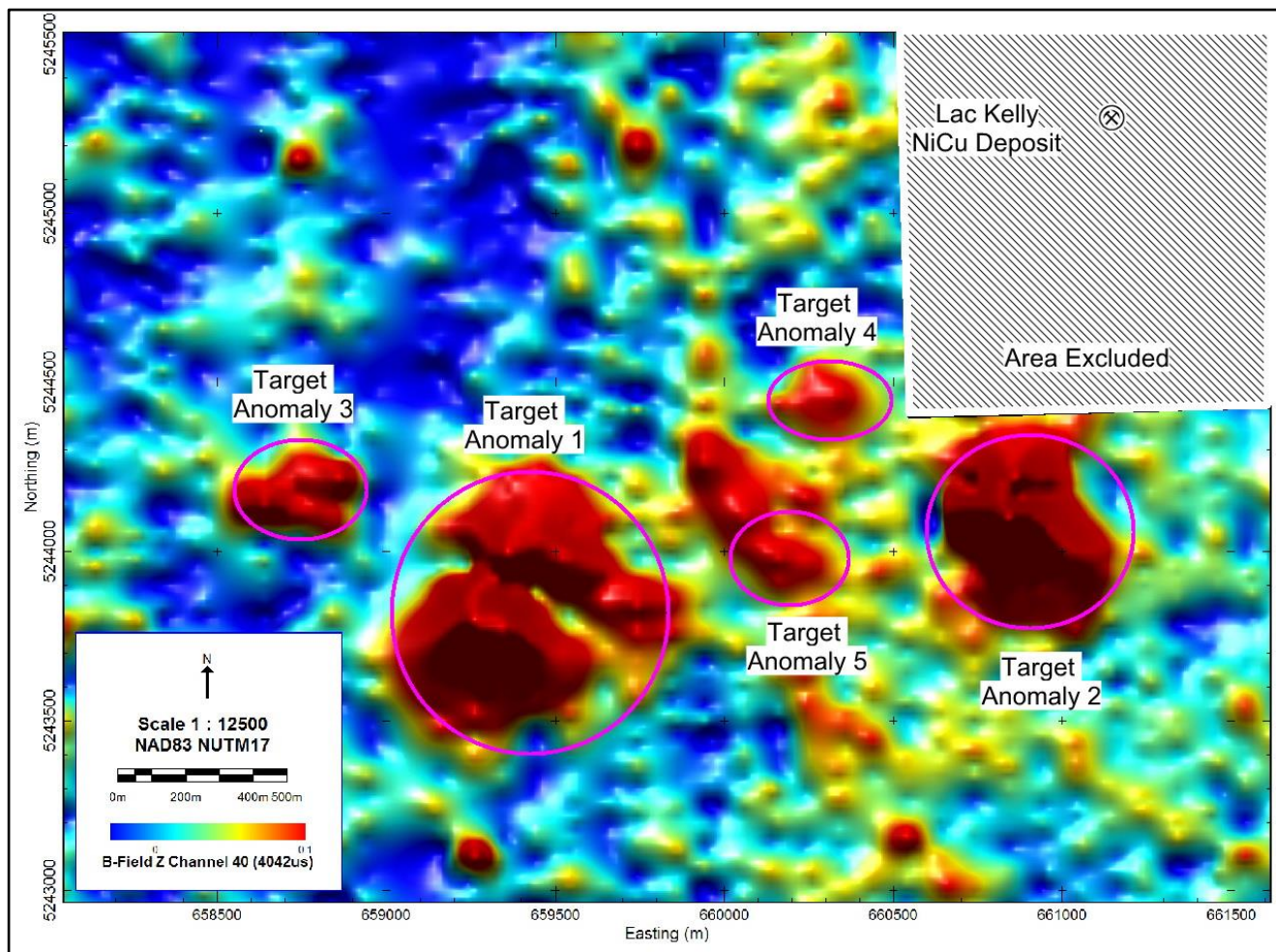
**Figure 2: Lorraine Project – VTEM Response**

The anomaly over the historic Lorraine Mine appears to be oriented in a north-east direction and may represent previously unmined Ni-Cu mineralisation. A strong negative response is apparent to the north-west of the mine, which corresponds to surficial mine waste/tailings.

The previously reported (ASX: 9<sup>th</sup> January 2019) modelled off-hole EM anomalies located in the hanging wall to the Lorraine deposit appear to be incorporated into the broader VTEM response over the mine (to be verified by the follow-up anomaly modelling programme).

In addition to the response over the Lorraine Mine, two significant late time anomalies Targets 1 and Target 2, located 1 to 2km south-southwest of the Lac Kelly Ni-Cu deposit are evident over 350m to 600m strike and are visible into the latest time channels (Figure 3). These anomalies represent high priority targets for follow up evaluation and drilling. They will be further interpreted and modelled along with other anomalies upon receipt of the final data from Geotech.



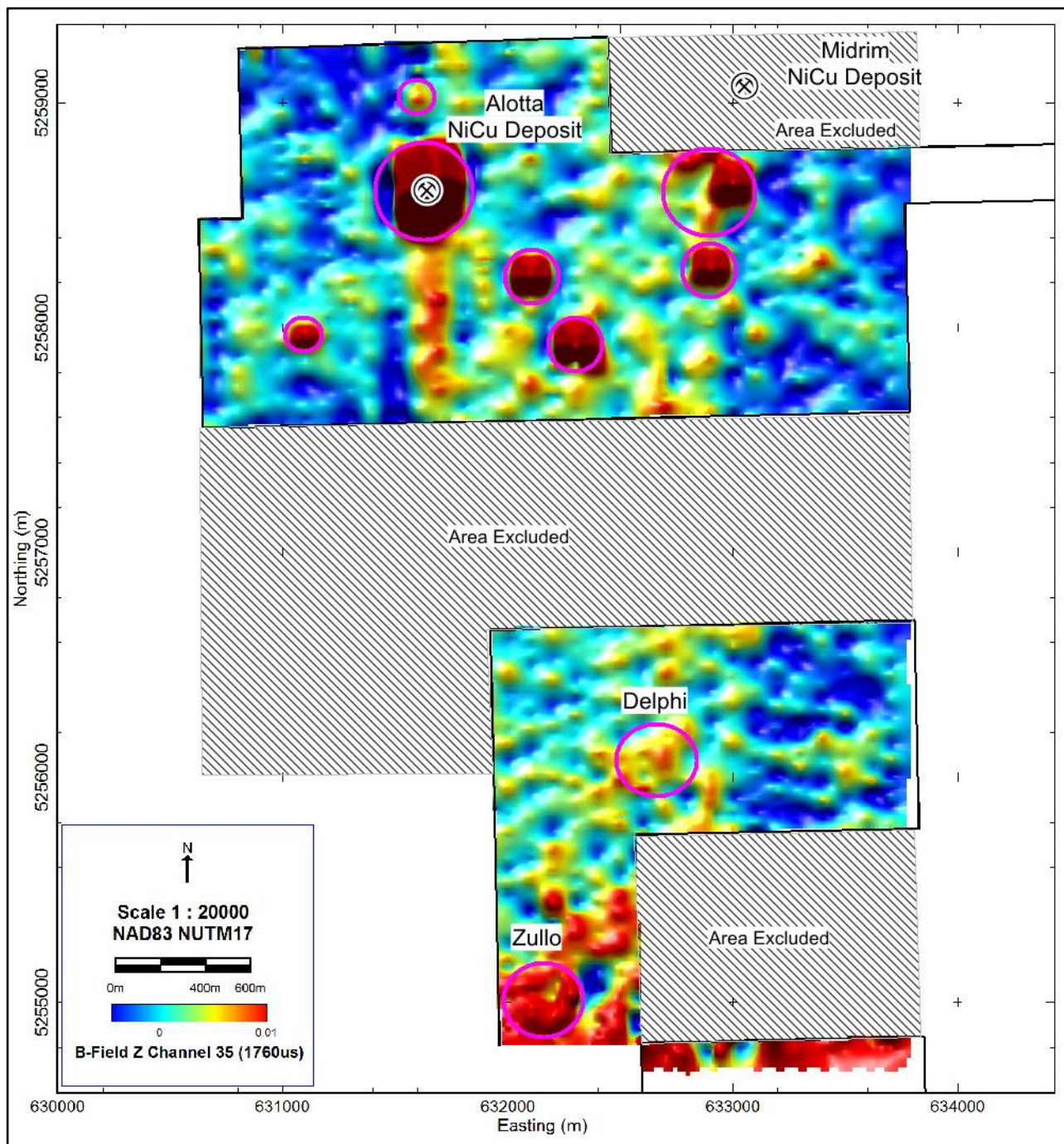


**Figure 3: Lorraine Project – Inset A - VTEM Anomalies (see Figure 2)**

Diamond drilling at the Alotta Prospect (part of the ADZ Project) in 2018 outlined a substantial near surface (<50m) Ni-Cu-Co-PGE massive sulphide lens at the Alotta Prospect (ASX: 13<sup>th</sup> November 2018 and 7th January 2019).

The preliminary results over the Alotta-Delphi-Zullo (ADZ) Project successfully imaged a very strong, late time response over the known Alotta Ni-Cu massive sulphide deposit (Figure 4). Responses were also evident over the Delphi and Zullo prospects where previous drilling at Delphi has intersected minor zones of massive sulphides. Further modelling of these anomalies will be conducted to determine if there are any untested extensions of the known mineralisation.

Several additional late time anomalies were delineated in the survey to the east of Alotta and south of the Midrim Ni-Cu deposit which lies just to the north of the Company's claims. These anomalies require further validation as some cultural features (farm houses, sheds, buildings and electrical installations) are known to be within the survey area.



**Figure 4: ADZ Project - VTEM Response**

## Forward Programme

With the delineation of VTEM anomalies over the Lorraine Mine and elsewhere in the Lorraine Project area, historic 'hard copy' data specific to the anomalous areas can now be prioritized for incorporation into a digital database with a view to generating upcoming drill targets.

The Company Directors attending PDAC were fortunate to meet with the former operators of the Lorraine Mine there and have ascertained the existence of files and plans related to the mine production period (1964-68) that are held in storage at their Timmins Ontario office. The historic Lorraine data will be key to delineating the mine's stoped areas, remnant resources the extensive lateral development as well as providing information on the gold mineralisation reported from channel sampling on the 6th level 'drift' (290m VD) which returned 28.04m @ 37.42 g/t Au and 33.74 g/t Ag (ASX 10<sup>th</sup> September 2018).





**Figure 5: VTEM™ Max System deployed over the Zeus Project Areas**



**Figure 6: Geotech crew 'landing' the 35m diameter transmitter loop Saint Bruno Airport.**

**For, and on behalf of, the Board of Directors of Chase Mining Corporation Limited,**

Dr Leon Pretorius  
Executive Chairman  
Chase Mining Corporation Limited

**For technical enquiries contact:**

Martin Kavanagh on 0419 429 974

**Competent Person Statements**

Information in this ASX announcement that relates to Geophysical Exploration Results is based on information compiled by Mathew Cooper, Principal Geophysicist of Core Geophysics Pty Ltd, consultant to the Company. Mr Cooper is a Member of the Australasian Institute of Geoscientists. He has sufficient experience which is relevant to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code 2012). Mr Cooper consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

Information in this ASX announcement that relates to Exploration Results is based on information compiled by Mr Martin Kavanagh. Mr Kavanagh is a Non-Executive Director of Chase Mining Corporation Limited and is a Fellow of the Australasian Institute of Mining and Metallurgy (FAusIMM), a Member of the Australian Institute of Geoscientists (MAIG) and a Member of the Canadian Institute of Mining, Metallurgy and Petroleum (CIM). Mr Kavanagh has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration, and to the activities, which he is undertaking. This qualifies Mr Kavanagh as a "Competent Person" as defined in the 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code 2012). Mr Kavanagh consents to the inclusion of information in this announcement in the form and context in which it appears. Mr Kavanagh holds shares in Chase Mining Corporation

## JORC Code, 2012 Edition – Table 1 report template

## Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> <li>Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</li> <li>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</li> <li>Aspects of the determination of mineralisation that are Material to the Public Report.</li> <li>In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30g charge for fire assay'). In other cases, more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.</li> </ul>	<ul style="list-style-type: none"> <li>A <b>VTEM™ Max</b> survey of approximately 718km was conducted over the project claims.</li> <li>The survey was carried out on flight lines oriented 0-180° on 100m spacings, with the system specifications summarised below.</li> </ul> <p><b><u>VTEM™ Max Configuration</u></b></p> <p>Transmitter loop – 35m</p> <p>Peak dipole moment – 710,000 NIA</p> <p>Transmitter Pulse Width – 7 ms</p> <p>Base Frequency: 30Hz</p> <p>Receiver – Z, X coils</p> <p>Magnetic Sensor: Towed Bird</p> <p>Flying Height - 90 meters EM sensor Height- 40 meters Magnetic sensor Height – 75 meters</p> <ul style="list-style-type: none"> <li>VTEM surveys are an industry standard practice in testing for massive sulphide mineralised bodies.</li> </ul>
Drilling techniques	<ul style="list-style-type: none"> <li>Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</li> </ul>	<ul style="list-style-type: none"> <li>No drilling activities are being reported.</li> </ul>
Drill sample recovery	<ul style="list-style-type: none"> <li>Method of recording and assessing core and chip sample recoveries and results assessed.</li> <li>Measures taken to maximise sample recovery and ensure representative nature of the samples.</li> </ul>	<ul style="list-style-type: none"> <li>No drilling activities are being reported.</li> </ul>

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> <li>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</li> </ul>	
Logging	<ul style="list-style-type: none"> <li>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</li> <li>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</li> <li>The total length and percentage of the relevant intersections logged.</li> </ul>	<ul style="list-style-type: none"> <li>No drilling activities are being reported.</li> </ul>
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> <li>If core, whether cut or sawn and whether quarter, half or all core taken.</li> <li>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</li> <li>For all sample types, the nature, quality, and appropriateness of the sample preparation technique.</li> <li>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</li> <li>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</li> <li>Whether sample sizes are appropriate to the grain size of the material being sampled.</li> </ul>	<ul style="list-style-type: none"> <li>No drilling activities are being reported.</li> </ul>
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> <li>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</li> <li>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</li> <li>Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.</li> </ul>	<ul style="list-style-type: none"> <li><b>VTEM™ Max</b> system calibrated prior to commencement of the survey.</li> <li>All digital data is inspected daily by the Geotech site crew and the Company's consultant geophysicist.</li> <li>The Company receives a daily report on production and of any equipment issues.</li> <li>The data reviewed by the Company's consultant geophysicist and lines are re-flown if there are any issues.</li> <li>The data presented here is preliminary data and has not undergone processing/levelling by Geotech. The Company's consultant geophysicist has completed QA/QC of the data and advised that it is suitable for public domain release.</li> <li>Final data will be available in 4-5 weeks.</li> </ul>



Criteria	JORC Code explanation	Commentary
Verification of sampling and assaying	<ul style="list-style-type: none"> <li>The verification of significant intersections by either independent or alternative company personnel.</li> <li>The use of twinned holes.</li> <li>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</li> <li>Discuss any adjustment to assay data.</li> </ul>	<ul style="list-style-type: none"> <li>Not applicable for airborne geophysical surveys.</li> </ul>
Location of data points	<ul style="list-style-type: none"> <li>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</li> <li>Specification of the grid system used.</li> <li>Quality and adequacy of topographic control.</li> </ul>	<ul style="list-style-type: none"> <li>Real-time GPS navigation system utilizing the Novatel WAAS enable GPS receiver providing in-flight accuracy of 3 metres, and up to 1.5 metres depending on satellites available. A preliminary flight path map is plotted daily and checked against survey specifications. The grid system for the Project is NAD83 NUTM17.</li> </ul>
Data spacing and distribution	<ul style="list-style-type: none"> <li>Data spacing for reporting of Exploration Results.</li> <li>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</li> <li>Whether sample compositing has been applied.</li> </ul>	<ul style="list-style-type: none"> <li>The spacing between the flight lines is approximately 100m. Readings sampled to locations every 2-3metres along flight lines.</li> <li>A preliminary flight path map is plotted daily and checked against survey specifications.</li> </ul>
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> <li>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</li> <li>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</li> </ul>	<ul style="list-style-type: none"> <li>The flight path is perpendicular to strike direction of geological formations and is sufficient to locate discrete conductive anomalies.</li> </ul>
Sample security	<ul style="list-style-type: none"> <li>The measures taken to ensure sample security.</li> </ul>	<ul style="list-style-type: none"> <li>All data acquired by Geotech Airborne reported to the Company's representatives.</li> </ul>
Audits or reviews	<ul style="list-style-type: none"> <li>The results of any audits or reviews of sampling techniques and data.</li> </ul>	<ul style="list-style-type: none"> <li>The data were independently verified by Mathew Cooper of Core Geophysics.</li> </ul>

## Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and	<ul style="list-style-type: none"> <li>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint</li> </ul>	<ul style="list-style-type: none"> <li>The Company holds 100% of the Project tenements in the name of its wholly owned subsidiary Zeus Olympus Sub Corp.</li> </ul>

Criteria	JORC Code explanation	Commentary
<i>land tenure status</i>	<p><i>ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</i></p> <ul style="list-style-type: none"> <li><i>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</i></li> </ul>	<ul style="list-style-type: none"> <li>The Mining Claims are in good standing and no known impediments exist.</li> </ul>
<i>Exploration done by other parties</i>	<ul style="list-style-type: none"> <li><i>Acknowledgment and appraisal of exploration by other parties.</i></li> </ul>	<ul style="list-style-type: none"> <li>Information relating to the Projects exploration history was sourced from company reports lodged with the Quebec Mines Department (MERN -Ministère de l'Énergie et des Ressources naturelles) and compiled by ORIX Geoscience the Company's consultant geologists.</li> <li>The bulk of the data comes from exploration carried out by Canadian companies between 1987 and 2005.</li> </ul>
<i>Geology</i>	<ul style="list-style-type: none"> <li><i>Deposit type, geological setting and style of mineralisation.</i></li> </ul>	<ul style="list-style-type: none"> <li>The Company is focused on the exploration for Ni-Cu-Co-PGM mineralised gabbro bodies which intrude a sequence of mafic volcanic and felsic volcanoclastic sedimentary rocks in the Belleterre-Angliers Greenstone Belt.</li> <li>The mineralisation occurs as disseminated to massive sulphides near the base of the gabbro bodies and as remobilised massive sulphides along shears/fault zones.</li> </ul>
<i>Drill hole Information</i>	<ul style="list-style-type: none"> <li><i>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:</i> <ul style="list-style-type: none"> <li><i>easting and northing of the drill hole collar</i></li> <li><i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i></li> <li><i>dip and azimuth of the hole</i></li> <li><i>down hole length and interception depth</i></li> <li><i>hole length.</i></li> </ul> </li> <li><i>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</i></li> </ul>	<ul style="list-style-type: none"> <li>No drilling is being reported.</li> </ul>
<i>Data aggregation methods</i>	<ul style="list-style-type: none"> <li><i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.</i></li> <li><i>Where aggregate intercepts incorporate short lengths of high-grade results and longer lengths of low-grade results, the procedure used for such aggregation should be stated and some typical examples of</i></li> </ul>	<ul style="list-style-type: none"> <li>Not applicable.</li> </ul>

Criteria	JORC Code explanation	Commentary
	<p><i>such aggregations should be shown in detail.</i></p> <ul style="list-style-type: none"> <li><i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i></li> </ul>	
<i>Relationship between mineralisation widths and intercept lengths</i>	<ul style="list-style-type: none"> <li><i>These relationships are particularly important in the reporting of Exploration Results.</i></li> <li><i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i></li> <li><i>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').</i></li> </ul>	<ul style="list-style-type: none"> <li>No assays are being reported.</li> </ul>
<i>Diagrams</i>	<ul style="list-style-type: none"> <li><i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i></li> </ul>	<ul style="list-style-type: none"> <li>Refer to figures in body of the report.</li> </ul>
<i>Balanced reporting</i>	<ul style="list-style-type: none"> <li><i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i></li> </ul>	<ul style="list-style-type: none"> <li>No assays are being reported.</li> </ul>
<i>Other substantive exploration data</i>	<ul style="list-style-type: none"> <li><i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i></li> </ul>	<ul style="list-style-type: none"> <li>The Company's website (<a href="http://www.chasemining.com.au">www.chasemining.com.au</a>) details historical exploration, geology and mineralisation and geophysical survey data tabled in the form of ASX announcements for the Canadian projects.</li> </ul>
<i>Further work</i>	<ul style="list-style-type: none"> <li><i>The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).</i></li> <li><i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i></li> </ul>	<ul style="list-style-type: none"> <li>With the delineation of VTEM anomalies over the Lorraine Mine and elsewhere in the Lorraine Project area, historic 'hard copy' data specific to the anomalous areas can now be prioritized for incorporation into a digital database with a view generating drill targets.</li> <li>Acquisition of historic Lorraine data will be key to delineating stoped areas, remnant resources the extensive lateral development within the mine as well as providing information on the gold mineralisation sampled on the 6<sup>th</sup> level (290m VD) of the mine. The key objective is to delineate both nickel-copper-PGE and gold drill targets associated with the Lorraine gabbro body.</li> </ul>