ASX ANNOUNCEMENT **29 May 2019**

Third-Party VTEM Data Confirms Massive Sulphide Conductors

Highlights

- The comparison to known third-party Nickel-Copper sulphide deposits within the area has validated the Company's **Priority 1** massive sulphide targets (conductors) for the Company's up-coming drill campaign;
- The Company now has permission to release all the VTEM data including coverage of the third-party held Ni-Cu-Co-PGE massive sulphide deposits in close proximity to its project areas;
- The positive VTEM response from the Lac Kelly and Midrim deposits adds credibility to the Company's survey results, data interpretation and the modelling to generate and prioritise its own drill targets; and,
- The overall similarity of the VTEM responses over the Company's Alotta deposit and the Lorraine Mine deposit and the third-party Lac Kelly and Midrim deposits (all known Nickel-Copper massive sulphide deposits) with the Company's **Priority 1** targets is compelling and justifies the planned diamond drill programme.

Chase Mining Corporation Ltd (ASX: CML) ('Chase Mining' or 'the Company') is pleased to announce additional third-party information from the **VTEM™ Max** survey completed over the Company's Lorraine and Alotta-Delphi-Zullo (ADZ) Project areas in Quebec, Canada.

The Company was fortunate to have received permission to overfly project areas held by Globex Mining Enterprises Inc. (TSX:GMX) owners of the Lac Kelly deposit; Meteoric Resources NL (ASX: MEI) owners of the Midrim deposit; and Toronto based geologist Marty Huber owner of the Bambino claims. Areas, which are in close proximity to the Lorraine and Alotta-Delphi-Zullo (ADZ) Projects. The Company agreed to provide the parties with a final data set for their respective properties, which it has done.

The Company has now received permission to release the VTEM survey results over the properties which includes coverage of the Lac Kelly and Midrim Ni-Cu-Co-PGE massive sulphide deposits.

The Lac Kelly and Midrim deposits have been classed as a **Priority 1** targets by the Company's consultants Core Geophysics using the same Ranking criteria as applied to the VTEM survey results from the Lorraine and ADZ claims as shown in **Figures 2 and 5**.

The VTEM response over the Company's Lorraine Mine and Alotta Ni-Cu deposits; Globex Mining's Lac Kelly and Meteoric's Midrim Ni-Cu deposits confirms the ability of the **VTEM™ Max** survey system to detect massive sulphide mineralisation as well as the validity of target generation within Company's project areas in the search for Ni-Cu massive sulphides.

The overall positive correlation (similarity) of the VTEM responses over the **four known Ni-Cu-Co-PGE massive sulphide deposits** to the Company's **Priority 1** targets is compelling and justifies the planned diamond drill programme, (ASX: 16 May and 21 May 2019).

The helicopter-borne **VTEM^{TM} Max** (VTEM) system has proven to be a successful way of identifying massive sulphide conductors as shown by its successful delineation of previously known Ni-Cu-Co-PGE massive sulphide deposits within the Company's survey of its own and third-party claims.

The Company's principal target remains the discovery of higher grade/tonnage massive sulphide bodies within its project areas as compared to the currently known deposits.

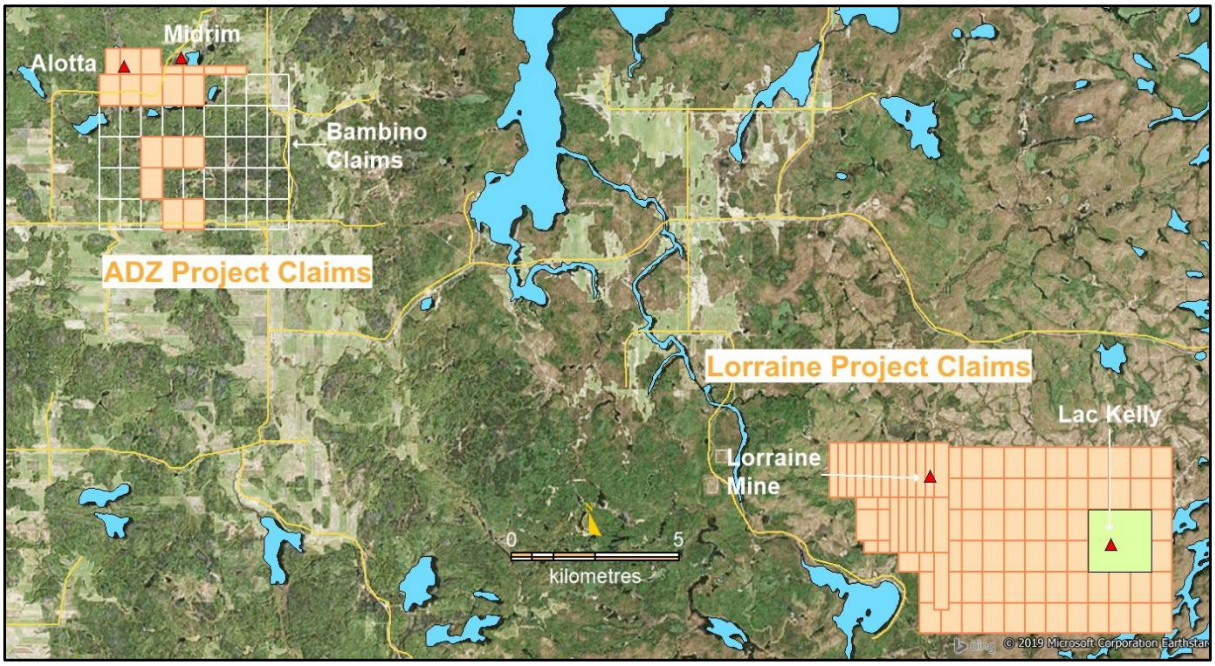


Figure 1: Zeus Project Locality Map with Ni-Cu-Co-PGE Deposits (red symbol)

LORRAINE AND ADZ PROJECTS

An interpretation of the Alotta and Lorraine VTEM data has generated **six Priority 1** target anomalies as reported previously, ASX: 16 May and 21May 2019. The location of these targets is shown over a VTEM B-Field channel 30 Z component image in **Figures 2 and 5.**

LAC KELLY DEPOSIT

The Lac Kelly deposit (**Figures 1 and 2**) which is held by Globex Mining was overflown by the survey as shown in **Figure 2**. A total 98 holes drilled on this project between 1952 and 1990 intersected the mineralisation outlining a sulphide body approximately 150m long, 10m thick and 335m deep*.

***The technical information in regard geology and mineralisation for the Lac Kelly Project was sourced from the Globex Mining Enterprises Inc (TSX: GMX) website** www.globexmining.com

The Lac Kelly Ni-Cu deposit VTEM response has been classed as a **Priority 1** target by Core Geophysics using the same Ranking criteria (**Table 1**) as applied to the VTEM survey results from the Lorraine claims as shown in **Figure 2**. The deposit is clearly delineated within the VTEM survey as a strong early to late time double peak and produces one of the strongest responses in the survey. The deposit is characterised by a peak dB/dt Tau response of 3, which is an indication of a highly conductive source **Figure 3**.

The Lac Kelly VTEM anomaly was modelled in order to assess and compare other VTEM anomalies and targets within the greater survey area. A number of models were generated using the dB/dt data to fit the response. It was found that the best modelled fit was achieved by a shallow, steeply dipping, short depth extent model. The short depth extent was required due to the near surface nature and narrow extent of the response. This indicates that the best fit models may underestimate the true depth extent of the conductive sources for near surface bodies within the survey area.

The final model was 150m long with a steep dip to the SSE, commencing from 30m below surface. A high conductivity-thickness of 350 S (siemens) was used in the model.

The VTEM response over the Company's Lorraine Mine and Globex Mining's Lac Kelly Ni-Cu deposits confirms the validity of the **VTEM™ Max** survey system flown over the Company's Lorraine and Alotta-Delphi-Zullo (ADZ) Project areas to detect massive sulphide mineralisation.

The overall positive correlation (similarity) of the VTEM response over Lac Kelly to the Company's nearby Priority 1 drill targets is compelling, **Figure 4.**

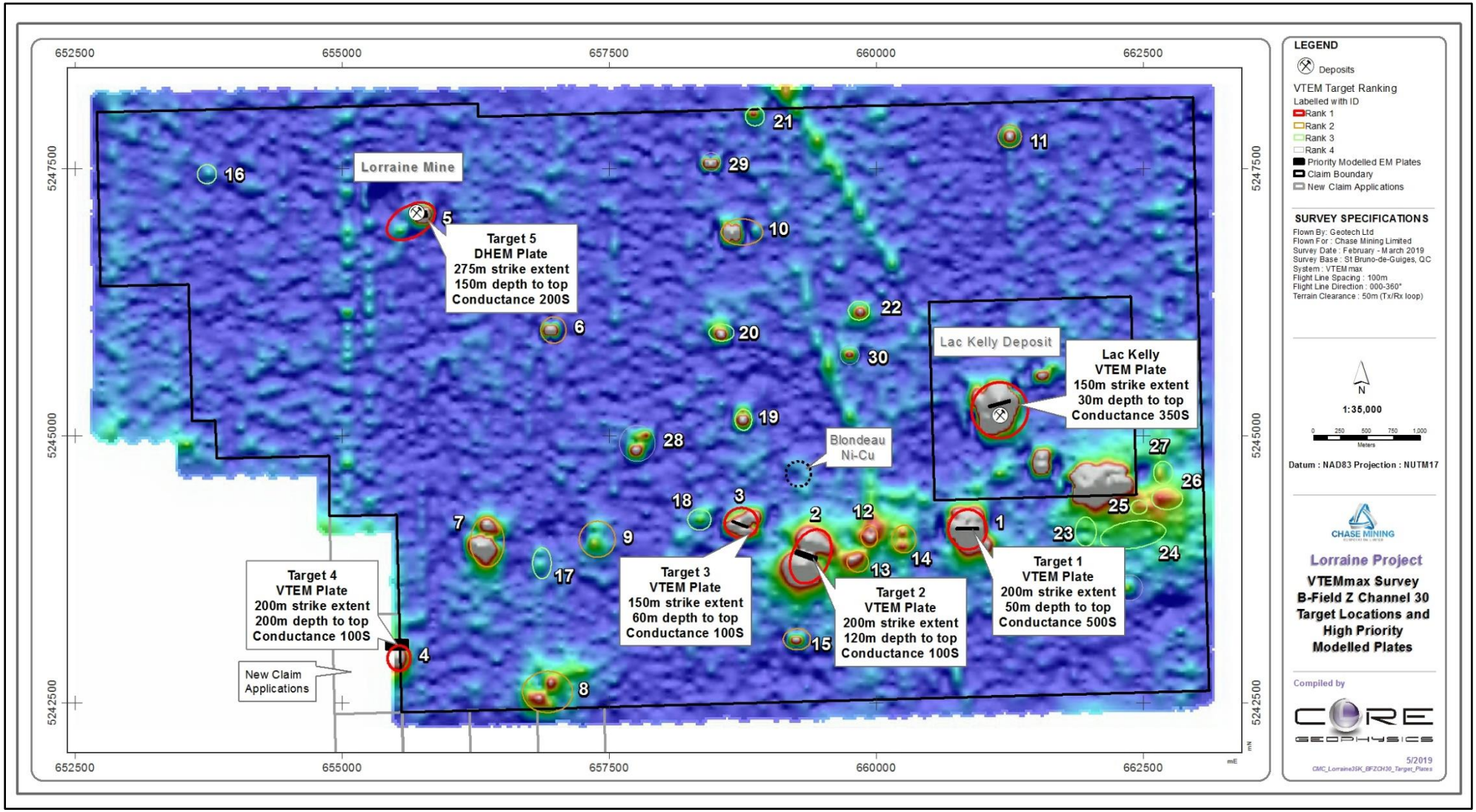


Figure 2: Lac Kelly with Lorraine – Priority 1 target locations on B-Field Channel 30 Z component image.

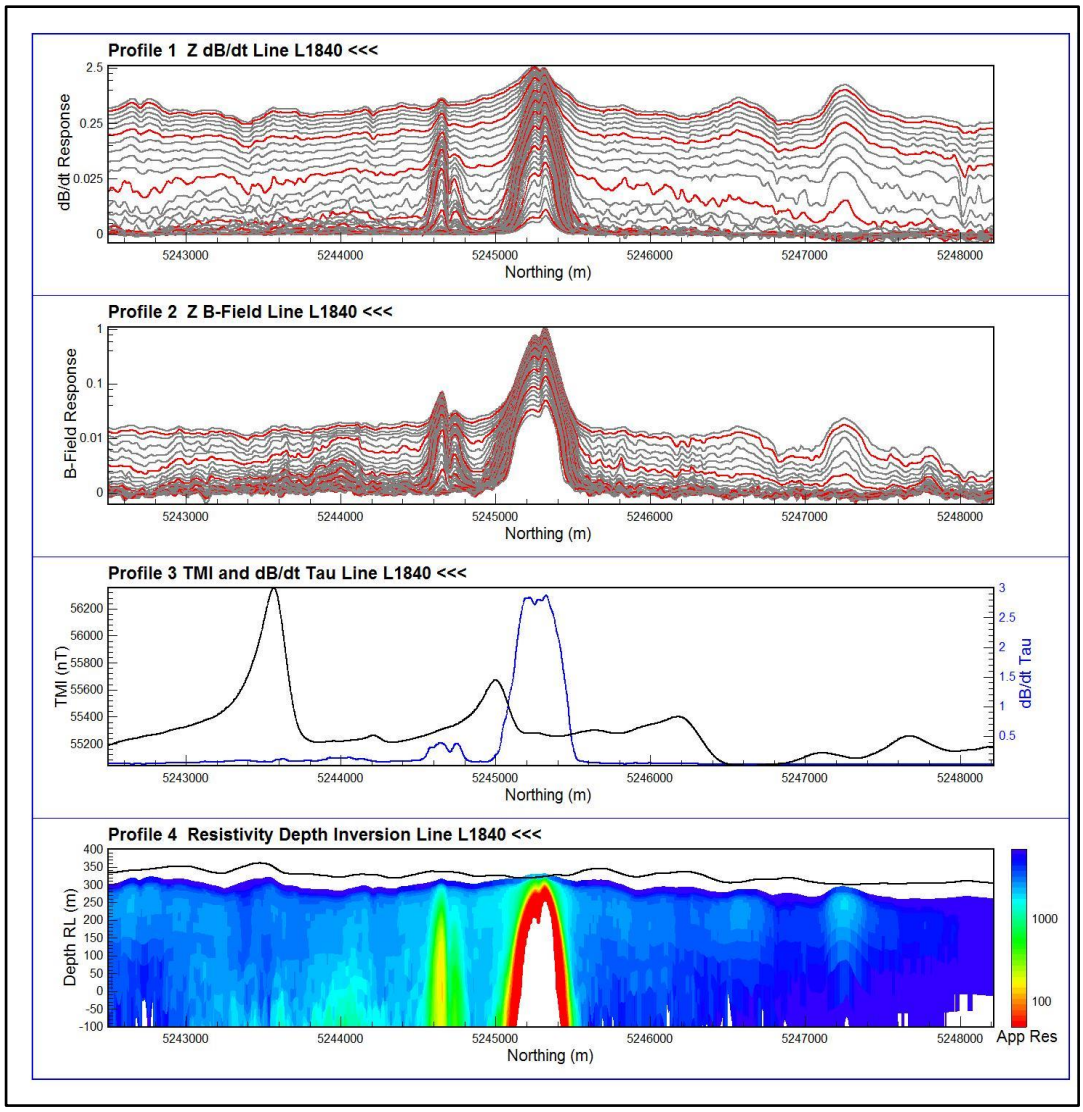


Figure 3 – Lac Kelly RDI* Multichannel Profile Plot line 1840

** RDI – A diagram/section showing resistivity as a function of distance and depth, derived from profiles of surface or airborne EM data. Red/White represent low resistivity (conductors) – Blue/Greens are high resistivity.*

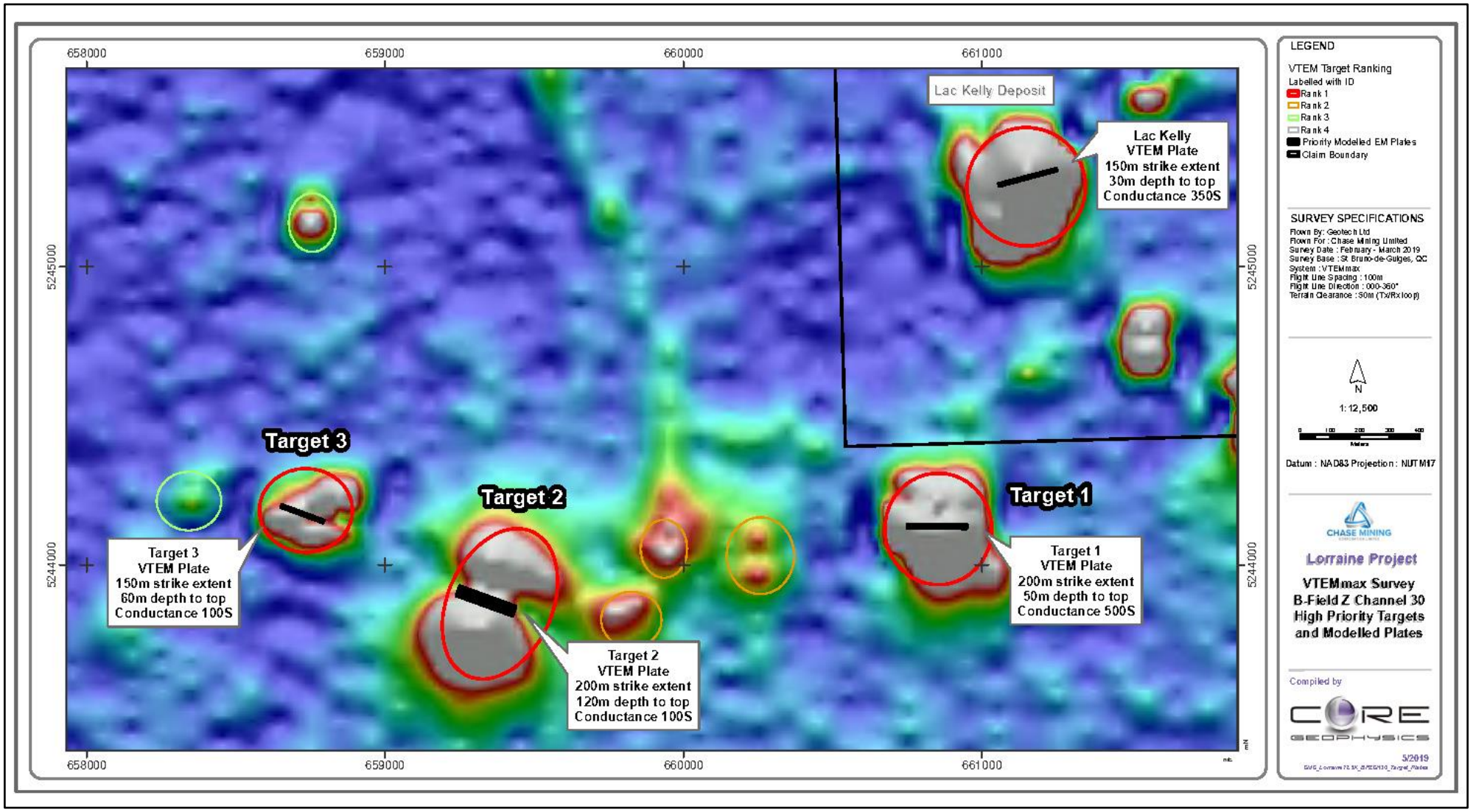


Figure 4 – Lac Kelly Anomaly with Lorraine – Priority 1 VTEM Targets 1, 2 and 3

MIDRIM DEPOSIT

The VTEM data collected over the Midrim Ni-Cu deposit has been classed as a **Priority 1** target by Core Geophysics using the same Ranking criteria (**Table 1**) as applied to the VTEM survey results and specifically the nearby Alotta Ni-Cu deposit as shown in **Figure 5**. The Midrim deposit is a moderate to strong late time anomaly, with a coincident magnetic response, **Figure 6**. The Company has not modelled the Midrim deposit.

Further information on the Midrim massive sulphide Ni-Cu deposit is given in Meteoric's (ASX: MEI) announcements of the 21 December 2017 and 19 February 2018.

The VTEM response over both the Alotta and Midrim Ni-Cu deposits confirms the validity of the **VTEM™ Max** survey system flown over the Company's Lorraine and Alotta-Delphi-Zullo (ADZ) Project areas to detect massive sulphide mineralisation.

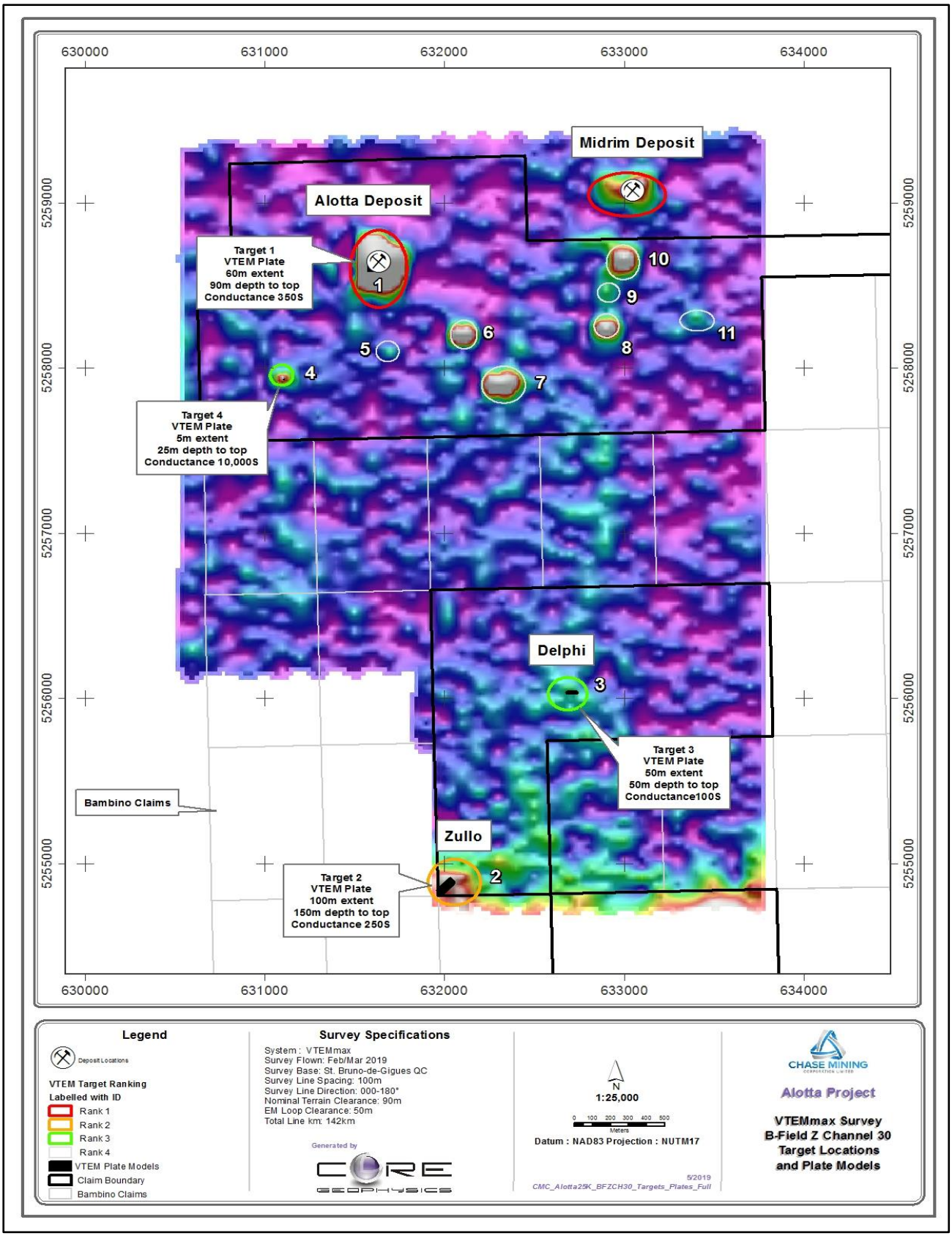


Figure 5: Midrim and Alotta – Priority 1 anomaly locations on VTEM B-Field Channel 30 Z component image.

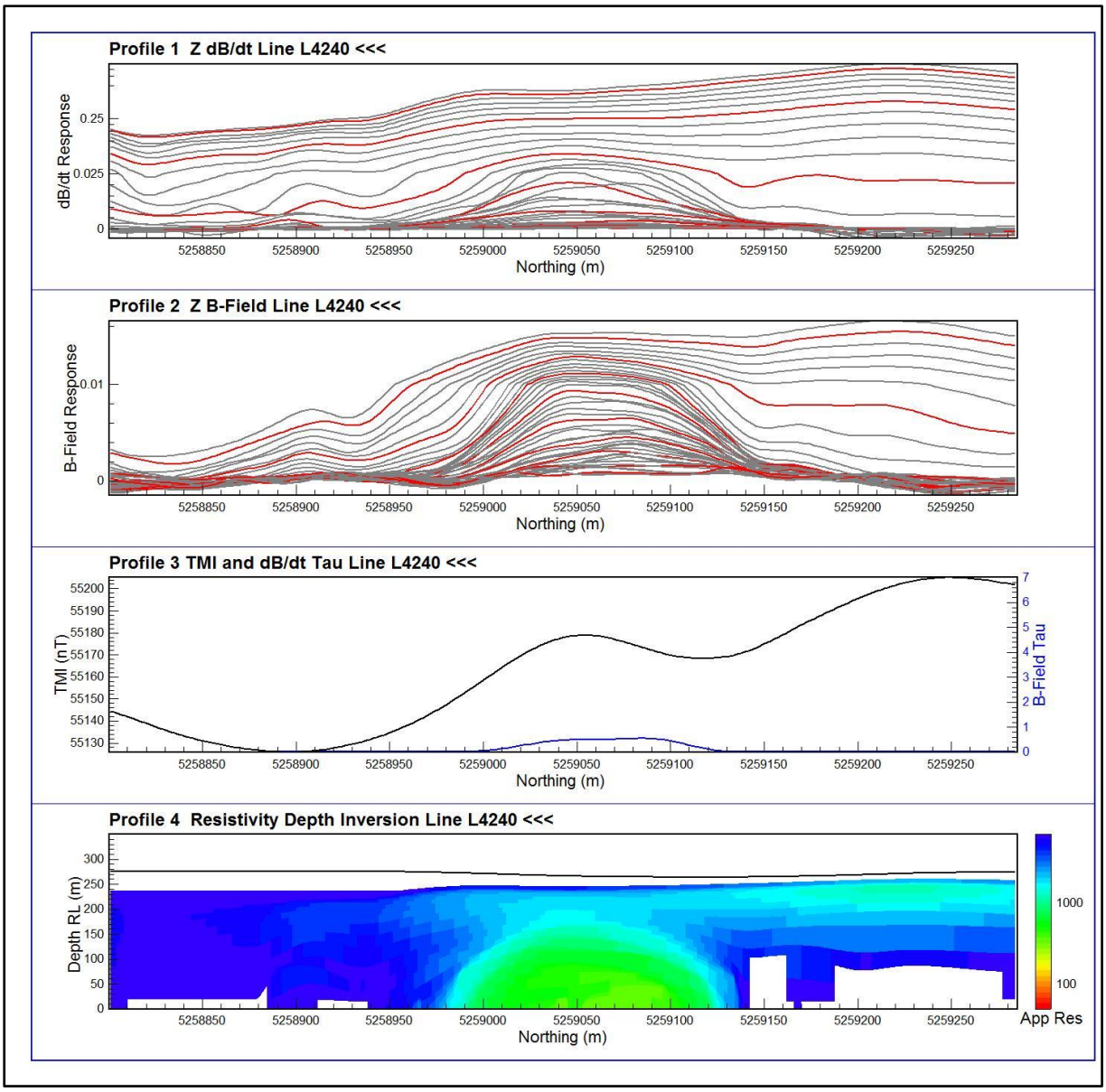


Figure 6 – Midrim RDI Multichannel Profile Plot line 4240.

VTEM Anomaly Ranking

Within the Lorraine Project claims 31 target anomalies were defined comprising five high priority targets, ten medium priority target, twelve low priority targets and four that may be cultural. Within the ADZ Project claims 11 target anomalies were defined comprising one high priority target, one medium priority target, two low priority targets and seven that may be cultural. Ranking criteria are presented in **Table 1.**

High Priority – Priority 1, is assigned to strong late time anomalies with a high Tau* value evident over 2 or more flight lines with no observable cultural features evident in Google Earth. The Priority ranking is reduced based on the Tau value and strike extent, with the lowest Priority 4 assigned to target anomalies that appear to have man made buildings or structures evident in Google Earth.

**Tau value: The EM Time-Constant (TAU) is a general measure of the speed of decay of the electromagnetic response and indicates the presence of eddy currents in conductive sources as well as reflecting the "conductance quality" of a source. It can be a reliable method to discriminate or rank conductors.*

Table 1 – **Target Anomaly Ranking Criteria**

Priority	VTEM Response	Tau (dB/dt)	Magnetics	Strike	Culture
1	Strong Late Time	>1	Moderate to Strong	>200m	No
2	Strong Late Time	0.5 to 1	Moderate to Strong	<200m	No
3	Moderate to Strong Late Time	0.1 to 0.5	Weak to Moderate	<200m	No
4	Moderate to Strong Late Time	0.1 to 1	Weak to Strong	>50 < 200m	Yes

The VTEM survey specifications are summarised in **Appendix 1.**

Data and Interpretation

Results from the VTEM survey indicate that the geology of the survey area is generally very resistive. As a result, the VTEM survey has been a good test for massive sulphide (Ni-Cu-Co-PGE) style conductors.

Ambient noise and signal to noise levels in the VTEM dataset were found to be reasonably high. This is likely a product of the resistive geology and weather conditions encountered during flying. This has resulted in aesthetic issues in the channel imagery including line level artefacts in the early time data and noisy / spotty background in the late time data. These haven't affected the ability of the system to detect and delineate strong conductors, with significant responses being detected from the **Alotta and Midrim deposits, the Lorraine Mine and the Lac Kelly deposit.**

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.

Appendix 1 – Helicopter-borne VTEM™ Max System Survey Details

The **VTEM™ Max** (VTEM) survey was completed by Geotech Ltd from the 17th February and 17th March 2019. The dB/dt EM data for the Z and X components of the EM field, along with TMI and elevation data was acquired with standard VTEM configuration working at a base frequency of 30Hz. B-field data was subsequently post processed from the measured dB/dt data.

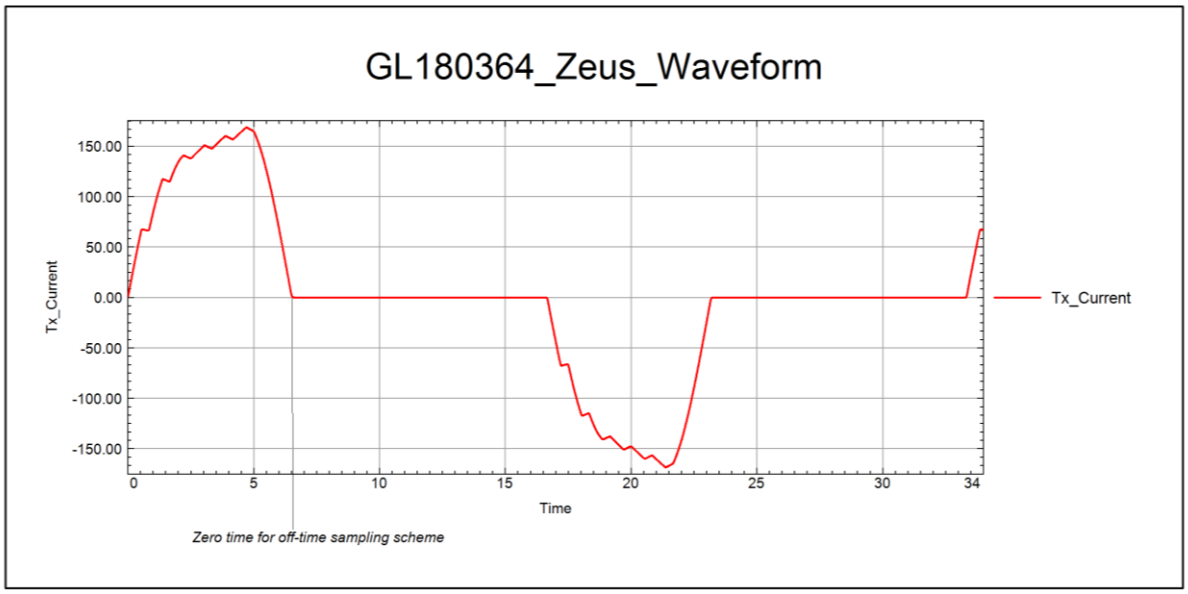
The VTEM system comprises a large, 35m diameter transmitter loop working at a peak current of ~320A (four turns), providing a dipole moment of 700,000 NIA. The VTEM system is a symmetric, In-loop type system with concentric Rx/Tx geometry.

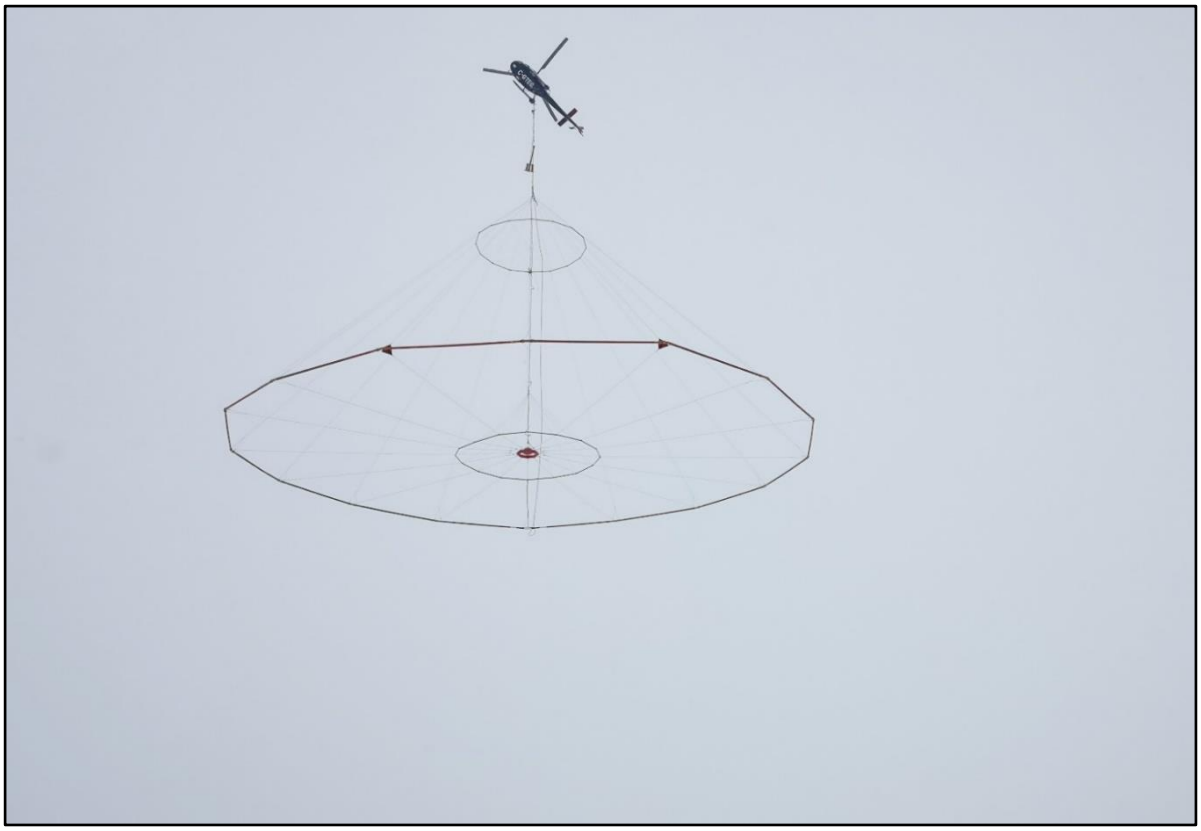
Equipment

Aircraft	AS350B Series helicopter
Transmitter	VTEM
Receiver	VTEM
Z-Component Effective Receiver Coil Area	113m^2 (1.2m diameter, 100 turns)
X-Component Effective Receiver Coil Area	20m^2 (0.32m diameter, 245 turns)
Channel Times	0.025s – 12.48ms

Survey Specifications

Line Spacing	100m
Station Spacing	~0.3-0.4m
Transmitter Loop Size	35m diameter (4 turns)
Coordinate System	NAD83 NUTM17
Base Frequency	30Hz
Duty Cycle	25%
EM Loop Clearance	~50m
Recording Sample	50 recordings per second
Waveform	triangular, pulse width 7ms
Peak Current	320A
Peak Dipole Moment	700,000 NIA





VTEM^{TM} Max System deployed over the Zeus Project Areas

Appendix 2: ASX Announcement **29 May 2019**

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	• *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.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *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.*	• A **VTEM™ Max** survey of approximately 718km was conducted over the project claims. • The survey was carried out on flight lines oriented 0-180° on 100m spacings, with the system specifications summarised below. **VTEM™ Max** Configuration Transmitter loop – 35m Peak dipole moment – 710,000 NIA Transmitter Pulse Width – 7 ms Base Frequency: 30Hz Receiver – Z, X coils Magnetic Sensor: Towed Bird Flying Height - 90 meters EM sensor Height- 40 meters Magnetic sensor Height – 75 meters • VTEM surveys are an industry standard practice in testing for massive sulphide mineralised bodies.
Drilling techniques	• *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).*	• No drilling activities are being reported.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure*	• No drilling activities are being reported.

Criteria	JORC Code explanation	Commentary
	representative nature of the samples. • *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.*	
Logging	• *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.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• No drilling activities are being reported. .
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality, and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *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.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• No drilling activities are being reported.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *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.* • *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.*	• **VTEM™ Max** system calibrated prior to commencement of the survey. • All digital data is inspected daily by the Geotech site crew and the Company's consultant geophysicist. • The Company receives a daily report on production and of any equipment issues. • The data reviewed by the Company's consultant geophysicist and lines are re-flown if there are any issues. • The Company's consultant geophysicist has completed QA/QC of the data and advised that it is suitable for public domain release. • .

Criteria	JORC Code explanation	Commentary
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• Not applicable for airborne geophysical surveys.
Location of data points	• *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.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• 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.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *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.* • *Whether sample compositing has been applied.*	• The spacing between the flight lines is approximately 100m. Readings sampled to locations every 2-3metres along flight lines. • A preliminary flight path map is plotted daily and checked against survey specifications.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *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.*	• The flight path is perpendicular to strike direction of geological formations and is sufficient to locate discrete conductive anomalies.
Sample security	• *The measures taken to ensure sample security.*	• All data acquired by Geotech Airborne reported to the Company's representatives.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• The data were independently verified by Mathew Cooper of Core Geophysics.

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	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint*	• The Company holds 100% of the Project tenements in the name of its wholly owned subsidiary Zeus Olympus Sub Corp.

Criteria	JORC Code explanation	Commentary
land tenure status	*ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *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.*	• The Mining Claims are in good standing and no known impediments exist.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• 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 Resources naturelles) and compiled by ORIX Geoscience the Company's consultant geologists. • The bulk of the data comes from exploration carried out by Canadian companies between 1987 and 2005.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The Company is focused on the exploration for Ni-Cu-Co-PGM mineralised gabbro bodies which intrude a sequence of mafic volcanic and felsic volcaniclastic sedimentary rocks in the Belleterre-Angliers Greenstone Belt. • The mineralisation occurs as disseminated to massive sulphides near the base of the gabbro bodies and as remobilised massive sulphides along shears/fault zones.
Drill hole Information	• *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:* ○ *easting and northing of the drill hole collar* ○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* ○ *dip and azimuth of the hole* ○ *down hole length and interception depth* ○ *hole length.* • *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.*	• No drilling is being reported.
Data aggregation methods	• *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.* • *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*	• Not applicable.

Criteria	JORC Code explanation	Commentary
	such aggregations should be shown in detail. • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *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').*	• No assays are being reported.
Diagrams	• *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.*	• Refer to figures in body of the report.
Balanced reporting	• *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.*	• No assays are being reported.
Other substantive exploration data	• *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.*	• The Company's website (www.chasemining.com.au) details historical exploration, geology and mineralisation and geophysical survey data tabled in the form of ASX announcements for the Canadian projects.
Further work	• *The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• 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. • 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 6th 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.