ASX ANNOUNCEMENT **18 June 2019**

ADDITIONAL CLAIMS GRANTED AT LORRAINE

- The Company is pleased to announce the approval of the recent application for six additional claims to cover VTEM anomalies on the western edge of the Lorraine Project survey;
- Testing of the **Priority 1: Target 4** modelled plate can now be done by siting a hole in the new claim area resulting in a centre of anomaly intersection;
- Company Management is on site working with its Canadian consultants to inspect drill sites and access. The drill permit was submitted to the Quebec Regulatory Authority on 10 June 2019;
- Initial meetings with First Nation representatives were undertaken on 17 June 2019;
- Scope of work documents have been sent to three drilling contractors for quotes. Closing date for response is 8 July 2019;
- On-going historic data compilation and VTEM anomaly ground truthing has resulted in an application for a further eight claims;
- Road works associated with forestry activities has exposed a previously unrecorded oxidized sulphide vein set samples of which will be sent for assay; and,
- Drilling will not commence as soon as previously estimated due to physical access issues and will probably be delayed until late July or early August.

Chase Mining Corporation Ltd (ASX: CML) ('Chase Mining' or 'the Company') is pleased to announce that its application for six claims in the south-west sector of the Lorraine Project area has been approved. The Company received notice that the claims were granted to its wholly owned Canadian subsidiary Zeus Olympus Sub Corp on 11 June 2019 (**Figure 1**).

The Company applied for the six claims following receipt and processing of the final VTEM data for the Lorraine claims which identified a **Priority 1 anomaly – Target 4** (**Figure 2**) on the Western boundary of the Lorraine project area. In addition, there is **Priority 2 anomaly - Target 8** which is located close to the previous southern boundary and is now covered by these new claims (**Figure 2**).

Subsequent modelling of Target 4 returned an edge of survey target defined on a single flight line by a broad, single peak middle to late time anomaly. As this is a single line and edge of survey response Target 4 is unconstrained to the west. It was selected for its mid to late time response corresponding with a strong magnetic anomaly and may represent a deep basement conductor. Plate modelling has returned a large, moderate to high conductance plate with a 200m strike, 200m depth extent and depth to top of 190m, **Figures 3 and 4.**

Planned drill hole D4 (350m) is located within a newly granted claim and is designed to intersect the plate model at its centre 300m downhole. Contingency step-out and undercut holes have been budgeted to further test the plate model.

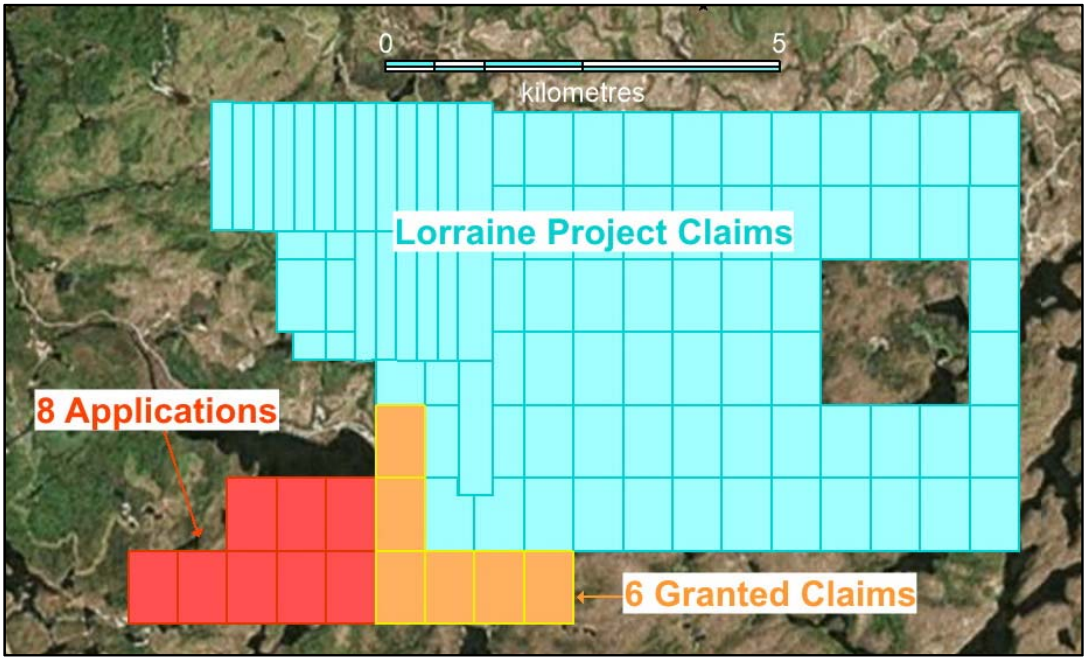


Figure 1: Locality of the 6 Newly Granted Lorraine Project Claims and 8 new applications

The magnetic anomaly located to the north of Target 4 has been interpreted / mapped as a Banded Iron Formation (BIF) unit striking ~4km WSW from Target 4. The on-going compilation of historic data highlighted a small zinc showing (Lac des Bois Sud) to the south of the BIF (**Figure 5**).

The occurrence is associated with a chloritic shear zone that contains quartz veins with pyrite and chalcopyrite veinlets with zinc values to 1.85% over 0.5m. The occurrence is described as 'volcanic-associated massive sulphide base metals' and possibly representing a remobilised zinc exhalite associated with felsic tuff. Historic drilling in the prospect area also intersected gabbro units within with felsic volcanics. There are several technical reports in French which have yet to be translated. There are no recorded EM surveys in the prospect area. Field checking of the newly granted claims west of Target 4 located a previously unmapped gabbro outcrop (**Figure 5**).

Based on this new information acquired during the Directors' site visit an application for a further eight claims was submitted to MERN on 13 June 2019 (**Figure 1**). The prospectivity of the area covered by the 14 collective new claims and applications to host additional massive sulphide Ni-Cu mineralisation associated with gabbro bodies along strike from the zone of VTEM anomalies within the Lorraine Claims to the east is considered to be very good as is the potential for volcanic related base metal (Zn-Cu) mineralisation.

On the site visit to Target 1 the Geological Team (CML and Mike Kilbourne of ORIX) located a limonite-pyrite quartz vein / breccia zone within a felsic volcanic sequence (**Figure 6**). The prospect will require mapping to ascertain the extent of the prospect. Samples have been submitted for assay.

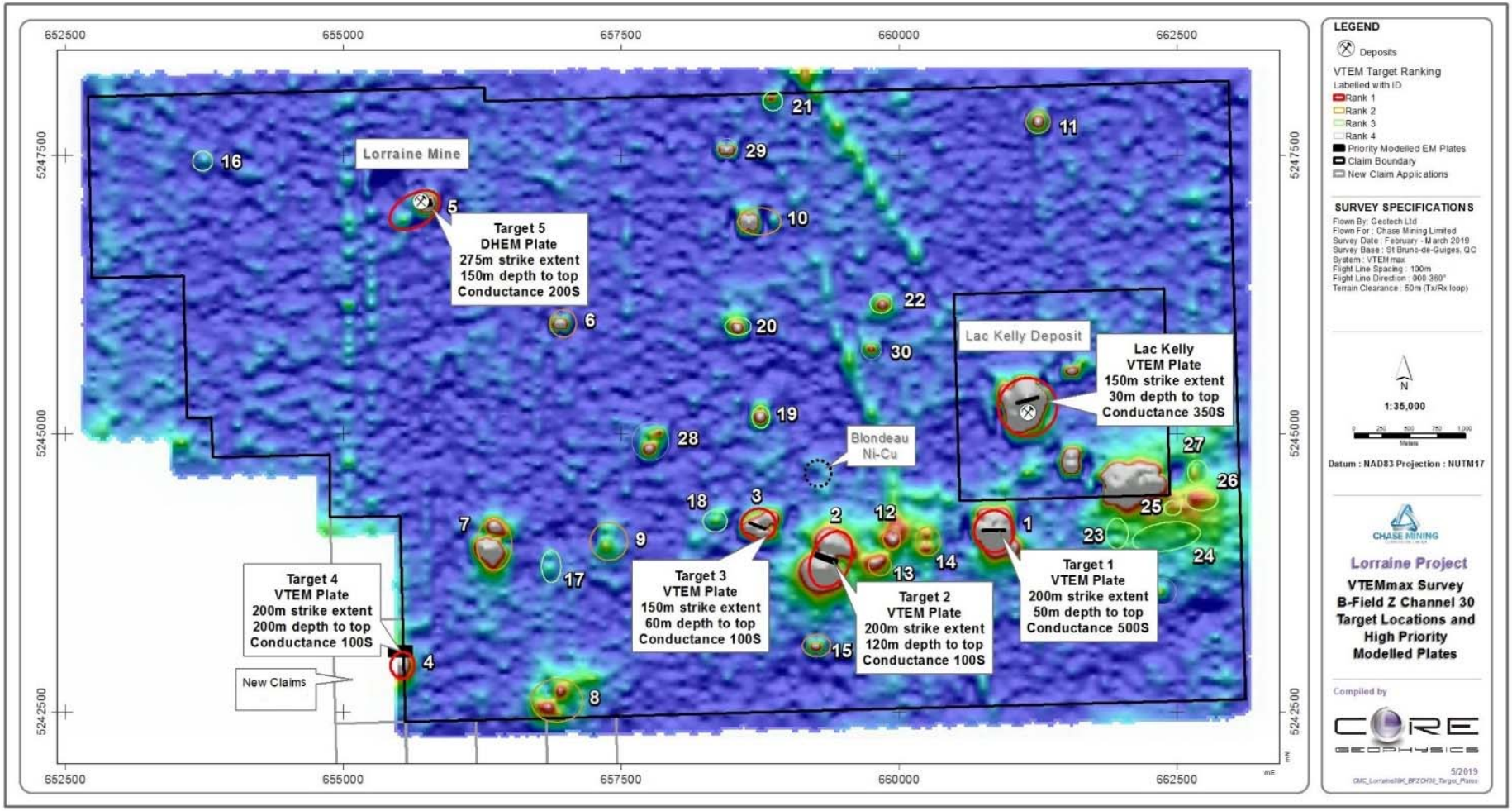


Figure 2: Lorraine Project - New Claims with Priority 1 VTEM Anomaly 4 and 8 Locations

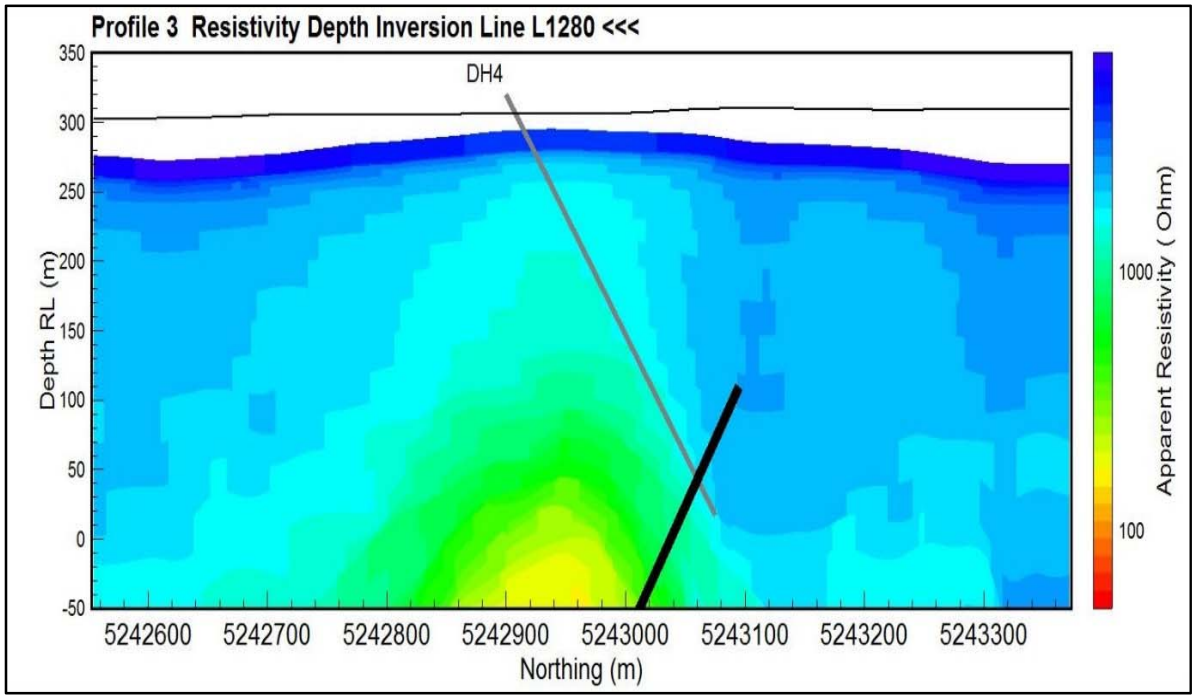


Figure 3: Resistivity Depth Inversion (RDI*) Profile Target 4 - Looking West

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

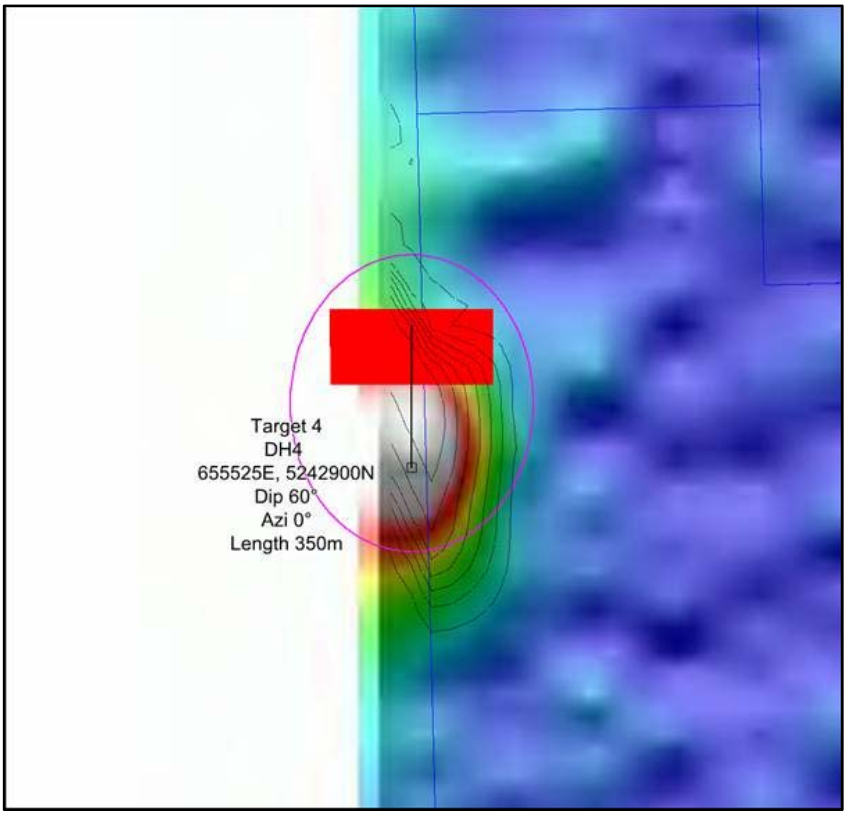


Figure 4: Planned diamond hole DH4 testing the modelled VTEM plate

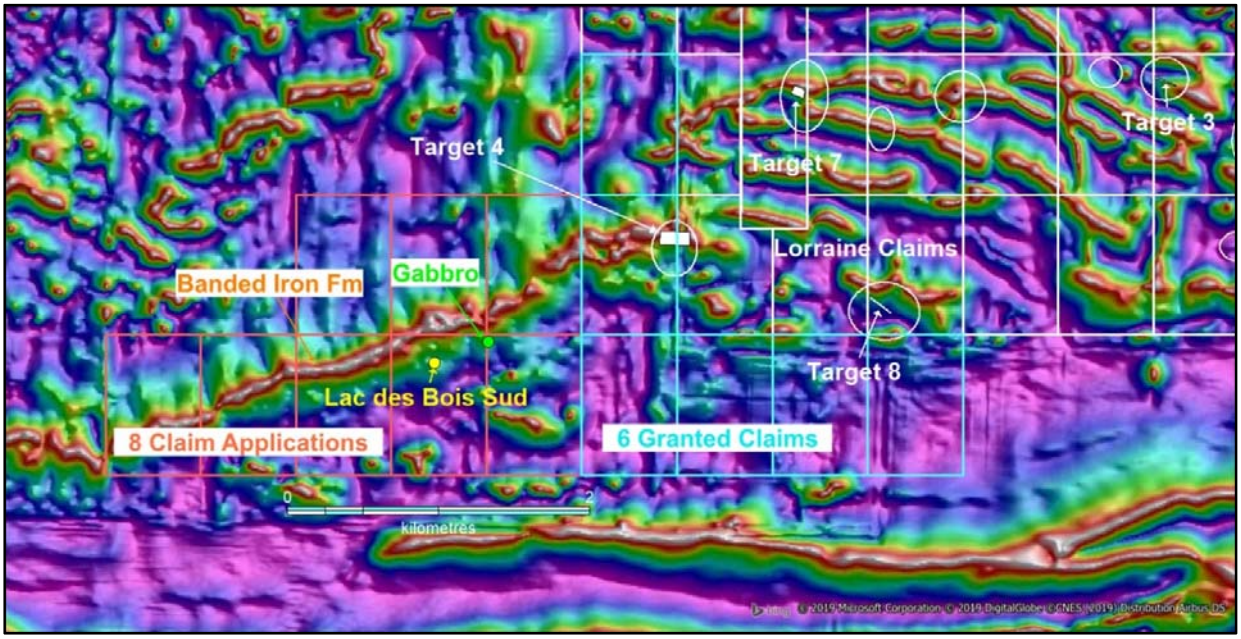


Figure 5: Lorraine – 6 Newly Granted Claims (in blue) and 8 New Applications (in red)

Figure 6: Newly discovered limonite-pyrite quartz vein / breccia

Drill Site Access

Ground checking of the five Priority One drilling sites and access to them indicates that the record heavy winter snow falls, and recent incessant heavy rainfall has led to low-lying swamp areas being wetter than normal for this time on the year and many creeks are flowing strongly.

Access to Targets 1, 4 and 5 is available with minor clearing and repairs to existing forest tracks and recreational ATV trails (**Figure 7**). However, as per the photos in **Appendix 1** access to Targets 2 and 3 will require the use of a helicopter to ferry the rig and people in and the core out, or construction of a temporary bridge or two. The former is a very expensive exercise and the latter will require additional permitting and be equally expensive, but a safer option. Advice and quotes from local logistics contractors are being sought which will include using the First Nation Community capabilities if available. The flooding caused by the beaver dam will also need to be addressed. These issues are

normal to greenfields targets and could not have been foreseen until walk-in assessment was possible in the last week.

The Alotta drill site was visited and the drill collars of two historic holes that may be used for the Downhole EM survey were located (**Figure 8**).

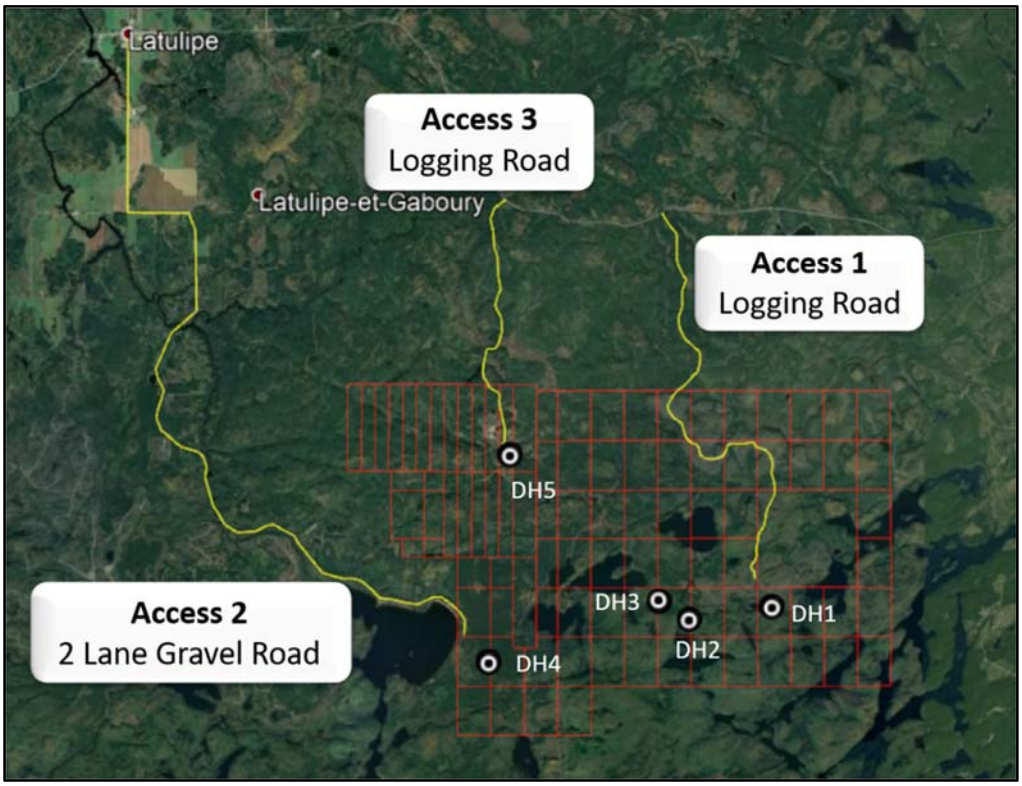


Figure 7: Main access roads and tracks

Figure 8: Alotta Hole BT-01-12 located for Downhole EM survey

Photographs from the site visit to the Lorraine and Alotta project areas are shown in **Appendix 1** together with the detail of the drill site access photographs from Orix's earlier site visit.

Figure 9: Orix Consultant Mike Kilbourne on an ATV track to Target 1 (DH1)

Photographs from the site visit to the Lorraine project area are shown in **Appendix 1** together with the detail of the drill site access photographs from Orix's earlier site visit.

The Company's Executive Chairman Dr Leon Pretorius and Director Martin Kavanagh are currently in Canada working with the Company's exploration consultants Orix Geoscience, planning and scheduling the Lorraine drilling programme and reviewing the progress of the compilation of historic data. A site visit to the five Priority 1 drill targets has been undertaken. They have also met with the local First Nation representatives to discuss the pending drill programme.

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:

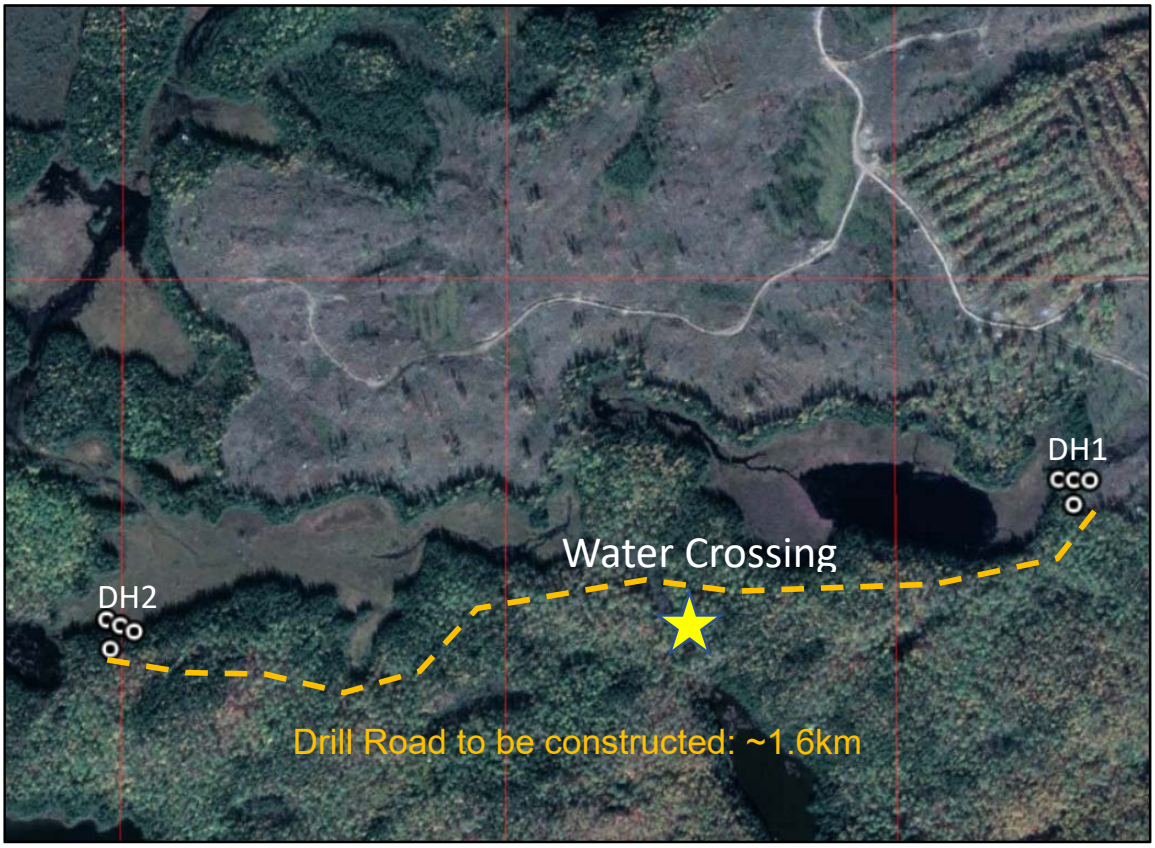
Martin Kavanagh on 0419 429 974

Competent Person Statement

The information in this report that relates to Project Assessment is based on information evaluated by Dr Leon Pretorius who is a Fellow of The Australasian Institute of Mining and Metallurgy (FAusIMM) and who has sufficient experience relevant to the activity which he is undertaking 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 (the "JORC Code"). Dr Pretorius is the Executive Chairman of Chase Mining Corporation Limited and he consents to the inclusion in the report of the information in the form and context in which it appears. Dr Pretorius holds shares in Chase Mining Corporation Limited.

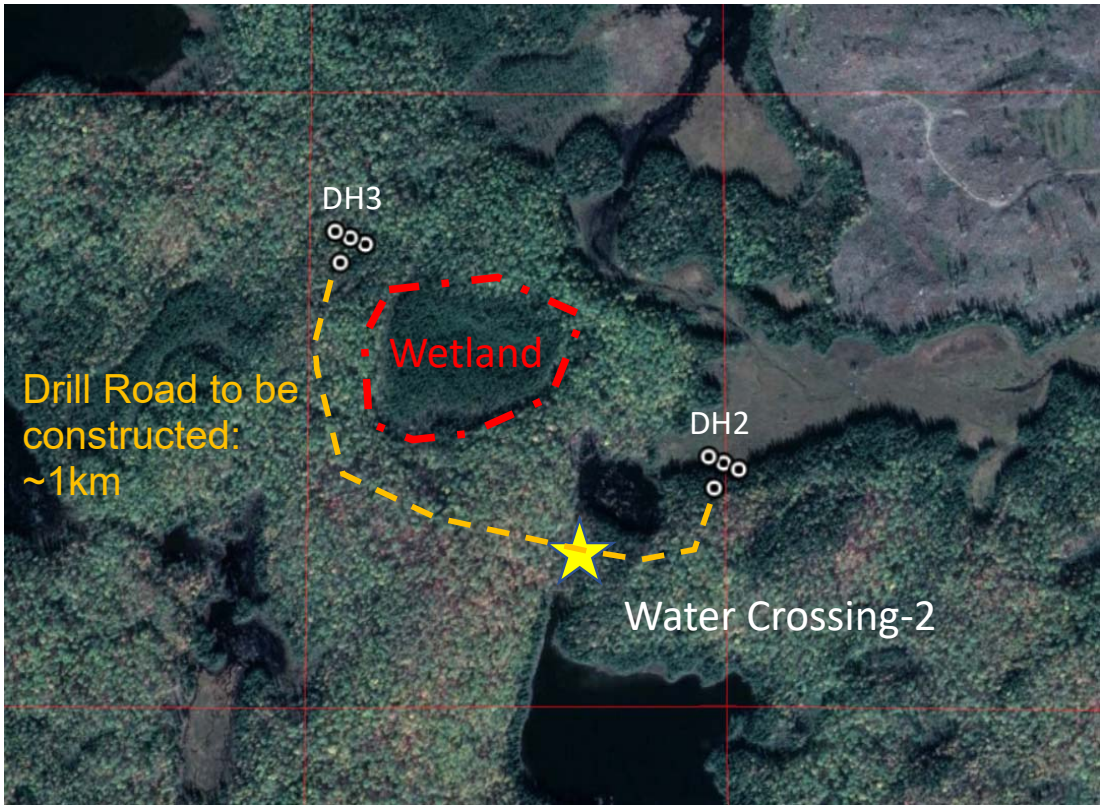
Information in this ASX announcement that relates to Project Assessment is based on information compiled by Mr Martin Kavanagh. Mr Kavanagh is a Non-Executive Director of Chase Mining Corporation Limited and is a Fellow of the Australasian Institute of Mining and Metallurgy (FAusIMM), a Member of the 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 Limited.

APPENDIX I: LORRAINE AND ALOTTA SITE VISIT



Drill Site Access Target 1 and Target 2

Water Crossing Target 1 and 2



Drill Site Access Target 2 and Target 3

Water Crossing between Target 2 and 3

Typical swamp area north of Targets 1, 2 and 3

Logging road partial access to Target 1