ASX RELEASE

12 August 2019

LORRAINE DRILLING UPDATE

Summary

- The first hole CM-19-06* at the Lorraine mine site of the current drill programme designed to intersect the modelled Priority 1 VTEM plate at 90m was completed at 135m;
- The hole ended in a +40m gabbro body with minor sulphides but did not intersect a massive sulphide source that would explain the strong Priority 1 VTEM conductor;
- Pending the outcome of hole CM-19-07 which is being drilled to a depth of 350m, CM-19-06 will be deepened to test the footwall contact zone of the gabbro to host Ni-Cu mineralisation as well as gold mineralisation ;
- CM-19-06 was the lowest ranked target of the five Priority 1 targets and whilst the hole did not locate the source of the strong VTEM conductor it encouragingly intersected the correct host nickel lithologies and has been cased for possible follow up downhole EM (DHEM);
- A DHEM survey operating at a lower frequency is expected to provide better resolution of the high conductance Priority 1 VTEM conductor (target) at the Lorraine mine site;
- The second hole CM-19-07* at the Lorraine mine site targeting a DHEM plate at 270m downhole is currently at 111m depth with a final depth of 350m which will also test the deeper gold potential; and,
- A site access track** to Priority 1 VTEM Targets 1 and 2 (Holes CM-19-01 and CM-19-02) has been completed and progressing to Target 3 (Hole CM-19-03).

Chase Mining Corporation Limited ("CML" or "The Company") provides the following update on its Lorraine Project diamond drill programme following completion of the first hole.

Hole CM-19-06 at Lorraine mine: Target VTEM plate at 90m. Hole was terminated at 135m. Encouraging lithologies that host the nickel sulphide mineralisation mainly comprising of gabbro with altered variations plus mafic volcanics were intersected. Only minor pyrite-pyrrhotite sulphide mineralization in a sheared section of gabbro was intersected from 66m to 76.6m replacing magnetite, however this does not explain the strong VTEM conductor. While not intersecting the source of the VTEM anomaly the hole has been cased and will be used for downhole EM (DHEM) later in the programme to better locate the strong VTEM anomaly.

*ASX announcement 8 August 2019
**ASX announcement 7 August 2019

CHASE MINING CORPORATION LIMITED
ABN 12 118 788 846
Level 8, 46 Edward Street, Brisbane QLD 4000
PO Box 15505, City East QLD 4002
0439 310 818 | 0419 702 616
https://www.chasemining.com.au

Hole CM-19-07, the second hole at the Lorraine mine site is currently at 111m depth with the target DHEM plate at 270m downhole and a final depth of 350m to test the reported gold potential (ASX 7 August 2019).

The planned Lorraine drill programme comprises **7-holes for 1,445m** as per in **Table 1.** Drill hole locations are shown in **Figure 1.** The Company has budgeted for a total of 2,500m for this programme with additional drilling as warranted based on results.

Table 1: Lorraine Planned Drilling

Target	Hole ID	Easting (mE)	Northing (mN)	Azi	Dip	Planned Depth	Final Depth
1	CM-19-01	660856	5244090	350	-60	120	-
2	CM-19-02	659294	5243751	19	-51	275	-
3	CM-19-03	658682	5244138	348	-52	110	-
3	CM-19-04	658806	5244238	154	-45	120	-
4	CM-19-05	655500	5242900	355	-63	350	-
5-VTEM	**CM-19-06**	**655773**	**5247066**	**329**	**-56**	**120**	**135**
5-DHEM*	CM-19-07	655796	5246914	332	-61	350	-
					Total	**1,445m**	**135m**

Coordinates NAD83 UTM Zone 17N. Azimuth (Azi) True North

*(*hole will also target gold potential reported from the lower levels of the Lorraine mine (ASX 7 August 2019)*

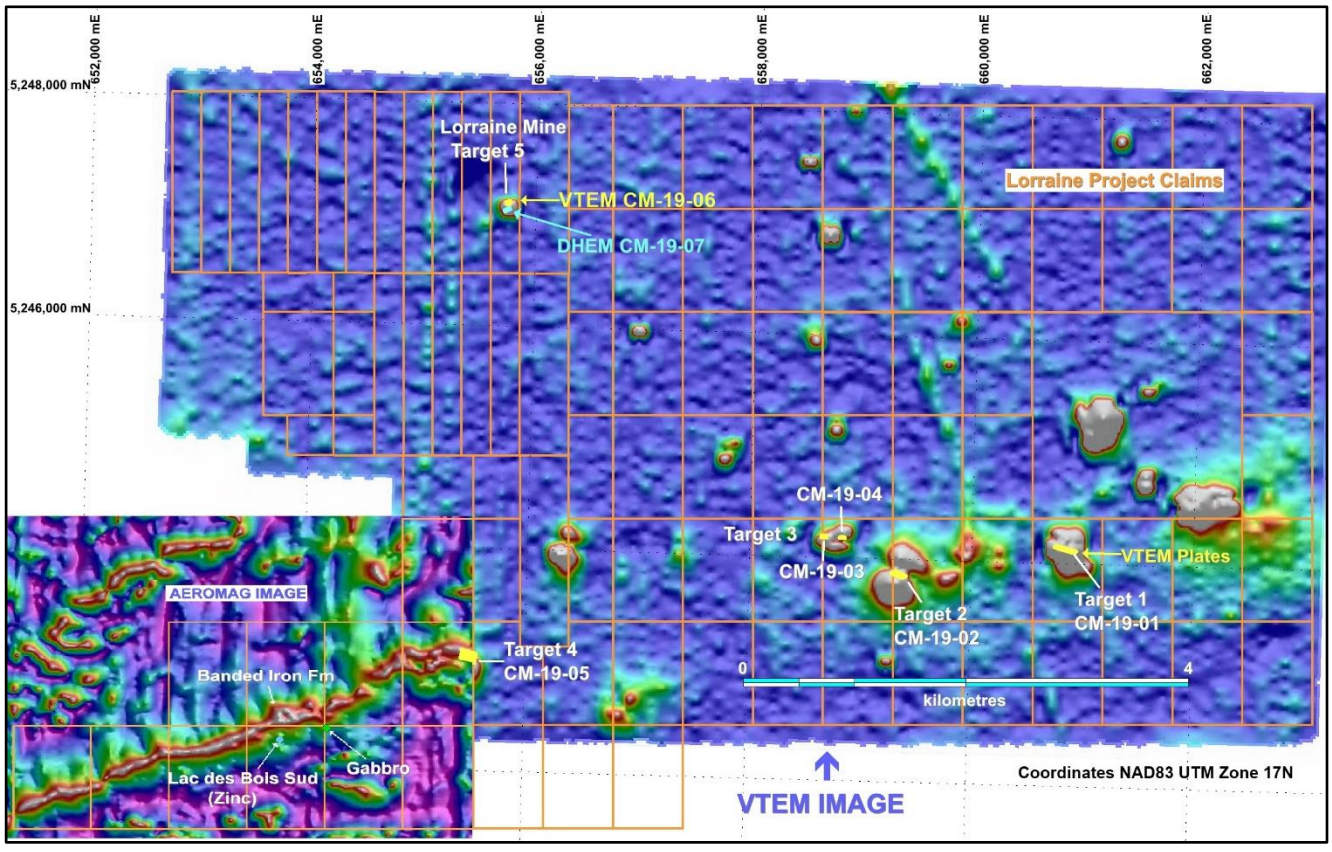

Figure 1: Lorraine Project – Drill Hole Locality Plan and VTEM Targets (ASX 7 August 2019)

Figure 2: Drilling Hole CM-19-06 at Lorraine Mine Site

Site Logistics

The drilling company has provided a crew and equipment to establish an access trail to Priority 1 VTEM Targets 1 and 2 (Holes CM-19-01 and CM-19-02) and are currently cutting a connecting trail to the Target 3 site (ASX 7 August 2019). The Company's consultants Orix Geoscience have positioned a portable core shack (for logging) and core-cutting facility at the base camp (Figures 3 and 4).

Figure 3: Core Cutting at Base Camp

Figure 4: Portable Core Shack at Base Camp

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

Dr Leon Pretorius
Executive Chairman
Chase Mining Corporation Limited

12 August 2019

Direct any enquiries to: Martin Kavanagh on 0419 429 974 or Leon Pretorius on 0419 702 616

Competent Person Statements

The information in this report that relates to Exploration Activities 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 (JORC Code 2012). 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 Exploration Activities 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.

Information in this ASX announcement that relates to Geophysical Exploration Results is based on information reviewed by Mr William Peters, Chairman of, and Consulting Geophysicist with Southern Geoscience Consultants (SGC), consultants to the Company. Mr Peters is a Member of the Australasian Institute of Geoscientists and a Fellow of the Australian Institute of Mining & Metallurgy. 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 Peters consents to the inclusion in this announcement of the matters based on SGC’s information in the form and context in which it appears.

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.