

ASX RELEASE

6 July 2020

Lorraine Drill Hole CM-20-01 Successfully Completed

- CM-20-01, the first hole of the programme, was successfully completed at 368.5m;
- The results from the first hole of the Lorraine Mine Gold Programme have visually confirmed the interpretations made in the Scope of Works with respect to targeting the historic reported gold mineralisation at the 6-Level (300m VD) of the Lorraine Ni-Cu mine;
- The hole intersected the target zone over ~4m from 351.5m downhole including a quartzcarbonate-fuchsite vein with aggregates of pyrite-pyrrhotite-chalcopyrite at 353.4m (Figure 1);
- A second ~8m wide downhole zone of brecciation with increased pyrite-pyrrhotite-chalcopyrite aggregates at 362m (Figure 3) was intersected in footwall basalt from ~360m downhole, approximately 7m below the target zone (Figure 5);
- Detail core logging and cutting of all the mineralised zones is underway and samples will be submitted for analyses as a batch once the programme is complete; and,
- Hole CM-20-02 has commenced and was at 258m last night, this hole will be extended by ~20m past the planned depth of 410m based on information gained from CM-20-01.



Figure 1: Quartz-carbonate-fuchsite vein in basalt footwall target zone with pyrite-pyrrhotitechalcopyrite aggregates and fuchsite (green mineral) + carbonate breccia at 353.4m downhole. Vein margins show 'crack and seal' laminated selvages. Figure 1 is detail from Figure 2 below.

Chase Mining Corporation Limited ("CML" or "The Company") provides the following update on the progress of the Lorraine Mine Gold Project diamond drill programme targeting the gold (plus copper and silver) mineralisation reported from historic sampling and limited drilling associated with the 6-Level development of the Lorraine Nickel Mine in Southwestern Quebec (ASX Announcements 9 June and 1 and 3 July 2020).

Diamond drillhole **CM-20-01** was successfully completed at 368.5m (**Figure 5**). The hole intersected the targeted contact shear zone over ~4m from 351.5m downhole including a quartz-carbonate-fuchsite vein with aggregates of pyrite-pyrrhotite-chalcopyrite at 353.4m. (Figures 1 and 2).

The quartz-carbonate-fuchsite vein in the basalt footwall target zone with pyrite-pyrrhotite- chalcopyrite aggregates and fuchsite (green mineral) + carbonate breccia at 353.4m downhole is an encouraging sign of alteration typically found associated with gold mineralising events in the district. Vein margins show 'crack and seal' laminated selvages also typical of gold prospective veins.

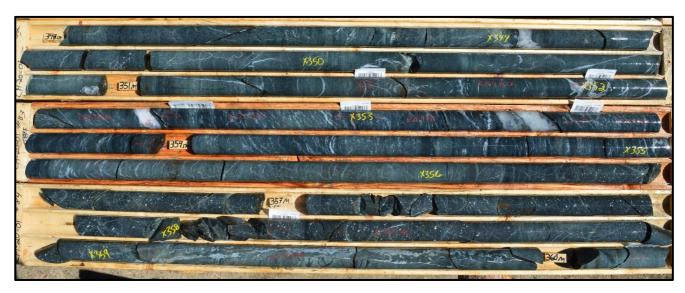


Figure 2: Target Zone 351.5 to 355.5m downhole, quartz-carbonate-fuchsite vein at 353.4m downhole. Basalt at 356m, feldspar porphyry at 357 to 359m and quartz-carbonate breccia-fracture from 359 to 360m downhole.

The parallel to core (axis) brecciated quartz-carbonate vein at 359m on a feldspar porphyry contact Figure 2 could indicate that additional structural zones may be present at depth but not evident in this first hole.

An 8-metre wide (second) zone of brecciation with increased pyrite-pyrrhotite-chalcopyrite aggregates at 362m downhole was intersected from 360m downhole (Figure 3). This zone of brecciation / crack-seal veining is ~7m below the Target Zone as shown in Figure 5.

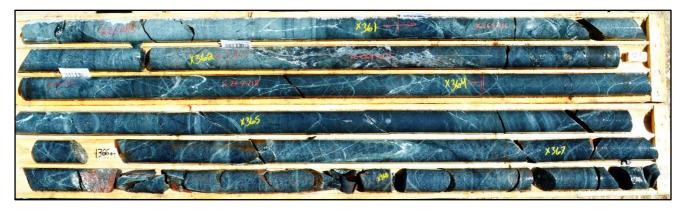


Figure 3: 8-Metre quartz-carbonate breccia in footwall basalt ~360m to ~368m downhole, as detailed at 362.4m in Figure 4.



Figure 4: Quartz-carbonate breccia in 8m basalt footwall zone with pyrite and chalcopyrite aggregates at 362.4m downhole. The fine-grained pyrite selvage on the upper laminated vein margin to the left and above the X (362.4) and below the '12269' red sample number is another encouraging sign of alteration typically found associated with gold mineralising events.

Although no visible gold was logged in the core it should be noted that the 1960's underground sampling and the 2005 mullock sampling also, did not report visible gold from the high-grade target zone, even though the grade was reported at 45.24 g/t gold over 28m in the sample (1960s channel sample).

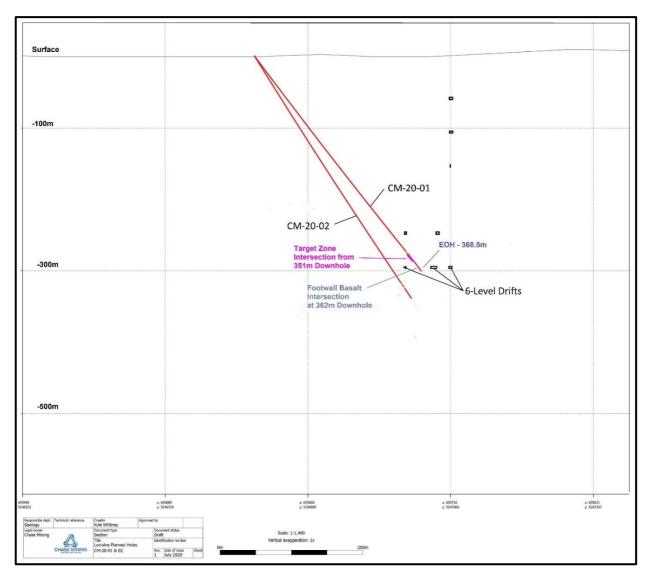


Figure 5: CM-20-01- schematic drill section

Table 1: Drill Collar Coordinates

Hole ID	Easting (mE)	Northing (mN)	Elevation (CGVD)*	Azimuth	Dip	Final Depth (m)
CM-20-01	655839	5246820	301	327°	-53°	368.5
CM-20-02	655839	5246820	301	327°	-58°	Currently @ 258m
CM-20-03	655839	5246820	301	319°	-57.5°	
CM-20-04	655839	5246820	301	319°	-53.5°	

Coordinates NAD83 UTM Zone 17N. Azimuth True North. *Canadian Height Datum (m).

Discussion

The results from the first hole of the Lorraine Mine Gold Programme have visually confirmed the interpretations made in the Scope of Works with respect to targeting the historic reported gold mineralisation at the 6-Level (300m VD) of the Lorraine Ni-Cu mine.

Further Work

When the current hole CM-20-02 has been completed the drill rig will continue with planned holes CM-20-03 and CM-20-04.

Authorisation

The provision of this announcement to the ASX has been authorised by the Board of directors of Chase Mining Corporation Limited.

Dr Leon Pretorius Executive Chairman and CEO 6 July 2020

Direct any enquiries to

Leon Pretorius on 0419 702 616 Martin Kavanagh on 0419 429 974

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), 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.

6 July 2020

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. 	 At this stage of the drill programme only visual logging of drill core is reported in this ASX announcement. The commentary detailed in this Table 1 Report pertains to the Company's SOP for reporting diamond drilling, logging, sampling and logistical management and assaying of drill core from the current (2020) Lorraine drill programme.
	 Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. 	 All drill core was geologically logged by a suitably qualified Senior Geologist
	Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this.	Sampling of drill core was at a maximum of 1.2 metre intervals or as appropriate (minimum of 0.30m) to align with geological /mineralisation contacts ensuring that representative sample intervals were submitted for approximately sample.
	 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 	 Mineralised sections of drill core will be cut with a diamond saw and half core samples submitted to ALS-Geochemistry, Sudbury, Canada (a fully accredited laboratory) for analysis.
	there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.	 Half core will be retained together with the full core (unsampled) sections of each hole for verification purposes.
		 Assay methods comprise ICP-MS finish for Au, Pt and Pd (PGM-ICP23 Lab Code) and ME-MS61 for Ag, Al, As, Ba, Be, Bi, Ca, Cd, Ce, Co, Cr, Cs, Cu, Fe, Ga, Ge, Hf, In, K, La, Mg, Mn, Mo, Na, Nb, Ni, P, Pb, Rb, Re, S, Sb, Sc, Se, Sn, Sr, Ta, Te, Th, Ti, Tl, U, V, W, Y, Zn, Zr elements
		NiCu-OG62 for over-limits of Ni-Cu-Zn in ME-MS61.

Criteria		JORC Code explanation		Commentary
			•	PGM-ICP27 for over-limits of PGE in PGM-ICP23.
			•	Details of ALS analytical techniques (Canada) can be found at https://www.alsglobal.com/en/services-and-products/geochemistry/geochemistry-downloads under Canada tab as a.pdf file.
face-sampling bit or other type, whether core is oriented and		•	The planned July 2020 diamond drilling programme comprises four angle holes varying in depth from 370m to 410m, or as required. All core drilling is NQ core size (47.6mm).	
			•	The drilling contractor is Chibougamau Diamond Drilling Ltd using a self-built, skid mounted rig.
Drill sample recovery	•	Method of recording and assessing core and chip sample recoveries and results assessed. Measures taken to maximise sample recovery and ensure representative nature of the samples.	•	The drill contractor measures core recoveries for every run completed using three metre core barrel. The core recovered is physically measured and the length recovered is recorded for every three metre "run". Core recovery can be calculated as a percentage recovery.
	•	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.	•	The recoveries are also confirmed by the project Senior Geologist and entered into the drill logs.
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	•	An experienced Quebec registered Senior Geologist from the Company's consultants Orix Geoscience will geologically log the drill core, using an industry standard logging procedure.
	•	metallurgical studies. Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.	•	Holes are summary logged during the drilling phase and then logged (and sampled) in detail.
	•	The total length and percentage of the relevant intersections logged.	•	Logging of drill core is both qualitative i.e. logging of colour, grainsize, weathering, structural fabric, lithology and alteration type; and quantitative i.e. % of minerals present depending on the feature being logged.

Criteria	JORC Code explanation	Commentary
		 Core is photographed in the core trays, with individual photographs taken of each tray both dry, and wet. Photos are saved on a secure server.
		All data is entered into digital templates at the project office.
		 All samples are geologically logged to the level of detail required to support a future Mineral Resource Estimation.
Sub- sampling	 If core, whether cut or sawn and whether quarter, half or all core taken. 	sampled and the other half retained in the core tray. Half-core
techniques and sample preparation	If non-core, whether riffled, tube sampled, rotary split, etc a whether sampled wet or dry.	nd sampling is considered appropriate for the style of mineralisation to be intersected.
preparation	 For all sample types, the nature, quality, and appropriatene of the sample preparation technique. 	Core cutting and sampling is carried out by experienced Orix personnel supervised by the Senior Geologist
	 Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. 	 Orix/Chase Mining's sampling procedures and QAQC is used to maximise representivity of samples.
	 Measures taken to ensure that the sampling is representati of the in situ material collected, including for instance result for field duplicate/second-half sampling. 	WHICH HAS INCIDED THE USE OF CERTIFOR LETERATION
	 Whether sample sizes are appropriate to the grain size of the material being sampled. 	 Sampling of potential gold-bearing quartz veins will be based on lithology and vein morphology with sub-samples as deemed appropriate by the competent person.
		 A maximum core length of 1.2m is considered appropriate for any disseminated to massive sulphide Cu-Ni mineralisation that may be intersected.
		 The half core samples will be crushed at the ALS Sudbury laboratory and the entire sample was pulverised to 97% less than 2mm, riffle split off 250g, pulverize better than 85% passing 75 microns to provide a sub-sample for analysis. This process minimizes any sub-sampling bias that can be introduced at this stage.

Criteria	JORC Code explanation	Commentary
		 Core sampling, sample size and analytical methods are deemed appropriate for the style of mineralisation to be 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. 	 Samples from the drilling will be submitted to ALS Geochemistry, Sudbury, Canada. Assay methods comprise ICP-MS finish for Au, Pt and Pd (PGM-ICP23 Lab Code) and; ME-MS61 for Ag, Al, As, Ba, Be, Bi, Ca, Cd, Ce, Co, Cr, Cs, Cu, Fe, Ga, Ge, Hf, In, K, La, Mg, Mn, Mo, Na, Nb, Ni, P, Pb, Rb, Re, S, Sb, Sc, Se, Sn, Sr, Ta, Te, Th, Ti, Tl, U, V, W, Y Zn, Zr elements and NiCu-OG62 for over-limits of Ni-Cu in ME-MS61 Sample preparation for homogeneity was carried by the laboratory as part of their internal procedures to ensure the grind size of 85% passing 75 microns was being attained. Laboratory QAQC involves the use of internal lab standards using CRM's, blanks, splits and replicates as part of the inhouse procedures. Quarter core samples were submitted for QAQC checks. The laboratory will also take pulp (-75 micron) duplicates at the pulverizing stage as part of the QAQC. Total QAQC samples will make up approximately 12% of all samples. CRM's with a relevant range of values, were inserted and at a rate of every 20th sample. Results highlight that sample assay values are accurate, and that contamination has been contained. Repeat or duplicate analysis for samples reveals that precision of samples is well within acceptable limits.
		c. campion to trail trailing decoptable fittine.

Criteria	JORC Code explanation	Commentary
		 External quality assurance of the laboratory assays was monitored by the insertion of blanks, duplicates and certified reference materials (CRM).
		 Two types of CRMs were alternated through the sample stream and where possible matched to the material being drilled.
		One type of blank was inserted into the sample sequence.
		Duplicate sub-samples were also generated by the laboratory
		 No external laboratory checks have been carried out at this stage.
		Handheld (pXRF) devices have not been used.
Verification of sampling and assaying	 The verification of significant intersections by either independent or alternative company personnel. The use of twinned holes. 	The CP and the Company's Executive Chairman and CEO (also a CP) will review the laboratory data and confirm the calculation of the intersections plus comments on anomalous only metal values in some of the drill holes.
, 0	 Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. Discuss any adjustment to assay data. 	The Competent Person (CP) is the Company's Non-Executive Director Martin Kavanagh will review the Orix Geoscience data compilation relating to the Lorraine drill programme.
		 As sulphide mineralisation and the target mineralised quartz veins are highly visible it is unlikely that any significant zones of mineralisation will be missed.
		 Drill core or core photos are used to verify drill intersections in diamond core.
		 The holes are logged in Microsoft Excel templates for database management and validation.
		 The CPs verify and sign-off as acceptable the QAQC data provided by the ALS laboratory.

Criteria	JORC Code explanation	Commentary
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. 	 All hole collars will be surveyed in UTM NAD83 Zone 17 (Northern Hemisphere) using a Reflex North Finder APS 11 tool.
	Specification of the grid system used.Quality and adequacy of topographic control.	 The holes will be downhole surveyed using a single-shot Reflex camera, and
	quality and adequacy of topographic control.	The Company will trial a Reflex Gyrocompass giving continuous true north azimuth readings to compare against the Reflex single-shot camera results
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. 	 The hole spacing of 40m spaced sections and ~25m undercut on each section is considered appropriate based the underground mapping of the gold mineralised quartz veins. Not Applicable – no resource estimates
	Whether sample compositing has been applied.	No assay results are being reported
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 2020 Lorraine drill programme has been designed to test potential gold-bearing quartz veins located in the footwall to the Lorraine Cu-Ni mineralised lens as outlined by a detail study of the mine history and associated historic drilling. The study (Scope of Works) has previously been announced to the ASX 21January, 2 March and 9 June 2020.
Sample security	The measures taken to ensure sample security.	 Orix Geoscience manages the chain of custody of drill core The drill core and samples are kept secure at the drill site (24-hour operation). Mineralised core is transported to Camp Grassy Narrows (Moffet) facilities for logging, cutting and sampling by Orix personnel who were present during the logging, core splitting and sampling processes.

Criteria	JORC Code explanation	Commentary
		The half-core is securely stored at the CSX facility in Larder Lake.
		 The individual samples of split core were bagged and tagged and packed in wire tied and sealed polyweave bags for shipment to the laboratory.
		 Tracking sheets are set up online to monitor the progress of the samples through the laboratory.
		 Sample pulps and coarse rejects are stored at ALS Sudbury as an interim measure and will be collected for return to the CSX facility.
Audits or reviews	 The results of any audits or reviews of sampling techniques and data. 	 Sampling and assaying techniques are industry standard. Orix / Chase Mining have specific SOP in relation the management of drill programmes and sample analysis.
		 No specific audits or reviews have been undertaken at this stage in the programme.

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 land tenure status	 Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint 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 Company holds 100% of the Project tenements in the name of its wholly owned subsidiary Zeus Olympus Sub Corp. 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. In 2019 the Company drilled two diamond holes CM-19-06 and CM-19-07 targeting Ni-Cu mineralisation at the Lorraine Mine (ASX Announcements 7 and 30 August, and 14 October 2019).
Geology	Deposit type, geological setting and style of mineralisation.	 Gold mineralisation at the Lorraine Mine occurs as shear zone hosted quartz-pyrite-chalcopyrite veins footwall to Lorraine Ni-Cu-PGE massive sulphide body The Company's website and listed ASX Announcements contain numerous references to the 'Bonanza Grade Gold Mineralisation' at the Lorraine Mine and of the Company's intension to drill the gold mineralised zone ASX Announcements; 10 September 2018, 9 January 2019, 7 August 2019, 15 October 2019, 9 December 2019 and 21 January, 9 June and 1 and 3 July 2020. The Company is also focused on the exploration for Ni-Cu-Co-PGM mineralised gabbro bodies which intrude a sequence of

Criteria	JORC Code explanation	Commentary
		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 	 Drill hole collar information relating the Company's 2020 drilling as required is presented as a Table in this ASX Announcement. A drill hole location plan as required is presented as a Figure in this ASX Announcement.
	 elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar 	
	o dip and azimuth of the hole	
	o down hole length and interception depth	
	o 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.	
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. 	No assay results being reported.
	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 such aggregations should be shown in detail.	

Criteria	JORC Code explanation	Commentary
	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'). 	 Gold mineralisation at Lorraine Mine is interpreted to be hosted in steeply dipping SSE shear zone footwall to the Ni-Cu massive sulphide body. Figures depicting 'mineralised zones' in this ASX report are at this stage interpretations based on limited drilling data and visuals. Photographs of selected intercepts only are tabled in this report as required. All intersections reported are down hole lengths, true width not known.
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.	A drill hole location plan as required is presented as a Figure in this ASX Announcement.
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 avoiding misleading reporting of Exploration Results.	No assay results being reported

Criteria	JORC Code explanation	Commentary
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 (<u>www.chasemining.com.au</u>) 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). 	 Any further work at Lorraine will be dependent on results from the present 2020 drilling programme and cannot be better defined at present.
	 Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive. 	