

COPPER EXPLORER IN ZAMBIA

MARCH 2013



Chrysalis Resources Limited is a copper exploration company listed on the Australian Securities Exchange (ASX: CYS) with prime exploration acreage located in Zambia. The Zambian assets comprise five major licence areas covering over 3,000km² (Figure 1). The northern three licences known as Shikila, Kabwima North and Kabwima South are adjacent to Barrick Gold Corporation's (TSX: ABX) Lumwana and First Quantum Mineral's (TSX: FM) Kansanshi copper mines. The two southern licences include Mwongo which is adjacent to Blackthorne Resources Ltd's (ASX: BTR) Kitumba discovery.

Chrysalis' strategic position in Zambia has recently attracted the interest of DRC copper producer and explorer Tiger Resources Ltd (ASX/TSX: TGS) as a major shareholder with 19.9% stake.

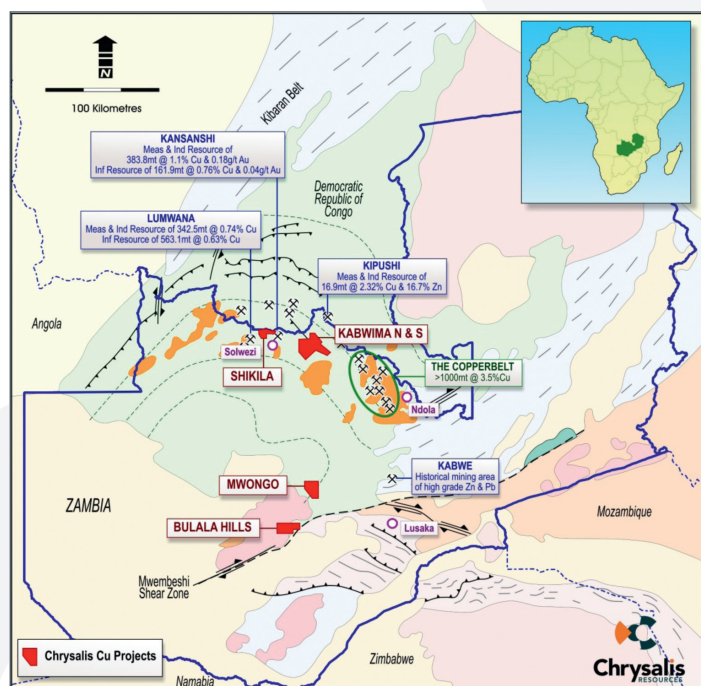


Figure 1: Geology of Zambia showing significant deposits and Zambian Tenements

Shikila

Recent Exploration at Wangolo Prospect, Shikila

Over the past six months, Chrysalis has completed its first exploration programme on the Shikila tenement and made a new discovery at the Wangolo Prospect. From an initial 1600m of reverse circulation (RC) drilling and 1550m of diamond drilling (DD), the results have included intersections of up to 3.7% Cu in RC drilling (Figure 2).

Results from the RC drilling included:

- 3 m @ 1.87% Cu (incl. 1m @ 3.63% Cu)
- 3 m @ 1.24% Cu
- 4 m @ 0.95% Cu
- 9 m @ 1.10% Cu
- 3 m @ 1.71% Cu
- 8 m @ 1.39% Cu (incl. 1m @ 2.06% Cu)
- 7 m @ 1.50% Cu (incl. 1m @ 3.73% Cu)

Assay results from four of the completed eight-hole DD programme confirm significant copper mineralisation at Shikila and include:

- 59 m @ 0.62% Cu (including 3 m of 1.21% Cu; 3 m of 1.10% Cu; 3 m of 0.92% Cu)
- 3 m of 0.93% Cu and 38.96 m @ 0.62% Cu
- 2 m of 1.52% Cu and 11 m @ 0.71% Cu

Mineralisation observed in the RC and DD includes chalcopryite, pyrite, chalcocite, bornite, cuprite and native copper.

These DD results confirm the presence of a substantial mineralised system close to surface extending approximately 900 metres along strike and +350 metres down dip. The mineralisation remains open along strike and down dip. The mineralisation has two styles:

- An up to 3m-thick mineralised zone at the carbonate contact with the overlying schist.
- A +50m-thick cross cutting mineralised unit below the contact zone trending to the north-east.

The remaining four DD holes outstanding are expected before the end of March 2013 and will be used to develop a resource model.

Chrysalis Resources Limited

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Company Snapshot

Listed on ASX 27 May 2008
ASX Share Code CYS
Sector Mining

Company Structure

No of Shares on Issue 157,519,564
No of Options on Issue 35,036,327
Cash (as at 31st January) \$1.59M

Board Management

Dr Neale Fong - Executive Chairman
Mr Grant Kidner - Executive Director
Mr Adrian Paul - Non-Executive Director
Mr Brad Marwod - Non-Executive Director
Mr Trevor Benson - Non-Executive Director
Ms Mel Cotterell - Company Secretary

Regional Exploration

Chrysalis has completed airborne geophysics over all the licence areas. These surveys have presented a number of potential anomalies that require soil geochemistry and gravity surveys commencing in April 2013.

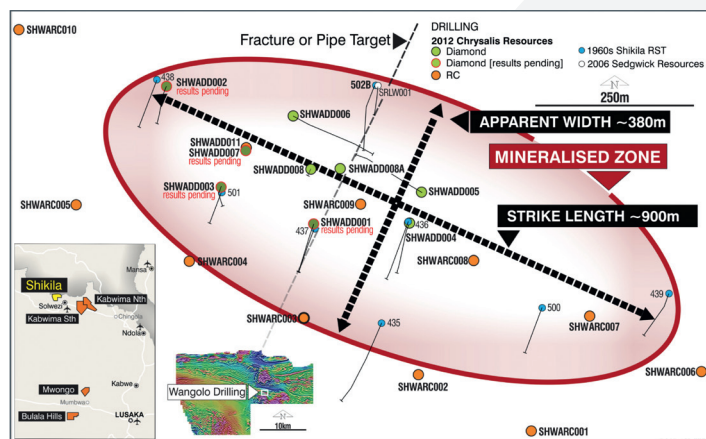


Figure 2: Collar locations of the RC and DD drilling at the Wangolo Prospect

Shikila

On the Shikila licence, soil chemistry has been completed and 6,600 samples have been analysed for copper using hand held XRF.

Figure 3 below shows the correlation between airborne geophysics and copper in soils geochemistry. This work has produced many potential anomalies in an area of more than 200km² which require infill work and a dedicated RC drill programme that will commence during 2013.

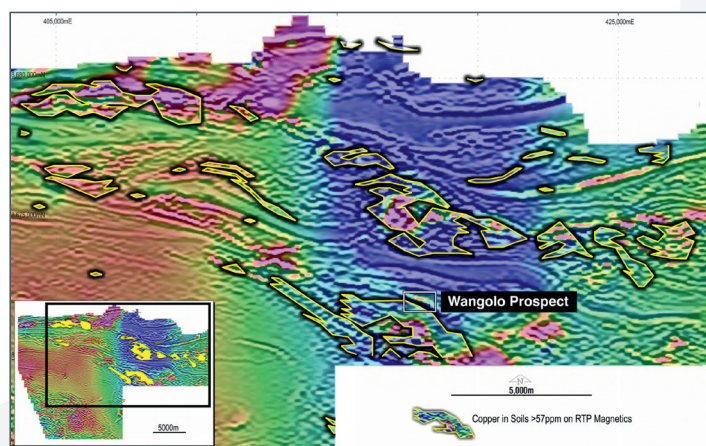


Figure 3: Shikila airborne magnetics and XRF soil geochemistry

Mwongo

- Aster satellite and airborne geophysics have been completed.
- Airborne magnetics show several intrusive targets – one of which is coincident with an historic drainage geochemical copper anomaly (Figure 4).

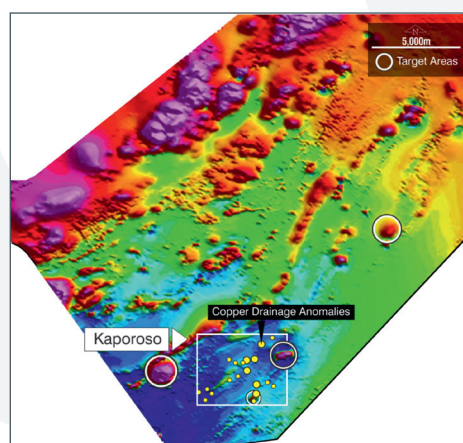


Figure 4: Mwongo Airborne Magnetics and Drainage Geochemistry

Kabwima North

- Regional: Aster satellite, airborne geophysics complete and soil geochemistry in progress.
- Mutenda Prospect: 2100m RC drilling complete.

Kabwima South, Bulala and Mwongo

- Aster satellite, airborne geophysics complete

Ongoing Exploration

During the forthcoming dry season exploration of all the tenements will recommence. Regional exploration is designed to define targets for RC drilling during August and September 2013. Detailed exploration will continue at the Wangolo Prospect with the focus on achieving a JORC compliant resource.

Shikila

Wangolo Prospect

- Ground Geophysics; IP and gravity surveys to detect possible structures, intrusions and extension of existing targets
- Trenching and pitting to delineate the mineralisation subcrop
- Resource modelling
- RC and DD drill programmes to extend the known mineralisation

Regional

- Infill soil geochemistry
- Ground geophysics; IP and gravity over selected anomalies to detect possible structures and intrusions
- RC drilling on selected targets

Kabwima North

Mutenda and Mashimba Prospects

- Review results of the 2012 RC programme

Regional

- Continue soil geochemistry and review results

Kabwima South

Regional

- Continue soil geochemistry and review results

Bulala

Regional

- Soil and rock geochemistry to locate the anomalous copper in haematite float located in 2006

Mwongo

Regional

- Soil sampling over selected drainage geochemical anomalies located in 2005
- Ground geophysics; Gravity surveys over magnetic anomalies that may represent late stage intrusions associated with the Hook Granite.

Competent Person's Statement

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves for the Zambian Projects is based on information compiled by Mr John S Noakes, who is a Fellow of The Australasian Institute of Mining and Metallurgy and a Fellow of the Geological Society of London. Mr Noakes is a director of Sedgwick Resources Ltd and has a beneficial interest in shares in Chrysalis Resources Ltd. Mr. Noakes has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserve's'. Mr Noakes consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Disclaimer

There has been insufficient exploration to define a Mineral Resource calculated in accordance with JORC Code and it is uncertain further exploration will result in the determination of a Mineral Resource.