



ASX RELEASE

3 November 2020

STRATEGIC INVESTMENT IN RED FOX RESOURCES

Chase Mining Corporation Ltd (ASX: CML) is pleased to announce that it has agreed to make a strategic investment in the private Queensland focused advanced exploration Company Red Fox Resources Pty Limited (Red Fox).

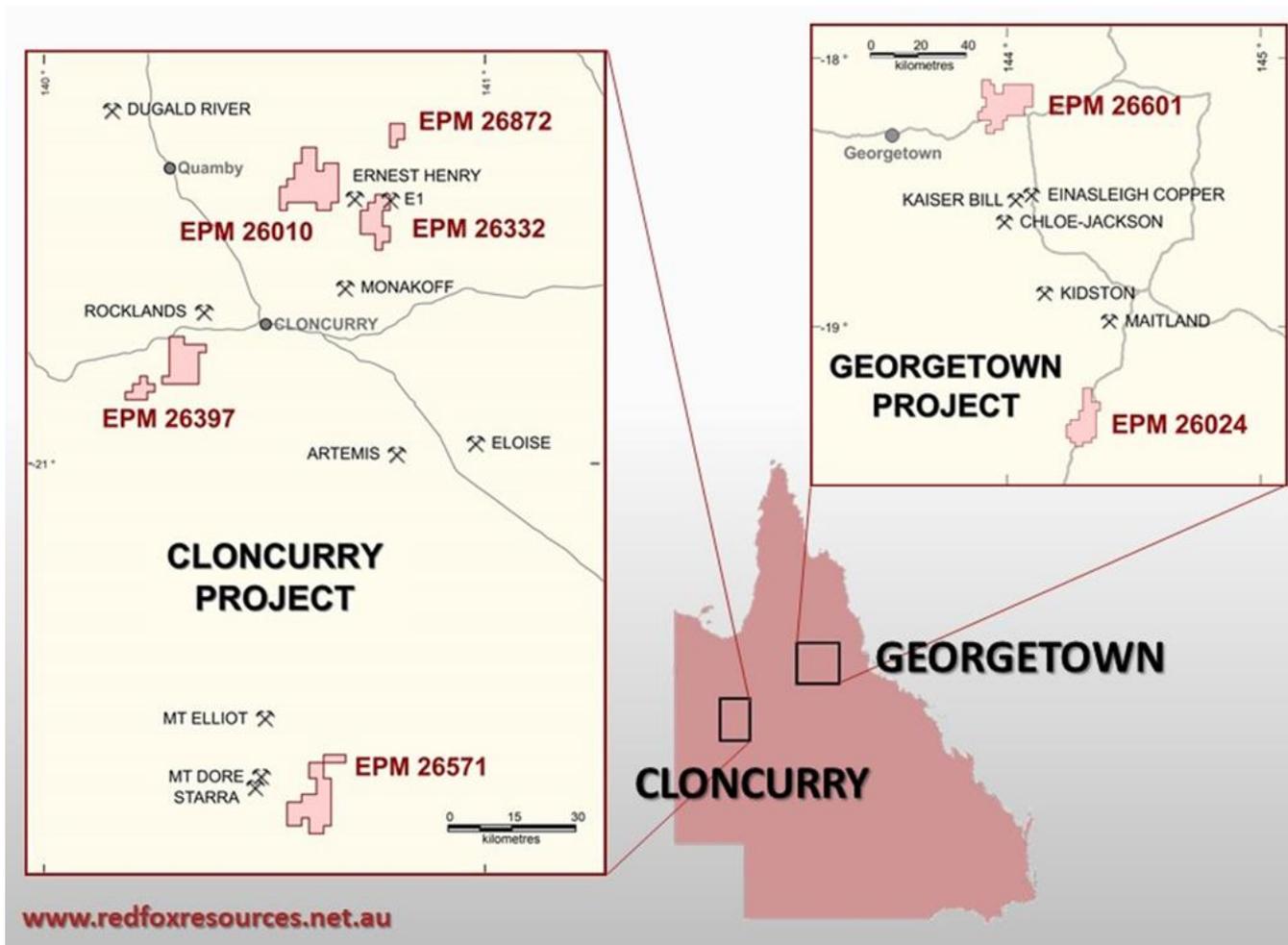
HIGHLIGHTS

- CML to invest A\$600,000 to become a 40% shareholder in Red Fox;
- Copper-Gold (\pm Cobalt), high-grade Gold and Silver-Lead-Zinc focus;
- Seven wholly owned granted tenements (EPMs) covering 900 square km in two highly mineralised districts: Mt Isa / Cloncurry and Georgetown – not subject to any royalties or commissions;
- Pipeline of targets for discovery of Ernest Henry style IOCG Cu-Au; Tick Hill style high grade Au); and, large Century and Broken Hill style Zn-Pb-Ag deposits;
- Red Fox has a skilled technical team and experienced Board with successful track record of ASX listings and achieving Queensland Government Grants, with CML having the right to appoint a board member.

RED FOX'S PROJECTS

- Three tenements adjacent to the large Ernest Henry Cu-Au mine. Recent Queensland Government magneto-telluric (MT) surveys defined a series of conductive "pipes". Depth Slice of the MT shows correlation with known deposits at Ernest Henry and E1. Two of these tenements are subject to third party sole-funded drilling:
 - i. Rio Tinto Exploration (RTX) is earning into Red Fox's Ernest Henry South (EPM 26332) by spending up to \$3.5M. Significant new pre-drilling work carried out in last six months. Drill testing imminent; and,
 - ii. Government grant (\$190K) awarded to Red Fox to fully fund drilling of 3-holes to test a major MT anomaly on Gipsy Creek (EPM 26872) to the north.
- Historical high-grade Gold reported in outcropping rock at Butchers Creek and trench sampling at GW Gossan (EPM 26397), never drilled and to be confirmed by Red Fox fieldwork;
- Broken Hill style Zinc target at Eveleigh (EPM 26601) with mineralisation at surface-ready to drill to confirm shallow historic drilling, open at depth and along strike;

- Sedex style Pb/Zn target at Mt Ulo and at Camel Bore (EPM 26571);
- Untested coincident magnetic/gravity highs at West Ernest Henry (EPM 26010), which may indicate magnetite / haematite alteration adjacent to a stratigraphic conductor (black shale); and,
- IOCG style target at Copper Creek (EPM 26024) with strong historic copper and zinc stream anomalies over 10km strike length. No previous follow up and no previous drilling.



Location of Red Fox tenements

Red Fox has in its possession a range of historical exploration results, some of which has been made available for CML to complete its due diligence. CML does not currently consider this information to be sufficiently reliable or complete to warrant disclosure.

Red Fox intends to use funds raised through CML's investment to value add to projects not subject to Rio Tinto and Government funded drilling by mapping, geochemistry, and limited ground geophysics, with the aim of refining multiple additional targets to be drill ready by May-June 2021.

Further information on Red Fox can be found at its website, <http://www.redfoxresources.net.au>

Under the terms of the investment, CML has the right to appoint a director to Red Fox's board and a pre-emptive right over any further shares issued by Red Fox.

Leon Pretorius, CML's executive chairman and CEO said "We see significant potential for upside in an investment in Red Fox. It expects results and news flow this year and into 2021 – well before anything new can be generated from Zeus' Quebec activities due to adverse weather, access and COVID-19 restrictions. Red Fox's projects comprise high-quality advanced but under explored targets with potential to rapidly increase value. Red Fox has a skilled technical team and experienced Board who have been known to CML's management since the 1980s, and CML's management has extensive complimentary experience operating in Queensland.

The investment is not subject to any conditions and completion is expected to occur this week.

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
3 November 2020

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