



ASX RELEASE

22 July 2019

FINAL DRILLING APPROVAL RECEIVED AND DRILL CONTRACT SIGNED

Highlights

- Access agreement received and Endorsement Certificate signed by The Anishinabeg of Kakinwawigak (The Long Point First Nation) for access to the exploration areas under their Indigenous Title and Rights for drilling;
 - Drilling contract signed with Chibougamau Diamond Drilling Ltd for the Lorraine Project drill programme **with mobilisation to site on 6th August 2019**;
 - An Orix Geoscience field crew has finalised drill collar locations as follow-up to the Peer Review of the VTEM plate modelling (ASX 17 July 2019);
 - Planned Phase 1 diamond drill programme of 1,310m in seven holes with an initial contingency of 1,190m (total 2,500m) has been budgeted;
 - The Company's application for eight additional claims to the south-west of VTEM Target 4 has been approved. This brings a total of 14 new claims acquired as a result of the VTEM survey; and,
 - Digitisation and modelling of historic data by Orix Geoscience is continuing.
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Endorsement Certificate

Chase Mining Corporation Limited ("CML" or "The Company") is pleased to announce that the Company's consultants Orix Geoscience met with The Anishinabeg of Kakinwawigak (The Long Point First Nation) to finalise an Endorsement Certificate (permit) for access to the (Lorraine) exploration areas under their Indigenous Title and Rights. The meeting with the Council was chaired by Chief Mathias. Senior Project Geologist Mike Kilbourne represented the Company. The Long Point community will supply a team to cut access trails to the drill sites.

The Endorsement Certificate provides the Long Point First Nation's (LPFN) consent to the Holder (CML) to perform the activities described in the Endorsement (drilling operations) and to work in collaboration with LPFN; to respect and abstain from disrupting the traditional activities of LPFN people; to minimise environmental impacts; and, to meet Federal and Provincial environmental and safety standards.



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The Endorsement Certificate together with the drilling permit granted by the Quebec Ministry of Forests, Wildlife and Parks (ASX 10 July 2019) provides the statutory access permits to undertake the planned drill programme within the Lorraine project area.

Drilling Contract

Drilling contractor Chibougamau Diamond Drilling Ltd (CDD) has been awarded the contract for the Lorraine Project drill programme with mobilisation to site scheduled for 6th August 2019. CDD previously drilled the Alotta Project for the Company in October 2018. Logistical support for the drill programme has also been finalised with local camp (cabins) and core cutting facilities now in place. The selected drill core for assay will be transported to ALS in Sudbury.

Drill Site Assessment

As follow-up to the recent Peer Review of the VTEM plate models (ASX 17 July 2019) an Orix Geoscience field crew revisited each site to mark-out drill collars and to assess any access issues due to topography and other restrictions, resulting in a collar move for several of the holes. None of the moves will impact on the ability to intersect the primary plate position as planned. There will be some minor changes to hole azimuths and inclination compared to the original coordinates (work in progress).

This and progress of physical access clearing by the LPFN team may result in a change to the order in which the anomalies will drilled so as to not further delay to the start-date.

Targets 1-5

Target 1 requires only a six-metre east collar move (**Figure 1**).



Figure 1: Plate Model Target 1 - Primary Hole Green Adjusted Collar White

Target 2 is in a swamp area with the primary hole collared on the edge of the swamp. A 50m step back is required. The hole will be drilled at a shallower inclination to intersect the plate (**Figure 2**).

Targets 3 West and East require collar moves due to topography (**Figure 2**). Azimuth and inclination changes are required for both holes.

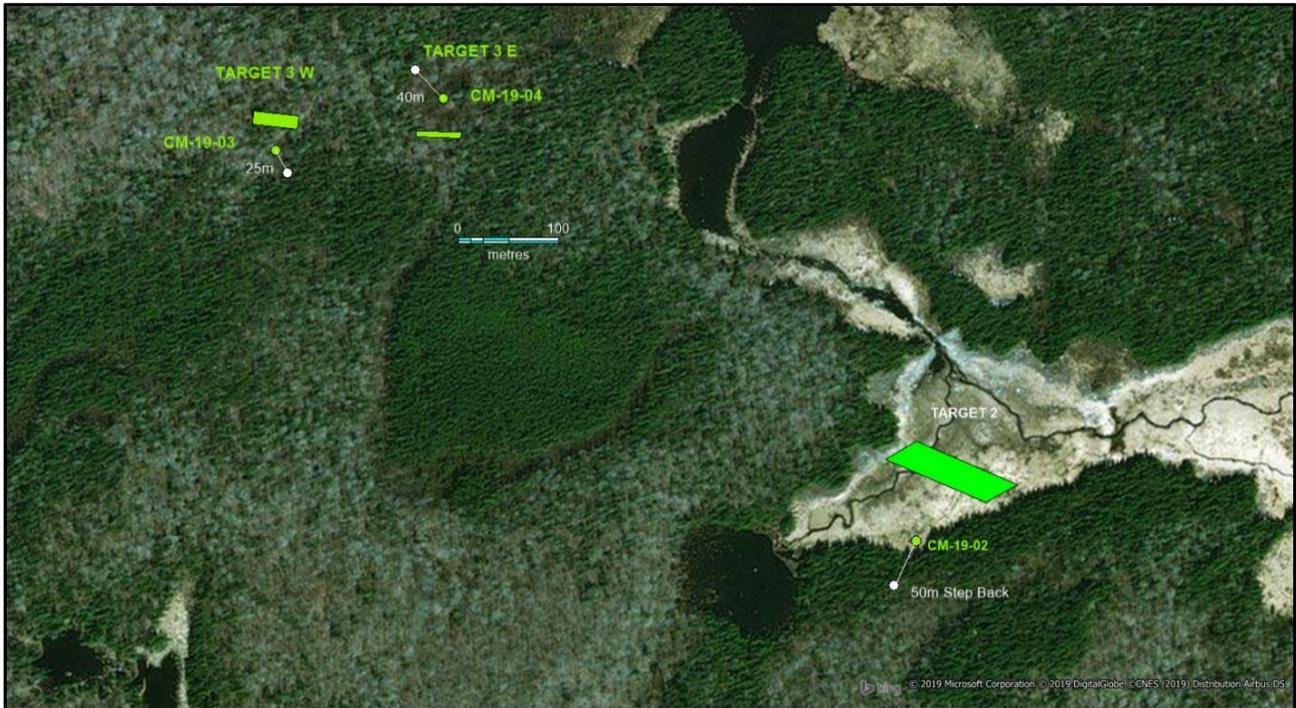


Figure 2: Targets 2 and 3 Plate Models - Adjusted Collars (white)

Target 4 was not inspected as there was no collar change to the primary planned hole.

Target 5 (Lorraine Mine site) minor collar moves (5 -10m) are required (**Figure 3**).



Figure 3: Lorraine Mine Targets (5) – VTEM AND DHEM Modelled Plates

New Claims Granted

In May 2019, 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 on the Western boundary of the Lorraine project area (ASX 18 June 2019). The six claims were granted in June 2019.

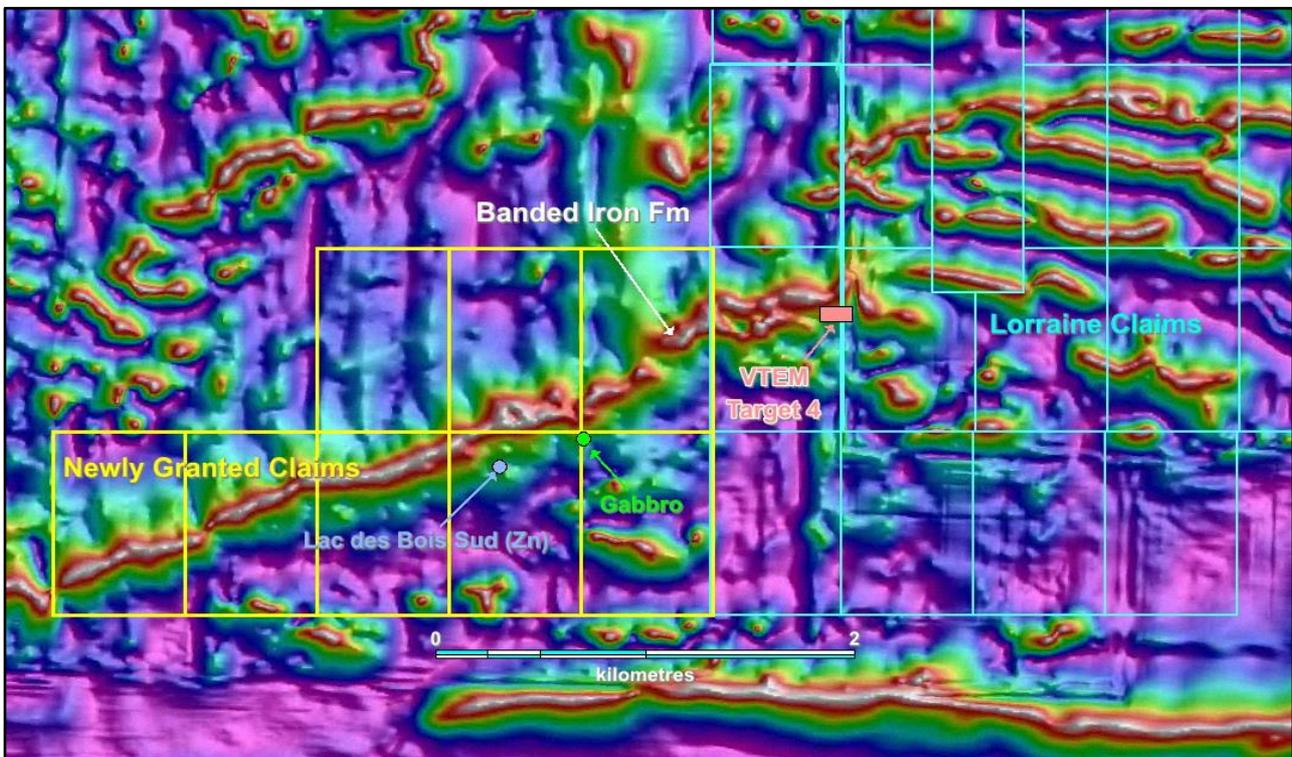


Figure 4: Lorraine –Eight Newly Granted Claims (yellow outline)

A 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 4**).

The zinc showing 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' (VMS) 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 4**).

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 4**). **These claims have now been granted.**

The prospectivity of the area covered by the 14 new claims to host additional massive sulphide Ni-Cu mineralisation associated with gabbro bodies along strike from the trend 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.

For, and on behalf of, the Board of Directors of Chase Mining Corporation Limited:
Dr Leon Pretorius
Executive Chairman
Chase Mining Corporation Limited

22 July 2019

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Competent Person Statement

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 (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 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.