

SE Business
HD **A question Chalice is in no hurry to answer**
WC 432 words
PD 26 February 2014
SN The West Australian
SC TWAU
ED Second
PG 2
LA English
CY (c) 2014, West Australian Newspapers Limited
LP

It has been a question swimming around the junior game for almost two years now: what will Chalice **Gold** Mines do with its \$55 **million** pile of cash?

According to managing director Bill Bent, a decision is imminent.

TD

The **company** has four to six targets (whittled down from about 150) and Chalice's very patient shareholders should expect a fairly established **gold** project by the middle of the year.

However, these guarantees have a familiar ring to them.

Spinifex ran a similar story almost a year ago. In March last year, Mr Bent indicated Chalice would have a project wrapped up by the end of the year.

It sort of came to fruition.

In October, Chalice **Gold** Mines added a new Canadian project to its **gold** portfolio through a friendly all-scrip bid for Australian and Toronto-listed Coventry Resources.

Coventry had the Cameron **gold** project, which Chalice plans to turn into a \$75 **million** project through an aggressive \$3 **million** to \$5 **million** exploration plan this year.

The resource for an open-pit mine — which the **company** is focusing on compared to Coventry's underground focus — contains a 500,000 ounce resource. Chalice wants to bring that to one **million** ounces. Interestingly, Chalice also has a 10 per cent **stake** in unlisted GeoCrystal, which is exploring at the remote Webb diamond project in the Great Sandy Desert.

Chalice is expected to eventually divest the **stake** but described it as an "exciting" project in a hot diamond market.

With an experienced board including Tony Kiernan, major shareholder and chairman Tim Goyder and Stephen Quin, the **company** appears to be comfortable playing the waiting game (though it was beaten to the punch by Northern Star in the **purchase** of Plutonic).

Chalice is valued at \$49 **million**, well below the \$55 **million** it had in the bank after the \$80 **million** **sale** of its Zara project to **China**'s SFECO Group back in April 2012.

Investors, too, are obviously playing the waiting game in the hope that the **acquisition** will press the go button on its ticker.

- Orinoco **Gold** was yesterday hoping for some market traction after finding some rock chips of up to 20.1 grams of **gold** at its Tinteiro project, 20km from its Cascavel **gold** project in central Brazil.

It said recent mapping and detailed rock chip sampling at Tinteiro outlined two previously unknown mineralised trends.

Of course, rock chips are still, essentially, blue sky, and the market did not see the bright side, keeping Orinoco shares unchanged at 10.5¢.

CO postch : Coventry Resources Limited | itrsv : Coventry Resources Inc.
IN i211 : Metal Ore Mining | ibasicm : Basic Materials/Resources | imet : Mining/Quarrying
NS ccat : Corporate/Industrial News
RE austr : Australia | apacz : Asia Pacific | ausnz : Australia/Oceania
PUB West Australian Newspapers Limited
AN Document TWAU000020140225ea2q0001u