

Watch the Smartstox interview with Richard Hughes, President  
[www.smartstox.com/interviews/cod](http://www.smartstox.com/interviews/cod)



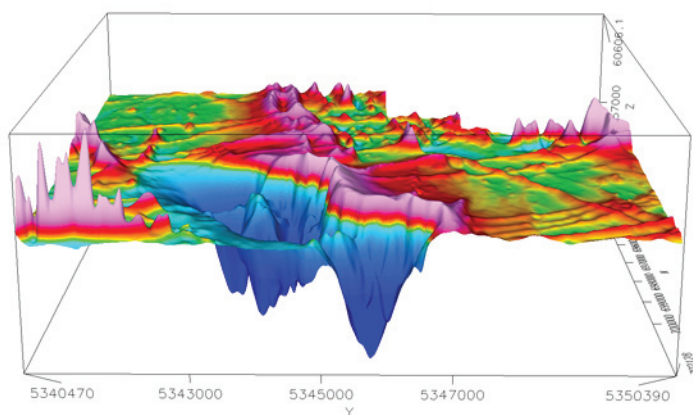
## Chalice Diamond Corp.

**COD: TSX.V** |

*Exploration for Diamonds, Gold, and More*

**C**halice Diamond Corp. made its public debut as a diamond exploration company in November of 2007, and along with several joint venture partners, is actively exploring an emerging diamond district situated between the towns of Chapleau and Wawa, Ontario.

The 170,000 hectares in their portfolio aren't just prospective for diamonds, there are also many indications of potential base and precious metal deposits waiting to be discovered. The camp has a strong history of mineral exploitation; it was the discovery of gold at Wawa Lake led to the initial rush of people to the area in 1986, and iron ore from Wawa supplied the steel mills in nearby Sault Ste. Marie through most of the 1900's.



Bird Aeromag: Bird Township Reverse Magnetic Anomaly

### THE BIRD PROJECT

At the forefront of Chalice Diamond's current projects is their road accessible massive reverse magnetic anomaly in Bird Township, 43 miles northeast of Wawa.

Geophysical analysis is an important tool in modern mineral exploration, and it is a key driver of the Bird Project. A reverse magnetic anomaly is particularly interesting as it indicates that the anomaly's host rock, in this case an intrusion into the Archean-aged Michipicoten greenstone belt, was emplaced during a time when the earth's magnetic field was reversed.

The Bird Township anomaly's geophysical signature is similar to that of the host rocks at Rio Tinto's nickel-copper-PGE magmatic sulphide Eagle Deposit in northern Michigan, discovered in 2002. That deposit is estimated to hold 5.2 million tons grading 3.68% nickel, 3.06% copper and 0.1% cobalt, 0.28 g/t gold, 0.73 g/t platinum and 0.47 g/t palladium.

The Bird reverse anomaly has been known for years but was considered more of a curiosity than anything else. The discovery of the Eagle Deposit provided a reference point as to the possible significance of the Bird as a nickel-copper-PGE magmatic sulphide exploration target. One significant difference between the two anomalies is in size – the Bird anomaly, at 6km by 1.5km, is several times bigger than the Eagle anomaly.

Chalice Diamonds flew deep penetrating airborne VTEM geophysical surveys over the Bird property in 2006, and followed up with mobile metal ion surveys. Superimposing the data shows that the most significant

*“The discovery of the Eagle Deposit provided a reference point as to the possible significance of the Bird as a nickel-copper-PGE magmatic sulphide exploration target. One significant difference between the two anomalies is in size—the Bird anomaly, at 6km by 1.5km, is several times bigger than the Eagle anomaly.”*

MMI ratios are aligned with the strongest magnetic responses, considered a very favourable indicator. An initial drill program is now underway to confirm the presence of ultramafic intrusive rocks within the anomaly which are similar to those hosting the Eagle deposit.

---

#### OLD CABIN HIGH GRADE GOLD PROJECT

---

There are 13 known vein systems at Chalice Diamond's Old Cabin Project, 48 km northeast of Wawa. This spring the company sampled one of the quartz veins, and recently collected grab samples returned positive gold values as high as 211.82 g/t (6.18 oz/ton)! Past trenching along a 550-foot-long gold zone returned a channel-sample assay of 1.18 oz. gold per ton across a width of 5.5 feet.

Chalice Diamond's geologists believe the identified veins may be part of a larger, deeper-seated vein system. A summer program will map and sample the surface occurrences, likely followed by channel sampling and trenching to develop the veins.

---

#### LEESON PROJECT

---

The Leeson Property is about 85 kilometers northeast of Wawa, Ontario. The road accessible project is adjacent to the past-producing Renabie gold mine, historically the most productive gold mine in the Michipicoten greenstone belt. COD's geologists believe the property is prospective for both gold and diamonds.

---

#### CHAPLEAU DIAMOND PROJECT

---

Ontario's first diamond was discovered in 1863, but it was a 33-carat diamond found near Peterborough during railway construction in the 1920s that sparked the first diamond rush in Canada. Geologists have long known that old stable portions of continental crust called cratons, of which the Canadian Shield is one of the largest in the world, underlie most economic diamond deposits. The Michipicoten Greenstone Belt and older basement granitoid rocks make the Wawa-Chapleau area prospective for economic diamond deposits.

The most advanced project in the region is Dianor Resource's Leadbetter Project, currently at the bulk-sampling stage. The company plans to extract some 50,000 tonnes of diamond-bearing conglomerate that is expected to yield between 12,000 and 20,000 carats of diamonds. Rubies, sapphires and gold will be recovered as byproducts and may also figure into the project's feasibility calculations.

Chalice Diamonds holds significant adjacent ground to the east and northeast of the Leadbetter project, and has confirmed that the Leadbetter diamondiferous formation continues onto the Chalice Diamond ground; a 8.4 kg rock sample taken from their Corbiere property produced 35 diamonds including 5 macrodiamonds.

Within the Chapleau Diamond Project's acreage there are also known kimberlitic dykes, and recent exploration has identified thirteen more. The Fletch and GC1 dykes

have been shown to be diamond bearing, and kimberlitic indicator mineral analysis on those and other dykes have shown strong potential to host large diamonds. Ground geophysical surveys to date have evaluated 92 circular airborne magnetic targets that could be kimberlite pipes, several of which are on strike with the dykes. Many of the targets are under small circular lakes or swamps, which also suggest the presence of a pipe as kimberlite is softer than the surrounding host rock and so it weathers more quickly.

Chalice Diamond is compiling and interpreting the data they've generated from their mapping, soil geochemistry and geophysics programs, both ground and airborne. Given the size the project, it's a significant undertaking, but may provide extraordinary returns.

---

#### DYNAMIC CONCLUSION

---

Chalice Diamond may be a new name in Canadian diamond exploration, but it's backed by an exploration group involved in the discovery and development of mines and mineral deposits in Canada. The company is part of the Hughes Exploration Group led by Richard Hughes. During the 1980s, Mr. Hughes was involved in the Hemlo gold discoveries in Ontario. He also helped bring the Belmoral, Sleeping Giant and Beaufor gold mines into production in northwestern Quebec. John Keating, Chief Executive Officer of the company, has 25 years of Canadian mineral exploration experience, including 10 years with a major company and 10 years as a Commodity and Policy Analyst with the federal government.

Along with management and an experienced team of geoscientists, a key strength of Chalice Diamond Corp is the actual exploration portfolio they've assembled; not only is it prospective, but it is accessible by road year-round and is near power, rail and mining infrastructure. These attributes provide enormous advantages both in conducting exploration programs, and in advancing discoveries towards production.

---

**COD: TSX-V**

**Shares Issued and Outstanding: ~ 95 Million**

**52-Week Trading Range: \$0.11 to \$0.02**

---

FOR FURTHER INFORMATION



**Chalice Diamond Corp.**

**www.chalicediamond.com**

T: 604-685-2222

F: 604-685-3764

E: info@chalicediamond.com

---

DISCLAIMER: This interview or report is for information purposes only and Dynamic Stock Market Analysis has gathered this information from sources believed to be accurate, but does not guarantee the accuracy or completeness. Any opinion or any forward-looking statement expressed herein shall not be considered a recommendation to purchase or sell the specific security. The company referred to may or may not be charged a consulting fee or a production fee. From time to time Dynamics principals may or may not take an equity position in the said company. The information disclosed has not been approved or disapproved by any security regulatory authority. All investors should seek their own investment advice. For more information: [www.smartstox.com](http://www.smartstox.com) or [info@smartstox.com](mailto:info@smartstox.com)

---