

## Appointment of New York-Based Director

**Challenger Exploration (ASX: CEL)** (“CEL” the “Company”) is pleased to announce the appointment of Mr Pini Althaus as a Non-Executive Director of the Company.

Mr Althaus is based in New York and has been an Executive in the mining and resource sector since 2002. Pini was most recently the Founder and Chief Executive Officer of USA Rare Earth, which acquired and developed the Round Top heavy rare earth and critical minerals project in Texas.

As CEO Pini transformed USA Rare Earth from a resource startup to one of the highest-valued rare earth companies in North America. Under his tenure, USA Rare Earth opened the first rare earth and critical minerals processing facility in North America, located in Colorado, and acquired the only neodymium-iron-boron (NdFeB) permanent magnet manufacturing system in the Americas, formerly owned and operated in North Carolina by Hitachi Metals America, Ltd.

Additionally, Mr Althaus has experience in the gold sector as the former founder and CEO of Dominion Minerals Corp, which acquired and developed the Cerro Corcha Gold / Copper project in Panama. During his tenure as CEO, Dominion defined a significant open-ended gold and copper deposit with a project NPV in excess of US\$500 million.

During this time as a leading mining executive, Pini has built a strong network in the North American investment community, with this network including many of the leading US Family Offices, US and Canadian Investment Funds, and US and Canadian Investment Banks. Additionally, Mr Althaus has made numerous appearances as a critical minerals expert on news outlets including, The New York Times, FOX, WSJ, Financial Times, CNBC, Forbes, and the Global Times, and continues to be an ongoing contributor to these outlets.

Mr Althaus' role is to introduce Challenger into this network and provide the Company with an ongoing presence in the North American market as it transitions from an explorer to a developer.

### Commenting on his appointment Mr Althaus said:

*“As an early investor and long-time shareholder of Challenger, I have watched the company progress from its first drill hole at Hualilan to a 2 million ounce MRE, which is still growing into what appears to be a world-class asset. I am also excited by the results that I have seen come out of El Guayabo in Ecuador, and I look forward to seeing a maiden MRE.*

*My personal belief based on several factors, including the aim to become a significant low-cost gold producer, what the Company is currently valued at and as Challenger transitions from explorer to developer, the time is right to introduce the Company to the North-American investment community which intuitively understands South American mining opportunities.*

Refer to Schedule 1 for remuneration details which will be subject to shareholder approval.

**Ends**

*This ASX announcement was approved and authorised by the Board.*

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**Challenger Exploration Limited**  
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ASX: **CEL**  
Website: [www.challengerex.com](http://www.challengerex.com)

**Issued Capital**  
1,045.8m shares  
10m options  
120m perf shares  
16m perf rights

**Australian Registered Office**  
Level 1  
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West Perth WA 6005

**Directors**  
Mr Kris Knauer, MD and CEO  
Mr Scott Funston, Finance Director  
Mr Fletcher Quinn, Chairman  
Mr Sergio Rotondo, Exec. Director  
Mr Pini Althaus, Non-Exec. Director

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## Schedule 1

<b>Commencement Date</b>	7 February 2023
<b>Term</b>	From the Commencement Date, subject to shareholder approval at the next AGM under the Company's constitution and will continue until terminated in accordance with the terms of appointment.
<b>Remuneration</b>	<p>\$nil cash consideration.</p> <p>Incentive package of performance rights to be issued by the Company, subject to receipt of Shareholder approval at the Company's next General Meeting, which will convert into fully paid ordinary shares in the Company, on a one for one basis, as follows:</p> <p>(a) Milestone 1: one (1) million performance rights will convert into shares upon the Company's share price trading on ASX at a volume weighted average price (VWAP) at or above a price of A\$0.30 per share for 20 consecutive trading days on which the Company's shares have actually traded or before 8 February 2024.</p> <p>(b) Milestone 2: one (1) million performance rights will convert into shares upon the Company's share price trading on ASX at a VWAP at or above a price of A\$0.40 per share for 20 consecutive trading days on which the Company's shares have actually traded or before 8 February 2025.</p> <p>(c) Milestone 3: one (1) million performance rights will convert into shares the Company's share price trading on ASX at a VWAP at or above a price of A\$0.40 per share for 20 consecutive trading days on which the Company's shares have actually traded or before 8 February 2026.</p> <p>Notwithstanding the provisions above, upon the occurrence of a Change of Control Event as defined in the terms of appointment, all performance rights will automatically convert into fully paid ordinary shares in the Company, on a one for one basis.</p>
<b>Termination</b>	The Company providing three months' notice, or Mr Althaus providing one months' notice in writing.

## About Challenger Exploration

Challenger Exploration Limited's (ASX: CEL) aspiration is to become a globally significant gold producer. The Company is developing two complementary gold/copper projects in South America with a maiden **2.1 million ounce gold resource** recently announced for the Hualilan Gold Project in San Juan, Argentina.

The Company strategy is for the 100% owned Hualilan Gold Project to provide a high-grade low capex operation in the near term while it prepares for much larger bulk gold operations at both Hualilan and El Guaybo in Ecuador.

- Hualilan Gold Project**, located in San Juan Province Argentina, is a near term development opportunity. It has extensive drilling with over 150 historical and 700 CEL drill-holes and the Company has released an Interim JORC 2012 Compliant resource of 2,133,065 ounces which remains open in most directions. This resource contains a Skarn component **6.3 Mt at 5.6 g/t AuEq for 1.1 Moz AuEq** and an intrusion/sediment-hosted component of **41.5Mt at 0.8 g/t AuEq for 1.0 Moz AuEq**. The resource was based on 126,000 metres of CEL's 264,000 metre drill program. The project was locked up in a dispute for the 15 years prior to the Company's involvement and as a consequence had seen no modern exploration until CEL acquired the project in 2019. In the past 2 years CEL has completed over 700 drill holes for more than 200,000 metres of drilling. Results have included **6.1m @ 34.6 g/t Au, 21.9 g/t Ag, 2.9% Zn, 67.7m @ 7.3 g/t Au, 5.7 g/t Ag, 0.6% Zn, and 63.3m @ 8.5 g/t Au, 7.6 g/t Ag, 2.8% Zn**. This drilling intersected high-grade gold over 3.5 kilometres of strike and extended the known mineralisation along strike and at depth in multiple locations. CEL's current program which is fully funded will include an additional 50,000 metres of drilling, an updated JORC Compliant Mineral Resource Estimate, Scoping Study and PFS.
- El Guayabo Gold/Copper Project** covers 35 sq kms in southern Ecuador and is located 5 kilometres along strike from the 22-million ounce Cangrejos Gold Project<sup>2</sup>. Prior to CEL the project was last drilled by Newmont Mining in 1995 and 1997 targeting gold in hydrothermal breccias. Historical drilling demonstrated potential to host significant gold and associated copper and silver mineralisation. Historical drilling has returned a number of intersections including 156m @ 2.6 g/t Au, 9.7 g/t Ag, 0.2% Cu and 112m @ 0.6 % Cu, 0.7 g/t Au, 14.7 g/t Ag which have never been followed up. CEL's maiden drilling program confirmed the discovery of a major Au-Cu-Ag-Mo gold system spanning several zones of significant scale. results from CEL's maiden drill program included **257.8m at 1.4 g/t AuEq** including **53.7m at 5.3 g/t AuEq** and **309.8m at 0.7 g/t AuEq** including **202.1m at 0.8 g/t AuEq**, and **528.7m at 0.5 g/t AuEq** from surface to the end of the hole including **397.1m at 0.6 g/t AuEq** from surface. The Company has drilled five of fifteen regionally significant Au-soil anomalies with over 500 metres of mineralisation intersected at all anomalies, confirming the potential for a major bulk gold system at El Guayabo. The Company has two rigs on site and is nearing completion of an additional 25,000 metres of diamond core drilling designed to allow the reporting of a maiden Mineral Resource Estimate in compliance with the JORC 2012 code for the main GY-A discovery zone.

Mineralisation Style	Mt (0.25 g/t AuEq cut-off)	Au (g/t)	Ag (g/t)	Zn (%)	Pb (%)	Au Eq (g/t)
Skarn (limestone hosted)	6.3	4.4	19.4	2.0	0.2	5.6
intrusion/sediment hosted	41.4	0.6	4.0	0.2	0.04	0.8
Mineralisation Style	Contained Metal	Au (Moz)	Ag (Moz)	Zn (kt)	Pb (kt)	Au Eq (Moz)
Skarn (limestone hosted)		0.9	3.9	123	11	1.13
intrusion/sediment hosted		0.8	5.3	95	19	1.00
<b>Total Contained metal</b>		<b>1.7</b>	<b>9.2</b>	<b>218</b>	<b>29</b>	<b>2.13</b>

**Table 1 Interim MRE reported as Skarn and Intrusion/sediment hosted components of mineralisation**

Domain	Category	Mt	Au g/t	Ag g/t	Zn %	Pb %	AuEq g/t	AuEq (Moz)
<b>US\$1800 optimised shell &gt; 0.25ppm AuEq</b>	Indicated	18.7	1.1	5.4	0.41	0.07	1.3	0.80
	Inferred	25.0	1.0	5.6	0.39	0.06	1.2	1.00
<b>Below US\$1800 shell &gt;1.0ppm AuEq</b>	Inferred	4.0	1.9	11.5	1.04	0.07	2.6	0.33
<b>Total Indicated and Inferred</b>		<b>47.7</b>	<b>1.1</b>	<b>6.0</b>	<b>0.45</b>	<b>0.06</b>	<b>1.4</b>	<b>2.13</b>

Note: Some rounding errors may be present

**Table 2 Total Interim MRE (Combined skarn and Intrusion hosted domains)**

## COMPETENT PERSON STATEMENT – EXPLORATION RESULTS AND MINERAL RESOURCES

This announcement does not contain any new exploration results or mineral resource information.

The Mineral Resource Estimate for the Hualilan Gold Project was first announced on 1 June 2022. The Company confirms it is not aware of any information or date that materially affects the information included in the announcement and that the material assumptions and technical parameters underpinning the mineral resource continue to apply and have not materially changed.

Exploration results at the Company's El Guayabo Gold/Copper Project were announced on 4 July 2022, 22 April 2022, 9 March 2022 and 13 January 2022. The Company confirms it is not aware of any information or date that materially affects the information included in the announcements.

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