

Ecuador operations unaffected by Earthquake

Challenger Exploration (ASX: CEL) (“CEL” the “Company”) notes the reporting of a magnitude 6.7 earthquake in Southern Ecuador and Northern Peru over the weekend. The earthquake was centred in El Oro Province, Ecuador which contains the Company's El Guayabo Gold Copper Project.

The Company is pleased to announce that all staff and contractors are safe, uninjured, and accounted for. Additionally the El Guayabo Project and the Company's ongoing operations in Ecuador have not been affected by the earthquake.

Ends

This ASX announcement was approved and authorised by the Board.

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Challenger Exploration Limited

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ASX: **CEL**

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Issued Capital

1,045.8m shares

10.0m options

120m perf shares

16m perf rights

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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 Estimate** 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 high-grade component **6.3 Mt at 5.6 g/t AuEq for 1.1 Moz AuEq** and a lower-grade 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 250,000 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. Recent drilling has demonstrated this high-grade skarn mineralisation is underlain by a significant intrusion-hosted gold system with intercepts including **209.0m at 1.0 g/t Au, 1.4 g/t Ag, 0.1% Zn and 110.5m at 2.5 g/t Au, 7.4 g/t Au, 0.90% Zn** in intrusives. CEL's current program which is fully funded will include an additional 50,000 metres of drilling, an updated JORC Compliant Mineral Resource Estimate, and Scoping Study followed by a 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 Project¹. 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 completing an additional 25,000 metres of diamond core drilling designed to allow the reporting of a maiden JORC 2012 Compliant resource for the main GY-A discovery zone..

¹ Source : Lumina Gold (TSX : LUM) July 2020 43-101 Technical Report

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 (koz)
Skarn (limestone hosted)		0.9	3.9	123	11	1.13
intrusion/sediment hosted		0.8	5.3	95	19	1.00
Total Contained metal		1.7	9.2	218	29	2.13

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 (Mozs)
<i>US\$1800 optimised shell > 0.25ppm AuEq</i>	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
<i>Below US\$1800 shell >1.0ppm AuEq</i>	Inferred	4.0	1.9	11.5	1.04	0.07	2.6	0.33
Total Indicated and Inferred		47.7	1.1	6.0	0.45	0.06	1.4	2.13

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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