QUARTERLY REPORT FOR THE PERIOD ENDED 30 SEPTEMBER 2020

Highlights

- **Hualilan Gold Project - San Juan, Argentina**
  - The company's 45,000 metre drill program commenced with five rigs on site and drilling from September 11. The company expects to complete 6,500 metres drilling per month
  - 47 drill holes (19 RC and 28 diamond core) totalling 7,268 metres were completed during the quarter. Also, during the quarter, samples were submitted for assay from 66 holes totalling 7,515 metres..
  - Results from the lower half of GNDD-025 confirmed a significant intrusion-hosted gold discovery with the intersection of **88 metres at 0.94 g/t gold, 2.2 g/t silver, 0.10% zinc**.
  - Results received from an additional 33 holes from the Company's 7,500 metre drilling program with results including (refer Table 1 for details):
    - **69.0 metres at 3.4 g/t gold, 8.1 g/t silver, 2.8% zinc from 9.9 metres (GNRC-068)** (including 27.0m at 7.9 g/t gold, 16.0 g/t silver, 7.0% zinc, from 9.9m)
    - **2.9 metres at 29.5 g/t gold, 522 g/t silver, 10.8% zinc from 124.1 metres (GNDD-046)**
    - **38.5 metres at 1.3 g/t gold, 1.2 g/t silver from 61 metres (GNDD-047)** (including 6.0 metres at 6.3 g/t gold, 3.5 g/t silver from 62.5 metres)
  - Results from unsampled core from the first ten holes, drilled in 2019, was assayed returning significant mineralisation both above, and below, the previously reported intercepts. Highlights include (refer Table 2):

- **El Guayabo/Colorado V Gold/Copper Projects - El Oro, Ecuador**
  - Assay results were received from drill holes located on the margins of a series of gold-copper soil anomalies, 1 kilometre long, believed to represent porphyry Gold - Copper targets
  - All drill holes which penetrated the edges of these anomalies returned ore grade intersections which significantly upgrade these large targets.
  - Results included (see Table 4 for details):
    - **106 metres at 0.5 g/t gold, 1.3 g/t silver, 0.1% copper** (including 55 metres at 0.7 g/t gold, 1.5 g/t silver 0.1% copper at the end of the hole)
    - **63 metres at 0.6 g/t gold, 2.1 g/t silver, 0.1% copper** from 67 metres (SAZK2-1)
    - **84 metres at 0.5 g/t gold, 1.2 g/t silver** (ZK05) (including 51 metres at 0.7 g/t gold, 1.4 g/t silver)
  - Detailed geologic mapping and rock chip sampling has returned high-grade gold at surface covering almost 2 kilometres of strike at the Company's Colorado V project in Ecuador. Results included (see Table 5 for details):
    - **5.0 g/t gold, 106 g/t silver, 1.2% copper (CV-072);**
    - **10.2 g/t gold, 498 g/t silver (CV-092);**
    - **14.4 g/t gold, 94.8 g/t silver (CV-096).**

ASX Release
30 October 2020

Challenger Exploration (ASX: CEL) ("**CEL**" or the "**Company**") is pleased to provide its Quarterly Activities Report for its Gold and Copper projects in Argentina and Ecuador for the period ended 30 September 2020.

HUALILAN GOLD PROJECT - ARGENTINA

Confirmation Discovery of Intrusion-Hosted Gold Discovery

During the quarter assays for the bottom half of the discovery drill hole GNDD-025 extended the scale of the discovery of a new style of intrusion-hosted gold mineralisation at the Company's Hualilan Gold Project. Drill hole GNDD-025 returned a complete intersection of **88 metres at 0.94 g/t gold, 2.2 g/t silver, 0.1% zinc** from 53 metres to the end of the hole in dacite porphyry containing iron oxide, silica, and pyrite alteration (*previously 50 metres at 1.4 g/t gold, 3.4 g/t to 103 metres*). Importantly, mineralisation remains strong and open at depth, with the final two metres of the hole grading **1.0 g/t gold and 0.5 g/t silver**.

This near surface conceptual intrusion-hosted target covers 1 kilometre of strike and is up to 100 metres wide and is defined by the limited historical drilling, mapping of the surface exposure of the altered dacite porphyry, and recent CEL drill holes. The current northern end of this target is defined by CEL drill hole GNDD-025, with the current southern end of the target defined by CEL drill holes GNDD-032 and GNDD-031. There are expected to be major synergies from an exploration and mine development perspective as the porphyry hosted gold is contiguous to, and underlies, the existing high-grade mineralisation (Figure 1).

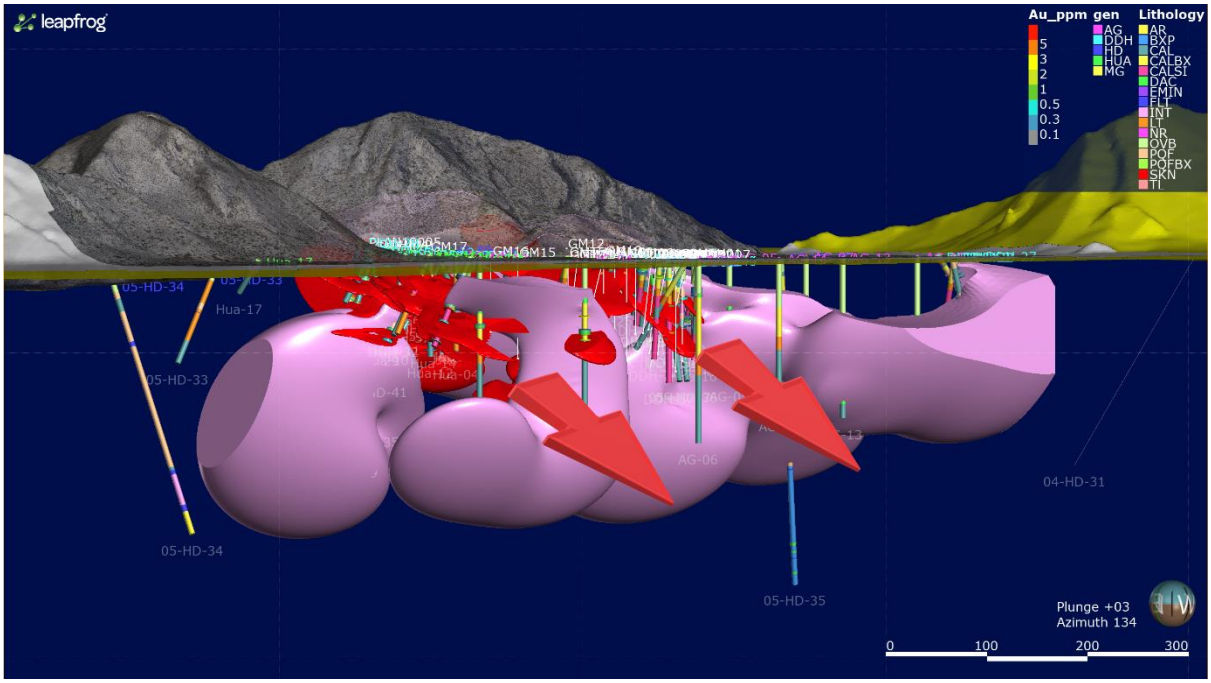


Figure 1 Showing distribution of the high-grade skarn mineralisation and adjacent porphyry at Cerro Norte.

Hualilan 7500 metre Drill Program

Sanchez Zone

Drill hole GNRC-068 was the Company's first drill hole designed to test the Sanchez Zone. The Sanchez Zone is believed to be controlled by an east-west orientated fault which dips steeply to the south. The Sanchez Fault, similar to the Magnata Fault Zone at Cerro Sur, is believed to be one of the key structures controlling mineralisation at Hualilan. The mineralising fluids migrating within the fault forming east-west oriented mineralisation and, where this fault intersects permeable limestone beds, replacing these limestone beds with north-south orientated massive sulphide Manto bodies.

The Sanchez Fault has been mapped in outcrop over 500 metres of strike across the main Cerro Norte hill. The steep terrain in this location made drill pad location difficult and as such the Sanchez Fault has historically only been drilled to 50 metres sub-surface over less than 100 metres of strike. It remains open at depth and under cover in both directions along strike.

The Sanchez Zone was a high priority target as the Company's experience with its drilling of the Magnata Fault Zone is that the mineralisation is generally:

- high-grade.
- laterally and vertically continuous.
- extensive at depth, with the Magnata Vein open below 160 metres; and
- likely to extend under cover along strike beyond the limits of the main outcrop.

Drill Hole GNRC-068

Drill hole GNRC-068 was drilled at an azimuth of 25 compared the majority of CEL's hole targeting the Main Manto which were drilled at an azimuth of 115 degrees (Figure 5). The hole intersected a far wider zone of mineralisation than expected returning **69.0 metres at 3.4 g/t gold, 8.1 g/t silver, 2.8% zinc (4.8 g/t AuEq)** including a broad high grade zone **of 27.0 metres at 7.9 g/t gold, 16.0 g/t silver, 7.0% zinc (11.4 g/t AuEq)** containing a bonanza grade zone of **4.0 metres at 41.7 g/t gold, 54.2 g/t silver, 12.0% zinc (48 g/t AuEq),** all from near surface. The results of drill hole GNRC-068 have significantly upgraded the Sanchez Fault as a target.

Nearby historical drill hole DDH-61 recorded a bonanza grade intercept of **5 metres at 94 g/t gold, 57 g/t silver** from 5 metres which was believed to be an isolated pod of bonanza-grade material. This correlates with the bonanza zone section in GNRC-068, which is now interpreted as a potential near vertical high-grade core at the centre of the Sanchez Fault. This interpretation is further supported by historical drill hole 05-HD-40, which recorded 2 metres of no recovery, likely to be an old stope, 40 metres below GNRC-068. Additionally, DDH-61 reported a 4-metre zone of no recovery above 4.7 metres of 1.8 g/t gold, 9.1 g/t Ag at the end of the hole. (Figure 2).

Neither of DDH-61 or 05-HD-40 are believed to be valid test of the Sanchez Fault structure as both holes reported wide zones of extremely poor core recovery, as low as 30%, across the interpreted downdip extension below GNRC-068. The Company has previously twinned historical holes which

reported low grade mineralisation corresponding with zones of poor core recovery and returned high-grade mineralisation. Significantly the 5 metres at 94 g/t gold in DDH-61 occurs in a zone of good core recovery. The Company has programmed GNRC-084 (assays pending) to twin 05-HD-40. A series of holes are also programmed to test the Sanchez Fault along strike to the west under cover and below GNRC-068.

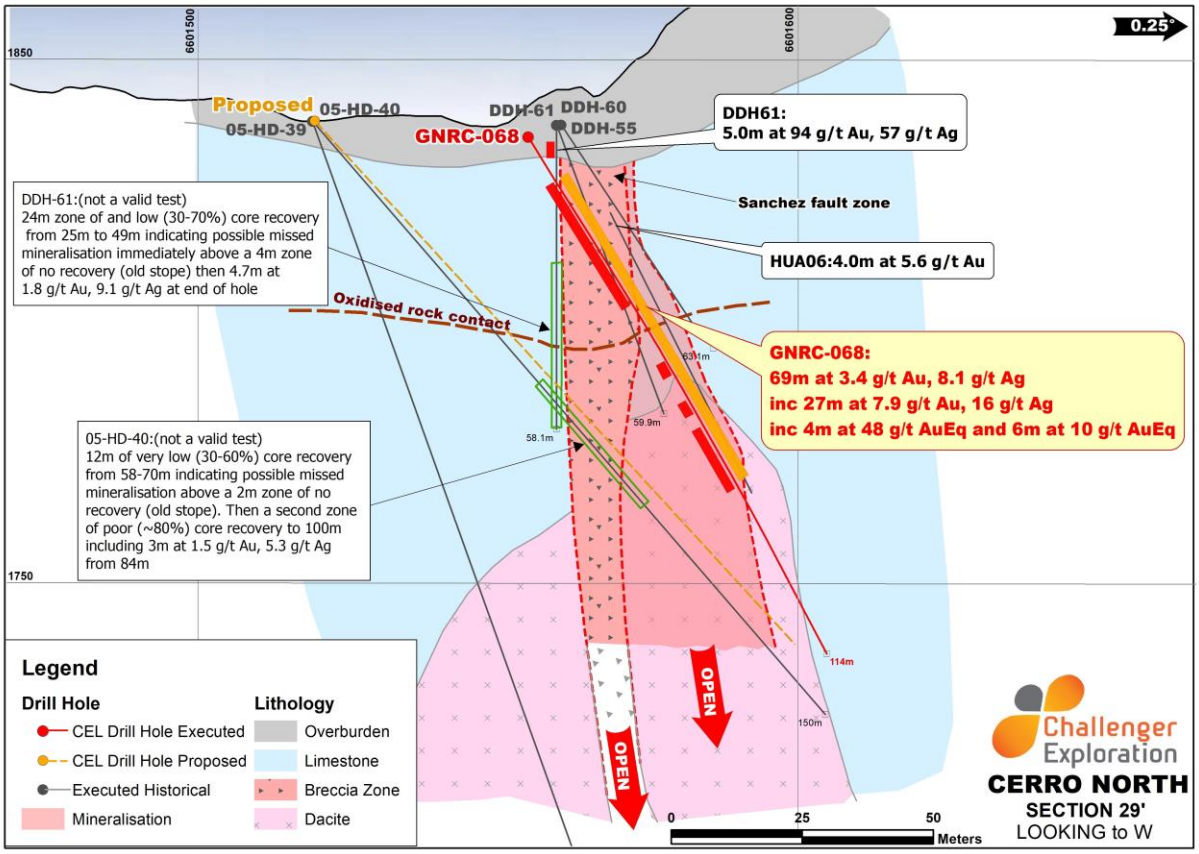


Figure 2 - Cross Section showing GNRC-068 and Sanchez Fault

Sentazon

The Sentazon mineralisation is the southernmost zone included in the historical foreign non-JORC resource and comprises a small part of this historical foreign resource estimate. Previous drilling at Sentazon was predominantly clustered around and under the Sentazon shaft. The Company has programmed a number of new drill holes at Sentazon following the encouraging results from this round of drilling. The mineralisation remains open in all directions.

Drill Hole GNDD-046

Drill hole GNDD-046 was designed to extend the mineralisation encountered in GNDD-016 approximately 50 metres down dip. The hole returned substantially higher grades than GNDD-016 returning **2.9 metres at 29.5 g/t gold, 522.0 g/t silver, 10.8% zinc - 40.3 g/t AuEq[2]** which is the best intersection to date at Sentazon. It demonstrates that the Sentazon Manto remains open at depth and strong at this location.

CEL is encouraged by the substantially higher-grades encountered in GNDD-046, compared to drill hole GNDD-016 up dip. GNDD-016 returned **4.5 metres at 6.0 g/t gold, 83.0 g/t silver, 3.9% zinc -8.9 g/t AuEq** and **5.0 metres at 1.8 g/t gold, 27.0 g/t silver, 8.3% zinc -6.2 g/t AuEq** separated by 2 metres of barren limestone. This higher grade at depth is believed to result from GNDD-046 successfully intersecting one of the higher-grade plunging shoots of mineralisation. Higher grades at Sentazon appear to be controlled by a plunge component which will be further tested in future holes.

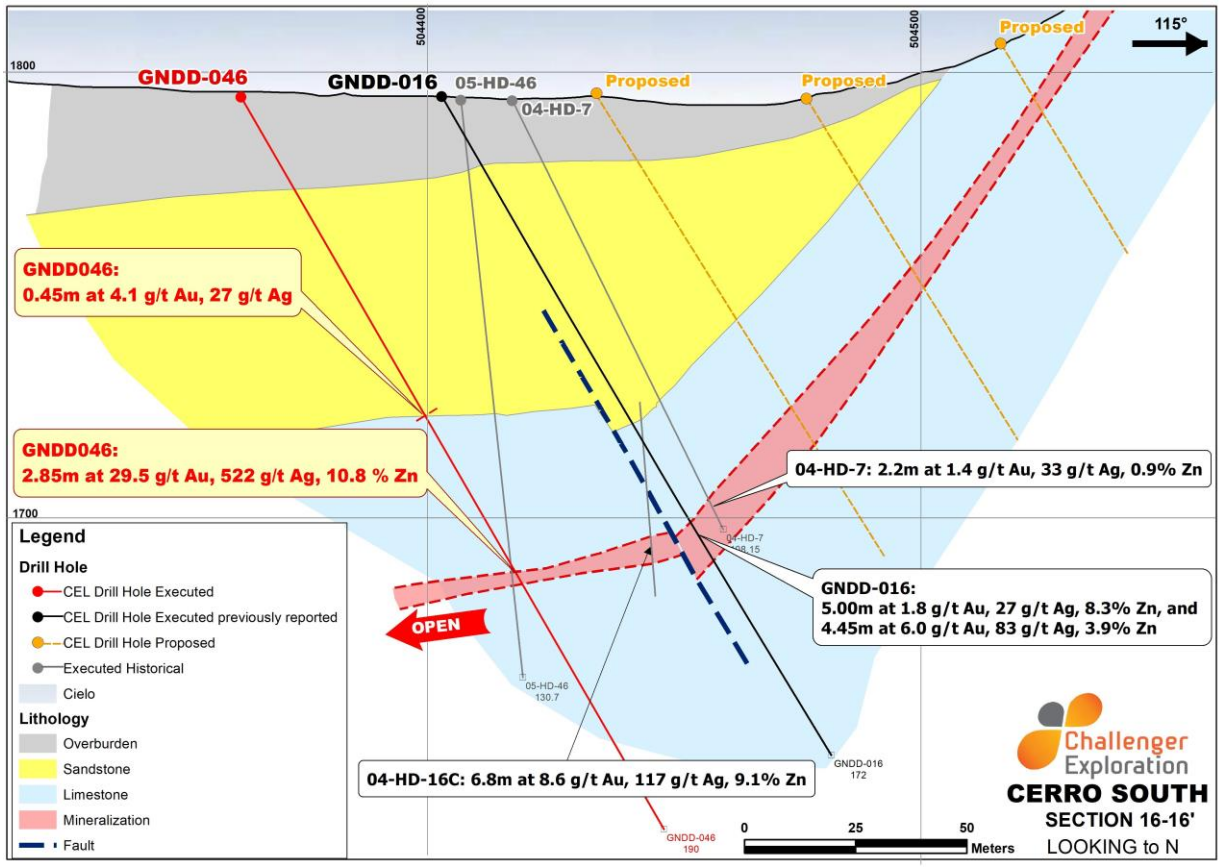


Figure 3 - Cross Section showing GNDD-046

Importantly, the results of GNDD-046 also confirm that the later historical holes drilled in 2005 and 2006 have likely missed mineralisation. Historical drill hole 05-HD-46 reported no significant intersection in the same bottom hole location and GNDD-046. However, drill hole 05-HD-46 did log a zone of poor recovery at the level of the Sentazon Manto. The Company had believed that the 2004 historical drill holes had likely understated grade and width, however it now appears this problem caused by poor core recovery is more widespread.

GNDD-046 encountered a second zone of mineralisation higher in the hole at the contact of the limestone unit with overlying reporting **0.5 metres at 4.1 g.t gold, 27.0 g/t silver and 0.1% zinc**. A number of the Company's drill holes have now intersected potentially economic mineralisation at the boundary between the limestones and overlying shale unit.

Drill hole GNDD-047 - Intrusion-hosted Mineralisation

Drill hole GNDD-047 was designed to test up-dip from GNDD-014 which returned 7.6 metres at 2.4 g/t gold, 15.0 g/t silver, 3.6% zinc - 4.3 g/t AuEq in limestone hosted Manto. GNDD-047 encountered high grade endoskarn mineralisation in altered porphyry dacite intrusives at the prognosed position of the skarn mineralisation returning **6.0 metres at 6.3 g/t gold, 3.5 g/t silver** from 62.5 metres. This higher grade endoskarn mineralisation is associated with strong chlorite-epidote and carbonate alteration of the dacite.

GNDD-047 also recorded a much broader zone of intrusion-hosted gold mineralisation to the end of the hole returning **38.5 metres at 1.3 g/t gold, 1.2 g/t silver** from 61 metres. The final two samples in

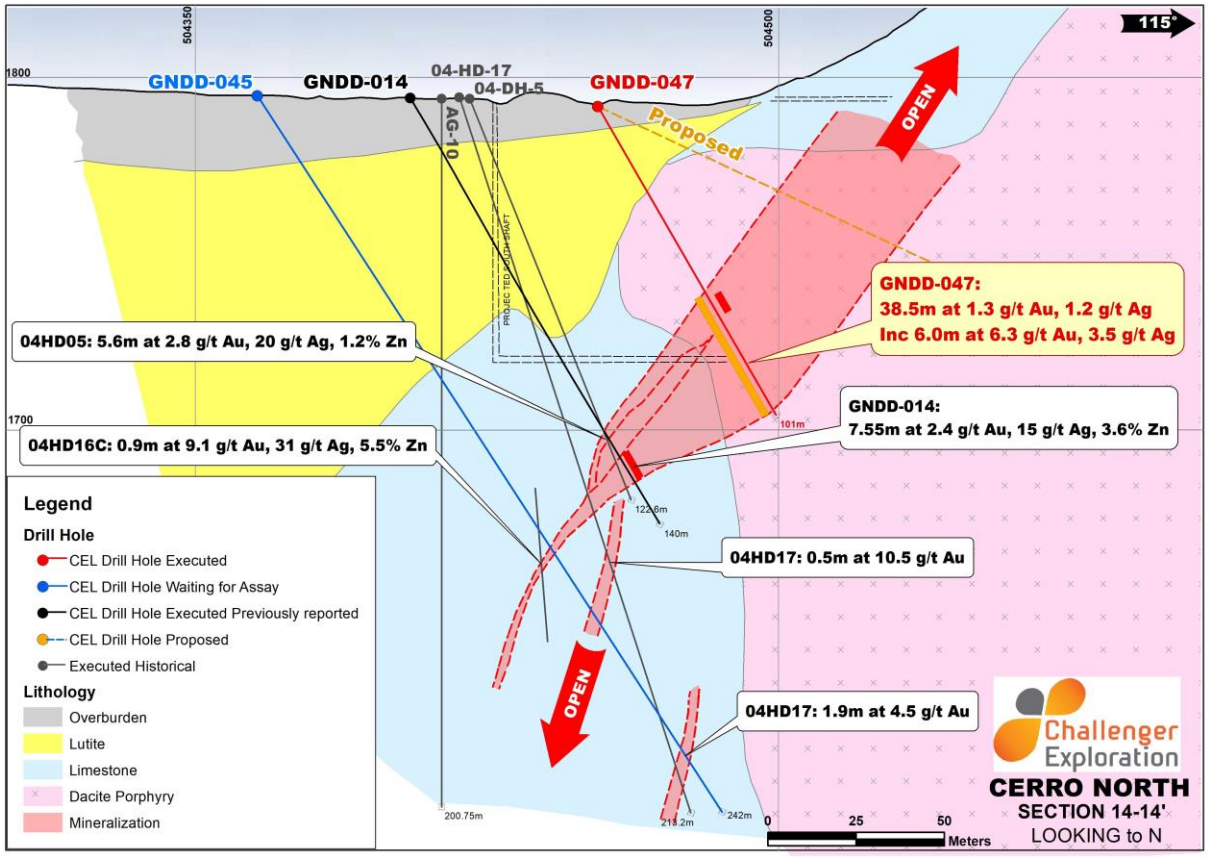


Figure 4 - Cross Section showing intrusion-hosted mineralisation in GNDD-047

the hole returned **1.2 g/t gold** and **0.1 g/t gold**. This extends the intrusion-hosted mineralisation a further 300 metres to the south along strike and increases the strike extent over which intrusion-hosted mineralisation has been intersected in drill holes to 1.5 kilometres.

GNDD-047 reaffirms the potential for significant intrusive-hosted gold mineralisation at the Hualilan Gold Project. It now appears that the porphyry dacite contains both significant high-grade endoskarn mineralisation, generally in the prognosed position of the skarn associated manto mineralisation, and also bulk gold mineralisation over at least this 1.5 kilometres of strike.

Other Sentazon Drill holes

Drill holes GNRC-052, GNRC-053, GNRC-054, GNRC-055, and GNRC-056 are a series of shallow RC holes drilled to test the near surface up-dip strike extent of the Sentazon Manto. Of note is GNRC-052 which is the southernmost drill hole at Sentazon drilled by the Company. The hole extended the Sentazon manto a further 40 metres south along strike, where it remains open, with an intersection of **6 metres at 1.7 g/t gold, 4.4 g/t silver, 0.32% zinc - 1.9 g/t AuEq.**

GNRC-054, GNRC-055, and GNRC-056 were drilled 25 metres, 60 metres and 100 metres north along strike from the GNDD-016 the previous northern limit of the Sentazon Manto. All three holes intersected mineralisation confirming the Sentazon Manto remains open to the north with GNRC-056 the northernmost of the three holes returning **1 metre at 2.3 g/t gold, 138 g/t silver, and 0.1% zinc**. GNDD-027, which was drilled 40 metres north along strike from GNDD-016, drilled an area where the plunging high-grade shoots in the Sentazon Manto are not present.

The Company is encouraged by this series of holes which have doubled the strike extent of the Sentazon Manto. The general lower tenor of the Sentazon Manto intersected in this up-dip, near surface, extent is believed to be either the result of near surface leaching or the higher-grade portions of the Sentazon manto occurring at depth. A series of holes are planned to test down dip from these holes as well as both north and south along strike where the mineralisation remains open.

Magnata Vein

Drill hole GNDD-024 **returned 6 metres at 2.5 g/t gold, 19.0 g/t silver, 0.2% zinc - 3.4 g/t AuEq** including **1 metre at 14.9 g/t gold, 107.0g/t silver, 0.5% zinc - 16.3 g/t AuEq** and successfully extended the Magnata Vein mineralisation 40 metres down dip from GNDD-018 with mineralisation remaining open at depth in the Magnata vein.

GNDD-017 was a step out 50 metres south along strike from GNDD-005 (5 metres at 10.9 g/t gold, 101 g/t silver, 1.5% zinc) which is the western most limit of the Magnata Vein. GNDD-017 was drilled to test the theory that the Magnata Fault curves to the south at its western extent. GNDD-017 intersected **1.7 metres at 0.3 g/t gold, 24.0 g/t silver, 2.0% zinc**. It is not yet clear if this represents a new zone of mineralisation or the Magnata Fault curving to the south as postulated with follow up drilling to be conducted.

Cerro Norte

Drill holes GNDD-19, GNDD-021 to GNDD-023, GNDD-027, GNDD-29 and GNRC-058 to GNRC-067 were a series of holes primarily designed to test the extreme up-dip, near surface, extensions of the Main Manto mineralisation at Cerro Norte. Highlights include:

- GNDD-021 which intersected a number of zones of mineralisation including **1.2 metres at 11.0 g/t gold 9.0 g/t silver, 0.4% Zn - 11.3 g/t AuEq** and **0.4 metres at 28.1 g/t gold 104.0 g/t silver, 5.8% Zn - 32.0 g/t AuEq** and **9.8 metres at 0.4 g/t gold 4.4 g/t silver, 6.8% Zn - 32.0 g/t AuEq.** GNDD-021 is the northernmost hole drilled into the main Manto and demonstrates that mineralisation is still open to the north.

- GNDD-019, which recorded an intersection of **1.9 metres at 1.0 g/t gold 5.3 g/t silver, 5.3% Zn - 3.5 g/t AuEq,** some 50 metres south of GNDD-021
- GNRC-062, which recorded an intersection of **3.0 metres at 3.8 g/t gold 7.9 g/t silver, 2.7% Zn - 5.1 g/t AuEq,** approximately 40 metres up-dip from GNDD-021

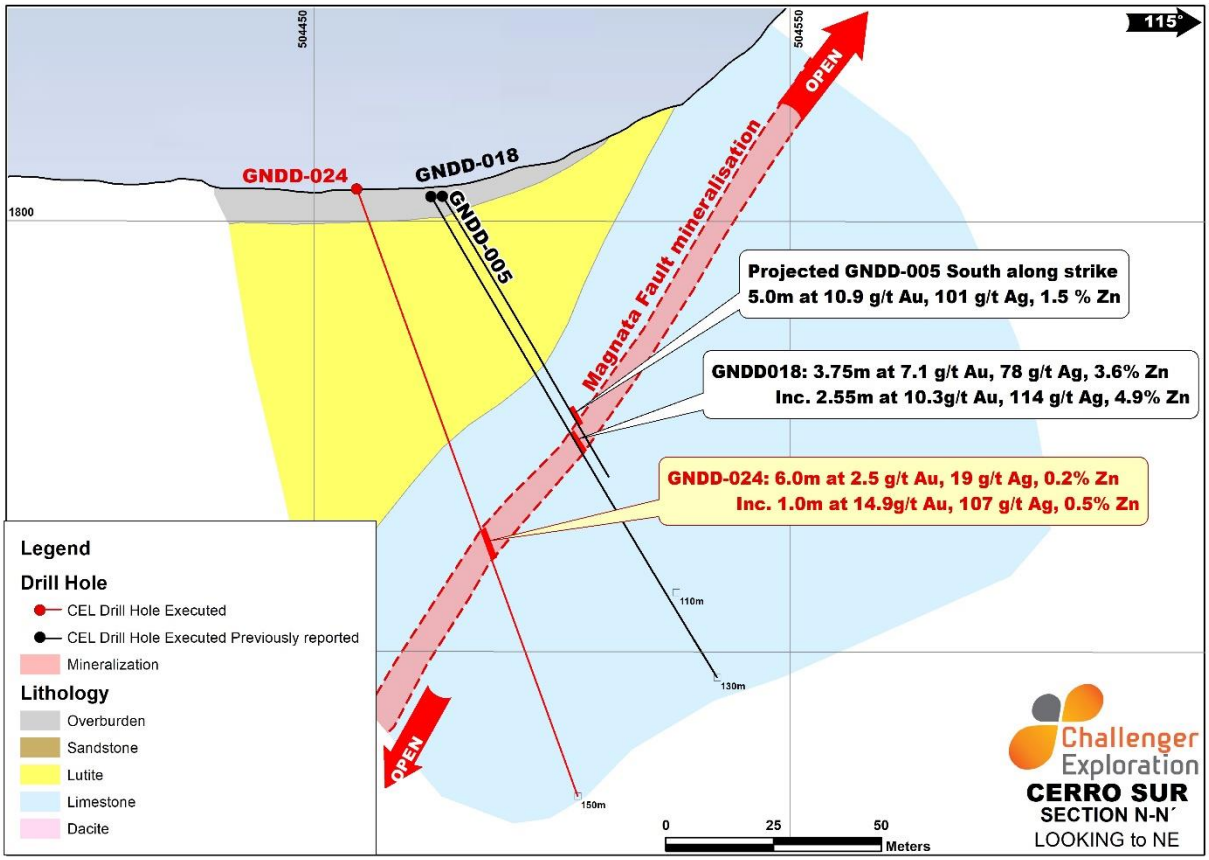


Figure 5 - Cross Section Showing GNDD-024 and proposed drilling

Drill holes GNRC-058 to GNRC-060 were drilled south of the main Manto at Cerro Norte, with each of these shallow holes drilled well away (up to 300 metres) from any previous drilling and in areas of no surface outcrop. It is likely that these three drill holes were not targeted correctly and they will all need to be followed up with fences of drill holes to provide an adequate test.

Similar to the Sentazon Manto the general lower tenor of the Main Manto in its up dip, near surface, extent is believed to either be the result of near surface leaching or the higher-grade portions of the Sentazon manto occurring at depth. There is also a prevalence of zinc over gold at the northern extremity of the Main Manto which is believed to be representative a more distal mineral assemblage. The higher temperature mineral assemblage occurs at Sentazon, the southern end of the current mineralisation, which is postulated to be the nearer to the source of the mineralising fluids.

Muchilera Manto

Drill hole GNDD-030 and GNRC-037 were drilled to test the Muchilera Manto where underground inspection and channel sampling by previous explorers and followed up by CEL in 2019 (CEL announcement 16 July 2019) mapped a 2-3-metre-thick, bedding-parallel mineralised zone. The holes were drilled to follow up GNDD-012 which intersected skarn alteration in the limestone but bid not return a significant intersection. GNDD-030 returned **3.0 metres at 1.0 g/t gold, 53.0 g/t silver, 0.1% Zn - 1.6 g/t AuEq** while GNRC-037 intersected a 12-metre zone of low-grade mineralisation near surface. The presence of mineralisation in both holes is encouraging and the Company has planned a number of follow up holes targeting manto mineralisation in the limestone at Muchilera.

Assaying of all remaining sections of GNDD-001 to GNDD-010

Following the receipt of assay results for holes including GMDD-043, which returned **2.0 metres at 20.0 g/t gold, 29.0 g/t silver, 1.2% zinc** within a broader zone of **16 metres at 2.6 g/t gold, 4.9 g/t silver, 0.3% Zn** that was not evident visually, the Company has implemented a policy of 100 percent assaying. Accordingly, all of the core for the Company's first ten drill holes drilled in 2019 which had not been assayed was sampled and assayed.

This program returned significant mineralised zones both above, and below, the previously reported intercepts. Highlights from this assaying include:

- Bottom 1.5 metres of drill hole GNDD-002 ending in **5.1 g/t gold, 5.8 g/t silver** (Cerro Norte)
- A new zone above the main zone in GNDD-005 with am intercept of **4 metres at 5.1 g/t gold, 22 g/t silver, 0.5% zinc - 5.6 g/t AuEq**
- The discovery of broad zones, 35-40 metres wide, of lower grade mineralisation above the main zones of mineralisation in drill holes GNDD-007 and GNDD-008 (Magnata)
- Discovery of a new zone above the main zone in GNDD-009 with an intercept of **7 metres at 2.3 g/t gold, 102.0 g/t silver, 0.1% zinc - 3.5 g/t AuEq** (Sentazon)

The new zones above the existing high-grade skarn mineralisation take on additional importance in the context of a large intrusion-hosted bulk gold system, possibly conducive to exploitation via a large open pit, underlying the high-grade skarn mineralisation.

Complete assay results are available in Table 2 on page 22 of this Quarterly Report.

EL GUAYABO GOLD AND COLORADO V GOLD/COPPER PROJECT - ECUADOR

100% Acquisition of the El Guayabo Concession

During the quarter revised terms for the acquisition of 100% El Guayabo Copper Gold concession in Ecuador were finalised.

As announced on 29 April 2019, the Company had conditional rights to acquire up to a 100% interest in the El Guayabo Project pursuant to minimum capital expenditure of A$5M within 3 years from listing to earn a 51% interest. Following this, the Company could issue 180,000,000 Earn-in Shares to move to 100% of the project.

Challenger has not yet attained a controlling beneficial interest in the project, so it was an excellent opportunity for the Company to consolidate its equity position through this transaction, rather than spend money on exploration to earn its interest.

The Company renegotiated and finalised a new agreement to immediately purchase 100% of the El Guayabo Gold Copper Project. The consideration will be the issue of 18 million shares in the Company. In lieu of escrow, these shares will not be issued until 5 July 2021.

The revised agreement is subject to approval by CEL shareholders in accordance with the ASX Listing Rules. CEL will hold its Annual General Meeting on November 23 which will include a resolution to approve the terms of this acquisition.

Key Terms of Transaction

Previous El Guayabo Project Milestones

Project Interest	Cumulative Interest	Project Milestones
19.9%	19.9%	Existing interest in the project
20%	35%	Minimum expenditure on project of A$2m - ~1 Year after relisting
16%	51%	Minimum expenditure on project of A$3m - ~3 Years after relisting
49%	100%	180m CEL shares payable at the sole discretion of the Board of CEL. Shares to be issued no later than 15 December 2022.

Amended El Guayabo Project Milestones

Project Interest	Cumulative Interest	Project Milestones
19.9%	19.9%	Existing interest in the project
20%	100%	18m CEL shares payable at the sole discretion of the Board of CEL. Shares to be issued no later than 5 July 2021.

Extension of Colorado V intrusion-hosted gold target by 2 kilometres

During the quarter results were received for first pass detailed geological mapping and rock chip sampling at the Colorado V concession in Ecuador. The surface mapping and sampling was designed to investigate two large soil anomalies believed to be the immediate strike extent of the recently announced bulk gold discovery which returned drill intercepts including **134 metres at 1.0 g/t gold and 4.1 g/t silver**.

Mapping and sampling defined a 2-kilometre strike extent of high-grade gold and silver mineralisation at surface with assays ranging from **14.35 to 0.1 g/t gold**, **498 to 0.3 g/t silver**. The mineralisation, alteration, and structural controls to mineralisation appear to be directly spatially related to the large soil anomalies. This extends the potential strike of the recently announced bulk gold discovery at Colorado V by 500 percent to 2.5 kilometres. The much broader zone of anomalous soil geochemistry to the south-east of CV1 and CV2 will also be the subject of follow-up.

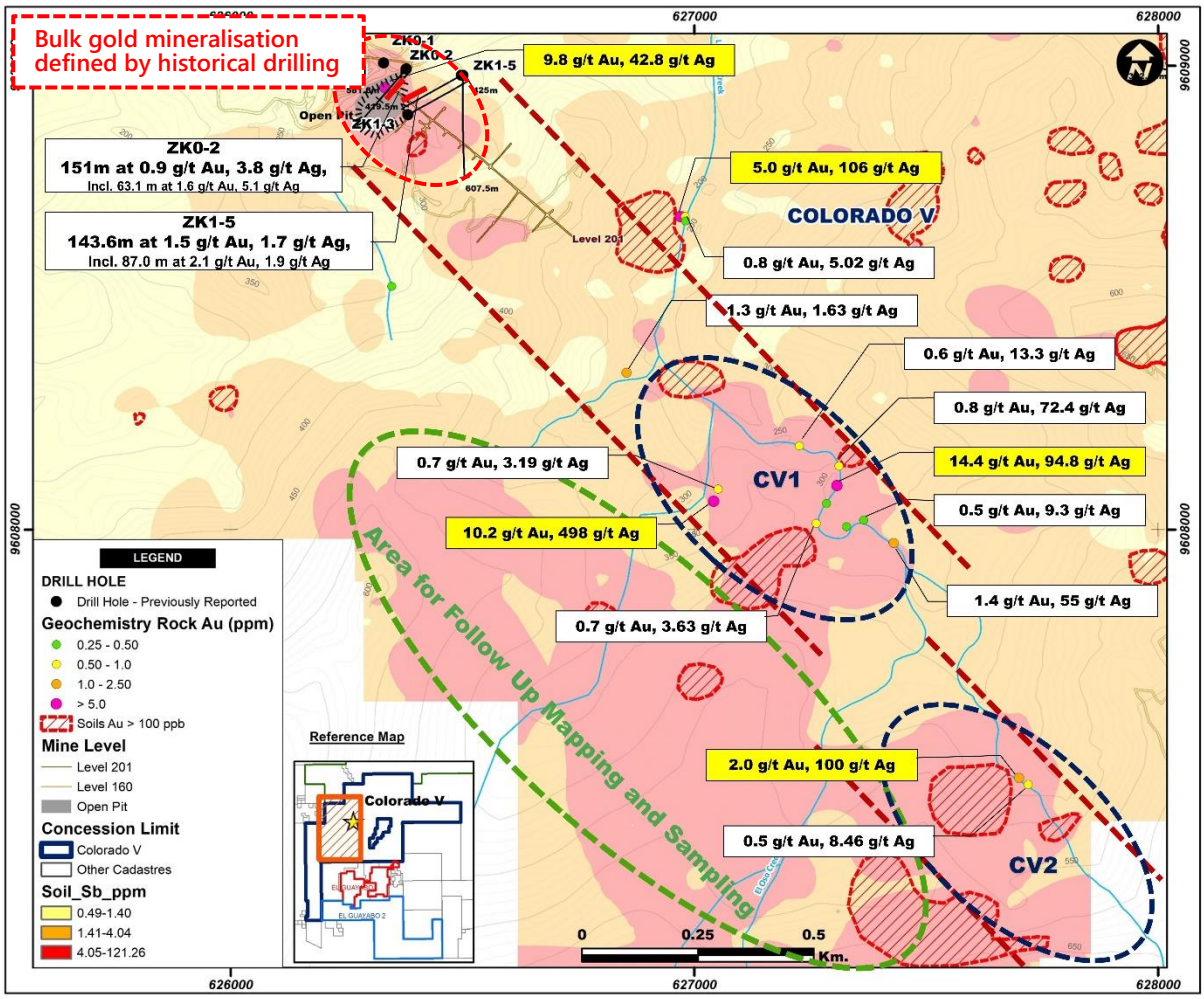


Figure 6 Showing highlights of the geologic mapping and rock chip sampling

The surface mapping and rock chip sampling program was designed to test south-east along strike from a 500-metre long zone defined by narrow underground workings where gold mineralisation is

currently being exploited on a small scale. The current owner of Colorado V concession had previously drilled several diamond core holes immediately along strike and down dip targeting extensions to this mineralisation. These drill holes were not systematically logged or assayed for bulk tonnage gold or base metal mineralisation. Complete sampling and assaying by CEL confirmed a bulk gold system surrounding these narrow veins with drill results including **144 metres at 1.5 g/t gold, 1.8 g/t silver** and **151 metres at 0.9 g/t gold and 3.8 g/t silver** (ASX release 27th May 2020).

This mineralisation does not appear to be traditional porphyry style mineralisation with the gold associated with antimony, arsenic and to a lesser extent bismuth. It shows relatively little geochemical expression in soil, possibly masked by the larger gold-copper in soil anomalies believed to relate to gold-copper porphyry mineralisation. Figure 1 shows antimony in soil which does appear to vector this mineralisation due to the strong correlation of antimony with the gold in this system. As demonstrated in Figure 6, the 500 metre strike extent defined by the underground workings and drilling, exhibits a strong antimony soil anomaly with a smaller coincident gold soil anomaly.

The Company had identified the two large soil anomalies CV1 and CV2 as priority targets which were postulated to be strike extensions of this bulk gold mineralisation. Now the geological mapping and sampling has confirmed antimony in soil to be a marker for the gold mineralisation the much broader zone of anomalous antimony soil geochemistry to the south-east of CV1 and CV2 will also be the subject of follow-up geological mapping and rock chip sampling.

Geologic Field Mapping and Sampling at Mora Creek

Detailed mapping and rock chip sampling were conducted along the creeks which cut the two large Antimony-Gold in soil anomalies CV1 and CV2. This identified significant mineralization associated with outcrops of diorite, quartz diorite porphyry and fine-grained dacite (stocks), which are likely early to middle Miocene age and intrude a metamorphic-meta sedimentary (Lower Cretaceous-Paleozoic) and volcanic (Oligocene) package. Breccia bodies have been identified along La Mora Creek and tributaries and indicate hydrothermal as well as igneous sources.

The supergene and hydrothermal alteration affecting the different lithologies which outcrop along La Mora Creek, show different grades and intensity. Hydrothermal alteration such as Silicification, Phyllic (qtz + sericite + pyrite), and Potassic (qtz + biotite +/- magnetite + sulphides) have been identified and is dominantly structurally associated. The quartz veining associated with these hydrothermal alterations varies from scarce quartz veining to small well-developed stock work zones. The hydrothermal alteration is most commonly associated with intermediate to acid stocks (fine grained dacite intrusions).

Mineralisation identified in outcrop along La Mora Creek has been variable and can be separated into two categories: including hydrothermal breccias as well as stockwork veining with an apparent temporal relation.

- Hydrothermal breccias contain sulfides such as pyrite, chalcopyrite, arsenopyrite, ± antimony and copper sulfosalts.

- The breccias have been cut by some late quartz+sulfides veinlets, and Phyllic alteration (quartz+sericite+pyrite±clays) is predominant, mainly in Dacite, demonstrating porphyry style veinlets with weak-moderate development of stockworks. Visible molybdenum is frequently observed in these Dacitic stocks. Local stockwork veining is composed of Quartz-Pyrite ± Cpy ± Pyrrhotite-Sphalerite ± minor Molybdenum. Gangue minerals are tourmaline, calcite, ankerite, and limonites. Economic gold mineralisation appears to be associated with 1% to 2% fine-grained disseminated and locally clotty sulphides.

Three structural trends have been mapped in the Mora Creek area.

- The first and oldest is the NE-SW trend related to the NE Andean trend.
- The second trend is oriented NW-SE (320°) which is related to a secondary tectonic event affected by the Portovelo-Pinas Fault, which is the northern limit of the metamorphic belt (Amotape Tahuin Terrane) and the volcanic and meta-sedimentary Lancones - Alamor Basin. Mapping has identified the displacement and segmentation of the NW-SE faulting by reactivated NE-SW shear zones, which have caused low-grade "hornfels zones", that are spatially associated along the major fault with NW foliation trend, and often are associated with fine-grained intrusive or sub-volcanic rocks; and
- The third structural trend is an east-west (270°) trend which appears to preferentially control emplacement of a complex hydrothermal breccia system. It is possible that the Antimony-Arsenic soil anomaly corresponds to the breccia complex.

Results

Table 2 (page 22) shows all significant results from the rock chip sampling program which are summarised in Table 6 below. Arsenic, antimony and bismuth path finder elements are all elevated in these samples.

As can be seen the high-grade gold and silver mineralisation at surface covers approximately 2 kilometres of strike on trend with the underground workings and zone of broad gold intercepts in the recently sampled drill core.

Importantly the results correlate with anomalies CV1 and CV2 indicating that antimony in soil appears to be a pathfinder for this gold and silver mineralisation. The mineralisation, alteration, and structural controls to mineralisation appear to be directly spatially related to the large antimony (with coincident gold) soil anomalies. This significantly extends the potential strike of the recently announced bulk gold discovery at Colorado V from 500 metres to 2.5 kilometres.

	Gold	Silver
Total number samples	135	135
Samples above 0.1 g/t Au	32%	32%
Average grade of all samples	0.4 g/t Au	8.5 g/t Ag
Average grade of samples above 0.1 g/t	1.1 g/t Au	24.1 g/t Ag

Table 6 - Averages of all rock chip sample results Colorado V extensions

Discovery of Transformational Drill Targets at Colorado V

During the quarter results were received for a further 8 re-assayed drill holes from the Colorado V concession in Ecuador. These drill holes were located away from the main discovery zone and adjacent to, but off-target from, a series of regionally significant gold and copper soil anomalies (see Figure 7).

The drill holes are from a series of 60 historical holes drilled by CEL's farm-in partner targeting extensions to narrow high-grade vein hosted gold mineralisation they are currently exploiting. These historical drill holes were not systematically logged or assayed for bulk tonnage gold or base metal mineralisation. As the focus of the current owner of Colorado V was supplying high grade feed to their existing processing plant these soil anomalies were not a priority and consequently poorly explored.

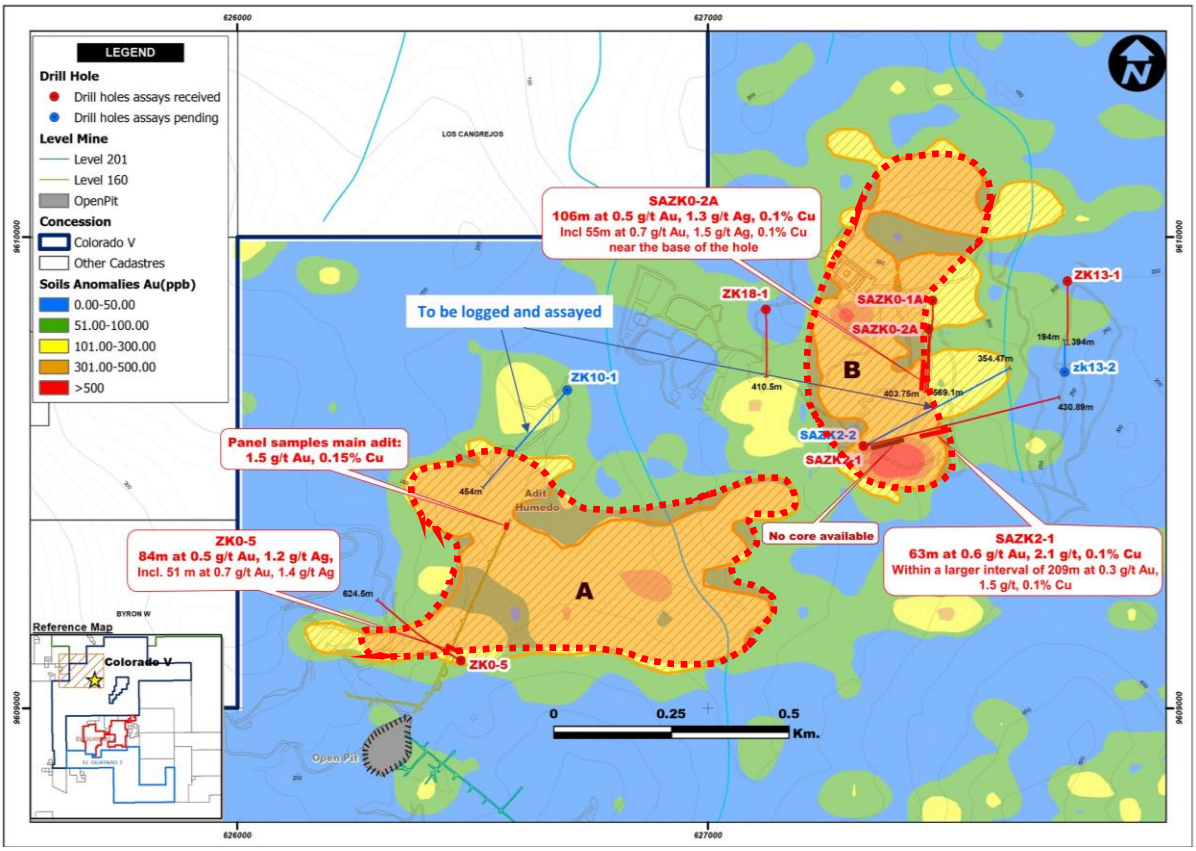


Figure 7 : Showing location of drilling and Anomaly A and B (>100ppb gold in soil)

The drill holes reported were drilled adjacent to a series of regionally significant gold-copper-molybdenum soil anomalies. These anomalies have significant scale with the plus 100 ppb gold footprint of both Anomaly A and B being almost 1 kilometre long and 350-500 metres wide (Figure 1). The anomalies had been interpreted to be targets for porphyry mineralisation prior to the assaying of the historical drill holes.

As can be seen from Figure 7 none of the historical drill holes are collared to be a valid test of the anomalies with the majority of these holes being drilled off the anomalies. Those holes which did penetrate the anomalies only drilled into their outer margins or at best. However, those holes which did intersect the edges of Soil Anomaly A and B returned significant results including (see Table 5 on page 24 for details):

- **106 metres at 0.5 g/t gold, 1.3 g/t silver, 0.1% copper** including a higher-grade section of **55 metres at 0.7 g/t gold, 1.5 g/t silver 0.1% copper** at the end of the hole (SAK0-2) with grades increasing at depth
- **63 metres at 0.6 g/t gold, 2.1 g/t silver, 0.1% copper** from 67 metres. Note core from surface to 67 metres is missing (SAZK2-1)
- **84 metres at 0.5 g/t gold, 1.2 g/t silver** incl **51 metres at 0.7 g/t gold, 1.4 g/t silver** (ZK0-5)

The results demonstrate that these anomalies are compelling targets of significant scale. The grades in the few holes which did penetrate the margins of the anomalies are in line with those in the Tier 1 Cangrejos Project [(2)] located approximately 5 kilometres along strike. The Company's panel samples in the main adit, nearer the centre of Anomaly A, averaged 1.5 g/t gold. Finally, the geology and surface extent of the anomalies is similar to Cangrejos and of sufficient size to host a major gold discovery.

Potential Size of the Exploration Targets

Anomaly A and Anomaly B, combined, define an Exploration Target ranging between 442 to 468 million tonnes grading from 0.5 to 1.0 g/t gold, 1.5 to 2.5 g/t silver, plus copper credits.

It should be noted that the potential quantity and grade of the Exploration Target is conceptual in nature. There has been insufficient exploration to determine a mineral resource and there is no certainty that further exploration work will result in the determination of mineral resources.

A detailed explanation of the basis for the statement, including specific description of the level of exploration activity already completed is available below.

- Surface area defined by a 100 ppb gold soil anomaly which coincides with a 0.1 g/t gold cut-off in drill hole assays and the panel sampling in the adit
- Depth extent of 400 metres assumed based on a reasonable depth extent for surface mining operation of a large steeply plunging low grade Au-Ag-Cu deposit. Current intersections in holes assayed by the Company which demonstrate mineralisation persist with depth, and is open below 400 metres sub-surface
- Density estimates of 2,600 – 2,750 kg/m^3 are based on typical expected values for diorite, schist and diorite-schist breccia intersected in the drilling, in the adit, and observed on surface. The assumed density is not supported by sample density measurements.
- Gold, Silver and Copper grade estimates are based on drill intersections that coincide with the volume defined by the gold in soil anomaly to a depth of 400m below surface. A grade

range of 0.5 to 1.0 g/t gold and 1.5 to 2.5 g/t silver has been used in the Exploration Target estimate.

- The proportion above cut-off (0.2 g/t gold) is an estimate based on the variability of grade from drilling and adit panel sampling. A range of 70-90% has been used.

Exploration Target Anomaly A	**High estimate**	**Low estimate**
Tonnage (Mt)	**275**	**260**
Gold Grade (g/t)	1.0	0.5
Silver Grade (g/t)	2.5	1.5
% tonnage above cut-off	90%	70%
Exploration Target Anomaly B	**High estimate**	**Low estimate**
Tonnage (Mt)	**193**	**182**
Gold Grade (g/t)	1.0	0.5
Silver Grade (g/t)	2.5	1.5
% tonnage above cut-off	90%	70%
Totals	**High estimate**	**Low estimate**
Tonnage (Mt)	**468**	**442**
Gold Grade (g/t)	**1.0**	**0.5**
Silver Grade (g/t)	**2.5**	**1.5**

Table 7: Exploration Target

Results of drilling adjacent to Anomaly A

Drill hole ZK0-5 is one of two holes which penetrated Anomaly A with the other hole ZK10-1 still to be logged and assayed. ZK0-5 was drilled on the extreme south-eastern flank of this anomaly and drilled through the sub-surface projection of Anomaly A. The intersection of **84 metres at 0.5 g/t gold, 1.2 g/t silver** including **51 metres at 0.7 g/t gold, 1.4 g/t silver** coincides with the projection of the plus 100ppb gold in soil anomaly at depth.

The only other assay data within this Anomaly is the limited panel sampling in the main Humedos Mine Adit completed by the Company. This panel sampling covered 40 metres of the adit with the panel samples averaging **1.5 g/t gold, 3.5 g/t silver and 0.15% copper**. These higher grades are now interpreted as being consistent with the location of these samples nearer to the centre of Anomaly A. The company has mapped 300 metres of porphyry style mineralisation in this adit and Intends to rock saw channel sample this entire adit.

Anomaly A represents a significant target with the surface area defined by the 100ppb gold contour covering 250,000 square metres. Projecting this shape down to 400 metres sub surface defines a shape containing 260-275 million tonnes. Drilling and underground panel sampling has demonstrated this target has grades above 1 g/t gold near its centre and 0.5 g/t gold near its margins and has not been validly drill tested.

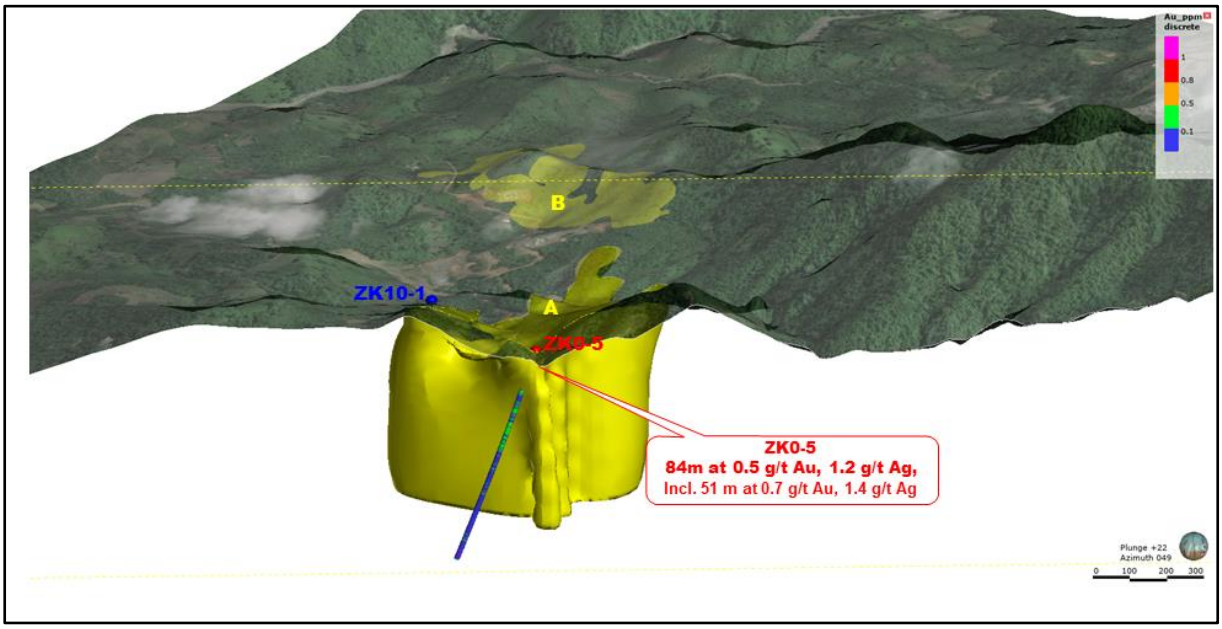


Figure 8 - 3D Image showing Anomaly A (sub-surface projection) and drilling

Results of drilling adjacent to Anomaly B

Drill hole SAZK2-1 was drilled from within the southern end of Anomaly B outward crossing out of Anomaly B. The top 67 metres of core is missing. The hole has been assayed and returned **63 metres at 0.6 g/t gold, 2.1 g/t silver, 0.1% copper** within a broader zone of 209 metres at 0.3 g/t gold, 1.5 g/t silver, 0.1% copper starting at 67 metres. As can be seen in Figures 8 and 9 drill hole SAZK2-1 was drilled at an extremely low angle ending only 100 metres sub surface and failing to test the southern end of this anomaly at significant depth.

Drill holes SAK0-1 and SAK0-2 were both drilled from outside the main portion of the anomaly across a lower grade portion of the anomaly back into the outer edge of the anomaly toward the base of the holes. Both holes ended in mineralisation and show a consistent trend of the combined gold and copper mineralisation increasing with depth as the bottom of hole locations cross back into the sub-surface projection of plus 100 ppb Anomaly B. Drill hole SAK-02 was drilled underneath hole SAK0-1 and as such ended further inside the 100-ppb envelope of Anomaly B. This hole returned **106 metres at 0.5 g/t gold, 1.3 g/t silver, 0.1% Cu** including a higher-grade section of **55 metres at 0.7 g/t gold, 1.5 g/t silver 0.1% copper** right near the end of the hole. Drill hole ZK18-1 which was drilled to the west of Anomaly B is interpreted to have intersected a later post mineral intrusive at depth.

Anomaly B represents a significant target with the surface area defined by the 100ppb gold contour covering 175,000 square metres. Projecting this shape down to 400 metres sub surface defines a shape containing 182-193 million tonnes. This target has been tested by only three drill holes, all located near its edge, all of which encountered significant widths of better than 0.5 g/t gold mineralisation with significant silver and copper credits.

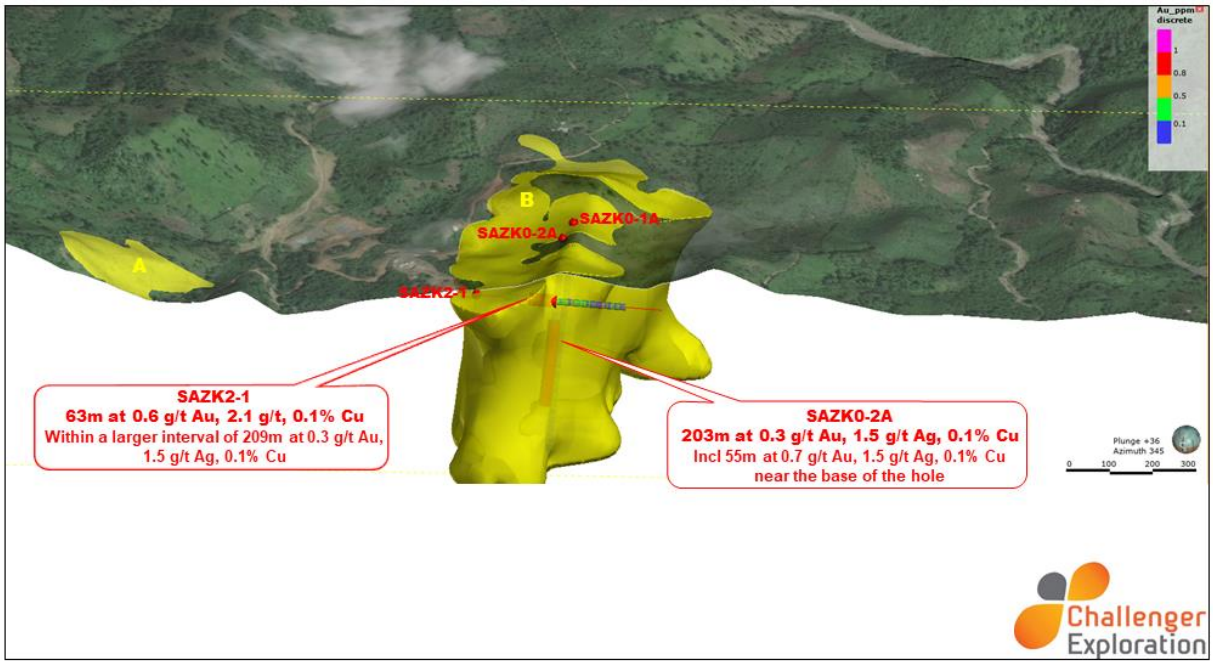


Figure 9 - 3D Image showing Anomaly B (sub-surface projection) and drilling

Anomaly C

Drill holes ZK3-1 and ZK3-4 were drilled on the flanks of Anomaly C. Both holes encountered grades of 0.1 g/t gold and 0.1% copper throughout almost the entire hole. The mineralisation encountered in these two drill holes corresponds with a polymictic clast supported intrusive breccia and the sulphide assemblage contains more pyrite than the mineralisation encountered in Anomaly A and B. This breccia is interpreted as being either a marginal halo around a more strongly mineralised system or potentially related to a late shallow brecciation event in which no deep-seated hydrothermal fluids were involved.

Forward Exploration Program to test the Exploration Targets

The Company has contracted MPX geophysics to undertake a 50 square kilometre helicopter magnetic survey in August-September 2020. The survey will be flown on east-west lines with a line spacing of 50-metres. The results of this survey will be used to better define structural controls and map the intrusions and alterations in 3D to better define the potential porphyry targets. It is anticipated this data will be receive and processed in Q4

The Company has commenced an infill and extension soil sampling program to verify the historical Colorado V soil data, integrate the data with the Company's soil data over the El Guayabo concession, and tighten up the Colorado V soil anomalies. The Company will continue with its program of assaying all of the historical drill holes including the remaining holes drilled in the vicinity of soil Anomalies A, B and C.

These activities are expected to be completed in Q4. Once this data has been integrated with the existing geological model the Company will make a decision on exploration drilling in Ecuador to test these new Exploration Targets and drill infill/twin holes on the ZK0-2 discovery trend. The Company notes drilling contract rates in Ecuador are at historical lows due to a marked downturn in exploration as a result of COVID-19.

KAROO BASIN - SOUTH AFRICA

The Company continues to pursue its application for shale gas exploration rights in South Africa. As previously reported, the Department of Mineral Resources is progressing a new petroleum resources development bill, and the Minister reportedly indicated during his address in the debate on the Presidential State of the Nation Address in June that the bill will soon undergo public participation, as part of the cabinet and parliamentary approval processes.

CORPORATE

Challenger is in a strong financial position, with the successful completion of a capital raising of A$20.0m, before costs, on 23 July 2020 through the issue of 100 million ordinary shares at a price of 20 cents per share under the Company's existing ASX Listing Rule 7.1 and 7.1A placement capacity. The placement was completed at $0.20 per share, a 13% discount to the last closing price of $0.23 and a 13.5% discount to the 15 Day VWAP of $0.2314.

The placement was strongly supported by a group of domestic and international institutions, sophisticated investors, and existing shareholders. It was closed ahead of schedule with bids for substantially more than the amount raised. Cash at bank as at the end of the quarter was $19.7m.

While the costs of the Company's exploration programs are exposed to the USD, the Company has largely mitigated this risk by converting Australian dollars into US dollars. As of 30 September 2020, CEL had approximately US$1.45m in US dollars.

As a demonstration of their strong commitment to the Company and our projects, the board, key management personnel, and senior employees (including employees in Ecuador and Argentina) have all agreed to receive shares in Challenger in lieu of cash consideration of between 40% and 100% of their current gross salaries and consulting fees for a minimum of six months (commencing April 2020) or until the end of the year.

Shareholder approval will be required to issue shares to Directors with the price used to be the recent capital raising price of 20 cents. This salary swap for shares has made an additional A$600,000 available for exploration from April 2020 until December 2020. Payments to related parties for the quarter, as per section 6 of the Appendix 5B was $37,500.

Challenger will be holding its Annual General Meeting (AGM) of the Company on Monday 23 November 2020 at 9.00am (WST) at Level 1, 1205 Hay Street, West Perth, Western Australia.

The Company and the Board are aware of the current circumstances resulting from COVID-19 and the impact it is having, and is likely to continue to have, on physical meetings. Accordingly, the Board has made the decision that it will hold a physical Meeting with the appropriate social gathering and physical distancing measures in place to comply with the State and Federal Government's current restrictions for physical gatherings. All shareholders will have the opportunity to join the meeting and register in advance with Zoom via the following link:

https://zoom.us/meeting/register/tJItce6spjooHNVPvd7rulUq4obbdehLpgDn

After registering, you will receive a confirmation email containing information about joining the meeting.

In accordance with subsection 5(f) of the Corporations (Coronavirus Economic Response) Determination (No. 1) 2020, the Company will not be dispatching physical copies of the Notice of Annual General Meeting, accompanying Explanatory Statement and Schedules (Notice of Meeting).

You will be able to view and download the Notice of Meeting online from the Company website, and specifically the announcements page at: https://challengerex.com/investor-centre/#notice-of-meeting

COVID-19

The Company continues to work with all levels of government and local communities in relation to COVID-19. To date no employee or contractor has tested positive to COVID-19.

The Company's priority remains the health and wellbeing of all its staff and contractors and their families. A copy of the Company's COVID-19 protocols is available on our website.

Ends

For further information contact:

Kris Knauer
Managing Director
+61 411 885 979
kris.knauer@challengerex.com

Scott Funston
Chief Financial Officer
+61 413 867 600
scott.funston@challengerex.com

Table 1: Results from 2020 Second Drilling Programme

Drill hole (#)		From (m)	Total (m)	Gold (g/t)	Ag (g/t)	Zn (%)	Au Equiv (g/t)	Comments
GNDD-017	from	34.3	**1.7**	**0.31**	**24**	**2.0**	**1.5 g/t AuEq**	0.2 g/t AuEq cut
GNDD-019	from	24.0	**1.9**	**1.0**	**5.3**	**5.3**	**3.5 g/t AuEq**	0.2 g/t AuEq cut
GNDD-021	from	14.8	**1.2**	**11.0**	**9.0**	**0.4**	**11.3 g/t AuEq**	10.0 g/t AuEq cut
	and	31.5	**0.4**	**28.1**	**104**	**5.8**	**32.0 g/t AuEq**	10.0 g/t AuEq cut
	and	98.2	**9.8**	**0.40**	**4.4**	**6.8**	**3.6 g/t AuEq**	0.2 g/t AuEq cut
	inc	104.2	**0.8**	**0.88**	**13**	**22.7**	**11.7 g/t AuEq**	10.0 g/t AuEq cut
GNDD-022		nsi					**nsi**	
GNDD-023	from	58.0	**5.0**	**0.32**	**3.7**	**2.0**	**1.3 g/t AuEq**	0.20 g/t AuEq cut
GNDD-024	from	85.0	**6.0**	**2.5**	**19**	**0.15**	**3.4 g/t AuEq**	0.20 g/t AuEq cut
	inc	88.0	**1.0**	**14.9**	**107**	**0.46**	**16.3 g/t AuEq**	10.0 g/t AuEq
GNDD-027		nsi					**nsi**	
GNDD-029	from	36.0	**12.0**	**0.17**	**2.1**	**0.4**	**0.6 g/t AuEq**	0.2 g/t AuEq cut
GNDD-030	from	33.0	**3.0**	**0.95**	**53**	**0.1**	**1.6 g/t AuEq**	0.2 g/t AuEq cut
GNDD-034	from	47.6	**0.3**	**0.03**	**1.4**	**24.4**	**11.6 g/t AuEq**	0.2 g/t AuEq cut
GNDD-035	from	88.8	**5.8**	**9.5**	**28.7**	**3.5**	**11.5 g/t AuEq**	ASX release 29
	inc	88.8	**3.2**	**17.1**	**28.8**	**5.6**	**20.1 g/t AuEq**	ASX release 29
GMDD-039	from	18.0	**8.0**	**0.15**	**1.9**	**0.6**	**0.5 g/t AuEq**	metallurgical
	and	67.6	**1.0**	**24.5**	**58**	**3.9**	**27.0 g/t AuEq**	metallurgical
GMDD-040	from	116.7	**8.7**	**5.5**	**12**	**2.2**	**6.7 g/t AuEq**	metallurgical
	inc	122.5	**2.9**	**11.8**	**24**	**4.2**	**14.1 g/t AuEq**	metallurgical
GMDD-041	from	31.0	**16.0**	**2.6**	**4.9**	**0.3**	**2.8 g/t AuEq**	metallurgical
	Inc	41.7	**2.0**	**20.0**	**29**	**1.2**	**20.8 g/t AuEq**	metallurgical
	from	63.5	**5.1**	**7.9**	**83**	**7.9**	**12.5 g/t AuEq**	metallurgical
GMDD-043	from	18.0	**10.0**	**0.09**	**1.7**	**0.5**	**0.4 g/t AuEq**	metallurgical
	and	70.5	**0.3**	**25.9**	**81**	**9.4**	**31.2 g/t AuEq**	metallurgical
GNDD-046		82.90	**0.45**	**4.1**	**27**	**0.06**	**4.5 g/t AuEq**	1.0 g/t AuEq
		124.15	**2.85**	**29.5**	**522**	**10.8**	**40.3 g/t AuEq**	10.0 g/t AuEq cut
GNDD-047	from	61.00	**38.50**	**1.3**	**1.2**	**0.0**	**1.3 g/t AuEq**	0.2 g/t AuEq cut
	inc	62.50	**6.00**	**6.3**	**3.5**	**0.2**	**6.4 g/t AuEq**	1.0 g/t AuEq
	and	74.10	**1.50**	**1.0**	**1.9**	**0.0**	**1.0 g/t AuEq**	1.0 g/t AuEq
	and	83.55	**0.45**	**7.3**	**12**	**0.0**	**7.4 g/t AuEq**	1.0 g/t AuEq
	and	98.50	**1.00**	**1.2**	**0.82**	**0.0**	**1.2 g/t AuEq**	1.0 g/t AuEq
GNRC-052	from	69.0	**6.0**	**1.7**	**4.4**	**0.3**	**1.9 g/t AuEq**	0.2 g/t AuEq cut
GNRC-053		Nsi					**nsi**	
GNRC-054	from	13.0	**7.0**	**0.22**	**3.9**	**0.0**	**0.3 g/t AuEq**	0.2 g/t AuEq cut
	from	66.0	**15.0**	**0.53**	**4.0**	**0.7**	**0.9 g/t AuEq**	0.2 g/t AuEq cut
	inc	77.0	**3.0**	**1.3**	**8.5**	**1.9**	**2.3 g/t AuEq**	1.0 g/t AuEq
GNRC-055	from	18.0	**7.0**	**0.28**	**6.9**	**0.0**	**0.4 g/t AuEq**	0.2 g/t AuEq cut
GNRC-056	from	56.0	**1.0**	**2.3**	**138**	**0.1**	**3.8 g/t AuEq**	0.2 g/t AuEq cut
GNRC-057	from	37.0	**12.0**	**0.06**	**2.4**	**0.6**	**0.4 g/t AuEq**	0.2 g/t AuEq cut
GNRC-058		nsi					**nsi**	
GNRC-059		nsi					**nsi**	
GNRC-061		nsi					**nsi**	
GNRC-062	from	17.0	**3.0**	**3.8**	**7.9**	**2.7**	**5.1 g/t AuEq**	0.2 g/t AuEq
GNRC-063	from	19.0	**1.0**	**0.01**	**0.46**	**2.8**	**1.4 g/t AuEq**	0.2 g/t AuEq
GNRC-064	from	22.0	**1.0**	**0.01**	**4.2**	**3.8**	**1.8 g/t AuEq**	0.2 g/t AuEq
	and	27.0	**1.0**	**0.69**	**27**	**1.2**	**1.6 g/t AuEq**	0.2 g/t AuEq

GNRC-065	from	33.0	**2.0**	**0.01**	**1**	**4.9**	**2.3 g/t AuEq**	0.2 g/t AuEq
GNRC-066		nsi					**nsi**	
GNRC-067		nsi					**nsi**	
GNRC-068	from	9.9	**69.0**	**3.4**	**8**	**2.8**	**4.8 g/t AuEq**	0.2 g/t AuEq
	inc	9.9	**27.0**	**7.9**	**16**	**7.0**	**11.4 g/t AuEq**	1.0 g/t AuEq
	inc	14.0	**4.0**	**41.7**	**54.2**	**12.0**	**48.0 g/t AuEq**	10.0 g/t AuEq
	inc	24.0	**6.0**	**5.2**	**21.0**	**10.7**	**10.5 g/t AuEq**	10.0 g/t AuEq
	and	51.0	**1.0**	**1.0**	**40**	**0.9**	**1.9 g/t AuEq**	1.0 g/t AuEq
	and	59.0	**1.0**	**1.3**	**5**	**0.1**	**1.4 g/t AuEq**	1.0 g/t AuEq
	and	66.0	**2.0**	**1.6**	**1**	**0.0**	**1.7 g/t AuEq**	1.0 g/t AuEq
	and	72.0	**4.0**	**1.9**	**3**	**0.1**	**1.9 g/t AuEq**	1.0 g/t AuEq

Table 1: Continued (Significant Intercepts from 2020 Second Drilling Programme)

[1] AuEq grade calculated using (USD prices of) gold 1,450/oz, silver 16/oz, and zinc 2,200/t. No metallurgical or recovery factors have been assumed at this early stage of the Project.

[2] See below for information regarding AuEq's reported under the JORC Code

[3] Assays yet to be received for holes which are not included In Table 1

Table 2: Showing intercepts which were revised after assaying all samples from the maiden drilling program

Drill hole (#)		From (m)	Total (m)	Gold (g/t)	Ag (g/t)	Zn (%)	Au Equiv (g/t)	Comments
GNDD001	from	27.0	**10.0**	**0.9**	**4.9**	**0.3**	**1.2 g/t AuEq**	0.2 g/t AuEq cut
GNDD002A	from	81.5	**3.0**	**3.1**	**8.6**	**5.8**	**5.9 g/t AuEq**	1.0 g/t AuEq cut
	inc	83.0	**1.5**	**5.1**	**22.0**	**0.5**	**5.4 g/t AuEq**	5.0 g/t AuEq cut
GNDD005	from	29.0	**19.0**	**1.3**	**8.1**	**0.6**	**1.6 g/t AuEq**	0.2 g/t AuEq cut
	and	43.0	**4.0**	**5.1**	**22**	**0.5**	**5.6 g/t AuEq**	1.0 g/t AuEq cut
GNDD007	from	13.0	**45.9**	**0.4**	**7.8**	**0.1**	**0.6 g/t AuEq**	0.2 g/t AuEq cut
	Inc	45.0	**3.0**	**1.9**	**5.2**	**0.3**	**2.0 g/t AuEq**	1.0 g/t AuEq cut
	and	55.0	**3.0**	**2.3**	**35**	**0.5**	**2.9 g/t AuEq**	1.0 g/t AuEq cut
GNDD008	from	16.5	**35.5**	**0.3**	**8.1**	**0.1**	**0.5 g/t AuEq**	0.2 g/t AuEq cut
	inc	36.0	**1.0**	**1.7**	**6.2**	**0.1**	**1.8 g/t AuEq**	1.0 g/t AuEq cut
	and	43.4	**1.6**	**1.7**	**8.4**	**0.1**	**1.9 g/t AuEq**	1.0 g/t AuEq cut
	and	47.9	**1.2**	**1.2**	**16**	**0.6**	**1.7 g/t AuEq**	1.0 g/t AuEq cut
	from	91.0	**5.7**	**12.3**	**182**	**0.6**	**14.7 g/t AuEq**	1.0 g/t AuEq cut
	from	99.7	**1.0**	**0.9**	**43**	**0.5**	**1.6 g/t AuEq**	1.0 g/t AuEq cut
GNDD009	inc	72.0	**7.0**	**2.3**	**102**	**0.1**	**3.5 g/t AuEq**	1.0 g/t AuEq cut

Table 2: Showing intercepts which were revised after assaying all samples from the maiden drilling program

[1] AuEq grade calculated using (USD prices of) gold 1,450/oz, silver 16/oz, and zinc 2,200/t. No metallurgical or recovery factors have been assumed at this early stage of the Project.

[2]See below for information regarding AuEq's reported under the JORC Code

[3] Shows revised intercepts only

Table 3 - Assay results GNDD-025

Hole_id	From (m)	Interval (m)	Au (g/t)	Ag (g/t)	Pb (%)	Zn (%)	AuEq (g/t)	Note
GNDD025	53.0	**88.0***	**0.94**	**2.3**	0.08	0.10	**1.0**	0.2 g/t AuEq cut
including	53.0	**37.0**	**1.8**	**4.2**	0.16	0.21	**2.0**	0.2 g/t AuEq cut in oxide
including	61.0	**14.0**	**3.1**	**5.3**	0.11	0.19	**3.3**	1.0 g/t AuEq cut
including	79.0	**11.0**	**1.3**	**4.1**	0.25	0.16	**1.5**	1.0 g/t AuEq cut
including	93.0	**1.0**	**1.1**	**2.5**	0.37	0.09	**1.3**	1.0 g/t AuEq cut
including	113.0	**2.0**	**1.2**	**4.4**	0.01	0.02	**1.2**	1.0 g/t AuEq cut
including	139.0	**2.0***	**1.00**	**0.5**	0.00	0.01	**1.0**	1.0 g/t AuEq cut

(1) Intercepts calculated using a using a 0.2 g/t AuEq cut-off and 1.0 g/t AuEq cut-off as Indicated

(2) * ended in mineralisation

(2) Gold Equivalent (AuEq) values - Requirements under the JORC Code

- Commodity prices for the calculation of AuEq is Au US$1450 oz, Ag US$16 oz, and Zn US$2,200/t
- Metallurgical recoveries for Au, Ag and Zn are assumed to be the same (see JORC Table 1 Section 3)
- AuEq (g/t) = Au (g/t) + Ag (g/t) x (16/1450) + Zn (%) x 2.12
- CEL confirms that it is the Company's opinion that all the elements included in the metal equivalents calculation have a reasonable potential to be recovered and sold

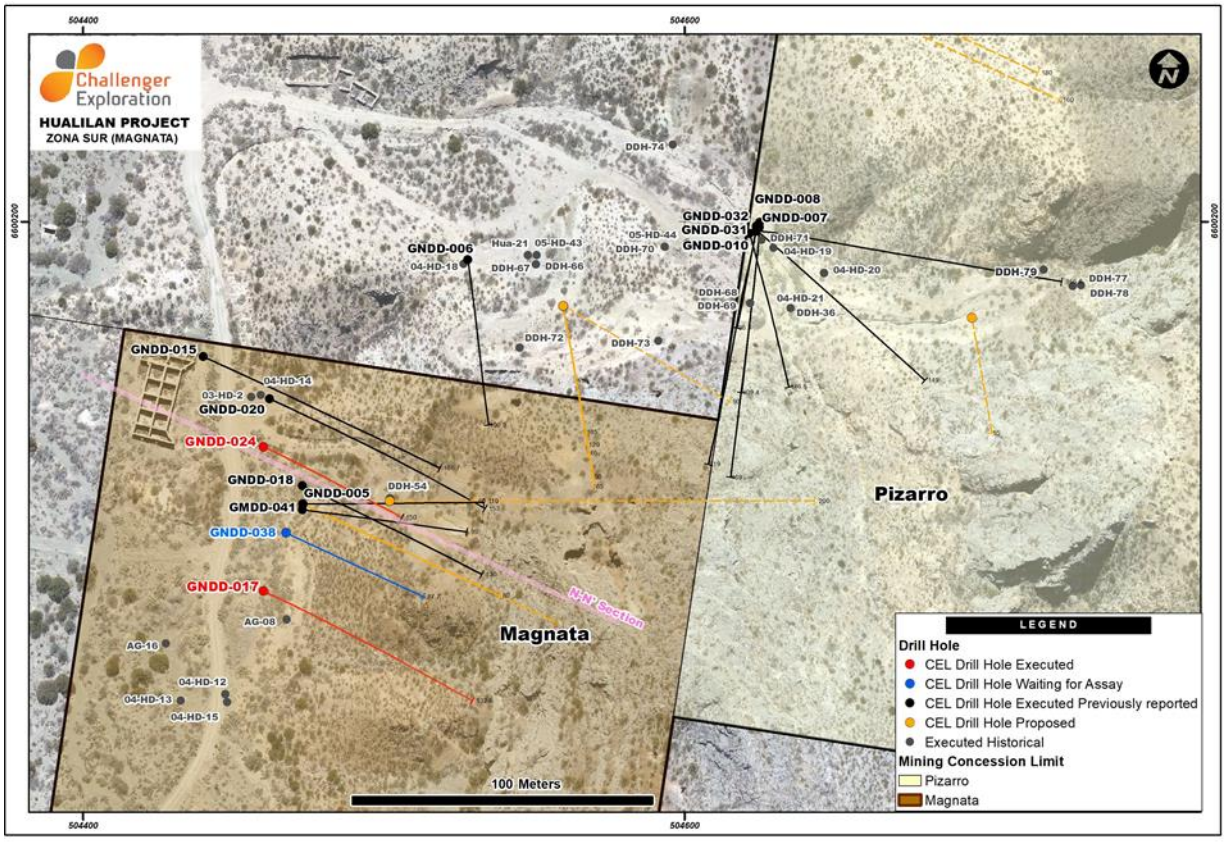


Figure x - Location of CEL Drilling and proposed drilling Magnata Vein Hualilan Project

Table 4: Assay results from Colorado V assaying program

Drill hole (#)		From (m)	Total (m)		Au (g/t)	Ag (g/t)	Cu ppm	Mo ppm	Comment
ZK3-4	from	26.0	**12.0**	@	**0.3**	**1.5**	513	5	0.1 g/t Au cut off
	from	50.0	**64.0**	@	**0.2**	**1.5**	549	5	0.1 g/t Au cut off
	inc	86.0	**2.0**	@	**1.5**	**1.4**	458	3	1 g/t Au cut off
	from	180.0	**70.0**	@	**0.2**	**1.6**	777	3	0.1 g/t Au cut off
ZK3-1	from	49.5	**63.0**	@	**0.1**	**1.7**	654	5	0.1 g/t Au cut off
	inc	94.5	**1.5**	@	**1.5**	**1.4**	3126	7	1 g/t Au cut off
	from	94.5	**79.5**	@	**0.1**	**2.0**	662	4	0.1 g/t Au cut off
	inc	171.0	**1.5**	@	**1.4**	**2.6**	771	7	1 g/t Au cut off
SAZK0-1	from	31.2	**59.6**	@	**0.2**	**1.4**	392	3	0.1 g/t Au cut off
	from	131.5	**48.0**	@	**0.1**	**4.3**	824	6	0.1 g/t Au cut off
	from	229.8	**63.0**	@	**0.2**	**1.0**	325	8	0.1 g/t Au cut off
	from	319.0	**171.8**	@	**0.2**	**1.5**	616	12	0.1 g/t Au cut off
	inc	352.0	**94.5**	@	**0.3**	**2.4**	996	15	1 g/t AuEq cut off
SAK2-1	from	66.5	**208.5**	@	**0.3**	**1.5**	626	5	0.1 g/t Au cut off
	inc	122.0	**63.0**	@	**0.6**	**2.1**	825	3	1 g/t AuEq cut off
	and	225.5	**1.5**	@	**1.6**	**1.4**	638	2	1 g/t AuEq cut off
	from	288.5	**42.0**	@	**0.2**	**2.0**	454	1	0.1 g/t Au cut off
	inc	288.5	**3.0**	@	**1.3**	**5.6**	1136	1	1 g/t AuEq cut off
SAZK0-2	from	0.0	**80.7**	@	**0.4**	**1.9**	478	3	0.1 g/t Au cut off
	inc	30.7	**20.5**	@	**1.0**	**2.5**	460	5	1 g/t AuEq cut off
	from	136.0	**12.0**	@	**0.6**	**0.4**	61	14	0.1 g/t Au cut off
	inc	137.5	**3.0**	@	**1.4**	**0.3**	10	4	1 g/t AuEq cut off
	from	200.5	**203.3**	@	**0.3**	**1.3**	588	15	*ends in mineralisation*
	inc	293.5	**105.8**	@	**0.5**	**1.3**	635	16	0.5 g/t Au cut off
	inc	214.0	**1.5**	@	**1.8**	**2.1**	681	12	1 g/t AuEq cut off
	inc	344.5	**54.8**	@	**0.7**	**1.5**	767	12	0.5 g/t Au cut off
	inc	361.8	**4.5**	@	**5.5**	**0.8**	502	61	1 g/t AuEq cut off
	and	397.8	**1.5**	@	**1.3**	**2.3**	770	2	1 g/t AuEq cut off
ZK1-13	from	46.2	**27.0**	@	**0.1**	**0.8**	306	1	0.1 g/t Au cut off
	and	140.0	**1.5**	@	**1.9**	**0.7**	236	1	1 g/t AuEq cut off
	and	161.0	**35.0**	@	**0.1**	**1.4**	391	2	0.1 g/t Au cut off
ZK0-5	from	6.1	**13.7**	@	**0.2**	**1.3**	313	10	0.1 g/t Au cut off
	from	46.3	**83.8**	@	**0.5**	**1.2**	356	7	0.1 g/t Au cut off
	inc	67.0	**51.0**	@	**0.7**	**1.4**	409	5	0.5 g/t Au cut off
	inc	75.7	**1.1**	@	**1.2**	**1.4**	483	2	1 g/t AuEq cut off
	and	80.7	**1.0**	@	**1.8**	**2.2**	549	4	1 g/t AuEq cut off
	and	93.7	**1.0**	@	**13.9**	**3.4**	354	7	1 g/t AuEq cut off
	from	146.5	**150.0**	@	**0.2**	**1.0**	310	3	0.1 g/t Au cut off
	from	370.0	**1.5**	@	**0.9**	**5.2**	1812	3	0.1 g/t Au cut off
	from	414.3	**1.5**	@	**1.2**	**0.3**	127	1	0.1 g/t Au cut off
		560.5	**1.5**	@	**2.3**	**0.6**	189	2	0.1 g/t Au cut off
		596.0	**2.2**	@	**1.7**	**2.1**	391	4	0.1 g/t Au cut off
		607.0	**1.5**	@	**2.0**	**0.8**	190	2	0.1 g/t Au cut off
ZK18-1	nsi								

(1) Drill collar locations, hole dip and direction are available in this ASX Release see- JORC Table 1 Section 1

(2) Results are reported using a cut-off of 0.1 g/t Au with up to 10 metres of internal dilution.
Inclusive (incl) Intercepts use a cut-off of 0.5 g/t Au with up to 5 metres of internal dilution and 1 g/t Au

Table 5: Assay results from rock chips taken in Mora Creek which cuts Sb and coincident soil anomalies

Sample (#)	Au (ppm)	Ag (ppm)	Cu (ppm)	Mo (ppm)	As (ppm)	Sb (ppm)	Bi (ppm)
CV-055	1.995	6.47	26.2	2.98	1175	32.3	20.4
CV-066	0.669	3.19	188	3.62	64.5	3.44	0.2
CV-071	0.772	5.02	250	4.21	250	24.3	1.49
CV-072	5.03	106	12050	2.55	51400	23	14
CV-073	0.303	0.59	60.4	1.99	39	1.4	0.54
CV-076	0.111	3.16	31.3	2.46	168	6.19	1.18
CV-079	0.102	0.96	31.1	1.95	189	19.8	0.34
CV-088	0.639	13.3	685	2.44	2920	19.2	2.47
CV-092	10.2	498	740	2.73	2700	583	2.09
CV-094	0.771	72.4	269	2.64	341	849	2.59
CV-096	14.35	94.8	228	1.13	47100	1800	0.4
CV-099	0.271	7.25	306	45.5	31.5	9.68	0.49
CV-101	1.33	1.63	32.5	3.04	8050	11.55	0.49
CV-102	0.229	8.94	27.4	3.24	379	5.25	0.09
CV-103	0.286	14.3	41.6	4.05	636	12.65	0.18
CV-117	0.194	1.13	30.3	2.26	49	2.66	1.3
CV-120	0.312	19.6	604	2.72	2610	21.2	1.69
CV-123	0.233	9.72	113.5	2.15	991	55.4	0.63
CV-124	0.735	3.63	141.5	3.06	116	9.85	0.51
CV-125	0.451	9.3	191	2.48	367	105.5	1.65
CV-126	0.10	7.75	257	39.1	170.5	10.85	1.47
CV-129	0.12	7.34	152	3.5	458	16	0.57
CV-130	1.39	55	120.5	5.27	9460	122	7.45
CV-132	0.131	1.55	627	2.79	17.5	0.44	0.47
CV-134	0.112	2.61	612	35.2	20.8	1.05	0.99
CV-135	0.127	1.51	462	24.2	2.4	0.59	0.46
CV-141	0.544	8.46	61.9	1.62	1060	27.8	6.26
CV-142	0.218	1.38	54.4	2.71	80.1	9.92	0.32
CV-147	0.517	37.5	3940	3.02	63.9	6.98	2.29
CV-149	0.229	7.71	1405	2.89	78.2	11.55	4.54
CV-158	0.366	0.23	77.5	0.36	30.6	1.45	2.14
CV-160	0.102	1.42	457	4.59	6	0.32	0.37
CV-161	0.165	1.64	303	5.27	46.5	1.26	0.7
CV-163	0.151	3.77	571	23	19	3.4	1.11
CV-165	0.19	0.67	196.5	2.8	63.2	0.62	3.92
CV-167	2.52	3.72	3310	12.15	6	0.56	7.92
CV-168	0.11	2.8	660	5.05	1610	3.83	3.73
CV-170	0.199	9.74	1540	5.14	1110	2.38	14.1
CV-173	0.224	0.56	437	4.8	12.3	0.61	1.19
CV-174	0.253	0.83	561	7.51	41	1.63	1.78
CV-175	0.10	0.84	265	6.58	6.7	0.38	0.34
CV-177	0.109	0.29	144	170	1.7	0.16	0.91
CV-178	0.126	0.8	743	9.6	3.4	0.21	0.21
CV-179	0.193	1.07	1045	8.91	4.4	0.2	0.23

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. The strategy for the Hualilan Gold project is for it to provide a high-grade low capex operation in the near term. This underpins CEL with a low risk, high margin source of cashflow while it prepares for a much larger bulk gold operation in Ecuador.

1. **Hualilan Gold Project**, located in San Juan Province Argentina, is a near term development opportunity. It has extensive historical drilling with over 150 drill-holes and a non-JORC historical resource [(#1)] of 627,000 Oz @ 13.7 g/t gold which remains open in most directions. The project was locked up in a dispute for the past 15 years and as a consequence had seen no modern exploration until CEL acquired the project in 2019. Results from CEL's first drilling program included 6.1m @ 34.6 g/t Au, 21.9 g/t Ag, 2.9% Zn, 6.7m @ 14.3 g/t Au, 140 g/t Ag, 7.3% Zn and 10.3m @ 10.4 g/t Au, 28 g/t Ag, 4.6% Zn. This drilling intersected high-grade gold over almost 2 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 116m at 1.0 g/t Au, 4.0 g/t Ag, 0.2% Zn and 39.0m at 5.5 g/t Au, 2.0 g/t Ag, 0.3% Zn in porphyry dacites. CEL's current program includes 45,000 metres of drilling, metallurgical test work of key ore types, and an initial JORC Compliant Resource which will allow an economic review.

2. **El Guayabo Gold/Copper Project** covers 35 sqkms in southern Ecuador and was last drilled by Newmont Mining in 1995 and 1997 targeting gold in hydrothermal breccias. Historical drilling has 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 which have never been followed up. The Project has multiple targets including breccia hosted mineralisation, an extensive flat lying late stage vein system and an underlying porphyry system target neither of which has been drill tested. CEL's first results confirm the discovery of large-scale gold system with over 250 metres of bulk gold mineralisation encountered in drill hole ZK-02 which contains a significant high-grade core of 134m at 1.0 g/t gold and 4.1 g/t silver including 63m at 1.6 g/t gold and 5.1 g/t silver.

Competent Person Statement – Exploration results

The information in this release provided under ASX Listing Rules 5.12.2 to 5.12.7 is an accurate representation of the available data and studies for the material mining project. The information that relates to sampling techniques and data, exploration results, exploration targets, and geological interpretation has been compiled Dr Stuart Munroe, BSc (Hons), PhD (Structural Geology), GDip (AppFin&Inv) who is a full-time employee of the Company. Dr Munroe is a Member of the AusIMM. Dr Munroe has over 20 years' experience in the mining and metals industry and qualifies as a Competent Person as defined in the JORC Code (2012).

Dr Munroe has sufficient experience of relevance to the styles of mineralisation and the types of deposits under consideration, and to the activities undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results. Dr Munroe consents to the inclusion in this report of the matters based on information in the form and context in which it appears. The Australian Securities Exchange has not reviewed and does not accept responsibility for the accuracy or adequacy of this release.

Foreign Resource Estimate Hualilan Project

La Mancha Resources 2003 foreign resource estimate for the Hualilan Project ^

Category	Tonnes (kt)	Gold Grade (g/t)	Contained Gold (koz)
Measured	218	14.2	100
Indicated	226	14.6	106
Total of Measured & Indicated	445	14.4	206
Inferred	977	13.4	421
Total of Measured, Indicated & Inferred	**1,421**	**13.7**	**627**

^ Source: La Mancha Resources Toronto Stock Exchange Release dated 14 May 2003 -Independent Report on Gold Resource Estimate. Rounding errors may be present. Troy ounces (oz) tabled here

#1 For details of the foreign non-JORC compliant resource and to ensure compliance with LR 5.12 please refer to the Company's ASX Release dated 25 February 2019. These estimates are foreign estimates and not reported in accordance with the JORC Code. A competent person has not done sufficient work to clarify the foreign estimates as a mineral resource in accordance with the JORC Code. It is uncertain that following evaluation and/or further exploration work that the foreign estimate will be able to be reported as a mineral resource. The company is not in possession of any new information or data relating to the foreign estimates that materially impacts on the reliability of the estimates or CEL's ability to verify the foreign estimates estimate as minimal resources in accordance with Appendix 5A (JORC Code). The company confirms that the supporting information provided in the initial market announcement on February 25, 2019 continues to apply and is not materially changed

Appendix 1 - Schedule of Tenements

Project	Property Name	Tenure Title Holder	Interest %	Area (ha)	DNPM No of Area	Status of Tenure
El Guayabo	El Guayabo	Torata Mining Resources S.A	earning 100%	281	COD225	Granted
El Guayabo	Colorado V	Goldking Mining Company S.A	earning 50%	2331	COD3363.1	Granted
El Guayabo	El Guaybo 2	Mr. Segundo Ángel Marín Gómez	earning 80%	957	COD300964	Granted
Hualilan	Divisadero	Golden Mining S.R.L.	earning 75%	6	5448-M-1960	Granted
Hualilan	Flor de Hualilan	Golden Mining S.R.L.	as above	6	5448-M-1960	Granted
Hualilan	Pereyra y Aciar	Golden Mining S.R.L.	as above	6	5448-M-1960	Granted
Hualilan	Bicolor	Golden Mining S.R.L.	as above	6	5448-M-1960	Granted
Hualilan	Sentazon	Golden Mining S.R.L.	as above	6	5448-M-1960	Granted
Hualilan	Muchilera	Golden Mining S.R.L.	as above	6	5448-M-1960	Granted
Hualilan	Magnata	Golden Mining S.R.L.	as above	6	5448-M-1960	Granted
Hualilan	Pizarro	Golden Mining S.R.L.	as above	6	5448-M-1960	Granted
Hualilan	La Toro	CIA GPL S.R.L.	as above	6	5448-M-1960	Granted
Hualilan	La Puntilla	CIA GPL S.R.L.	as above	6	5448-M-1960	Granted
Hualilan	Pique de Ortega	CIA GPL S.R.L.	as above	6	5448-M-1960	Granted
Hualilan	Descrubidora	CIA GPL S.R.L.	as above	6	5448-M-1960	Granted
Hualilan	Pardo	CIA GPL S.R.L.	as above	6	5448-M-1960	Granted
Hualilan	Sanchez	CIA GPL S.R.L.	as above	6	5448-M-1960	Granted
Hualilan	Andacollo	CIA GPL S.R.L.	as above	6	5448-M-1960	Granted
Hualilan	North of "Pizarro" Mine	Golden Mining S.R.L.	as above	1.9	195-152-C-1981	Granted
Hualilan	South of "La Toro" Mine	CIA GPL S.R.L.	as above	1.9	195-152-C-1981	Granted
Hualilan	Josefina	Golden Mining S.R.L.	as above	2570	30.591.654	Pending

Appendix 2 - Hualilan Gold Project status of 45,000 metre drilling program

Hole_ID	Zone	East_UTM	North_UTM	Elevation	TD	Drilling	Logged	Samples
				masl	m	Status		sent for assay
GNDD073	Sentazon	504367.0	6599724.0	1796.4	150.20	completed	yes	yes
GNDD074	Sentazon	504367.0	6599724.0	1796.4	152.00	completed	yes	yes
GNDD077	Puntilla	504820.5	6601145.5	1825.0	222.00	completed	yes	yes
GNDD079	Pizarro	504635.9	6600287.5	1820.0	181.40	completed	yes	yes
GNDD082	Puntilla	504770.7	6601168.8	1825.7	266.00	completed	yes	yes
GNDD083	Demasia	504642.5	6600334.6	1821.0	181.00	completed	yes	yes
GNDD085	Muchilera	504456.0	6599889.0	1800.2	90.00	completed	yes	yes
GNDD088A	Ortega	504815.0	6601191.3	1825.7	265.00	completed	yes	yes
GNDD089	Pizarro	504636.0	6600284.0	1820.0	200.10	completed	yes	yes
GNDD092	Ortega	504836.0	6601217.0	1826.9	300.00	completed	yes	yes
GNDD093	Pizzaro	504678.0	6600330.0	1824.0	209.00	completed	yes	yes
GNDD095	Ortega	504807.0	6601224.0	1828.0	203.00	completed	yes	yes
GNDD096	Toro	504664.9	6600600.1	1817.3	215.00	completed	yes	yes
GNDD099	Sentazon	504386.2	6599759.2	1797.4	150.00	completed	yes	yes
GNDD100	Muchilera	504425.2	6599785.1	1796.9	120.00	completed	yes	yes
GNDD101	Puntilla	504784.8	6600985.6	1820.3	220.00	completed	yes	yes
GNDD102	Ortega	504786.1	6601271.9	1828.3	260.00	completed	yes	yes
GNDD103	Bicolor	504436.0	6599482.0	1788.0	299.00	completed	yes	yes
GNDD105	Puntilla	504699.0	6601025.6	1825.4	300.00	completed	yes	yes
GNDD106	Sentazon	504459.3	6599614.7	1792.9	300.00	completed	yes	yes
GNDD108	Puntilla	504895.0	6601154.9	1824.0	200.00	completed	yes	yes
GNDD109	Puntilla	504792.0	6601026.4	1822.0	209.00	completed	yes	yes
GNDD112	Puntilla	504898.2	6601197.6	1825.8	188.00	completed	yes	yes
GNDD113	Puntilla	504704.7	6601067.1	1826.3	230.00	completed	yes	no
GNDD114	Magnata	504436.0	6600111.0	1808.0	116.00	completed	yes	yes
GNDD115	Ortega	504862.0	6601285.0	1824.4	251.00	completed	yes	no
GNDD117	Magnata	504436.0	6600111.0	1808.0	120.00	completed	yes	no
GNDD119	Pardo	504827.0	6601540.0	1837.6	115.00	completed	no	no

Note - this table lists holes completed as of 30 September 2020.

As of the October 30 2020 the company is drilling ahead in the following holes:

- GNDD-139 drilling ahead at 413 metres
- GNDD-142 hole ended at 360 metres (preparing to move rig to next location)
- GNDD-144 drilling ahead at 249 metres
- GNDD-143 drilling ahead at 75 metres
- GNDD-145 current depth 12 metres

Appendix 2 continued - Hualilan Gold Project status of 7,500 metre drilling program

Hole_ID	Zone	East_UTM	North_UTM	Elevation masl	TD m	Drilling Status	Logged	Sampled
GNRC071	Chiflon1	504877.0	6601572.0	1836.2	54	completed	yes	yes
GNRC072	Chiflon1	504877.0	6601572.0	1836.2	72	completed	yes	yes
GNRC075	Chiflon1	504842.1	6601571.2	1834.4	60	completed	yes	yes
GNRC076	Pardo	504828.9	6601538.8	1837.6	76	completed	yes	yes
GNRC078	Ortega	504844.5	6601443.3	1829.3	70	completed	yes	yes
GNRC080	Pardo	504867.5	6601565.0	1832.9	86	completed	yes	yes
GNRC081	Ortega	504814.0	6601457.6	1832.8	86	completed	yes	yes
GNRC084	Sanchez	504964.6	6601519.7	1837.3	145	completed	yes	yes
GNRC086	Ortega	504839.1	6601401.6	1829.4	60	completed	yes	yes
GNRC087	Ortega	504863.9	6601345.9	1829.8	30	completed	yes	yes
GNRC090	Ortega	504822.0	6601358.0	1830.5	60	completed	yes	yes
GNRC091	Ortega	504801.4	6601375.1	1831.5	80	completed	yes	yes
GNRC094	Ortega	504853.4	6601306.7	1829.1	60	completed	yes	yes
GNRC097	Ortega	504833.1	6601272.0	1826.3	70	completed	yes	yes
GNRC098	Ortega	504787.4	6601249.2	1829.1	96	completed	yes	yes
GNRC104	Ortega	504781.2	6601230.0	1828.5	150	completed	yes	yes
GNRC107	Magnata	504623.1	6600197.1	1823.3	120	completed	yes	yes
GNRC110	Magnata	504502.0	6600107.0	1814.0	60	completed	yes	yes
GNRC111	Sentazon	504427.8	6599739.8	1796.4	120	completed	yes	yes

Appendix 3 - ASX Waivers

The ASX granted the Company a waiver from ASX Listing Rule 7.3.2 to permit the notice of meeting (the "Notice") seeking shareholder approval for the issue of up to 245,000,001 fully paid ordinary shares in the Company ("Waiver Securities") upon the Company satisfying the milestones in relation to each of the Projects ("Milestones") not to state that the Waiver Securities will be issued within 3 months of the date of the shareholder meeting.

The Waiver Securities must be issued no later than 60 months after the date of reinstatement of the Company's securities to official quotation.

15,000,001 Waiver Securities have been issued.

The total Earn-In Shares will be issued progressively subject to the achievement of the following milestones:

El Guayabo Project Milestones (amended milestones subject to shareholder approval)

Project Interest	Cumulative Interest	Project Milestones
19.9%	19.9%	Existing interest in the project
15.1%	35%	Minimum expenditure on project of A$2m - ~1 Year after relisting
16%	51%	Minimum expenditure on project of A$3m - ~3 Years after relisting
49%	100%	180m CEL shares payable at the sole discretion of the Board of CEL. Shares to be issued no later than 15 December 2022.

Hualilan Project Milestones

- A payment of 1.667 million shares (being shares in CEL assuming the Transaction completes) to Cerro Sur owners for assignment of Cerro Norte farmin due no later than one month after re-listing on the ASX.
- A milestone payment of 1.667 million shares (being shares in CEL assuming the Transaction completes) due on 22 June 2019.
- Minimum expenditure of A$1 million on the Hualilan Project.
- The issue of a 11.667 million shares (being shares in CEL assuming the Transaction completes) no later than 1 July 2020 to acquire a 25% interest in the project.
- Completion of a Definitive Feasibility Study within five years and the issue of 50 million shares (being shares in CEL assuming the Transaction completes) to move from 25% to 75% of the project.

Performance Shares

The Company has 60,000,000 Class A Performance Shares and 60,000,000 Class B Performance Shares on Issue.

A summary of the terms and conditions of the Performance Shares are as follows:

The Performance Shares shall automatically convert into Shares, provided that if the number of Shares that would be issued upon such conversion is greater than 10% of the Company's Shares on issue as at the date of conversion, then that number of Performance Shares that is equal to 10% of the Company's Shares on issue as at the date of conversion under this paragraph will automatically convert into an equivalent number of Company Shares. The conversion will be completed on a pro rata basis across each class of Performance Shares then on issue as well as on a pro rata basis for each Holder. Performance Shares that are not converted into Shares under this paragraph will continue to be held by the Holders on the same terms and conditions.

(**No Conversion if Milestone not Achieved**): If the relevant Milestone is not achieved by the required date (being seven years from the date of the Proposed Acquisition or such other date as required by ASX), then all Performance Shares held by each Holder shall lapse.

(**After Conversion**): The Shares issued on conversion of the Performance Shares will, as and from 5.00pm (WST) on the date of issue, rank equally with and confer rights identical with all other Shares then on issue and application will be made by the Company to ASX for official quotation of the Shares issued upon conversion (subject to complying with any restriction periods required by the ASX).
(**Milestones**):

The Performance Shares will, convert upon the satisfaction of the following milestones:

(**Class A**): A JORC Compliant Mineral Resource Estimate of at least Inferred category on either Project of the following:

a minimum 500,000 ounces of gold (AU) or Gold Equivalent (in accordance with clause 50 of the JORC Code) at a minimum grade of 6 grams per tonne Gold Equivalent; or
a minimum 1,500,000 ounces of gold (AU) or Gold Equivalent (in accordance with clause 50 of the JORC Code) at a minimum grade of 2.0 grams per tonne Gold Equivalent; or
a minimum 3,000,000 ounces of gold (AU) or Gold Equivalent (in accordance with clause 50 of the JORC Code) at a minimum grade of 1.0 grams per tonne Gold Equivalent.

(**Class B**): The Class B Performance Shares held by the holder will convert into an equal number of Shares upon the Company:

Completion and announcement by CEL (subject to the provision of information allowable at the time of completion) of a positive Scoping Study (as defined in the JORC Code) on either Project by an independent third-party expert which evidences an internal rate of return of US Ten Year Bond Rate plus 10% (using publicly available industry assumptions, including deliverable spot commodity / mineral prices, which are independently verifiable) provided that the total cumulative EBITDA over the project life is over US$50m.

No Performance Milestones were met during the quarter.

JORC Code, 2012 Edition – Table 1 report template

Section 1 Sampling Techniques and Data -El Guayabo Project

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	- *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* - *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* - *Aspects of the determination of mineralisation that are Material to the Public Report.* - *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	**El Guayabo:** • Newmont Mining Corp (NYSE: NEM) ("**Newmont**") and Odin Mining and Exploration Ltd (TSX: ODN) ("**Odin**") core drilled the property between February 1995 and November 1996 across two drilling campaigns. • The sampling techniques were reviewed as part of a 43-101 Technical report on Cangrejos Property which also included the early results of the El Joven joint venture between Odin and Newmont, under which the work on the El Guayabo project was undertaken. This report is dated 27 May 2004 and found the sampling techniques and intervals to be appropriate with adequate QA/QC and custody procedures, core recoveries generally 100%, and appropriate duplicates and blanks use for determining assay precision and accuracy**.** • Duplicates were prepared by the Laboratory (Bonder Cleg) which used internal standards. Newmont also inserted its own standards at 25 sample intervals as a control on analytical quality • Diamond drilling produced core that was sawed in half with one half sent to the laboratory for assaying per industry standards and the remaining core retained on site. • Cu assays above 2% were not re-assayed using a technique calibrated to higher value Cu results hence the maximum reported assay for copper is 2%. • All core samples were analysed using a standard fire assay with atomic absorption finish on a 30 g charge (30 g FAA). Because of concerns about possible reproducibility problems in the gold values resulting from the presence of coarse gold, the coarse crusher rejects for all samples with results greater than 0.5 g/t were re-assayed using the "blaster" technique - a screen type fire analysis based on a pulverized sample with a mass of about 5 kg. Samples from most of these intersections were also analysed for Cu, Mo, Pb, Zn and Ag. • CEL has re-sampled sections of the Newmont and Odin drill core. ¼ drill core was cutover intervals that replicated the earlier sampling. Sample intervals ranged from 0.7 – 4.5m with and average of 2.0m. 533 samples totaling 1,094.29m were collected. Sampling was done for Au analysis by fire assay of a 30g charge and 43 element 4-acid digest with ICP_AES determination. • Field mapping (creek traverse) by CEL includes collection of rock chip samples for assay for Au by fire assay (50g) with AAS determination and gravimetric determination for values > 10 g/t Au and assay for 48 elements by 4-acid digest with ICP-MS determination. Rock chip samples are

Criteria	JORC Code explanation	Commentary
		taken so as to be as representative as possible of the exposure being mapped. **Colorado V:** • Soil sampling: A database of 4,495 soil analyses has been provided by Goldking Mining Company S.A. (GK) which has yet to be fully evaluated. No information has been provided on the method of sample collection or assay technique. The soil analyses include replicate samples and second split analyses. Pulps have been securely retained by Goldking Mining Company and have been made available to CEL for check assaying. Check assaying is planned, including collection of field duplicates. • Rock chip sampling during regional mapping has been done on selected exposures. Sampling involves taking 2-3 kg of rock using a hammer from surface exposures that is representative of the exposure. • Selected intervals of drill core have been cut longitudinally and half core are were submitted for gold determination at GK's on-site laboratory prior to CEL's involvement with the Project. • Re-sampling of the core involves taking ¼ core (where the core has previously been sampled) or ½ core (where the core has not previously been sampled). The core is cut longitudinally and sample intervals of 1 – 3 meters have been collected for analysis. ZK0-1 and ZK1-3 have been analysed for of gold by fire assay (30g) wit ICP determination and other elements by 4 acid digest with ICP-AES finish (36 elements) at SGS del Peru S.A.C. SAZK0-1, SAZK0-2, SAZK2-1, ZK0-2, ZK0-5, ZK1-5, ZK1-6, ZK2-1, ZK3-1, ZK3-4, ZK13-1 and ZK18-1 have been analysed for of gold by fire assay (30g) with ICP determination and other elements by 4 acid digest with combined ICP-AES and ICP-MS finish (50 elements) at SGS del Peru S.A.C. Samples from other holes have been analysed for gold by fire assay (50g) with ICP determination and overlimit (>10 g/t Au) by fire assay with gravimetric determination and other elements by 4-acid digest with ICP-MS (48 elements) at ALS Laboratories in Peru.
Drilling techniques	- *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	**El Guayabo:** • Diamond core drilling HQ size from surface and reducing to NQ size as necessary. The historical records do not indicate if the core was oriented **Colorado V:** • Diamond drilling was done using a rig owned by GK. Core size collected includes HQ, NQ2 and NQ3. There is no indication that oriented core was recovered.
Drill sample recovery	- *Method of recording and assessing core and chip sample recoveries and results assessed.* - *Measures taken to maximise sample recovery and ensure representative nature of the samples.* - *Whether a relationship exists between sample recovery and grade and*	• In a majority of cases core recovery was 100%. • In the historical drill logs where core recoveries were less than 100% the percentage core recovery was noted. • No documentation on the methods to maximise sample recovery was reported in historical reports however inspection of the available core and historical drilling logs indicate that core

Criteria	JORC Code explanation	Commentary
	whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	recoveries were generally 100% with the exception of the top few metres of each drill hole. • No material bias has presently been recognised in core. • Observation of the core from various drill holes indicate that the rock is generally fairly solid even where it has been subjected to intense, pervasive hydrothermal alteration and core recoveries are generally 100%. Consequently, it is expected that the samples obtained were not unduly biased by significant core losses either during the drilling or cutting processes **Colorado V:** • Core from GoldKing has been re-boxed prior to sampling where boxes have deteriorated, otherwise the original boxes have been retained. Core lengths have been measured and compared to the depth tags that are kept in the boxes from the drilling and recovered lengths have been recorded with the logging. • Where re-boxing of the core is required, core has been placed in the new boxes, row-by row with care taken to ensure all of the core has been transferred. • No relationship has been observed between core recovery and sample assay values.
Logging	- *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* - *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* - *The total length and percentage of the relevant intersections logged.*	**El Guayabo:** • Geological logging was completed at 1-3 m intervals which is appropriate given the exploration was reconnaissance in nature. • All core was logged qualitatively at 1 to 3 m intervals depending on geology intercepted and core was photographed. • Inspections of core and logging have concluded that the logging was representative. • 100% of all core including all relevant intersections were logged **Colorado V:** • Sorting, re-boxing and re-logging of available drill core is in progress. Core is being logged for lithology, alteration, mineralisation and structure. Where possible, logging is quantitative. • Progress of Colorado V logging and sampling is summarized below:

Hole_ID	Depth (m)	Logging Status	Core Photograph	Sampling Status	Total Samples
ZK0-1	413.6	Complete	Complete	Samples Submitted	281
ZK0-2	581.6	Complete	Complete	Samples Submitted	388
ZK0-3	463.0	Complete	Complete	Not Re-sampled	
ZK0-4	458.0	Complete	Complete	Samples Submitted	350

Criteria	JORC Code explanation	Commentary					
		ZK0-5	624.0	Complete	Pending	Samples Submitted	482
		ZK1-1	514.6	Complete	Pending	Samples Submitted	288
		ZK1-2	403.1	Complete	Complete	Not Re-Sampled	
		ZK1-3	425.0	Complete	Complete	Samples Submitted	279
		ZK1-4	379.5	Complete	Complete	Samples Submitted	267
		ZK1-5	419.5	Complete	Complete	Samples Submitted	266
		ZK1-6	607.5	Complete	Complete	Samples Submitted	406
		ZK1-7	453.18	Complete	Complete	Samples Submitted	370
		ZK1-8	556.0	Pending	Pending	Pending	
		ZK1-9	220.0	Complete	Complete	Samples Submitted	140
		ZK2-1	395.5	Complete	Complete	Samples Submitted	320
		ZK3-1A	372.48	Complete	Complete	Samples Submitted	250
		ZK3-2	364.80	Pending	Complete	Not Re-sampled	
		ZK3-4	322.96	Complete	Complete	Samples Submitted	156
		ZK3-11	?	Pending	Pending	Pending	
		ZK4-1	434.0	Pending	Pending	Pending	
		ZK4-2	390.5	Pending	Pending	Pending	
		ZK4-3	650.66	Pending	Pending	Pending	
		ZK4-4	285.0	Pending	Pending	Pending	
		ZK5-1	321.90	Complete	Complete	Not Re-sampled	
		ZK5-2	319.0	Pending	Pending	Pending	
		ZK5-3	446.5	Pending	Pending	Pending	
		ZK5-4	508.0	Pending	Pending	Pending	
		ZK5-5	532.0	Complete	Complete	Samples Submitted	378
		ZK6-1	552.6	Pending	Complete	Pending	
		ZK10-1	454.0	Complete	Complete	Samples Submitted	229
		ZK11-1	237.5	Pending	Pending	Pending	
		ZK12-1	531.5	Complete	Complete	Not Re-sampled	
		ZK12-2	510.6	Complete	Complete	Not Re-sampled	

Criteria	JORC Code explanation	Commentary					
		ZK13-1	394.0	Complete	Complete	Samples Submitted	246
		ZK13-2	194.0	Pending	Complete	Not Re-sampled	
		ZK16-1	324.0	Complete	Complete	Pending	
		ZK16-2	385.83	Complete	Complete	Samples Submitted	223
		ZK18-1	410.5	Complete	Complete	Samples Submitted	286
		ZK19-1	548.60	Pending	Pending	Pending	
		ZK21-1	?	Pending	Pending	Pending	
		ZK68-1	?	Pending	Pending	Pending	
		ZK100-1	415.0	Pending	Pending	Pending	
		ZK103-1	524.21	Pending	Pending	Pending	
		ZK105-1	404.57	Pending	Pending	Pending	
		ZK122-1	?	Pending	Pending	Pending	
		ZK205-1	347.0	Complete	Complete	Samples Submitted	211
		SAZK0-1A	569.1	Complete	Complete	Samples Submitted	396
		SAZK0-2A	407.5	Complete	Complete	Samples Submitted	260
		SAZK2-1	430.89	Complete	Complete	Samples Submitted	195
		SAZK2-2	354.47	Complete	Complete	Not Re-Sampled	
		Logged (m)	14.282.01	Logged		Samples Submitted	6,667
		Total (m)	21,478.37	Core Shack			
		Total (m)	22,379.34	Drilled			
Sub-sampling techniques and sample preparation	- *If core, whether cut or sawn and whether quarter, half or all core taken.* - *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* - *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* - *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* - *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.*	**El Guayabo:** • Core was cut with diamond saw and half core was taken • All drilling was core drilling as such this is not relevant • Sample preparation was appropriate and of good quality. Each 1-3 m sample of half core was dried, crushed to a nominal – 10 mesh (ca 2mm), then 250 g of chips were split out and pulverized. A sub-sample of the pulp was then sent for analysis for gold by standard fire assay on a 30 g charge with an atomic absorption finish with a nominal 5 ppb Au detection limit. • Measures taken to ensure that the sampling is representative of the in-situ material collected is not outlined in the historical documentation however a program of re-assaying was undertaken by Odin which demonstrated the repeatability of original assay results					

Criteria	JORC Code explanation	Commentary
	- *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• The use of a 1-3 m sample length is appropriate for deposits of finely disseminated mineralisation where long mineralised intersections are to be expected. • CEL ¼ core sampling was done by cutting the core with a diamond saw. Standards (CRM) and blanks were inserted into the batched sent for preparation and analysis. No duplicate samples were taken and ¼ core was retained for future reference. The sample size is appropriate for the style of mineralisation observed. • CEL rock chip samples of 2-3 kg are crushed to a nominal 2mm and a 500 g sub-sample is pulverized. The rock chips are collected from surface expose in creeks. Sampling is done so as to represent the material being mapped. The sample size is appropriate for the grain size of the material being sampled. **Colorado V:** • No information is available on the method/s that have been used to collect the soil samples. • Selected intervals of drill core have been cut longitudinally using a diamond saw and ½ core has been sampled. Sample intervals range from 0.1m to 4.5m with an average length of 1.35m. The size of the samples is appropriate for the mineralisation observed in the core. • Re-sampling of the core involves cutting of ¼ core (where previously sampled) or ½ core where not previously sampled. ¼ or ½ core over intervals of 1-3 metres provides an adequate sample size for the material being sampled.
Quality of assay data and laboratory tests	- *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* - *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* - *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	**El Guayabo:** • The nature, quality and appropriateness of the assaying and laboratory procedures used by Newmont and Odin are still in line with industry best practice with appropriate QA/QC and chain of custody and are considered appropriate. • Available historical data does not mention details of geophysical tools as such it is believed a geophysical campaign was not completed in parallel with the drilling campaign. • Duplicates were prepared by the Laboratory (Bonder Cleg) which used internal standards. Newmont also inserted its own standards at 25 sample intervals as a control on analytical quality. Later Odin undertook a re-assaying program of the majority of the higher-grade sections which confirmed the repeatability. • Given the above, it is considered acceptable levels of accuracy and precision have been established • CEL ¼ and ½ core samples were prepared for assay at SGS Del Ecuador S.A.in Quito, Ecuador with analysis completed by in Lima at SGS del in Peru S.A.C and by ALS Laboratories in Quito with analysis completed by ALS in Vancouver, Canada. Samples were crushed and a 500g sub-sample was pulverized to 85% passing 75 µm. The technique provides for a near total analysis

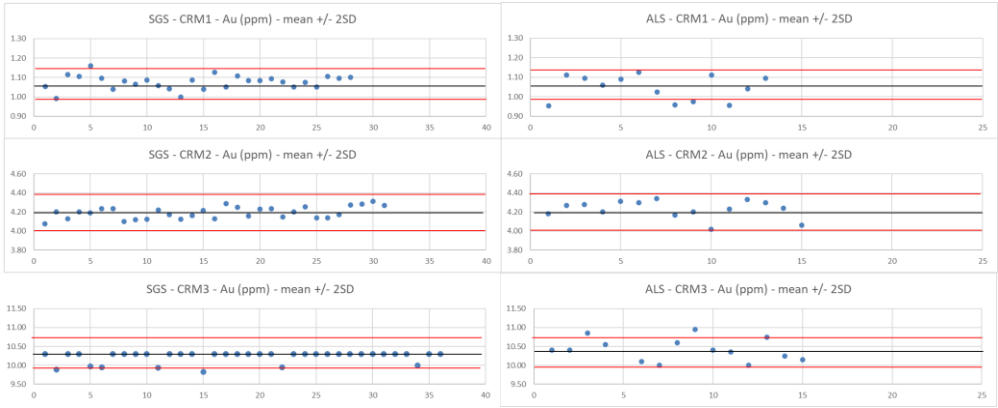
Criteria	JORC Code explanation	Commentary

of the economic elements of interest.

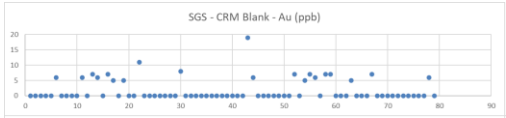
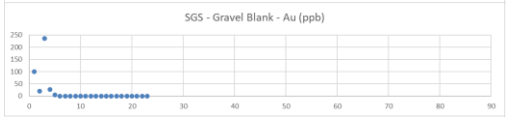
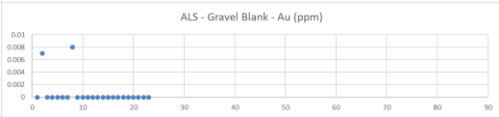
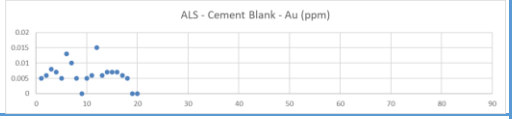
- CEL rock chip samples were prepared for assay at ALS Laboratories (Quito) with analysis being completed at ALS Laboratories (Peru). The fire assay and 4-acid digest provide for near-total analysis of the economic elements of interest. No standards or blanks were submitted with the rock chip samples.

Colorado V:

- No information is available on the methods used to analyse the soil or drill core samples. Assay results are not provided in this report.
  Soil samples have been analysed by GK for Au, Cu, Ag, Zn, Pb, As, Mn, Ni, Cr, Mo, Sn, V, Ti, Co, B, Ba, Sb, Bi and Hg. Pulps have been securely retained and check assaying is planned.
- Drill core was partially assayed for gold only with assays undertaken by Goldking's on site laboratory
- Samples of drill core re-sampled by CEL blanks and CRM (standards) added to the batches to check sample preparation and analysis.
  3 separate CRM's were included in the batches sent for analysis. All three have certified Au values. The results of the analysis of the CRM is shown below. With a few exceptions, the CRM has returned results within +/- 2 SD of the certified reference value. There is no bias in the results returned from either SGS or ALS laboratories.
  CRM3 analyses by fire assay at SGS did not include overlimit (>10 g/t).



- No duplicate samples have been submitted.
- Two different blanks have been included randomly within the sample batches. A CRM blank with a value of <0.01 ppm (10 ppb) Au was used initially. More recent batches have used a

Criteria	JORC Code explanation	Commentary
		blank gravel material which has no certified reference value. The results are shown below. The first 4 gravel blanks show elevated Au values which is believed to be due to contamination of the blank prior to submission and not due to laboratory contamination. With one exception, the blanks have returned values below 10 ppb.    
Verification of sampling and assaying	- *The verification of significant intersections by either independent or alternative company personnel.* - *The use of twinned holes.* - *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* - *Discuss any adjustment to assay data.*	**El Guayabo:** • All intersections with results greater than 0.5 g/t were re-assayed using the "blaster" technique - a screen type fire analysis based on a pulverised sample with a mass of about 5 kg. Additionally, Odin re-assayed the many of the higher-grade sections with re-assay results demonstrating repeatability of the original results. • Neither Newmont nor Odin attempted to verify intercepts with twinned holes • Data was sourced from scanned copies of original drill logs and in some cases original paper copies of assay sheets are available. This data is currently stored in a drop box data base with the originals held on site. • No adjustments to assay data were made. • CEL assay data has not been independently verified or audited. Data is stored electronically in MS Excel and PDF format from the Laboratory and entered into a Project database for analysis. There has been no adjustment of the data. **Colorado V:** • There is no information available on the verification of sample and assay results. No assay data is provided in this report. Soil replicate samples and second split assay results have been provided but not fully analysed at this stage. • Of the 4,495 soil samples in the GK database, 166 are replicate samples and 140 are second split re-analyses. 37 samples have no co-ordinates in the database. The remaining 4,152 have analyses for all 19 elements indicated above.

Criteria	JORC Code explanation	Commentary
		• Significant intersections have been internally checked against the assay data received. The data received has been archived electronically and a database of all drill information is being developed. There is no adjustment of the assay data.
Location of data points	- *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* - *Specification of the grid system used.* - *Quality and adequacy of topographic control.*	**El Guayabo:** • Newmont undertook survey to located drill holes in accordance with best practice at the time. No formal check surveying has been undertaken to verify drill collar locations at this stage • Coordinate System: PSAD 1956 UTM Zone 17S Projection: Transverse Mercator Datum: Provisional S American 1956 • Quality of topographic control appears to be+ - 1 meter which is sufficient for the exploration activities undertaken. • Rock chip samples have been located using topographic maps with the assistance of hand-held GPS. **Colorado V:** • Coordinate System: PSAD 1956 UTM Zone 17S Projection: Transverse Mercator Datum: Provisional S American 1956 • No information is available on the collar and down-hole survey techniques used on the Colorado V concession. • Rock chip sample locations are determined by using a hand held GPS unit which is appropriate for the scale of the mapping program being undertaken.
Data spacing and distribution	- *Data spacing for reporting of Exploration Results.* - *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* - *Whether sample compositing has been applied.*	• Drilling on both concessions is exploration based and a grid was not considered appropriate at that time. • A JORC compliant Mineral Resource has not been estimated • Sample compositing was not used
Orientation of data in relation to geological structure	- *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* - *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• A sampling bias is not evident.
Sample security	- *The measures taken to ensure sample security.*	**El Guayabo:** • Newmont sent all its field samples to the Bondar Clegg sample preparation facility in Quito for preparation. From there, approximately 100 grams of pulp for each sample was air freighted to the Bondar Clegg laboratory (now absorbed by ALS-Chemex) in Vancouver, for analysis. There is

Criteria	JORC Code explanation	Commentary
		no record of any special steps to monitor the security of the samples during transport either between the field and Quito, or between Quito and Vancouver. However, Newmont did insert its own standards at 25 sample intervals as a control on analytical quality. • CEL samples are kept in a secure location and prepared samples are transported with appropriate paperwork, securely by registered couriers. Details of the sample security and chain of custody are kept at the Project office for future audits. **Colorado V:** • GK analysed samples in an on-site laboratory. It is understood that the samples have remained on site at all times. • CEL have collected samples at the core shed at El Guayabo and secured the samples in polyweave sacks for transport by courier to SGS Laboratories in Quito for preparation. SGS in Quito courier the prepared sample pulps to SGS in Peru for analysis. Photographs and documentation are retained to demonstrate the chain of custody of the samples at all stages.
Audits or reviews	- *The results of any audits or reviews of sampling techniques and data.*	**El Guayabo:** • The sampling techniques were reviewed as part of a 43-101 Technical report on Cangrejos Property which also included the early results of the El Joven joint venture between Odin and Newmont, under which the work on the El Guayabo project was undertaken. This report is dated 27 May 2004 and found the sampling techniques and intervals to be appropriate with adequate QA/QC and custody procedures, core recoveries generally 100%, and appropriate duplicates and blanks use for determining assay precision and accuracy**.** • There have been no audits of reviews of CEL data for the El Guayabo. **Colorado V:** • No audits or reviews of sampling techniques and data is known. Goldking did twin two earlier holes with results still being compiled.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	- *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites,*	- The El Guayabo (Code. 225) mining concession is located within El Oro Province. The concession is held by Torata Mining Resources S.A (TMR S.A) and was granted in compliance with the Mining Act ("MA") in on April 27, 2010. There are no overriding royalties on the project other than normal Ecuadorian government royalties. - The property has no historical sites, wilderness or national park issues. - The mining title grants the owner an exclusive right to perform mining activities, including, exploration, exploitation

Criteria	JORC Code explanation	Commentary
	wilderness or national park and environmental settings. - *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	and processing of minerals over the area covered by the prior title for a period of 25 years, renewable for a further 25 years. Under its option agreement, the owner has been granted a negative pledge (which is broadly equivalent to a fixed and floating charge) over the concession. In addition, a duly notarized Irrevocable Promise to Transfer executed by TMR S.A in favor of AEP has been lodged with the Ecuador Mines Department. - The Colorado V mining concession (Code No. 3363.1) located in Bellamaria, Santa Rosa, El Oro, Ecuadorwas granted in compliance with the Mining Act ("MA") in on July 17, 2001. It is adjacent to El Guayabo concession to the north. The concession is held by Goldking Mining Company S.A. There are no overriding royalties on the project other than normal Ecuadorian government royalties. - The concession has no historical sites, wilderness or national park issues. - The El Guayabo 2 Guayabo (Code. 300964) mining concession is located Torata parish, Santa Rosa canton, El Oro province, Ecuador. The concession is held by T Mr. Segundo Ángel Marín Gómez and Mrs. Hermida Adelina Freire Jaramillo and was granted in compliance with the Mining Act ("MA") on 29April 29, 2010. There are no overriding royalties on the project other than normal Ecuadorian government royalties. - The property has no historical sites, wilderness, or national park issues.
Exploration done by other parties	- *Acknowledgment and appraisal of exploration by other parties.*	**El Guayabo:** - Previous exploration on the project has been undertaken by Newmont and Odin from 1994 to 1997. This included surface pit and rock chip geochemistry, followed by the drilling of 33 drill holes for a total of 7605.52 meters) to evaluate the larger geochemical anomalies. - The collection of all exploration data by Newmont and Odin was of a high standard and had appropriate sampling techniques and intervals, adequate QA/QC and custody procedures, and appropriate duplicates and blanks used for determining assay precision and accuracy. - The geological interpretation of this data, including core logging and follow up geology was designed and directed by in-country inexperienced geologists. It appears to have been focused almost exclusively for gold targeting surface gold anomalies or the depth extensions of higher-grade gold zones being exploited by the artisanal miners. The geologic logs for all drill holes did not record details that would have been typical, industry standards for porphyry copper exploration at that time. Several holes which ended in economic mineralisation have never been followed up. - In short, important details which would have allowed the type of target to be better explored were missed which in turn presents an opportunity to the current owner. **Colorado V:** - All exploration known has been completed by GK. Drilling has been done from 2016 to 2019. 56 drill holes, totaling 21,471.83m have been completed by GK. **El Guaybo 2:** - Exploration work undertaken by the previous owner was limited to field mapping and sampling including assaying of a small number of samples for gold, silver, copper, lead and zinc. The report is only available in Spanish and assays were conducted in a local laboratory in Ecuador with the majority of this work undertaken in 2017.

Criteria	JORC Code explanation	Commentary
Geology	- *Deposit type, geological setting and style of mineralisation.*	- It is believed that the El Guayabo, El Guayabo 2, and Colorado V concessions contain a "Low Sulfide" porphyry gold copper system and intrusive-related gold. The host rocks for the intrusive complex is metamorphic basement and Oligocene – Mid-Miocene volcanic rocks. This suggests the intrusions are of a similar age to the host volcanic sequence, which also suggests an evolving basement magmatic system. Intrusions are described in the core logs as quartz diorite and dacite. Mineralisation has been recognized in: – Steeply plunging breccia bodies and in the metamorphic host rock adjacent to the breccia (up to 200 m in diameter) – Quartz veins and veinlets – Disseminated pyrite and pyrrhotite in the intrusions and in the metamorphic host rock near the intrusions.
Drill hole Information	- *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* o *easting and northing of the drill hole collar* o *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* o *dip and azimuth of the hole* o *down hole length and interception depth* o *hole length.* - *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	El Guayabo drill hole information is provided below.

DRILLHOLE CODE	EAST (X)	NORTH (N)	ELEVATION (m.a.s.l)	AZIMUTH (°)	DIP (°)	FINAL DEPTHP	DRILLED BY
DDHGY 01	628928.09	9605517.20	839.01	360	-90.0	249.20	Odin
DDHGY 02	629171.15	9606025.55	983.16	360.0	-90.0	272.90	Odin
DDHGY 03	629041.84	9606312.81	1063.37	305.0	-60.0	295.94	Odin
DDHGY 04	629171.68	9606025.18	983.2	125.0	-60.0	172.21	Odin
DDHGY 05	628509.21	9606405.29	989.87	145.0	-60.0	258.27	Odin
DDHGY 06	629170.56	9606025.97	983.11	305.0	-60.0	101.94	Odin
DDHGY 07	629170.81	9606025.80	983.16	305.0	-75.0	127.00	Odin
DDHGY 08	628508.95	9606405.74	989.86	145.0	-75.0	312.32	Odin
DDHGY 09	629171.22	9606025.88	983.22	45.0	-75.0	166.25	Odin
DDHGY 10	629170.77	9606025.24	983.12	225.0	-75.0	194.47	Odin
DDHGY 11	628507.97	9606405.33	989.83	160.0	-60.0	241.57	Odin
DDHGY 12	629087.18	9606035.53	996.98	125.0	-60.0	255.7	Odin
DDHGY 13	629242.46	9605975.42	997.292	320.0	-65.0	340.86	Odin
DDHGY 14	629242.27	9605975.64	997.285	320.0	-75.0	309.14	Odin
DDHGY 15	629194.67	9605912.35	977.001	320.0	-60.0	251.07	Odin
DDHGY 16	629285.92	9606044.44	1036.920	320.0	-60.0	195.73	Odin
DDHGY 17	629122.31	9606058.64	1021.053	125.0	-82.0	280.04	Odin
DDHGY 18	628993.10	9606035.45	977.215	140.0	-60.0	160.35	Odin
DDHGY 19	629087.23	9606034.98	997.332	45.0	-53.0	175.41	Odin

Criteria	JORC Code explanation	Commentary

DRILLHOLE CODE	EAST (X)	NORTH (N)	ELEVATION (m.a.s.l)	AZIMUTH (°)	DIP (°)	FINAL DEPTHP	DRILLED BY
JDH01	627185.78	9606463.27	933.47	280.0	-60.0	236.89	Newmont
JDH02	627260.37	9606353.12	921.56	280.0	-45.0	257.62	Newmont
JDH03	627191.61	9606200.35	952.82	280.0	-45.0	260.97	Newmont
JDH04	627429.81	9606324.00	933.80	280.0	-45.0	219.00	Newmont
JDH05	627755.97	9606248.70	1066.24	280.0	-45.0	210.37	Newmont
JDH06	628356.37	9606416.13	911.58	150.0	-45.0	302.74	Newmont
JDH07	628356.37	9606416.13	911.58	150.0	-75.0	105.79	Newmont
JDH08	628356.37	9606416.13	911.58	150.0	-60.0	352.74	Newmont
JDH09	628507.01	9606408.43	990.18	150.0	-45.0	256.70	Newmont
JDH10	628897.96	9606813.62	985.60	270.0	-45.0	221.64	Newmont
JDH11	628878.64	9606674.39	1081.96	270.0	-45.0	217.99	Newmont
JDH12	629684.61	9606765.31	993.45	150.0	-60.0	124.08	Newmont
JDH13	629122.61	9606058.49	1020.98	125.0	-60.0	239.33	Newmont
JDH14	628897.15	9605562.77	852.59	90.0	-45.0	239.32	Newmont

Colorado V drill hole information:

hole ID	East (m)	North (m)	Elevation	Azimuth (°)	Dip (°)	final depth	Driller
ZK0-1	626378.705	9608992.99	204.452	221	-60	413.6	Shandong Zhaojin Geological Exploration Co Ltd
ZK0-2	626378.705	9608992.99	204.452	221	-82	581.6	Shandong Zhaojin Geological Exploration Co Ltd
ZK5-1	626377.846	9608790.388	273.43	221	-78	321.9	Shandong Zhaojin Geological Exploration Co Ltd
ZK5-2	626377.539	9608793.769	273.542	041	-78	319	Shandong Zhaojin Geological Exploration Co Ltd
ZK5-3	626383.556	9608800.999	273.622	330	-70	446.5	Shandong Zhaojin Geological Exploration Co Ltd
ZK5-4	626383.556	9608800.999	273.622	330	-78	508	Shandong Zhaojin Geological Exploration Co Ltd
ZK5-5	626432.795	9608847.735	242.572	061	-70	532	Shandong Zhaojin Geological Exploration Co Ltd
ZK11-1	626446.263	9608705.238	290.028	221	-78	237.5	Shandong Zhaojin Geological Exploration Co Ltd

Criteria	JORC Code explanation	Commentary						
		ZK205-1	626257.123	9608795.904	243.297	160	-70	346	Shandong Zhaojin Geological Exploration Co Ltd
		ZK1-1	626310.629	9608865.923	226.385	061	-70	514.6	Shandong Zhaojin Geological Exploration Co Ltd
		ZK1-2	626313.901	9608867.727	226.494	150	-70	403.1	Shandong Zhaojin Geological Exploration Co Ltd
		ZK1-3	626382.401	9608894.404	229.272	061	-70	424.5	Shandong Zhaojin Geological Exploration Co Ltd
		ZK6-1	626230.28	9609020.202	260.652	221	-70	552.6	Shandong Zhaojin Geological Exploration Co Ltd
		ZK6-2	626165.623	9608991.594	271.928	221	-70	531	Shandong Zhaojin Geological Exploration Co Ltd
		ZK12-1	626088.326	9609034.197	314.552	221	-70	531.5	Shandong Zhaojin Geological Exploration Co Ltd
		ZK12-2	626019.538	9608961.409	294.649	221	-70	510.6	Shandong Zhaojin Geological Exploration Co Ltd
		ZK1-4	626502.206	9608982.539	227.333	061	-70	379.5	Shandong Zhaojin Geological Exploration Co Ltd
		ZK1-5	626497.992	9608979.449	227.241	241	-70	415	Shandong Zhaojin Geological Exploration Co Ltd
		ZK1-6	626500.813	9608979.367	227.315	180	-70	607	Shandong Zhaojin Geological Exploration Co Ltd
		CK2-1	626328.573	9609000.856	216.798	221	-45	121.64	Shandong Zhaojin Geological Exploration Co Ltd
		CK2-2	626328.573	9609000.856	216.798	251	-45	171.85	Shandong Zhaojin Geological Exploration Co Ltd
		CK2-3	626328.573	9609000.856	216.798	191	-45	116.4	Shandong Zhaojin Geological Exploration Co Ltd
		CK2-4	626328.573	9609000.856	216.798	221	-70	146.12	Shandong Zhaojin Geological Exploration Co Ltd
		ZK1-7	626498.548	9608979.541	227.28	241	-82	456.49	Shandong Zhaojin Geological Exploration Co Ltd
		ZK1-8	626501.094	9608980.929	227.208	061	-85	556	Shandong Zhaojin Geological Exploration Co Ltd
		CK3-1	626359.641	9608859.373	205.96	020	-15	185.09	Shandong Zhaojin Geological Exploration Co Ltd
		CK3-2	626359.641	9608859.373	205.96	163	-00	21.75	Shandong Zhaojin Geological Exploration Co Ltd

Criteria	JORC Code explanation	Commentary						
		CK3-3	626359.641	9608859.373	205.96	050	-15	138.02	Shandong Zhaojin Geological Exploration Co Ltd
		ZK19-1	626753.271	9608802.634	386.627	221	-70	548.6	Shandong Zhaojin Geological Exploration Co Ltd
		ZK0-3	626475.236	9609095.444	197.421	221	-75	463	Shandong Zhaojin Geological Exploration Co Ltd
		ZK0-4	626476.119	9609098.075	197.225	221	-90	458	Shandong Zhaojin Geological Exploration Co Ltd
		ZK0-5	626475.372	9609100.909	197.17	300	-70	624.5	Shandong Zhaojin Geological Exploration Co Ltd
		ZK2-1	626329.859	9609005.863	213.226	221	-90	395.5	Shandong Zhaojin Geological Exploration Co Ltd
		SAZK0-1A	627477.062	9609865.618	217.992	180	-70	569.1	Shandong Zhaojin Geological Exploration Co Ltd
		SAZK0-2A	627468.807	9609805.054	213.63	180	-70	403.75	Shandong Zhaojin Geological Exploration Co Ltd
		ZK13-1	627763.877	9609906.484	197.899	180	-70	394	Shandong Zhaojin Geological Exploration Co Ltd
		ZK18-1	627123.327	9609846.268	142.465	180	-70	410.5	Shandong Zhaojin Geological Exploration Co Ltd
		zk13-2	627757.925	9609713.788	234.34	000	-70	194.8	Shandong Zhaojin Geological Exploration Co Ltd
		ZK4-1	626281.066	9609038.75	224.176	221	-90	434	Shandong Zhaojin Geological Exploration Co Ltd
		ZK4-2	626281.066	9609038.75	224.176	221	-70	390.5	Shandong Zhaojin Geological Exploration Co Ltd
		ZK4-3	626386.498	9609186.951	225.517	221	-70	650.66	Shandong Zhaojin Geological Exploration Co Ltd
		ZK100-1	626170.882	9608923.778	251.177	131	-70	415	Shandong Zhaojin Geological Exploration Co Ltd
		ZK3-1	626416.4	9609040.6	202.416	179	-29	295.52	Lee Mining
		ZK1-9	626416.4	9609040.6	202.416	203	-23	218.3	Lee Mining
		SAZK2-1	627330.0126	9609556.466	201.145	076	-05	430.89	Lee Mining
		SAZK2-2	627330.0126	9609556.466	201.145	062	-05	354.47	Lee Mining
		CK5-2	626457.0999	96089.8.4999	202.126	251	-69	273.11	Lee Mining
		CK5-1	626460.1233	9608906.592	202.124	194	-74	273.56	Lee Mining
		ZK10-1	626700.8538	9609675.002	126.617	221	-53	450.99	Lee Mining
		ZK103-1	628203.1453	9607944.85	535.324	215	-53	524.21	Lee Mining

Criteria	JORC Code explanation	Commentary

CK13-1	626610.0642	9608838.445	202.556	41	-05	227.1	Lee Mining
CK2-5	626254.4315	9608931.693	190.593	342	-05	357.56	Lee Mining
CK13-2	626610.0642	9608838.445	202.556	041	-40	231.16	Lee Mining
CK13-3	626605.2307	9608833.471	202.556	221	-59	197.06	Lee Mining
CK2-6	626298.1066	9608961.819	203.231	332	-18	392.56	Lee Mining
ZK105-1	628172.5923	9607826.055	541.244	183	-54	404.57	Lee Mining

Data aggregation methods	- *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* - *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* - *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	No grade cutting has been used to derive the weighted average grades reported. • Minimum cut of grade of 0.2 g/t Au Equivalent (AuEq) was used for determining intercepts. - Aggregate intercepts have been reported with higher grade inclusions to demonstrate the impact of aggregation. A bottom cut of 0.5 g/t Au Equivalent has been used to determine the higher-grade inclusions. Given the generally consistent nature of the mineralisation the impact of the aggregation of high-grade results and longer lengths of low-grade results does not have a large impact. For example, in the intercept of 156m @ 2.6 g.t Au in hole GGY-02: – over half of the intercept comprises gold grades in excess of 1 g/t Au – only 20% of the intercept includes grades between 0.2 and 0.5 g/t Au – over one third includes gold grades in excess of 2 g/t Au. • Au Eq assumes a gold price of USD 1,275/oz, a silver price of USD 16.43 /oz and a copper price of USD 6,766 /t. • Metallurgical recovery factors for gold, silver and copper are assumed to be equal. No metallurgical factors have been applied in calculating the Au Eq, hence the formula for calculating the Au Eq is Au (g/t) + (Ag (g/t) x 16.43/1275) + (1.650373 x Cu (%)). • CEL confirms that it is the company's opinion that all the elements included in the metal equivalents calculation have a reasonable potential to be recovered and sold.

Drillhole (#)		Mineralised Inte From	To	Total (m)	Gold (g/t)	Ag (g/t)	Cu (%)	Au Equiv (g/t)	Azimuth (deg)	Incl (deg)	TD (m)
JDH-001	from	183	190.6	**7.6**	**m @ 0.3 g/t Au +**	**not assayed**		n/a	280	-60	236.9
JDH-002	from	7.6	152.9	**145.3**	**m @ 0.4 g/t Au +**	**not assayed**		n/a	280	-45	257.5
	and	199	243	**44.0**	**m @ 0.4 g/t Au +**	**not assayed**		n/a			
JDH-003	from	35.95	71.6	**35.7**	**m @ 0.5 g/t Au +**	**not assayed**		n/a	280	-45	261
	and	120.4	254.6	**134.2**	**m @ 0.4 g/t Au +**	**not assayed**		n/a			
	inc	146.81	224.08	**77.3**	**m @ 0.5 g/t Au +**	**not assayed**		n/a			
JDH-004	from	3.96	21.95	**18.0**	**m @ 0.4 g/t Au +**	**not assayed**		n/a	280	-45	219
	and	79.74	120.42	**40.7**	**m @ 0.4 g/t Au +**	**not assayed**		n/a			
	and	150.9	203.7	**52.8**	**m @ 0.7 g/t Au +**	**not assayed**		n/a			
JDH-005	from	5.2	81.4	**76.2**	**m @ 0.4 g/t Au +**	**not assayed**		n/a	280	-45	210.4
	and	169.7	208.5	**38.8**	**m @ 0.2 g/t Au +**	**not assayed**		n/a			
JDH-006	from	17.99	89.6	**71.6**	**m @ 0.2 g/t Au +**	**2.0 g/t Ag +**	**0.10 % Cu**	0.42	150	-45	302.7
	and	164.8	281	**116.2**	**m @ 0.6 g/t Au +**	**8.9 g/t Ag +**	**0.40 % Cu**	1.37			
	inc	227.8	281.09	**53.3**	**m @ 1.2 g/t Au +**	**13.2 g/t Ag +**	**0.62 % Cu**	2.39			
JDH-007	from	39.7	84.45	**44.8**	**m @ 0.3 g/t Au +**	**1.4 g/t Ag +**	**0.04 % Cu**	0.38	150	-75	105.8
JDH-008	from	104.7	136.7	**32.0**	**m @ 0.1 g/t Au +**	**3.6 g/t Ag +**	**0.13 % Cu**	0.41	150	-60	352.7
	and	249.08	316.15	**67.1**	**m @ 0.2 g/t Au +**	**5.7 g/t Ag +**	**0.21 % Cu**	0.62			
	and	291.76	316.15	**24.4**	**m @ 0.5 g/t Au +**	**9.2 g/t Ag +**	**0.34 % Cu**	1.13			
JDH-009	from	10.3	122.03	**111.7**	**m @ 0.7 g/t Au +**	**14.6 g/t Ag +**	**0.58 % Cu**	1.85	150	-45	256.7
	inc	34.6	91.54	**56.9**	**m @ 0.2 g/t Au +**	**19.1 g/t Ag +**	**0.82 % Cu**	1.80			
	and	201.4	205.4	**4.0**	**m @ 11.4 g/t Au +**	**9.7 g/t Ag +**	**0.01 % Cu**	11.54			
	and	255.1	eoh	**1.5**	**m @ 0.7 g/t Au +**	**1.5 g/t Ag +**	**0.02 % Cu**	0.75			
JDH-10	from	1.5	50.9	**49.4**	**m @ 0.5 g/t Au +**	**2.5 g/t Ag +**	**0.09 % Cu**	0.68	270	-45	221.6
	and	90.54	119	**28.5**	**m @ 0.2 g/t Au +**	**3.0 g/t Ag +**	**0.10 % Cu**	0.40			
	and	140	203	**81.6**	**m @ 0.4 g/t Au +**	**1.3 g/t Ag +**	**0.07 % Cu**	0.53			
JDH-011	from	100.7	218	**117.3**	**m @ 0.4 g/t Au +**	**4.6 g/t Ag +**	**0.10 % Cu**	0.62	270	-45	218.0
JDH-012	from	12.2	53.96	**41.8**	**m @ 0.6 g/t Au +**	**6.5 g/t Ag +**	**0.02 % Cu**	0.67	150	-60	124.1
JDH-013	from	53.35	69.6	**16.3**	**m @ 0.5 g/t Au +**	**1.2 g/t Ag +**	**0.01 % Cu**	0.48	150	-60	239.3
	and	89.9	154.9	**65.0**	**m @ 1.4 g/t Au +**	**2.8 g/t Ag +**	**0.06 % Cu**	1.53			
	inc	114.32	142.76	**28.4**	**m @ 2.8 g/t Au +**	**4.9 g/t Ag +**	**0.10 % Cu**	3.03			
JDH-014	from	26.96	75.69	**48.7**	**m @ 0.4 g/t Au +**	**5.2 g/t Ag +**	**0.10 % Cu**	0.63	90	-60	239.4
	and	85.84	116.32	**30.5**	**m @ 0.2 g/t Au +**	**4.2 g/t Ag +**	**0.1 % Cu**	0.42			
	and	128.52	175.3	**46.8**	**m @ 0.5 g/t Au +**	**3.3 g/t Ag +**	**0.08 % Cu**	0.63			
	and	179.35	217.98	**38.6**	**m @ 0.1 g/t Au +**	**2.5 g/t Ag +**	**0.08 % Cu**	0.26			

Challenger Exploration Limited
ACN 123 591 382
ASX: **CEL**

Issued Capital
648.7.m shares
86.6m options
120m perf shares
16m perf rights

Australian Registered Office
Level 1
1205 Hay Street
West Perth WA 6005

Directors
Mr Kris Knauer, MD and CEO
Mr Scott Funston, Finance Director
Mr Fletcher Quinn, Chairman

Contact
T: +61 8 6380 9235
E: admin@challengerex.com.au

www.challengerex.com

Drillhole (#)		Mineralised Inte From	To	Total (m)		Gold (g/t)		Ag (g/t)		Cu (%)		Au Equiv (g/t)	Azimuth (deg)	Incl (deg)	TD (m)
GGY-001	from	10	69	**59.0**	**m @**	**0.2**	**g/t Au +**	**2.8**	**g/t Ag +**	**0.07**	**% Cu**	0.35	360	-90	249.2
	and	139	249.2	**110.2**	**m @**	**0.4**	**g/t Au +**	**1.1**	**g/t Ag +**	**0.06**	**% Cu**	0.51			
	inc	141	174	**33.0**	**m @**	**0.6**	**g/t Au +**	**2.0**	**g/t Ag +**	**0.08**	**% Cu**	0.76			
GGY-002	from	9.7	166	**156.3**	**m @**	**2.6**	**g/t Au +**	**9.7**	**g/t Ag +**	**0.16**	**% Cu**	2.99	360	-90	272.9
	inc	27	102	**75.0**	**m @**	**4.6**	**g/t Au +**	**19.1**	**g/t Ag +**	**0.22**	**% Cu**	5.21			
	and	114	166	**52.0**	**m @**	**1.3**	**g/t Au +**	**3.3**	**g/t Ag +**	**0.18**	**% Cu**	1.64			
	plus	244	272.9	**28.9**	**m @**	**0.3**	**g/t Au +**	**2.4**	**g/t Ag +**	**0.04**	**% Cu**	0.37			
GGY-003	from	40	260.75	**220.8**	**m @**	**0.2**	**g/t Au +**	**2.9**	**g/t Ag +**	**0.06**	**% Cu**	0.36	305	-60	295.9
GGY-004	from	1	42	**41.0**	**m @**	**0.5**	**g/t Au +**	**2.3**	**g/t Ag +**	**0.03**	**% Cu**	0.56	125	-60	172.2
GGY-005	from	12	162	**150.0**	**m @**	**0.4**	**g/t Au +**	**11.0**	**g/t Ag +**	**0.30**	**% Cu**	0.99	145	-60	258.3
	inc	14	54	**40.0**	**m @**	**0.6**	**g/t Au +**	**25.5**	**g/t Ag +**	**0.60**	**% Cu**	1.95			
	and	180	194	**14.0**	**m @**	**0.2**	**g/t Au +**	**6.1**	**g/t Ag +**	**0.22**	**% Cu**	0.64			
GGY-006	from	72	101.9	**49.0**	**m @**	**0.4**	**g/t Au +**	**2.3**	**g/t Ag +**	**0.03**	**% Cu**	0.45	305	-60	101.9
GGY-007	from	0.9	41	**40.1**	**m @**	**1.1**	**g/t Au +**	**2.6**	**g/t Ag +**	**0.04**	**% Cu**	1.20	305	-75	127
	inc	110	127	**17.0**	**m @**	**0.9**	**g/t Au +**	**1.2**	**g/t Ag +**	**0.04**	**% Cu**	0.98			
GGY-008	from	16	271	**255.0**	**m @**	**0.1**	**g/t Au +**	**6.5**	**g/t Ag +**	**0.24**	**% Cu**	0.62	145	-75	312.3
	inc	235	271	**36.0**	**m @**	**0.4**	**g/t Au +**	**11.5**	**g/t Ag +**	**0.50**	**% Cu**	1.32			
GGY-009	from	1.65	45	**43.4**	**m @**	**1.7**	**g/t Au +**	**3.0**	**g/t Ag +**	**0.06**	**% Cu**	1.80	45	-75	166.2
GGY-010	from	0	69	**69.0**	**m @**	**1.6**	**g/t Au +**	**2.3**	**g/t Ag +**	**0.03**	**% Cu**	1.67	225	-75	194.5
	inc	21	50	**29.0**	**m @**	**2.9**	**g/t Au +**	**2.7**	**g/t Ag +**	**0.03**	**% Cu**	2.98			
	and	75	95	**20.0**	**m @**	**0.3**	**g/t Au +**	**0.8**	**g/t Ag +**	**0.01**	**% Cu**	0.33			
GGY-011	from	14	229	**215.0**	**m @**	**0.2**	**g/t Au +**	**9.6**	**g/t Ag +**	**0.36**	**% Cu**	0.89	160	-60	241.6
	inc	14	97	**83.0**	**m @**	**0.2**	**g/t Au +**	**14.9**	**g/t Ag +**	**0.50**	**% Cu**	1.24			
	inc	202	229	**27.0**	**m @**	**0.4**	**g/t Au +**	**15.2**	**g/t Ag +**	**0.80**	**% Cu**	1.90			
GGY-012	from	57	192	**135.0**	**m @**	**0.3**	**g/t Au +**	**2.0**	**g/t Ag +**	**0.06**	**% Cu**	0.39	125	-60	256
	and	156	192	**36.0**	**m @**	**0.2**	**g/t Au +**	**3.3**	**g/t Ag +**	**0.13**	**% Cu**	0.44			
GGY-013	from	229.7	280	**50.3**	**m @**	**0.2**	**g/t Au +**	**2.2**	**g/t Ag +**	**0.05**	**% Cu**	0.31	320	-65	340.9
GGY-014				**nsi**								0.00	320	-75	309.1
GGY-015	from	110	132.4	**22.4**	**m @**	**0.4**	**g/t Au +**	**0.5**	**g/t Ag +**	**0.03**	**% Cu**	0.41	320	-60	251.1
	and	157	225.5	**68.5**	**m @**	**0.3**	**g/t Au +**	**1.5**	**g/t Ag +**	**0.10**	**% Cu**	0.45			
GGY-016	from	8	30	**22.0**	**m @**	**0.2**	**g/t Au +**	**0.7**	**g/t Ag +**	**0.01**	**% Cu**	0.26	320	-60	195.7
	and	42	57	**15.0**	**m @**	**0.3**	**g/t Au +**	**0.5**	**g/t Ag +**	**0.02**	**% Cu**	0.34			
	and	105	118	**13.0**	**m @**	**0.2**	**g/t Au +**	**0.7**	**g/t Ag +**	**0.01**	**% Cu**	0.26			
	and	185	188	**3.0**	**m @**	**1.0**	**g/t Au +**	**0.8**	**g/t Ag +**	**0.02**	**% Cu**	1.04			
GGY-017	from	0	24	**24.0**	**m @**	**0.5**	**g/t Au +**	**1.3**	**g/t Ag +**	**0.01**	**% Cu**	0.49	125	-82	280.4
	and	69	184	**115.0**	**m @**	**0.5**	**g/t Au +**	**2.1**	**g/t Ag +**	**0.03**	**% Cu**	0.53			
	inc	125	147	**22.0**	**m @**	**0.2**	**g/t Au +**	**2.0**	**g/t Ag +**	**0.05**	**% Cu**	0.29			
	and	206	241	**35.0**	**m @**	**0.3**	**g/t Au +**	**1.7**	**g/t Ag +**	**0.05**	**% Cu**	0.41			
	and	254	277	**23.0**	**m @**	**0.6**	**g/t Au +**	**1.2**	**g/t Ag +**	**0.04**	**% Cu**	0.63			
GGY-018	from	81	136	**55.0**	**m @**	**0.2**	**g/t Au +**	**3.5**	**g/t Ag +**	**0.06**	**% Cu**	0.34	140	-60	160.4
GGY-019	from	89	155	**66.0**	**m @**	**0.3**	**g/t Au +**	**2.0**	**g/t Ag +**	**0.03**	**% Cu**	0.36	45	-53	175.4

Challenger Exploration Limited
ACN 123 591 382
ASX: **CEL**

Issued Capital
648.7.m shares
86.6m options
120m perf shares
16m perf rights

Australian Registered Office
Level 1
1205 Hay Street
West Perth WA 6005

Directors
Mr Kris Knauer, MD and CEO
Mr Scott Funston, Finance Director
Mr Fletcher Quinn, Chairman

Contact
T: +61 8 6380 9235
E: admin@challengerex.com.au

www.challengerex.com

Criteria	JORC Code explanation	Commentary

Comparison showing historic and re-assayed intercepts for El Guayabo drill holes are shown below:

Drill hole (#)		From	To	Total (m)	Au (g/t)	Ag (g/t)	Cu (%)	Au Eq (g/t)
GGY-001	historical intercept	139	249.2	110.2m	0.4	1.1	0.06	0.5
	(re-assayed section)	141	177	36.0m	0.54	2.30	0.08	0.7
	(original assays)	‘	‘	36.0m	0.56	1.51	0.08	0.7
	(re-assayed section)	205	236	31.0m	0.19	0.89	0.03	0.3
	(original assays)	‘	‘	31.0m	0.21	0.13	0.03	0.3
GGY-002	historical intercept	9.7	166	156.3m	2.6	9.7	0.16	3.0
	(re-assayed section)	40	102	62.0m	5.22	21.33	0.25	5.9
	(original assays)	‘	‘	62.0m	4.83	19.96	0.23	5.5
	historical intercept	114	166	52.0m	1.3	3.3	0.18	1.6
	(re-assayed section)	114	171	57.0m	1.20	3.44	0.18	1.5
	(original assays)	‘	‘	57.0m	1.24	3.53	0.17	1.6
GGY-005	historical intercept	12	162	150.0m	0.4	11.0	0.30	1.0
	(re-assayed section)	10	60	50.0m	0.45	19.23	0.33	1.2
	(original assays)	‘	‘	50.0m	0.51	21.74	0.44	1.5
	(re-assayed section)	64	98	34.0m	0.10	5.25	0.16	0.4
	(original assays)	‘	‘	34.0m	0.84	6.22	0.16	1.2
	(re-assayed section)	132	162	30.0m	0.10	6.35	0.33	0.7
	(original assays)	‘	‘	30.0m	0.07	6.18	0.31	0.7
GGY-011	historical intercept	14	229	215.0m	0.2	9.6	0.36	0.9
	(re-assayed section)	14	126	112.0m	0.17	10.89	0.30	0.8
	(original assays)	‘	‘	112.0m	0.18	11.73	0.36	0.9
	(re-assayed section)	166	206	40.0m	0.09	5.08	0.22	0.5
	(original assays)	‘	‘	40.0m	0.09	4.90	0.22	0.5
	(re-assayed section)	218	231	13.0m	0.22	8.52	0.41	1.0
	(original assays)	‘	‘	13.0m	0.34	19.48	0.96	2.2
GGY-017	historical intercept	69	184	115.0m	0.5	2.1	0.03	0.5
	(re-assayed section)	94	129	35.0m	0.45	2.76	0.04	0.6
	(original assays)	‘	‘	35.0m	0.30	4.01	0.03	0.4
	(re-assayed section)	206	258	52.0m	0.37	2.00	0.06	0.5
	(original assays)	‘	‘	52.0m	0.26	1.42	0.06	0.4
JDH-006	historical intercept	17.99	89.6	71.6m	0.2	2.0	0.10	0.4
	(re-assayed section)	10.3	81.3	71.0m	0.18	1.38	0.03	0.2
	(original assays)	‘	‘	71.0m	0.20	1.59	0.07	0.3

Criteria	JORC Code explanation	Commentary						
	historical intercept	164.8	281	116.2m	0.6	8.9	0.40	1.4
	(re-assayed section)	150.6	281.1	130.5m	0.26	7.21	0.26	0.8
	(original assays)	‘	‘	130.5m	0.42	8.02	0.36	1.1
JDH-009	historical intercept	10.3	122	111.7m	0.7	14.6	0.58	1.8
	(re-assayed section)	6.7	107.8	101.1m	0.21	13.80	0.36	1.0
	(original assays)	‘	‘	101.1m	0.22	15.08	0.59	1.4
JDH-10	historical intercept	1.5	50.9	49.4m	0.5	2.5	0.09	0.7
	(re-assayed section)	15.2	50.9	35.7m	0.44	2.88	0.10	0.6
	(original assays)	‘	‘	35.7m	0.41	2.96	0.10	0.6
	historical intercept	140	203	81.6m	0.4	1.3	0.07	0.5
	(re-assayed section)	150.5	203.4	52.9m	0.36	1.34	0.07	0.5
	(original assays)	‘	‘	52.9m	0.39	1.24	0.06	0.5
JDH-012	historical intercept	12.2	53.96	41.8m	0.6	6.5	0.02	0.7
	(re-assayed section)	18.3	54	35.7m	0.68	7.62	0.02	0.8
	(original assays)	‘	‘	35.7m	0.69	7.36	0.02	0.8
JDH-013	historical intercept	89.9	154.9	65.0m	1.4	2.8	0.06	1.5
	(re-assayed section)	112.3	155	42.7m	2.11	2.84	0.05	2.2
	(original assays)	‘	‘	42.7m	2.00	3.70	0.08	2.2
JDH-014	historical intercept	26.96	75.69	48.7m	0.4	5.2	0.10	0.6
	(re-assayed section)	27	61.5	34.5m	0.64	5.99	0.13	0.9
	(original assays)	‘	‘	34.5m	0.52	6.25	0.13	0.8
	historical intercept	128.52	175.3	46.8m	0.46	3.3	0.08	0.6
	(re-assayed section)	140.7	167.2	26.5m	0.26	2.24	0.07	0.4
	(original assays)	‘	‘	26.5m	0.65	2.91	0.08	0.8

Colorado V:
A cut-off grade of 0.1 g/t Au was used to report the assays of re-samples core with up to 10 metres of internal dilution below cut-off allowable for the reporting of significant intercepts, consistent with a large low-grade mineralized system. Intersections that use a different cut-off are indicated.

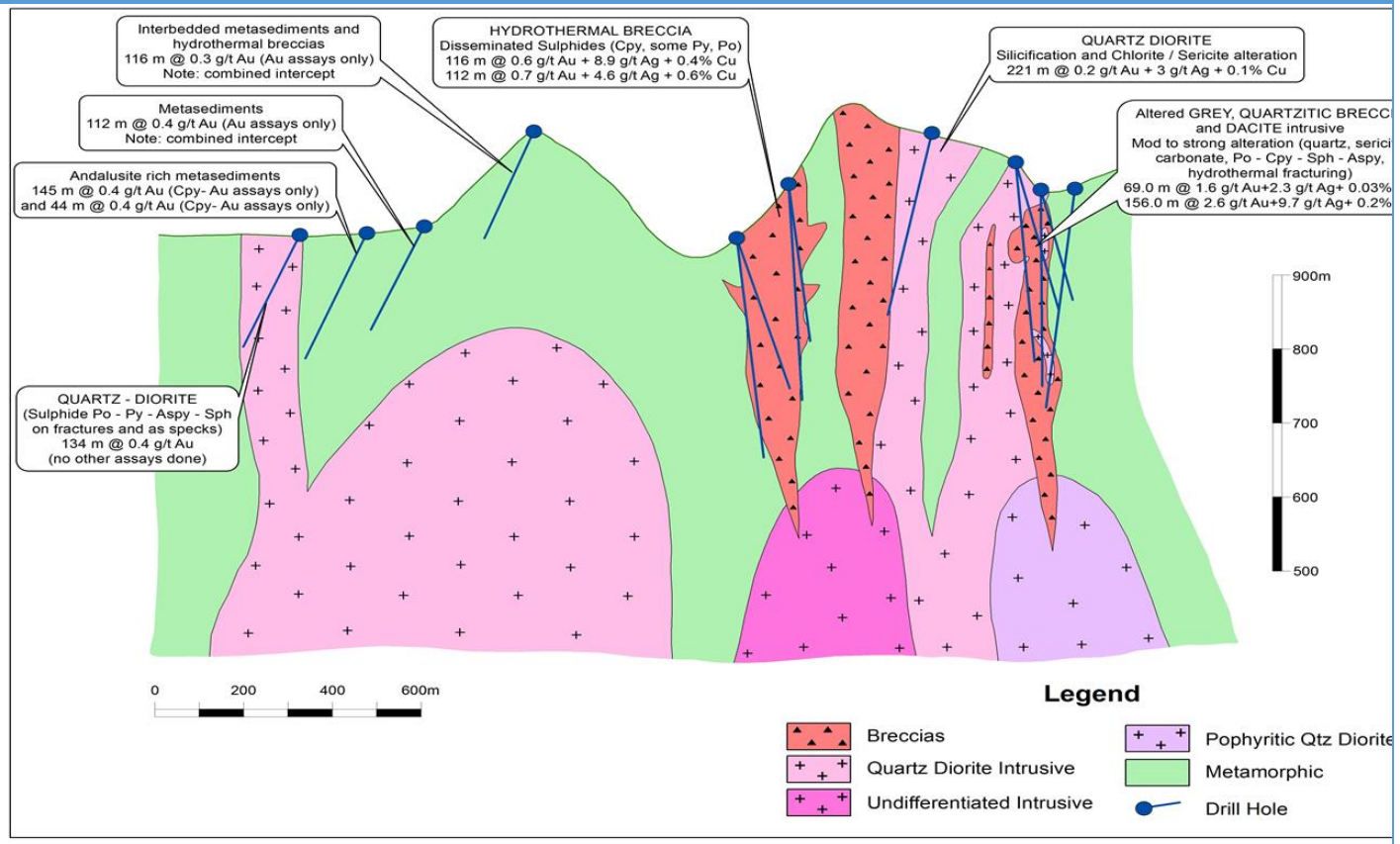
Colorado V drill hole results from re-sampling of available core:

Hole_id	From (m)	To (m)	Interval (m)	Au (g/t)	Ag (g/t)	Cu (ppm)	Mo (ppm)	Note
ZK0-1	9.4	37.5	28.1	0.4	1.0			
and	66.5	89.5	23.0	0.9	4.7			
and	105.7	129.7	24.0	0.3	1.0			
and	167.5	214.0	46.5	0.4	7.1			

Criteria	JORC Code explanation	Commentary							
		ZK1-3	46.0	103.7	57.7	0.5	1.9		
		inc	56.0	85.7	29.7	0.8	3.1		
		from	127.0	163.0	36.0	0.5	3.5		
		and	290.5	421.0	130.5	0.5	3.1		
		inc	302.5	380.5	78.0	0.7	3.5		
		ZK1-5	211.4	355.0	145.6	1.5	1.7		
		inc	253.0	340.0	87.0	2.1	1.9		
		KZ0-2	13.3	108.2	94.9	0.3	1.7		
		inc	75.7	108.2	32.5	0.4	2.6		
		and	172.7	193.1	20.4	0.3	2.1		
		and	225.0	376.4	151.4	0.9	3.8		
		inc	227.0	361.0	134.0	1.0	4.1		
		inc	227.0	290.0	63.0	1.6	5.1		
		ZK3-4	26	38	12	0.3	1.5	513	5
		and	50	114	64	0.2	1.5	549	5
		inc	86	88	2	1.5	1.4	458	3
		and	180	250	70	0.2	1.6	777	3
		ZK3-1	49.5	112.5	63	0.1	1.7	654	5
		inc	94.5	96	1.5	1.5	1.4	3126	7
		and	94.5	174	79.5	0.1	2	662	4
		inc	171	172.5	1.5	1.4	2.6	771	7
		SAZK0-1	31.2	90.8	59.6	0.2	1.4	392	3
		and	131.5	179.5	48	0.1	4.3	824	6
		and	229.8	292.8	63	0.2	1	325	8
		and	319	490.8	171.8	0.2	1.5	616	12
		inc	352	446.5	94.5	0.3	2.4	996	15
		SAK2-1	66.5	275	208.5	0.3	1.5	626	5
		inc	122	185	63	0.6	2.1	825	3
		and	225.5	227	1.5	1.6	1.4	638	2
		and	288.5	330.5	42	0.2	2	454	1
		inc	288.5	291.5	3	1.3	5.6	1136	1
		SAZK0-2	0	80.7	80.7	0.4	1.9	478	3
		inc	30.7	51.2	20.5	1	2.5	460	5
		and	136	148	12	0.6	0.4	61	14
		inc	137.5	140.5	3	1.4	0.3	10	4
		and	200.5	403.8	203.3	0.3	1.3	588	15

				1 g/t Au cut off
				1 g/t Au cut off
				1 g/t Au cut off
				1 g/t Au cut off
				1 g/t Au cut off
				1 g/t Au cut off
				1 g/t Au cut off
				1 g/t Au cut off
				1 g/t Au cut off
				Hole ends in mineralisation

Criteria	JORC Code explanation	Commentary							
		inc	293.5	399.3	105.8	0.5	1.3	635	16	
		inc	214	215.5	1.5	1.8	2.1	681	12	1 g/t Au cut off
		inc	344.5	399.3	54.8	0.7	1.5	767	12	
		inc	361.8	366.3	4.5	5.5	0.8	502	61	1 g/t Au cut off
		and	397.8	399.3	1.5	1.3	2.3	770	2	1 g/t Au cut off
		ZK1-13	46.2	73.2	27	0.1	0.8	306	1	
		and	140	141.5	1.5	1.9	0.7	236	1	1 g/t Au cut off
		and	161	196	35	0.1	1.4	391	2	
		ZK0-5	6.1	19.8	13.7	0.2	1.3	313	10	
			46.3	130.1	83.8	0.5	1.2	356	7	
		inc	67	118	51	0.7	1.4	409	5	0.5 g/t Au cut off
		inc	75.7	76.8	1.1	1.2	1.4	483	2	1 g/t Au cut off
		and	80.7	81.7	1	1.8	2.2	549	4	1 g/t Au cut off
		and	93.7	94.7	1	13.9	3.4	354	7	1 g/t Au cut off
		and	146.5	296.5	150	0.2	1	310	3	
		and	370	371.5	1.5	0.9	5.2	1812	3	
		and	414.3	415.8	1.5	1.2	0.3	127	1	
		and	560.5	562	1.5	2.3	0.6	189	2	
		and	596	598.2	2.2	1.7	2.1	391	4	
		and	607	608.5	1.5	2	0.8	190	2	
		ZK18-1	NSI							
Relationship between mineralisation widths and intercept lengths	- *These relationships are particularly important in the reporting of Exploration Results.* - *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* - *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length,*	- The geometry of the breccia hosted mineralisation appears to be predominantly vertical pipes while the geometry of the intrusive hosted mineralisation is not yet clear. The owner cautions that only and only the down hole lengths are reported and the true width of mineralisation is not known. - The preliminary interpretation is that the breccia hosted mineralisation occurs in near vertical breccia pipes. Thus, intersections in steeply inclined holes may not be representative of the true width of this breccia hosted mineralisation. The relationship between the drilling orientation and some of the key mineralised structures and possible reporting bias in terms of true width is illustrated in the figure below.							

Criteria	JORC Code explanation	Commentary
	true width not known').	
Diagrams	- *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	See section above
Balanced reporting	- *Where comprehensive reporting of all Exploration Results is not practicable,*	- The reporting is fair and representative of what is currently understood of the geology of the project.

Criteria	JORC Code explanation	Commentary
	representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.	
Other substantive exploration data	- *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	**El Guayabo:** Quantec Geophysical services conducted a SPARTAN Broadband Magnetotelluric and TITAN IP/EMAP surveys completed February 3rd to April 1st, 2019 over the El Guayabo property by Quantec Geoscience Ltd. on behalf of AAR Resources. The survey covered 16 square kilometersa with data collected on 300m 3D spacing on a gride oriented at 10 degerees and 100 degerees. The grid was moved 10 degrees so the survey could be orineted perpendicu;lar to the main geological srtuctures. The survey involved a total of 205 Magnetotelluric (MT) sites and 2 test TITAN IP/EMAP profiles were surveyed The final survey results to which will be delivered will consist of : • Inversion 2D products · 2D model sections (for each line) of the: · DC resistivity model; · IP chargeability model using the DC resistivity model as a reference; · IP chargeability model using a half-space resistivity model as a reference; · MT(EMAP) resistivity model; · Joint MT+DC resistivity model; IP chargeability model using the MT+DC resistivity model; • Inversion 3D products · 3D MT model; · Cross-sections and Elevation Plan maps of the 3D MT models; Figures showing Survey Locations and Results are included in the boidy of this release **DCIP INVERSION PROCEDURES** DCIP is an electrical method that uses the injection of current and the measurement of voltage difference along with its rate of decay to determine subsurface resistivity and chargeability respectively. Depth of investigation is mainly controlled by the array geometry but may also be limited by the received signal (dependent on transmitted current) and ground resistivity. Chargeability is particularly susceptible to data with a low signal-to-noise ratio. The differences in penetration depth between DC resistivity and chargeability are a function of relative property contrasts and relative signal-to-noise levels between the two measurements. A detailed introduction to DCIP is given in Telford, et al. (1976). The primary tool for evaluating data is through the inversion of the data in two or three dimensions. An inversion model depends not only on the data collected, but also on the associated data errors in the reading and the “model norm”. Inversion models are not unique and may contain “artefacts” from the inversion process. The inversion model may not accurately reflect all the information apparent in the actual data. Inversion models must be reviewed in context with the observed data, model fit, and with an understanding of the model norm used. The DC and IP inversions use the same mesh. The horizontal mesh is set as 2 cells between electrodes. The vertical mesh is designed with a cell thickness starting from 20 m for the first hundred metres to accommodate the topographic variation

Criteria	JORC Code explanation	Commentary
		along the profiles, and then increases logarithmically with depth. The inversions were generally run for a maximum of 50 iterations. The DC data is inverted using an unconstrained 2D inversion with a homogenous half-space of average input data as starting model. For IP inversions, the apparent chargeability □ is computed by carrying out two DC resistivity forward models with conductivity distributions $\boldsymbol{\sigma(xi,zj)}$ and $\boldsymbol{(1-\eta)\sigma(xi,zj)}$ (Oldenburg and Li, 1994), where $\boldsymbol{(xi,zj)}$ specifies the location in a 2D mesh. The conductivity distributions used in IP inversions can be the inverted DC model or a half space of uniform conductivity. Two IP inversions are then calculated from the same data set and parameters using different reference models. The first inversion of the IP data uses the previously calculated DC model as the reference model and is labelled the IP dcref model. The second IP inversion uses a homogeneous half-space resistivity model as the reference model and is labelled IP hsref model. This model is included to test the validity of chargeability anomalies, and to limit the possibility of inversion artefacts in the IP model due to the use of the DC model as a reference. The results of this second IP inversion are presented on the digital archived attached to this report. **MAGNETOTELLURIC INVERSIONS** The Magnetotelluric (MT) method is a natural source EM method that measures the variation of both the electric (E) and magnetic (H) field on the surface of the earth to determine the distribution at depth of the resistivity of the underlying rocks. A complete review of the method is presented in Vozoff (1972) and Orange (1989). The measured MT impedance Z, defined by the ratio between the E and H fields, is a tensor of complex numbers. This tensor is generally represented by an apparent resistivity (a parameter proportional to the modulus of Z) and a phase (argument of Z). The variation of those parameters with frequency relates the variations of the resistivity with depth, the high frequencies sampling the sub-surface and the low frequencies the deeper part of the earth. However, the apparent resistivity and the phase have an opposite behaviour. An increase of the phase indicates a more conductive zone than the host rocks and is associated with a decrease in apparent resistivity. The objective of the inversion of MT data is to compute a distribution of the resistivity of the surface that explains the variations of the MT parameters, i.e. the response of the model that fits the observed data. The solution however is not unique and different inversions must be performed (different programs, different conditions) to test and compare solutions for artefacts versus a target anomaly. An additional parameter acquired during MT survey is the Tipper. Tipper parameters Tzx and Tzy (complex numbers) represent the transfer function between the vertical magnetic field and the horizontal X (Tzx), and Y (Tzy) magnetic fields respectively (as the impedance Z represent the transfer function between the electric and magnetic fields). This tipper is a 'local' effect, mainly defined by the lateral contrast of the resistivity. Consequently, the tipper can be used to estimate the geological strike direction. Another important use of the tipper is to display its components as vectors, named induction vectors. The induction vectors (defined by the real components of Tzx and Tzy) plotted following the Parkinson-Real-Reverse-Angle convention will point to conductive zones. The tipper is then a good mapping tool to delineate more conductive zones. The depth of investigation is determined primarily by the frequency content of the measurement. Depth estimates from any individual sounding may easily exceed 20 km. However, the data can only be confidently interpreted when the aperture of the array is comparable to the depth of investigation. The inversion model is dependent on the data, but also on the associated data errors and the model norm. The inversion models are not unique, may contain artefacts of the inversion process and may not therefore accurately reflect all the information apparent in the actual data. Inversion models need to be reviewed in context with the observed data, model fit. The user must understand the model norm used and evaluate whether the model is geologically plausible.

Criteria	JORC Code explanation	Commentary

For this project, 2D inversions were performed on the TITAN/EMAP profiles data. For each profile, we assume the strike direction is perpendicular to the profile for all sites: the TM mode is then defined by the inline E-field (and cross line H-field); no TE mode (crossline E-field) were used in the 2D inversions.
The 2D inversions were performed using the TM-mode resistivity and phase data interpolated at 6 frequencies per decade, assuming 10% and 5% error for the resistivity and phase respectively, which is equivalent to 5% error on the impedance component Z. No static shift of the data has been applied on the data.
The 3D inversion was carried out using the CGG RLM-3D inversion code. The 3D inversions of the MT data were completed over an area of approximately 5km x 3.5km. All MT sites from this current survey were used for the 3D inversion.
The 3D inversion was completed using a sub sample of the MT data with a maximum of 24 frequencies at each site covering the measured data from 10 kHz to 0.01 Hz with a nominal 4 frequencies per decade. At each site, the complete MT complex impedance tensors (Zxx, Zxy, Zyx, and Zyy) were used as input data with an associated error set to 5% on each parameter. The measured tipper data (Tzx, Tzy) were also used as input data with an associated error set to 0.02 on each parameter. A homogenous half space with resistivity of 100 Ohm-m was used as the starting model for this 3D MT inversion. A uniform mesh with 75 m x 75 m cell size was used in horizontal directions in the resistivity model. The vertical mesh was defined to cover the first 4 km. Padding cells were added in each direction to accommodate the inversion for boundary conditions. The 3D inversion was run for a maximum of 50 iterations.
In addition a total of 129 samples distributed along 12 holes were analysed to measure the resistivity (Rho (Ohm*m) and chargeability properties (Chargeability M and Susceptibility (SCPT 0.001 SI) . The equipment used for the analyses was the Sample Core IP Tester, manufactured by Instrumentation GDD Inc. It should be noted that these measures should be taken only as first order estimate, and not as “absolute” (true) value as readings by the field crew were not repeated and potentially subject to some errors (i.e. wrong size of the core entered in the equipment).

Colorado V:
Exploration Target:
An Exploration Target for two mineralized zones on the Colorado V mining concession has been made using surface gold in soil anomalies, drill hole geological and assay information and panel sampling from an adit at one of the targets.

Exploration Target Anomaly A	Unit	Low estimate	High Estimate
Surface area (100 ppb Au in soil envelope):	m^2	250000	250000
Depth	m	400	400
Bulk Density	kg/m^3	2600	2750
Tonnage	Mt	260	275
Grade Au	g/t	0.4	0.7
Grade Ag	g/t	1.5	2.5
tonnage above cut-off	%	70%	90%

Criteria	JORC Code explanation	Commentary

Contained Au	Moz	2.3	5.6
Contained Ag	Moz	8.8	19.9

Exploration Target Anomaly B	**Unit**	**Low estimate**	**High Estimate**
Surface area (100 ppb Au in soil envelope):	m^2	175000	175000
Depth	m	400	400
Bulk Density	kg/m^3	2600	2750
Tonnage	Mt	182	193
Grade Au	g/t	0.4	0.7
Grade Ag	g/t	1.5	2.5
% tonnage above cut-off	%	70%	90%
Contained Au	Moz	1.6	3.9
Contained Ag	Moz	6.1	13.9

Total of Target A & B	**Unit**	**Low estimate**	**High Estimate**
Tonnage	Mt	442	468
Contained Au	Moz	4.0	9.5
Contained Ag	Moz	14.9	33.8

The potential quantity and grade of the Colorado V Exploration Target is conceptual in nature. There has been insufficient exploration to estimate a Mineral Resource and that it is uncertain if further exploration will result in the estimation of a Mineral Resource.

The following is an explanation of the inputs used in formulating the Exploration Target.

- Surface Area: The surface area of the target has been estimated by projecting drill hole gold significant intersections vertically to the surface. The surface projection of the intersections in the drill holes coincides with the 100 ppb Au gold-in-soil anomaly contour. This area has been used to estimate the horizontal extent of the mineralization.
- Depth: A depth of 400 metres from surface has been used as an estimate of the depth that an open pit and underground bulk tonnage mining project would be expected to extend. The mineralization at Colorado V is controlled by steeply plunging / dipping intrusions and breccia which is expected to extend to at least 400m depth from surface.

Criteria	JORC Code explanation	Commentary
		• Bulk Density: The bulk density is based on geological observations of the rocks that host the mineralization. Typical bulk densities for these rock types are in the range used. • Gold and Silver grades: The gold and silver grade range has been estimated from the weighted average and median sample grades and deviations from mean from drill core and underground panel sampling. • Proportion of tonnage above cut-off grade: These values are estimates based on drill hole intersection grade continuity down-hole assuming that not all of the Target volume, if sampled would be above the economic cut-off grade.
Further work	- *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* - *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	**El Guaybo Project** - Re-logging and re-assaying core including SWIR/alteration mapping to better vector on the porphyry and breccia targets – available assays 6 elements only, no SWIR, and not logged by porphyry experts. - Helicopter magnetic survey on east-west flight lines with 50m spacing, proceesing and interpretation of these data. - Channel sampling of the adit and artisanal workings - > 1km of underground exposure of the system which has never been systematically mapped or sampled. - Sampling of additional breccia bodies – only 2 of the 10 known breccias have been systematically defined and properly sampled. - Complete interpretation of the 3D MT survey (with IP lines) covering 16 sq. This will include integration of all the geological data and constrained inversion modelling - The aim of the program above is to define targets for a drilling program **Colorado V Project** - Re-logging and re-assaying of drill core where only partial gold assays are available. - Helicopter magnetic survey on east-west flight lines with 50m spacing, proceesing and interpretation of these data. - Channel sampling of mineralized exposures in the adits and underground workings. - Surface mapping and sampling. - Compile and integrate existing soil survey data with CEL's MMI soil survey covering 16 sq kms. Additional soil geochemical sampling (MMI and c-horizon) to be completed near main anomalies - The aim of the program above is to further test the Exploration Targets and identify targets for drilling.

JORC Code, 2012 Edition – Table 1 report template

Section 1 Sampling Techniques and Data -Hualilan Project

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	- *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* - *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* - *Aspects of the determination of mineralisation that are Material to the Public Report.* - *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases, more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	For historic exploration data, there is little information provided by previous explorers to detail sampling techniques. Drill core was cut with a diamond saw longitudinally and one half submitted for assay. Assay was generally done for Au. In some drill campaigns, Ag and Zn were also analysed. There is limited multielement data available. No information is available for RC drill techniques and sampling. For CEL drilling, diamond core (HQ3) was cut longitudinally on site using a diamond saw. Samples lengths are from 0.5m to 2.0m in length (average 1m), taken according to lithology, alteration, and mineralization contacts. For CEL reverse circulation (RC) drilling, 2-4 kg sub-samples from each 1m drilled are collected from a face sample recovery cyclone mounted on the drill machine. Core samples were crushed to approximately 85% passing 2mm. A 500g or a 1 kg sub-sample was taken and pulverized to 85% passing 75µm. A 50g charge was analysed for Au by fire assay with AA determination. Where the fire assay grade is > 10 g/t gold, a 50g charge was analysed for Au by Fire assay with gravimetric determination. A 10g charge was analysed for 48 elements by 4-acid digest and ICP-MS determination. Elements determined were Ag, As, Ba, Be, Bi, Ca, Ce, Co, Cr, Cs, Cu, Fe, Ga, Ge, Hf, In, K, La, Li, Mg, Mn, Mo, Na, Nb, Ni, P, Pb, Rb, Re, S, Sb Sc, Se, Sn, Sr, Ta, Te, Th, Ti, Tl, U, V, W, Y, Zn and Zr. Ag > 100 g/t, Zn, Pb and Cu > 10,000 ppm and S > 10% were re-analysed by the same method using a different calibration. Sample intervals were selected according to geological boundaries. There was no coarse gold observed in any of the core.
Drilling techniques	- *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	Collar details for diamond core drilling (DD) and reverse circulation (RC) historic drilling campaigns is provided below from archival data cross checked with drill logs and available plans and sections where available. Collars shown below are in WGS84, zone 19s which is the standard projection used by CEL for the Project. Collar locations have been check surveyed using differential GPS (DGPS) by CEL to verify if the site coincides with a marked collar or tagged drill site. In most cases the drill collars coincide with historic drill site, some of which (but not all) are tagged. The collar check surveys were reported in POSGAR (2007) projection and converted to WGS84.

Criteria	JORC Code explanation	Commentary

Hole_id	Type	East (m)	North (m)	Elevation (m ASL)	Azimuth (°)	Dip (°)	Depth (m)	Date
AG01	DD	2504908.0	6602132.3	1807.6	000	-90	84.5	Jan-84
AG02	DD	2504846.5	6602041.1	1803.4	112	-70	60.0	Jan-84
AG03	DD	2504794.5	6601925.6	1803.1	080	-55	110.0	Jan-84
AG04	DD	2504797.1	6602065.5	1806.6	000	-90	168.0	Jan-84
AG05	DD	2504843.5	6601820.3	1798.1	000	-90	121.8	Jan-84
AG06	DD	2504781.9	6601922.8	1803.8	000	-90	182.2	Jan-84
AG07	DD	2504826.3	6601731.0	1796.9	000	-90	111.5	Jan-84
AG08	DD	2504469.8	6600673.7	1779.7	090	-57	80.2	Jan-84
AG09	DD	2504455.7	6600458.5	1772.6	000	-90	139.7	Jan-84
AG10	DD	2504415.5	6600263.9	1767.7	000	-90	200.8	Jan-84
AG11	DD	2504464.8	6600566.5	1775.9	000	-90	141.0	Jan-84
AG12	DD	2504847.6	6602161.7	1808.8	000	-90	171.4	Jan-84
AG13	DD	2504773.6	6601731.3	1798.7	000	-90	159.5	Jan-84
AG14	DD	2504774.7	6601818.8	1801.2	000	-90	150.2	Jan-84
AG15	DD	2504770.7	6601631.4	1796.7	000	-90	91.3	Jan-84
AG16	DD	2504429.5	6600665.8	1779.8	000	-90	68.8	Jan-84

Hole_id	Type	East (m)	North (m)	Elevation (m ASL)	Azimuth (°)	Dip (°)	Depth (m)	Date
MG01	RC	2504825.5	6602755.4	1800.0	100	-60	51.0	Jan-95
MG01A	RC	2504810.5	6602755.4	1800.0	100	-60	116.0	Jan-95
MG02	RC	2504835.5	6602805.4	1800.0	100	-60	90.0	Jan-95
MG03	RC	2504853.5	6602880.4	1795.0	100	-60	102.0	Jan-95
MG04	RC	2504843.5	6602975.4	1800.0	100	-60	120.0	Jan-95
MG05	RC	2506130.5	6605055.4	1750.0	85	-60	96.0	Jan-95
MG06	RC	2506005.5	6605115.4	1750.0	100	-60	90.0	Jan-95
MG07	RC	2506100.5	6605015.4	1750.0	100	-60	96.0	Jan-95
MG08	RC	2505300.5	6603070.4	1740.0	95	-70	66.0	Jan-95
MG09	RC	2505285.5	6603015.4	1740.0	0	-90	102.0	Jan-95
MG10	RC	2505025.5	6600225.4	1724.0	100	-60	120.0	Jan-95
MG11	RC	2503380.5	6598560.5	1740.0	100	-60	78.0	Jan-95
MG12	RC	2503270.5	6597820.5	1740.0	100	-60	66.0	Jan-95

Criteria	JORC Code explanation	Commentary

Hole_id	Type	East (m)	North (m)	Elevation (m ASL)	Azimuth (°)	Dip (°)	Depth (m)	Date
Hua01	RC	2504845.3	6602041.2	1809.7	117	-50	60.0	1999
Hua02	RC	2504889.5	6602081.1	1809.7	125	-55	45.0	1999
Hua03	RC	2505003.3	6602158.6	1810.7	000	-90	100.0	1999
Hua04	RC	2504873.3	6602169.1	1809.7	000	-90	100.0	1999
Hua05	RC	2505003.2	6602152.6	1810.7	180	-60	100.0	1999
Hua06	RC	2505003.3	6602161.6	1810.7	360	-60	100.0	1999
Hua07	RC	2504967.7	6602153.2	1810.2	000	-90	100.0	1999
Hua08	RC	2504973.2	6602153.7	1810.2	000	-90	13.0	1999
Hua09	RC	2504940.7	6602150.3	1809.7	180	-60	100.0	1999
Hua10	RC	2504941.8	6602156.8	1809.7	360	-60	100.0	1999
Hua11	RC	2504913.3	6602167.4	1809.7	360	-60	88.0	1999
Hua12	RC	2504912.8	6602165.9	1809.7	000	-90	100.0	1999
Hua13	RC	2504912.3	6602156.9	1809.7	180	-60	90.0	1999
Hua14	RC	2504854.3	6602168.2	1809.7	360	-60	100.0	1999
Hua15	RC	2504854.8	6602166.2	1809.7	117	-60	100.0	1999
Hua16	RC	2504834.2	6601877.8	1800.7	000	-90	100.0	1999
Hua17	RC	2504865.9	6602449.8	1814.1	90	-50	42.0	1999
Hua20	RC	2504004.1	6600846.4	1792.7	000	-90	106.0	1999
Hua21	RC	2504552.9	6600795.0	1793.9	000	-90	54.0	1999

Hole_id	Type	East (m)	North (m)	Elevation (m ASL)	Azimuth (°)	Dip (°)	Depth (m)	Date
DDH20	DD	2504977.3	6602133.3	1804.8	116	-54	49.1	1999-00
DDH21	DD	2504978.3	6602118.3	1804.8	000	-90	88.6	1999-00
DDH22	DD	2504762.9	6601587.1	1769.8	116	-65	66.0	1999-00
DDH23	DD	2504920.4	6601994.3	1767.9	000	-90	58.8	1999-00
DDH24	DD	2504821.0	6601938.8	1802.0	116	-80	100.3	1999-00
DDH25	DD	2504862.6	6601964.5	1803.7	116	-74	49.2	1999-00
DDH26	DD	2504920.4	6601975.3	1795.0	312	-60	80.3	1999-00
DDH27	DD	2504752.7	6601565.1	1806.6	116	-60	43.2	1999-00
DDH28	DD	2505003.6	6602174.3	1806.6	116	-50	41.7	1999-00
DDH29	DD	2504964.1	6602136.6	1810.0	350	-52	113.5	1999-00
DDH30	DD	2505004.1	6602156.3	1809.3	059	-85	62.1	1999-00
DDH31	DD	2504897.6	6602112.7	1808.1	116	-75	41.4	1999-00
DDH32	DD	2504939.4	6602139.2	1809.1	350	-51	100.7	1999-00
DDH33	DD	2504939.4	6602139.2	1809.1	350	-65	62.9	1999-00

Criteria	JORC Code explanation	Commentary								
		DDH34	DD	2504826.5	6601920.2	1801.3	116	-70	69.4	1999-00
		DDH35	DD	2505003.9	6602156.7	1808.8	310	-85	174.6	1999-00
		DDH36	DD	2504637.5	6600777.3	1799.9	330	-50	45.5	1999-00
		DDH37	DD	2504826.5	6601920.2	1809.4	000	-90	121.0	1999-00
		DDH38	DD	2504820.8	6601912.2	1801.1	116	-75	67.7	1999-00
		DDH39	DD	2504820.8	6601912.2	1801.1	116	-81	90.7	1999-00
		DDH40	DD	2504832.3	6601928.1	1801.7	116	-70	85.7	1999-00
		DDH41	DD	2504837.8	6601937.5	1801.6	116	-70	64.2	1999-00
		DDH42	DD	2504829.2	6601952.5	1801.8	116	-60	65.1	1999-00
		DDH43	DD	2504829.2	6601952.5	1801.8	116	-70	70.8	1999-00
		DDH44	DD	2504811.3	6601895.1	1802.0	116	-60	102.2	1999-00
		DDH45	DD	2504811.3	6601895.1	1802.0	116	-83	95.3	1999-00
		DDH46	DD	2504884.4	6601976.3	1805.9	116	-45	71.6	1999-00
		DDH47	DD	2504884.4	6601976.3	1805.9	116	-65	71.0	1999-00
		DDH48	DD	2504866.9	6601962.7	1803.1	116	-47	30.7	1999-00
		DDH49	DD	2504866.9	6601962.7	1803.1	116	-72	41.9	1999-00
		DDH50	DD	2504821.4	6601913.9	1801.1	116	-77	87.5	1999-00
		DDH51	DD	2504821.4	6601913.9	1801.1	116	-80	87.5	1999-00
		DDH52	DD	2504825.5	6601901.1	1800.9	116	-83	74.0	1999-00
		DDH53	DD	2504504.1	6600714.0	1788.7	090	-62	85.7	1999-00
		DDH54	DD	2504504.1	6600714.0	1788.7	090	-45	69.1	1999-00
		DDH55	DD	2504997.9	6602163.5	1808.6	360	-53	63.1	1999-00
		DDH56	DD	2504943.1	6602171.3	1810.5	360	-75	50.6	1999-00
		DDH57	DD	2504943.1	6602171.3	1810.5	000	-90	66.2	1999-00
		DDH58	DD	2504970.3	6602153.3	1809.1	360	-71	62.0	1999-00
		DDH59	DD	2504970.3	6602153.3	1809.1	000	-90	66.3	1999-00
		DDH60	DD	2504997.9	6602162.5	1809.0	360	-67	59.9	1999-00
		DDH61	DD	2504997.9	6602162.5	1809.0	000	-90	58.1	1999-00
		DDH62	DD	2504751.4	6601602.6	1789.2	170	-45	68.4	1999-00
		DDH63	DD	2504751.4	6601602.6	1789.2	170	-70	131.5	1999-00
		DDH64	DD	2504776.3	6601596.9	1789.1	170	-45	66.7	1999-00
		DDH65	DD	2504552.7	6600792.0	1793.8	194	-45	124.8	1999-00
		DDH66	DD	2504552.7	6600792.0	1793.8	194	-57	117.0	1999-00
		DDH67	DD	2504552.7	6600792.0	1793.8	194	-66	126.1	1999-00
		DDH68	DD	2504623.9	6600779.0	1800.7	000	-90	79.5	1999-00
		DDH69	DD	2504623.9	6600779.0	1800.7	194	-60	101.5	1999-00
		DDH70	DD	2504595.5	6600797.7	1798.1	190	-81	128.0	1999-00
		DDH71	DD	2504631.6	6600797.4	1799.0	194	-63	136.3	1999-00

Criteria	JORC Code explanation	Commentary

DDH72	DD	2504547.2	6600764.1	1799.6	194	-45	75.6	1999-00
DDH73	DD	2504593.4	6600766.5	1807.5	190	-57	70.8	1999-00
DDH74	DD	2504598.2	6600831.8	1795.3	190	-62	190.9	1999-00
DDH75	DD	2504731.2	6600784.7	1821.4	194	-45	40.2	1999-00
DDH76	DD	2504731.2	6600784.7	1821.4	180	-60	138.7	1999-00
DDH77	DD	2504734.1	6600785.0	1821.6	000	-90	85.6	1999-00
DDH78	DD	2504731.2	6600784.7	1821.4	180	-75	132.9	1999-00
DDH79	DD	2504721.6	6600790.1	1820.4	060	-70	38.6	1999-00

Hole_id	Type	East (m)	North (m)	Elevation (m ASL)	Azimuth (°)	Dip (°)	Depth (m)
03HD01A	DD	2504627.8	6600800.1	1798.4	180	-60	130.2
03HD02	DD	2504457.9	6600747.8	1782.9	180	-60	130.5
03HD03	DD	2504480.1	6600448.6	1774.0	360	-45	100.2
04HD04	DD	2504436.6	6600439.3	1773.4	360	-60	104.6
04HD05	DD	2504420.9	6600256.8	1769.5	110	-68	122.6
04HD06	DD	2504428.6	6600236.6	1768.1	110	-68	136.0
04HD07	DD	2504415.7	6600277.7	1769.0	100	-63	108.2
04HD08	DD	2504826.5	6601920.2	1801.3	116	-70	70.0
04HD09	DD	2504832.3	6601928.1	1801.7	116	-70	75.9
04HD10	DD	2504648.5	6600788.9	1801.5	205	-60	120.0
04HD11	DD	2504462.0	6600428.3	1773.6	075	-62	95.1
04HD12	DD	2504449.3	6600648.9	1779.6	360	-60	77.4
04HD13	DD	2504434.5	6600646.6	1779.7	360	-60	74.0
04HD14	DD	2504461.1	6600748.4	1783.1	180	-70	130.6
04HD15	DD	2504449.9	6600646.2	1779.6	360	-64	160.0
04HD16C	DD	2504457.1	6600311.7	1770.3	195	-65	225.5
04HD17	DD	2504417.5	6600256.6	1769.5	110	-72	213.2
04HD18	DD	2504528.5	6600792.0	1791.9	170	-50	140.7
04HD19	DD	2504648.5	6600788.9	1801.5	205	-77	120.0
04HD20	DD	2504648.5	6600788.9	1801.5	205	-80	120.0
04HD21	DD	2504648.5	6600788.9	1801.5	205	-60	120.0
04HD23	DD	2504441.0	6600456.0	1772.5	075	-82	499.7
04HD24	DD	2504389.0	6600252.0	1766.5	090	-81	188.2
04HD25	DD	2504456.0	6600294.0	1768.5	155	-84	500.8
04HD26	DD	2504424.0	6600409.0	1771.5	180	-69	464.9
04HD27	DD	2504461.0	6600428.0	1773.0	100	-45	60.0
04HD28	DD	2504461.0	6600428.0	1773.0	100	-60	63.7

Criteria	JORC Code explanation	Commentary

04HD29	DD	2504438.0	6600087.0	1764.5	108	-45	265.0
04HD30	DD	2504421.0	6600044.0	1764.0	108	-45	128.2
04HD31	DD	2504687.0	6601326.0	1794.0	045	-60	242.9
04HD32	DD	2504828.0	6601916.0	1801.3	116	-70	68.4
05HD33	DD	2505410.0	6601983.0	1765.0	000	-60	81.4
05HD34	DD	2505451.0	6602079.0	1763.0	273	-60	269.0
05HD35	DD	2504905.0	6601689.0	1794.0	140	-65	350.0
05HD36	DD	2504880.0	6601860.0	1802.0	295	-70	130.0
05HD37	DD	2504866.0	6601888.0	1797.0	295	-70	130.0
05HD38	DD	2504838.0	6601937.0	1796.0	115	-70	70.0
05HD39	DD	2504964.0	6602128.0	1814.0	030	-70	217.5
05HD40	DD	2504964.0	6602128.0	1814.0	030	-50	150.0
05HD41	DD	2504931.0	6602125.0	1812.0	022	-60	142.5
05HD42	DD	2504552.7	6600791.5	1797.0	194	-57	120.0
05HD43	DD	2504552.7	6600791.5	1797.0	194	-45	95.5
05HD44	DD	2504603.0	6600799.0	1798.0	190	-61.5	130.5
05HD45	DD	2504362.0	6600710.0	1767.0	088	-60	121.5
05HD46	DD	2504405.0	6600282.0	1766.0	090	-75	130.7
05HD47	DD	2504212.0	6599177.0	1729.0	065	-45	181.5
05HD48	DD	2504160.0	6599164.0	1728.0	065	-60	100.7

CEL drilling of HQ3 core (triple tube) was done using a LM90 truck mounted drill machine that is operated by Foraco Argentina S.A. (Mendoza) and a trailer mounted Hydrocore drill machine operated by Energold Drilling (Mendoza). The core has not been oriented.

CEL drilling of reverse circulation (RC) drill holes is being done using a track-mounted LM650 universal drill rig set up for reverse circulation drilling. Drilling is being done using a 5.25-inch hammer bit.

Collar details for DD drill holes and RC drill holes completed by CEL are shown below in WGS84, zone 19s projection. Collar locations for drill holes to GNDD105 are surveyed using DGPS. Collar location for holes from GNDD106 are surveyed with a handheld GPS to be followed up with DGPS.

Hole_id	East (m)	North (m)	Elevation (m)	Dip (°)	Azimuth (°)	Depth (m)
GNDD001	504803.987	6601337.067	1829.289	-57	115	109.0
GNDD002	504793.101	6601312.095	1829.393	-60	115	25.6
GNDD002A	504795.405	6601311.104	1829.286	-60	115	84.5

Criteria	JORC Code explanation	Commentary						
		GNDD003	504824.427	6601313.623	1827.768	-70	115	90.2
		GNDD004	504994.416	6601546.302	1835.345	-60	115	100.0
		GNDD005	504473.042	6600105.922	1806.448	-55	090	110.0
		GNDD006	504527.975	6600187.234	1817.856	-55	170	100.9
		GNDD007	504623.738	6600196.677	1823.447	-68	190	86.3
		GNDD007A	504624.021	6600198.394	1823.379	-68	190	219.0
		GNDD008	504625.047	6600198.059	1823.457	-60	184	109.4
		GNDD008A	504625.080	6600199.718	1823.264	-60	184	169.0
		GNDD009	504412.848	6599638.914	1794.22	-55	115	147.0
		GNDD010	504621.652	6600196.048	1823.452	-68	165	146.5
		GNDD011	504395.352	6599644.012	1794.025	-64	115	169.2
		GNDD012	504450.864	6599816.527	1798.321	-55	115	120.0
		GNDD013	504406.840	6599613.052	1792.378	-58	112	141.0
		GNDD014	504404.991	6599659.831	1793.728	-59	114	140.0
		GNDD015	504442.039	6600159.812	1808.700	-62	115	166.7
		GNDD016	504402.958	6599683.437	1794.007	-60	115	172.0
		GNDD017	504460.948	6600075.899	1806.143	-55	115	132.6
		GNDD018	504473.781	6600109.152	1806.458	-60	115	130.0
		GNDD019	504934.605	6601534.429	1834.720	-70	115	80.0
		GNDD020	504463.598	6600139.107	1807.789	-58	115	153.0
		GNDD021	504935.804	6601567.863	1835.631	-60	115	120.0
		GNDD022	504835.215	6601331.069	1828.015	-60	113	100.0
		GNDD023	504814.193	6601336.790	1828.535	-55	117	100.0
		GNDD024	504458.922	6600123.135	1807.237	-70	115	150.0
		GNDD025	504786.126	6601137.698	1823.876	-60	115	141.0
		GNDD026	504813.588	6601444.189	1831.810	-55	115	100.0
		GNDD027	504416.311	6599703.996	1794.702	-55	115	139.2
		GNDD028	504824.752	6601321.020	1827.837	-57	115	100.0
		GNDD029	504791.830	6601316.140	1829.344	-71	115	120.2

Criteria	JORC Code explanation	Commentary						
		GNDD030	504454.538	6599860.757	1799.266	-60	115	148.0
		GNDD031	504622.013	6600198.726	1823.191	-60	130	149.0
		GNDD032	504619.803	6600203.906	1822.790	-55	097	166.6
		GNDD033	504830.792	6601385.842	1829.315	-55	115	62.0
		GNDD034	504862.613	6601524.893	1834.263	-60	115	60.0
		GNDD035	504782.969	6601234.234	1827.709	-78	115	119.5
		GNDD036	504303.325	6599128.637	1779.458	-55	115	131.0
		GNDD037	504462.875	6599831.674	1798.456	-55	115	83.5
		GNDD038	504465.362	6600097.111	1806.580	-55	115	87.7
		GMDD039	504815.800	6601318.000	1829.100	-70	115	80.0
		GMDD040	504402.100	6599641.500	1794.800	-55	115	135.5
		GMDD041	504473.000	6600104.000	1806.400	-55	095	95.0
		GNDD042	504392.551	6599574.224	1790.603	-60	115	140.0
		GMDD043	504815.800	6601320.000	1829.100	-67	115	80.0
		GNDD044	504380.090	6599622.578	1791.934	-65	115	185.0
		GNDD045	504366.823	6599679.058	1793.712	-57	115	242.0
		GNDD046	504364.309	6599702.621	1794.533	-60	115	191.0
		GNDD047	504459.642	6599644.133	1793.422	-60	115	101.0
		GNDD048	504792.642	6601286.638	1828.497	-74	115	95.0
		GNDD049	504807.030	6601419.483	1831.588	-60	115	90.0
		GNDD050	504826.614	6601509.677	1833.357	-60	115	80.0
		GNDD051	504766.792	6601032.571	1823.273	-60	115	120.0
		GNDD060	504803	6601065	1822	-60	115	200.0
		GNDD073	504367.546	6599724.992	1795.493	-57	115	150.2
		GNDD074	504366.299	6599725.496	1795.450	-73	115	152.0
		GNDD077	504821.005	6601145.026	1823.951	-60	115	222.0
		GNDD079	504636.330	6600286.824	1823.053	-60	115	181.4
		GNDD082	504769.532	6601169.127	1825.621	-60	115	266.0
		GNDD083	504646.604	6600336.172	1823.893	-60	115	181.0

Criteria	JORC Code explanation	Commentary						
		GNDD085	504456.068	6599888.509	1799.895	-60	115	90.0
		GNDD088A	504815.621	6601193.811	1825.210	-60	115	265.0
		GNDD089	504635.811	6600285.352	1823.032	-55	133	200.1
		GNDD092	504839.792	6601208.375	1824.849	-60	115	300.0
		GNDD093	504679.396	6600332.075	1827.365	-55	115	209.0
		GNDD095	504804.597	6601219.844	1826.834	-67	115	203.0
		GNDD096	504666.622	6600602.793	1820.371	-60	115	215.0
		GNDD099	504384.933	6599759.693	1796.525	-60	115	150.0
		GNDD100	504424.250	6599784.711	1796.728	-60	115	120.0
		GNDD101	504781.691	6600986.509	1821.679	-60	115	220.0
		GNDD102	504787.340	6601285.049	1828.549	-57	115	260.0
		GNDD103	504432.004	6599482.162	1788.500	-55	115	299.0
		GNDD105	504701.392	6601025.961	1824.818	-60	115	300.0
		GNDD106	504459.3	6599614.7	1792.9	-55	115	300.0
		GNDD108	504895.0	6601154.9	1824.0	-60	115	200.0
		GNDD109	504792.0	6601026.4	1822.0	-60	115	209.0
		GNDD112	504898.2	6601197.6	1825.8	-60	115	188.0
		GNDD113	504704.7	6601067.1	1826.3	-60	115	230.0
		GNDD114	504436.0	6600111.0	1808.0	-50	115	116.0
		GNDD115	504862.0	6601285.0	1824.4	-60	115	251.0
		GNDD116	504443.7	6599555.8	1789.5	-65	115	269.0
		GNDD117	504436.0	6600111.0	1808.0	-60	115	120.0
		GNDD118	505086.0	6601110.0	1811.2	-60	295	300.0
		GNDD119	504827.0	6601540.0	1837.6	-66	115	115.0
		GNDD120	504408.2	6600102.0	1808.3	-60	110	164.0
		GNDD121	504867.0	6601137.0	1822.1	-57	115	181.0
		GNDD122	504658.0	6600647.6	1816.8	-60	115	250.0
		GNDD123	504822.0	6601512.0	1835.6	-63	130	130.0
		GNDD124	504408.2	6600102.0	1808.3	-70	115	160.0

Criteria	JORC Code explanation	Commentary						
		GNDD125	505138.0	6601130.0	1808.4	-60	295	300.0
		GNDD126	504719.2	6601148.6	1828.0	-60	115	196.0
		GNDD127	504892.0	6601505.0	1837.0	-55	115	300.0
		GNDD128	504712.3	6601108.0	1827.1	-60	115	230.0
		GNDD129	504636.0	6600284.0	1820.0	-55	185	291.0
		GNDD130	504839.0	6601092.8	1821.4	-60	115	227.0
		GNDD131	504655.5	6600737.1	1818.4	-60	115	280.0
		GNDD132	504822.0	6601358.0	1830.5	-55	115	300.0
		GNDD133	504870.3	6601640.9	1838.5	-60	170	182.0
		GNDD134	504636.0	6600284.0	1820.0	-55	154	290.0
		GNDD135	504846.0	6601548.7	1834.8	-64	350	135.0
		GNDD136	504844.5	6601443.3	1829.3	-55	115	310.0
		GNDD137	504650.0	6600695.0	1818.2	-60	115	370.0
		GNDD138	504888.0	6601538.0	1837.5	-65	350	237.0
		GNDD139	504759.7	6601085.5	1825.3	-60	115	200.0
		GNDD140	504994.4	6601546.3	1835.3	-60	60	230.0
		GNDD141	504788.4	6601251.8	1827.9	-70	115	270.0
		GNRC052	504443.927	6599554.145	1790.676	-60	115	90
		GNRC053	504452.888	6599589.416	1791.660	-60	115	96
		GNRC054	504458.908	6599679.484	1794.408	-60	115	90
		GNRC055	504461.566	6599726.253	1795.888	-60	115	102
		GNRC056	504463.187	6599763.817	1796.276	-60	115	102
		GNRC057	504453.440	6599901.106	1800.270	-60	115	96
		GNRC058	504716.992	6600488.640	1825.624	-60	115	102
		GNRC059	504785.101	6600721.845	1817.042	-60	115	84
		GNRC061	504963.888	6601521.567	1835.635	-60	115	30
		GNRC062	504943.260	6601531.855	1834.917	-60	115	30
		GNRC063	504914.884	6601499.583	1833.781	-60	115	36
		GNRC064	504895.067	6601472.101	1833.039	-60	115	36

Criteria	JORC Code explanation	Commentary						
		GNRC065	504865.673	6601481.570	1831.536	-60	115	60
		GNRC066	504896.480	6601506.894	1834.226	-60	115	48
		GNRC067	504911.268	6601541.124	1836.127	-60	115	50
		GNRC068	504990.546	6601552.694	1835.287	-60	030	114
		GNRC069	504934.855	6601579.782	1836.179	-60	115	120
		GNRC070	504925.545	6601566.505	1835.127	-60	350	84
		GNRC071	504878.397	6601572.030	1833.873	-60	350	54
		GNRC072	504877.872	6601568.814	1833.843	-70	350	72
		GNRC075	504842.742	6601573.984	1835.428	-60	350	60
		GNRC076	504828.279	6601539.638	1835.244	-60	115	76
		GNRC078	504842.744	6601450.106	1830.180	-60	115	70
		GNRC080	504864.734	6601560.758	1834.333	-60	115	86
		GNRC081	504815.835	6601460.850	1832.033	-73	115	86
		GNRC084	504965.730	6601530.280	1836.056	-55	030	145
		GNRC086	504838.724	6601402.481	1829.645	-60	115	60
		GNRC087	504858.585	6601345.400	1828.417	-60	115	30
		GNRC090	504821.284	6601359.986	1829.379	-60	115	60
		GNRC091	504789.111	6601376.410	1830.448	-60	115	80
		GNRC094	504852.454	6601307.187	1827.304	-60	115	60
		GNRC097	504831.396	6601289.723	1827.153	-60	115	70
		GNRC098	504784.865	6601253.409	1827.869	-76	115	96
		GNRC104	504780.186	6601228.313	1827.663	-64	115	150
		GNRC107	504623.1	6600197.1	1823.3	-60	185	120
		GNRC110	504502.0	6600107.0	1814.0	-62	90	60
		GNRC111	504427.8	6599739.8	1796.4	-60	115	120
Drill sample recovery	- *Method of recording and assessing core and chip sample recoveries and results assessed.* - *Measures taken to maximise sample recovery and ensure representative nature of the samples.* - *Whether a relationship exists between sample recovery*	Drill core is placed into wooden boxes by the drillers and depth marks are indicated on wooden blocks at the end of each run. These depths are reconciled by CEL geologists when measuring core recovery. Triple tube drilling has been being done by CEL to maximise core recovery. RC sub-samples are collected from a rotary splitter mounted to the face sample recovery cyclone. A 2-4						

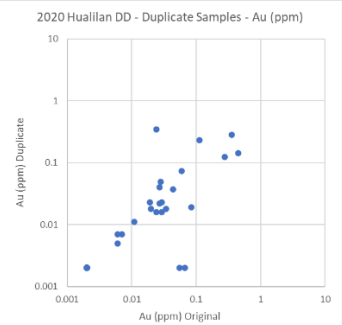
Criteria	JORC Code explanation	Commentary
	and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	kg sub-samples is collected for each metre of RC drilling. Duplicate samples are taken at the rate of I every 25-30 samples using a riffle splitter to split out a 2-4 kg sub-sample. The whole sample recovered is weighed to measure sample recovery and consistency in sampling. A possible relationship has been observed between historic sample recovery and Au Ag or Zn grade whereby low recoveries have resulted in underreporting of grade. Insufficient information is not yet available to more accurately quantify this. Core recovery is influenced by the intensity of natural fracturing in the rock. A positive correlation between recovery and RQD has been observed. The fracturing is generally post mineral and not directly associated with the mineralisation.
Logging	- *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation mining studies and metallurgical studies.* - *Whether logging is qualitative or quantitative in nature. Core (or costean channel etc) photography.* - *The total length and percentage of the relevant intersections logged.*	Detailed logs are available for most of the historical drilling. Some logs have not been recovered. No core photographs from the historic drilling have been found. No drill core has survived due to poor storage and neglect. No RC sample chips have been found. For CEL drilling, all the core is logged for recovery RQD weathering lithology alteration mineralization and structure to a level that is suitable for geological modelling resource estimation and metallurgical test work. RC drill chips are logged for geology, alteration and mineralisation. Where possible logging is quantitative. Geological logging is done in MS Excel in a format that can readily be transferred to a database which holds all drilling logging sample and assay data.
Sub-sampling techniques and sample preparation	- *If core whether cut or sawn and whether quarter half or all core taken.* - *If non-core whether riffled tube sampled rotary split etc and whether sampled wet or dry.* - *For all sample types the nature quality and appropriateness of the sample preparation technique.* - *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* - *Measures taken to ensure that the sampling is representative of the in-situ material collected including for instance results for field duplicate/second-half sampling.* - *Whether sample sizes are appropriate to the grain size of the material being sampled.*	Competent drill core is cut longitudinally using a diamond saw for sampling of ½ the core. Soft core is split using a wide blade chisel or a manual core split press. The geologist logging the core indicates on the drill core where the saw cut is to be made to ensure half-core sample representivity. Sample intervals are selected based on lithology alteration and mineralization boundaries. Sample lengths average 1.16m. No second-half core samples have been submitted. The second half of the core samples has been retained in the core trays for future reference. From hole GNDD073, duplicate diamond core samples have been collected for every 25-30m drilled. The duplicate diamond core samples are ¼ core samples. Duplicate core sample results and correlation plots (log scale for Au, Ag and Zn) are shown below:

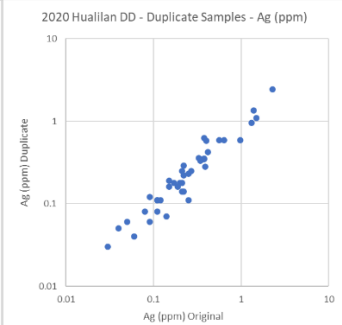
	n	RSQ	mean		median		variance	
			original	duplicate	original	duplicate	original	duplicate
Au (ppm)	41	0.361	0.044	0.037	0.006	0.002	0.009	0.006
Ag (ppm)	41	0.932	0.38	0.35	0.22	0.19	0.21	0.19
Cd (ppm)	41	0.951	0.85	0.76	0.28	0.27	2.25	2.00
Cu (ppm)	41	0.002	72.11	6.63	2.80	2.60	1.7E+05	1.5E+02
Fe (%)	41	0.927	0.854	0.822	0.310	0.290	0.5	0.5

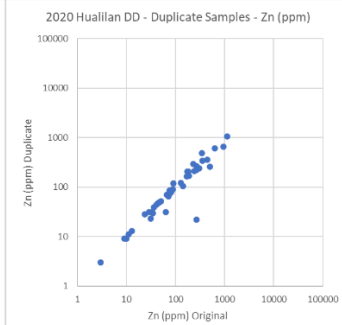
Criteria	JORC Code explanation	Commentary

Pb (ppm)	41	0.805	58.3	42.1	14.2	12.7	7.1E+03	3.3E+03
S (%)	41	0.983	0.133	0.133	0.050	0.040	0.036	0.040
Zn (ppm)	41	0.913	189	167	81	80	5.8.E+04	4.5.E+04

n=count
RSQ = R squared





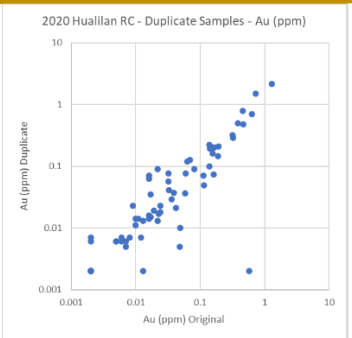
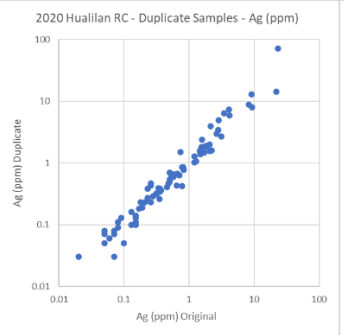
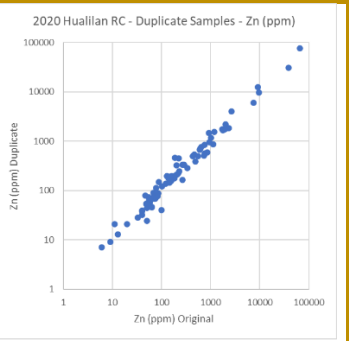


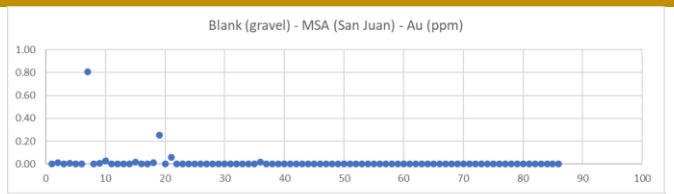
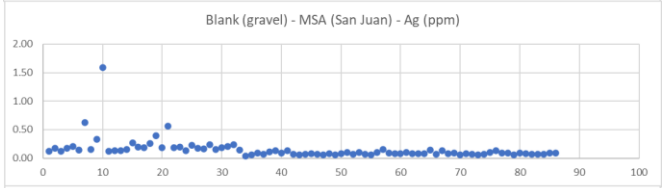
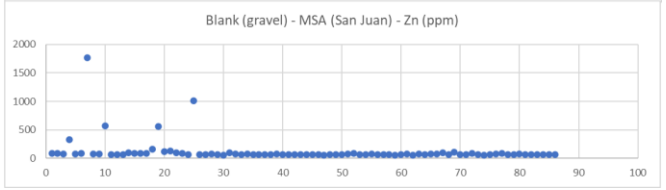
RC sub-samples over 1m intervals are collected at the drill site from a cyclone mounted on the drill rig. A duplicate RC sample is collected for every 25-30m drilled.

The duplicate RC sample results and correlation plots (log scale for Au, Ag and Zn) are shown below:

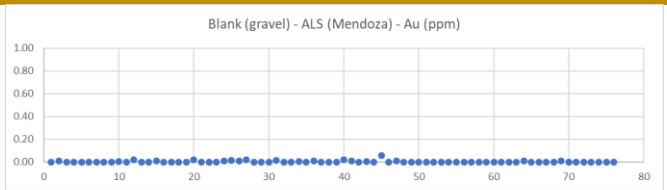
	n	RSQ	mean		median		variance	
			original	duplicate	original	duplicate	original	duplicate
Au (ppm)	82	0.849	0.097	0.118	0.017	0.015	0.040	0.097
Ag (ppm)	82	0.691	1.74	2.45	0.56	0.56	14.07	66.59
Cd (ppm)	82	0.989	16.06	16.92	0.44	0.45	4334	4901
Cu (ppm)	82	0.978	48.39	53.45	5.75	5.65	2.5E+04	3.2E+04
Fe (%)	82	0.998	1.478	1.501	0.445	0.395	7.8	7.8
Pb (ppm)	82	0.901	296.3	334.4	25.8	30.0	6.2E+05	7.5E+05
S (%)	82	0.978	0.100	0.108	0.020	0.020	0.038	0.047
Zn (ppm)	82	0.977	3521	3350	166	185	2.6.E+08	2.1.E+08

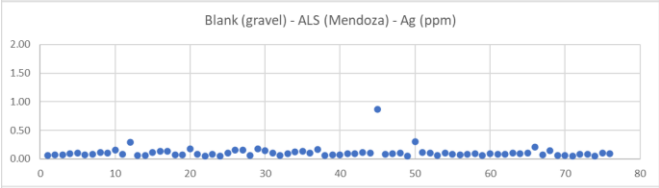
n=count
RSQ = R squared

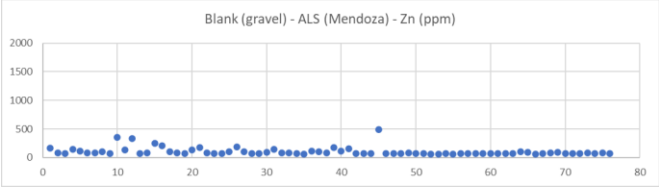
Criteria	JORC Code explanation	Commentary
		   CEL samples have been submitted to the MSA laboratory in San Juan and the ALS laboratory in Mendoza for sample preparation. The sample preparation technique is considered appropriate for the style of mineralization present in the Project. Sample sizes are appropriate for the mineralisation style and grain size of the deposit.
Quality of assay data and laboratory tests	- *The nature quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* - *For geophysical tools spectrometers handheld XRF instruments etc the parameters used in determining the analysis including instrument make and model reading times calibrations factors applied and their derivation etc.* - *Nature of quality control procedures adopted (eg standards blanks duplicates external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.*	The MSA laboratory used for sample preparation in San Juan has been inspected by Stuart Munroe (Exploration Manager) and Sergio Rotondo (COO) prior to any samples being submitted. The laboratory procedures are consistent with international best practice and are suitable for samples from the Project. The ALS laboratory in Mendoza has not yet been inspected by CEL representatives. Internal laboratory standards were used for each job to ensure correct calibration of elements. CEL submit blank samples (cobble and gravel material from a quarry nearby to Las Flores San Yuan) to both the MSA laboratory and the ALS laboratory which were strategically placed in the sample sequence immediately after samples that were suspected of containing high grade Au Ag Zn or Cu to test the lab preparation contamination procedures. The values received from the blank samples suggest rare cross contamination of samples during sample preparation.

Criteria	JORC Code explanation	Commentary
		  

Criteria	JORC Code explanation	Commentary

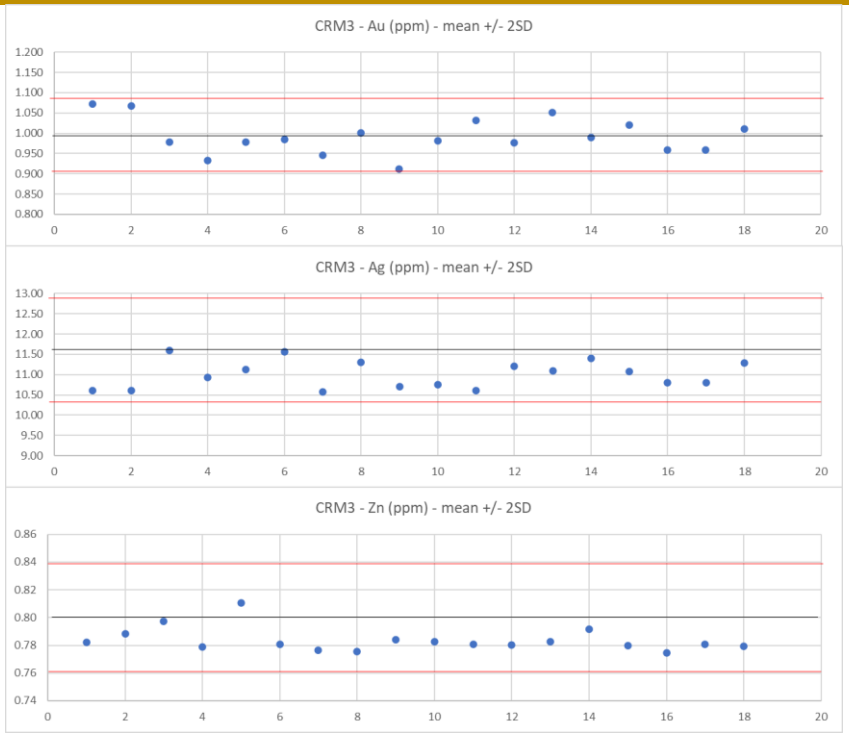






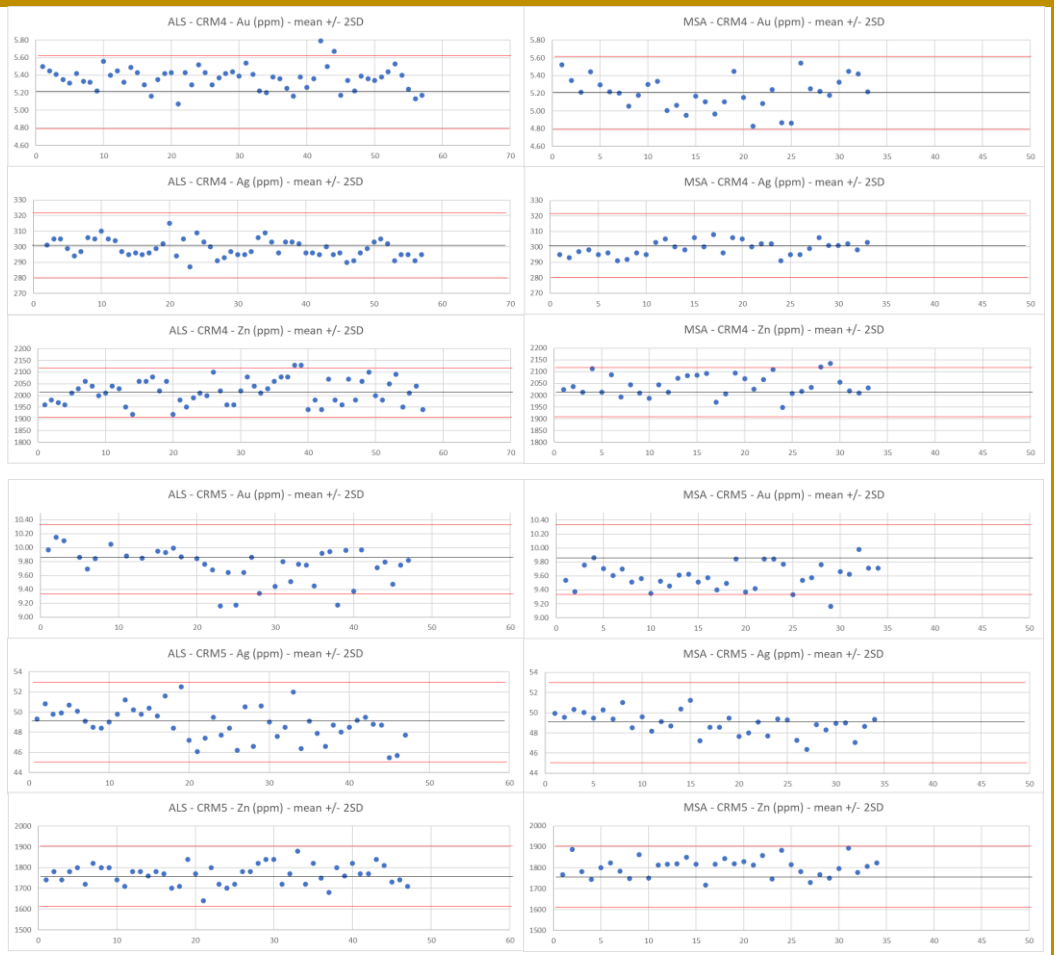
For GNDD001 – GNDD010 samples analysed by MSA in 2019, three different Certified Standard Reference pulp samples (CRM) with known values for Au Ag Pb Cu and Zn have been submitted with samples of drill core to test the precision and accuracy of the analytic procedures and determination of the MSA laboratory in Canada Two of the standards were only used 4 times each and the third . 26 reference analyses were analysed in the samples submitted in 2019. For CRM 1 one sample returned an Au value > 2 standard deviations (SD) above the certified value. For CRM 2 one sample returned an Au value < 2SD below the certified value. For CRM 3 (graphs below) one sample returned a Cu value > 2SD above the certified value. All other analyses are within 2SD of the expected value. The standards demonstrate suitable precision and accuracy of the analytic process. No systematic bias is observed.

Criteria	JORC Code explanation	Commentary



For drill holes from GNDD011 and unsampled intervals from the 2019 drilling, three different Certified Standard Reference pulp samples (CRM) with known values for Au Ag Fe S Pb Cu and Zn have been submitted with samples of drill core to test the precision and accuracy of the analytic procedures of both the MSA and ALS. In the results received to date there has been no observed bias in results of the CRM. The standards demonstrate suitable precision and accuracy of the analytic process. No systematic bias is observed.

Criteria	JORC Code explanation	Commentary



Challenger Exploration Limited
ACN 123 591 382
ASX: **CEL**

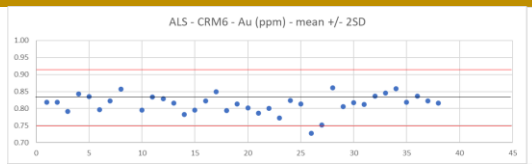
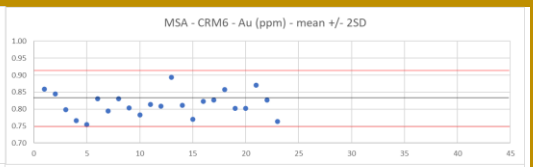
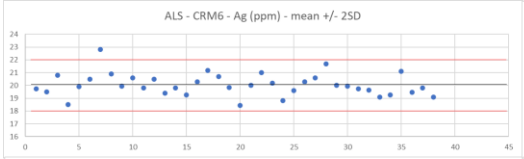
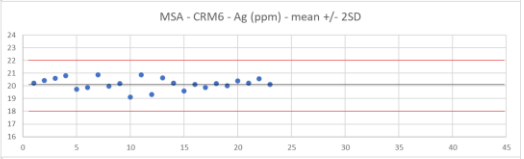
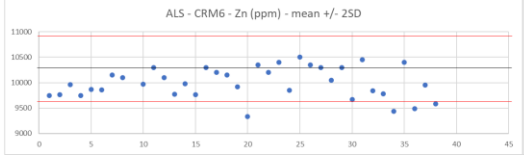
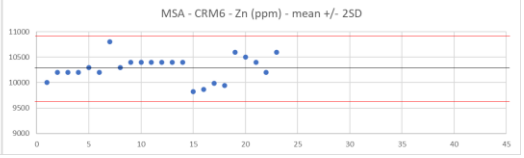
Issued Capital
648.7.m shares
86.6m options
120m perf shares
16m perf rights

Australian Registered Office
Level 1
1205 Hay Street
West Perth WA 6005

Directors
Mr Kris Knauer, MD and CEO
Mr Scott Funston, Finance Director
Mr Fletcher Quinn, Chairman

Contact
T: +61 8 6380 9235
E: admin@challengerex.com.au

www.challengerex.com

Criteria	JORC Code explanation	Commentary
		     
Verification of sampling and assaying	- *The verification of significant intersections by either independent or alternative company personnel.* - *The use of twinned holes.* - *Documentation of primary data entry procedures data verification data storage (physical and electronic) protocols.* - *Discuss any adjustment to assay data.*	Repeat sampling of 186 coarse reject samples from 2019 drilling has been done to verify sampling. Original samples were from the 2019 DD drilling which were analysed by MSA (San Juan preparation and Vancouver analysis). Repeat samples were analysed by ALS (Mendoza preparation and Vancouver analysis). The repeat analysis technique was identical to the original. The repeat analyses correlate very closely with the original analyses providing a high confidence in the sample preparation and analysis from MSA and ALS. A summary of the results for the 186 sample pairs for key elements is provided below:

	Mean		Median		Std Deviation		
Element	**MSA**	**ALS**	**MSA**	**ALS**	**MSA**	**ALS**	**Correlation coefficient**
Au (FA and GFA ppm)	4.24	4.27	0.50	0.49	11.15	11.00	0.9972
Ag (ICP and ICF ppm)	30.1	31.1	5.8	6.2	72.4	73.9	0.9903
Zn ppm (ICP ppm and ICF %)	12312	12636	2574	2715	32648	33744	0.9997
Cu ppm (ICP ppm and ICF %)	464	474	74	80	1028	1050	0.9994
Pb ppm (ICP ppm and ICF %)	1944	1983	403	427	6626	6704	0.9997
S (ICP and ICF %)	2.05	1.95	0.05	0.06	5.53	5.10	0.9987
Cd (ICP ppm)	68.5	68.8	12.4	12.8	162.4	159.3	0.9988
As (ICP ppm))	76.0	79.5	45.8	47.6	88.1	90.6	0.9983

Criteria	JORC Code explanation	Commentary

Fe (ICP %)	4.96	4.91	2.12	2.19	6.87	6.72	0.9994
REE (ICP ppm)	55.1	56.2	28.7	31.6	98.2	97.6	0.9954

Cd values >1000 are set at 1000.
REE is the sum off Ce, La, Sc, Y. CE > 500 is set at 500. Below detection is set at zero

CEL have sought to twin some of the historic drill holes to check the results of previous exploration. An analysis of the twin holes has yet to be completed.

Final analyses are received by digital file in PDF and CSV format. The original files are backed-up and the data copied into a drill hole database for geological modelling.

Assay results summarised in the context of this report have been rounded appropriately to 2 significant figures. No assay data have been otherwise adjusted.

Location of data points	- *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys) trenches mine workings and other locations used in Mineral Resource estimation.* - *Specification of the grid system used.* - *Quality and adequacy of topographic control.*	Following completion of drilling collars are surveyed using a differential GPS (DGPS) relative into the Argentinian SGM survey. The locations have been surveyed in POSGAR 2007 zone 2 and converted to WGS84 UTM zone 19s. The drill machine is set-up on the drill pad using hand-held equipment according to the proposed hole design. Diamond core drill holes are surveyed at 30-40m intervals down hole using a Reflex tool. RC drill holes are surveyed down hole every 10 metres using a gyroscope to avoid magnetic influence from the drill rods. All current and previous drill collar sites Minas corner pegs and strategic surface points have been surveyed using DGPS to provide topographic control for the Project.
Data spacing and distribution	- *Data spacing for reporting of Exploration Results.* - *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* - *Whether sample compositing has been applied.*	No regular drill hole spacing has been applied across the Project, although a nominal 40m x 40m drill spacing is being applied to infill and extension drilling where appropriate. The current drilling is designed to check previous exploration, extend mineralisation along strike, and provide some information to establish controls on mineralization and exploration potential. No Mineral Resource Estimate to JORC 2012 reporting standards has been made at this time. Samples have not been composited.

Criteria	JORC Code explanation	Commentary
Orientation of data in relation to geological structure	- *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known considering the deposit type.* - *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias this should be assessed and reported if material.*	As far as is currently understood the orientation of sampling achieves unbiased sampling of structures and geology controlling the mineralisation. Drilling has been designed to provide an unbiased sample of the geology and mineralisation targeted.
Sample security	- *The measures taken to ensure sample security.*	Samples were under constant supervision by site security, senior personnel and courier contractors prior to delivery to the preparation laboratory in San Juan or Mendoza.
Audits or reviews	- *The results of any audits or reviews of sampling techniques and data.*	There has not yet been any independent reviews of the sampling techniques and data.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	- *Type reference name/number location and ownership including agreements or material issues with third parties such as joint ventures partnerships overriding royalties native title interests historical sites wilderness or national park and environmental settings.* - *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	The current Hualilan project comprises 15 Minas (equivalent of mining leases) and 2 Demasias (mining lease extensions). This covers approximately 4 km of strike and includes all of the currently defined mineralization. There are no royalties on the project. CEL is earning a 75% interest in the Project by funding exploration to a Definitive Feasibility Study (DFS).

Granted mining leases (Minas Otorgadas) at the Hualilan Project

Name	Number	Current Owner	Status	Grant Date	Area (ha)
Cerro Sur					
Divisadero	5448-M-1960	Golden Mining S.R.L.	Granted	30/04/2015	6
Flor de Hualilan	5448-M-1960	Golden Mining S.R.L.	Granted	30/04/2015	6
Pereyra y Aciar	5448-M-1960	Golden Mining S.R.L.	Granted	30/04/2015	6
Bicolor	5448-M-1960	Golden Mining S.R.L.	Granted	30/04/2015	6
Sentazon	5448-M-1960	Golden Mining S.R.L.	Granted	30/04/2015	6
Muchilera	5448-M-1960	Golden Mining S.R.L.	Granted	30/04/2015	6
Magnata	5448-M-1960	Golden Mining S.R.L.	Granted	30/04/2015	6
Pizarro	5448-M-1960	Golden Mining S.R.L.	Granted	30/04/2015	6
Cerro Norte					
La Toro	5448-M-1960	CIA GPL S.R.L.	Granted	30/04/2015	6
La Puntilla	5448-M-1960	CIA GPL S.R.L.	Granted	30/04/2015	6

Pique de Ortega	5448-M-1960	CIA GPL S.R.L.	Granted	30/04/2015	6
Descrubidora	5448-M-1960	CIA GPL S.R.L.	Granted	30/04/2015	6
Pardo	5448-M-1960	CIA GPL S.R.L.	Granted	30/04/2015	6
Sanchez	5448-M-1960	CIA GPL S.R.L.	Granted	30/04/2015	6
Andacollo	5448-M-1960	CIA GPL S.R.L.	Granted	30/04/2015	6

Mining Lease extensions (Demasias) at the Hualilan Project

Name	Number	Current Owner	Status	Grant date	Area (ha)
Cerro Sur					
North of "Pizarro" Mine	195-152-C-1981	Golden Mining S.R.L.	Granted	05/12/2014	1.9
Cerro Norte					
South of "La Toro" Mine	195-152-C-1981	CIA GPL S.R.L.	Granted	05/12/2014	1.9

Additional to the Minas and Demasias an application for an Exploration Licence covering 26 km2 surrounding the 15 Minas has been accepted by the San Juan Department of Mines and is currently being processed.

Exploration licence application surrounding the Minas and Demasias at the Hualilan Project

Name	Number	Status	Grant Date	Expiry Date	Area (ha)
Josefina	30.591.654	Pending	-	5 year application	2570

There are no know impediments to obtaining the exploration license or operating the Project.

Exploration done by other parties - *Acknowledgment and appraisal of exploration by other parties.*

Intermittent sampling dating back over 500 years has produced a great deal of information and data including sampling geologic maps reports trenching data underground workings drill hole results geophysical surveys resource estimates plus property examinations and detailed studies by several geologists. Prior to the current exploration no work has been completed since 2006.

There is 6 km of underground workings that pass through mineralised zones. Records of the underground

Criteria	JORC Code explanation	Commentary
		geology and sampling are currently being compiled and digitised as are sample data geological mapping trench data adit exposures and drill hole results. Geophysical surveys exist but have largely yet to be check located and digitised. Drilling on the Hualilan Project (Cerro Sur and Cerro Norte combined) extends to over 150 drill holes. The key historical exploration drilling and sampling results are listed below. - 1984 – Lixivia SA channel sampling & 16 RC holes (AG1-AG16) totalling 2040m - 1995 - Plata Mining Limited (TSE: PMT) 33 RC holes (Hua- 1 to 33) + 1500 samples - 1998 – Chilean consulting firm EPROM (on behalf of Plata Mining) systematic underground mapping and channel sampling - 1999 – Compania Mineral El Colorado SA ("CMEC") 59 core holes (DDH-20 to 79) plus 1700m RC program - 2003 – 2005 – La Mancha (TSE Listed) undertook 7447m of DDH core drilling (HD-01 to HD-48) - Detailed resource estimation studies were undertaken by EPROM Ltda. (EPROM) in 1996 and CMEC (1999 revised 2000) both of which were written to professional standards and La Mancha 2003 and 2006. - The collection of all exploration data by the various operators was of a high standard and had appropriate sampling techniques intervals and custody procedures were used.
Geology	- *Deposit type geological setting and style of mineralisation.*	Mineralisation occurs in all rock types where it preferentially replaces limestone, shale and sandstone and occurs in fault zones and in fracture networks within dacitic intrusions. The mineralisation has previously been classified as a Zn-Cu distal skarn (or manto-style skarn) with vein-hosted Au-Ag mineralisation. It has been divided into three phases – prograde skarn retrograde skarn and a late quartz–galena event the evolution of the hydrothermal system and mineral paragenesis is the subject of more detailed geometallurgical work. Gold occurs in native form and as inclusions with sulphide and pyroxene. The mineralisation also commonly contains pyrite, chalcopyrite sphalerite and galena with rare arsenopyrite, pyrrhotite and magnetite. Mineralisation is either parallel to bedding in bedding-parallel faults, in veins or breccia matric within fractured dacitic intrusions, at lithology contacts or in east-west striking steeply dipping siliceous faults that cross the bedding at a high angle. The faults have thicknesses of 1–4 m and contain abundant sulphides. The intersection between the bedding-parallel mineralisation and east-striking cross veins seems to be important in localising the mineralisation.
Drill hole Information	- *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all*	The following significant intersections have been reported by previous explorers. A cut-off grade of 1 g/t Au equivalent (calculated using a price of US$1,300/oz for Au, $15/oz for Ag and $2,500/t. for Zn) has been used with up to 2m of internal diltion or a cut-off grade of 0.2 g/t Au equivalent and up to 4m of internal diltion has

Criteria	JORC Code explanation	Commentary

Material drill holes:

- *easting and northing of the drill hole collar*
- *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*
- *dip and azimuth of the hole*
- *down hole length and interception depth*
- *hole length.*
- *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report the Competent Person should clearly explain why this is the case.*

been allowed. No metallurcial or recovery factors have been used. Drill collar location is provided in the previous section.

Hole_id	From (m)	Interval (m)	Au (g/t)	Ag (g/t)	Zn (%)
AG16	38.6	1.2	0.1	28.6	1.7
MG10	108.0	3.0	1.3	No assay	No assay
DDH36	24.7	9.3	1.6	46.3	1.2
DDH53	17.3	1.4	1.0	1.7	0.00
DDH53	24.0	8.9	3.7	239.5	0.03
DDH53	35.7	3.9	3.9	87.8	0.06
DDH53	41.0	3.0	2.6	7.6	0.20
DDH54	20.0	1.1	1.2	0.7	0.00
DDH54	31.1	8.3	3.9	32.1	0.80
DDH65	62.0	8.2	11.0	60.6	1.2
DDH65	82.0	1.0	1.8	33.4	0.30
DDH66	83.1	7.2	23.7	42.9	2.4
DDH66	87.9	2.4	69.9	114.4	2.2
DDH66	104.9	2.8	1.8	29.0	0.10
DDH67	98.7	1.3	0.2	7.8	1.3
DDH68	4.0	17.9	2.2	6.3	0.20
DDH68	73.7	0.5	0.8	9.0	1.2
DDH69	4.0	16.1	2.3	1.6	0.10
DDH69	76.9	0.3	0.1	7.0	28.0
DDH69	79.7	0.8	1.3	120.0	4.5
DDH70	84.0	7.0	5.2	13.5	0.70
DDH71	11.0	2.0	0.5	218.0	0.06
DDH71	39.9	1.0	1.3	6.0	0.03
DDH71	45.5	1.1	0.4	22.8	0.60
DDH71	104.0	10.0	33.5	126.7	7.9
DDH72	26.0	11.7	3.8	14.1	1.3
DDH72	52.7	6.3	1.5	30.4	0.04
DDH73	62.5	3.5	0.5	15.6	0.60
DDH74	119.9	0.5	7.3	98.5	2.6
DDH76	61.3	0.7	4.0	11.1	0.50
DDH76	74.4	4.0	0.8	8.8	0.30
DDH76	84.8	1.2	1.4	10.9	2.0
DDH78	109.1	0.7	1.1	13.4	1.9
03HD01A	90.1	1.7	2.1	37.4	2.4

Criteria	JORC Code explanation	Commentary					
		03HD03	55.0	2.4	2.5	25.6	2.3
		04HD05	80.3	2.0	0.9	42.7	0.02
		04HD05	97.5	1.8	1.9	35.0	0.04
		04HD05	102.0	1.0	1.3	42.1	0.01
		04HD05	106.0	1.0	0.7	28.0	0.05
		04HD05	108.0	5.6	2.8	19.9	1.2
		04HD06	65.4	1.2	46.6	846.0	0.50
		04HD06	75.0	1.0	1.0	2.9	0.01
		04HD06	104.5	7.6	1.8	5.0	1.2
		04HD06	115.1	0.9	16.4	23.1	7.7
		04HD07	98.3	2.2	1.4	32.5	0.90
		04HD10	44.3	0.2	3.9	81.5	5.6
		04HD10	55.5	0.5	1.3	11.5	0.46
		04HD10	78.6	1.7	4.8	93.7	2.4
		04HD11	28.0	1.0	0.1	9.3	1.4
		04HD12	49.3	0.7	1.5	16.1	0.10
		04HD13	61.5	1.0	0.8	7.9	0.20
		04HD15	103.7	0.3	1.7	32.9	0.80
		04HD16C	107.5	6.8	8.6	117.1	9.1
		04HD16C	111.8	2.5	7.6	75.6	11.5
		04HD16C	144.9	1.9	9.1	31.2	5.5
		04HD16C	171.1	0.4	0.5	9.4	1.7
		04HD17	134.9	0.7	2.5	14.3	4.1
		04HD17	139.1	0.5	10.5	9.4	0.20
		04HD17	199.6	0.2	0.8	3.5	5.9
		04HD17	202.1	1.9	4.5	1.5	0.70
		04HD20	43.2	1.8	0.9	83.9	0.20
		04HD21	70.1	0.2	4.8	60.6	6.4
		04HD21	141.1	0.6	12.9	105.0	4.8
		04HD24	72.0	2.0	2.5	3.2	0.04
		04HD24	83.0	2.0	3.1	25.3	0.04
		04HD24	94.0	4.2	0.7	21.2	0.10
		04HD25	92.0	1.7	2.4	51.5	6.3
		04HD26	21.7	2.3	1.5	32.5	3.0
		04HD28	42.8	0.4	1.9	4.5	0.10
		04HD29	37.0	1.0	0.1	112.0	0.01
		05HD42	90.5	1.0	1.9	6.1	0.03

Criteria	JORC Code explanation	Commentary

05HD42	115.0	3.0	29.0	103.1	0.20
05HD43	69.0	1.0	1.8	2.3	0.01
05HD43	81.0	3.0	2.8	51.5	0.50
05HD43	90.7	2.3	1.4	29.6	0.30
05HD44	87.5	1.1	3.8	3.4	0.01
05HD44	91.2	1.4	0.0	3.6	2.8

From GNDD001 the following significant assay results have been received reported to a cut-off of 1 g/t Au (equivalent) unless otherwise indicated. Drill collar location is provided in the previous section.

Drilling in 2019:

Hole_id	Interval (m)	From	Au (g/t)	Ag (g/t)	Zn (%)	AuEq (g/t)	
GNDD001	10.00	27.00	0.94	4.9	0.33	1.3	(2)
inc	3.00	32.00	2.3	5.8	0.50	2.6	
GNDD002A	5.00	31.00	0.74	2.7	0.67	1.1	
and	3.00	81.50	3.1	8.6	5.8	5.9	
GNDD003	6.10	55.00	34.6	22	2.9	36.2	(1)
GNDD004	20.50	5.50	1.1	5.3	0.45	1.4	(2)
inc	8.47	6.03	2.0	7.8	0.68	2.4	
and	3.43	18.67	1.2	3.2	0.26	1.3	
GNDD005	19.00	29.00	1.3	8.1	0.62	1.6	(2)
inc	2.00	29.00	0.79	18	3.3	2.6	
and	4.00	43.00	5.1	22	0.49	5.6	
and	7.00	59.00	7.8	72	1.4	9.3	
inc	*3.00*	*61.00*	*16.5*	*135*	*1.6*	*18.8*	(1)
and	*10.00*	*75.00*	*0.75*	*38*	*0.27*	*1.3*	(2)
inc	3.00	77.00	1.7	39	0.43	2.3	
inc	1.00	83.00	1.2	156	0.72	3.2	
GNDD006	6.50	78.50	4.2	21	0.29	4.6	
inc	*3.80*	*78.50*	*6.8*	*34*	*0.41*	*7.4*	
and	1.45	90.00	2.1	41	0.92	3.0	

Criteria	JORC Code explanation	Commentary						
		GNDD007	45.92	13.00	0.43	7.8	0.12	0.57 (2)
		inc	3.00	45.00	1.9	5.2	0.26	2.0
		inc	3.00	55.00	2.3	35	0.54	2.9
		GNDD007A	27.00	25.00	0.43	7.2	0.09	0.55 (2)
		inc	1.80	46.00	2.4	3.1	0.12	2.5
		and	0.70	60.30	0.8	25	0.21	1.1
		and	6.70	149.00	14.3	140	7.3	19.3
		inc	*3.06*	*150.60*	*27.5*	*260*	*12.9*	*36.5* (1)
		GNDD007A	0.60	176.40	1.9	6.7	0.99	2.4
		GNDD008	35.50	16.50	0.33	8.1	0.10	0.46 (2)
		inc	1.00	36.00	1.7	6.2	0.08	1.8
		inc	1.63	43.37	1.7	8.4	0.14	1.9
		inc	1.15	47.85	1.2	16	0.56	1.7
		and	5.70	91.00	12.3	182	0.67	14.7 (1)
		and	1.00	99.70	0.93	43	0.52	1.6
		and	2.40	107.00	6.3	222	1.9	9.7
		GNDD008A	35.50	17.50	0.24	13	0.08	0.41 (2)
		and	20.00	95.00	3.3	45	0.55	4.1 (2)
		inc	2.64	96.60	22.8	218	0.68	25.5 (1)
		inc	10.00	105.00	0.6	28.2	0.71	1.2
		GNDD009	7.00	72.00	2.3	102	0.08	3.5
		and	3.00	100.00	0.85	50	0.02	1.4
		and	10.32	109.10	10.4	28	4.6	12.9
		inc	4.22	115.20	21.9	58	8.7	26.7 (1)
		GNDD010	32.00	27.00	0.29	8.6	0.13	0.45 (2)
		inc	5.00	30.00	0.65	21	0.09	0.92
		and	1.30	55.00	1.1	30	0.80	1.8
		and	7.22	136.00	7.5	60	1.1	8.7 (2)
		inc	3.00	139.00	17.7	143	2.5	20.5

(1) cut-off of 10 g/t Au equivalent
(2) cut-off of 0.2 g/t Au equivalent

Drilling in 2020:

Hole_id	from (m)	interval (m)	Au (g/t)	Ag (g/t)	Zn (%)	AuEq (g/t)	Cu (%)	Pb (%)	Note
GNDD011	81.00	1.00	1.9	43	0.13	2.4	0.01	0.06	
and	139.80	4.80	1.4	5.7	2.6	2.7	0.02	0.02	
and	147.20	0.70	9.4	13	6.6	12.6	0.07	0.00	1
and	151.40	0.50	1.2	5.5	0.25	1.4	0.00	0.00	
GNDD012	40.70	1.00	6.3	290	0.12	9.6	0.18	1.2	
GNDD013	116.40	6.93	1.3	12	2.7	2.7	0.05	0.18	
inc	122.50	0.83	4.0	61	10.1	9.4	0.21	1.2	
GNDD014	118.50	7.55	2.4	15	3.6	4.3	0.05	0.16	
GNDD015	54.00	1.00	0.69	8.6	0.39	1.0	0.03	0.24	
and	156.00	1.90	1.0	31	2.8	2.7	0.02	0.79	
GNDD016	64.00	1.00	0.80	27	0	1.1	0.02	0.06	
and	109.50	5.00	1.8	27	8.3	6.0	0.16	0.01	
and	116.55	4.45	6.0	83	3.9	8.8	0.13	0.02	
GNDD017	34.30	1.7	0.31	24	2.0	1.5	0.06	1.0	
GNDD018	37.75	0.85	1.1	3.6	0.1	1.1	0.01	0.05	
and	63.20	3.75	7.1	78	3.6	9.6	0.28	3.6	
inc	64.40	2.55	10.3	114	4.9	13.9	0.41	5.2	1
GNDD019	24.00	1.90	1.0	5.3	5.3	3.5	0.12	0.03	
GNDD020	71.25	8.25	17.7	257	0.30	20.7	0.60	0.68	
inc	74.00	5.50	26.0	355	0.42	30.1	0.05	0.21	1
GNDD020	83.30	0.65	0.03	2.7	10.70	5.1	0.00	0.02	

Criteria	JORC Code explanation	Commentary								
		GNDD021	14.80	1.20	11.0	9.0	0.39	11.3	0.01	0.08	1
		and	31.50	0.35	28.1	104	5.8	32.0	0.35	0.12	1
		and	98.20	19.80	0.29	2.2	3.4	1.9	0.01	0.04	2
		inc	98.20	9.80	0.40	4.4	6.8	3.6	0.01	0.07	
		inc	104.20	0.80	0.88	13	22.7	11.7	0.02	0.30	1
		GNDD022	NSI								
		GNDD023	58.00	5.00	0.32	3.7	0.1	1.3	0.01	0.09	
		GNDD024	85.00	6.00	2.5	19	0.15	3.4	0.40	1.4	
		inc	88.00	1.00	14.9	107	0.46	16.3	2.4	8.3	1
		GNDD025	53.00	88.00	0.94	2.3	0.10	1.0	0.00	0.08	2
		inc	61.00	14.00	3.1	5.3	0.19	3.2	0.01	0.11	
		inc	79.00	11.00	1.3	4.1	0.16	1.4	0.00	0.25	
		inc	93.00	1.00	1.1	2.5	0.09	1.1	0.00	0.37	
		inc	113.00	2.00	1.2	4.4	0.02	1.2	0.00	0.01	
		inc	139.00	2.00	0.99	0.50	0.01	1.0	0.00	0.00	
		GNDD027	NSI								
		GNDD029	36.00	12.00	0.17	2.1	0.39	0.38	0.01	0.16	2
		GNDD030	33.00	3.00	0.95	53	0.05	1.6	0.01	0.05	
		GNDD031	32.00	28.00	0.43	5.7	0.15	0.56	0.01	0.04	2
		inc	48.00	1.10	3.3	17	0.34	3.7	0.02	0.33	
		inc	53.00	1.00	4.2	54	0.92	5.3	0.12	0.22	
		GNDD032	9.00	20.00	0.16	6.7	0.09	0.28	0.00	0.02	2
		GNDD032	49.00	116.00	1.05	4.0	0.20	1.2	0.01	0.07	2
		inc	77.00	3.00	0.93	33.7	2.1	2.3	0.09	0.02	
		and	101.00	10.00	6.1	18.1	0.11	6.4	0.04	0.47	
		inc	101.00	6.00	9.6	18.7	0.15	9.9	0.05	0.61	1
		and	136.00	4.00	9.8	18.5	1.5	10.7	0.06	0.27	
		GNDD034	47.60	0.30	0.03	1.4	24.4	11.6	0.34	0.04	
		GNDD035	88.75	5.75	9.5	28.7	3.5	11.5	0.10	0.44	

Criteria	JORC Code explanation	Commentary								
		inc	88.75	3.15	17.1	28.8	5.6	20.1	0.14	0.56	1
		GNDD046	82.90	0.45	4.1	27	0.06	4.5	0.01	0.03	
		GNDD046	124.15	2.85	29.5	522	10.8	40.3	0.41	0.25	1
		GNDD047	61.00	38.50	1.3	1.2	0.04	1.3	0.00	0.02	2
		inc	62.50	6.00	6.3	3.5	0.15	6.4	0.01	0.10	
		and	74.10	1.50	1.0	1.9	0.00	1.0	0.00	0.00	
		and	83.55	0.45	7.3	12.2	0.00	7.4	0.00	0.00	
		and	98.50	1.00	1.2	0.8	0.00	1.2	0.00	0.00	
		GNRC052	69	6	1.7	4.4	0.32	1.9	0.03	0.00	
		GNRC053	NSI								
		GNRC054	13	7	0.22	3.9	0.03	0.27	0.00	0.01	2
		and	66	15	0.53	4.0	0.66	0.88	0.01	0.13	2
		inc	77	3	1.3	8.5	1.9	2.3	0.02	0.31	
		GNRC055	18	7	0.28	6.9	0.04	0.37	0.00	0.01	2
		GNRC056	56	1	2.3	138	0.08	3.8	0.01	0.07	
		GNRC057	37	12	0.06	2.4	0.58	0.36	0.01	0.06	2
		GNRC058	NSI								
		GNRC059	NSI								
		GNRC061	NSI								
		GNRC062	17	3	3.8	7.9	2.7	5.1	0.24	0.17	
		GNRC063	19	1	0.01	0.46	2.8	1.4	0.04	0.01	
		GNRC064	22	1	0.01	4.2	3.8	1.8	0.00	0.00	
		and	27	1	0.69	27	1.2	1.6	0.35	0.23	
		GNRC065	33	6	0.00	2.1	4.9	1.6	0.05	0.01	
		GNRC066	NSI								
		GNRC067	NSI								
		GNRC068	9	69	3.4	8.3	2.8	4.8	0.23	0.08	2
		inc	9	27	7.9	16	7.0	11.4	0.59	0.16	
		and	51	1	1.0	40	0.93	1.9	0.08	0.12	

Criteria	JORC Code explanation	Commentary								
		and	59	1	1.3	4.9	0.09	1.4	0.00	0.02	
		and	66	2	1.6	1.2	0.02	1.7	0.01	0.00	
		and	72	4	1.9	3.0	0.06	1.9	0.01	0.04	
		GNDD077	169	14	0.68	5.9	0.64	1.0	0.01	0.01	2
		inc	169	1	1.5	59.3	6.6	5.3	0.13	0.08	
		inc	181	2	1.8	4.9	0.78	2.2	0.02	0.01	
		and	193	1	0.70	5.5	0.61	1.0	0.02	0.00	
		GNDD079	21.00	61.00	1.1	1.1	0.11	1.2	0.00	0.02	2
		inc	21.00	9.00	1.9	1.9	0.09	2.0	0.00	0.02	
		inc	40.00	2.00	2.7	1.7	0.08	2.8	0.00	0.06	
		inc	46.00	6.00	5.0	1.2	0.07	5.1	0.00	0.01	
		inc	74.00	3.00	1.0	0.86	0.17	1.1	0.00	0.12	
		GNDD082	168.00	15.00	0.68	0.39	0.04	0.70	0.00	0.01	2
		inc	168.00	1.00	2.4	0.46	0.11	2.4	0.00	0.02	
		inc	175.00	0.50	10.0	5.6	0.44	10.0	0.01	0.20	
		and	193.40	34.10	1.45	1.0	0.25	0.54	0.02	0.13	2
		inc	193.40	1.00	2.2	7.9	1.6	2.3	0.14	1.7	
		inc	203.50	0.90	2.6	10.6	2.9	4.5	0.16	1.4	
		inc	209.80	2.20	0.59	4.5	0.74	1.6	0.03	0.25	
		and	235.00	31.00	0.4	0.6	0.08	0.4	0.00	0.00	
		inc	242.50	1.50	1.0	2.1	0.21	1.1	0.01	0.01	
		GNDD083	11.00	21.00	0.22	10.0	0.15	0.40	0.00	0.01	2
		inc	19.20	1.80	1.0	6.1	0.10	1.1	0.00	0.00	
		and	170.00	1.00	1.3	3.6	0.22	1.4	0.02	0.26	
		GNDD088	45.05	23.45	0.07	0.23	0.53	0.33	0.00	0.01	2
		and	90.50	1.50	1.8	0.10	0.01	1.8	0.00	0.00	
		and	224.00	39.00	5.5	2.0	0.30	5.7	0.01	0.00	2
		incl	231.50	14.40	14.4	3.3	0.67	14.8	0.00	0.00	
		incl	238.50	7.40	23.4	5.7	1.27	24.1	0.01	0.01	1

Criteria	JORC Code explanation	Commentary								
		GNDD089	20.00	30.00	0.95	1.69	0.09	1.0	0.00	0.02	2
		inc	22.00	2.00	1.4	2.7	0.18	1.5	0.00	0.00	
		inc	30.50	1.70	2.9	2.3	0.12	3.0	0.00	0.01	
		inc	40.00	10.00	1.4	0.55	0.09	1.4	0.00	0.02	
		and	94.50	21.70	0.88	1.59	0.43	1.1	0.00	0.04	2
		inc	94.50	5.10	2.4	1.6	0.06	2.4	0.01	0.07	
		inc	102.50	1.50	1.9	1.5	0.15	2.0	0.01	0.03	
		inc	109.00	1.50	1.8	11.3	0.32	2.0	0.01	0.16	
		GNDD092	164.50	9.00	0.29	0.72	0.12	0.36	0.00	0.05	2
		and	213.00	17.00	0.23	0.63	0.06	0.27	0.00	0.04	2
		and	257.50	1.00	3.6	5.9	0.60	3.9	0.05	0.21	
		Met:									
		GMDD039	18.00	8.00	0.15	1.9	0.60	0.45	0.01	0.07	2
		GMDD039	67.60	1.00	24.5	58	3.9	27.0	0.27	1.8	1
		GMDD040	116.72	8.68	5.5	12	2.2	6.7	0.06	0.00	
		inc	122.50	2.90	11.8	24	4.2	14.1	0.14	0.00	1
		GMDD041	31.00	16.0	2.6	4.9	0.27	2.8	0.01	0.25	2
		inc	41.70	2.0	20.0	29	1.2	20.8	0.06	1.7	
		GMDD041	63.50	5.1	7.9	83	7.9	12.5	0.47	0.21	
		GMDD043	18.00	10.00	0.09	1.7	0.48	0.34	0.01	0.10	2
		GMDD043	70.50	0.30	25.9	81	9.4	31.2	0.33	3.1	1
		(1) cut off of 10 g/t Au equivalent (2) cut off 0.2 g/t Au equivalent NSI: no significant intersection									
Data aggregation methods	- *In reporting Exploration Results weighting averaging techniques maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* - *Where aggregate intercepts incorporate short lengths of high-grade results and longer lengths of low-grade*	Weighted average significant intercepts are reported to a gold grade equivalent. Results are reported to cut-off grade of a 1.0 g/t Au equivalent and 10 g/t Au equivalent allowing for up to 2m of internal dilution between samples above the cut-off grade and 0.2 g/t Au equivalent allowing up to 4m of internal dilution between samples above the cut-off grade. The following metals and metal prices have been used to report gold grade equivalent: Au US$ 1450 / oz Ag US$16 /oz and Zn US$ 2200 /t.									

Criteria	JORC Code explanation	Commentary
	results the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. - *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	Metallurgical recoveries for Au, Ag and Zn are assumed to be the same and so no factors have been applied to calculate the Au equivalent values. Accordingly, the formula used is AuEq (g/t) = Ag (g/t) + Au (g/t)x (16/1450) + Zn (%) x 2.12. Previous metallurgical test work and geological and petrographic descriptions suggest all the elements included in the metal equivalents calculation have a reasonable potential of eventual economic recovery. While Cu and Pb are reported in the table above, these metals are not used in the Au equivalent calculation at this early stage of the Project. No top cuts have been applied to the reported grades.
Relationship between mineralisation widths and intercept lengths	- *These relationships are particularly important in the reporting of Exploration Results.* - *If the geometry of the mineralisation with respect to the drill hole angle is known its nature should be reported.* - *If it is not known and only the down hole lengths are reported there should be a clear statement to this effect (eg 'down hole length true width not known').*	The mineralisation is moderately or steeply dipping and strikes strike NNE and ENE. There is insufficient information in most cases to confidently establish the true width of the mineralized intersections at this stage of the exploration program. Apparent widths may be thicker in the case where bedding-parallel mineralisation may intersect ENE-striking cross faults and veins. Cross section diagrams have been provided with release of significant intersections to allow estimation of true widths from individual drill intercepts.
Diagrams	- *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	Representative maps and sections are provided in the body of report.
Balanced reporting	- *Where comprehensive reporting of all Exploration Results is not practicable representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	All available data have been reported.
Other substantive exploration data	- *Other exploration data if meaningful and material should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density groundwater geotechnical and rock characteristics; potential deleterious or contaminating substances.*	Geological context and observations about the controls on mineralisation where these have been made are provided in the body of the report. 229 specific gravity measurements have been taken from the drill core recovered during the drilling program. These data are expected to be used to estimate bulk densities in future resource estimates. Eight Induced Polarisation (IP) lines have been completed in the northern area. Each line is approximately 1 kilometre in length lines are spaced 100m apart with a 50m dipole. The initial results indicate possible extension of the mineralisation with depth. Data will be interpreted including detailed re-processing and drill testing.

Criteria	JORC Code explanation	Commentary
Further work	- *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* - *Diagrams clearly highlighting the areas of possible extensions including the main geological interpretations and future drilling areas provided this information is not commercially sensitive.*	• CEL Plans to undertake the following over the next 12 months • Additional data precision validation and drilling as required; • Detailed interpretation of known mineralized zones; • Geophysical tests for undercover areas. • Structural interpretation and alteration mapping using high resolution satellite data and geophysics to better target extensions of known mineralisation. • Field mapping program targeting extensions of known mineralisation. • Investigate further drilling requirements to upgrade both the unclassified mineralisation and mineralisation in the existing historical resources to meet JORC 2012 requirements; • Initial drill program comprising verification (twin holes) and targeting extensions of the historically defined mineralisation; • Metallurgical test work.

Section 3 Estimation and Reporting of Mineral Resources

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Database integrity	- *Measures taken to ensure that data has not been corrupted by for example transcription or keying errors between its initial collection and its use for Mineral Resource estimation purposes.* - *Data validation procedures used.*	Geological logging completed by previous explorers was done on paper copies and transcribed into the drill hole database. The data was checked for errors. Checks can be made against the original logs and core photographs. Assay data is received in digital format. Backup copies are kept and the data is copied into the drill hole database. The drill hole data is backed up and is updated periodically by a Company GIS and data team.
Site visits	- *Comment on any site visits undertaken by the Competent Person and the outcome of those visits.* - *If no site visits have been undertaken indicate why this is the case.*	Site visits have been undertaken from 3 to 16 October 2019 15 to 30 November 2019 and 1-19 February 2020. The performance of the drilling program collection of data and sampling procedures were initiated during these visits.
Geological interpretation	- *Confidence in (or conversely the uncertainty of) the geological interpretation of the mineral deposit.* - *Nature of the data used and of any assumptions made.* - *The effect if any of alternative interpretations on Mineral Resource estimation.* - *The use of geology in guiding and controlling Mineral Resource estimation.* - *The factors affecting continuity both of grade and geology.*	The interpretation is considered appropriate given the stage of the project and the nature of activities that have been conducted. The interpretation captures the essential geometry of the mineralised structure and lithologies with drill data supporting the findings from the initial underground sampling activities. The most recent resource calculation (2006 and 2003 – La Mancha) used all core drilling at the time and detailed underground channel sampling collected by EPROM CMEC and La Mancha. Overlying assumptions included a reduction of the calculated grade in each resource block by a factor of 10% to account for possible errors in the analyses and samples. An arbitrary reduction factor was applied to the 2006 resource whereby the net reported tonnage was reduced by 25% for indicated resource blocks 50% for inferred resource blocks and 75% of potential mineral resource blocks. The reason for the application of these tonnage reduction factors was not outlined in the resource report. It is noted that at the time of this report La Mancha was in a legal dispute concerning the project with its joint venture partner and given the acquisition of a 200000 Oz per annum producing portfolio the project was likely no longer a core asset for La Mancha at that time. Additionally, under the original acquisition agreement La Mancha had to issue additional acquisition shares based on resource targets. The effect of removing the assumptions relating to application of the arbitrary tonnage reduction factors applied increases the overall resource tonnage by in excess of 50%. Removing these correction factors would bring the overall tonnage and grade close the earlier (2003 1999 and 1996)

Criteria	JORC Code explanation	Commentary
		tonnage and grade estimates albeit in different categories (lower confidence) which are considered more appropriate. The mineralisation is defined to the skarn and vein bodies detailed cross section and plan maps were prepared for these bodies with their shapes used in controlling the resource estimate. The structure of the area is complex and a detailed structural interpretation is recommended as this may provide a better understanding of the continuity of mineralisation and possible extensions to it. The deposit contains bonanza gold values and while very limited twinning has indicated acceptable repeatability a rigorous study of grade continuity needs to be undertaken as part of future resource calculations.
Dimensions	- *The extent and variability of the Mineral Resource expressed as length (along strike or otherwise) plan width and depth below surface to the upper and lower limits of the Mineral Resource.*	For the historic resource no, reliable information has been provided to the owner however through further ongoing investigation is being conducted by the owner to address this information gap.
Estimation and modelling techniques	- *The nature and appropriateness of the estimation technique(s) applied and key assumptions including treatment of extreme grade values domaining interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.* - *The availability of check estimates previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.* - *The assumptions made regarding recovery of by-products.* - *Estimation of deleterious elements or other non-grade variables of economic significance (eg sulphur for acid mine drainage characterisation).* - *In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.* - *Any assumptions behind modelling of selective mining units.* - *Any assumptions about correlation between variables.* - *Description of how the geological interpretation was used to control the resource estimates.* - *Discussion of basis for using or not using grade cutting or capping.* - *The process of validation the checking process used the comparison of model data to drill hole data and use of reconciliation data if available*	The historic resource estimation techniques are considered appropriate. The 2003 and 2006 resources used a longitudinal section polygonal method was used for estimating resources with individual blocs representing weighted averages of sampled underground and/or areas of diamond drill pierce points with zones of influence halfway to adjacent holes. The area of the block was calculated in AutoCad directly from the longitudinal sections. Check assaying by PG Consulting returned values in the check assay sample which were 3.4% and 13% greater for Au and Ag than the original assays. A number pf previous resource estimates were available to check the 2006 resource estimate when the arbitrary tonnage reduction factors are removed brings the overall tonnage and grade close the earlier (2003 1999 and 1996) tonnage and grade estimates albeit indifferent categories which are considered more appropriate. It was assumed only gold silver and zinc would be recovered and that no other by products would be recovered. This is viewed as conservative given metallurgical data pointing to the production of a saleable zinc concentrate. Based on the preliminary metallurgy estimation of deleterious elements or other non-grade variables of economic significance was not required. The minimum mining width of 0.8m was assumed for veins less than 0.6m and for wider widths a dilution of 0.2m was used to calculate the grade.

Criteria	JORC Code explanation	Commentary
		No assumptions were made regarding correlation between variables. The mineralisation is defined within skarn and associated vein deposits. Detailed cross section and plan maps were prepared for these domains with their shapes used in controlling the resource estimate. Long sections of the veins and skarn were taken and sampling was plotted and the blocks outlined considering this. Grade cutting was not used in the calculation of the resource and no discussion was given as to why it was not employed. It is recommended that a study be undertaken to determine if an appropriate top cut need be applied No data is available on the process of validation.
Moisture	- *Whether the tonnages are estimated on a dry basis or with natural moisture and the method of determination of the moisture content.*	No data is available.
Cut-off parameters	- *The basis of the adopted cut-off grade(s) or quality parameters applied.*	The Mineral Resource Estimate is above a cut-off grade of 3.89 g/t Au. This is based on the assumed mining cost at the time of the estimate.
Mining factors or assumptions	- *Assumptions made regarding possible mining methods minimum mining dimensions and internal (or if applicable external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case this should be reported with an explanation of the basis of the mining assumptions made.*	The Mineral Resource Estimate considered the assumptions outlined below which are considered appropriate; - Metal prices: Au US$550 Oz Ag US$10 Oz - Metallurgical Recovery; Au – 80% Ag – 70% Zn - nil - Operating cost: US$55t based on underground cut and fill mining and flotation and cyanidation combined The minimum mining width of 0.8m was assumed for veins less than 0.6m and for wider widths a dilution of 0.2m was used to calculate the grade.
Metallurgical factors or assumptions	- *The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case this should be reported with an explanation of the basis of the metallurgical assumptions made.*	Historical metallurgical test-work is currently under review however the assumptions used (80% recovery for Au, Ag and Zn) based on initial test results seem conservative. - The most recent test work was conducted in 1999 by Lakefield Research (cyanidation) and CIMM Labs (flotation) in Chile on 4 samples which all contain primary sulphide minerals and so can be considered primary, partial oxide or fracture oxide samples. - The test work was conducted using a 150 micron grind which would appear to coarse based on petrography conducted by CEL which shows that the gold particles average 30-40 microns. - Rougher flotation tests were performed with a 20 minute and 30 minute floatation time. Generally, the longer residence time improved recovery. Recoveries to concentrate for gold range from 59.6% - 80.6% and for silver from 63.1% – 87.2%.

Criteria	JORC Code explanation	Commentary
		- Knelson concentrate tests with floatation of tailings were also completed. Applying a joint process Knelson concentrator and floatation of the tailings of the concentrator it is found that the global recovery is approximately 80% for gold. - While the testwork was focused predominantly on gold recovery some rougher flotation testwork was undertaken targeting Zn recovery producing up to 85% recoveries. In sulphide samples this produced a Zn concentrate containing 42% Zn with grades in excess of 50% Zn in comcentrate expected with additional floatation stages. - The report concluded that it was possible to produce a commercial Au-Ag concentrate and a Zn concentrate. - Extraction of gold and silver by cyanidation was tested on 3/8 and ¾ inch (9.525mm and 19.05mm) crush sizes that are designed to test a heap leach processing scenario. Bottle roll of these crush size resulted in 41-39% gold recovery and 31-32% silver recovery with high cyanide consumption. No tests have been done on material at a finer grind size.
Environmental factors or assumptions	- *Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts particularly for a greenfields project may not always be well advanced the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.*	It is considered that there are no significant environmental factors which would prevent the eventual extraction of gold from the project. Environmental surveys and assessments will form a part of future pre-feasibility.
Bulk density	- *Whether assumed or determined. If assumed the basis for the assumptions. If determined the method used whether wet or dry the frequency of the measurements the nature size and representativeness of the samples.* - *The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs porosity etc) moisture and differences between rock and alteration zones within the deposit.* - *Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.*	Densities of 2.7 t/m3 were used for mineralised veins and 2.6 t/m3 for wall rock. No data of how densities were determined is available. The bulk densities used in the evaluation process are viewed as appropriate at this stage of the Project. CEL is collecting specific gravity measurements from drill core recovered in 2019 and 2020 drilling programs, which it is expected will be able to be used to estimate the block and bulk densities in future resource estimates. For RC drilling, the weights of material recovered from the drill hole is able to be used as a measure of the bulk density.

Criteria	JORC Code explanation	Commentary
Classification	- *The basis for the classification of the Mineral Resources into varying confidence categories.* - *Whether appropriate account has been taken of all relevant factors (ie relative confidence in tonnage/grade estimations reliability of input data confidence in continuity of geology and metal values quality quantity and distribution of the data).* - *Whether the result appropriately reflects the Competent Person's view of the deposit.*	The Mineral Resource Estimate has both Indicated and Inferred Mineral Resource classifications under the National Instrument 43-101 code and is considered foreign. These classifications are considered appropriate given the confidence that can be gained from the existing data and results from drilling. The reliability of input data for the 2003 and 2006 resources is acceptable as is the confidence in continuity of geology and metal values quality quantity and distribution of the data. Appropriate account has been taken of all relevant factors with the exception of studies into the appropriateness of the application of a top cut. The reported 2006 NI43-101 (non-JORC Code compliant Measured and Indicated) estimate for the Hualilan Project is measured resource of 164294 tonnes averaging 12.6 grams per tonne gold and 52.1 g/t silver and 2.5% zinc plus an indicated resource of 51022 tonnes averaging 12.4 grams per tonne gold and 36.2 g/t silver and 2.6% zinc plus an inferred resource of 213952 tonnes grading 11.7 grams per tonne gold and 46.6 g/t silver and 2.3% zinc. (Source La Mancha resources Toronto Stock Exchange Release April 7 2007 - Interim Financials) – See Table 1. The 2006 estimate did not include the east-west mineralised Magnata Vein despite the known mineralisation in the Magnata Vein being drilled on a 25 x 50-metre spacing. The 2003 NI43-101 (non-JORC Code compliant) estimate attributed approximately half of its measured and indicated tonnage to the Magnata Vein. The 2006 estimate also included arbitrary tonnage reduction factors of 25% for indicated category 50% for inferred category and 75% for potential category. The 2006 estimate also included a significant tonnage of Potential Category Resources which have not been reported. The reported 2003 NI43-101 (non-JORC Code compliant) estimate for the Hualilan project is a measured resource of 299578 tonnes averaging 14.2 grams per tonne gold plus an indicated resource of 145001 tonnes averaging 14.6 grams per tonne gold plus an inferred resource of 976539 tonnes grading 13.4 grams per tonne gold representing some 647809 ounces gold. (Source La Mancha resources Toronto Stock Exchange Release May 14 2003 - Independent Report on Gold Resource Estimate) – See Table 1. The 2003 Mineral Resource classification and results appropriately reflect the Competent Person's view of the deposit and the current level of risk associated with the project to date.

Criteria	JORC Code explanation	Commentary
		Historic 2003 NI43-101 (non-JORC Code compliant): CATEGORY / TONNES / Au (g/t) / Ag (g/t) / Zn% Measured 299578 14.2 Indicated 145001 14.6 Inferred 976539 13.4 **Historic 2006 NI43-101 (non-JORC Code compliant)** CATEGORY / TONNES / Au (g/t) / Ag (g/t) / Zn% Measured 164294 12.5 52.1 2.5 Indicated 51022 12.4 36.2 2.6 Inferred 213952 11.7 46.6 2.3
Audits or reviews	- *The results of any audits or reviews of Mineral Resource estimates.*	The historic resource estimate has not been audited. The earlier (1996 and 2000) Mineral Resource Estimates were audited and re-stated in a 2003 resource report. This independent report was done to NI-43-101 standard and the results of this report were released to the TSX. This report concluded that "Detailed resource calculations made by three different groups are seen to be realistic.
Discussion of relative accuracy/ confidence	- *Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits or if such an approach is not deemed appropriate a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate.* - *The statement should specify whether it relates to global or local estimates and if local state the relevant tonnages which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.* - *These statements of relative accuracy and confidence of the estimate should be compared with production data where available.*	There is sufficient confidence in the data quality drilling methods and analytical results that they can be relied upon. The available geology and assay data correlate well. The approach or procedure are deemed appropriate given the confidence limits. The main two factors which could affect relative accuracy is grade continuity and top cut. Grade continuity is variable in nature in this style of deposit and has not been demonstrated to date and closer spaced drilling is required to improve the understanding of the grade continuity in both strike and dip directions. It is noted that the results from the twinning of three holes by La Mancha are encouraging in terms of grade repeatability. The deposit contains very high grades and there is a potential need for the use of a top cut. It is noted that an arbitrary grade reduction factor of 10% has already been applied to the resource as reported. No production data is available for comparison

Challenger Exploration Limited
ACN 123 591 382
ASX: **CEL**

Issued Capital
648.7.m shares
86.6m options
120m perf shares
16m perf rights

Australian Registered Office
Level 1
1205 Hay Street
West Perth WA 6005

Directors
Mr Kris Knauer, MD and CEO
Mr Scott Funston, Finance Director
Mr Fletcher Quinn, Chairman

Contact
T: +61 8 6380 9235
E: admin@challengerex.com.au

www.challengerex.com