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$34.5 MILLION INSTITUTIONAL PLACEMENT

Highlights

- **Challenger Gold Limited (ASX:CEL) funded to become near-term unhedged gold producer, with first cash flow targeted for H2 CY 2025**
- **Firm commitments secured for an approximately A$34.5 million placement ("Placement") to L1 Capital, Helikon Investments and the Elsztain Group (an entity associated with CEL's Chairman and subject to shareholder approval)**
- **Proceeds to be allocated toward:**
  - **Funding CEL through to first cash flow from the toll-milling operation at its high-grade Hualilan Gold Project in Argentina;**
  - **Accelerate drilling and studies for an upsized standalone Life of Mine ("LOM") development at Hualilan (LOM Study targeted for release by Q126); and**
  - **Working capital and transaction costs.**
- **Offer Price of A$0.08 per share represents a 16.7% discount to the last close of A$0.096 (30 May 2025) and a 6.4% discount to CEL's 20-Day VWAP[1]**

Commenting on the Placement, CEL Managing Director, Kris Knauer, said:

"The Placement announced today is transformational for Challenger. Challenger has managed to attract strong support from leading institutional investors including L1 Capital and Helikon Investments as well as continued and valued support from the Elsztain Group.

We believe the success of the Placement validates our strategy to generate near-term cash flow from Hualilan via toll-milling while simultaneously providing Challenger the funding and runway to accelerate studies and drilling on an upsized standalone development of Haulilan. Challenger hopes to emerge from the Placement as an unhedged and fully financed gold developer with a clear pathway to production which is expected later this calendar year."

[1] Volume weighted average price to 30 May 2025.

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Challenger Gold Limited (ASX:CEL) ("**CEL**" or the "**Company**") is pleased to advise that it has successfully raised approximately A$34.5 million through the receipt of binding commitments for a two-tranche placement of approximately 431 million new fully paid ordinary shares ("**New Shares**") at an issue price of A$0.08 per New Share ("**Offer Price**") to institutional, sophisticated, and professional investors ("**Placement**").

The Company will also issue one (1) free-attaching unlisted option ("**Options**") for every two (2) New Shares subscribed for and issued pursuant to the Placement. The Options will be exercisable at $0.12 (representing a 50% premium to the Offer Price) with an expiry date three years from the date of issue.

Placement Details

New Shares will be issued in two tranches under the Placement:

- **Tranche 1**: to raise A$30 million via the issue of 375 million New Shares under the Company's available placement capacity ASX Listing Rules 7.1 and 7.1A. Tranche 1 is expected to settle on Tuesday, 10 June 2025 with New Shares expected to be issued on Wednesday, 11 June 2025.
- **Tranche 2**: to raise a minimum of approximately A$4.5 million via the issue of approximately 56 million New Shares to the Elsztain Group. The Elsztain Group has committed to a minimum 12.72% pre-rate participation subject to shareholder approval. Approximately 215.5 million Options will also be subject to shareholder approval at a forthcoming extraordinary general meeting ("**EGM**"), expected to be held in late July 2025.

As part of Tranche 2, Company Directors Kris Knauer and Fletcher Quinn have collectively subscribed for approximately 1.3 million New Shares and approximately 0.6 million Options.

Upon completion of the Placement, the approximately 431 million New Shares will represent approximately 20.0% of the Company's expanded share capital of approximately 2,121 million shares.

Use of Funds

Proceeds from the Placement will be allocated towards:

Use of Funds	Amount (A$m)
Toll Milling Capex & Working Capital	$16.0
Drilling Activities at Hualilan	$5.0
Feasibility Studies at Hualilan	$2.5
Transaction Costs	$1.8
Working Capital	$9.2
Total	**$34.5**

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Advisers

Evolution Capital Pty Ltd and Sternship Advisors acted as Joint Lead Managers to the Placement. Evolution Capital also acted as corporate adviser and settlement agent to the Placement.

Further details regarding the Placement are set out in the Appendix 3B of today's date.

Ends

This ASX announcement was approved and authorised by the Managing Director.

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