

QUARTERLY REPORT FOR THE PERIOD ENDED 31 MARCH 2020

Highlights

- **Fully Funded for High Impact CY2020 Exploration Programs**
 - Strong financial position with cash at bank as of March 31 \$6.1 million
 - CY2020 exploration program for Hualilan Gold Project and El Guayabo Gold/Copper Project finalised and in progress
 - Fully funded with a forecast cash position ~ A\$2.4m at the completion of the programs
 - Key Management to take up to 100% of their remuneration for the rest of 2020 in shares as part of ensuring CEL is fully funded for its 2020 exploration programs
- **Hualilan Gold Project**
 - 18 holes for 2,444 metres of 7,500 metres completed with drilling proceeding
 - Samples from the first 7 holes submitted for assay
 - Pulps from first 2 holes successfully airfreighted to Canada for final assaying on April 20 with a second batch due for transport next week
 - Until the COVID-19 restrictions are lifted, pulps from Hualilan will be air freighted to Canada avoiding delays associated with assays normally being completed in Peru.
 - Induced Polarisation (IP) geophysical survey covering 77 hectares at Cerro Norte completed with preliminary review of the data encouraging
- **El Guayabo Gold/Copper Project expansion**
 - Shareholders approve farm-ins to the adjoining Colorado V and El Guayabo tenements increasing CEL's land position to 35 square kilometres
 - Logging completed for first 17 drill holes from Colorado V – approx. 7,200 metres
 - Samples from first 3 drill holes from Colorado V submitted for assay – results pending
 - First underground channel samples (0.5-3 g/t Au) confirm potential for bulk mineralisation
 - Under CEL's current operational plan there is scope for field activities to be suspended until August 1 without impacting the completion of the 2020 exploration program.

Challenger Exploration (ASX: CEL) (“**CEL**” or the “**Company**”) is pleased to provide an update on activities at its Gold and Copper projects in Argentina and Ecuador for the period ending 31 March 2020.

HIGH IMPACT 2020 EXPLORATION PROGRAM

Challenger is in a strong financial position, with the successful completion of a capital raising of A\$6.5M, before costs, on 17 January 2020. Cash at bank is \$6.1m as at 31 March 2020. During the quarter the Board undertook a full strategic review of the previously announced 2020 exploration program in light of global economic and market conditions. This involved reviewing, and where

considered appropriate re-tendering, several of the proposed major exploration activities. The high impact CY2020 programs have now been settled for both projects and include the following activities:

Hualilan Gold Project Argentina

- 7,500 metres of drilling - 2,444 metres completed since February
- Metallurgical test work of key ore types
- High Resolution Geophysics (IP) covering 250 ha at Cerro Sur and Cerro Norte
- Initial JORC Compliant Resource and upgrade at the completion of drilling
- Project economic review ^(#1)

El Guaybo Gold/Copper Project Ecuador

Now shareholder approval has been received, the Company will begin:

- Assaying of 10,000 metres of historical drill core from Colorado V
- 2 kilometres of underground rock saw channel sampling at Colorado V
- 3.1 km² of MMI soil sampling to allow integration of the Colorado V soil sample data
- Completion of surface mapping/sampling including assaying of 200 samples
- External inversion and interpretation of CEL's 16 km² 3D MT Survey with IP test lines

#1 depending on the outcome of the resource estimates and economic review the project may be extended to a JORC definition scoping study

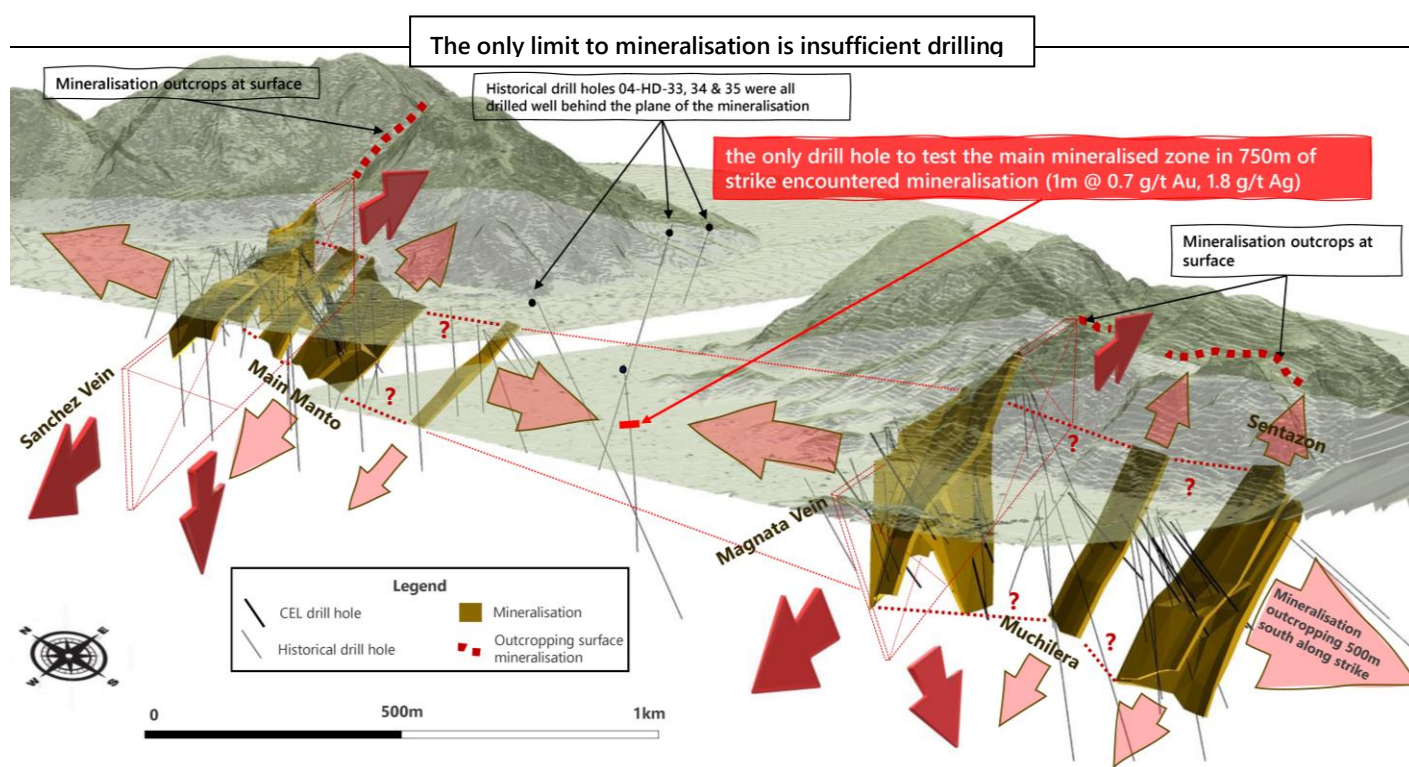


Figure 1 – Showing the existing mineralisation at Hualilan and possible extensions

HUALILAN GOLD PROJECT - ARGENTINA**Hualilan Maiden Drilling Program**

During the quarter, the focus at Hualilan was the 7,500 metre drilling program designed to extend the existing mineralisation and support a maiden JORC Compliant Resource. After starting in February, CEL has now completed 18 holes for 2,444 metres of 7,500 metres (Table 1) with drilling in progress.

Samples from the first 7 holes have been submitted for assay at ALS Laboratories. Due to COVID-19 restrictions CEL has reached an agreement with ALS Laboratories under which pulps from Hualilan will be air freighted to Vancouver, (Canada), for final assay rather than Lima, (Peru). This clears delays caused by the current COVID 19 related shutdown in Peru. This includes the holes where processing of samples has been completed.

Pulps of samples from the first two holes arrived in Vancouver for final assay on April 20 with a second batch due for transport next week. CEL anticipates results from samples air-freighted to Canada for final assay shortly. Results from the balance of the 7,500-metre program should be available in a normal timeframe now the delays due to final assays in Peru have been avoided.

While provincial borders remain closed in Argentina CEL has been granted authorisation to transport core samples across the province border to Mendoza for assay. Additionally, 100% of the Company's staff involved in supervision of the drilling, core logging, core sampling and submission of samples for assay, and its drilling contractors on site are San Juan based.

The company notes that the Government of Argentina has issued a decree banning ticket sales for all commercial internal and international commercial flights until September 1. Cargo flights remain unaffected and CEL has liaised with ALS Laboratories (Mendoza) who have advised that the ban on commercial ticket sales will not impact their ability to airfreight Hualilan Project core pulps to Canada for final assay. The ban will also not impact CEL's operations at the Hualilan Gold project given the Company's operational model of employing a self-sufficient team of high-quality local based geoscientists at each of its projects.

Hole_ID	Zone	East_UTM	North_UTM	Elevation	TD	Drilling	Logged	Sampled
				masl	m	Status		
GNDD011	Sentazon	504393.0	6599645.0	1794.9	169.2	completed	yes	yes
GNDD012	Muchilera	504453.0	6599821.0	1798.7	120.0	completed	yes	yes
GNDD013	Sentazon	504404.0	6599614.0	1793.2	141.0	completed	yes	yes
GNDD014	Sentazon	504405.0	6599661.0	1794.5	140.0	completed	yes	yes
GNDD015	Magnata	504440.0	6600155.0	1809.3	166.7	completed	yes	yes
GNDD016	Sentazon	504402.0	6599684.0	1795.1	172.0	completed	yes	yes
GNDD017	Magnata	504460.0	6600077.0	1806.1	132.6	completed	yes	yes
GNDD018	Magnata	504473.0	6600112.0	1806.4	130.0	completed	yes	yes
GNDD019	Dona Justa	504936.0	6601533.0	1834.0	80.0	completed		
GNDD020	Magnata	504462.0	6600141.0	1809.2	153.0	completed	in progress	
GNDD021	Dona Justa	504937.0	6601565.0	1838.0	120.0	completed		
GNDD022	Cerro Norte	504836.0	6601329.0	1830.0	100.0	completed		
GNDD023	Cerro Norte	504815.0	6601333.0	1830.0	100.0	completed		
GNDD024	Magnata	504460.0	6600125.0	1808.1	100.0	completed		
GNDD025	Cerro Norte	504786.0	6601137.0	1825.0	141.0	completed		
GNDD026	Ortega	504815.0	6601440.0	1834.0	100.0	completed		
GNDD028	Cerro Norte	504827.0	6601319.0	1829.0	100.0	completed		
GNDD029	Cerro Norte	504791.5	6601313.5	1829.1	120.2	completed		
GNDD030	Muchilera	504453.9	6599860.0	1793.5	150.0	drilling		

Geophysics

Collection of data from an Induced Polarisation (IP) geophysical survey covering 77 hectares (Figure 2) at Cerro Norte was completed by Geofisica Argentina during the quarter. The survey consists of 8 lines over Cerro Norte spaced at 100 metre intervals with a 50 metre dipole spacing. The survey has been designed to define extensions to the sulphide dominant mineralisation and assist with drill targeting. More specifically the survey is expected to provide high resolution coverage down to a vertical depth of approximately 300 metres. The current foreign historical resource at Hualilan is located within 125 metres of surface.

Interpretation of the data will involve having the raw data reprocessed and reinverted externally. The preliminary review of the survey data is encouraging with possible downdip extensions of the mineralisation evident on several lines. A further announcement will be made once the survey has been interpreted.

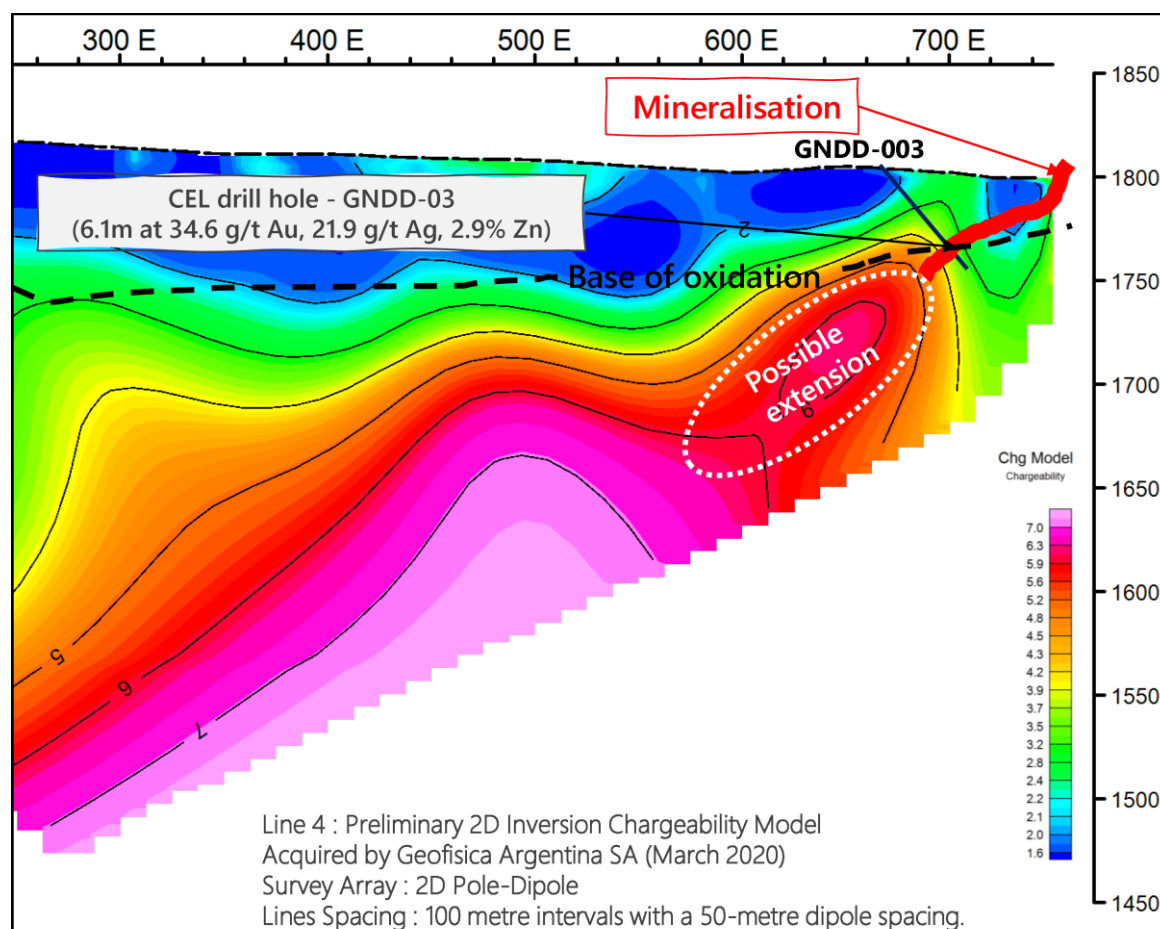


Figure 2 – Showing possible extensions to the mineralisation downdip at Cerro Norte Hualilan Gold Project

EL GUAYABO GOLD AND COPPER PROJECT - ECUADOR

CEL has significantly increased the size of its El Guaybo Project to 35 square kilometres by the acquisition of the adjoining Colorado V and El Guaybo 2 concessions with subsequent shareholder approval of these acquisitions on April 17 2020. Discussions with holders of additional mining tenements in the area were ongoing during the quarter.

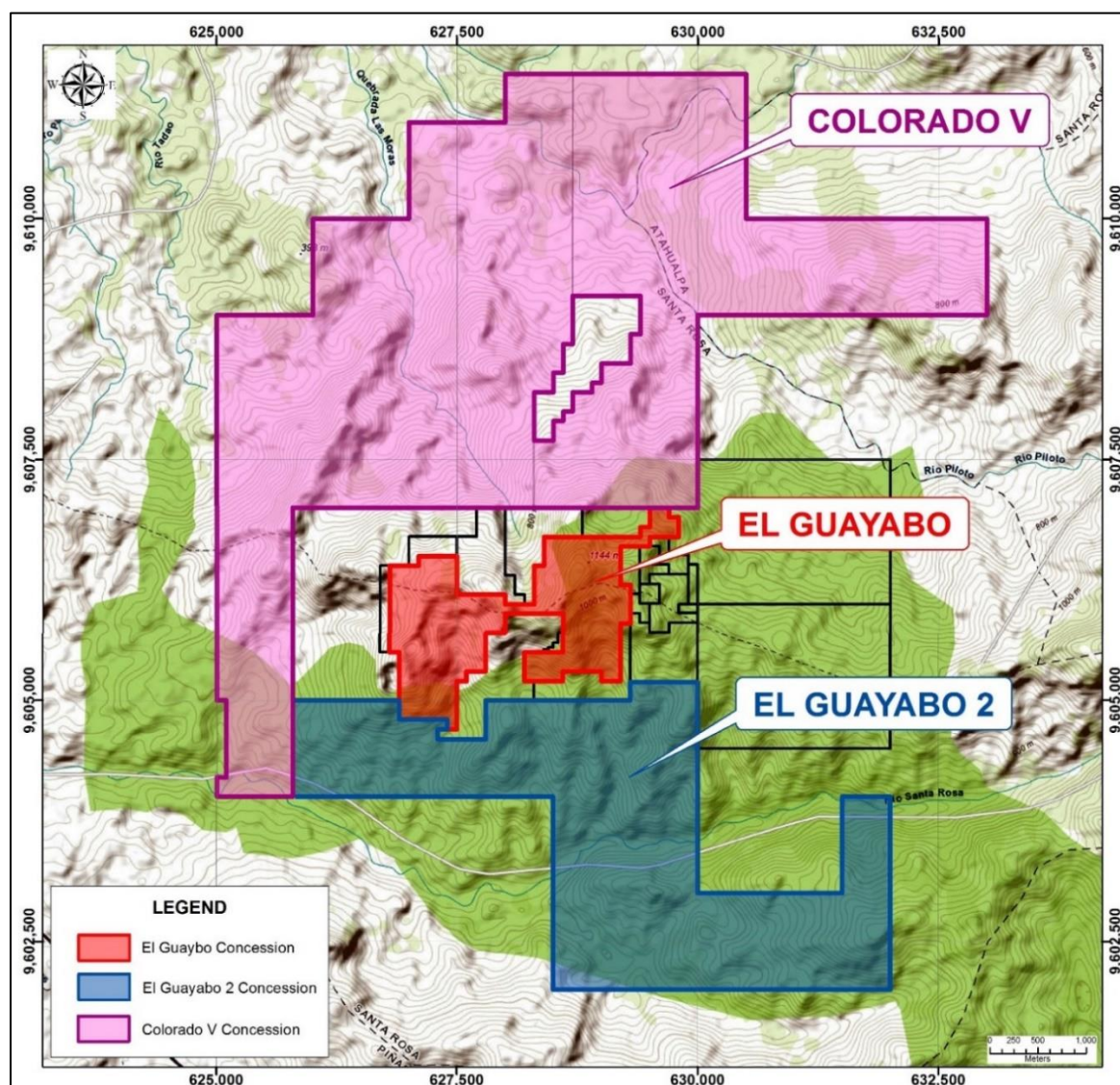


Figure 3 - Showing expanded El Guaybo Project V tenements - El Guayabo 2 and Colorado V

Following the acquisition of the Colorado V and El Guayabo 2 concessions work is focussing on:

1. compilation and review of the large body of existing exploration data at Colorado V
2. surface and underground mapping and sampling conducted on the Colorado V concession
3. logging and assaying of the 21,000 metres of historical drill holes from Colorado V

Logging and Assaying - Colorado V drill core

Good progress was made during the quarter on detailed logging, and assaying, of the of 56 historical drill holes from Colorado V. This core had not been previously logged by geologists with porphyry experience and limited sections of this core had previously been assayed for gold only. Logging is now complete on 17 of 56 of the historical Colorado V core holes and CEL geologists continue to recommend the assay of significant zones of the majority of core holes. Samples from the first 3 holes

have been submitted for assay with SGS Laboratories Quito. Sample preparation in Quito has been completed with the pulps for all samples shipped to Lima in Peru for final assay. Results are expected shortly after the COVID-19 related lockdown in Peru is lifted, which at this stage is May 10.

Compilation and review of historical exploration data - Colorado V

As well as 21,000 metres of drilling, Goldking has undertaken an extensive and high quality exploration program on the Colorado V tenement which includes a multi element soil geochemistry survey covering approximately 20 square kilometres.

The initial review of this data has revealed several high tenor gold and copper in soil anomalies over 1km² in size and greater than 300ppm Copper and 100ppb Gold. The historical drilling has not optimally tested these soil anomalies as the majority of the drilling was on the flanks of the soil anomalies. Additionally, the multi-element soil geochemistry data appears to display zonation typical of porphyry style mineralisation. The review and interpretation of this data is continuing.

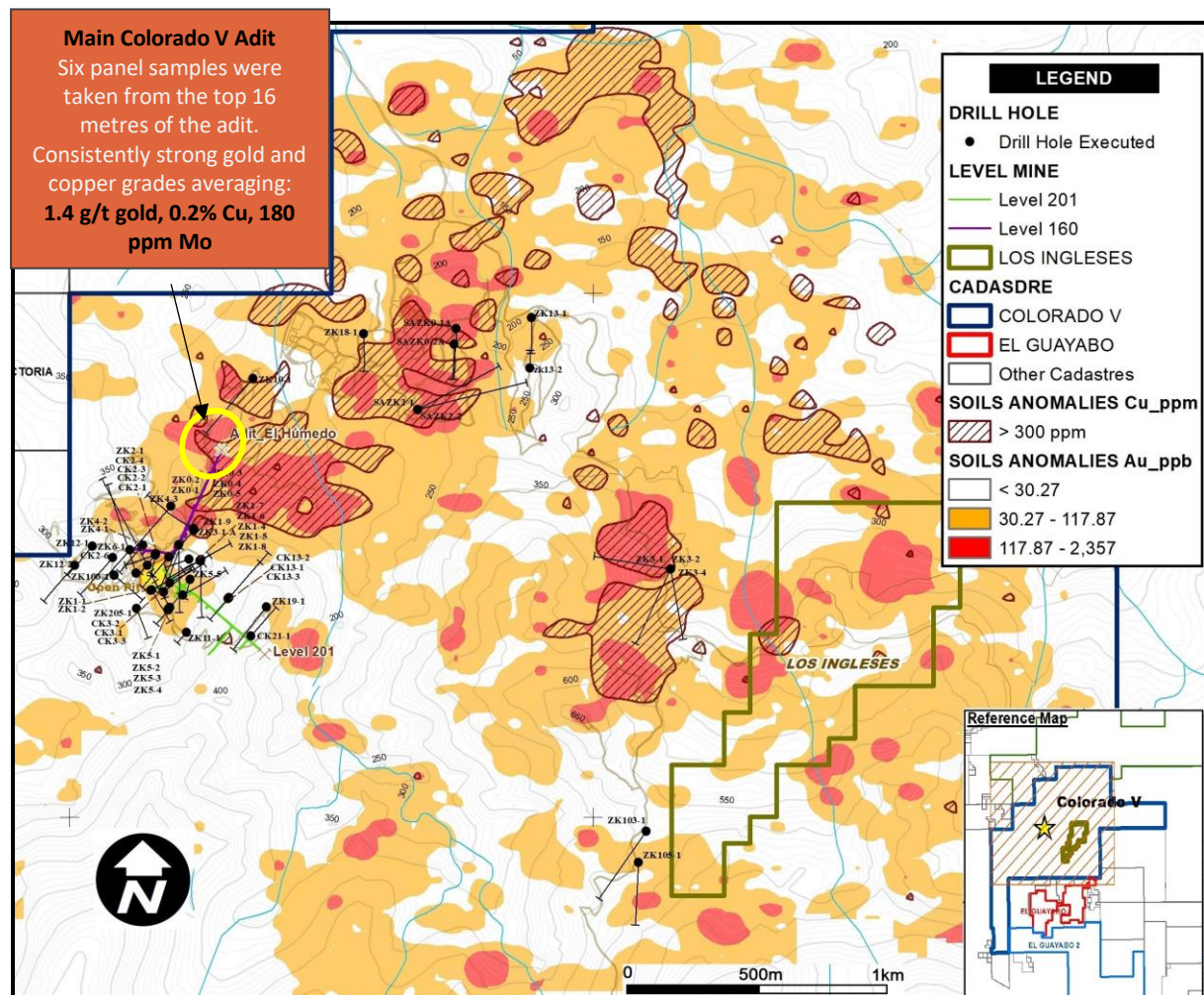


Figure 4 - Gold in soil anomalies (with Cu in soils) and location of historical drilling

Surface and Underground mapping and Sampling

CEL received the first assays from its program of surface mapping and sampling conducted on the Colorado V concession during the quarter. This mapping involved traverses along the two major creeks in the northwestern sector of the Colorado V concession, spot sampling near the top of the main adit and in the immediate mine area. Reconnaissance was conducted on approximately one third of the Colorado V concession area with mapping and sampling ongoing and a further 40 assays pending.

The sampling results are shown in Appendix 2. The mapping identified four zones of porphyry style mineralisation which coincided with the gold and copper in soil anomalies identified in the Goldking soil data.

Highlights include:

- outcrops of mineralized diorites, dacites and metamorphic rocks covering 1 kilometre of Lobster Creek. These outcrops contain pyrite + chalcopyrite + pyrrhotite and molybdenite as well as different hydrothermal alteration patterns including (phyllic and likely potassic). It includes samples CV-12 (0.54 g/t gold and 224 ppm copper and CV-14 (1.1 g/t gold and 383 ppm copper).
- a series of outcrops of altered diorites showing moderate to strong biotite – magnetite alteration covering 500 metres in La Mora Creek. This zone corresponds to a series of six underground panel samples which returned consistently high grades of gold and copper over the first 16 metre interval of the main Goldking Adit (samples C.V.U.R-0+30 to 46). This adit contains a 300-metre exposure of porphyry style mineralisation which is being sampled via rock saw channel samples so as to remove any possible sample bias.



Figure 5 - Location of a face sample C.V.U.R-0+38 from the main Colorado V Adit (1.4 g/t gold, 0.3% copper)

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\$6.5M, before costs, on 17 January 2020. Cash at bank at the end of the quarter is \$6.1m.

While the costs of the Company's exploration programs are exposed to the USD, the Company has largely mitigated this risk by converting A\$3.7M of its \$6.5M capital raising into US\$2.5M, at a rate of 0.68, on 13 February 2020. As at 31 March, CEL had approximately US\$2.2M in US dollars and appropriately only 20% of our planned CY2020 programs are exposed to the USD exchange rate.

Nevertheless, 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 at least the next six months. There is also a strong commitment to extend this further should it be required.

Shareholder approval will be required to issue shares to Directors with the price used to determine the number of shares issued to be the **higher of the last capital raise price of 10 cents or a monthly VWAP**. This salary swap for shares will make an additional A\$600,000 available for exploration and was a key component in CEL having the ability to continue with its 2020 program and still retain sufficient working capital following this program to mitigate the need for a capital raising through CY2020.

Approximately \$2.4M in cash^(#2) is forecast to remain at the completion of the CY2020 exploration program which provides the flexibility for additional discretionary spending subject to results. Under the company's current "Normal Course of Operations" budget, which includes exploration expenditure beyond the announced CY2020 program, the year-end cash balance is forecast to be over A\$1.2M^(#2). The company will continue to look to achieve further cost reductions as is prudent in this period of uncertainty.

#2 Calculated using forecast AUD/USD exchange rate of \$0.61

Shareholder approval was received on 17 April 2020 to farm-in the Colorado V and El Guayabo tenement packages to increase our land position surrounding El Guayabo Gold/Copper Project in Ecuador.

COVID-19**Hualilan Project Argentina**

In San Juan Province, Argentina, the stringent border control and lockdown measures introduced by the Government of Argentina have resulted in only two reported COVID-19 cases in the Province.

While provincial borders remain closed in Argentina until further notice operations at CEL's Hualilan Project are now unaffected. CEL has been granted authorisation to transport core samples across the province border to Mendoza for assay and 100% of CEL's staff and its drilling contractors on site are San Juan based.

El Guayabo Project Ecuador

CEL's field exploration in Ecuador remains suspended with staff working on desktop reviews from home. Considering the health and safety of our people as a priority, CEL will review this suspension as appropriate. Under CEL's current operational plan there is scope for field activities to be suspended until August 1 without impacting the completion of the proposed 2020 exploration program.

Robust Operational Model

The Company's operational model of employing a fully self-sufficient team of high-quality local based geoscientists at each project has the advantage of not only being far more cost effective but it is robust during the current period of travel restrictions. CEL has assembled experienced local teams to progress both the Hualilan Gold Project and El Guayabo Gold/Copper Project. At both Hualilan and El Guayabo, once CEL makes the decision to restart activities in Ecuador, work will be able to progress unaffected regardless of the ability of Challengers Australian based team members to get to site for the remainder of CY2020.

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

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 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.

About Challenger Exploration

Challenger Exploration Limited (ASX: CEL) is developing two key gold/copper projects in South America.

1. **Hualilan 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 >600,000 Oz @ 13.7 g/t gold which remains open in most directions. In the 15 years prior to being acquired by CEL the project was dormant. CEL's focus is to redefine the scope of the Hualilan Project by defining and then increasing a JORC Compliant Resource.
2. **El Guayabo Project** was last drilled by Newmont Mining in 1995 and 1997 targeting gold in hydrothermal breccias. Historical drilling has demonstrated potential to host significant copper and associated gold and silver mineralisation. Historical drilling has returned a number of intersections of plus 100m of intrusion related breccia and vein hosted mineralisation. The Project has multiple targets including breccia hosted mineralization, an extensive flat lying late stage vein system and an underlying porphyry system target neither of which has been drill tested.
3. **Karoo Basin** provides a wildcard exposure to 1 million acres shale gas application in the world class Karoo Basin in South Africa in which Shell is the largest application holder in the basin.

^{#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

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

Appendix 1 - Schedule of Tenements

Project	Property Name	Tenure Title	Interest	Area	DNPM No	Status of
		Holder	%	(ha)	of Area	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 - Colorado V Surface and underground sampling results

SAMPLE NUMBER	LOCATION DATA Projection: P56U17S			STRUCTURE			SAMPLING		Au g/t	Ag g/t	Cu ppm	Mo ppm
	EAST	NORTH	RL	AZ	DIP	WIDTH	TYPE	LENGTH (m)				
L11+3300	627700	9607464	451.96	350	60	-	Channel	1	1.959	100	213.7	1
QMO-001	625635	9605655	438			-	Chips	2X1	0.44	1.9	620	n/a
QP-002	625515	9605173	359			-	Chips	2X1	0.123	0.2	435.2	17
LNS+2800	628561	9607107	930	180	80	-	Chips	2X1	0.254	1.4	89.3	3
EG-PIL-001	629619	9607020	922	357	80	-	Chips	2X1	0.189	11	1863.4	2
EG-PIL-002	629678	9607016	873			-	bulk	-	2.798	86.6	1418.2	66
GY-C5:001	625625	9605514	438			-	Chips	2X1	0.056	0.4	340.4	3
GY-C5:002	625622	9605448	448			-	Chips	2X1	0.13	0.7	415.2	11
GY-C5:003	625026	9605353	403			-	Chips	2X1	0.017	0.6	11.2	2
GY-C5:004	625156	9605309	438			-	Chips	2X1	0.017	0.2	12.6	1
GY-C5:005	625613	9605545	438			-	Chips	2X1	0.228	0.8	597.3	6
GY-C5:006	625613	9605545	390			-	Chips	2X1	0.013	0.4	19.5	1
GY-C5:007	625520	9605702	410			-	Chips	2X1	0.038	0.2	682.3	4
GY-C5:008	629357	9606907	895			-	Chips	2X1	4.115	5.5	824.8	26
GY-C5:009	629357	9606907	895			-	Channel	1	>10	14.5	814.6	3
C.V.U.R-0+30	626564	9609367	160			-	Chips	2X1	0.373	0.9	520.1	454
C.V.U.R-0+32	626561.5	9609365	160			-	Chips	2X1	3.019	2.9	1201.8	21
C.V.U.R-0+34E	626564	9609362	160			-	Chips	2X1	2.197	3.9	2562.1	176
C.V.U.R-0+38	626560	9609359	160			-	Chips	2X1	1.426	4.1	2906.3	38
C.V.U.R-0+40E	626562	9609356	160			-	Chips	2X1	0.419	2.2	913.9	361
C.V.U.R-0+46	626554	9609352	160			-	Chips	2X1	1.159	5.5	1831.3	31
CV-001	627737	9611049	86	50	50	-	Chips	2X1	0.036	0.4	241.4	0
CV-002	627717	9610888	94	305	70	-	Chips	2X1	0.099	0.7	479.4	0
CV-003	627696	9610836	99	25	50	-	Chips	2X1	0.093	1	663.3	0
CV-004	627613	9610647	120	50	30	-	Chips	2X1	0.02	0.6	143.7	0
CV-005	627608	9610635	136	175	40	-	Chips	2X1	0.037	1.3	255.6	22
CV-006	627597	9610613	129	30	80	-	Chips	2X1	0.048	1.6	186	3
CV-007	627586	9610577	155	42	78	-	Chips	2X1	0.028	0.3	237.1	0
CV-008	627569	9610560	170	340	50	-	Chips	2X1	0.082	0.3	79.7	0
CV-009	627585	9610298	191	30	45	-	Chips	2X1	0.465	2.5	1033.1	0
CV-010	627658	9609661	238	305	45	-	Chips	2X1	0.039	2.4	268.9	0
CV-011	627679	9609651	247	305	45	-	Chips	2X1	0.083	0.6	291.2	1
CV-012	627676	9609605	262	300	30	-	Chips	2X1	0.544	1	224.2	1
CV-013	627676	9609595	265	85	25	-	Chips	2X1	0.023	5	230.9	0
CV-014	627672	9609584	248	275	45	-	Chips	2X1	1.107	2.5	383.3	9
CV-015	627633	9609460	278			-	Chips	2X1	0.068	0.7	243.5	0
CV-016	627608	9609436	309	280	70	-	Chips	2X1	0.046	1.2	238.7	2
CV-017	626784	9610323	121	62	32	-	Chips	2X1	0.026	0.3	277.5	0
CV-018	626737	9610217	138	190	75	-	Chips	2X1	0.026	0.2	235.3	1
CV-019	626724	9610194	146	190	75	0.3	Channel	-	0.452	7.1	1045.8	0
CV-020	626799	9610113	119	340	85	-	Chips	2X1	0.336	0.4	342	1
CV-021	626798	9610104	135	90	42	-	Chips	2X1	0.033	1.2	253.7	0
CV-022	626865	9610052	148	135	45	-	Chips	2X1	0.031	4.4	577.8	0
CV-023	626774	9609806	156	220	85	-	Chips	2X1	0.052	7.2	281.1	6
Colorado V-01	626333	9608953	232	280	70	-	Chips	2X1	9.84	42.8	0.47	9
Colorado V-02	626579	9609399	209			-	Chips	2X1	0.26	2.8	0.08	45
Colorado V-03	626579	9609399	209			-	Chips	2X1	0.17	1.8	0.05	65
Colorado V-04	626301	9609014	236			-	Chips	2X1	0.01	0.5	0.01	3
Colorado V-05	626301	9609014	236			-	Chips	2X1	0.01	0.4	0.01	2
Colorado V-06	627316	9609956	233			-	Chips	2X1	0.02	0.7	0.01	1
Colorado V-07	627489	9609955	267			-	Chips	2X1	0.2	0.2	0.16	3

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.

3,333,334 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

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	- <i>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.</i> - <i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i> - <i>Aspects of the determination of mineralisation that are Material to the Public Report.</i> - <i>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.</i>	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. 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.

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

Issued Capital
468.9m shares
94.6m options
120m perf shares

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

Criteria	JORC Code explanation	Commentary
		Selected intervals of drill core have been cut longitudinally and half core has been submitted for gold determination at GK's on-site laboratory.
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 whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	- 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 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
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 will be quantitative.
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	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

Criteria	JORC Code explanation	Commentary
	<i>sample preparation technique.</i> - <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i> - <i>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.</i> - <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i>	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 • 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. 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	- <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i> - <i>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.</i> - <i>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.</i>	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 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.

Criteria	JORC Code explanation	Commentary
		Drill core was partially assayed for gold only with assays undertaken by Goldking's on site laboratory
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. 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.
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. 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.
Data spacing and distribution	- Data spacing for reporting of Exploration Results. - Whether the data spacing and distribution is sufficient to establish the	Drilling on both concessions is exploration based and a grid was not considered appropriate at that time.

Criteria	JORC Code explanation	Commentary
	<i>degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i> - <i>Whether sample compositing has been applied.</i>	- A JORC compliant Mineral Resource has not been estimated - Sample compositing was not used
Orientation of data in relation to geological structure	- <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i> - <i>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.</i>	A sampling bias is not evident.
Sample security	- <i>The measures taken to ensure sample security.</i>	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 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. Colorado V: - GK analysed samples in an on-site laboratory. It is understood that the samples have remained on site at all times.
Audits or reviews	- <i>The results of any audits or reviews of sampling techniques and data.</i>	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. 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, 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 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 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, Ecuador was 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 29 April 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.

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

Issued Capital
468.9m shares
94.6m options
120m perf shares

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

Criteria	JORC Code explanation	Commentary
		- 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. A number of 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.
Geology	- <i>Deposit type, geological setting and style of mineralisation.</i>	- It is believed that the El Guayabo, El Guayabo 2, and Colorado V concessions contain a “Low Sulfide” porphyry gold copper system. 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	- <i>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:</i>	El Guayabo Drill results are provided below. Location data for the Colorado V drilling is provided below. Colorado V drill results are currently being compiled. No summary of data is available at this time, and no drill hole assay results have been reported.

- 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.

Drillhole (#)		Mineralised Inte From	Total To (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
468.9m shares
94.6m options
120m perf shares

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

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Drillhole (#)		Mineralised From	Mineralised 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			
	and	112	247	22.0 m @	0.2 g/t Au +	2.0 g/t Ag +	0.05 % Cu	0.29			
	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

Directors
Mr Kris Kinross, MD and CEO
Mr Scott Funston, Finance Director
Mr Fletcher Quinn, Chairman
Contact
Tel: 08 9433 9305
admin@challengerex.com.au

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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:																																																																																																																															
		<table><tr><th>hole ID</th><th>East (m)</th><th>North (m)</th><th>Elevation</th><th>Azimuth (°)</th><th>Dip (°)</th><th>final depth</th><th>Driller</th></tr><tr><td>ZK0-1</td><td>626378.705</td><td>9608992.99</td><td>204.452</td><td>221</td><td>-60</td><td>413.6</td><td>Shandong Zhaojin Geological Exploration Co Ltd</td></tr><tr><td>ZK0-2</td><td>626378.705</td><td>9608992.99</td><td>204.452</td><td>221</td><td>-82</td><td>581.6</td><td>Shandong Zhaojin Geological Exploration Co Ltd</td></tr><tr><td>ZK5-1</td><td>626377.846</td><td>9608790.388</td><td>273.43</td><td>221</td><td>-78</td><td>321.9</td><td>Shandong Zhaojin Geological Exploration Co Ltd</td></tr><tr><td>ZK5-2</td><td>626377.539</td><td>9608793.769</td><td>273.542</td><td>041</td><td>-78</td><td>319</td><td>Shandong Zhaojin Geological Exploration Co Ltd</td></tr><tr><td>ZK5-3</td><td>626383.556</td><td>9608800.999</td><td>273.622</td><td>330</td><td>-70</td><td>446.5</td><td>Shandong Zhaojin Geological Exploration Co Ltd</td></tr><tr><td>ZK5-4</td><td>626383.556</td><td>9608800.999</td><td>273.622</td><td>330</td><td>-78</td><td>508</td><td>Shandong Zhaojin Geological Exploration Co Ltd</td></tr><tr><td>ZK5-5</td><td>626432.795</td><td>9608847.735</td><td>242.572</td><td>061</td><td>-70</td><td>532</td><td>Shandong Zhaojin Geological Exploration Co Ltd</td></tr></table>	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																																																															
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	ZK11-1	626446.263	9608705.23 8	290.028	221	-78	237.5	Shandong Zhaojin Geological Exploration Co Ltd
	ZK205-1	626257.123	9608795.90 4	243.297	160	-70	346	Shandong Zhaojin Geological Exploration Co Ltd
	ZK1-1	626310.629	9608865.92 3	226.385	061	-70	514.6	Shandong Zhaojin Geological Exploration Co Ltd
	ZK1-2	626313.901	9608867.72 7	226.494	150	-70	403.1	Shandong Zhaojin Geological Exploration Co Ltd
	ZK1-3	626382.401	9608894.40 4	229.272	061	-70	424.5	Shandong Zhaojin Geological Exploration Co Ltd
	ZK6-1	626230.28	9609020.20 2	260.652	221	-70	552.6	Shandong Zhaojin Geological Exploration Co Ltd
	ZK6-2	626165.623	9608991.59 4	271.928	221	-70	531	Shandong Zhaojin Geological Exploration Co Ltd
	ZK12-1	626088.326	9609034.19 7	314.552	221	-70	531.5	Shandong Zhaojin Geological Exploration Co Ltd
	ZK12-2	626019.538	9608961.40 9	294.649	221	-70	510.6	Shandong Zhaojin Geological Exploration Co Ltd
	ZK1-4	626502.206	9608982.53 9	227.333	061	-70	379.5	Shandong Zhaojin Geological Exploration Co Ltd
	ZK1-5	626497.992	9608979.44 9	227.241	241	-70	415	Shandong Zhaojin Geological Exploration Co Ltd
	ZK1-6	626500.813	9608979.36 7	227.315	180	-70	607	Shandong Zhaojin Geological Exploration Co Ltd
	CK2-1	626328.573	9609000.85 6	216.798	221	-45	121.6 4	Shandong Zhaojin Geological Exploration Co Ltd
	CK2-2	626328.573	9609000.85 6	216.798	251	-45	171.8 5	Shandong Zhaojin Geological Exploration Co Ltd
	CK2-3	626328.573	9609000.85 6	216.798	191	-45	116.4	Shandong Zhaojin Geological Exploration Co Ltd
	CK2-4	626328.573	9609000.85 6	216.798	221	-70	146.1 2	Shandong Zhaojin Geological Exploration Co Ltd
	ZK1-7	626498.548	9608979.54 1	227.28	241	-82	456.4 9	Shandong Zhaojin Geological Exploration Co Ltd
	ZK1-8	626501.094	9608980.92 9	227.208	061	-85	556	Shandong Zhaojin Geological Exploration Co Ltd
	CK3-1	626359.641	9608859.37 3	205.96	020	-15	185.0 9	Shandong Zhaojin Geological Exploration Co Ltd

Challenger Exploration Limited
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Issued Capital
468.9m shares
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120m perf shares

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

Criteria	JORC Code explanation	Commentary						
	CK3-2	626359.641	9608859.37 3	205.96	163	-00	21.75	Shandong Zhaojin Geological Exploration Co Ltd
	CK3-3	626359.641	9608859.37 3	205.96	050	-15	138.0 2	Shandong Zhaojin Geological Exploration Co Ltd
	ZK19-1	626753.271	9608802.63 4	386.627	221	-70	548.6	Shandong Zhaojin Geological Exploration Co Ltd
	ZK0-3	626475.236	9609095.44 4	197.421	221	-75	463	Shandong Zhaojin Geological Exploration Co Ltd
	ZK0-4	626476.119	9609098.07 5	197.225	221	-90	458	Shandong Zhaojin Geological Exploration Co Ltd
	ZK0-5	626475.372	9609100.90 9	197.17	300	-70	624.5	Shandong Zhaojin Geological Exploration Co Ltd
	ZK2-1	626329.859	9609005.86 3	213.226	221	-90	395.5	Shandong Zhaojin Geological Exploration Co Ltd
	SAZK0-1A	627477.062	9609865.61 8	217.992	180	-70	569.1	Shandong Zhaojin Geological Exploration Co Ltd
	SAZK0-2A	627468.807	9609805.05 4	213.63	180	-70	403.7 5	Shandong Zhaojin Geological Exploration Co Ltd
	ZK13-1	627763.877	9609906.48 4	197.899	180	-70	394	Shandong Zhaojin Geological Exploration Co Ltd
	ZK18-1	627123.327	9609846.26 8	142.465	180	-70	410.5	Shandong Zhaojin Geological Exploration Co Ltd
	zk13-2	627757.925	9609713.78 8	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	9609186.95 1	225.517	221	-70	650.6 6	Shandong Zhaojin Geological Exploration Co Ltd
	ZK100-1	626170.882	9608923.77 8	251.177	131	-70	415	Shandong Zhaojin Geological Exploration Co Ltd
	ZK3-1	626416.4	9609040.6	202.416	179	-29	295.5 2	Lee Mining
	ZK1-9	626416.4	9609040.6	202.416	203	-23	218.3	Lee Mining
	SAZK2-1	627330.012 6	9609556.46 6	201.145	076	-05	430.8 9	Lee Mining

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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

Criteria	JORC Code explanation	Commentary							
		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	9607944.853	535.324	215	-53	524.21	Lee Mining
		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.	El Guayabo: No weighted averaging techniques or maximum grade truncations were used. • Minimum cut of grade of 0.2 g/t Au Equivalent 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 Equiv 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. Colorado V: No assay results reported here							

Criteria	JORC Code explanation	Commentary
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 owner cautions that 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.
Diagrams	- Appropriate maps and sections (with scales) and tabulations of	See section above

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Mr Kris Knauer, MD and CEO
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Contact
T: +61 8 6380 9235
E:
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	<i>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.</i>	
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.	- The reporting is fair and representative of what is currently understood of the geology of the project.
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 kilometers 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 strctures. 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

Criteria	JORC Code explanation	Commentary
		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 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 ρ_a is computed by carrying out two DC resistivity forward models with conductivity distributions $\sigma(\mathbf{x}i, \mathbf{z}j)$ and $(1-\eta)\sigma(\mathbf{x}i, \mathbf{z}j)$ (Oldenburg and Li, 1994), where $(\mathbf{x}i, \mathbf{z}j)$ 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.

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		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. 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

Criteria	JORC Code explanation	Commentary
		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: No additional substantive work is known.
Further work	- <i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i> - <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i>	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. The Company understands that this is complete with assays being waited on. - 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 - MMI soil survey covering 16 sq kms - The aim of the program above is to define targets for a drilling program Colorado V Project - Re-logging and re-assaying core only partial gold assays are available assays - 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 - The aim of the program above is to define targets for a drilling program

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.	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. Core samples were crushed to approximately 85% passing 2mm. A 500g or a 1 kg sub-sample was taken and pulverized to 85% passing 75um. A 50g charge was analysed for Au by fire assay with AA determination. Where the fire assay gold grade returned was > 10 g/t 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).	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). Where possible the core is being oriented using a Reflex tool. Collar details for drill holes completed by CEL are shown below. Collar locations for drill holes after GNDD010 are surveyed with a handheld GPS: <table><tr><th>Hole_id</th><th>East</th><th>North</th><th>Elevation</th><th>Dip</th><th>Azimuth</th><th>Depth</th></tr><tr><td>GNDD001</td><td>504803.987</td><td>6601337.067</td><td>1829.289</td><td>-57</td><td>115</td><td>109.0</td></tr><tr><td>GNDD002</td><td>504793.101</td><td>6601312.095</td><td>1829.393</td><td>-60</td><td>115</td><td>25.6</td></tr><tr><td>GNDD002A</td><td>504795.405</td><td>6601311.104</td><td>1829.286</td><td>-60</td><td>115</td><td>84.5</td></tr><tr><td>GNDD003</td><td>504824.427</td><td>6601313.623</td><td>1827.768</td><td>-70</td><td>115</td><td>90.2</td></tr></table>	Hole_id	East	North	Elevation	Dip	Azimuth	Depth	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	GNDD003	504824.427	6601313.623	1827.768	-70	115	90.2
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120m perf shares

Australian Registered Office
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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

Criteria	JORC Code explanation	Commentary						
		GNDD004	504994.416	6601546.302	1835.345	-60	115	100.0
		GNDD005	504473.042	6600105.922	1806.448	-55	90	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	504393	6599645	1795	-64	115	169.2
		GNDD012	504453	6599821	1799	-55	115	120.0
		GNDD013	504404	6599614	1793	-58	112	141.0
		GNDD014	504405	6599661	1795	-59	114	140.0
		GNDD015	504440	6600155	1809	-62	115	166.7
		GNDD016	504402	6599684	1795	-60	115	172.0
		GNDD017	504460	6600077	1806	-55	115	132.6
		GNDD018	504473	6600112	1806	-60	115	130.0
		GNDD019	504936	6601533	1834	-70	115	80.0
		GNDD020	504462	6600141	1809	-58	115	153.0
		GNDD021	504937	6601565	1838	-60	115	120.0
		GNDD022	504836	6601329	1830	-60	113	100.0
		GNDD023	504815	6601333	1830	-55	117	100.0
		GNDD024	504460	6600125	1808	-70	115	150.0
		GNDD025	504786	6601137	1825	-60	115	141.0
		GNDD026	504815	6601440	1834	-55	115	100.0
		GNDD028	504827	6601319	1829	-57	115	100.0
		GNDD029	504792	6601314	1829	-71	115	120.2
Drill sample recovery	- Method of recording and assessing core and chip sample recoveries and results assessed.	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.						

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Criteria	JORC Code explanation	Commentary
	- Measures taken to maximise sample recovery and ensure representative nature of the samples. - Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	Triple tube drilling has been being done to maximise core recovery. A possible relationship has been observed between sample recovery and Au, Ag or Zn grade whereby low core 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.	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. 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. 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. 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	The MSA laboratory used for sample preparation in San Juan has been inspected by Stuart Munroe (Exploration Manager) and Sergio Rotondo (Country Manager) 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 submitted blank samples 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

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	<i>standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.</i>	contamination procedures.																																															
		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. 22 reference samples were analysed in the samples submitted in 2019. As highlighted below, 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, 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.																																															
		<table><tr><th>CRM 1</th><th>Au (ppm)</th><th>Ag (ppm)</th><th colspan="3"></th></tr><tr><td>Cert. Value</td><td>4.76</td><td>126</td><td colspan="3"></td></tr><tr><td>2SD</td><td>0.21</td><td>10</td><td colspan="3"></td></tr><tr><td>1</td><td>4.869</td><td>133</td><td colspan="3"></td></tr><tr><td>1</td><td>4.87</td><td>123</td><td colspan="3"></td></tr><tr><td>1</td><td>4.86</td><td>129</td><td colspan="3"></td></tr><tr><td>1</td><td>5.02</td><td>123</td><td colspan="3"></td></tr></table>						CRM 1	Au (ppm)	Ag (ppm)				Cert. Value	4.76	126				2SD	0.21	10				1	4.869	133				1	4.87	123				1	4.86	129				1	5.02	123			
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		<table><tr><th>CRM 3</th><th>Au (ppm)</th><th>Ag (ppm)</th><th>Cu (%)</th><th>Pb (%)</th><th>Zn (%)</th></tr><tr><td>Cert. Value</td><td>0.995</td><td>11.6</td><td>0.692</td><td>0.049</td><td>0.80</td></tr><tr><td>2SD</td><td>0.088</td><td>1.3</td><td>0.028</td><td>0.003</td><td>0.04</td></tr><tr><td>3</td><td>1.021</td><td>11.08</td><td>0.696</td><td>0.048</td><td>0.78</td></tr></table>						CRM 3	Au (ppm)	Ag (ppm)	Cu (%)	Pb (%)	Zn (%)	Cert. Value	0.995	11.6	0.692	0.049	0.80	2SD	0.088	1.3	0.028	0.003	0.04	3	1.021	11.08	0.696	0.048	0.78																		
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Contact
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E:
admin@challengerex.com.au

Criteria	JORC Code explanation	Commentary
		3 0.959 10.8 0.700 0.046 0.77
		3 0.959 10.8 0.685 0.047 0.78
		3 1.011 11.28 0.691 0.047 0.78
		3 1.073 10.6 0.724 0.046 0.78
		3 1.068 10.6 0.700 0.048 0.79
		3 0.978 11.6 0.699 0.049 0.80
		3 0.932 10.9 0.689 0.046 0.78
		3 0.978 11.1 0.694 0.048 0.81
		3 0.985 11.6 0.708 0.047 0.78
		3 0.946 10.6 0.693 0.047 0.78
		3 1.001 11.3 0.686 0.047 0.78
		3 0.911 10.7 0.714 0.047 0.78
		3 0.981 10.8 0.687 0.048 0.78
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.	Significant intersections have not yet been independently verified by an alternative laboratory. 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. No assay data have been 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. Drill holes are surveyed at 30-40m intervals down hole using a Reflex tool. 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.

Criteria	JORC Code explanation	Commentary
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 at this stage of the exploration. The current drilling is designed to check previous exploration 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.
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 and senior personnel prior to delivery to the preparation laboratory in San Juan.
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.

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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 <table><tr><th>Name</th><th>Number</th><th>Current Owner</th><th>Status</th><th>Grant Date</th><th>Area (ha)</th></tr><tr><td>Cerro Sur</td><td></td><td></td><td></td><td></td><td></td></tr><tr><td>Divisadero</td><td>5448-M-1960</td><td>Golden Mining S.R.L.</td><td>Granted</td><td>30/04/2015</td><td>6</td></tr><tr><td>Flor de Hualilan</td><td>5448-M-1960</td><td>Golden Mining S.R.L.</td><td>Granted</td><td>30/04/2015</td><td>6</td></tr><tr><td>Pereyra y Aciar</td><td>5448-M-1960</td><td>Golden Mining S.R.L.</td><td>Granted</td><td>30/04/2015</td><td>6</td></tr><tr><td>Bicolor</td><td>5448-M-1960</td><td>Golden Mining S.R.L.</td><td>Granted</td><td>30/04/2015</td><td>6</td></tr><tr><td>Sentazon</td><td>5448-M-1960</td><td>Golden Mining S.R.L.</td><td>Granted</td><td>30/04/2015</td><td>6</td></tr><tr><td>Muchilera</td><td>5448-M-1960</td><td>Golden Mining S.R.L.</td><td>Granted</td><td>30/04/2015</td><td>6</td></tr><tr><td>Magnata</td><td>5448-M-1960</td><td>Golden Mining S.R.L.</td><td>Granted</td><td>30/04/2015</td><td>6</td></tr><tr><td>Pizarro</td><td>5448-M-1960</td><td>Golden Mining S.R.L.</td><td>Granted</td><td>30/04/2015</td><td>6</td></tr><tr><td>Cerro Norte</td><td></td><td></td><td></td><td></td><td></td></tr><tr><td>La Toro</td><td>5448-M-1960</td><td>CIA GPL S.R.L.</td><td>Granted</td><td>30/04/2015</td><td>6</td></tr><tr><td>La Puntilla</td><td>5448-M-1960</td><td>CIA GPL S.R.L.</td><td>Granted</td><td>30/04/2015</td><td>6</td></tr></table>	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
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		<table><tr><td>Pique de Ortega</td><td>5448-M-1960</td><td>CIA GPL S.R.L.</td><td>Granted</td><td>30/04/2015</td><td>6</td></tr><tr><td>Descrubidora</td><td>5448-M-1960</td><td>CIA GPL S.R.L.</td><td>Granted</td><td>30/04/2015</td><td>6</td></tr><tr><td>Pardo</td><td>5448-M-1960</td><td>CIA GPL S.R.L.</td><td>Granted</td><td>30/04/2015</td><td>6</td></tr><tr><td>Sanchez</td><td>5448-M-1960</td><td>CIA GPL S.R.L.</td><td>Granted</td><td>30/04/2015</td><td>6</td></tr><tr><td>Andacollo</td><td>5448-M-1960</td><td>CIA GPL S.R.L.</td><td>Granted</td><td>30/04/2015</td><td>6</td></tr></table> Mining Lease extensions (Demasias) at the Hualilan Project <table><tr><th>Name</th><th>Number</th><th>Current Owner</th><th>Status</th><th>Grant date</th><th>Area (ha)</th></tr><tr><td>Cerro Sur</td><td></td><td></td><td></td><td></td><td></td></tr><tr><td>North of "Pizarro" Mine</td><td>195-152-C-1981</td><td>Golden Mining S.R.L.</td><td>Granted</td><td>05/12/2014</td><td>1.9</td></tr><tr><td>Cerro Norte</td><td></td><td></td><td></td><td></td><td></td></tr><tr><td>South of "La Toro" Mine</td><td>195-152-C-1981</td><td>CIA GPL S.R.L.</td><td>Granted</td><td>05/12/2014</td><td>1.9</td></tr></table> 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 <table><tr><th>Name</th><th>Number</th><th>Status</th><th>Grant Date</th><th>Expiry Date</th><th>Area (ha)</th></tr><tr><td>Josefina</td><td>30.591.654</td><td>Pending</td><td>-</td><td>5 year application</td><td>2,570</td></tr></table> There are no know impediments to obtaining the exploration license or operating the Project.	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	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	Name	Number	Status	Grant Date	Expiry Date	Area (ha)	Josefina	30.591.654	Pending	-	5 year application	2,570
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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) totaling 2,040m - 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 1,700m 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	- <i>Deposit type, geological setting and style of mineralisation.</i>	Mineralisation occurs in all rock types, but it preferentially replaces limestone, shale and sandstone and occurs in fault zones. 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, in tellurides (hessite) and as inclusions with pyrite and chalcopyrite. The mineralisation also commonly contains chalcopyrite, sphalerite and galena. Mineralisation is either parallel to bedding, in bedding-parallel faults or in east-west striking, steeply dipping, siliceous, quartz-dominated veins that cross the bedding at a high angle. The veins 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	- <i>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:</i>	The following significant assay results have been received, reported to a cut-off of 1 g/t Au (equivalent) unless otherwise indicated: <table><tr><th>Hole_id</th><th>Interval</th><th>From</th><th>Au (g/t)</th><th>Ag (g/t)</th><th>Zn (%)</th><th>Au eq (g/t)</th></tr></table>	Hole_id	Interval	From	Au (g/t)	Ag (g/t)	Zn (%)	Au eq (g/t)
Hole_id	Interval	From	Au (g/t)	Ag (g/t)	Zn (%)	Au eq (g/t)			

Criteria	JORC Code explanation	Commentary						
	o easting and northing of the drill hole collar	GNDD001	3.00	32.00	2.3	5.8	0.50	2.6
	o elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar	GNDD002A	1.00	31.00	1.0	2.4	0.89	1.4
	o dip and azimuth of the hole	GNDD002A	1.00	35.00	1.4	2.8	0.75	1.8
	o down hole length and interception depth	GNDD002A	0.60	81.50	2.8	27	28.1	16.4
	o hole length.	GNDD003	6.10	55.00	34.6	22	2.9	36.2
-	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.	GNDD004	8.47	6.03	2.0	7.8	0.68	2.4
		GNDD004	3.43	18.67	1.2	3.2	0.26	1.3
		GNDD005	3.00	29.00	0.7	14	2.5	2.0
		GNDD005	1.00	43.00	0.4	10	1.4	1.1
		GNDD005	5.00	59.00	10.9	101	1.5	12.7
		inc	3.00	61.00	16.5	135	1.6	18.8
		GNDD005	3.00	77.00	1.7	39	0.43	2.3
		GNDD005	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
		GNDD006	1.45	90.00	2.1	41	0.92	3.0
		GNDD007A	1.80	46.00	2.4	3.1	0.12	2.5
		GNDD007A	0.70	60.30	0.8	25	0.21	1.1
		GNDD007A	6.70	149.00	14.3	140	7.3	19.3
		inc	3.06	150.60	27.5	260	12.9	36.5
		GNDD007A	0.60	176.40	1.9	6.7	0.99	2.4
		GNDD008	1.15	47.85	1.2	16	0.56	1.7
		GNDD008	1.00	90.00	49.1	557	1.2	55.8
		GNDD008	2.70	94.00	7.7	173	0.89	10.1
		GNDD008	1.00	99.70	0.9	43	0.52	1.6
		GNDD008A	2.64	96.60	22.8	218	0.68	25.5
		GNDD008A	10.00	105.00	0.6	28.2	0.71	1.2
		GNDD009	3.00	100.00	0.85	50	0.02	1.4

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Australian Registered Office
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1205 Hay Street
West Perth WA 6005

Directors
Mr Kris Knauer, MD and CEO
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Contact
T: +61 8 6380 9235
E:
admin@challengerex.com.au

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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.	Weighted average significant intercepts are reported to a gold grade equivalent. Results are reported to cut-off grade of 1.0 g/t Au equivalent, allowing for up to 2m of internal waste between samples above the cut-off grade. The following metals and metal prices have been used to report gold grade equivalent: Au US\$ 1,450 / oz, Ag, US\$16 /oz and Zn US\$ 2,200 /t. No metallurgical or recovery factors have been applied to the metal equivalent grades as there has been insufficient work done at this stage of the exploration to establish these factors. 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.																																																
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	All available data have been reported.																																																

Criteria	JORC Code explanation	Commentary
	<i>practiced to avoid misleading reporting of Exploration Results.</i>	
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.
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 200,000 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)

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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

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	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 salable 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
	<i>available</i>	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	- <i>Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.</i>	No data is available.
Cut-off parameters	- <i>The basis of the adopted cut-off grade(s) or quality parameters applied.</i>	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	- <i>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.</i>	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	- <i>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.</i>	Historical metallurgical test-work is currently under review however the assumptions used (80% Au recovery, 70% Ag and no zinc recovery) seem conservative. The most recent test work was conducted in 2000 and was a preliminary assessment only. This work was conducted at Lakefield Labs (cyanidation) and CIMM Labs (flotation) in Chile. While this work is preliminary it indicates recoveries for differential flotation in conjunction with a Knelson concentrator at 80% each for gold and silver and 50% for zinc regardless of the type of material (sulphide or oxidized).
Environmental factors or assumptions	- <i>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</i>	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.

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	<i>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.</i>	
Bulk density	- <i>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.</i> - <i>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.</i> - <i>Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.</i>	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.
Classification	- <i>The basis for the classification of the Mineral Resources into varying confidence categories.</i> - <i>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).</i> - <i>Whether the result appropriately reflects the Competent Person's view of the deposit.</i>	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 164,294 tonnes averaging 12.6 grams per tonne gold and 52.1 g/t silver and 2.5% zinc plus an indicated resource of 51,022 tonnes averaging 12.4 grams per tonne gold and 36.2 g/t silver and 2.6% zinc plus an inferred resource of 213,952 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

Criteria	JORC Code explanation	Commentary																																								
		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 299,578 tonnes averaging 14.2 grams per tonne gold plus an indicated resource of 145,001 tonnes averaging 14.6 grams per tonne gold plus an inferred resource of 976,539 tonnes grading 13.4 grams per tonne gold representing some 647,809 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. Historic 2003 NI43-101 (non-JORC Code compliant): <table><tr><th>CATEGORY</th><th>TONNES</th><th>Au (g/t)</th><th>Ag (g/t)</th><th>Zn%</th></tr><tr><td>Measured</td><td>299,578</td><td>14.2</td><td></td><td></td></tr><tr><td>Indicated</td><td>145,001</td><td>14.6</td><td></td><td></td></tr><tr><td>Inferred</td><td>976,539</td><td>13.4</td><td></td><td></td></tr></table> Historic 2006 NI43-101 (non-JORC Code compliant) <table><tr><th>CATEGORY</th><th>TONNES</th><th>Au (g/t)</th><th>Ag (g/t)</th><th>Zn%</th></tr><tr><td>Measured</td><td>164,294</td><td>12.5</td><td>52.1</td><td>2.5</td></tr><tr><td>Indicated</td><td>51,022</td><td>12.4</td><td>36.2</td><td>2.6</td></tr><tr><td>Inferred</td><td>213,952</td><td>11.7</td><td>46.6</td><td>2.3</td></tr></table>	CATEGORY	TONNES	Au (g/t)	Ag (g/t)	Zn%	Measured	299,578	14.2			Indicated	145,001	14.6			Inferred	976,539	13.4			CATEGORY	TONNES	Au (g/t)	Ag (g/t)	Zn%	Measured	164,294	12.5	52.1	2.5	Indicated	51,022	12.4	36.2	2.6	Inferred	213,952	11.7	46.6	2.3
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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																																								

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

Issued Capital
468.9m shares
94.6m options
120m perf shares

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

Criteria	JORC Code explanation	Commentary
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.	report were released to the TSX. This report concluded that “Detailed resource calculations made by three different groups are seen to be realistic. 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

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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