CHALLENGER GOLD COMMENCES 35,000 M EXPLORATION DRILLING PROGRAM AT HUALILAN

Highlights

- **Drilling commenced at Hualilan:** Diamond drilling underway at Hualilan, with the first two rigs now operating on site.
- **First program at Hualilan in three-years:** This is the first exploration drilling program at CEL's flagship, 100%-owned Hualilan Gold Project in more than three years.
- **Initial 35,000m program:** The four-rig, 35,000 m program comprises predominantly targeted exploration drilling to test extensions of mineralisation at depth and along strike, together with Mineral Resource conversion drilling within the existing open pit design.
- **Property-wide geophysical review underway:** A comprehensive compilation and reinterpretation of the existing geophysical datasets has commenced to support a district-scale exploration strategy and generate new exploration targets across the Hualilan project.
- **Mineralisation remains open:** The existing 2.8 Moz Hualilan Mineral Resource remains open both along strike and at depth.
- **Fully Funded:** CEL is fully funded for this program, and a significantly larger follow-up program, after its recently announced and strongly supported $85 million capital raise.

Challenger Gold Limited (ASX: CEL) (**CEL** or the **Company**) is pleased to announce that exploration drilling has commenced at Hualilan for the first time in more than three years. The first two of four diamond drill rigs have arrived on site and are now drilling.

The initial program comprises a minimum of 35,000 metres of diamond drilling. Approximately 5,000 metres will be dedicated to geotechnical drilling to support the accelerated development of the Phase 1 standalone Heap Leach project. The balance of the program will focus on targeted exploration drilling to test extensions of the known mineralisation at depth and along strike, together with Mineral Resource conversion drilling within the existing open pit design.

The last drilling campaign at Hualilan, completed in 2023, was primarily designed to support the current Mineral Resource Estimate. The results confirmed that mineralisation remains open both at depth and along strike, highlighting the exploration upside that remains across the project. The current drilling program has been designed to systematically test these extensions while further improving the Company's understanding of the scale, geometry and continuity of the mineralised system.

In parallel with the drilling program, the Company has commenced a comprehensive compilation and review of the extensive geophysical datasets covering the broader Hualilan property. Combined with an updated geological model, this work will form the foundation for a property-wide exploration strategy based on the mineralisation framework of the Hualilan deposit, which is now well understood. The objective is to identify additional targets with the potential to host Hualilan-style mineralisation across the broader project area.

In addition to the activities at Hualilan, the Company has commenced a comprehensive review and reinterpretation of the geological data for the El Guayabo Gold Project in Ecuador. This work is aimed at refining the geological model, integrating historical exploration results, and designing a systematic drilling program to test the full potential of the project. The review forms part of Challenger's broader strategy to unlock value across its portfolio through disciplined, technically driven exploration.

This ASX release has been approved by the Challenger Gold Managing Director.

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ADDITIONAL INFORMATION

COMPETENT PERSON STATEMENT – MINERAL RESOURCES

The information that relates to the Mineral Resource Estimate 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 and Mineral Resources. 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.

The Mineral Resource Estimate for the Hualilan Gold Project was first announced to the ASX on 1 June 2022 and updated 29 March 2023. The Company confirms it is not aware of any information or assumptions that materially impacts the information included in that announcement and that the material assumptions and technical parameters underpinning the Mineral Resource Estimate continue to apply and have not materially changed.

FORWARD LOOKING STATEMENTS

The announcement may contain certain forward-looking statements. Words 'anticipate', 'believe', 'expect', 'forecast', 'estimate', 'likely', 'intend', 'should', 'could', 'may', 'target', 'plan', 'potential' and other similar expressions are intended to identify forward-looking statements. Indication of, and guidance on, future costings, earnings and financial position and performance are also forward-looking statements.

Such forward-looking statements are not guarantees of future performance, and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of Challenger Gold Ltd, its officers, employees, agents and associates, which may cause actual results to differ materially from those expressed or implied in such forward-looking statements. Actual results, performance, or outcomes may differ materially from any projections or forward-looking statements or the assumptions on which those statements are based.

You should not place any undue reliance on forward-looking statements and neither. Challenger Gold Ltd nor its directors, officers, employees, servants or agents assume any responsibility to update such information. The stated Production Targets are based on the Company's current expectations of future results or events and should not be relied upon by investors when making investment decisions. Further evaluation work and appropriate studies are required to establish sufficient confidence that this target will be met.

Financial numbers, unless stated as final, are provisional and subject to change when final grades, weight and pricing are agreed under the terms of the offtake agreement. Figures in this announcement may not sum due to rounding. All dollar amounts in this report refer to United States Dollar unless otherwise stated.

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HUALILÁN MINERAL RESOURCE ESTIMATE

All references to the Hualilan Project MRE in this announcement relate to the ASX Announcements of 1 June 2022 and 29 March 2023 update. Please refer to the announcements for full details and supporting documentation.

All references to the Scoping Study and its outcomes in this report relate to the announcement dated 8 November 2023 "Hualilan Gold Project Scoping Study". Please refer to that announcement for full details and supporting information.

Table 1 - Hualilán Gold Project Mineral Resource Estimate (March 2023)

[Note: Some rounding errors may be present]

Domain	Category	Mt	Au (g/t)	Ag (g/t)	Zn (%)	Pb (%)	AuEq[1] (g/t)	AuEq (Moz)
US$1800 optimised shell	Indicated	45.5	1.0	5.1	0.38	0.06	1.3	1.9
> 0.30 ppm AuEq	Inferred	9.6	1.1	7.3	0.43	0.06	1.4	0.44
Below US$1800 shell	Indicated	2.7	2.0	9.0	0.89	0.05	2.5	0.22
>1.0ppm AuEq	Inferred	2.8	2.1	12.4	1.1	0.07	2.8	0.24
Total		**60.6**	**1.1**	**6.0**	**0.4**	**0.06**	**1.4**	**2.8**

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[1] Gold Equivalent (AuEq) values - Requirements under the JORC Code

- Assumed commodity prices for the calculation of AuEq is Au US$1900 Oz, Ag US$24 Oz, Zn US$4,000/t, Pb US$2000/t.
- Metallurgical recoveries are estimated to be Au (95%), Ag (91%), Zn (67%) Pb (58%) across all ore types (see JORC Table 1 Section 3 Metallurgical assumptions) based on metallurgical test work.
- The formula used: AuEq (g/t) = Au (g/t) + [Ag (g/t) x 0.012106] + [Zn (%) x 0.46204] + [Pb (%) x 0.19961]
- CEL confirms that it is the Company's opinion that all the elements included in the metal equivalents calculation have a reasonable potential to be recovered and sold.