OUTSTANDING PRE-FEASIBILITY STUDY FOR THE FULLY PERMITTED HUALILAN GOLD PROJECT

Hualilan Gold Project NPV of US$1.45bn (pre-tax), LOM production of +1.8Moz AuEq[1] and pre-production Capex of US$232M[2]

Highlights

Challenger Gold (ASX: CEL) is pleased to provide the outcomes of the Pre-Feasibility Study ("**PFS**") on its 100% owned Hualilan Gold project. Hualilan presents a large low-cost and low-risk development opportunity.

The PFS, led by Ausenco, is based on a conservative approach and there are several optimisation opportunities being pursued in the definitive feasibility study ("**DFS**") to further improve project economics.

PFS highlights Hualilan as a robust, large-scale, high-quality development opportunity:

- Production target of 1.84 Moz of AuEq[1] across a life-of-mine (LOM) of 14.25 years.
- The PFS presents a compelling economic proposition, modelled using US$3500 gold price:
  - Pre-tax NPV_5 of US$1,450M and post-tax NPV_5: US$1,101M; and
  - Forecast post-tax free cashflow of US$1,982M.
  - LOM AISC of US$1,618/oz payable gold, and
  - Payback period of 2.25[2] years and Pre-tax IRR of 45%.
- When modelled using spot gold price (US$4,600) the PFS generates:
  - Pre-tax NPV_5 of US$2,672M and post-tax NPV_5: US$1,986M; and
  - Forecast post-tax free cashflows of US$3,379M, and
  - Payback period of 1.25 years and Pre-tax IRR of 83%.
- **Low upfront capital:** Capex is US$203M (including US$35M contingency) plus US$64M pre-production mining costs for total estimated startup capital of US$232M[2](excl. contingency).
- **Meaningful production:** Projected production target of over 105koz AuEq in Year 1 and Year 2 (the staged startup phase) followed by 12 years of production averaging 135koz AuEq per annum.
- **Ore Reserves**[3]containing 1.5Moz Au, 7.7Moz Ag and 170kt Zn (refer to Table 7).
- **Open-pit with flexible processing strategy**: a conventional 1.5Mtpa flotation plant and 8Mtpa capacity heap leach circuit fed from a single open-pit sees significant increase in operational flexibility and reduction in operational risk compared to 2023 Scoping Study.
- **Significant positive social impact** creating 900 new jobs, paying provincial royalties of US$287M (US$375M at spot) and Argentinian corporate taxes plus export duties of US$542M.

[1] For gold equivalent information see page 5 of this release and Mineral Resource Table on page 6 of this release
[2] US$35M contingency removed from Up-front Capex and calculation of payback period from start production
[3] Ore reserves are detailed on page 12 of this release and in Table 7

Key Operational Outcomes of the PFS

- **Significant Scale** with LOM Production Target of 1.84Moz recoverable AuEq – 1,673 koz gold, 6,394 koz silver, and 74kt zinc over a 14.25 year mine life.

- **Conventional open pit mining with low operational risk:**
  - Drill, blast, truck and shovel open pit mining with staged ramp up over four years.
  - Ramp-up and operational risk deferred through an experienced international contractor.

- **Flexible, dual-path processing strategy:**
  - 1.5 Mtpa conventional flotation plant operating in bulk (Au/Ag) and sequential (Au/Ag/Zn) modes, treating 18.2Mt over 12 years and recovering ~ 1,173 koz Au (from 1,249 koz contained at 2.13 g/t Au feed). Au-Ag concentrate is converted to Dore on site removing the need to transport and market concentrate.
  - 8 Mtpa capacity heap leach circuit commencing in Year 1 processing ~69Mt over 11.75 years, recovering ~500 koz Au (from 724 koz Au contained)..

- **Disciplined, capital-efficient development strategy with a staged startup via**
  - Initial heap leach averaging 105 koz AuEq per annum over the first 2 years prior to first production from the main flotation plant.
  - Flotation plant funded out of cashflows 2 years post first heap leach production reducing upfront Capex with an average annual production target of 135 koz AuEq over the next 10 years.

- **Low-cost startup supported by strip ratio**
  - **low average strip ratio** of 3.3 to 1 in the first 2.5 years of mining, allowing rapid cashflow generation (LOM strip ratio of 6.4).
  - All In Sustaining Costs (AISC) average US$1,100/oz Au in the first 2.5 years of production.

- **Testwork driven recovery assumptions with potential upside**:
  - 94.4% (gold via bulk flotation), 92.0% (gold via sequential flotation).
  - 69.7% (gold via heap leach), with parameters considered conservative in light of recent large-diameter heap leach column testwork indicating potential upside to recovery performance.

- AISC over the LOM average approximately US$1,618 per ounce gold (payable metal), which is competitive in the context of the contractor mining approach which removes US$300M in fleet Capex.

- Company investigating pathway to further reduce AISC to US$1,422/oz via owner operated fleet supported by full vendor financing.

- The PFS excludes any Hualilan ore being mined and processed during ongoing toll milling.

Key Project Enhancement Opportunities

Multiple opportunities have been identified which have potential to significantly improve the technical and financial outcomes reported in the PFS. These will be pursued in the DFS, and include:

- **Material Capex reduction (~US$48M)**: Grid power Memorandum of Understanding with YPF Luz contemplates third-party funding of all electrical infrastructure under a Power Purchase Agreement, with potential to remove ~US$48M of Capex and further support a low upfront capital strategy.

- **Metallurgical upside (not yet reflected in PFS)**: Recent large-diameter heap leach column testwork returned ~82% recovery for low-grade (0.2–0.3 g/t Au) material vs PFS assumption of 69.7%, indicating strong upside potential for ongoing testwork to support recovery upgrades.

  Additionally, large-diameter column test work on higher grade material of Type B, which is yet to be undertaken, could yield even higher processing recovery making heap leach of Type B more attractive. Leading to a potentially smaller processing plant for type C ore with consequent lower expansion capex.

  Alternative comminution pathways will also be reviewed which may simplify the flowsheet and reduce up-front capex.

- **Pit shell design, pit phase sequencing and production smoothing**: Opportunity to re-sequence mining by advancing Phase 6 (≈40% higher grade than Phase 5) into earlier years, improving mid-life production (Years 4–8) and smoothing the production profile.

- **Earlier flotation plant start-up**: Reducing construction timeline from 24 to 18 months enables earlier commissioning, bringing forward cash flow and increasing average annual production by avoiding late-stage production troughs.

- **Refinement of contractor mining agreement**: Open-book contract structure with detailed cost build-up and performance-linked KPIs (availability, productivity, fuel, maintenance) provides a pathway to further efficiency gains and cost optimisation.

- **Multiple capital and operatorship scenarios evaluated**: The PFS execution strategy has limited upfront capital deployment to minimise upfront capital required and financing risk.
  - **Owner-operator case**: which is the same as the base case but the equipment is purchased, operated, and maintained by CEL via a financing agreement with the original equipment manufacturer (OEM). This case forecasts lower AISC (~US$1,422/oz).
  - **Joint development case (Heap Leach and flotation starting from Year 1)**: Similar NPV to base case with higher early production (~148 koz p.a. from Years 3–11).
  - **Expansion case (the Joint development case with a 2.0 Mtpa flotation plant)**: +~US$200M NPV uplift and increased LOM production (~2.03 Moz AuEq), driven by routing additional material through higher recovery flotation.
  - **Further expansion potential (2.25 Mtpa flotation plant)**: Supports ~168 koz AuEq p.a. over 12 years, fully utilising available feed.

- **Potential Underground Inventory**: Additional ~1.0 Mt at ~1.9 g/t AuEq in addition to the residual in pit inferred inventory identified below the PFS pit from MSO analysis. This underground inventory was not considered in the PFS, with mineralisation remaining open at depth.

- **Infill and Exploration drilling:** Challenger to accelerate infill drilling designed to convert inferred resource into indicated to add to the LOM. Additionally, the first resource extension drilling in over 3 years is planned in 2H 2026, with potential to add to the existing resource with Hualilan open along strike and at-depth.

- **Residual potential mining inventory:** The PFS operational schedule leaves 40.4 Mt of, lower confidence, predominantly Inferred Resource category (Table 3), outside the current LOM production plan. Additional feed to each stream has been contemplated in design work, with the underlying design for heap leach structured to accommodate up to 90 Mt of stacking (69Mt stacked in the PFS process schedule), and the Tailings Storage Facility designed to be capable of storing 30 Mt (18Mt required for PFS process schedule) via additional, designed lifts.

Environmental & Social Highlights

- **Fully Permitted for production**
  - Environmental Impact Assessment (EIA) for the Hualilan Gold Project already approved under Resolution No. 688-MM-2024 in San Juan Province, Argentina. Approval covers 19 mining rights, including Hualilan Groups No. 1 and No. 2, enabling progression to full mine construction and development.
  - Bi-annual EIA Update for 2026 already submitted, with ongoing environmental and social workstreams supporting project advancement.

- **Significant positive social impact on both San Juan and Argentina** creating over 900 new jobs, paying provincial royalties of US$287M (US$375M at spot) and Argentinian corporate taxes plus export duties of US$542M (US$1,004M at spot).

- The Company has made strong social commitments including:
  - Prioritising local employment with a focus on San Juan residents.
  - Community development program.
  - Technical training program for local students.
  - Promoting participation of local and regional suppliers.

Cautionary Statement

The Pre-Feasibility Study ("**PFS**" or "**Study**") referred to in this announcement has been undertaken by Challenger Gold Limited ("**CEL**" or "the **Company**") in conjunction with various independent consultants, to determine the viability of a standalone development, including open pit mining and processing at the Hualilan Gold Project in San Juan Province, Argentina ("**Project**" or "the **Hualilan Gold Project**").

The total Life of Mine Production Target (and forecast financial information derived from the Production Target) referred to in this announcement is underpinned by approximately 78.8% by Probable Ore Reserves, and the remaining approximately 21.2% by Inferred Mineral Resources.

There is a low level of geological confidence associated with Inferred Mineral Resources and there is no certainty that further exploration work will result in the determination of Indicated Mineral Resources or that the Production Target itself (or the forecast financial information) will be realised.

The proportion of Inferred Mineral Resources underpinning the Life of Mine Production Target is not the determining factor in project viability.

The Company confirms that the Ore Reserves estimates and Mineral Resources estimates have been prepared by Competent Persons in accordance with the requirements of the JORC Code.

This announcement has been prepared in compliance with the JORC Code 2012 Edition (JORC 2012) and the ASX Listing Rules. All material assumptions on which Life of Mine Production Target and the forecast financial information is based have been provided in this announcement and are also outlined in the attached JORC 2012 table 1 disclosures.

While the Company considers all the material assumptions to be based on reasonable grounds, there is no certainty that they will prove to be correct or that the production target or estimated outcomes indicated by the PFS (such as the financial forecasts) will be achieved. The production target and estimated outcomes indicated by the PFS (such as the financial forecasts) are also subject to various risk factors. See the Cautionary Statements and Forward Looking Statements at the end of this announcement.
Given the uncertainties involved and detailed in this announcement, investors should not make any investment decision based solely on the results of the PFS.

Payable Gold Equivalent Reporting

The production target comprises 1,673 koz gold, 6,394 koz silver, and 74kt zinc over the 14.25 year PFS mine life. The Company has reported production on a gold equivalent basis where silver and zinc production is converted to a gold equivalent. This gold equivalent calculation converts recovered silver and zinc into a gold equivalent based on the PFS assumptions for; gold, silver, and zinc prices; gold, silver, and zinc metallurgical recoveries; and gold silver and zinc payability. The formulae below is used to convert payable silver and zinc into payable gold equivalent.

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

- Assumed commodity prices for the calculation of AuEq are Au US$3500 Oz, Ag US$58.33 Oz, Zn US$1.35 lb.
- Metallurgical recoveries from the PFS have been used across all ore types (see JORC Table 1 Section 3 Metallurgical assumptions).
- Assumed payabilities from the PFS have been applied for all products (see JORC Table 1, Section 4 Revenue Factors)
- The formulae used for payable AuEq (oz) is:

Payable AuEq (oz) = Payable Au (oz) + [Payable Ag (oz) x 0.016667] + [Payable Zn (t) x 0.85011]

- 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.
- While silver represents the dominant metal by total ounces produced gold accounts for 92% of total revenue and drives project economics

Challenger Gold Limited (ASX: CEL) ("**CEL**" or "the **Company**") is pleased to announce the results of a compelling Pre-Feasibility Study ("**PFS**" or "**Study**") for its flagship Hualilan Gold Project ("**Hualilan**") in San Juan, Argentina ("**Project**" or "the **Hualilan Gold Project**").

The project is located in San Juan Province, one of Argentina's best-known mining jurisdictions. The site lies roughly 120 km from San Juan City and is accessible by sealed national highway.

The Study presents a technical and economic evaluation of the proposed stand-alone development after the completion of toll milling.

The Mineral Resource Estimate ("**MRE**") remains open at depth and in both directions along strike. The previous MRE dated March 29, 2023 was reported using a 0.3 g/t AuEq cut-off grade. The MRE used in the PFS was updated using the same techniques as the previous MRE, and then depleted for the planned toll treatment mining. With the PFS demonstrating that Heap leach material grading 0.06 g/t AuEq provides a positive NSR (NSR >US$1/t) under Heap leach the MRE has been restated using a 0.06 g/t cut-off grade. The Indicated and Inferred Mineral Resource used in this PFS is 132.1 Mt containing 2,735 koz AuEq (2,433 koz Au, 13,939 koz Ag, 296.7 kt Zn) as outlined in Table 1 below. It should be noted that the AuEq calculation used in the MRE has been updated for the PFS parameters.

Table 2 shows the MRE reported on the basis of the > 0.8 g/'t AuEq and < 0.8 g/t components which approximates the split between processing via the main Flotation Plant and the Heap Leach. Table 3 shows the PFS feed split between main Flotation Plant and the Heap Leach Facility and the residual material available after processing under the PFS is complete. The PFS Heap leach feed will comprise primarily Indicated resource which has an average grade of 0.36 g/t AuEq.

Table 1 PFS Hualilan MRE depleted for planned Toll Milling 1 mining (using a 0.06 g.t cut-off)

Domain	Category	Mt	Au g/t	Ag g/t	Zn %	AuEq[1] g/t	AuEq (oz)
US$3500 optimised shell ≥ 0.1 g/t AuEq	Indicated	73.3	0.74	3.7	0.27	0.82	1,932,540
	Inferred	56.9	0.32	2.5	0.13	0.37	669,033
Below US$3500 shell ≥1.0 g/t AuEq	Indicated	0.61	1.7	8.4	1.1	2.0	38,191
	Inferred	1.3	2.0	11.4	1.2	2.3	95,659
Total		**132.1**	**0.57**	**3.3**	**0.21**	**0.64**	**2,735,422**

Table 2 PFS Hualilan MRE Reported via > or < 0.8 g/t AuEq components

Domain	Category	Mt	Au g/t	Ag g/t	Zn %	AuEq[1] g/t	AuEq (oz)
	Indicated	16.9	2.1	8.33	0.79	2.4	1,275,588
	Inferred	4.3	2.6	14.78	0.97	2.9	402,690
In pit MRE >0.8 g/t AuEq	**Total**	**21.2**	**2.2**	**9.64**	**0.83**	**2.5**	**1,678,279**
	Indicated	56.4	0.32	2.31	0.12	0.36	656,951
	Inferred	52.6	0.13	1.50	0.06	0.16	266,343
In pit MRE <0.8 g/t AuEq	**Total**	**109.0**	**0.26**	**1.9**	**0.09**	**0.26**	**923,294**
	Indicated	0.61	1.7	8.4	1.1	2.0	38,191
	Inferred	1.3	2.0	11.4	1.1	2.3	95,659
Total Below the Pit	**Total**	**1.9**	**1.9**	**10.5**	**1.1**	**2.1**	**133,850**

The MRE is reported to two significant figures to reflect appropriate precision and may not sum precisely due to rounding. A AuEq cut-off of 0.06 g/t has been used to reflect an expected cut-off given the metal price assumptions and metallurgical information for all processing routes. The MRE is inclusive of reserves.

1 Gold Equivalent (AuEq) values:

- Assumed commodity prices for the calculation of AuEq is Au US$3,500 /oz, Ag US$58.33 /oz, Zn US$2,976/t (US$ 1.35/lb).
- Life of mine weighted average metallurgical recoveries are estimated to be Au (84.8%), Ag (59.1%), Zn (33.7%) across all mineralised material types based on metallurgical test work.
- The formula used: is AuEq (g/t) = Au (g/t) + [Ag (g/t) x 0.01161490] + [Zn (%) x 0.14712530].
- CEL confirms that it is the Company's opinion that all the elements included in the metal equivalents calculation have reasonable potential to be recovered and sold. The AuEq differs from the calculation used in the previous MRE by the removal of Pb as a metal of economic interest and changes in metal price assumptions.

Table 3 PFS Feed Plan Summary and residual material after the completion of processing

Mineralisation Processed in the PFS							
	Classification	**Tonnes (mt)**	**Au (g/t)**	**Ag (g/t)**	**Zn (%)**	**AuEq (g/t)**	**Contained AuEq (oz)**
	Bulk Flotation	14.3	2.1	6.4	0.37%	2.2	1,006,816
	Sequential Flotation	3.9	2.2	17.6	2.3%	2.8	344,0261
Main Plant	**Total**	**18.2**	**2.1**	**8.8**	**0.78%**	**2.3**	**1,350,842**
Heap Leach	**Total**	**69.0**	**0.33**	**2.6**	**0.11%**	**0.36**	**798,124**
Residual mineralisation remaining on stockpiles after the completion of processing							
Heap Leach-HG-Indicated		0.75	0.23	2.1	n/a	0.26	6,244
Heap Leach-HG-Inferred		2.9	0.19	1.8	n/a	0.21	19,601
Heap Leach-LG-Indicated		0.14	0.09	.94	n/a	0.10	418
Heap leach-LG-Inferred		32.2	0.08	0.67	n/a	0.09	91,776
Heap Leach-CAL-Indicated		0.02	0.09	5.2	n/a	0.21	88
Heap Leach-CAL-Inferred		4.5	0.11	2.0	n/a	0.16	18,727
Total Residual Mining Inventory		**40.4**	**0.10**	**0.92**	n/a	**0.11**	**136,854**
Mineralised waste that will be stockpiled separately							
Mineralised Waste		42.3	0.05	0.67		0.06	82,921

Next steps to add to the robustness of the current project are outlined below

- The Company intends to undertake a re-optimisation phase of the PFS to determine the final design case to take to DFS. This step has the potential to add significant value given the inherent optionality in the project, and the recent heap leach scale up testing results compared to the PFS Study assumption.
- A 31,500 metre drill program has been designed to target the conversion of all inferred resource into indicated category. This would extend the PFS LOM and add significantly to the project robustness.
- Régimen de Incentivo para Grandes Inversiones ("**RIGI**") application to be submitted to the Argentine Government following PFS completion. The project meets all eligibility criteria; and three San Juan based projects have been approved to date.
- Definitive Feasibility Study commences Q3 2026. Key DFS workstreams: metallurgical testwork program, geotechnical investigation campaign, resource and reserve update, and grid power connection studies.

Kris Knauer, Chief Executive Officer & Managing Director of Challenger Gold Limited, said:

"This PFS demonstrates that Hualilan is a large-scale gold system with a clear and capital-efficient pathway to production. By prioritising a staged development strategy, we have significantly reduced upfront capital and execution risk, while establishing early production through heap leaching ahead of full-scale operations. Importantly, this approach also supports a pathway to financing.

The study is conservative, with constraints on inferred material and prudent capital deployment for the base case. Our detailed scenario work highlights substantial upside, with potential NPV increases at equivalent gold prices, largely driven by resource conversion and capital allocation efficiencies".

ASX Listing Rule 5.9.1 Requirements

A summary of PFS Key Outcomes in Table 4, Assumptions are outlined in in 5 with Study Responsibilities in Table 6. Further details are available in the PFS Summary Report, which is included as an annexure. The Company intends to release the full PFS report as a separate release.

Table 4 - PFS Base Case Study Financial Outcomes Summary

Metric	Unit	Base Case Value
Total mine life (excluding pre-production)	years	14.3
Open pit mining life	years	13.8
Heap leach processing life	years	11.8
Flotation plant processing life	years	12.3
Total material moved	Mt	1,007
Strip ratio	-	6.4
Total ore mined	Mt	126.3
Recovered Gold	koz	1,673
Recovered Silver	koz	6,394
Recovered Zinc	kt	74
Recovered AuEq	koz	1,843
LOM Revenue	US$M	6,384
Treatment, Refining and Freight Costs	US$M	-62
Royalties and Export Duties	US$M	-287
Net Revenue after Royalties	US$M	6035
Mining OPEX	US$M	-2,169
Processing OPEX	US$M	-610
G&A OPEX	US$M	-184
EBITDA / Operating Margin	US$M	3,142
Initial Capex (incl. 30% contingency)	US$M	-267
Sustaining / Expansions Capex (SUSEX)	US$M	-268
Total Capex + SUSEX	US$M	-604
Cash Cost	US$/Au oz	1,6506
All-In Sustaining Cost (AISC)	US$/Au oz	1,618
Pre-tax NPV at 5% discount rate	US$M	1,450
Pre-tax IRR	%	45%
Pre-tax payback period (from prod. start)	years	2.25[4]
Total royalties at base case price	US$M	287
Total royalties at spot prices	US$M	375

[4] Payback Period from start of production excluding US$35m contingency

Table 5 - Key PFS Assumptions

Price Assumption	Study Assumption	Spot Prices
Gold	US$3,500/ oz	US$4600/ oz
Silver	US$58.33/ oz	US$76.72 oz
Zinc	US$1.35/lb	US$1.35/lb
AUD/USD	0.70	0.70
Metallurgical Payability		Payability
Gold In Dore		99.95%
Silver in Dore		99.95%
Gold in Zn concentrate		63%
Silver in Zn concentrate		35%
Zinc as Zn concentrate		85%
Mining Physicals	First 2.5-Years of mining	Total
Mineralised Material Mined	23.4 Mt	126.3 Mt
Waste/ Cover Mined	73.5 Mt	838.7 Mt
Strip Ratio (Waste:Ore)	3.3	6.4
Production	First 2.5-Years of production	Total
Gold	267,217 oz	1,673,144 oz
Silver	1,412,535 oz	6,393,576 oz
Zinc	13,388 t	74,353 t
Processed Physicals	Flotation	Heap Leach
Ore Processed	18.2Mt	69.0 Mt
Average Feed Au Grade	2.21 g/t	0.33 g/t
Average Feed Ag Grade	17.55 g/t	2.56 g/t
Average Feed Zn Grade (Ore Type C – Sequential Flotation)	2.28%	
Unit Operating Costs	US$/ t Mined	US$/ t Processed
Mining Cost	2.24	
G&A Cost	0.18	
Processing Cost - Heap Leach		4.04
Processing Cost – Bulk Flotation		17.36
Processing Cost – Sequential Flotation		22.66

Table 6 - PFS Inputs (by Contributor) and Report Chapter

Primary Contributor	Scope
Ausenco Services Pty Ltd	Process Plant layout and design review; non-process infrastructure; capital cost estimate (Process Plant, HLF, NPI, Project Closure); operating cost estimate (Process Plant, HLF); hydrology and hydrogeology; geotechnical assessment (HLF and WSFs); environment, social and permitting assessment.
Challenger Gold (CEL)	Geology; JORC-compliant Mineral Resource Estimate; mine cost estimates; G&A and owner's costs; metal pricing; financial model review including royalties and corporate expenses; permitting and EIA.
Fuse Advisors (a Part of SLR Consulting)	Mine design; JORC-compliant Ore Reserve Estimate; financial modelling and economic analysis.
PHC Inc.	Geotechnical Assessment (Open Pit Mine).
Jeremy Ison	Metallurgical test-work planning, management and data interpretation; process design (Process Plant and heap leach facility).
Soil & Rock Engineering Pty Ltd	Tailings Storage Facility design.
Base Met Labs / SGS Canada Inc.	Metallurgical Testwork Laboratories.
Price Waterhouse Coopers Argentina	Taxation.
Reach Partners Limited	Concentrate market assessment.
Whittle Consulting	Enterprise-level mine optimisation (Prober tool).

Chapter	Topic	Primary Contributor
1	Executive Summary	Ausenco / CEL
2	Introduction	Ausenco / CEL
3	Geology and Resource	CEL
4	Minable Reserve	Fuse
5	Mine Development	Fuse / CEL
6	Site Geotechnical Studies	Ausenco
7	Infrastructure	Ausenco
8	Site Access and Transport	CEL
9	Metallurgy	Jeremy Ison/Ausenco
10	Processing	Jeremy Ison/Ausenco
11	Environment and Community	Ausenco
12	Legal and Regulatory	Ausenco
13	Operations Management Plan	CEL
14	Implementation Plan	Ausenco
15	Capital Cost Estimate	Ausenco / CEL
16	Operating Cost Estimate	Ausenco / Fuse/ CEL
17	Risks and Opportunities	Ausenco / CEL/Fuse
18	Financial and Commercial Analysis	Fuse / CEL

Ore Reserves

The Ore Reserves are reported in accordance with the JORC Code (2012 Edition) and were estimated by Grant Carlson, P.Eng., of Fuse Advisors Inc. (Vancouver, Canada), a Qualified Person and Member of Engineers and Geoscientists British Columbia. The estimate includes only Probable Reserves, as it is based on Indicated Mineral Resources. No Proved Reserves have been declared. Inferred Resources are treated as waste in the Ore Reserve estimate.

The Ore Reserve was estimated through an integrated process linking resource modelling, NSR-based value optimisation, mine design, production scheduling, and economic evaluation. Pit optimisation was conducted by Whittle Consulting Pty Ltd (Australia) using its Enterprise Optimisation (EO) methodology and Dassault Systèmes Geovia Whittle™ software (Pseudoflow algorithm). Initial optimisation was re-run in Q3 CY25 following refinement of geotechnical and metallurgical inputs. Detailed pit designs were developed in Hexagon™ MinePlan3D software from the optimised pit shells. The production schedule was developed and refined in Micromine Alastri Tactical Scheduler (ATS).

The mineral resource block model was adjusted for mining 5% dilution and 5% ore loss to estimate the ore reserve.

Ore Reserve Statement

Ore reserves have been generated using prefeasibility level pit designs, mining costs, processing costs, capital costs, geotechnical slope criteria, dilution, metallurgical recovery and cut-off grade specific to the Hualilan deposit. Gold, silver and zinc prices of US$3,500/oz, US$58/oz and US$1.35/lb respectively have been used to determine the appropriate cut-off grade and establish Ore reserves in the project economic analysis. The tonnes, grade and contained metal in the Ore Reserve are summarised by classification in Table 7.

Table 7 - Ore Reserves

Process	Classification	Cut-off (NSR $/t)	Tonnes (kdmt)	Au (g/t)	Ag (g/t)	Zn (%)	Au (koz)	Ag (koz)	Zn (kt)
Heap Leach	Proven	>2.6/t	-	-	-	0.00	-	-	-
	Probable	>2.6/t	**48,300**	**0.37**	**2.63**	**0.12**	**581**	**4,081**	**60**
Bulk Flotation	Proven	>0/t	-	-	-	0.00	-	-	-
	Probable	>0/t	**11,400**	**1.91**	**5.14**	**0.33**	**701**	**1,885**	**37**
Sequential Flotation	Proven	>0/t	-	-	-	0.00	-	-	-
	Probable	>0/t	**3,161**	**2.28**	**17.34**	**2.30**	**232**	**1,763**	**73**
Total	Proven	Variable	-	-	-	-	-	-	-
	Probable	variable	62,861	0.75	3.82	0.27	1,514	7,728	170
	Proven & Probable	variable	62,861	0.75	3.82	0.27	**1,514**	**7,728**	**170**

dmt = dry metric tonne; wmt = wet metric tonnes; gpt = grams per tonne

Notes:

1. Ore Reserves are reported in accordance with the JORC Code (2012 Edition).
2. The Ore Reserves are based on a Pre-Feasibility Study (PFS) completed in April 2026, considering modifying factors including mining, metallurgical, economic, environmental, social, and regulatory factors.
3. The Ore Reserves are inclusive of diluting material and mining losses.
4. Ore reserves are reported using a variety of NSR cut-off grades. The NSR was calculated as the revenue from a given block, less the processing and G&A costs. The cut-off NSR values and the parameters used in the NSR calculation are as follows:
    a. Heap Leach: NSR > $2.60/t
    b. Bulk and Sequential Flotation: NSR > $0/t
    c. Processing Cost: Heap leach = $2.89/t, bulk float = $19.09/t, sequential float = $22.40/t
    d. Heap Leach Recovery: 69.65% Au, 44.78% Ag
    e. Bulk Flotation Recovery: 94.7% Au, 69.04% Ag
    f. Sequential Flotation Recovery: 92.20% Au, 73.42% Ag, 83.68% Zn
    g. Heap Leach Selling Cost: 5% of Au revenue, 11.5% of Ag revenue
    h. Bulk Flotation Selling Cost: 5% of Au revenue, 11.5% of Ag revenue
    i. Sequential Flotation Selling Cost: 7.09% of Au revenue, 25.29% of Ag revenue, 40.82% of Zn revenue
    j. Metal prices: $US3,500/oz Au, $US58.33/oz Ag and $US1.35/lb Zn.
5. The Ore Reserve estimate is supported by a mine design, schedule, and economic model demonstrating positive cash flow under reasonable assumptions.
6. Metallurgical recoveries used for the estimation are based on a test-work program specifically evaluating metal recoveries in the two flowsheets contemplated for this project: flotation and heap leaching.
7. The Ore Reserve is reported above a pit design which was based on an optimised pit shell generated using metal prices and operating costs consistent with the PFS inputs.
8. Rounding has been applied in accordance with JORC Code guidelines. Totals may not sum exactly due to rounding.
9. The Ore Reserves were estimated by Grant Carlson, P.Eng., an employee of Fuse Advisors Inc., in Vancouver Canada, and a Competent Person and Member of Engineers and Geoscientists British Columbia, with sufficient experience relevant to the style of mineralisation and type of deposit under consideration.
10. The estimate includes only Probable Reserves as it is based on Indicated Mineral Resources. No Proved Reserves have been declared.
11. Inferred Resources are considered too speculative geologically to apply any economic value and are not included in this ore reserve estimate.
12. Units for the reserve estimate are metric tonnes and grams, plus troy ounces for gold.
13. The estimate of Ore reserves may be materially affected by geology, environment, permitting, legal, title, taxation, sociopolitical, marketing, or other relevant risks.

Study Approach

This study is a prefeasibility level technical and economic study of the potential viability of the Hualilan MRE remaining after the completion of toll milling. The PFS serves as a critical intermediate step in the project development lifecycle, bridging early conceptual assessments and a PFS. Its primary purpose is to evaluate whether the resource can be technically, economically, and environmentally developed into a viable mining project. The PFS defines the technical, economic, and execution framework for the Hualilan Project at an AACE Class 4 level of accuracy.

The study covers the following key areas:

- Open pit mining development executed through contractor (Base Case) and owner mining;
- 1.5 Mtpa Process Plant including an SABC grinding circuit, flotation circuits for gold and zinc recovery, zinc concentrate thickening and filtration, gold leaching and doré production, and tailings thickening and filtration;
- 8.0 Mtpa Heap Leach Facility including modular crushing circuits, Intermediate Leach Solution and Pregnant Leach Solution ponds, and carbon loading for gold recovery in the Process Plant;
- Site infrastructure including roads, earthworks pads, Tailings Storage Facility (TSF), accommodation, mining support facilities, and Process Plant support facilities; and
- Off-site infrastructure including High Voltage grid transmission to site and relocation of the main highway access.

Ausenco was engaged as the Study Manager and lead and were assisted by leading independent consultants and CEL's in-house technical personnel. Representatives from both Fuse and Ausenco personally visited the property.

- Ausenco contributed Process Plant layout and design review; non-process infrastructure capital cost estimate; Process Plant, Heap Leach Facility, Non-Processing Infrastructure, Project Closure capital cost estimate; Process Plant and Heap Leach facility operating cost estimate; review of mineral processing and metallurgical testwork, hydrology and hydrogeology; geotechnical assessment; environment, social and permitting assessment.
- Canadian Mining Consulting firm, Fuse Advisors Inc., was engaged as the mining lead and assisted with ore reserves development, mine design and scheduling, capital and operating costs, and financial modelling.
- Ison Designs Pty Ltd was engaged to develop mineral processing and metallurgical testwork, and recovery methods.
- Soil and Rock Engineering were engaged for the Tailings Storage Facility (TSF) design.
- Whittle Consulting completed Enterprise level mine optimisation.
- PWC Argentina completed the tax assessment.

Production Target

The total recovered metal over the life of the Project is forecast to be approximately 1,843 koz of gold equivalent. This comprises 1,673 koz gold, 6,394 koz silver and 74 kt zinc.

The majority of production comes from the main Processing Plant which contributes 1,172koz gold (approximately 70% of the production target) with Heap Leach contributing 501 koz gold (approximately 30% of the production target).

Table 8 - Production Target Feed by Process Route

	Gold oz	Silver oz	Zinc t	AuEq oz
Bulk Flotation	918,120	2,025,756		
Sequential Flotation	254,465	1,608,633	74,353	
Total Processing Plant	**1,172,585**	**3,634,389**	**74,353**	
Heap Leach	500,559	2,759,186		
Grand Total	**1,673,144**	**6,393,576**	**74,353**	**1,842,930**

A breakdown of the schedule of recovered metal as gold equivalent by process route across the life of the Project is included at Chart 1.

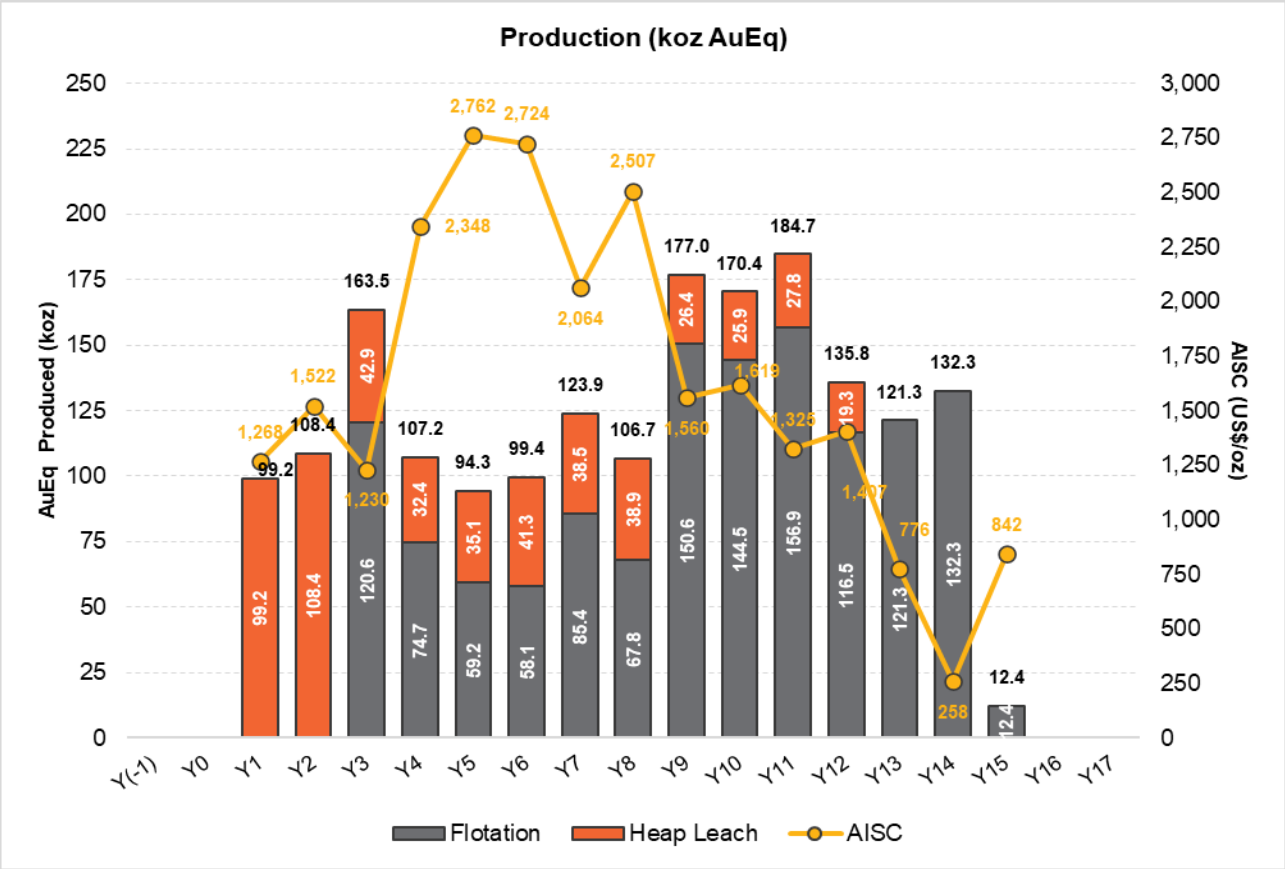


Chart 1– Production target by processing method and combined

The Production Target is underpinned by production resulting from approximately 78.8% by Indicated Resources, and the remaining 21.2% by Inferred Mineral Resources. This provides confidence in the Project being able to pay back the pre-development capital from the higher confidence Indicated category. Financial analysis based on the Probable Ore reserves only shows a strong economic outcome and demonstrates the project is economic based on the higher confidence Indicated category.

The Study projects gold production averaging approximately 105koz per annum over the initial 18- months of Heap leach startup at an AISC of US$1,100/oz. This is followed by forecast average annual production of 135koz AuEq over the remaining 12.25-year LOM.

The projected annual average processing throughput by process route is displayed in Chart 2.

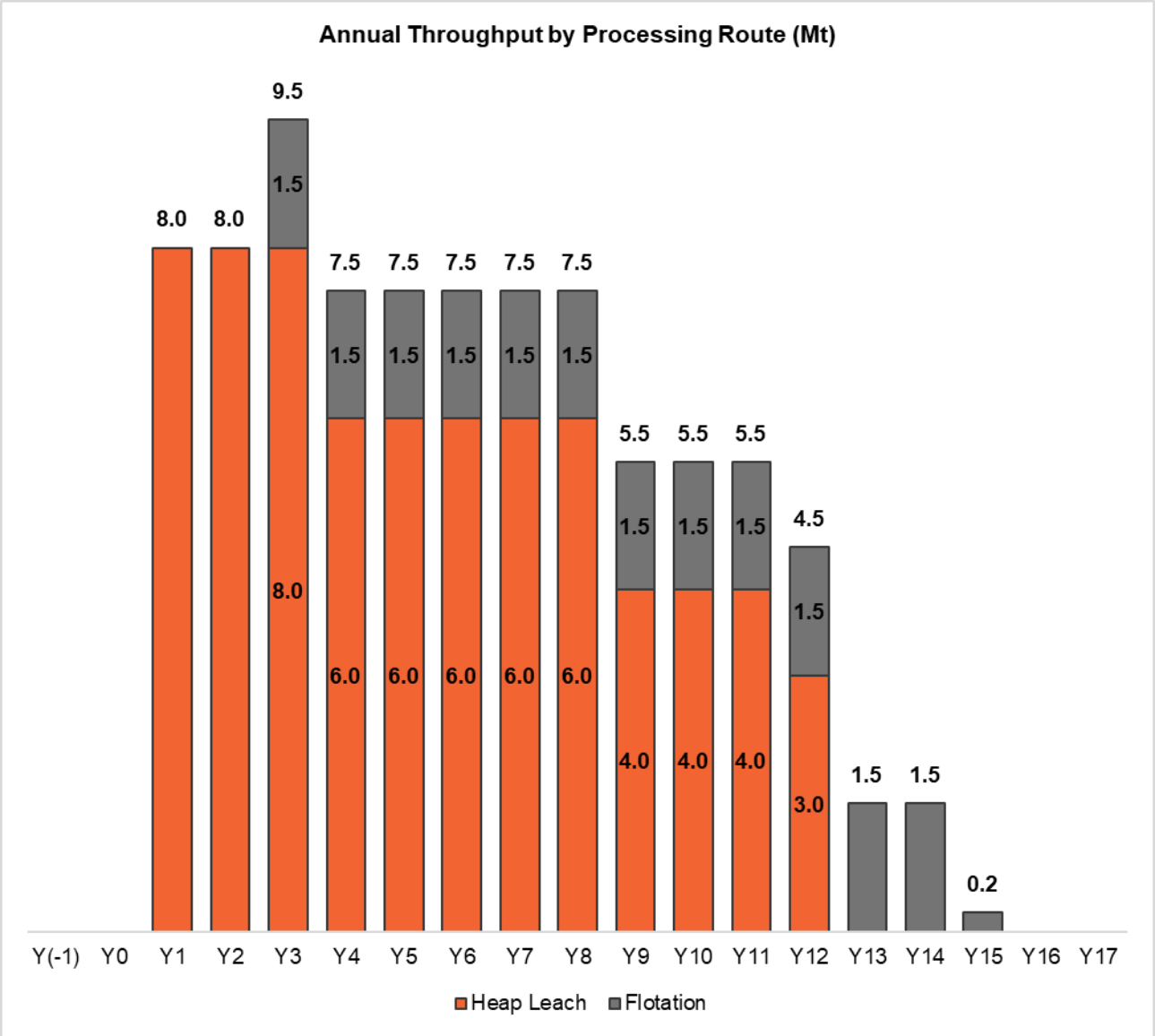


Chart 2 – Annual processing by process route)

The projected annual average head grade by process route is displayed in Chart 3 with Chart 4 showing the proportion of Indicated to Inferred feed to produce the production target.

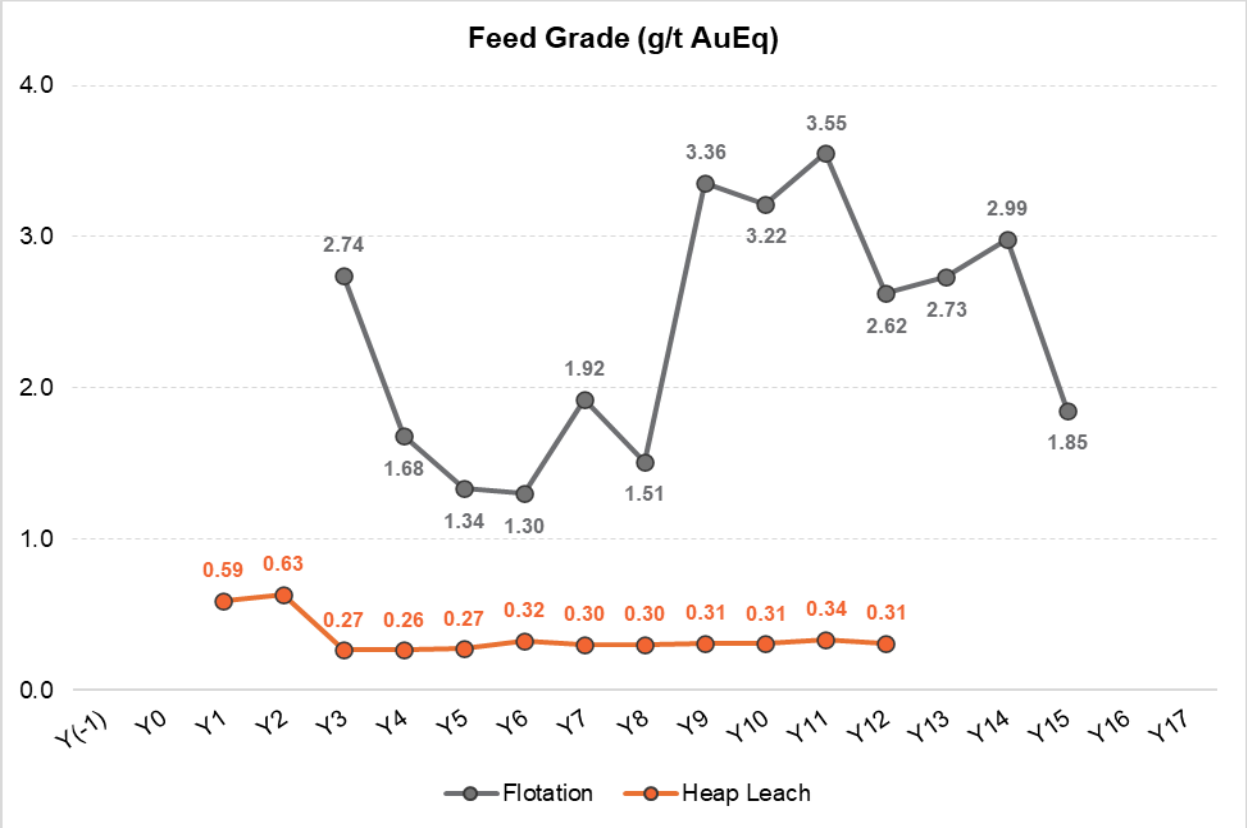
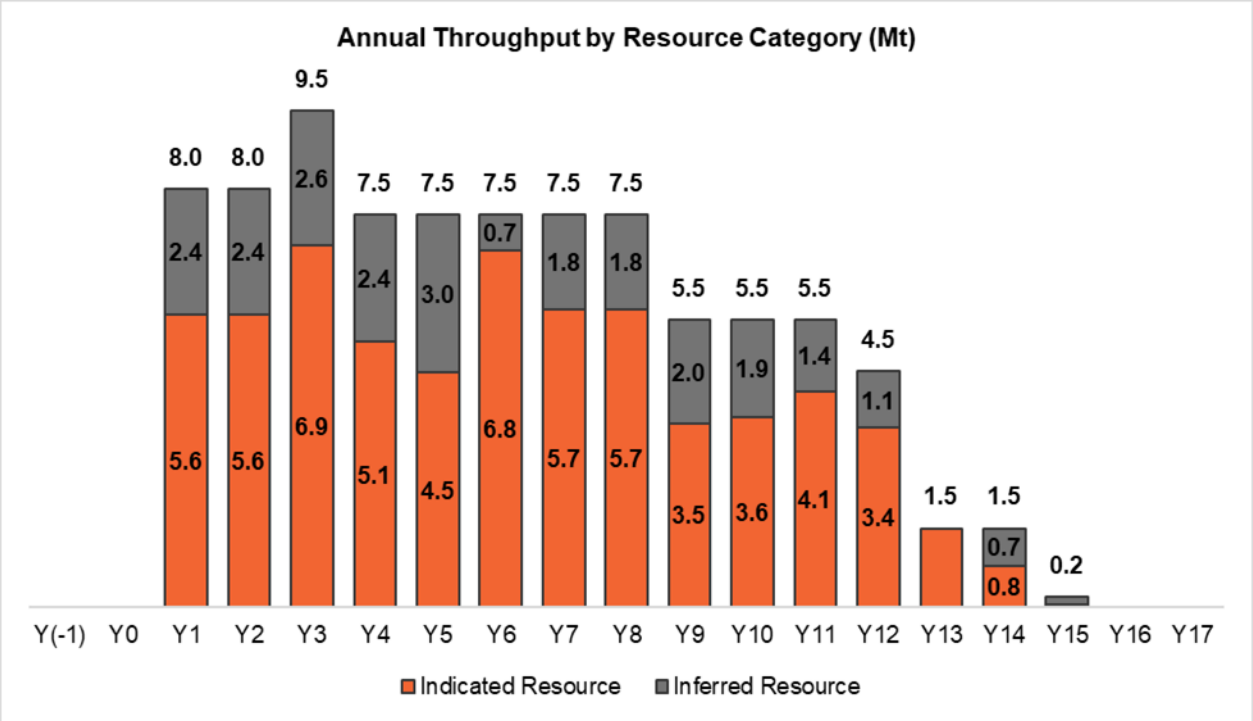


Chart 3 – Annual processed grade by ore type

Chart 4 – Feed by resource category



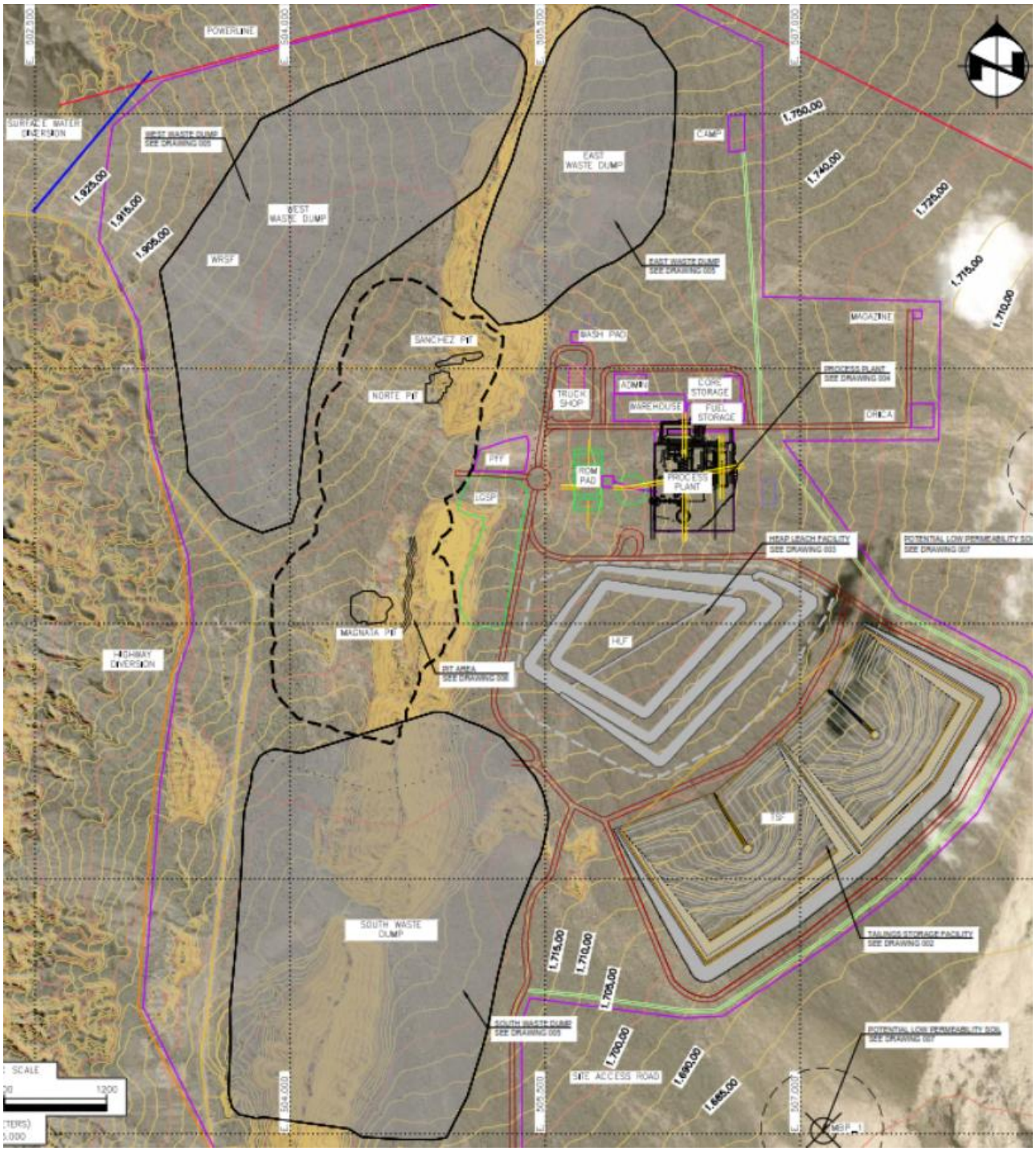


Figure 1 - Site Layout

Mining and processing schedule

Pit Optimisation

The mine schedule was developed through a fully iterative optimisation and design process. The steps involved were:

- Running an optimisation based on available inputs.
- Developing mine designs aligned to the optimisation output.
- Generating a tactical schedule and equipment selection.
- Updating cost models based on the schedule.
- Re-running the optimisation using refined inputs.

The optimisation process is discussed in more detail in the PFS Summary report Chapter 5.

Enterprise Optimisation (Whittle Prober)

The initial optimisation phase used Whittle Consulting's Prober tool, which enables enterprise-wide optimisation across the full mining value chain. Unlike conventional pit optimisation tools that generate nested shells based on static assumptions, Prober integrates open pit optimisation, strategic scheduling, and scenario analysis into a single framework. Inputs provided by Challenger included:

- A geological block model derived from approximately 240,000 m of drilling, forming the basis of the Hualilan Mineral Resource Estimate (MRE);
- A geotechnical slope model;
- Metallurgical testwork data, including comminution and recovery performance and size-recovery and grade-recovery relationships; and
- Initial cost inputs derived from the first-principles mining cost models.

The optimisation subdivided the ultimate pit into 34 discrete phases, each of which could be sequenced, prioritised, and flexed within the framework. This allowed the application of traditional mining constraints such as Vertical Rate of Advance (VRA) and more advanced strategic levers including fleet utilisation and ramp-up staging, dynamic cut-off grades and stockpiling strategies, periodic adjustment of processing throughput, and optimisation of grind size against recovery and energy trade-offs. In total, more than 360 optimisation iterations were completed, progressively converging on a value-optimised development strategy.

Strategic Drivers and Constraints

- The optimisation was guided by four strategic objectives:
- Maintain project viability under conservative commodity price assumptions, particularly for gold;
- Preserve exposure to upside in higher commodity price environment;
- Limit upfront capital deployment and cash draw, reducing financing risk; and
- Appropriately reflect geological uncertainty without unnecessarily constraining value.

Challenger adopted a base case gold price of US$3,000/oz for pit optimisation, and $3,500/oz for routing of ore into either sequential float, bulk float or heap leach in the final mine plan. Capital intensity and cash draw were managed through controlled mining ramp-up rates, constraints on maximum fleet capacity particularly haul trucks, and staged development of processing infrastructure.

Geological uncertainty was incorporated through constraints on the utilisation of Inferred material. Heap leach feed was limited to 30% Inferred material, and mill feed to 20% Inferred material, by tonnage.

Emerging Project Parameters

- Through the iterative optimisation process, several consistent 'ideal' operating ranges emerged:
- Total Material Movement (TMM): 60–100 Mt per annum;
- Mill throughput: approximately 1.5–1.8 Mt per annum;
- Heap leach throughput: approximately 6.0–8.0 Mt per annum; and
- Haul fleet capacity: approximately 30 × Komatsu 830E 250-ton trucks.

Pit Design

The open pit mine design for Hualilan has been developed through a fully iterative optimisation process integrating enterprise-level optimisation (Whittle Prober) with detailed pit and scheduling designs in Micromine Alastri. The final design is structured to maximise project value while maintaining operational practicality, geotechnical stability, and efficient ore delivery to the processing facilities.

Pit Geometry and Phasing

The project comprises nine staged open-pit phases, grouped into northern, southern, and central domains to align with geology and geotechnical conditions. The design sequence balances early access to high-value ore with manageable waste development and incorporates in-pit backfilling in later phases to reduce haul distances and support progressive closure. Phase 4, centrally located, is intentionally designed for partial backfilling, creating a permanent east–west haulage corridor and improving long-term haulage efficiency. Bench configuration uses 10 m benches mined in 5 m flitches, allowing selectivity and geotechnical control across the dacite, lutite, and calcite lithologies.

Figure 2 shows a plan view of the final pit design and waste rock storage facilities. Figure 3 shows a section at 6600600N.

Haul Road and Access Design

Haul roads are engineered for Komatsu 830E haul trucks: 30 m width for two-way traffic, 22 m for one-way traffic, with 2.6 m safety berms (75% of tyre height) and a maximum ramp gradient of 12%. Final pit bottom ramps are narrowed to 11 m for cleanup using small construction equipment.

Mine Production Schedule

Following the iterative optimisation process, a base case schedule was developed with the following key features:

1. 8 Mtpa heap leach operation commencing in Year 1, maintaining at least 70% Indicated Resource in feed. Under the base case, the Inferred material constraint limits total heap leach feed to approximately 69 Mt against a design capacity of 90 Mt. The 8 Mtpa throughput is sustained for the first three years, then tapers as available Indicated feed is depleted. Relaxation of the Indicated Resource ratio provides upside for an extended case supporting a higher sustained throughput.

2. 1.5 Mtpa flotation plant commencing in Year 3 and continuing to approximately Year 14. LOM feed ratio maintained at 80% Indicated Resource.
3. TMM fleet ramp-up over five years (Year 0 – Year Year5): 4 × PC5500 excavators and 1 × WA1200 loader.
4 Maximum haul truck fleet of 30 × Komatsu 830E reached in Year 5.

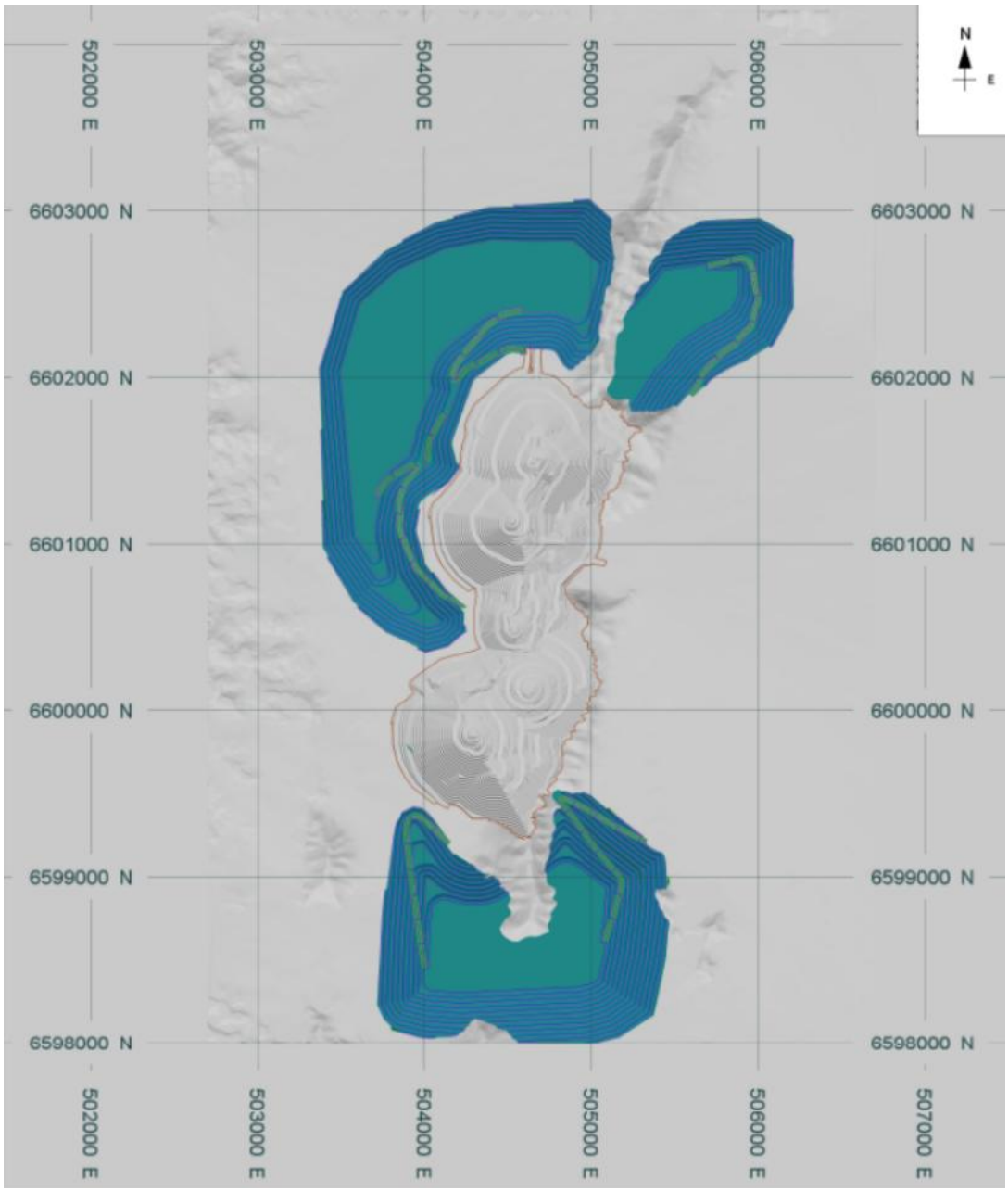


Figure 2 - Ultimate pit design (plan view)

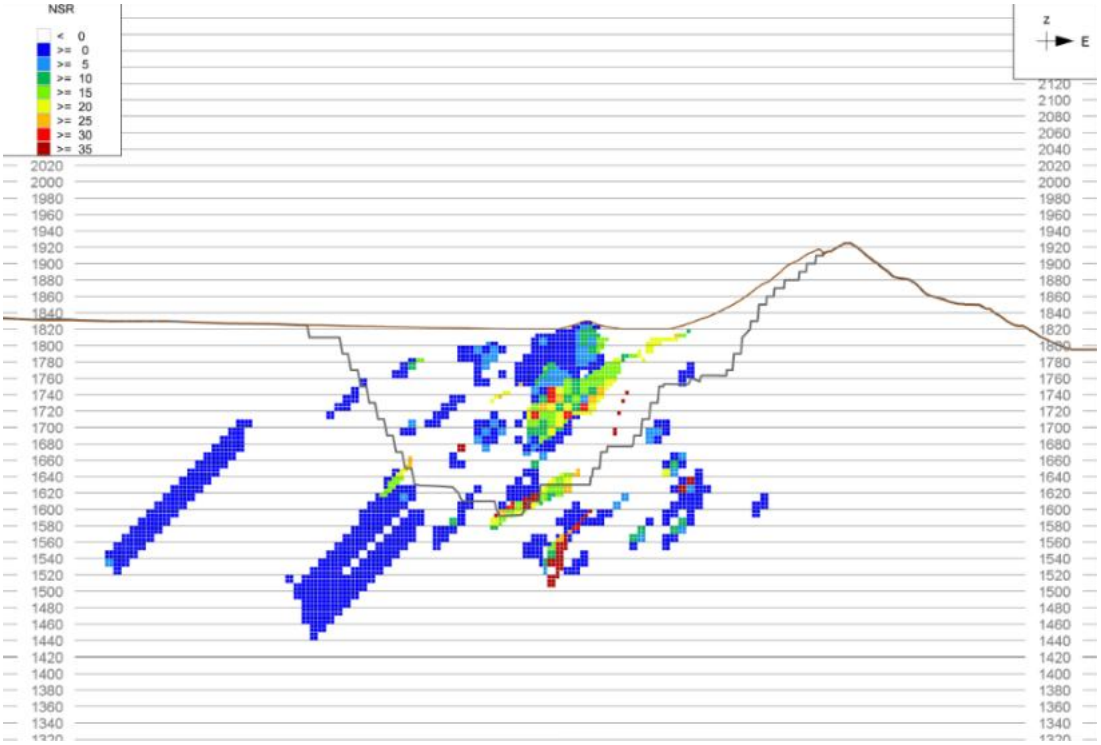


Figure 3 - Ultimate pit section 6600600N

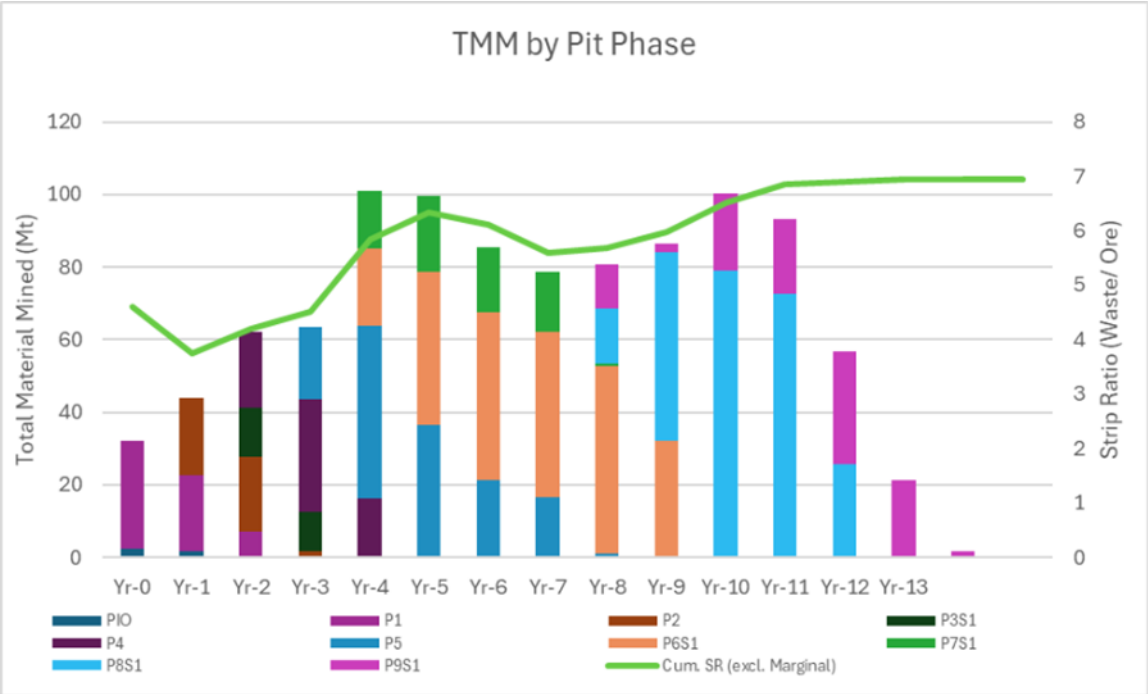


Chart 5 - Total material mined by pit phase

A time usage model (TUM) was applied across all major equipment classes. The model derives Available Time by deducting scheduled and unscheduled maintenance from calendar hours. Operating Time (SMU hours) is derived from Available Time less standby. Working Time is derived from Operating Time less Delays.

The resulting load/haul strategy is characterised as: load unit constrained during ramp-up and through to 2034; truck constrained from 2034 to 2039; geometry constrained thereafter as a result of decreasing safe working footprint at depth.

Chart 5 presents total material mined by pit phase and geology respectively. Chart 6 shows diluted mined Au equivalent grade by ore type over the life of mine.

The schedule reflects a value-driven material routing strategy, supported by stockpiling to manage variability in ore supply and to optimise the timing of processing across the life of mine. Ore is directed to the heap leach, flotation plant, or stockpile based on NSR-driven ore type classification. High-grade flotation ore (NSR/t > $51.00) is prioritised for direct feed to the mill; lower-grade flotation material supplements mill feed or may be optionally routed to the heap leach. The schedule is designed to maintain consistent ore feed to both processing streams while managing the proportions of ore types throughout the mine life.

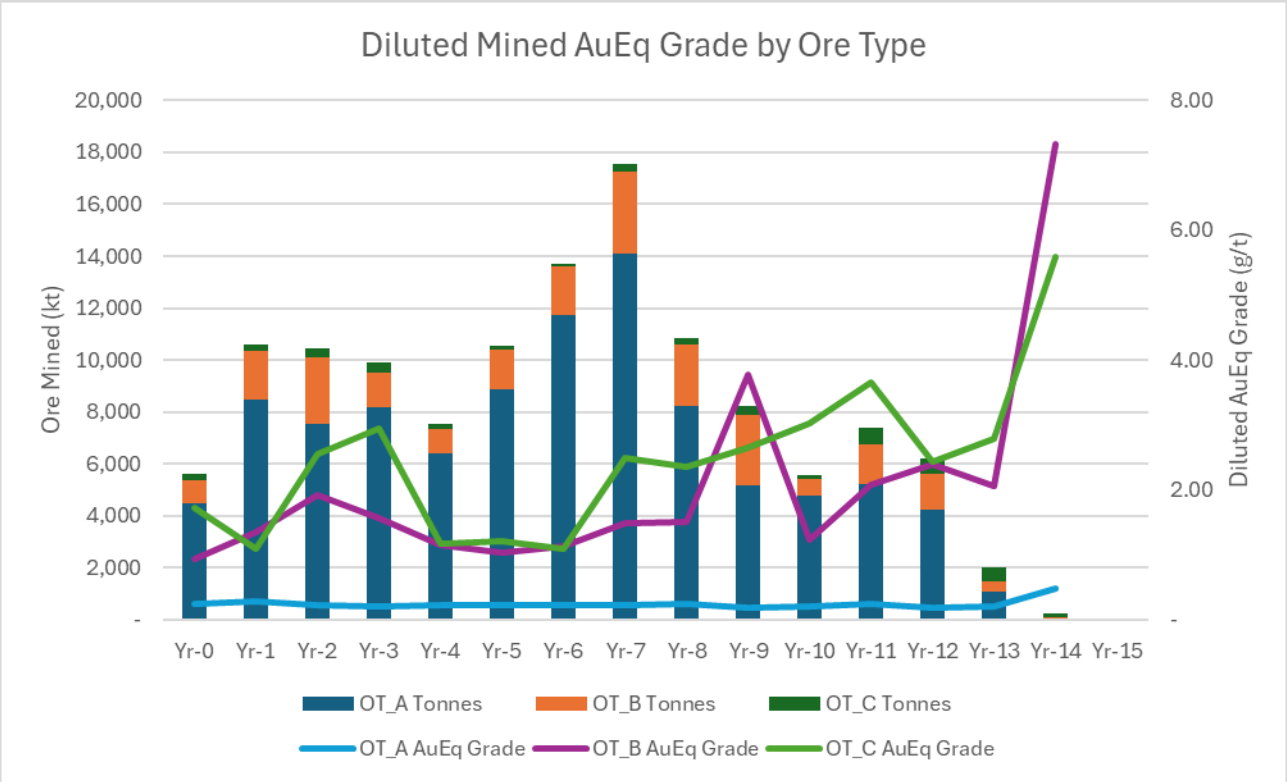


Chart 6 - Diluted mined Au equivalent grade by ore type

Processing

Ore Type Description

Block model domaining into three ore types was conducted to maximise metal recovery. Ore type selection was based on testwork results and the economics of processing through each route, with the key decision point being whether the incremental revenue from producing zinc concentrate (Type C) exceeds the higher processing cost relative to bulk flotation (Type B). Without the heap leach option, Type A material would have been treated as mineralised waste.

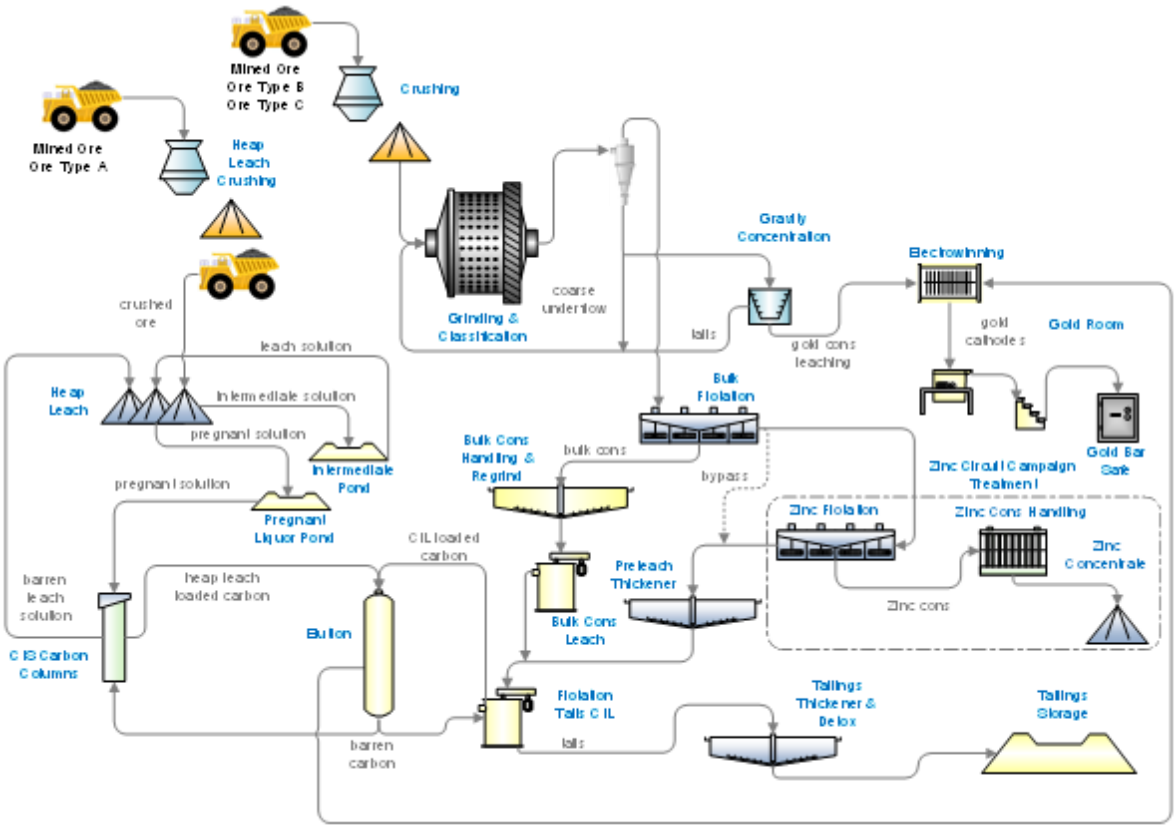


Figure 4 - Overall Process Schematic

The Hualilan processing facility comprises two parallel operations: a conventional flotation and leaching process plant and a separate heap leach plant. Both plants produce gold and silver doré; the flotation plant also produces a zinc concentrate for export. Plant design is based directly on the PFS metallurgical testwork program (Summary PFS Report Section 9) and the Process Design Criteria (PDC).

The process plant design has been developed using Bentley Microstation 3D software and is supported by Process Flow Diagrams (PFDs), Process Design Criteria, General Arrangement Drawings and a Mechanical Equipment List. Equipment selections have been completed for all mechanical items based on the PDC.

The Company has used a flexible, dual-path processing strategy for the project Base Case. An 8 Mtpa capacity heap leach circuit commencing in Year 1 which processes ~69Mt over 11.75 years, recovering ~501 koz Au (from 724 koz), and the main 1.5 Mtpa flotation plant operating in bulk (Au/Ag) and sequential (Au/Ag/Zn) modes, commencing in Year 3. The flotation plant treats 18.2 Mt over 12.25 years recovering ~ 1,173 koz Au (from 1,249 koz contained at 2.13 g/t Au feed).

Chart 7 – Total recovered metal by feed Type

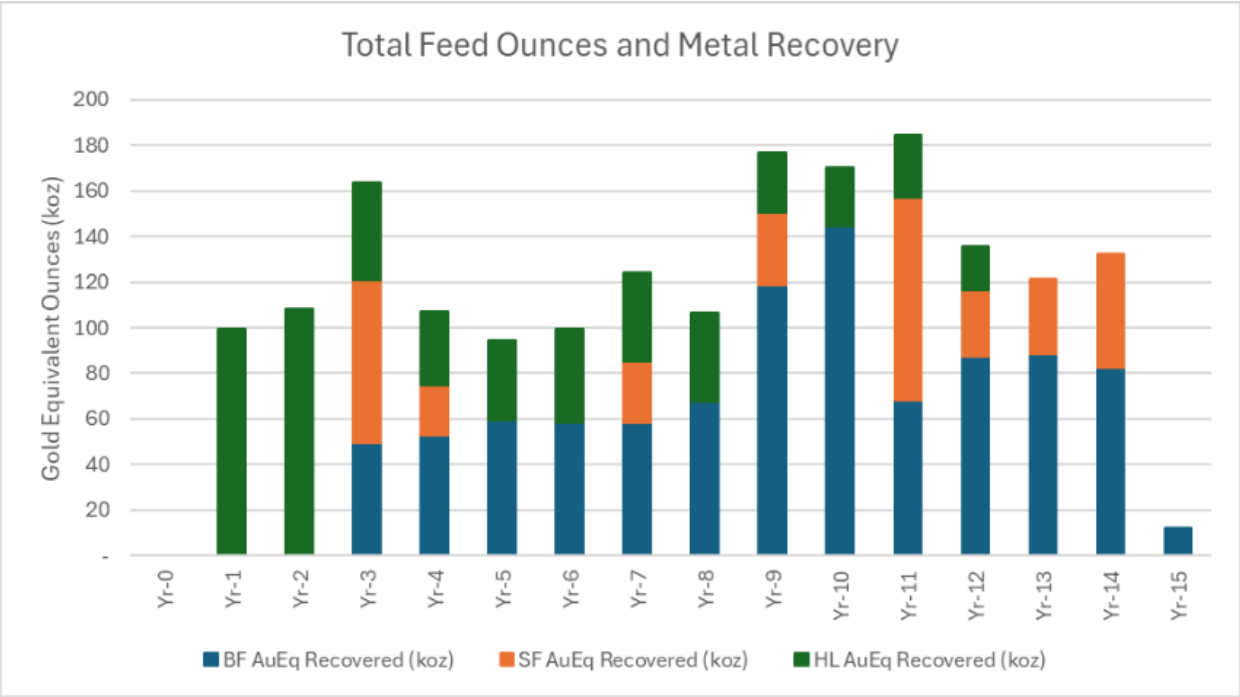


Table 9 - Plant Design Overview

Parameter	Flotation and Leach Plant	Heap Leach Plant
Ore treated	Ore Types B and C (campaign)	Ore Type A
Throughput	1.5 Mtpa (188 dtph, 91.3% availability)	8 Mtpa (1,405 tph combined, 24 h/day)
Design gold head grade	2.15–2.74 g/t Au	0.33 g/t Au
Design zinc head grade	1.91% Zn (Type C)	N/A
Annual gold production (avg)	~98 koz Au	~55 koz Au
Zinc concentrate production	~12 kt/yr (>52% Zn)	N/A
Target grind / crush size	P80=75µm (milling)	P100=12.7mm (crushing)
Gold recovery route	Gravity + CIL (conc + tails leach)	Heap leach → CIS columns → AARL elution
Tailings disposal	TSF (~0.5 km from plant)	Spent heap on pad

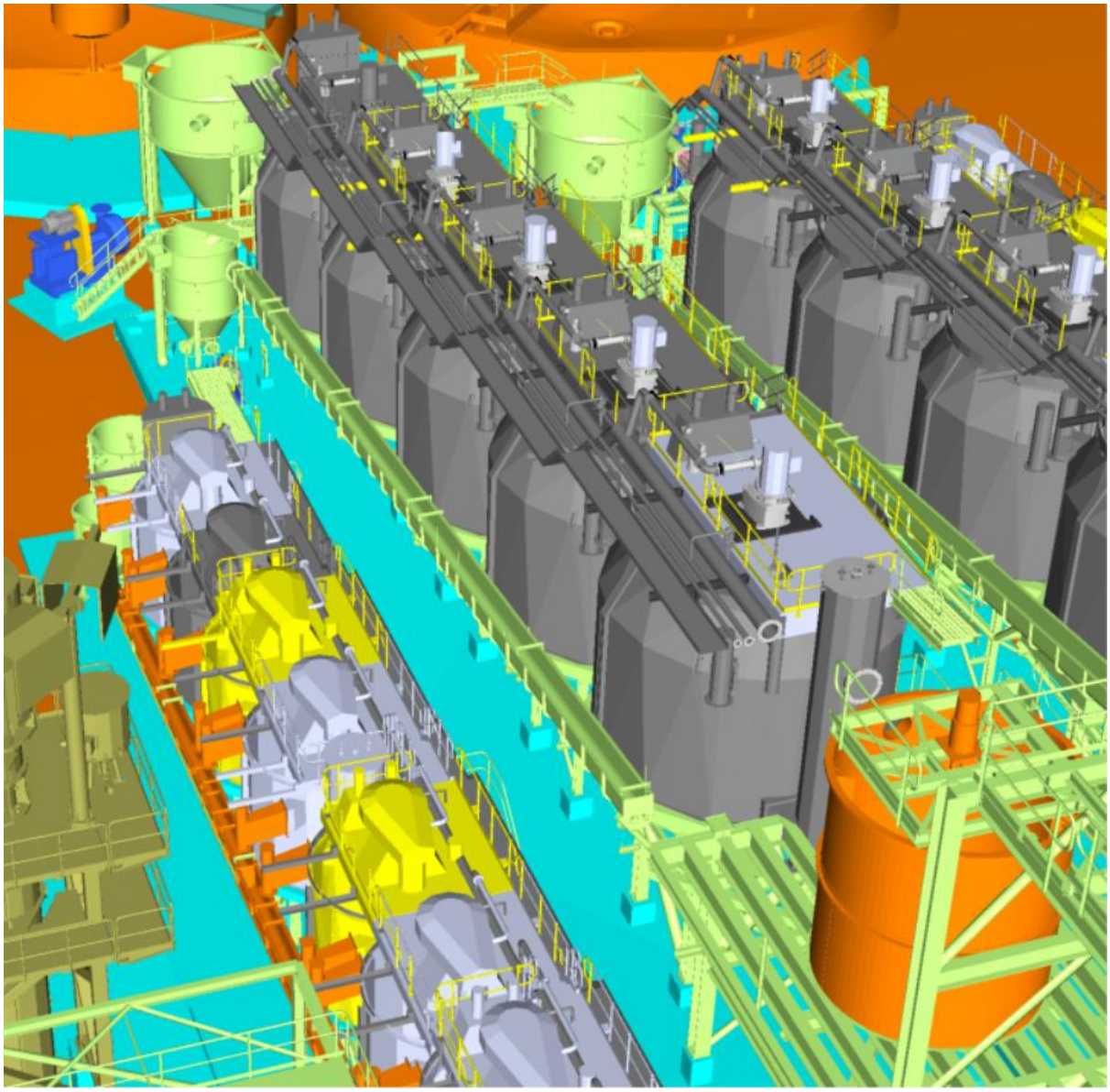


Figure 5 - View of Bulk Rougher Flotation Circuit

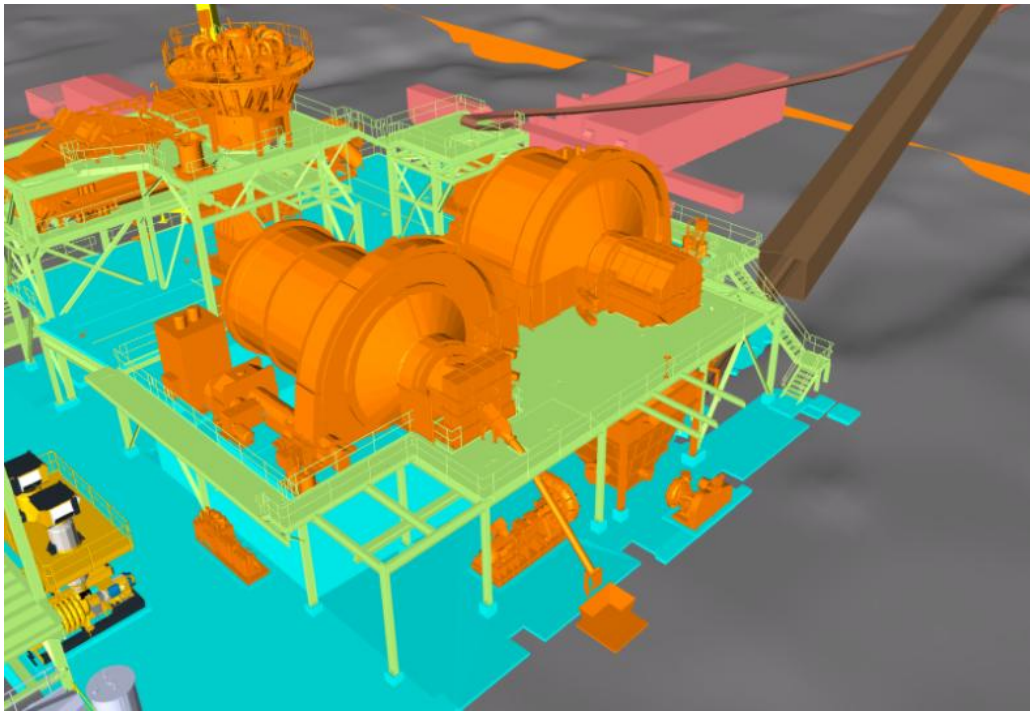


Figure 6 - View of Carbon in Milling Circuit

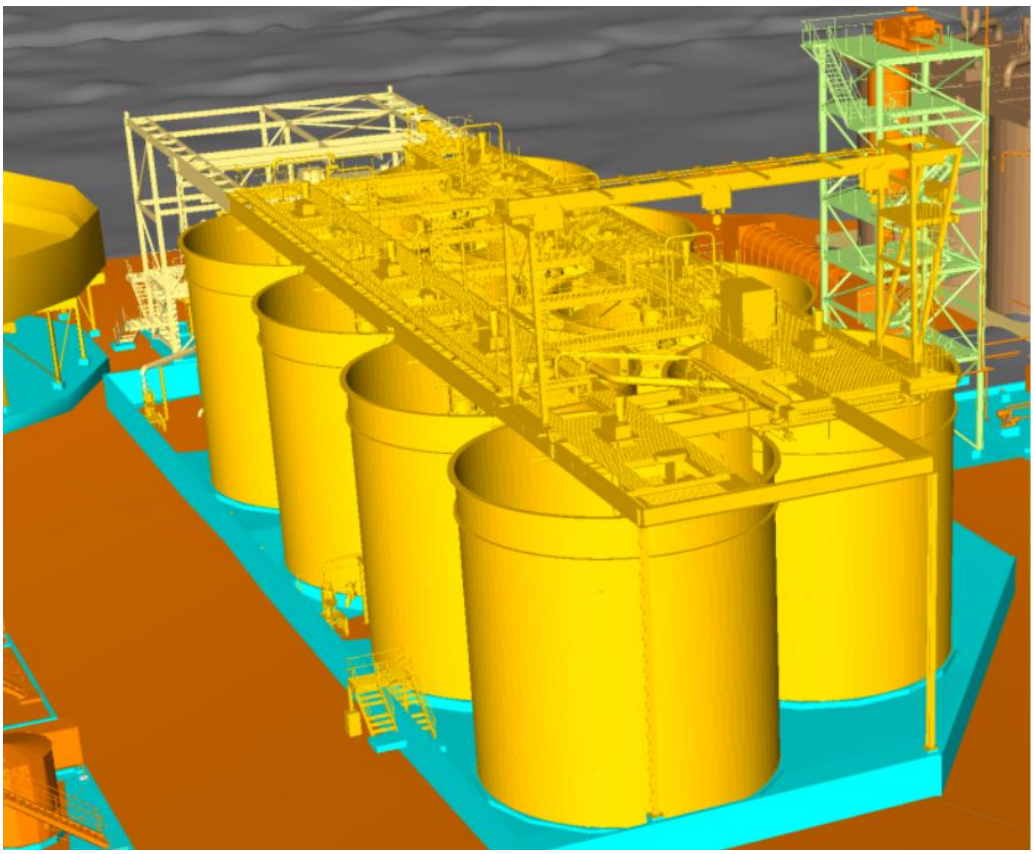


Figure 7 - View of Intensive Leach and Carbon in Leach Circuit

Metallurgical Recoveries

Recovery assumptions used in the financial model are based on the metallurgical testwork programme described in Section 9 of the PFS Summary Report and summarised in Table 10.

Table 10 - Metallurgical Recovery Assumptions by Ore Type and Process Route

Ore Type / Route	Metal	Recovery (%)
Heap Leach (Lutite/Dacite)	Gold	69.7%
Heap Leach (Lutite/Dacite)	Silver	44.8%
Heap Leach (Limestone)	Gold	34.8%
Heap Leach (Limestone)	Silver	48.8%
Bulk Flotation (Ore Type B)	Gold	94.7%
Bulk Flotation (Ore Type B)	Silver	69.0%
Sequential Flotation (Ore Type C)	Gold	92.2%
Sequential Flotation (Ore Type C)	Silver	73.4%
Sequential Flotation (Ore Type C)	Zinc	83.7%

Recent Large Diameter Column testwork

Two additional 90-day column leach tests were completed using a ½" crush size, consistent with the crush size being evaluated for commercial-scale heap leaching. The tests utilised larger diameter columns to better simulate heap leach percolation behaviour and assess the potential for solution flow issues such as preferential channeling or incomplete wetting.

Dacite material was leached in a 6" diameter column. Lutite material was leached in a 3" diameter column. The difference in column diameter was driven by sample availability and laboratory equipment availability at the time of test commencement, noting that column leach tests run for approximately 90 days. There was no strategic or metallurgical basis for the difference in column size.

On completion of leaching, both columns were dismantled and inspected. No dry zones or evidence of preferential solution channeling were observed, indicating uniform percolation throughout the ore columns at a ½" crush size. The recoveries achieved in these larger diameter columns were significantly higher than previous column testwork with recovery of 86% (Au) for 0.27 g/t Au Dacite material and 78% (Au) recovery for 0.16 g/t Au Lutite material.

This outcome is considered technically important, as solution percolation behaviour represents a key scale-up consideration when transitioning from laboratory to potential commercial heap leach operations. The results compare favorably to the PFS recovery estimate of 69.7% for gold.

Capital Costs

The capital cost estimate was for the Process Plant, Heap Leach Facility, On-site and Off-site Project Infrastructure and Project Closure layout was completed by Ausenco. Ausenco applied a 25% contingency to capital costs. Mining Fleet capital was derived from complete vendor quotes for all mining and ancillary fleet thus no contingency was applied. Owner's cost were estimated by CEL based on scaling up existing owners costs for toll milling. There was limited use of benchmarking, with costs generally sourced from vendor quotes/indicative prices or detailed first principle cost analysis using vendor quotes based on the preliminary project design. Where benchmarking was used to provide any capital costs the primary source was from Ausenco databases. Where benchmarking has been used to provide capital cost estimates this has been specifically stated.

Table 11 - Capital Cost by Facility and Type

Description	Initial Total (US$M)	SUSEX / EXPANSION Total (US$M)	TOTAL (US$M)
MINING			
Pioneering	6.01	3.82	9.82
Preproduction Mining	63.78	0.00	63.78
Surface Mining Fleet – included in OPEX	0.00	0.00	0.00
Waste Rock Storage - Included in Mining	0.00	0.00	0.00
Subtotal MINING	**69.79**	**3.82**	**73.61**
PROCESS PLANT			
Crushing, Stockpile and Reclaim	0.00	12.31	12.31
Grinding	0.00	28.64	28.64
Bulk Flotation	0.00	31.34	31.34
Zinc Flotation	0.00	19.83	19.83
Leaching and Tailings	0.00	19.56	19.56
Gold Recovery	8.73	0.00	8.73
Reagents	5.77	0.00	5.77
Process Plant Services	4.32	0.00	4.32
Subtotal PROCESS PLANT	**18.81**	**111.67**	**130.48**
HEAP LEACHING			
Crushing Circuit 1	23.21	0.00	23.21
Crushing Circuit 2	23.02	0.00	23.02
Crushed Product Handling	9.87	0.00	9.87
Heap Leach Pad	4.98	1.27	6.25
Intermediate Leach Solution (ILS)	1.48	0.00	1.48
Pregnant Leach Solution (PLS)	0.83	0.00	0.83
Carbon Management	1.11	0.00	1.11
Barren Leach Solution (BLS)	2.03	0.00	2.03
CIS Circuit and Services	15.01	0.00	15.01
Subtotal HEAP LEACHING	**81.54**	**1.27**	**82.81**
ON SITE INFRASTRUCTURE			
Bulk Earthworks	6.64	0.00	6.64
HV Power Distribution	0.00	17.97	17.97
Fuel Storage	0.01	0.00	0.01
Water Supply, Management & Treatment	4.05	0.00	4.05
TSF Embankment	0.00	18.63	18.63

TSF Delivery	0.00	4.69	4.69
TSF Water Reclaim	0.00	1.34	1.34
On-Site Infrastructure Buildings	6.57	0.00	6.57
Mobile Equipment (non-mining)	1.56	3.01	4.57
Power Generation	4.35	0.00	4.35
Subtotal ON SITE INFRASTRUCTURE	**23.19**	**45.63**	**68.82**
OFF SITE INFRASTRUCTURE			
Access Roads	0.00	7.90	7.90
Substation Tie-In	0.00	1.51	1.51
Overhead Powerline	0.00	31.98	31.98
Subtotal OFF SITE INFRASTRUCTURE	**0.00**	**41.39**	**41.39**
PROJECT INDIRECTS			
Temporary Construction Facilities and Services	2.27	2.54	4.81
Worker Housing Facilities (Inc in G&A Costs)	0.00	0.00	0.00
Vendor Representatives	0.38	0.51	0.89
Contractor Commissioning Assistance	0.85	0.67	1.52
Spares	3.67	2.89	6.56
First Fills	1.33	3.29	4.62
Subtotal PROJECT INDIRECTS	**8.51**	**9.90**	**18.40**
PROJECT DELIVERY			
EPCM Labour and Expenses	17.66	21.48	39.14
Commissioning - inc in EPCM Costs	0.00	0.00	0.00
Subconsultants - inc in EPCM Costs	0.00	0.00	0.00
Subtotal PROJECT DELIVERY	**17.66**	**21.47**	**39.14**
OWNER'S COSTS			
Owner's Costs	12.07		12.07
Closure		50.00	50.00
Subtotal OWNER'S COSTS	**12.07**	**50.00**	**62.07**
PROVISIONS			
Contingency	35.35	51.71	87.06
FOREX - Excluded	0.00	0.00	0.00
Escalation - Excluded	0.00	0.00	0.00
Subtotal PROVISIONS	**35.35**	**51.71**	**87.06**
TOTAL	**266.92**	**336.86**	**603.78**

Capital Costs are shown in Table 11. A significant advantage of the Base case which is a Heap Leach startup followed by the main flotation plant commencing production 2 years later is that it significantly reduces up-front capex requirements and allows Challenger to sequence construction while ensuring fast-tracked cash flows from the heap leach. Initial Capex, and sustaining Capex includes a contingency of 25%.

Total Life of Mine Capex of US$604M:

- Up-Front Capex US$267M including US$35M contingency and US$64M in pre-production mining costs;
- Expansion Capital of US$268M including contingency of US$51M for the flotation plant, TSF, associated infrastructure and connection to the power grid;
- Sustaining Capital of US$69M including US$50M mine closure costs.

Operating Costs

Basis of Estimate

The operating cost estimate covers the combined 1.5 Mtpa Process Plant and 8.0 Mtpa Heap Leach operation for the full life of mine, from Year-1 to Year-14 (approximately 14.25 years of processing). The process cost estimate is structured using the project Work Breakdown.

The cost estimate is presented in Q1 2026 US dollars with no escalation applied. Processing costs were prepared by Ausenco. Mining costs were completed by Fuse/CEL. G&A operating costs were compiled by Challenger from the company's first principle labour using actual costs from toll milling which have been scaled for the standalone headcount.

Table 12 summarises the LOM operating cost estimate by category.

Table 12 - Hualilan Project LOM Operating Cost Estimate

OPEX Cost Category	LOM Total (US$M)	LOM Cost per Tonne (US$/t)
Processing – Overall Combined	**610.3**	**7.00**
– 1.5 Mtpa Process Plant	331.5	18.27
– 8.0 Mtpa Heap Leach	278.8	4.04
8 Mt/a Heap Leach (run at design capacity)		3.48
Total Mining (all categories)	**$2,439.3**	**$2.42**
Mining	**2,255.7[1]**	**$2.24**
General and Administration	183.6	$0.18

[1] includes $86.3 million of capitalised costs associated with non-processed inventory

Open Pit Mining Costs

An Operational Expenditure (OPEX) cost estimate for the Hualilan Project has been developed as a comprehensive, bottom-up model integrating mining, processing, and general and administration costs over the life of mine. The estimate is structured using a detailed Work Breakdown Structure (WBS), ensuring alignment between engineering design, mine scheduling, and cost allocation.

A key strength of the estimate is the highly granular and activity-based approach adopted for mining costs. Costs are modelled at the individual equipment level, with consumption-based inputs (fuel, tyres, ground engaging tools, lubricants, and explosives) directly linked to operating hours, while time-based costs (labour, maintenance support, and overheads) are applied based on equipment utilisation. This approach provides a transparent and dynamic representation of operating costs, reflecting both equipment activity and lifecycle effects.

Summaries of the mining cost by fleet sub-groups for the owner operated cost model are shown in Chart 8Chart 8 - Mining cost by functional area.

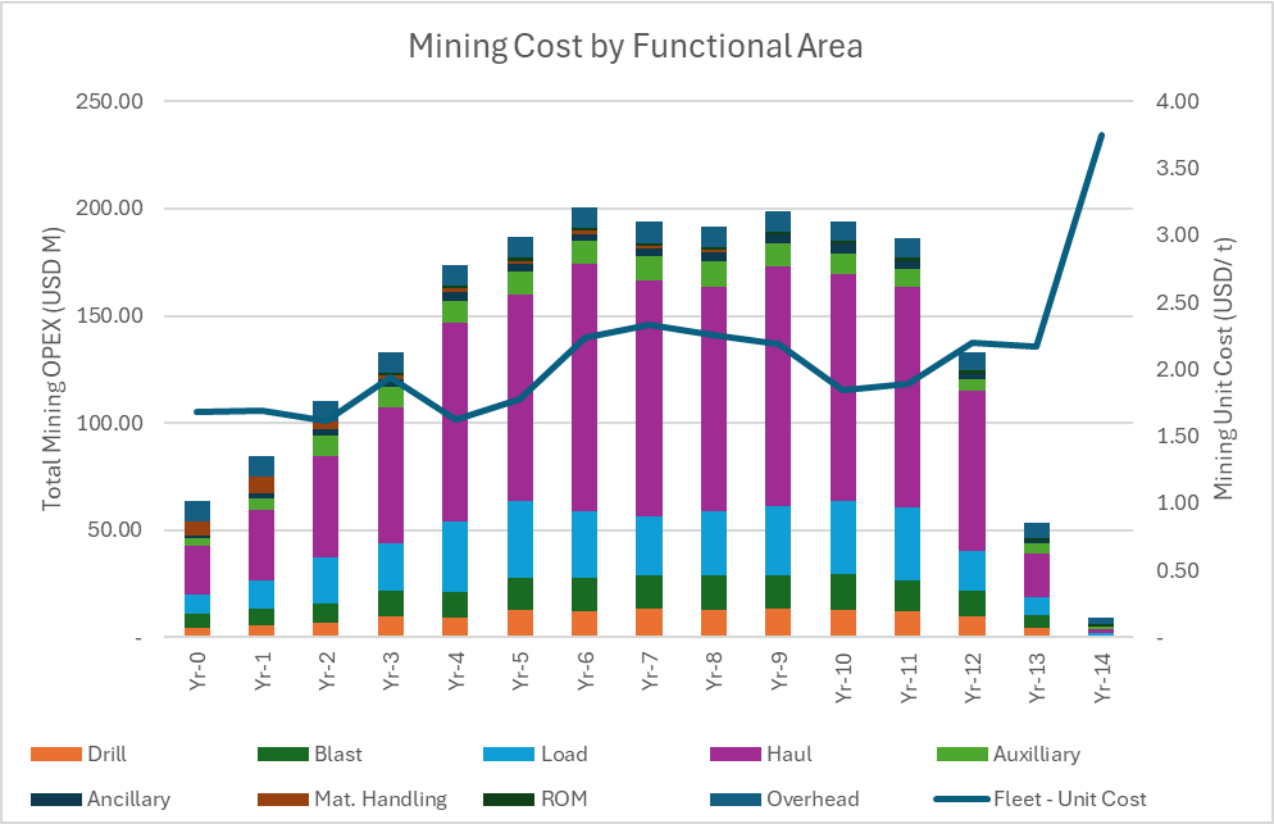


Chart 8 - Mining cost by functional area

The preferred mining contractor has undertaken a detailed review of CEL's detailed mining cost model and provided Challenger with indicative parameters to support the contract mining scenario within the PFS. These parameters were used by the contract mining partner for a contractor price to be derived.

The approach involved the application of a set of efficiency gain factors to the owner-operated base cost, and then applying an appropriate contractor margin. This method is consistent with industry practice for PFS-level contract mining.

Mining operating costs are estimated at approximately US$2.24 per tonne mined over 1,007 million tonnes of total material movement by an international mining contractor. Haulage represents the dominant cost component, accounting for the largest share of operating expenditure, followed by loading, drilling, and blasting activities. The cost model incorporates OEM-derived consumption rates and detailed maintenance schedules, including repair and maintenance planning (RAMP) data, ensuring that cost assumptions reflect realistic operating conditions and equipment performance over time.

Processing Costs

Process Design Basis

- The operating cost estimate uses the following design basis:
- Process Plant: 1.5 Mt/year throughput; crushing at 6,132 hr/year; grinding and flotation at 8,000 hr/year; zinc sequential flotation campaign at 2,000 hr/year (one quarter per year).
- Heap Leach: 8 Mt/year throughput (two 4 Mtpa crushing trains); each train at 5,694 hr/year crushing; heap irrigation availability at 8,322 hr/year.

Costs are calculated on a quarterly basis from the mine schedule and aggregated to annual figures, capturing variations in throughput and ore type across the LOM.

Processing Cost Structure — Fixed and Variable

Processing costs are classified into fixed costs (labour, general maintenance, mobile equipment) and variable costs (power, maintenance consumables, reagents and consumables, heap leach haulage, and laboratory analysis). The breakdown at the design throughput basis is summarised in Table 13.

Table 1- Fixed and Variable Processing OPEX Breakdown

Cost Breakdown	LOM Total Cost (M USD)	LOM Cost per Tonne (USD/t)
Fixed Costs		
Labour	39.69	2.19
General Maintenance	21.34	1.18
Mobile Equipment	7.30	0.40
Sub-total – Fixed Costs	**68.32**	**3.77**
Variable Costs		
Power	87.68	4.83
Maintenance Consumables	49.54	2.73
Reagents and Operating Consumables	121.13	6.68
Laboratory Analysis	4.84	0.27
Sub-total – Variable Costs	**263.19**	**14.51**
Total - Process Operating Costs	**331.5**	**18.27**

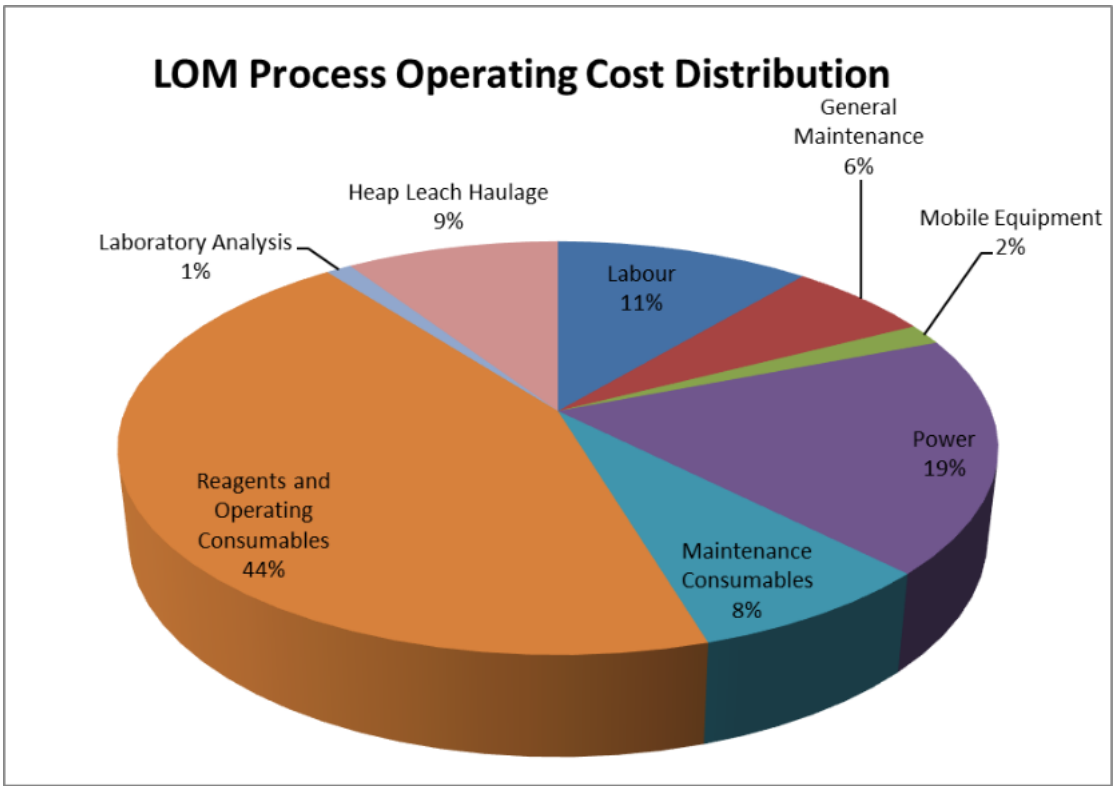


Chart 9 - LOM process operating cost breakdown

General and Administrative

General and Administrative (G&A) costs are compiled by Challenger from the company's labour cost model developed during toll milling operations. The peak total project headcount is 901 people (including 298 in open pit mining, 92 in processing, 64 in maintenance, 182 contractors, and 265 in G&A business units). A maximum of 308 accommodation rooms are required. The existing 62-bed on-site camp module is held under a rent-to-buy agreement (deposit US$206,000; monthly rental US$56,000; final option US$315,000). Four additional 62-bed modules will be required under the same terms. Total camp module costs of US$9.5M are included in G&A. Camp services (meals, utilities, transfers, internet) are US$47.16 per person on site per day. Total mining related G&A over the LOM is US$137.9M..

Key G&A cost items outside of mining labour and camp include: on-site ambulance and H&S personnel (US$4.9M), PPE (US$4.1M), environmental monitoring — biological, air and water quality (US$2.0M), software licences and IT (US$2.6M), and MRM/geology software and supplies (US$2.4M). The G&A cost components predominantly include labour, administrative and miscellaneous costs associated with the Finance, IT, Supply Chain, Warehouse, Human Resources, Camp Administration/ Maintenance, Health, Safety, Training, Security, Environment, Permitting, Government and Community Affairs, Communications, and Executive (General Management) functions. The other cost items account for an additional US$45.8 increasing total G&A costs to US$183.7M over the LOM.

Project Risks and Opportunities

Project Opportunities

Multiple opportunities have been identified which have potential to significantly improve the technical and financial outcomes reported in the PFS. These Project enhancement opportunities have been outlined starting page 3 of this ASX release.

Project Risks

A comprehensive risk assessment was undertaken to evaluate the technical, environmental, social, financial, and geopolitical risks associated with the Hualilan Project. The results of this risk assessment are summarised in Table 14. The assessment applies a structured matrix-based methodology, characterizing each risk by likelihood and consequence across four dimensions: Health, Safety and People; Environment; Financial; and License to Operate. Likelihood ratings range from Rare to Almost Certain. The combined evaluation provides risk rankings from Low to Extreme. This section summarises the key findings across each risk profile, identifies the principal opportunities available to the project, and outlines specific residual risks requiring attention in the Feasibility Study.

Table 14 - Project Risk Assessment Summary

Risk Category	Overall Rating	Key Risks	Principal Mitigations
Geology & Resource	Low	MRE uncertainty, resource classification limits on schedule	Competent-person standards, certified labs, peer-reviewed modelling, Inferred material limits (30% HL / 20% mill)
Geotechnical	Low	Pit slope instability, waste dump failure	Geotechnical monitoring, expert design reviews, controlled blasting, structured inspection
Hydrology & Groundwater	Low–Medium	Pit flooding, unexpected groundwater inflows	Diversion channels, engineered drainage, groundwater monitoring wells, water management contingency plans
Mining & Processing Performance	Medium	Dilution, ore loss, throughput variability, metallurgical recovery	Enhanced grade control, modern planning software, comprehensive metallurgical testwork, preventive maintenance, workforce training, utilization of an experienced mining contractor
Supply Chain	HIGH	Critical parts availability constraints; limited warehouse capacity	Long-term supplier agreements, expanded warehouse, critical spares classification
TSF Integrity	Low (consequence severe)	Seepage, instability	ANCOLD design standard, independent engineering oversight, geotechnical and hydrological monitoring
Environmental	Low–Medium	Biodiversity, water quality, dust, noise	Biodiversity monitoring, water recycling, dust suppression, runoff capture, ongoing monitoring programmes
Social & Licence to Operate	Low–Medium	Cultural heritage, community employment expectations	Archaeological assessments, stakeholder engagement, local hiring strategy, AOMA engagement,
Currency & Exchange Rate	HIGH	Peso instability; USD/ARS volatility	USD-denominated contracting, disciplined treasury management; exchange controls now effectively lifted (parity rates)
Concentrate Payabilities	HIGH	Limited buyer diversification for zinc concentrate	Diversified offtake agreements; engage multiple international smelter and trader counterparties
Capex Escalation	Medium	Argentine inflation, labour cost escalation	Conservative modelling, competitive procurement, hedging, vendor financing agreements, contractor supplied mining equipment

Access to Capital	Medium (Major consequence)	Financing availability and cost	Ongoing investor engagement, range of non-dilutive finance options explored, contingency financing strategies
Political / Expropriation	Low–Medium	Policy change, expropriation	RIGI 30-year fiscal stability; strong governance; anti-corruption systems; government engagement
Country / Sovereign Risk	Medium–High	Sovereign default, energy/transport infrastructure	Fiscal stability agreements, contingency planning, infrastructure redundancy, insurance, active government engagement
Industrial Relations / Labour	Medium	AOMA bargaining leverage; wage indexation; labour litigation; LCL policy change	Early AOMA engagement; indexed wage assumptions; robust HR practices; ART coverage; monitor Ley de Bases implementation
Structural Engineering	Medium	Geotechnical investigation on Process Plant site + seismic structural analysis tbc	Geotechnical investigation in FS; seismic design analysis in detailed engineering
Gold Price Risk	HIGH	Significant fall in the gold price could render the PFS open pit mine plan less economic	Significant Open-pit / underground optimisation flexibility in a falling gold price environment: • MSO (Mineable Stope Optimiser) analysis indicates ~18 Mt at ~2.3 g/t Au (plus Ag and Zn credits) potentially stopeable at US$2,500/oz Au, generating ~US$1.9Bn NSR (pre-Capex equivalent). • High strip ratios (>13:1) in final pit phases (~35% of total material) compared to the average strip of 5:1 excluding these final phases reinforce the optionality to transition to underground or hybrid development in lower gold price environments. • During the initial pit optimisation done at US$2,500 the work produced various possible development options ranging from an approximate 350Mt pit with a strip ratio of 3:1, a 500-650Mt pit with strip ratios of 4.5-5.5:1 up to the current pit with a strip ratio of 6.4.

Key Economic Outcomes and Sensitivity Analysis

Financial Results

A financial model was developed by Fuse Advisors for Challenger to allow economic evaluation of the project and assessment of capital structure options including debt carrying capacity. All financial numbers are in US dollars unless otherwise stated.

Development Strategy — Base Case Rationale

The base case development sequence is:

1. Mine capital development and HL facility establishment in Year -1 (pre-production);
2. Heap Leach operations commence in Year-1 at 8 Mtpa;
3. Flotation Plant construction commences ~ after HL start, with 2 year build;
4. Flotation Plant commences processing 2 years after Heap Leach.

This strategy was selected over the alternatives (flotation-first or joint start) for the following reasons:

1. Maximum NPV: HL-first then staged FP construction maximises NPV versus simultaneous or FP-first approaches;
2. Lowest upfront Capex: reduces initial cash drawdown compared to joint or FP-first starts;
3. Lower execution risk: heap leaching is a simpler, lower-tech process with well-understood performance; significant HL operational expertise exists within San Juan Province (all other operating San Juan mines are heap leach operations);
4. Grid connection independence: HL startup can proceed without grid connection (identified as a critical-path schedule risk). Diesel generators installed for HL are repurposed as permanent backup power;
5. Turnkey crushing option: Metso has indicated they can provide full turnkey installation of the HL crushing circuit (over half of HL Capex), leveraging their extensive South American presence.

The base case mine plan includes 80.3% Indicated and 19.7% Inferred material to the flotation plant, and 70% Indicated and 30% Inferred to the heap leach. With produced metal in the production target derived approximately 78.8% by Probable Ore Reserves, and the remaining approximately 21.2% by Inferred Mineral Resources.

An Indicated-only sensitivity demonstrates the project remains economically viable without any Inferred feed, with the Capex oversizing in the base case providing further NPV upside if the plant was to be re-sized for an Indicated-only case.

The Base Case assumptions are outlined in Table 15 over the page.

Base Case Assumptions

Table 2 - Base Case Financial Modelling Assumptions

Parameter	Assumption
Resource Block model	Assumes completion of Toll Milling
Financial model currency	Q1 2026 US dollars; no cost escalation
Base case gold price	US$3,500/oz (fixed LOM) — ~US$1,400/oz below prevailing price at study completion
Silver price	US$58/oz (fixed LOM as a ratio to gold of 60:1)
Zinc price	US$1.35/lb (fixed LOM)
USD/AUD exchange rate	0.70
Corporate income tax (RIGI)	25% (reduced from standard 35% under RIGI regime)
Gold export duty	0% from January 2025 (Decree 563/2025)
Silver and zinc export duty	4.5% (eliminated from Year 3 under RIGI, i.e. from 2031)
Mining royalty	3.0% on recovered gold, silver, and zinc (to San Juan Province)
Community royalty	1.5% on gold, silver, and zinc (community-beneficial Capex items can be offset)
VAT treatment	Exporter regime; effectively net zero (fully refundable); excluded from financial model
Contingency on initial Capex	30%
Accounting treatment of non-processed ore (inventory)	Mined, unprocessed ore held in stockpiles is recognized as inventory on the FS (Financial Statement). This inventory is measured at the lower of cost and Net Realisable Value (NRV) in accordance with AASB 102 (Inventories). At the end of the LOM, any remaining stockpiled ore is assumed to be liquidated based on its estimated NRV, factoring in current market commodity prices and any anticipated final handling or transport costs, rather than being processed through the primary plant.
Dore Refining terms	Payability: 99.95% of settlement assay for both gold and silver. Refining charges: US$0.40 per troy ounce (minimum US$1,500 per shipment) and transportation: US$19,200 per shipment up to 500 kg; US$15/kg additional airfreight above 500 kg.
Zinc concentrate off-take	Transport costs: US$250/t of concentrate. Zinc payability: 85%; Gold payability: 63%; Silver payability: 35%. Treatment/Refining Charges (TC/RC): US$80/t of concentrate
Construction period – Heap Leach	18 months pre-production
Construction period – Process Plant	~24 months (commencing ~ after HL start)
Total mine life	15.25 years (incl. 1 year pre-production); 14.25 years of open pit mining
No hedging, no financing modelled	Pre-tax, ungeared cashflow basis

Financial Outcome

The PFS highlights Hualilan as a robust, large-scale, high-quality development opportunity with:

- Production target of 1.84 Moz of AuEq[1] across a life-of-mine (LOM) of 14 years.
- **Low upfront capital:** Capex is US$203M (including US$35M contingency) plus US$64M pre-production mining costs, including working capital, for total estimated startup capital of US$232M (excl. contingency).
- **The Base Case (US$3,500/oz Au)**: Offers compelling financial metrics and rapid payback of ~2.25 years.
  - Pre-tax NPV_5 of US$1,450M and post-tax NPV_5: US$1,101M; and
  - Forecast post-tax free cashflow of US$1,982M.
  - Payback period of 2.25 years and Pre-tax IRR of 45%.
  - AISC of US$1618/oz produced gold.
- **At Spot Pricing (~US$4,600/oz Au)**: Pre-tax NPV_5 increases to ~US$2.9Bn with IRR of ~82%, demonstrating significant leverage to gold price.
  - Pre-tax NPV_5 of US$2,672M and post-tax NPV_5: US$1,986M; and
  - Forecast post-tax free cashflows of US$3,379M
  - Payback period of 1.25 years and Pre-tax IRR of 83%
  - AISC of US$1602/oz produced gold
- **Robust margins and cash generation**:
  - Base case EBITDA forecast EBITDA of US$3,148M and pre-tax free cash flow of ~US$2,524M.
  - At spot pricing, EBITDA increases to
  - EBITDA of US$5,0078M with Pre-Tax free cash flow of ~US$4,383M.
- **Total Life of Mine Capex of US$604M**:
  - Up-Front Capex US$267M including US$35M contingency and US$67M in pre-production mining costs.
  - Expansion Capital of US$268M including contingency of US$51M for the flotation plant, TSF, associated infrastructure and connection to the power grid.
  - Sustaining Capital of US$69M including US$50M mine closure costs.
  - Capital intensity of <US$1,950/oz of average annual production.
- **Competitive cost structure with further optimisation potential**: AISC of ~US$1,618/oz Au, with potential to reduce to ~US$1,422/oz under an owner-operator mining scenario.
- **Resilient Ore Reserve case**: Ore Reserve (Indicated-only) case delivers robust standalone economics, underpinning the financial strength of the maiden reserve.

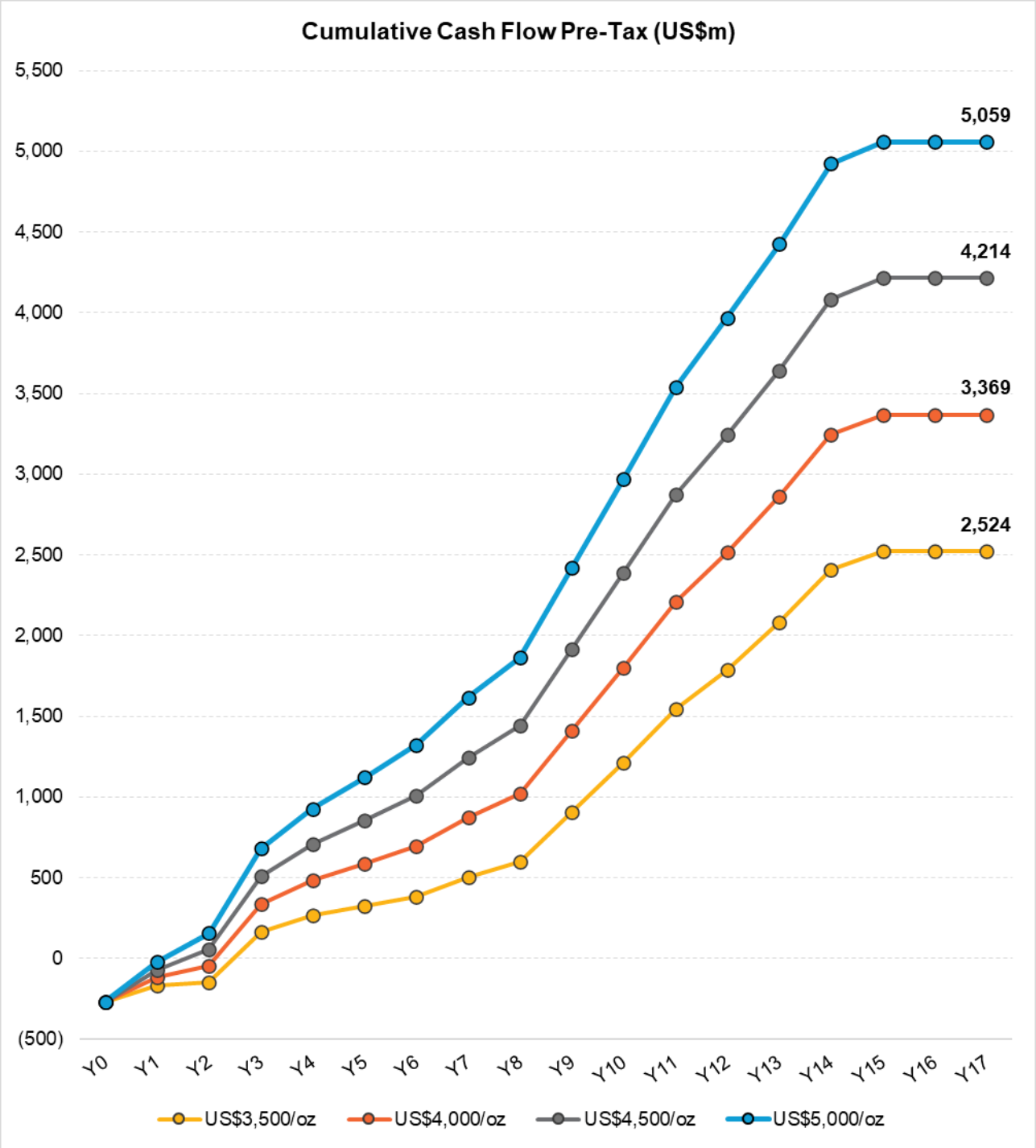


Chart 10 – Cumulative pre-tax cashflow – varying gold price assumptions to be update

Sensitivity Analysis

Table 3 and 17 and Figure 8 illustrate the sensitivities to NPV of base case under varying metal prices, grades, and costs.

Table 3 - Sensitivities to Base Case Pre-Tax NPV

PRE-TAX NPV @ 5%

Zn Metal Price (%)	Au Metal Price (%) (30%)	(15%)	0%	+15%	+30%
(30%)	$321	$869	$1,417	$1,965	$2,513
(15%)	$337	$885	$1,433	$1,981	$2,530
0%	$354	$902	$1,450	$1,998	$2,546
+15%	$371	$919	$1,467	$2,015	$2,563
+30%	$387	$935	$1,483	$2,031	$2,579

Zn Grade (%)	Au Grade (%) (30%)	(15%)	0%	+15%	+30%
(30%)	$330	$877	$1,423	$1,969	$2,515
(15%)	$344	$890	$1,437	$1,983	$2,529
0%	$358	$904	$1,450	$1,996	$2,543
+15%	$371	$917	$1,464	$2,010	$2,556
+30%	$385	$931	$1,477	$2,023	$2,570

Capital Costs (%)	Operating Costs (%) (30%)	(15%)	0%	+15%	+30%
(30%)	$2,208	$1,908	$1,608	$1,308	$1,007
(15%)	$2,133	$1,831	$1,529	$1,227	$925
0%	$2,057	$1,753	$1,450	$1,147	$843
+15%	$1,981	$1,676	$1,371	$1,066	$761
+30%	$1,905	$1,599	$1,292	$986	$680

Table 17 - Sensitivities to Base Case Post-Tax NPV

POST-TAX NPV @ 5%

Zn Metal Price (%)	Au Metal Price (%) (30%)	(15%)	0%	+15%	+30%
(30%)	$225	$666	$1,078	$1,468	$1,866
(15%)	$237	$678	$1,089	$1,479	$1,878
0%	$249	$690	$1,101	$1,491	$1,890
+15%	$262	$702	$1,112	$1,503	$1,902
+30%	$274	$718	$1,123	$1,514	$1,914

Zn Grade (%)	Au Grade (%) (30%)	(15%)	0%	+15%	+30%
(30%)	$232	$672	$1,082	$1,471	$1,868
(15%)	$242	$681	$1,091	$1,480	$1,878
0%	$252	$691	$1,101	$1,490	$1,887
+15%	$262	$704	$1,110	$1,499	$1,897
+30%	$272	$715	$1,119	$1,509	$1,907

Capital Costs (%)	Operating Costs (%) (30%)	(15%)	0%	+15%	+30%
(30%)	$1,674	$1,457	$1,249	$1,037	$798
(15%)	$1,603	$1,384	$1,175	$961	$721
0%	$1,532	$1,311	$1,101	$885	$646
+15%	$1,460	$1,239	$1,026	$810	$567
+30%	$1,389	$1,166	$952	$734	$487

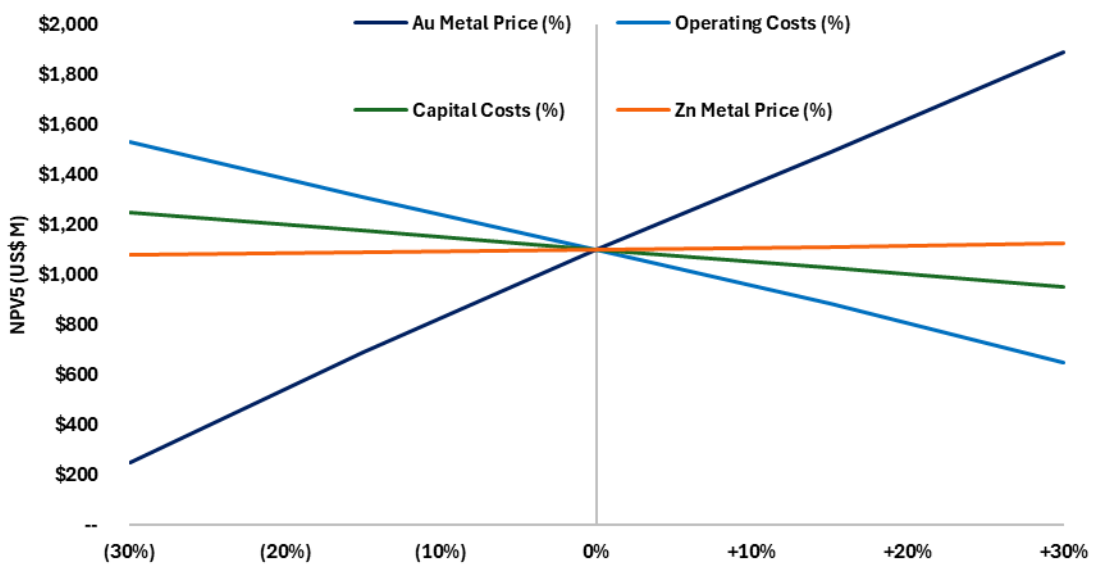


Figure 8 - Base Case Post Tax NPV5 Sensitivity Plot

Financing

The PFS estimates a funding requirement of approximately US$235 million, including working capital, to cover the capital and operating costs from the commencement of plant construction to the end of plant commissioning and the commencement of gold production. It is expected that the funding requirement will be met with a mixture of debt and equity, which will need to be raised prior to project construction commencing.

Challenger holds 100% ownership of the Hualilan Project with only US$15M of unsecured debt, no covenants, and no security held over the project. This clean ownership structure provides maximum flexibility for project financing options. Early-stage discussions with project finance providers in Argentina, the US, and Europe and with international royalty and stream providers have been positive, indicating a range of non-dilutive financing options will be available.

The Company considers there is a reasonable basis to conclude that the project funding will be available when required, on grounds including the following:

- The Project has strong technical and economic fundamentals which are forecast based on the PFS to provide an attractive return on capital investment and generates significant free cashflows at conservative gold prices (well below current spot gold price). This provides a strong platform to source debt and equity funding.
- The Company has a strong track record of raising equity funds as and when. Over the past 12 months the Company has raised A$60 million in two separate placements of A$30 million. Both of these raisings were strongly supported by the Company's largest shareholders.
- The Company has held preliminary discussions with several Project Financiers. All have indicated an interest in potential project financing and access to the Company Data Room during the DFS and in the lead up to FID.

- Additionally, the Company has held discussions with its toll milling dore off-taker regarding off-take of both concentrate and dore for the PFS Base case. As part of these discussions the off-taker has indicated an ability to offer finance by way of either project finance or advance payments for concentrate or dore.

There is, however, no certainty that the Company will be able to source funding as and when required (nor any certainty as to the form such capital raising may take, such as equity, debt, hybrid and/or other capital raising). Typical project development financing would involve a combination of debt and equity. It is also possible that such funding may only be available on terms that may be dilutive to or otherwise affect the value of the Company's existing shares.

ASX Listing Rule 5.16 Requirements

The material assumptions that the production target for the PFS is based on are detailed in the PFS Summary, which is included in this announcement.

The production target for the Ore Reserves is based on Ore Reserves that have been prepared by Competent Persons in accordance with the requirements of the JORC Code (2012).

Cautionary Statement

The PFS documented in this announcement is considered to have a (-20% to +30%) level of accuracy.

The PFS is based on a Mineral Resource estimate (refer to ASX release "CEL Delivers Significant High-Grade Mineral Resource Estimate of 1.6 Moz at 5.0 g/t AuEq within 2.8Moz AuEq at Hualilan" dated 29 March 2023) and a maiden Ore Reserve estimate has been prepared as part of the PFS. The Ore Reserve and Mineral Resource estimates have been prepared by Competent Persons in accordance with the 2012 JORC Code.

The Ore Reserve presented in this PFS is underpinned by Indicated Mineral Resources. Inferred mineral resources have insufficient geological confidence to categorise them as Proven or Probable Ore Reserves and are therefore treated as waste in the calculation of the Ore Reserve. This PFS does contains production targets and forecast financial information for a mine plan which includes the Probable Ore Reserve as well as limited quantities of inferred mineral resources. There is no guarantee that further drilling will lead to upgrading inferred mineral resources to indicated mineral resources. Project economics were tested based on the Ore Reserve alone while treating all inferred material as waste and confirmed that the project has positive economic results.

The PFS is based on the material assumptions outlined in the Summary PFS Report enclosed with this announcement. This includes assumptions about the availability of funding. While CEL considers the material assumptions to be based on reasonable grounds, there is no certainty that they will prove correct or that the range of outcomes indicated by the PFS will be achieved Given the uncertainties involved, investors should not make any investment decisions based solely on the results of the PFS.

This ASX release was approved by the CEL Managing Director Kris Knauer.

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Previous announcements referred to in this release include:

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 Mineral Resource Estimate for the El Guayabo Project was first announced to the ASX on 14 June 2023 and updated on 4 April 2025. 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.

ADDITIONAL INFORMATION

COMPETENT PERSON STATEMENT – EXPLORATION RESULTS AND MINERAL RESOURCES

The information that relates to sampling techniques and data, exploration results, geological interpretation and 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.

COMPETENT PERSON STATEMENT – ORE RESERVES

The information that relates to Ore Reserves has been compiled Grant Carlson, P.Eng., who is not a full-time employee of the Company. Mr. Carlson is a registered professional engineer with Engineers and Geoscientists British Columbia. Mr. Carlson has over 20 years experience in the mining and metals industry and qualifies as a Competent Person as defined in the JORC Code (2012).

Mr. Carlson 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. Mr. Carlson 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.

COMPETENT PERSON STATEMENT – ORE RESERVES - GEOTECHNICAL CONSIDERATIONS

The information that relates to mining geotechnical considerations has been compiled Dr. Paul Hughes, P.Eng., who is not a full-time employee of the Company. Dr. Hughes is a registered professional engineer with Engineers and Geoscientists British Columbia. Dr. Hughes has over 15 years experience in the mining and metals industry and qualifies as a Competent Person as defined in the JORC Code (2012).

Dr. Hughes 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. Hughes 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.

COMPETENT PERSON STATEMENT – MINERAL PROCESSING, METALLURGICAL TESTING, RECOVERY METHODS

The information that relates to mineral processing, metallurgical testing, recovery methods and the processing operating costs has been compiled by Jeremy Ison, B.Eng. (Metallurgical Engineering), FAusIMM who is employed by Ison Design Pty Ltd and is a consultant metallurgical engineer for the project. Mr Ison is a Fellow of the AusIMM. Mr Ison has over 30 years' experience in the mining and metals industry and qualifies as a Competent Person as defined in the JORC Code (2012).

Mr. Ison 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. Mr Ison 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.

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 of 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 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.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and that all material assumptions and technical parameters underpinning the estimates in the relevant original market announcements continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

HUALILAN MRE

Table 18 - Hualilan 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**

[Note: Some rounding errors may be present]

[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.

JORC Code, 2012 Edition – Table 1 report template Hualilan PFS Study

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*	Rock chip sampling comprises a 3-5 kg sample of specific lithology, alteration or structure, taken as part of regional mapping. Diamond core (HQ3 and NQ3) was cut longitudinally on site using a diamond saw or split using a hand operated hydraulic core sampling splitter. Samples lengths are generally from 0.5m to 2.0m in length (average 1.74m). Sample lengths are selected according to lithology, alteration, and mineralization contacts. For reverse circulation (RC) drilling, 2-4 kg sub-samples from each 1m drilled were collected from a face sample recovery cyclone mounted on the drill machine. Channel samples are cut into underground or surface outcrop using a hand-held diamond edged cutting tool. Parallel saw cuts 3-5cm apart are cut 2-4cm deep into the rock which allows for the extraction of a representative sample using a hammer and chisel. The sample is collected onto a plastic mat and collected into a sample bag. Core, RC, channel samples and rock chip samples were crushed to approximately 85% passing 2mm. A 500g or a 1 kg sub-sample was taken and pulverized to 85% passing 75µm. A 50g charge was analysed for Au by fire assay with AA determination. Where the fire assay grade is > 10 g/t gold, a 50g charge was analysed for Au by Fire assay with gravimetric determination. Visible gold is rarely observed. Coarse gold is not likely to result in sample or assay bias. A 10g charge was analysed for at least 48 elements by 4-acid digest and ICP-MS determination. Elements determined include 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. For Ag > 100 g/t, Zn, Pb and Cu > 10,000 ppm and S > 10%, overlimit analysis was done by the same method using a different calibration. Unused pulps are returned from the laboratory to the Project and stored in a secure location, so they are available for any further analyses. Remaining drill core is stored undercover for future use if required. Stream sediment sampling comprises 1-2 kg of -1mm, +80 um fraction sieved at the sample site, collected from the base of a small pit 20 cm deep. Soil sampling comprises a 1-2 kg sample of soil collected from the base of a small pit at a depth of 20 – 30cm below the surface. Soil samples and stream sediment samples have been pulverised to 85% passing 75µm. A trace level assay by aqua regia digest including 25g gold was done for all samples. Soil sampling for Ionic Leach (ALS) assay comprises a 300 – 500 g soil sample collected from the base of a small pit at 20-30 cm below surface. The pits were dug with clean instruments and the sample collected without the use of metallic surfaces so as to reduce ionic contamination. The ALS Ionic Leach assay method was done

Criteria	JORC Code explanation	Commentary
	disclosure of detailed information.	for all samples. Historic Data: There is little information provided by previous explorers to detail sampling techniques. Selected drill core was cut with a diamond saw longitudinally and one half submitted for assay. Assay was generally done for Au. In some drill campaigns, Ag and Zn were also analysed. There is limited multielement data available. No information is available for RC drill techniques and sampling.
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).*	CEL drilling of HQ3 core (triple tube) was done using various truck and track mounted drill machines that are operated by various drilling contractors based in Mendoza and San Juan. The core has not been oriented as the rock is commonly too broken to allow accurate and reliable core orientation. CEL drilling of reverse circulation (RC) drill holes was done using various track and track-mounted drill machines set up for reverse circulation drilling. Drilling was done using a 5.25 inch hammer bit. Collar details for historic drill holes, CEL DD drill holes and CEL RC drill holes that are used in the resource estimate are detailed in CEL ASX releases: 1 June 2022 (Maiden MRE): https://announcements.asx.com.au/asxpdf/20220601/pdf/459jfk8g7x2mty.pdf and 29 March 2023 (MRE update): https://announcements.asx.com.au/asxpdf/20230329/pdf/45n49jlm02grm1.pdf Collar locations for drill holes are surveyed using DGPS. Three of the DD holes and three of the RC holes have only hand-held GPS collar surveys. Historic Data: Historic drill hole data is archival data which has been cross checked with drill logs and available plans and sections where available. Collar locations have been checked by CEL using differential GPS (DGPS) to verify if the site coincides with a marked collar, tagged drill site or likely drill pad location. In most cases the drill collars coincide with historic drill site, some of which (but not all) are tagged. The collar check surveys were reported in POSGAR (2007) projection and converted to WGS84, UTM projection.
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*	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 and assessing core loss. CEL DD holes collect core in triple tube throughout to maximise core recovery. - 784 CEL diamond drill holes completed have been included in the CEL resource estimate. Some of these holes are located at the edge or outside the resource area. Total drilled is 231,447.10 metres, including cover drilled of 22,949.40 metres (9.9 %). Of the remaining 208,497.70 metres of bedrock drilled, core recovery is 96.8%. RC sub-samples are collected from a rotary splitter mounted to the face sample recovery cyclone. A 2-4 kg sub-samples is collected for each metre of RC drilling. Duplicate samples are taken at the rate of I in every 25-30 samples using a riffle splitter to split out a 2-4 kg sub-sample. The whole sample recovered is weighed to

Criteria	JORC Code explanation	Commentary
	fine/coarse material.	measure sample recovery and consistency in sampling down-hole. - 41 CEL RC drill holes have been used in the CEL resource estimate. Total metres drilled is 4,435m. The channel samples are collected from saw-cut channels and the whole sample is collected for analysis. Channel samples have been weighed to ensure a consistency between sample lengths and weights. There is no correlation between sample length and assay values. - 193 surface and underground channels have been used in the CEL resource estimate. Channels total 2597.70 metres in length. The average weight per metre sampled is 3.7 kg/m which is adequate for the rock being sampled and compares well with the expected weight for ½ cut HQ3 drill core of 4.1 kg/m. A relationship has been observed in historic drilling between sample recovery and Au Ag or Zn values whereby low recoveries have resulted lower reported values. Historic core recovery data is incomplete. 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.*	For CEL drilling, all the core is photographed then logged for recovery, RQD, weathering, lithology, alteration, mineralization, and structure to a level that is suitable for geological modelling, Mineral Resource Estimation and metallurgical test work. RC drill chips are logged for geology, alteration and mineralisation to a level that is suitable for geological modelling and Mineral Resource Estimation. Where possible logging is quantitative. Geological logging is done in MS Excel in a format that can readily be cross-checked. These data are then transferred to a secure, offsite, cloud-based database which holds all drill hole logging sample and assay data. No specialist geotechnical logging has been undertaken. Detailed logs are available for most of the historical drilling. Some logs have not been recovered. No core photographs from the historic drilling have been found. No drill core has survived due to poor storage and neglect. No historic RC sample chips have been found.
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*	CEL samples have been submitted to the MSA laboratory in San Juan, the ALS laboratory in Mendoza and the SGS laboratory in San Juan for sample preparation. The sample preparation technique is considered appropriate for the style of mineralization present in the Project. Sample sizes are appropriate for the mineralisation style and grain size of the deposit. Sample intervals are selected based on lithology, alteration, and mineralization boundaries. Representative samples of all of the core are selected. Sample length averages 1.74m. Second-half core or ¼ core samples

Criteria	JORC Code explanation	Commentary
	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.*	have been submitted for a mineralised interval in 1 drill hole only and for some metallurgical samples. The second half of the core samples has been retained in the core trays for future reference. Competent drill core is cut longitudinally using a diamond saw for sampling of ½ the core. Softer or broken core is split using a wide blade chisel or a manual core split press. The geologist logging the core, marks where the saw cut or split is to be made to ensure half-core sample representivity. From GNDD073 and later holes, duplicate core samples consisting of two ¼ core samples over the same interval have been collected approximately every 30-50m drilled. Summary duplicate core sample assay results are shown below:

	count	RSQ	mean		median		variance	
			original	duplicate	original	duplicate	original	duplicate
Au (ppm)	3,640	0.960	0.075	0.075	0.007	0.006	0.619	0.790
Ag (ppm)	3,640	0.696	0.52	0.48	0.16	0.16	7.75	3.47
Cd (ppm)	3,640	0.979	1.31	1.22	0.08	0.08	155.53	139.52
Cu (ppm)	3,640	0.451	14.80	13.87	3.50	3.50	4141.12	2383.63
Fe (%)	3,640	0.990	2.016	2.015	1.705	1.710	3.77	3.79
Pb (ppm)	3,640	0.940	63.3	61.1	13.6	13.4	1.88E+05	2.64E+05
S (%)	3,640	0.973	0.330	0.327	0.140	0.140	0.34	0.32
Zn (ppm)	3,640	0.975	250	238	73	72	3.67E+06	3.40E+06

RSQ = R squared

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

Summary duplicate RC sample assay results are shown below:

	count	RSQ	mean		median		variance	
			original	duplicate	original	duplicate	original	duplicate
Au (ppm)	93	0.796	0.126	0.162	0.017	0.015	0.075	0.138
Ag (ppm)	93	0.692	1.72	2.36	0.66	0.63	12.59	59.12
Cd (ppm)	93	0.989	14.57	15.33	0.46	0.48	3841	4344
Cu (ppm)	93	0.975	45.92	51.38	6.00	5.80	2.2E+04	2.9E+04
Fe (%)	93	0.997	1.472	1.499	0.470	0.490	7.0	7.0
Pb (ppm)	93	0.887	280.9	331.0	33.0	38.0	5.5E+05	6.9E+05
S (%)	93	0.978	0.151	0.163	0.020	0.020	0.084	0.098
Zn (ppm)	93	0.977	3181	3030	158	177	2.3.E+08	1.9.E+08

Criteria	JORC Code explanation	Commentary
		RSQ = R squared 45 duplicate channel sample assays have been collected from the underground and surface sampling program. These data show more scatter due to the impact of near surface weathering. Summary duplicate channel sample assay results are shown below:

	count	RSQ	mean		median		variance	
			original	duplicate	original	duplicate	original	duplicate
Au (ppm)	45	0.296	1.211	2.025	0.042	0.039	8.988	23.498
Ag (ppm)	45	0.037	8.42	23.25	1.09	1.22	177.31	3990.47
Cd (ppm)	45	0.373	124.23	77.85	7.54	7.80	61687.10	26171.51
Cu (ppm)	45	0.476	713.23	802.79	46.20	37.40	2.8E+06	3.0E+06
Fe (%)	45	0.428	4.266	5.745	1.390	1.560	44.4	107.0
Pb (ppm)	45	0.007	955.4	3776.0	75.3	60.7	3.5E+06	3.0E+08
S (%)	45	0.908	1.307	1.432	0.040	0.030	14.294	16.234
Zn (ppm)	45	0.509	15117	12684	1300	763	8.8.E+08	5.2.E+08

RSQ = R squared

Quality of assay data and laboratory tests	• *The nature quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools spectrometers handheld XRF instruments etc the parameters used in determining the analysis including instrument make and model reading times calibrations factors applied and their derivation etc.* • *Nature of quality control procedures adopted (eg standards blanks duplicates external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.*	The MSA laboratory used for sample preparation in San Juan was inspected by CEL representatives prior to any samples being submitted. The laboratory was also visited periodically during sample preparation. The laboratory procedures are consistent with international best practice and are suitable for samples from the Project. The SGS laboratory in San Juan and the ALS laboratory in Mendoza has not been inspected by CEL representatives. Each laboratory presents internal laboratory standards for each job to gauge precision and accuracy of assays reported. Blanks: CEL have used two different blank samples, submitted with drill core and RC samples and subjected to the same preparation and assay as the core samples, RC sub-samples and channel samples. The blank samples used are sourced from surface gravels in the Las Flores area of San Juan and from a dolomite quarry near San Juan. Commonly, the blank samples are strategically placed in the sample sequence immediately after samples that were suspected of containing higher grade Au, Ag, S or base metals to test the lab preparation and contamination procedures. The values received from the blank samples suggest rare cross contamination of samples during sample preparation. CRM: For GNDD001 – GNDD010 samples analysed by MSA in 2019, three different Certified (standard) Reference Material pulp samples (CRM) with known values for Au Ag Pb Cu and Zn were submitted with samples of drill core to test the precision and accuracy of the analytic procedures MSA laboratory in Canada. 26 reference analyses were analysed in the samples submitted in 2019. The standards demonstrate suitable precision and accuracy of the analytic process. No systematic bias is observed. For drill holes from GNDD011 plus unsampled intervals from the 2019 drilling, 17 different multi-element CRMs with known values for Au Ag Fe S Pb Cu and Zn were used and 7 different CRMs with known values for Au only

Criteria	JORC Code explanation	Commentary
		have been used. In the results received to date there has been no systematic bias is observed. The standards demonstrate suitable precision and accuracy of the analytic process. Rock chip sample batches include duplicate rock chip samples taken at approximately 1:30 samples, CRM standards included at approximately 1:30 samples and blank rock samples (as for drill core) included at approximately 1:30 samples. Soil samples and stream sediment samples for trace level aqua regiia and Au (25g) analysis include duplicate samples taken approximately 1:30 samples and CRM standards included at approximately 1:30 samples. Soil samples for Ionic Leach assay include duplicates at approximately 1:30 samples.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data entry procedures data verification data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	Final assay analyses and certificates are received by digital file in PDF and CSV format. There is no adjustment made to any of the assay values received. The original files are backed-up and the data copied into a cloud-based drill hole database, stored offsite from the project. The data is remotely accessible for geological modelling and resource estimation. Assay results summarised in the context of this report have been rounded appropriately to 2 significant figures. No assay data have been otherwise adjusted. Replicate assay of 186 coarse reject samples from 2019 drilling has been done to verify assay precision. Original core samples from the 2019 DD drilling were analysed by MSA (San Juan preparation and Vancouver analysis). Coarse reject samples were analysed by ALS (Mendoza preparation and Vancouver analysis). The repeat laboratory preparation and analytic technique was identical to the original. The repeat analyses correlate very closely with the original analyses providing high confidence in precision of results between MSA and ALS. A summary of the results for the 186 sample pairs for key elements is provided below:

	Mean		Median		Std Deviation		
Element	**MSA**	**ALS**	**MSA**	**ALS**	**MSA**	**ALS**	**Correlation coefficient**
Au (FA and GFA ppm)	4.24	4.27	0.50	0.49	11.15	11.00	0.9972
Ag (ICP and ICF ppm)	30.1	31.1	5.8	6.2	72.4	73.9	0.9903
Zn ppm (ICP ppm and ICF %)	12312	12636	2574	2715	32648	33744	0.9997
Cu ppm (ICP ppm and ICF %)	464	474	74	80	1028	1050	0.9994
Pb ppm (ICP ppm and ICF %)	1944	1983	403	427	6626	6704	0.9997
S (ICP and ICF %)	2.05	1.95	0.05	0.06	5.53	5.10	0.9987
Cd (ICP ppm)	68.5	68.8	12.4	12.8	162.4	159.3	0.9988
As (ICP ppm))	76.0	79.5	45.8	47.6	88.1	90.6	0.9983
Fe (ICP %)	4.96	4.91	2.12	2.19	6.87	6.72	0.9994

Criteria	JORC Code explanation	Commentary

REE (ICP ppm)	55.1	56.2	28.7	31.6	98.2	97.6	0.9954

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

Replicate assay of 192 coarse reject samples from the 2021 drilling has been done to verify assay precision. Original core samples from the 2021 DD drilling were analysed by SGS Laboratories (San Juan preparation and Lima analysis). Coarse reject samples were prepared and analysed by ALS (Mendoza preparation and Lima analysis). The repeat analysis technique was identical to the original. Except for Mo (molybdenum), the repeat analyses correlate closely with the original analyses providing confidence in precision of results between SGS and ALS. A summary of the results for the 192 sample pairs for key elements is provided below:

		Mean		Median		Std Deviation		
Element	**count**	**SGS**	**ALS**	**SGS**	**ALS**	**SGS**	**ALS**	**Correlation coefficient**
Au (FA and GFA ppm)	192	1.754	1.680	0.432	0.441	20.8	21.5	0.9837
Ag (ICP and ICF ppm)	192	12.14	11.57	0.93	1.03	7085	5925	0.9995
Zn (ICP and ICF ppm)	192	6829	7052	709	685	4.54E+08	5.34E+08	0.9942
Cu (ICP and ICF ppm)	192	203.4	202.9	25.7	24.5	3.30E+05	3.35E+05	0.9967
Pb (ICP and ICF ppm)	192	1768	1719	94.7	91.6	5.04E+07	4.39E+07	0.9959
S (ICP and ICF %)	192	2.23	2.10	0.94	0.87	16.51	15.56	0.9953
Cd (ICP ppm)	192	43.9	42.4	4.1	4.0	19594	18511	0.9956
As (ICP ppm))	192	45.4	45.2	16.0	16.9	10823	9893	0.9947
Fe (ICP %)	189	3.07	3.30	2.38	2.31	4.80	9.28	0.9781
REE (ICP ppm)	192	63.5	72.8	39.4	44.3	3414	4647	0.9096
Mo (ICP and ICF ppm)	192	7.69	1.68	6.74	0.97	85.83	10.33	0.3026

Values below detection were set to half the detection limit
Limit of detection for Fe was exceeded for 3 samples submitted to SGS with no overlimit analysis
REE is the sum off Ce, La, Sc, Y. Vaues below detection were set at zero.

Replicate assay of 140 pulp reject samples from the 2022 drill (parts of drill holes GNDD654 and GNDD666) was done to check assay precision. The original pulps were analysed by MSA laboratories (San Juan preparation

Criteria	JORC Code explanation	Commentary

and Vancouver, Canada analysis). Replicate pulps were analysed by ALS (Lima, Peru). The analytic techniques were identical at both laboratories.

Element	count	Mean		Median		Std Deviation		Correlation coefficient
		SGS	ALS	SGS	ALS	SGS	ALS	
Au (FA ppm)	140	0.27	0.30	0.01	0.02	0.98	1.05	0.9829
Ag (ICP ppm)	140	1.16	1.14	0.16	0.16	6.15	6.31	0.9965
Zn (ICP ppm)	140	555	565	50	56	2471	2469	0.9996
Pb (ICP ppm)	140	92.3	95.4	13.6	13.5	338	351	0.9977
S (ICP %)	140	0.64	0.61	0.17	0.17	1.22	1.12	0.9982
Fe (ICP %)	140	1.62	1.59	0.64	0.66	1.91	1.88	0.9991

CEL has sought to twin and triplicate some of the historic and recent drill holes to check the results of previous exploration. A preliminary analysis of the twin holes indicates similar widths and grades for key elements assayed.

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 marked and surveyed using a differential GPS (DGPS) relative to a nearby Argentinian SGM survey point. The collars have been surveyed in POSGAR 2007 zone 2 and converted to WGS84 UTM zone 19s. Following completion of the channel sampling, the location of the channel samples is surveyed from a survey mark at the entrance to the underground workings, located using differential GPS. 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 survey equipment according to the proposed hole design. Diamond core drill holes up to GNDD390 are surveyed down-hole at 30-40m intervals down hole using a down-hole compass and inclinometer tool. RC drill holes and diamond core holes from GNDD391 were continuously surveyed down hole using a gyroscope to avoid magnetic influence from the drill string and rocks. The gyroscope down-hole survey data is recorded in the drill hole database at 10m intervals. Ten diamond drill holes have no down hole survey data due to drill hole collapse or blockage of the hole due to loss of drilling equipment. These are GNDD036, 197, 212, 283, 376, 423, 425, 439, 445 and 465. For these holes, a survey of the collar has been used with no assumed deviation to the end of the hole. 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. In addition, AWD3D DTM model with a nominal 2.5 metre precision has been acquired for the project and greater surrounding areas. Drone-based topographic survey data with 0.1 meter precision has also acquired over the project to provide more detail where required,

Criteria	JORC Code explanation	Commentary
		including for the Resource estimate.
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.*	Nominal 80m x 80m, 40m x 80m and 40m x 40m drill spacing is being applied to the drilling to define mineralised areas up to Indicated Resource level of confidence, where appropriate. Drilling has been completed to check previous exploration, extend mineralisation along strike, and provide some information to establish controls on mineralization and exploration potential. Samples have not been composited for analysis.
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.*	The orientation of drilling achieves unbiased sampling of structures and geology controlling the mineralisation. Some holes have drilled at a low angle to mineralisation and have been followed up with drill holes in the opposite direction to define mineralised domains. In exceptional circumstances, where drill access is restricted by topography, drilling may be non-optimally angled across the mineralised zone. For underground channel sampling, the orientation of the sample is determined by the orientation of the workings. Where the sampling is parallel with the strike of the mineralisation, plans showing the location of the sampling relative to the orientation of the mineralisation, weighted average grades and estimates of true thickness are provided to provide a balanced report of the mineralisation that has been sampled.
Sample security	• *The measures taken to ensure sample security.*	Samples were under constant supervision by site security, senior technical personnel and courier contractors prior to delivery to the preparation laboratories in San Juan and Mendoza.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	There has not been any independent reviews of the sampling techniques and data.

Section 2 Reporting of Exploration Results

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

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type reference name/number location and ownership including agreements or material issues with third parties such as joint ventures partnerships overriding royalties native title interests historical sites wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	The Hualilan Project comprises fifteen Minas (equivalent of mining leases) and five Demasias (mining lease extensions) held under a farm-in agreement with Golden Mining SRL (Cerro Sur) and CIA GPL SRL (Cerro Norte). Fourteen additional Minas and eight exploration licences (Cateos) have been transferred to CEL under a separate farm-in agreement. Six Cateos and eight requested mining leases are directly held. This covers all of the currently defined mineralization and surrounding prospective ground. There are no royalties held over the tenements. *Granted mining leases (Minas Otorgadas) at the Hualilan Project*

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

Criteria	JORC Code explanation	Commentary

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

Mining Lease extensions (Demasias) at the Hualilan Project

Name	Number	Current Owner	Status	Grant date	Area (ha)
Cerro Sur					
North of "Pizarro" Mine	195-152-C-1981	Golden Mining S.R.L.	Granted	29/12/1981	2.42
Cerro Norte					
South of "Andacollo" Mine	545.208-B-94	CIA GPL S.R.L.	Pending Reconsideratio n	14/02/1994	1.83
South of "Sanchez" Mine	545.209-B-94	CIA GPL S.R.L.	Registered	14/02/1994	3.50
South of "La Toro" Mine	195-152-C-1981	CIA GPL S.R.L.	Granted	29/12/1981	2.42
South of "Pizarro" Mine	545.207-B-94	Golden Mining S.R.L.	Registered	14/02/1994	2.09

Requested Mining Leases (Minas Solicitados)

Name	Number	Status	Area (ha)
Elena	1124.328-G-2021	Registered	2,799.24
Juan Cruz	1124.329-G-2021	Granted	933.69
Paula (over "Lo Que Vendra")	1124.454-G-2021	Application	1,460.06
Argelia	1124.486-G-2021	Registered	3,660.50
Ana Maria (over Ak2)	1124.287-G-2021	Registered	5,572.80
Erica (Over "El Peñón")	1124.541-G-2021	Application	6.00
Silvia Beatriz (over “AK3”)	1124.572-G-2021	Application	2,290.75
Soldado Poltronieri (over 1124188-20, 545867-R-94 and 545880-O-94)	1124.108-2022	Application	777.56

Criteria	JORC Code explanation	Commentary

Mining Lease Farmin Agreements

Name	Number	Transfrred to CEL	Status	Area (ha)
Marta Alicia	2260-S-58	In Process	Granted	23.54
Marta	339.154-R-92	In Process	Granted	478.50
Solitario 1-5	545.604-C-94	In Process	Application	685.00
Solitario 1-4	545.605-C-94	In Process	Registered	310.83
Solitario 1-1	545.608-C-94	In Process	Application	TBA
Solitario 6-1	545.788-C-94	In Process	Application	TBA
AGU 3	11240114-2014	No	Granted	1,500.00
AGU 5	1124.0343-2014	No	Granted	1,443.58
AGU 6	1124.0623-2017	No	Granted	1,500.00
AGU 7	1124.0622-S-17	No	Granted	1,500.00
Guillermina	1124.045-S-2019	No	Granted	2,921.05
El Petiso	1124.2478-71	No	Granted	18.00
Ayen/Josefina	1124.495-I-20	No	Granted	2059.6

Exploration Licence (Cateo) Farmin Agreements

Name	Number	Transfrred to CEL	Status	Area (ha)
-	295.122-R-1989	In process	Registered	1,882.56
-	338.441-R-1993	In process	Granted	2,800.00
-	545.880-O-1994	In process	Registered	149.99
-	414.998-2005	Yes	Granted	721.90
-	1124.011-I-07	No	Granted	2552
-	1124.012-I-07	No	Registered	6677
-	1124.013-I-07	No	Granted	5818
-	1124.074-I-07	No	Granted	4484.5

Exploration Licence (Cateo) Held (Direct Award)

Name	Number	Transfrred to CEL	Status	Area (ha)
-	1124-248G-20	Yes	Current	933.20

Criteria	JORC Code explanation	Commentary

-	1124-188-G-20 (2 zones)	Yes	Current	327.16
-	1124.313-2021	Yes	Current	986.41
-	1124.564-G-2021	Yes	Current	1,521.12
-	1124.632-G-2022	Yes	Current	4,287.38

There are no known impediments to obtaining the exploration licenses or operating the Project.

Exploration done by other parties

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

Intermittent historic sampling has produced a large volume of information and data including sampling, geological maps, reports, trenching data, underground surveys, drill hole results, geophysical surveys, non-JORC reported resource estimates plus property examinations and detailed studies by multiple geologists. Prior to exploration by CEL, no work has been completed on the Project since 2006.

There is at least 6 km of underground workings that pass through mineralised zones at Hualilan. Surveys of the workings are likely to be incomplete. Commonly incomplete records of the underground geology and sampling have been compiled and digitised as has sample data geological mapping adit exposures and drill hole results. Historic geophysical surveys exist but have been superseded by surveys completed by CEL in some locations.

Historic drilling on or near the Hualilan Project (Cerro Sur and Cerro Norte combined) extends to over 150 drill holes. The key historical exploration drilling and sampling programs are:

- 1984 – Lixivia SA channel sampling & 16 RC holes (AG1-AG16) totalling 2,040m
- 1995 - Plata Mining Limited (TSE: PMT) 33 RC holes (Hua- 1 to 33) + 1,500 RC chip 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 diamond core holes (DDH-20 to 79) plus 1,700m RC program
- 2003 – 2005 – La Mancha (TSE Listed) undertook 7,447m of DDH core drilling (HD-01 to HD-48)
- Detailed resource estimation studies were undertaken by EPROM Ltd. (EPROM) in 1996 and CMEC (1999 revised 2000) both of which are well documented (by La Mancha, 2003 and 2006).

The collection of all exploration data by the various operators was reportedly of a high standard and appropriate sampling techniques intervals and custody procedures were used. Not all the historic data has been archived and so there are gaps in CELs verification and validation of the historic data.

Geology

- *Deposit type geological setting and style of mineralisation.*

Mineralisation occurs in all rock types where it preferentially replaces limestone, shale and sandstone and occurs in fault zones and in fracture networks within dacitic intrusions.

The mineralisation is Zn-(Pb-Cu-Ag) distal skarn (or manto-style skarn) overprinted with vein-hosted and disseminated Au-Ag mineralisation. Mineralisation is divided into three phases – prograde skarn, retrograde skarn and a later quartz-rich mineralisation consistent with the evolution of a large hydrothermal system. Precise mineral paragenesis and hydrothermal evolution is the subject of on-going work which is being used for exploration and detailed geometallurgical test work.

Criteria	JORC Code explanation	Commentary
		Gold occurs in native form as inclusions with sulphide (predominantly pyrite) and in pyroxene. The mineralisation commonly contains pyrite, chalcopyrite sphalerite and galena with rare arsenopyrite, pyrrhotite and magnetite. Mineralisation is either parallel to bedding in bedding-parallel faults, in veins or breccia matrix within fractured dacitic intrusions, at lithology contacts or in east-west striking steeply dipping siliceous faults that cross the bedding at a high angle. The faults have thicknesses of 1–4 metres and contain abundant sulphides. The intersection between the bedding-parallel mineralisation and east-striking cross veins seems to be important in localising the mineralisation. Complete oxidation of the surface rock due to weathering is poorly preserved. A partial oxidation / fracture oxidation layer near surface is 1 to 40m thick and has been modelled from drill hole intersections.
Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* • *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.*	Significant intersections previous reported for historic drill holes, DD drill holes, RC drill holes completed by CEL are detailed in CEL ASX releases: 1 June 2022 (Maiden MRE): https://announcements.asx.com.au/asxpdf/20220601/pdf/459jfk8g7x2mty.pdf and 29 March 2023 (MRE update): https://announcements.asx.com.au/asxpdf/20230329/pdf/45n49jlm02grm1.pdf A cut-off grade of 1 g/t Au equivalent (Eq) has been used with up to 2m of internal diltion or a cut-off grade of 0.2 g/t Au equivalent and up to 4m of internal diltion has been allowed. No metallurcial or recovery factors have been used in the intersections reported. Drill Collars since 29 March 2023 MRE:

Hole_id	East	North	RL	Dip	Dip Dir	Depth	Note
GNDD791A	504509.75	6602746.74	1857.12	-60	113	413.0	Outside MRE
GNDD792	504341.88	6602816.62	1863.63	-60	115	665.0	Outside MRE
GNDD793	504397.47	6601041.14	1836.36	-60	113	342.0	
GNDD794	504372.18	6601089.64	1838.29	-60	113	330.0	
GNDD795	504356.38	6601839.48	1855.67	-60	112	620.0	
GNDD796	504566.15	6601438.84	1839.95	-62	113	431.0	
GNDD797	503823.20	6601406.30	1863.78	-60	115	711.5	Outside MRE

Criteria	JORC Code explanation	Commentary							
		GNDD798	505410.61	6600689.55	1796.94	-60	115	161.0	Outside MRE
		GNDD799	505650.79	6600846.29	1789.68	-60	115	164.0	Outside MRE
		GNDD800	504086.98	6599639.15	1796.07	-60	113	359.0	
		GNDD801	505899.60	6601182.52	1777.85	-60	115	152.0	Outside MRE
		GNDD802	505826.30	6601215.73	1780.95	-60	115	152.0	Outside MRE
		GNDD803	505532.96	6601354.47	1788.72	-60	115	152.0	Outside MRE
		GNDD804	504251.63	6599649.74	1794.72	-65	115	440.0	
		GNDD805	504113.00	6599928.00	1805.00	-52	111	662.0	
		GNRC806A	506172.64	6599245.05	1733.89	-90	0	200.0	Hydrogeological
		GNRC807	505356.04	6600832.99	1799.93	-90	0	140.0	Hydrogeological
		GNRC808	504754.32	6601399.70	1832.50	-90	0	163.0	Hydrogeological
		GNRC809	504785.24	6602110.33	1846.63	-90	0	200.0	Hydrogeological
		GNDD810	504576.16	6601299.73	1836.27	-70	115	350.0	Geotechnical
		GNDD811	504958.02	6601522.51	1835.42	-70	115	110.0	Geotechnical
		GNDD812	504777.88	6601526.06	1835.48	-70	115	420.5	Geotechnical
		GNDD813	504814.91	6601191.81	1825.42	-70	115	170.0	Geotechnical
		GNDD814	504622.10	6600440.00	1819.72	-70	115	180.5	Geotechnical
		GNDD815	504472.80	6599649.90	1793.76	-70	115	281.0	Geotechnical
		GNDD816	505064.93	6601561.75	1862.26	-80	15	30.0	20 x 20 infill
		GNDD817	504922.43	6601411.21	1851.06	-80	135	27.0	20 x 20 infill

Criteria	JORC Code explanation	Commentary							
		GNDD818	504922.37	6601429.66	1852.07	-85	115	33.0	20 x 20 infill
		GNDD819	504850.79	6601307.45	1827.42	-75	115	45.2	20 x 20 infill
		GNDD820	504849.96	6601328.77	1828.31	-65	115	37.0	20 x 20 infill
		GNDD821	504855.78	6601350.03	1828.69	-70	115	33.0	20 x 20 infill
		GNDD822	504728.29	6601277.69	1830.30	-51	115	145.0	Metallurgical
		GNDD823	504445.12	6600219.41	1811.71	-53	167	176.0	Metallurgical
		GNDD824	504263.67	6599678.15	1794.64	-60	111	383.0	Metallurgical
		GNDD825	505083.70	6601551.12	1869.99	-38	350	45.0	20 x 20 infill
		GNDD826	505062.08	6601564.47	1861.88	-30	320	66.0	20 x 20 infill
		GNDD827	505048.83	6601547.68	1859.37	-37	300	78.0	20 x 20 infill
		GNDD828	505050.74	6601541.91	1859.86	-28	330	75.0	20 x 20 infill
		GNDD829	504572.61	6600157.73	1831.08	-75	170	50.0	20 x 20 infill
		GNDD830	504503.71	6600107.83	1814.93	-58	115	59.0	20 x 20 infill
		GNDD831	504905.95	6601461.68	1837.20	8	115	13.5	abandoned
		GNDD831A	504906.21	6601464.07	1836.81	8	105	58.0	20 x 20 infill
		GNDD832	504844.96	6601464.34	1831.68	-20	114	70.0	20 x 20 infill
		GNDD833	504848.06	6601421.24	1832.17	-20	115	54.5	CAV at 49.3 - 52.5m
		GNDD833A	504841.80	6601422.40	1829.60	-23	110	61.0	abandoned
		GNDD834	504887.80	6601375.07	1832.71	-27	115	19.0	CAV at 18.0 - 19.0m
		GNDD834A	504887.80	6601375.07	1832.71	-32	125	15.5	CAV at 15.5m
		GNDD835	504874.48	6601338.88	1831.90	5	115	38.0	20 x 20 infill

Criteria	JORC Code explanation	Commentary

GNDD836	504871.04	6601318.57	1830.43	-5	115	25.0	20 x 20 infill
GNDD837	504855.54	6601326.86	1828.18	-45	115	33.0	20 x 20 infill
GNDD838	504505.43	6600107.12	1814.96	-32	115	56.0	20 x 20 infill
GNDD839	504898.68	6601584.97	1834.40	-65	350	41.0	20 x 20 infill
GNDD840	504898.24	6601587.86	1834.43	-31	350	35.0	20 x 20 infill
GNDD841	504918.61	6601590.37	1836.01	-53	350	30.0	20 x 20 infill
GNDD842	504466.99	6600136.27	1808.48	-41	115	98.0	20 x 20 infill
GNDD843	504515.80	6600073.90	1830.90	-38	115	26.5	abandoned
GNDD843A	504515.59	6600074.53	1830.04	-38	115	40.0	20 x 20 infill
GNDD844	504516.29	6600073.50	1830.89	-12	115	47.0	20 x 20 infill
GNDD845	504518.87	6600072.45	1832.55	11	115	57.0	20 x 20 infill
GNDD846	504533.21	6600086.62	1831.96	12	115	42.0	20 x 20 infill
GNDD847	504533.70	6600086.38	1833.86	28	115	64.0	20 x 20 infill
GNDD848	504535.30	6600108.90	1831.70	-15	145	9.7	abandoned
GNDD848A	504534.33	6600106.37	1829.82	-10	145	25.8	abandoned
GNDD849	504542.79	6600107.61	1835.78	21	112	7.6	abandoned
GNDD850	504735.26	6600179.71	1847.32	10	105	124.0	Outside MRE

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*	Weighted average significant intercepts are reported to a gold grade equivalent (AuEq). Results are reported to cut-off grade of a 1.0 g/t Au equivalent and 10 g/t Au equivalent allowing for up to 2m of internal dilution between samples above the cut-off grade and 0.2 g/t Au equivalent allowing up to 10m of internal dilution between samples above the cut-off grade. Metallurgical recoveries for Au, Ag and Zn have been estimated from the results of interim metallurgical test work completed by SGS Metallurgical Operations in Lakefield, Ontario using a combination of gravity and flotation of a combined metallurgical sample from 5 drill holes.

Criteria	JORC Code explanation	Commentary
	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.*	Using data from the interim test results, and for the purposes of the AuEq calculation for drill hole significant intercepts, gold recovery is estimated. The company notes that zinc is the dominant metal by mass and silver is also greater than gold by mass. However, we have used gold as the dominant metal for the AuEq reporting as gold is greater by value per mass and drives the project economics. Metallurgical test work and geological and petrographic descriptions suggest all the elements included in the metal equivalents calculation have reasonable potential of eventual economic recovery. 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 predominantly moderately or steeply west dipping and strikes NNE and ENE. A secondary, steeply east dipping fault-fracture hosted mineralisation is also recorded. Apparent widths may be thicker in the case where the dip of the mineralisation changes and/or bedding-parallel mineralisation intersects NW or ENE-striking cross faults and veins. Representative cross section interpretations have been provided periodically with releases of significant intersections to allow estimation of true widths from individual drill intercepts.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	Representative maps and sections are provided in the body of reports released to the ASX.
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.*	Drill hole significant results since March 2023 MRE:

Hole id	Depth From	Depth To	Interval (m)	Au (g/t)	Ag (g/t)	Zn (%)	AuEq (g/t)	
GNDD791A	NSI							Outside MRE
GNDD792	NSI							Outside MRE
GNDD793	158.00	162.00	4.00	0.24	1.0	0.08	0.26	0.2 g/t AuEq cut
and	208.00	229.00	21.00	0.51	0.58	0.01	0.52	0.2 g/t AuEq cut

Criteria	JORC Code explanation	Commentary								
		inc	212.00	213.10	1.10	2.4	2.0	0.01	2.4	
		inc	226.00	227.80	1.80	2.5	1.5	0.01	2.5	
		and	252.00	290.00	38.00	0.20	0.59	0.01	0.21	0.2 g/t AuEq cut
		and	326.00	330.00	4.00	1.2	8.9	0.12	1.4	0.2 g/t AuEq cut
		inc	328.00	330.00	2.00	2.3	16.3	0.15	2.5	
		GNDD794	239.00	242.00	3.00	0.83	0.35	0.0	0.84	0.2 g/t AuEq cut
		inc	240.45	242.00	1.55	1.3	0.59	0.0	1.3	
		and	292.00	296.00	4.00	0.41	0.80	0.1	0.43	0.2 g/t AuEq cut
		GNDD795	263.45	265.00	1.55	1.7	22.6	1.6	2.2	
		and	303.00	307.30	4.30	1.1	19.4	1.0	1.5	0.2 g/t AuEq cut
		inc	303.00	306.00	3.00	1.3	27.3	1.5	1.9	
		and	397.25	405.00	7.75	0.60	3.5	0.16	0.66	0.2 g/t AuEq cut
		inc	397.25	398.30	1.05	2.7	18.9	0.01	2.9	
		GNDD796	193.00	205.00	12.00	0.20	0.16	0.01	0.21	0.2 g/t AuEq cut
		GNDD797	NSI							Outside MRE
		GNDD798	NSI							Outside MRE
		GNDD799	NSI							Outside MRE
		GNDD800	234.00	249.00	15.00	1.0	9.5	0.05	1.1	0.2 g/t AuEq cut
		inc	238.00	241.20	3.20	3.5	27.5	0.20	3.8	
		GNDD801	NSI							Outside MRE
		GNDD802	NSI							Outside MRE

Criteria	JORC Code explanation	Commentary								
		GNDD803	NSI							Outside MRE
		GNDD804	123.00	124.00	1.00	1.3	17.2	0.0	1.5	
		GNDD805	252.70	260.30	7.60	0.2	1.6	0.14	0.24	0.2 g/t AuEq cut
		and	271.65	277.00	5.35	0.3	6.2	0.68	0.50	0.2 g/t AuEq cut
		inc	271.65	273.45	1.80	0.6	11.1	1.3	0.92	
		and	297.75	303.00	5.25	0.4	17.2	0.11	0.58	0.2 g/t AuEq cut
		inc	297.75	299.75	2.00	0.6	42.5	0.27	1.1	
		GNDD806A	NSI							TSF area
		GNDD807	NSI							Process area
		GNRC808	*52.00*	*163.00*	*111.00*	*0.68*	*2.0*	*0.09*	*0.71*	*bulk intersection*
		GNRC808	52.00	59.00	7.00	0.48	1.7	0.08	0.51	0.2 g/t AuEq cut
		inc	57.00	58.00	1.00	1.3	1.6	0.08	1.4	
		and	62.00	74.00	12.00	2.1	3.0	0.07	2.1	0.2 g/t AuEq cut
		inc	68.00	69.00	1.00	20.8	24.9	0.17	21.1	10 g/t AuEq cut
		and	77.00	87.00	10.00	0.48	9.8	0.08	0.60	0.2 g/t AuEq cut
		inc	80.00	81.00	1.00	2.1	66.7	0.54	2.9	
		and	91.00	92.00	1.00	1.7	4.7	0.21	1.7	
		and	98.00	117.00	19.00	1.1	1.7	0.15	1.2	0.2 g/t AuEq cut
		inc	98.00	99.00	1.00	2.7	2.2	0.07	2.7	
		inc	102.00	106.00	4.00	3.1	3.5	0.41	3.2	
		inc	111.00	112.00	1.00	1.1	1.1	0.20	1.1	
		and	125.00	147.00	22.00	0.62	0.91	0.15	0.65	0.2 g/t AuEq cut

Criteria	JORC Code explanation	Commentary								
		inc	128.00	131.00	3.00	1.3	1.9	0.13	1.3	
		inc	138.00	140.00	2.00	1.4	1.6	0.16	1.4	
		and	152.00	163.00	11.00	0.34	0.48	0.02	0.35	0.2 g/t AuEq cut
		inc	152.00	153.00	1.00	1.4	0.46	0.02	1.4	
		GNRC809	NSI							Waste dump area
		GNDD810	188.70	192.50	3.80	1.3	0.32	0.01	1.3	0.2 g/t AuEq cut
		inc	191.60	192.50	0.90	4.3	0.23	0.01	4.3	
		and	207.00	220.20	13.20	1.2	6.6	0.94	1.4	0.2 g/t AuEq cut
		inc	219.10	220.20	1.10	11.5	73.3	11.1	14.0	
		and	263.90	264.65	0.75	0.46	3.2	1.1	0.65	
		GNDD811	NSI							
		GNDD812	32.30	92.60	60.30	0.62	1.2	0.35	0.69	0.2 g/t AuEq cut
		inc	34.00	36.00	2.00	1.1	0.79	0.07	1.1	
		inc	66.00	70.00	4.00	2.3	1.5	0.56	2.4	
		inc	79.55	87.00	7.45	1.8	2.7	0.68	2.0	
		inc	91.00	92.60	1.60	0.87	3.8	2.0	1.2	
		and	346.00	353.00	7.00	0.80	11.2	0.08	0.94	
		GNDD813	42.00	70.00	28.00	0.05	0.08	0.91	0.18	0.2 g/t AuEq cut
		and	86.00	90.00	4.00	0.37	0.23	0.01	0.37	0.2 g/t AuEq cut
		GNDD814	79.00	83.00	4.00	0.53	1.0	0.05	0.55	0.2 g/t AuEq cut
		GNDD815	80.75	84.00	3.25	1.3	1.2	0.04	1.3	

Criteria	JORC Code explanation	Commentary								
		GNDD816	3.00	11.00	8.00	2.5	1.4	0.04	2.5	0.2 g/t AuEq cut
		inc	5.00	9.00	4.00	4.8	1.1	0.06	4.9	
		and	21.00	30.00	9.00	1.8	3.2	0.08	1.8	0.2 g/t AuEq cut
		inc	25.00	30.00	5.00	2.6	4.6	0.11	2.7	
		GNDD817	NSI							
		GNDD818	0.00	1.00	1.00	7.3	10.9	0.09	7.4	
		GNDD819	33.00	45.20	12.20	0.85	10.7	0.60	1.1	0.2 g/t AuEq cut
		inc	36.10	41.00	4.90	2.0	23.7	1.12	2.5	
		GNDD820	22.00	37.00	15.00	0.10	7.0	0.35	0.23	0.2 g/t AuEq cut
		GNDD821	NSI							
		GNDD822	74.50	101.00	26.50	0.33	2.4	0.15	0.38	0.2 g/t AuEq cut
		inc	82.00	84.00	2.00	1.0	3.0	0.06	1.0	
		inc	90.00	92.00	2.00	1.0	2.9	0.08	1.1	
		and	111.80	113.10	1.30	0.87	2.9	0.06	0.91	0.2 g/t AuEq cut
		and	128.30	129.10	0.80	0.19	21.5	0.05	0.45	0.2 g/t AuEq cut
		GNDD823	36.00	48.00	12.00	0.18	1.8	0.07	0.21	0.2 g/t AuEq cut
		and	74.00	80.00	6.00	0.14	3.6	0.23	0.21	0.2 g/t AuEq cut
		and	94.00	114.00	20.00	0.24	1.1	0.06	0.26	0.2 g/t AuEq cut
		and	142.00	163.00	21.00	10.1	123.1	0.95	11.7	0.2 g/t AuEq cut
		inc	142.00	149.00	7.00	1.6	12.5	0.18	1.8	
		inc	152.50	161.00	8.50	23.5	293.0	2.1	27.2	
		inc	154.00	156.00	2.00	93.3	1185.0	1.1	107.2	10 cut

Criteria	JORC Code explanation	Commentary								
		GNDD824	131.50	135.00	3.50	0.12	2.3	0.25	0.18	0.2 g/t AuEq cut
		and	277.00	285.00	8.00	0.77	1.9	0.13	0.81	0.2 g/t AuEq cut
		inc	277.00	279.00	2.00	2.6	1.7	0.12	2.6	
		and	301.05	307.00	5.95	0.35	21.3	1.5	0.82	
		and	313.00	314.00	1.00	1.3	13.5	1.4	1.7	
		and	334.00	362.95	28.95	4.1	5.5	1.3	4.4	0.2 g/t AuEq cut
		inc	338.50	343.60	5.10	20.2	22.5	4.9	21.2	
		inc	351.60	353.10	1.50	7.4	8.8	4.2	8.1	
		inc	359.15	361.50	2.35	1.6	9.0	2.6	2.1	
		GNDD825	9.65	37.00	27.35	2.0	5.7	0.07	2.1	0.2 g/t AuEq cut
		incl	13.30	15.00	1.70	2.4	5.0	0.01	2.4	
		incl	25.00	33.00	8.00	5.9	9.6	0.12	6.1	
		GNDD826	19.50	23.40	3.90	0.11	5.2	0.26	0.21	0.2 g/t AuEq cut
		and	34.50	48.00	13.50	0.22	2.1	0.04	0.25	0.2 g/t AuEq cut
		GNDD827	32.20	69.00	36.80	1.2	10.0	0.76	1.4	0.2 g/t AuEq cut
		incl	32.20	47.80	15.60	2.7	17.9	1.2	3.1	
		incl	52.00	53.20	1.20	0.10	9.3	2.5	0.57	
		GNDD828	20.20	32.90	12.70	1.2	6.5	0.30	1.3	0.2 g/t AuEq cut
		inc	24.90	32.90	8.00	1.7	9.7	0.43	1.9	
		and	35.30	36.45	1.15	0.01	2.6	3.2	0.51	
		GNDD829	37.00	40.00	3.00	0.88	3.0	0.25	0.95	0.2 g/t AuEq cut
		inc	39.00	40.00	1.00	1.9	3.8	0.26	2.0	

Criteria	JORC Code explanation	Commentary								
		GNDD830	8.00	11.00	3.00	0.07	1.9	0.47	0.16	0.2 g/t AuEq cut
		and	21.00	27.80	6.80	0.35	6.7	0.36	0.48	0.2 g/t AuEq cut
		inc	25.00	27.00	2.00	0.61	11.4	0.74	0.85	
		GNDD831A	40.50	56.00	15.50	0.08	1.9	0.39	0.16	0.2 g/t AuEq cut
		GNDD832	18.00	20.00	2.00	0.34	2.9	0.49	0.45	0.2 g/t AuEq cut
		GNDD833	NSI							
		GNDD833A	12.00	14.00	2.00	0.18	1.2	0.24	0.23	0.2 g/t AuEq cut
		GNDD834	NSI							
		GNDD835	NSI							
		GNDD836	NSI							
		GNDD837	NSI							
		GNDD838	15.00	40.00	25.00	0.76	11.1	1.2	1.1	0.2 g/t AuEq cut
		inc	23.40	24.15	0.75	4.5	139.0	2.2	6.4	
		inc	34.50	38.35	3.85	3.2	26.4	6.1	4.4	
		GNDD839	26.00	33.40	7.40	0.57	4.0	0.02	0.62	0.2 g/t AuEq cut
		incl	32.70	33.40	0.70	1.8	2.3	0.09	1.8	
		GNDD840	NSI							
		GNDD841	12.00	21.70	9.70	0.44	3.2	0.27	0.52	0.2 g/t AuEq cut
		incl	18.00	21.70	3.70	1.1	5.7	0.48	1.2	
		GNDD842	54.00	77.00	23.00	0.84	31.8	1.8	1.5	0.2 g/t AuEq cut
		inc	61.85	75.50	13.65	1.3	51.9	2.9	2.4	
		GNDD843A	0.00	2.00	2.00	0.80	66.8	0.06	1.6	

Criteria	JORC Code explanation	Commentary

and	16.50	20.00	3.50	0.32	3.4	0.10	0.37	0.2 g/t AuEq cut
and	30.00	32.00	2.00	0.14	19.8	0.19	0.40	0.2 g/t AuEq cut
GNDD844	17.20	21.00	3.80	0.46	4.8	0.18	0.55	0.2 g/t AuEq cut
inc	17.20	17.90	0.70	1.2	11.5	0.34	1.4	
GNDD845	19.45	26.00	6.55	1.2	2.1	0.11	1.2	0.2 g/t AuEq cut
inc	19.45	20.35	0.90	2.0	6.9	0.59	2.2	
inc	24.00	26.00	2.00	2.9	1.7	0.03	2.9	
and	46.00	47.40	1.40	0.39	93.8	0.11	1.5	
GNDD846	15.00	19.00	4.00	0.21	1.0	0.18	0.24	0.2 g/t AuEq cut
and	29.00	32.25	3.25	3.9	40.7	2.2	4.7	0.2 g/t AuEq cut
incl	30.40	32.25	1.85	6.8	70.6	3.2	8.1	
GNDD847	42.80	51.00	8.20	10.1	42.1	3.9	11.2	0.2 g/t AuEq cut
incl	44.70	49.70	5.00	16.5	68.2	6.3	18.3	
GNDD848A	2.50	10.00	7.50	0.4	11.3	0.20	0.56	0.2 g/t AuEq cut
incl	6.00	8.00	2.00	0.9	22.1	0.47	1.3	
GNDD849	5.60	7.60	2.00	0.2	4.4	0.01	0.28	0.2 g/t AuEq cut
GNDD850	88.00	107.00	19.00	0.2	3.3	0.15	0.21	0.2 g/t AuEq cut
incl	93.00	94.20	1.20	0.6	18.3	0.64	0.91	

NSI = no significant intersection
AuEq (g/t) = Au (g/t) + [Ag (g/t) x 0.01161490] + [Zn (%) x 0.14712530], assuming the following weighted average;
Au price US$ 3,500/oz, Au recovery 84.8%, Ag price US$ 58.33/oz, Ag recovery 59.1 %, Zn price US$ 2,976/t, Zn recovery 33.7%.

Other substantive exploration data	• *Other exploration data if meaningful and material should be reported including (but not limited to): geological observations;*	Specific gravity measurements have been taken from the drill core recovered during the drilling program. These data are used to estimate densities in Resource Estimates.

Criteria	JORC Code explanation	Commentary
	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.	Eight Induced Polarisation (IP) lines have been completed in the northern areas of the Project. Stage 1 surveying was done on 1 kilometre length lines oriented 115° azimuth, spaced 100m apart with a 50m dipole. The initial results indicate possible extension of the mineralisation with depth. Stage 2 surveying was done across the entire field on 1 – 3 kilometre length lines oriented 090°, spaced 400m apart with a 50m dipole. On-going data interpretation is being done as drilling proceeds. Three ground magnetic surveys and one drone magnetic survey have been completed. The results of these data and subsequent geological interpretations are being used to guide future exploration. Metallurgical test results are used to estimate the AuEq (gold equivalent) Point resistivity surveys have been completed east of the Project for the purposes of detecting the presence of groundwater. Three surveys (total of 22 points) have been completed. Two water bores have been drilled approximately 4 kilometres to the east of the Project. PA-01 found water in permeable Quaternary sedimentary deposits above hard-rock basement at 128 metres vertical depth. Further geophysical test work is planned to determine the extent of the aquifer. Further geophysical work is anticipated as part on on-going exploration. Geotechnical samples were selected based on rock type and location across the mine deposit. The overall purpose of the rock lab strength program was to get representative characteristics for the major rock units. The testing program consisted of the following: Nineteen uniaxial compressive strength tests; thirteen accompanying elastic moduli of intact rock results; fifty-three triaxial compression strength tests (Single Point); thirty-four indirect tensile strength tests, and thirty-one discontinuity direct shear 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 resource extension, infill and exploration drilling;
		  • Geophysical tests for undercover areas.
		  • Structural interpretation and alteration mapping using high resolution satellite data and geophysics to better target extensions of known mineralisation.

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 a series of excel spreadsheets. These data have been checked for errors. Checks have been made against the original logs and with follow-up twin and close spaced drilling. Only some of the historic drill holes have been used in the Resource Estimate, including the results presented in Section2. Some drill holes have been excluded where the geology indicates that the drill hole is likely mis-located or where the drill hole has been superseded by CEL drilling. For CEL drilled holes, assay data is received in digital format. Backup copies are backed up into a cloud-based file storage system and the data is entered into a drill hole database which is also securely backed up off site. The drill hole data is backed up and is updated periodically by the CEL GIS and data management 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.*	The Competent Person has undertaken many site visits during exploration and development. Site visits were undertaken in 2019 and 2020 before COVID-19 closed international travel. Post COVID numerous site visits have undertaken since November 2021. The performance of the drilling program, collection of data, sampling procedures, sample submission and exploration program were initiated and reviewed 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 geological interpretation is considered appropriate for the drill core density of data that has been collected, access to mineralisation at surface and underground exposures. Given the data, geological studies past and completed by CEL, the Competent Person has a high level of confidence in the geological model that has been used to constrain the mineralised domains. It is assumed that networks of fractures controlled by local geological factors have focussed hydrothermal fluids and been the site of mineralisation in both the prograde zinc skarn and retrograde mesothermal – epithermal stages of hydrothermal evolution. The interpretation captures the essential geometry of the mineralised structure and lithologies with drill data supporting the findings from the initial underground sampling activities. Mineralised domains have been built using explicit wireframe techniques, joined between holes by the instruction from the geology and structure to approximately 0.2 g/t AuEq cut-off. Continuity of grade between drill holes is determined by the intensity of fracturing, the host rock contacts (particularly dacite – limestone contacts) and by bedding parallel faults, particularly within limestone, at the limestone and overlying sedimentary rock contact and within the lower sequences of the sedimentary rocks within 40m of the contact. No alternative interpretations have been made form which a Mineral Resource Estimate has been made.
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*	30 separate domains were interpreted over a strike length of 2.3kms. The domains vary in width and orientation from 2m up to 100m in width. The deepest interpreted domain extends from the surface down approximately 600m below surface.

Criteria	JORC Code explanation	Commentary
	limits of the Mineral Resource.	
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*	Estimation was made for Au Ag, Zn, Pb, Cu being the elements of economic and metallurgical interest. Estimate was also made for Fe and S being the elements that for pyrite which is of economic and metallurgical interest and is also used to estimate the density for bocks in the Mineral Resource Estimate. Two previous JORC Resource estimates have been made with similar methods to compare to the current Resource estimate. No production records are available to provide comparisons. A 2m composite length was selected after reviewing the original sample lengths from the drilling which showed an average length of 1.54m for samples taken within the mineralised domains. A statistical analysis was undertaken on the sample composites top cuts for Au, Ag, Zn and Pb composites on a domain-by-domain basis. The domains were then grouped by host rock and mineralisation style and group domain top cuts were applied in order to reduce the influence of extreme values on the resource estimates without downgrading the high-grade composites too severely. The top-cut values were chosen by assessing the high-end distribution of the grade population within each group and selecting the value above which the distribution became erratic. The following table shows the top cuts applied to each group and domain for Au, Ag, Zn and Pb. No top cut was applied to estimation of Fe and S. Group | Au (ppm) | Ag (ppm) | Zn (%) | Pb (%) Fault Zone hosted (Magnata and Sanchez) and CAL (limestone) hosted | 80 | 300 | 20 | 5 LUT (siltstone) hosted | 20 | 100 | 5 | 1 DAC (intrusive) hosted | 15 | 70 | 5 | 1.8 Block modelling was undertaken in Surpac™ V6.6 software. A block model was set up with a parent cell size of 10m (E) x 20m (N) x 10m (RL) with standard sub-celling to 2.5m (E) x 5.0m (N) x 2.5m (RL) to maintain the resolution of the mineralised domains. The 20m Y and vertical block dimensions were chosen to reflect drill hole spacing and to provide definition for potential mine planning. The shorter 10m X dimension was used to reflect the geometry and orientation of most of the domain wireframes. Group Variography was carried out using Leapfrog Edge software on the two metre composited data from each of the 30 domains for each variable. All relevant variables; Au, Ag, Pb, Zn, Fe and S in each domain were estimated using Ordinary Kriging using only data from within that domain. The orientation of the search ellipse and variogram model was controlled using surfaces designed to reflect the local orientation of the mineralized structures.

Criteria	JORC Code explanation	Commentary
	reconciliation data if available	An oriented "ellipsoid" search for each domain was used to select data for interpolation. A 3 pass estimation search was conducted, with expanding search ellipsoid dimensions and decreasing minimum number of samples with each successive pass. First passes were conducted with ellipsoid radii corresponding to 40% of the complete range of variogram structures for the variable being estimated. Pass 2 was conducted with 60% of the complete range of variogram structures for the variable being estimated. Pass 3 was conducted with dimensions corresponding to 200% of the semi-variogram model ranges. Blocks within the model where Au was not estimated during the first 3 passes were assigned as unclassified. Blocks for Ag, Pb, Zn, Fe and S that were not estimated were assigned the average values on a per-domain basis. Validation checks included statistical comparison between drill sample grades and Ordinary Kriging block estimate results for each domain. Visual validation of grade trends for each element along the drill sections was also completed in addition to swath plots comparing drill sample grades and model grades for northings, eastings and elevation. These checks show good correlation between estimated block grades and drill sample grades.
Moisture	• *Whether the tonnages are estimated on a dry basis or with natural moisture and the method of determination of the moisture content.*	Tonnage is estimated on a dry basis.
Cut-off parameters	• *The basis of the adopted cut-off grade(s) or quality parameters applied.*	The following metals and metal prices have been used to report gold grade equivalent (AuEq) for the Resource estimate: Au US$ 3,500 / oz, Ag US$58.33 /oz and Zn US$ 2,976 /t. Average metallurgical recoveries for Au, Ag and Zn have been estimated from the results of Stage 1 metallurgical test work completed by SGS Metallurgical Operations in Lakefield, Ontario using a combination of gravity and flotation combined metallurgical samples as detailed in the Criteria below. For the AuEq calculation weighted average metallurgical recovery across all processing routes is estimated as 84.8% for gold, 59.1% for silver and 33.7% for Zn. Accordingly, the formula used for Au Equivalent is: AuEq (g/t) = Au (g/t) + [Ag (g/t) x 0.01161490] + [Zn (%) x 0.14712530]. Based on the break-even grade for an optimised pit shell for gold equivalent, a AuEq cut-off grade of 0.06 g/t is used to report the resource within an optimised pit shell run at a gold price of US$3,500 per ounce and allowing for Ag and Zn credit . Under this scenario, blocks with a grade above the 0.06 g/t Au Eq cut-off are considered to have reasonable prospects of mining by open pit methods. A AuEq cut-off grade of 1.0 ppm was used to report the resource beneath the optimised pit shell run as these blocks are considered to have reasonable prospects of future mining by underground methods.

Criteria	JORC Code explanation	Commentary
Mining factors or assumptions	• *Assumptions made regarding possible mining methods minimum mining dimensions and internal (or if applicable external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case this should be reported with an explanation of the basis of the mining assumptions made.*	The Resource estimate has assumed that near surface mineralisation would be amenable to open pit mining given that the mineralisation is exposed at surface and under relatively thin unconsolidated cover. A surface mine optimiser has been used to determine the proportion of the Resource estimate model that would be amenable to eventual economic extraction by open pit mining methods. The surface mine optimiser was bult using the following parameters with prices in USD: - Au price of $3,500 per oz, Ag price of $35 per oz and Zn price of $2,535.32 per tonne ($1.14 per lb) - Heap Leach recoveries: Au 34.65% for limestone, 69.3% for other lithologies, Ag 48.51% for limestone, 44.55% for other lithologies - Bulk float recoveries: Au 94%, Ag 68.73% - Sequential float recoveries: Au 93.72%, Ag 72.09%, Zn 84.13% - Drill & blast $0.505 for limestone, $0.884 for dacite, $0.695 for other rock types, $0.000 for cover - Mining Cost (load) of %0.51 per tonne, $1.10 per tuck diesel litre and $239.19 per truck under haul - Heap Leach processing cost of $3.15 per tonne - Bulk float processing cost of $42.06 per tonne for limestone, $40.77 per tonne for other rock types - Sequential float processing cost of $44.92 per tonne for limestone, $43.62 per tonne for other rock types - Transport and marketing of $50 / oz of AuEq (road to Jan Juan then rail to Rosario Port) - Royalty of 4.5% of gross revenue of payable metals plus 4.5% for Ag in dore or 3.87% for Ag in concentrate - Concentrate payability of 70% for Au, 70% for Ag, 84% for Zn. - 45° pit slopes on the western side of the pit and 55° on the eastern side of the pit Blocks above a 0.10 g/t AuEq within the optimised open pit shell are determined to have reasonable prospects of future economic extraction by open pit mining and are included in the Resource estimate on that basis. Blocks below the open pit shell that are above 1.0 g/t AuEq are determined to have reasonable prospects of future economic extraction by underground mining methods and are included in the Resource estimate on that basis.
Metallurgical factors or assumptions	• *The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case this should be reported with an*	The metallurgical program for the Hualilan Project is based on a testwork campaign conducted since 2021 across multiple internationally recognised laboratories, designed to characterise metallurgical performance across the full range of lithologies, grades, and oxidation states within the deposit. The testwork outcome was a process plant designed to treat material through three alternative process routes depending on material grade and lithology. The three ore types, process routes and testwork results are summarised below. • Ore Type A – is crushed to P100=12.7mm then processed using heap leaching and has gold grades between 0.1 g/t to 0.6 g/t for dacite and lutite lithologies but excludes calcite. Heap leach column testwork was conducted on dacite samples ranging in head grade from 0.27 g/t Au to 0.9 g/t Au with gold recovery at a crush size of P100=12.7mm ranging from 69% to 86%. Heap leach

Criteria	JORC Code explanation	Commentary

	explanation of the basis of the metallurgical assumptions made.	column testwork was conducted on lutite samples ranging in head grade from 0.16 g/t Au to 0.81 g/t Au with gold recovery at a crush size of P100=12.7mm ranging from 68% to 85%.
		• Ore Type B - is ground to P80=75µm then processed using gravity recovery then bulk sulphide flotation with flotation tailings and sulphide concentrate cyanide leaching for contained gold and silver and has a gold grade > 0.6 g/t and a zinc grade < 0.6%. Bulk flotation testwork was conducted on samples ranging in head grade from 0.7 g/t Au to 14.9 g/t Au. Gold recovery to combined gravity and bulk concentrate ranged from 86% to 97%. Gold recovery from leaching of bulk concentrate ranged from 94% to 97% at the nominal grind of P80=10µm and gold recovery from leaching of flotation tailings at a primary grind of P80=75µm ranged from 64% to 84%.
		• Ore Type C - is ground to P80=75µm then processed using gravity recovery then sequential flotation that first produces a bulk sulphide flotation concentrate for leaching of contained gold and silver with cyanide after regrinding, then a zinc concentrate is floated from the bulk flotation tailings that grades >52% zinc for export. The zinc flotation tailings are then leached for remaining gold and silver in combination with adsorption of gold and silver leached from the bulk concentrate. Ore type C material has gold grade > 0.6 g/t, Zn grade >0.6% and a Zn/S ratio of < 1.9. Note CAL material > 0.3g/t Au is also considered Ore Type C material as it can't be economically processed though heap leach due to poor gold recovery. Sequential flotation testwork was conducted on calcite samples ranging in head grade from 0.41 % Zn to 1.86 % Zn and 0.51 g/t Au to 4.81 g/t Au. Zinc recovery to zinc concentrate ranged from 67% to 88% with zinc concentrate grades ranging from 54.6% to 57.4%. Gold recovery to combined bulk and pyrite concentrate ranged from 39% to 70.6% and gravity gold recovery ranged from 5% to 38%. Gold recovery from leaching of combined bulk concentrate and flotation tailings is as per type B ore.
		• Metallurgical recovery based on results from metallurgical test work are shown below
		  ○ Heap Leach (Lutite/Dacite-Ore Type A), gold recovery= 69.7%
		  ○ Heap Leach (Lutite/Dacite-Ore Type A), silver recovery=44.8%
		  ○ Heap Leach (Limestone), gold recovery= 34.8%
		  ○ Heap Leach (Limestone), silver recovery= 48.8%
		  ○ Bulk Flotation (Ore Type B), gold recovery= 94.7%
		  ○ Bulk Flotation (Ore Type B), silver recovery= 69.0%
		  ○ Sequential Flotation (Ore Type C), gold recovery= 92.2%
		  ○ Sequential Flotation (Ore Type C), silver recovery= 73.4%
		  ○ Sequential Flotation (Ore Type C), zinc recovery= 83.7%

Environmental factors or assumptions	• *Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic*	It is considered that there are no significant environmental factors which would prevent mining at the Project. It is assumed that beyond toll treatment, future mining will require borrow pits, a tailings storage facility and waste installations built to requirements for the local environment and in accordance with environmental standards. Environmental surveys and assessments have been completed in the past and will form a part of future studies.

Criteria	JORC Code explanation	Commentary
	extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts particularly for a greenfields project may not always be well advanced the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.	
Bulk density	• *Whether assumed or determined. If assumed the basis for the assumptions. If determined the method used whether wet or dry the frequency of the measurements the nature size and representativeness of the samples.* • *The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs porosity etc) moisture and differences between rock and alteration zones within the deposit.* • *Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.*	CEL has collected specific gravity (SG) measurements from drill core, which have been used to estimate block densities for the Resource estimate. Within the mineralised domains there are 956 SG measurements made on drill core samples of 0.1 – 0.2 metres length. Measurements were determined on a dry basis by measuring the difference in sample weight in water and weight in air. For porous samples, the weight in water was measured after wrapping the sample so that no water enters the void space during weighing. In fresh rock samples, a regression model for block density determination has been made by plotting assay interval Fe (%) + S (%) from the interval where the SG measurement was made against the SG measurement. Fe and S are the two elements that form pyrite which is the mineral that is commonly associated with gold and base metal mineralisation at Hualilan. SG plotted against (Fe+S) follows a linear trend within the mineralised domains for oxide and fresh rock as shown below. The following (dry) average densities have been assigned to blocks in the MRE: **Lithology** / **LUT** / **ARN** / **CAL** / **DAC** / **BX** Weathered (OX, POX, FOX) Unmineralised (Au < 0.1 ppm): 2.67 / 2.59 / 2.64 / 2.51 / 2.48 Weathered (OX, POX, FOX) Mineralised (Au ≥ 0.1 ppm): 2.57 / 2.60 / 2.67 / 2.41 / 2.48 Fresh (FR) Unmineralised (Au< 0.1 ppm): 2.71 / 2.64 / 2.71 / 2.55 / 2.54 Fresh (FR) Mineralised (Au ≥ 0.1 ppm): 2.52 + (0.0264 x [Fe% + S%]) LUT = siltstone, ARN = sandstone, CAL = limestone, DAC = dacite, BX = breccia
Classification	• *The basis for the classification of the Mineral Resources into varying confidence categories.*	The Mineral Resource has been classified based on the guidelines specified in the JORC Code. As a guide to reasonable prospects for economic extraction, the classification level is based upon manual semi-qualitative assessment of the geological understanding of the deposit, geological and mineralisation

Criteria	JORC Code explanation	Commentary
	• *Whether appropriate account has been taken of all relevant factors (ie relative confidence in tonnage/grade estimations reliability of input data confidence in continuity of geology and metal values quality quantity and distribution of the data).* • *Whether the result appropriately reflects the Competent Person's view of the deposit.*	continuity, drill hole spacing, QC results, search and interpolation parameters, analysis of available density information and possible mining methods. The estimation search strategy was undertaken in three separate passes with different search distances, and the minimum number of samples used to estimate a block which were then used as a guide for the classification of the resource into Indicated, Inferred and Unclassified. The classification was then further modified to restrict the Indicated Resource to the domains with closer spaced drilling. The potential open pit resource was constrained within an optimised pit shell. Resources reported inside the pit shell were reported above a AuEq cut-off grade of 0.06 g/t and Resources outside the pit shell were reported above a AuEq cut-off grade of 1.0 g/t. Scoping study results have indicated that underground mining and open pit mining are both possible allowing for classification of Indicated and Inferred Mineral Resources throughout the estimation. The company notes that zinc is the dominant Resource metal by mass and silver is also greater than gold by mass. However, we have used gold as the dominant metal for the AuEq reporting as gold is dominant by value per mass and drives the project economics. The Competent Person has reviewed the result and determined that these classifications are appropriate given the confidence in the geology, data, results from drilling and possible mining methods as detailed in the scoping study.
Audits or reviews	• *The results of any audits or reviews of Mineral Resource estimates.*	The Mineral Resource estimate has not been independently audited or reviewed.
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.*	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 and procedure is deemed appropriate given the confidence limits. The main factors which could affect relative local accuracy are: - domain boundary assumptions - orientation - grade continuity - top cut. Grade continuity is variable in nature in this style of deposit and has not been demonstrated to date. Closer spaced drilling is required to improve the understanding of the local grade continuity in both strike and dip directions. It is noted that the results from the twinning of three holes by La Mancha in addition to CEL twin holes are encouraging in terms of grade repeatability over the mineralised intervals. The deposit contains very high grades and there is need for the use of top cuts. No production data is available for comparison.

Criteria	JORC Code explanation	Commentary
	• *These statements of relative accuracy and confidence of the estimate should be compared with production data where available.*	

Section 4 Estimation and Reporting of Ore Reserves

(Criteria listed in section 1, and where relevant in sections 2 and 3, also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral Resource estimate for conversion to Ore Reserves	• *Description of the Mineral Resource estimate used as a basis for the conversion to an Ore Reserve.* • *Clear statement as to whether the Mineral Resources are reported additional to, or inclusive of, the Ore Reserves.*	• The Mineral Resource has been depleted for the planned toll treatment mining operation (in progress). The remaining Resource forms the basis of the Ore Reserve. • The Ore Reserves, including adjustments for dilution and ore loss factors, are included within the Mineral Resource. • The parts of the Mineral Resource, as reported herein, which have been classified as either Measured or Indicated were used as the basis for this Ore Reserve. • The Mineral Resource block model used to develop this Ore Reserve is a 5.0x5.0x5.0m regularized block model with NSR values calculated based on processing paths, revenue from metals produced, TC/RCs, royalties and duties. • 5% external dilution and 5% mining loss were applied to modelled plant feed at the stockpiling stage of the process to reflect the realities of the proposed mining operation.
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.*	• Grant Carlson, P.Eng. (British Columbia) conducted a site visit on January 6th and 7th, 2025. Mr. Carlson inspected the site access routes, proposed stockpile pads, site infrastructure locations, existing underground workings, historical mining excavations and access routes to the upper benches of each mining area. Mr. Carlson also inspected representative drill core at the core shack.
Study status	• *The type and level of study undertaken to enable Mineral Resources to be converted to Ore Reserves.* • *The Code requires that a study to at least Pre-Feasibility Study level has been undertaken to convert Mineral Resources to Ore Reserves. Such studies will have been carried out and will have determined a mine plan that is technically achievable and economically viable, and that material Modifying Factors have been considered.*	• This mine plan has been completed at a Pre-feasibility Level. • Open pit optimization was carried out by Whittle Consulting using Whittle™ and Prober™ software to determine ultimate pit limits and preliminary internal phasing. Detailed pit designs were then created based on those optimized pit shells using Mineplan3D™ software which include toes, crests and haulage ramps designed for the size of haul trucks contemplated in the mine plan. • Bench reserves from the pit designs were scheduled using Alastri™ software which also modelled drill, shovel and haul truck productivity and fleet requirements. The Alastri™ schedule forms the basis of the financial model on which the Ore Reserves are based. • The mine plan which forms the basis of this Ore Reserve is technically and economically viable with a mine-life of 14.25 years and processing ore via a heap leach and flotation plant. • The mine plan includes limited amounts of inferred Mineral Resources which are excluded from the Ore Reserve statement because inferred mineral resources lack the geological confidence required to apply economic considerations to them and convert them to a Probable Mineral Reserve. The flotation plant feed was capped at 20% inferred feed material while the heap leach process was capped at 30% inferred material in the mine plan.

Criteria	JORC Code explanation	Commentary
		• The PFS economics were tested excluding the inferred mineral resource plant feed and confirmed that the project still has a positive NPV; therefore, the project is not dependent on the limited inferred material included in the mine plan to be economically viable. • All material modifying factors are considered by the Competent Person to have been accounted for in the Ore Reserve.
Cut-off parameters	• *The basis of the cut-off grade(s) or quality parameters applied.*	• The cut-off grade determination for the mine plan is based on a Net Smelter Return calculation which is net of the processing and G&A unit costs; therefore, any material with an NSR value >$0/t can be considered above the marginal cutoff grade for the deposit. • The NSR ascribed to each mineralized block is the maximum NSR value from the three available processing pathways: heap leach, bulk flotation and sequential flotation. • The schedule optimizing software was used to always prioritise the highest value, available plant feed and as a result, lower value material was stockpiled and reclaimed on an as-needed basis. As such the algorithm has selected the best available material to fill the and the effective cut-off grade for material going to stockpile is variable in each period. • This approach to cut-off grade is considered appropriate by the Competent Person for this Ore Reserve.

Mining factors or assumptions	• *The method and assumptions used as reported in the Pre-Feasibility or Feasibility Study to convert the Mineral Resource to an Ore Reserve (i.e. either by application of appropriate factors by optimisation or by preliminary or detailed design).*
	• *The choice, nature and appropriateness of the selected mining method(s) and other mining parameters including associated design issues such as pre-strip, access, etc.*
	• *The assumptions made regarding geotechnical parameters (eg pit slopes, stope sizes, etc), grade control and pre-production drilling.*
	• *The major assumptions made and Mineral Resource model used for pit and stope optimisation (if appropriate).*
	• *The mining dilution factors used.*
	• *The mining recovery factors used.*
	• *Any minimum mining widths used.*
	• *The manner in which Inferred Mineral*
		• The basis of the ultimate pit selection, pit designs and production scheduling is a Lerch-Grossman pit optimization and Enterprise Optimization analysis undertaken by Whittle Consulting of Australia.
		• This mine plan contemplates a convention open pit mining method including blasthole drills, hydraulic excavators and front-end loaders with rigid frame, 240 tonne haul trucks.
		• Open pit slope design is based on a combination of lithological domains and geotechnical domains defined by pit slope azimuth.
		• A detailed geotechnical assessment was undertaken using 26 representative sections covering all areas and slope orientations of the ultimate pit, incorporating available lithology models and rock mass quality data.
		• The results of the stability analysis were used to define five geotechnical domains, differentiated by pit slope azimuth, which form the basis for slope design criteria in competent rock.
		• Unconsolidated surface materials are treated as a separate geotechnical domain and have been designed independently from the azimuth-based hard rock domains.
		• The open pit design is based on:
		  o 10 m bench heights,
		  o Double bench configuration, resulting in 20 m vertical spacing between catch berms,
		  o Overall slope angles and inter-ramp angles as defined by domain-specific geotechnical parameters (refer to supporting tables).

Criteria	JORC Code explanation	Commentary
	Resources are utilised in mining studies and the sensitivity of the outcome to their inclusion. • *The infrastructure requirements of the selected mining methods.*	

Domain	Azimuth (from-to) (°)	Bench Face Angle (°)	Inter-Ramp Angle (°)	Catch Berm Width (m)
Unconsolidated	All	37	26	14.5
1	15-115	85	63	8.4
2	115-150	70	55	6.7
3	150-275	70	49	10
4	275-325	80	63	6.7
5	325-15	80	56	10

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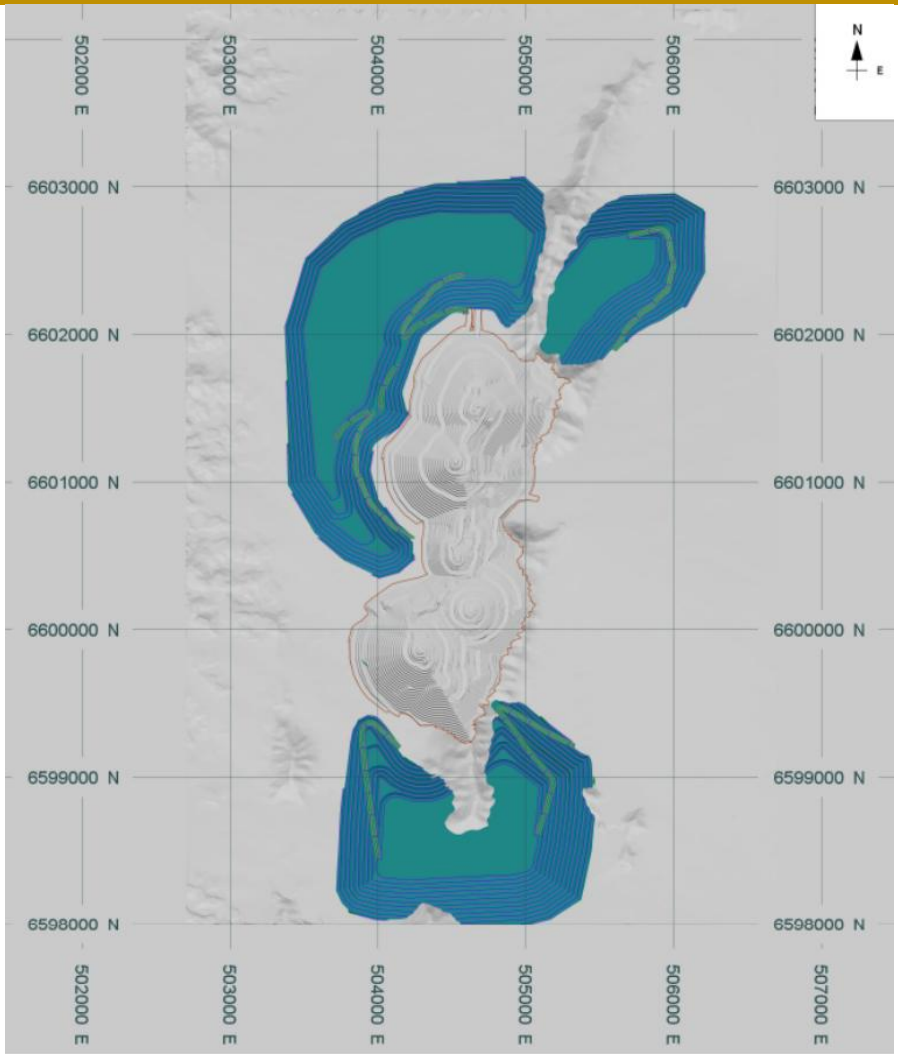
- The production schedule is based on a number of factors including:
  - Appropriate vertical advance rates in each pit phase
  - Sufficient ore production to meet process plant requirements
  - Optimization of the haulage fleet to minimize mining capital expenditure and to ensure all purchase equipment is fully utilized
- The production schedule contemplates dividing all mineralized material into various ore bins which are based on resource classification and NSR value: indicated vs inferred and high-grade vs low-grade vs-marginal grade.
- The heap leach facility is contemplated to commission in 2029 and the flotation plant is planned to commission in 2032.
- The production rate in the schedule is capped based on having a maximum fleet of 30 240-tonne haul trucks.
- Blasthole drill fleet is based on Epiroc D65 units with a base penetration rate of 30m per working hour and includes a detailed time usage model to determine the effective productivity for each plan period.
- The loading fleet is based on a fleet of 4 Komatsu PC5500-11M0 hydraulic shovels with an instantaneous production rate of 3,804t per production hour. The shovels are augmented by a WA1200 loader with an instantaneous production rate of 2,154t per production hour.
- Mining dilution of 5% and mining recovery of 95% have been assumed for this Ore Reserve
- The ultimate pit detailed design was divided into 9 pit phases to target the highest value mineralized material faster, delay waste stripping later in the mine life and to allow for multiple active mining benches at any given time.
- Access ramps in the detailed pit phase designs are laid out to ensure ore material can be hauled to a pit exit along the east side of the pit to allow for efficient haualge to the ROM stockpile and the heap leach crusher. There are also ramps which exit the pit in the south, west and north that are designed to minimize the haulage distance for waste material which will be placed in waste rock stockpiles located around the perimeter of the ultimate pit.

Criteria	JORC Code explanation	Commentary
		•  • The Competent Person considers the proposed mining method to be appropriate for the scale, production rate, mining widths and mineral deposit.

Criteria	JORC Code explanation	Commentary

Metallurgical factors or assumptions	• *The metallurgical process proposed and the appropriateness of that process to the style of mineralisation.*
	• *Whether the metallurgical process is well-tested technology or novel in nature.*
	• *The nature, amount and representativeness of metallurgical test work undertaken, the nature of the metallurgical domaining applied and the corresponding metallurgical recovery factors applied.*
	• *Any assumptions or allowances made for deleterious elements.*
	• *The existence of any bulk sample or pilot scale test work and the degree to which such samples are considered representative of the orebody as a whole.*
	• *For minerals that are defined by a specification, has the ore reserve estimation been based on the appropriate mineralogy to meet the specifications?*
		• The process plant uses conventional and well tested processes and is designed to treat material through three alternative process routes depending on material grade and lithology. The three ore types and process routes are summarised below
		• Ore Type A – is crushed to P100=12.7mm then processed using heap leaching and has gold grades between 0.1 g/t to 0.6 g/t for dacite and lutite lithologies but excludes calcite. This plant has a nominal capacity of 8Mt/a and operates in parallel with the flotation plant with shared elution and reagent make-up facilities.
		• Ore Type B - is ground to P80=75µm then processed using gravity recovery then bulk sulphide flotation with flotation tailings and sulphide concentrate cyanide leaching for contained gold and silver and has a gold grade > 0.6 g/t and a zinc grade < 0.6%. The process is a millling and flotation plant that campaign treats the low zinc ore for nominally 9 months per year at annualised rate of 1.5Mt/a. The process includes grinding to P80=75µm then gravity recovery and bulk sulphide flotation with cyanide leaching of flotation tailings and regrind and leaching of the flotation concentrate with gold and silver recovery in a CIL plant.
		• Ore Type C - is ground to P80=75µm then processed using gravity recovery then sequential flotation that first produces a bulk sulphide flotation concentrate for leaching of contained gold and silver with cyanide after regrinding, then a zinc concentrate is floated from the bulk flotation tailings that grades >52% zinc for export. The zinc flotation tailings are then leached for remaining gold and silver in combination with adsorption of gold and silver leached from the bulk concentrate. Ore type C material has gold grade > 0.6 g/t, Zn grade >0.6% and a Zn/S ratio of < 1.9. Note CAL material > 0.3g/t Au is also considered Ore Type C material as it can't be economically processed though heap leach due to poor gold recovery. The millling and flotation plant campaign treats the ore type C zinc rich ore for nominally 3 months per year at annualised rate of 1.5Mt/a. This process includes grinding to P80=75µm and using gravity recovery then sequential flotation that first produces a bulk sulphide flotation concentrate for cyanide leaching of contained gold and silver after regrinding. Then a zinc concentrate is floated from the bulk flotation tailings that grades >52% zinc for export. The zinc flotation tailings are then leached for remaining gold and silver in combination with adsorption of gold and silver leached from the bulk concentrate in a CIL plant.
		• Metallurgical recovery based on results from metallurgical test work are shown below
		  ○ Heap Leach (Lutite/Dacite-Ore Type A), gold recovery= 69.7%
		  ○ Heap Leach (Lutite/Dacite-Ore Type A), silver recovery=44.8%
		  ○ Heap Leach (Limestone), gold recovery= 34.8%
		  ○ Heap Leach (Limestone), silver recovery= 48.8%
		  ○ Bulk Flotation (Ore Type B), gold recovery= 94.7%
		  ○ Bulk Flotation (Ore Type B), silver recovery= 69.0%
		  ○ Sequential Flotation (Ore Type C), gold recovery= 92.2%

Criteria	JORC Code explanation	Commentary
		○ Sequential Flotation (Ore Type C), silver recovery= 73.4% ○ Sequential Flotation (Ore Type C), zinc recovery= 83.7% • No deleterious elements are present. • No bulk sample or pilot plant test work has been carried out. • Key findings of representivity analysis of the metallurgical sample intervals compared to intervals in the drill hole database are shown below and further discussed in the body of the report. ○ The samples tested have good representivity to the drillhole grades and were mainly type A and B material types. These material types were tested for their response to heap leach and bulk flotation processing, respectively. ○ A smaller number of samples of type C material were tested to determine their response to the sequential flotation process; however, the number of sample intervals was proportional to the amount of Type C drill hole data. ○ The samples are spatially well represented in both the easterly and northerly directions and well represented with RL. ○ The metallurgical samples represent the main lithologies and oxidation present in the deposit. ○ LUT and ARN lithologies are similar so samples have been grouped together in the testwork.
Environmental	• *The status of studies of potential environmental impacts of the mining and processing operation. Details of waste rock characterisation and the consideration of potential sites, status of design options considered and, where applicable, the status of approvals for process residue storage and waste dumps should be reported.*	• The Company received approval of its Environmental Impact Assessment (EIA) in October 2024 which included consideration of waste installations, PAF material, TSF design and HL design. • An approved EIA Addendum will be required to authorize the mine plan presented herein. • Waste rock produced in this mine plan is being used for mine site road construction and bulk earthworks for site infrastructure. • Environmental monitoring activities which have been carried out supporting the EIA application include weather station monitoring, baseline studies, surface water diversion monitoring, groundwater monitoring and testing, evaporation testing, air quality monitoring, flora and fauna surveys. • A provisional plan has been made to relocate the National Highway near Hualilan away from the mining operations. Final plans and approvals are pending.
Infrastructure	• *The existence of appropriate infrastructure: availability of land for plant development, power, water, transportation (particularly for bulk commodities), labour, accommodation; or the ease with which the infrastructure can be provided, or accessed.*	• The Project benefits from existing infrastructure, including ~26 km of site roads, diesel power, a 150-person camp, water supply (production bore and 5,000 m³ storage), fuel handling, and communications, reducing greenfield development requirements. • The proposed layout integrates open pit, process plant (flotation), heap leach, TSF, waste dumps, and site services, with adequate land available for development. • Site access is well established, located ~120 km from San Juan via sealed highways, with a final 10 km access road to be upgraded; internal road network to be expanded.

Criteria	JORC Code explanation	Commentary
		• Power is currently diesel-based, with a planned ~55 km, 132 kV grid connection to reduce costs and emissions; final commercial arrangements remain to be advanced. • Water supply is sourced from groundwater, with existing bore capacity considered sufficient; additional wells planned to support full operations. • Logistics are supported by established road networks, with concentrate trucked ~1,200 km to port and doré transported via secure off-taker arrangements. • Accommodation and site services require expansion, with modular camp planned to support peak workforce (~500 personnel), alongside supporting utilities and facilities. • Tailings and heap leach facilities are incorporated with lined containment and monitoring systems consistent with industry practice. • Flood mitigation infrastructure (~7 km) is in place and has demonstrated effectiveness, reducing water management risk. • Overall, infrastructure is partially established and considered achievable, with key development items including grid power connection, camp expansion, and logistics execution.

Costs	• *The derivation of, or assumptions made, regarding projected capital costs in the study.*
	• *The methodology used to estimate operating costs.*
	• *Allowances made for the content of deleterious elements.*
	• *The source of exchange rates used in the study.*
	• *Derivation of transportation charges.*
	• *The basis for forecasting or source of treatment and refining charges, penalties for failure to meet specification, etc.*
	• *The allowances made for royalties payable, both Government and private.*
		• Capital Costs
		  ○ Capital cost estimate developed at PFS level using detailed engineering inputs and aligned with the mine plan and processing design.
		  ○ Based on a work breakdown structure (WBS) integrating mining, processing, and infrastructure scope.
		  ○ Cost inputs informed by OEM data, supplier quotes, and operational benchmarks, with allowances for maintenance strategies and realistic operating conditions.
		  ○ Estimate reflects a fit-for-purpose design basis, consistent with study-level definition and expected accuracy range.
		• Operating Costs
		  • Operating costs developed using a bottom-up, activity-based cost model linked directly to the life-of-mine schedule.
		  • Feedback from an international mining contractor was used to determine the contract mining markup used in the mining cost model
		  • Mining costs estimated at the equipment level, incorporating:
		  ○ Consumption-based inputs (fuel, tyres, explosives, etc.)
		  ○ Time-based inputs (labour, maintenance, support)
		  • Processing costs estimated separately for:
		  ○ 1.5 Mt/a flotation plant (higher unit cost)
		  ○ 8 Mt/a heap leach operation (lower unit cost)
		  • Cost inputs sourced from OEMs, in-country suppliers, and operating data, with maintenance based on OEM service structures.
		  • Model incorporates both fixed and variable costs, reflecting realistic workforce and utilisation assumptions.

Criteria	JORC Code explanation	Commentary

		• No deleterious elements are present
		• All costs are based on Q1 2026 USD, and no cost escalation was applied
		• An exchange rate of 0.70 USD to AUD was used
		• Royalties and Government Charges
		  • Mining royalty: 3.0% on recovered gold, silver, and zinc payable to San Juan Province.
		  • Community royalty: 1.5%, with potential offsets through community-beneficial capital investments.
		  • Export duties:
		  ○ Gold: 0% (from January 2025)
		  ○ Silver and zinc: 4.5%, eliminated from Year 3 under RIGI (from ~2031)
		  ○ Corporate income tax: 25% under RIGI (reduced from 35% standard rate).
		  ○ VAT: Treated under exporter regime (effectively net zero; excluded from model).

Revenue factors	• *The derivation of, or assumptions made regarding revenue factors including head grade, metal or commodity price(s) exchange rates, transportation and treatment charges, penalties, net smelter returns, etc.* • *The derivation of assumptions made of metal or commodity price(s), for the principal metals, minerals and co-products.*	• The life-of-mine schedule was developed on a monthly basis and estimated the tonnes and grade of material to be mined, stockpiled and processed in the flotation plant and the heap leach facility with metallurgical recoveries applied to estimate the metal produced. • Revenue is based on a $3000/oz gold and $50/oz silver price • The financial model includes estimates of state and federal royalties due and costs associated with selling the gold and silver. • The metal prices used in this financial analysis reflect consensus price forecasting consistent with industry peers. • Gold and silver that is to be sold as dore is expected to have 99.95% payability • Concentrate zinc at the smelter is expected to pay either 85% of the contained zinc or the total zinc grade minus a flat 8-unit (8.0%) deduction, whichever results in the lower payable amount for the seller. Given the high zinc content in the concentrate, the Hualilan concentrate is expected to achieve a zinc payability of 85%. • Concentrate gold at the smelter has a 1-unit (g/t) deduction before payability is applied. Following this deduction, the gold is payable at 70%. Given the expected average gold grade in the concentrate over the LOM, gold payability is expected to be 63%. • Concentrate silver at the smelter has a 3-unit (oz) deduction before payability is applied. Following this deduction, the silver is payable at 70%. Given the average silver grade in the concentrate a life of mine gold payability of 35%. • Concentrate treatment charges are assumed to align with a long-term benchmarks of US$ 80/t. No refining charge is expected for the concentrate.
Market assessment	• *The demand, supply and stock situation for the particular commodity, consumption trends and factors likely to affect supply and demand into the future.*	• The gold, silver and zinc markets are mature, well established, transparent and open markets with publicly available pricing information available from a variety of sources. • Challenger and the Competent Persons have reviewed several consensus metal price forecasts from reputable analysis and are comfortable with the market supply and demand situation.

Criteria	JORC Code explanation	Commentary
	• *A customer and competitor analysis along with the identification of likely market windows for the product.* • *Price and volume forecasts and the basis for these forecasts.* • *For industrial minerals the customer specification, testing and acceptance requirements prior to a supply contract.*	• No site-specific pricing studies have been completed to support this Ore Reserve • Price and volume forecasts from reputable analysis have been reviewed in support of this Ore Reserve.

Economic	• *The inputs to the economic analysis to produce the net present value (NPV) in the study, the source and confidence of these economic inputs including estimated inflation, discount rate, etc.*
	• *NPV ranges and sensitivity to variations in the significant assumptions and inputs.*
		• The economic analysis is based on a discounted cash flow (DCF) model developed in real terms using Q1 2026 US dollars, with no cost escalation applied.
		• The analysis is presented on a pre-tax and post-tax, ungeared (no financing) basis, with no hedging assumptions applied.
		• A discount rate of 5% has been applied to calculate NPV
		• Commodity price assumptions are as follows (fixed life-of-mine):
		  • Gold: US$3,500/oz
		  • Silver: US$58/oz (based on a gold:silver ratio of 60:1)
		  • Zinc: US$1.35/lb
		  • These assumptions are based on internal estimates as of Q1 2026 and are aligned with long term consensus estimates and other studies.
		• Exchange rates applied:
		  • USD/ARS: 1,400 (March 2026, at time of report; controls lifted, rates at parity)
		  • USD/AUD: 0.70
		• Operating costs (OPEX) are derived from first principles estimates, supported by vendor and supplier inputs, and benchmark databases where needed, consistent with the level of study, and reflect a Class 4 estimate
		• The project capital cost estimates have been prepared to an accuracy level of -20% to +30% generally in accordance with the AACE guidelines for a Class 4 Pre-Feasibility Study
		• Fiscal assumptions include:
		  • Corporate income tax: 25% (RIGI regime; reduced from 35%)
		  • Mining royalty: 3.0% on recovered gold, silver, and zinc (San Juan Province)
		  • Community royalty: 1.5% on gold, silver, and zinc (offsettable against community-beneficial capital items)
		  • Gold export duty: 0% (from January 2025; Decree 563/2025)
		  • Silver and zinc export duty: 4.5%, eliminated from Year 3 (2031) under RIGI
		  • VAT: Exporter regime (effectively net zero; fully refundable and excluded from the financial model)

Criteria	JORC Code explanation	Commentary

- The production schedule and development assumptions include:
  - Total mine life: 15.25 years, including 1 year pre-production
  - 14.25 years of open pit mining
  - Heap leach construction period: 12 months pre-production
  - Process plant construction period: ~24 months, commencing approximately 6 months after heap leach start
- Metallurgical recoveries, production profiles, and mine schedules are based on testwork, mine planning studies, and process design criteria, and are considered appropriate for the level of study.
- The level of confidence in the economic inputs is consistent with a PFS level study, reflecting the current level of engineering definition, cost estimation, and project maturity.
- Post-tax NPV sensitivities show below.

ST-TAX NPV @ 5%

Zn Metal Price (%)	Au Metal Price (%) (30%)	(15%)	0%	+15%	+30%
(30%)	$179	$611	$996	$1,398	$1,793
(15%)	$194	$623	$1,007	$1,409	$1,805
0%	$208	$634	$1,019	$1,428	$1,817
+15%	$222	$645	$1,030	$1,440	$1,829
+30%	$235	$657	$1,042	$1,452	$1,841

Zn Grade (%)	Au Grade (%) (30%)	(15%)	0%	+15%	+30%
(30%)	$188	$617	$1,000	$1,401	$1,795
(15%)	$199	$626	$1,009	$1,410	$1,805
0%	$211	$635	$1,019	$1,427	$1,815
+15%	$223	$644	$1,028	$1,436	$1,825
+30%	$234	$654	$1,037	$1,446	$1,834

Capital Costs (%)	Operating Costs (%) (30%)	(15%)	0%	+15%	+30%
(30%)	$1,623	$1,395	$1,167	$952	$732
(15%)	$1,552	$1,323	$1,093	$876	$655
0%	$1,481	$1,250	$1,019	$800	$580
+15%	$1,410	$1,177	$945	$725	$500
+30%	$1,338	$1,104	$870	$647	$420

Criteria	JORC Code explanation	Commentary
Social	• *The status of agreements with key stakeholders and matters leading to social licence to operate.*	• To the best of the Competent Person's knowledge, there are no social agreements which the Company can not reasonably expect to acquire in such a timeframe so as to not impact this Ore Reserve
Other	• *To the extent relevant, the impact of the following on the project and/or on the estimation and classification of the Ore Reserves:* • *Any identified material naturally occurring risks.* • *The status of material legal agreements and marketing arrangements.* • *The status of governmental agreements and approvals critical to the viability of the project, such as mineral tenement status, and government and statutory approvals. There must be reasonable grounds to expect that all necessary Government approvals will be received within the timeframes anticipated in the Pre-Feasibility or Feasibility study. Highlight and discuss the materiality of any unresolved matter that is dependent on a third party on which extraction of the reserve is contingent.*	• There are no material, naturally occurring risks with may impact this Ore Reserve • The Company is currently compliant with all of the legal and regulatory requirements and marketing agreements. • The project is located within the Company's tenement and within the October 2024 EIA area. • The Company will require an addendum to their October 2024 EIA and the Competent Person is not aware of any reason that the approval of that addendum will not be received in a timely manner.

Criteria	JORC Code explanation	Commentary
Classification	• *The basis for the classification of the Ore Reserves into varying confidence categories.* • *Whether the result appropriately reflects the Competent Person's view of the deposit.* • *The proportion of Probable Ore Reserves that have been derived from Measured Mineral Resources (if any).*	

Process	Classification	Cut-off (NSR $/t)	Tonnes (k dmt)	Au (gpt)	Ag (gpt)	Zn (%)	Au (k oz)	Ag (k oz)	Zn (k tonnes)
Heap Leach	Proven	>$2.6/t	-	-	-	0.00%	-	-	-
	Probable	>$2.6/t	48,300	0.37	2.63	0.12%	581	4,081	60
Bulk Flotation	Proven	>$0/t	-	-	-	0.00%	-	-	-
	Probable	>$0/t	11,400	1.91	5.14	0.33%	701	1,885	37
Sequential Flotation	Proven	>$0/t	-	-	-	0.00%	-	-	-
	Probable	>$0/t	3,161	2.28	17.34	2.30%	232	1,763	73
Total	Proven	variable	-	-	-	0.00%	-	-	-
	Probable	variable	62,861	0.75	3.82	0.27%	1,514	7,728	170
	Proven & Probable	variable	62,861	0.75	3.82	0.27%	1,514	7,728	170

- Measured Mineral Resources that have a positive NSR value, that are selected for processing in the flotation plant or heap leach, and are within the open pit designs (which have been derived by applying the appropriate modifying factors as described above) have been classified as Proven Ore Reserves.
- Indicated Mineral Resources that have a positive NSR value, that are selected for processing, and are within the open pit designs (which have been derived by applying the appropriate modifying factors as described above) have been classified as Probable Ore Reserves.
- No Probable Ore Reserves have been classified from Measured Mineral Resources.
- In the opinion of the Competent Person for the Ore Reserve that the results are an appropriate reflection of the deposit and the mine plan outlined herein.

Audits or reviews	• *The results of any audits or reviews of Ore Reserve estimates.*	• No external reviews or audits have been completed on this Ore Reserve. • All works and reports supporting this Ore Reserve have been internally reviewed by Challenger Gold, Fuse Advisors.
Discussion of relative accuracy/ confidence	• *Where appropriate a statement of the relative accuracy and confidence level in the Ore Reserve 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 reserve within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors which*	• This Ore Reserve has been developed to a Prefeasibility Level of accuracy using the mineral resource categorized as measured or indicated, applying reasonable dilution and mining recovery factors, and producing a mine plan on quarterly periods which estimate equipment productivity based on the rock characteristics and modelled haul profiles from each source to destination. • Mine operating and capital costs has been estimated to a Prefeasibility level of accuracy based largely on vendor quotes for lease-to-own mobile equipment on MARC contracts and local labour rates. • Consumable costs such as explosives are based on vendor quotes and consumables such as diesel are based on current local prices.

Criteria	JORC Code explanation	Commentary
	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.* • *Accuracy and confidence discussions should extend to specific discussions of any applied Modifying Factors that may have a material impact on Ore Reserve viability, or for which there are remaining areas of uncertainty at the current study stage.* • *It is recognised that this may not be possible or appropriate in all circumstances. These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.*	• Economic factors such as state and federal taxes and royalties have been incorporated into mine optimization analysis. • Actual gold and silver prices are a potential source of variance from this financial analysis as the metal prices used herein are significantly below current spot prices and, per the terms of the Toll Treatment Agreement, the Company is contemplating near-term construction and operation, which may exploit the current robust metal market. • The assumptions and modifying factors stated and applied in the Ore Reserve estimate are appropriate for the mine plan as described in the PFS report and herein.