

ASX: CEL  
OTC : CLLEF

# Challenger Gold Limited Emerging Growth Conference

29 May 2024

Hualilan Gold Project : Cerro Sur looking north to Cerro Norte

**Challenger Gold Limited**  
**Argentina and Ecuador Gold / Copper Projects**



# IMPORTANT NOTICES AND DISCLAIMER



## DISCLAIMER

This presentation is for informational purposes only and does not constitute an offer to sell, or solicitation to purchase, any securities. Such Offer can be made only through proper subscription documentation and only to investors meeting strict suitability requirements. Any failure to comply with these restrictions may constitute a violation of applicable securities laws. In providing this presentation Challenger Gold Limited ("CEL") has not considered the financial position or needs of the recipient. Persons needing advice should consult their stockbroker, bank manager, solicitor, attorney, accountant or other independent financial and legal advisors.

## FORWARD LOOKING STATEMENTS

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

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

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

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.

## 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.

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. 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.

# IMPORTANT NOTICES AND DISCLAIMER

## **SCOPING STUDY**

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

The Scoping Study referred to in this announcement has been undertaken to determine the viability of a development of Challenger Gold Limited's (CEL) Hualilan Gold Project, and confirm the business case to progress more definitive studies on the project as the next step towards production. It is a preliminary technical and economic study of the potential viability of the Hualilan Gold Project. It is based on low level technical and economic assessments that are not sufficient to support the estimation of Ore Reserves as per the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC). Further evaluation work and appropriate studies are required before CEL will be in a position to estimate any Ore Reserves or to provide any assurance of an economic development case.

The Scoping Study contains forward looking statements and the Company has determined that it has a reasonable basis for doing so and believes there is a reasonable basis to fund the Hualilan Gold Project.

Given the uncertainties involved, investors should not make any investment decisions based solely on the results of the Scoping Study.

## **JORC CODE**

It is a requirement of the ASX Listing Rules that the reporting of ore reserves and mineral resources in Australia comply with the Joint Ore Reserves Committee's Australasian Code for Reporting of Mineral Resources and Ore Reserves ("JORC Code"). Investors outside Australia should note that while ore reserve and mineral resource estimates of the Company in this document comply with the JORC Code (such JORC Code-compliant ore reserves and mineral resources being "Ore Reserves" and "Mineral Resources" respectively), they may not comply with the relevant guidelines in other countries and, in particular, do not comply with Industry Guide 7, which governs disclosures of mineral reserves in registration statements filed with the SEC. Information contained in this document describing mineral deposits may not be comparable to similar information made public by companies subject to the reporting and disclosure requirements of US securities laws. In particular, Industry Guide 7 does not recognise classifications other than proven and probable reserves and, as a result, the SEC generally does not permit mining companies to disclose their mineral resources in SEC filings. You should not assume that quantities reported as "resources" will be converted to reserves under the JORC Code or any other reporting regime or that the Company will be able to legally and economically extract them.

## **EXPLORATION RESULTS**

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.

# CHALLENGER EXPLORATION SNAPSHOT

Two significant discoveries, both with grade and scale, provide strategic flexibility



## Hualilan Gold Project

100% Owned

2.8 Moz<sup>1</sup> Gold Resource

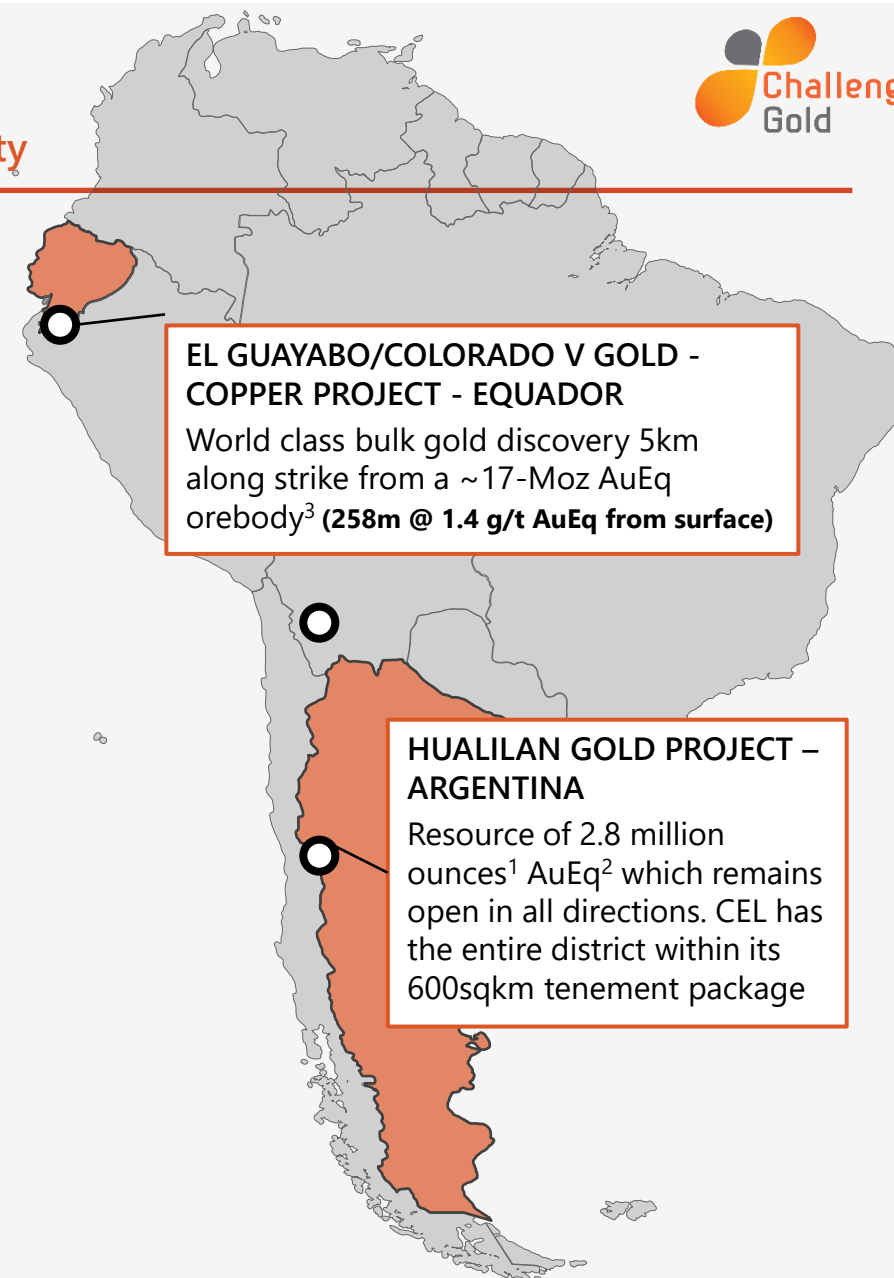
Expansion through exploration

## El Guayabo Gold-Copper Project

50-100% - El Oro; Ecuador

4.5Moz AuEq

Potential to become a Tier-1 asset



**ASX Ticker**  
CEL

**280,000m**  
Drilled to Date

**7.3m Oz**  
In Gold  
Resources<sup>1</sup>

**OTC Ticker**  
CLLEF

**1381m**  
Shares

**\$0.07**  
Share Price

**A\$100m**  
Market Cap  
Fully Diluted

**A\$10m<sup>5</sup>**  
Cash

**A\$116m**  
Diluted EV

**Robust Scoping Study Positions Hualilan as one of the most attractive gold development projects in South America**

<sup>1</sup> information regarding the Hualilan Gold Project MRE required under the JORC Code is provided on Slide 32 of this presentation.

<sup>2</sup> information regarding AuEq's required under the JORC Code is provided on Slide 32 (Appendix 1) of this presentation.

<sup>3</sup> Source: Lumina Gold NI 43-101 Technical Report Cangrejos Project July 2020

<sup>4</sup> information regarding AuEq's required under the JORC Code is provided on Slide 32 (Appendix 1) of this presentation.

<sup>5</sup> 31 March 2024 balance plus proceeds from April capital raise

# CORPORATE SNAPSHOT

An experienced Board & Management team with a proven track record



## Key Executives



**Kris Knauer**  
CEO &  
Director

- Exploration geologist.
- Investment banking experience, initially as a mining analyst.
- Led the listing of a package of copper/gold assets in Saudi Arabia to create Citadel Resources (ASX : CGG) becoming the founding Managing Director.



**Sergio Rotondo**  
Exec  
Charman

- Background in construction having managed billion-dollar projects from design through completion.
- Core competencies are logistics, Government relations, safety.
- Original owner the Hualilan Gold Project in Argentina selling the project to CEL in an all-share deal.



**Sonia Delago**  
Exec Director

- Masters degree in law
- Distinguished career in the Argentinian public sector,
- Undersecretary of Planning and Mining Development; Chief of Advisors (Argentina National Mining Ministry) and, most recently, Secretary of Mining for the province of San Juan,.



**Mike Zivcic**  
COO

- Mining Engineer and has spent the past 12 years in operational roles in mines in Australia, West Africa, & PNG.
- Based in San Juan and for the 2-years prior to joining CEL was GM of Barrick Gold's 400,000 Oz Veladero mine in San Juan 5 hours by road from Hualilan



**Stuart Munroe**  
Exploration  
Manager

- Geologist with 25+ years experience and involved in detailed studies of controls on mineralisation, resource model assessment, and strategic planning.
- Extensive experience in the mining industry including roles as Exploration Manager for ASX Listed companies.

## Major Shareholders

| Shareholder                 | Shares              | (%)         |
|-----------------------------|---------------------|-------------|
| Top 20 Shareholders         | 751.5m              | 54.4        |
| BlackRock Group             | 154.6m              | 11.2        |
| Kris Knauer (Director/CEO)  | 89.3m               | 6.5         |
| Sergio Rotondo (Chairman)   | 89.0m               | 6.5         |
| Fletcher Quinn (Director)   | 24.2m               | 1.8         |
| Queen's Road Capital        | 83.5 <sup>1</sup> m | 6.0         |
| <b>Board and Management</b> | <b>231.6m</b>       | <b>16.7</b> |

<sup>1</sup> QRC estimated holding after debenture conversion

## What has the Management Team Delivered since IPO

### Argentina

- ✓ 240,000 metres of diamond core drilling
- ✓ 2.8 Moz gold discovery which is open
- ✓ Scoping Study showing NPV of A\$629M
- ✓ Clear pathway into production
- ✓ 5-kilometre copper exploration target

### Ecuador

- ✓ 40,000 metres of diamond core drilling
- ✓ Increase in tenement footprint by 800%
- ✓ 4.5 Moz gold equivalent discovery
- ✓ Significant Exploration Target<sup>1</sup>
- ✓ Current drill program

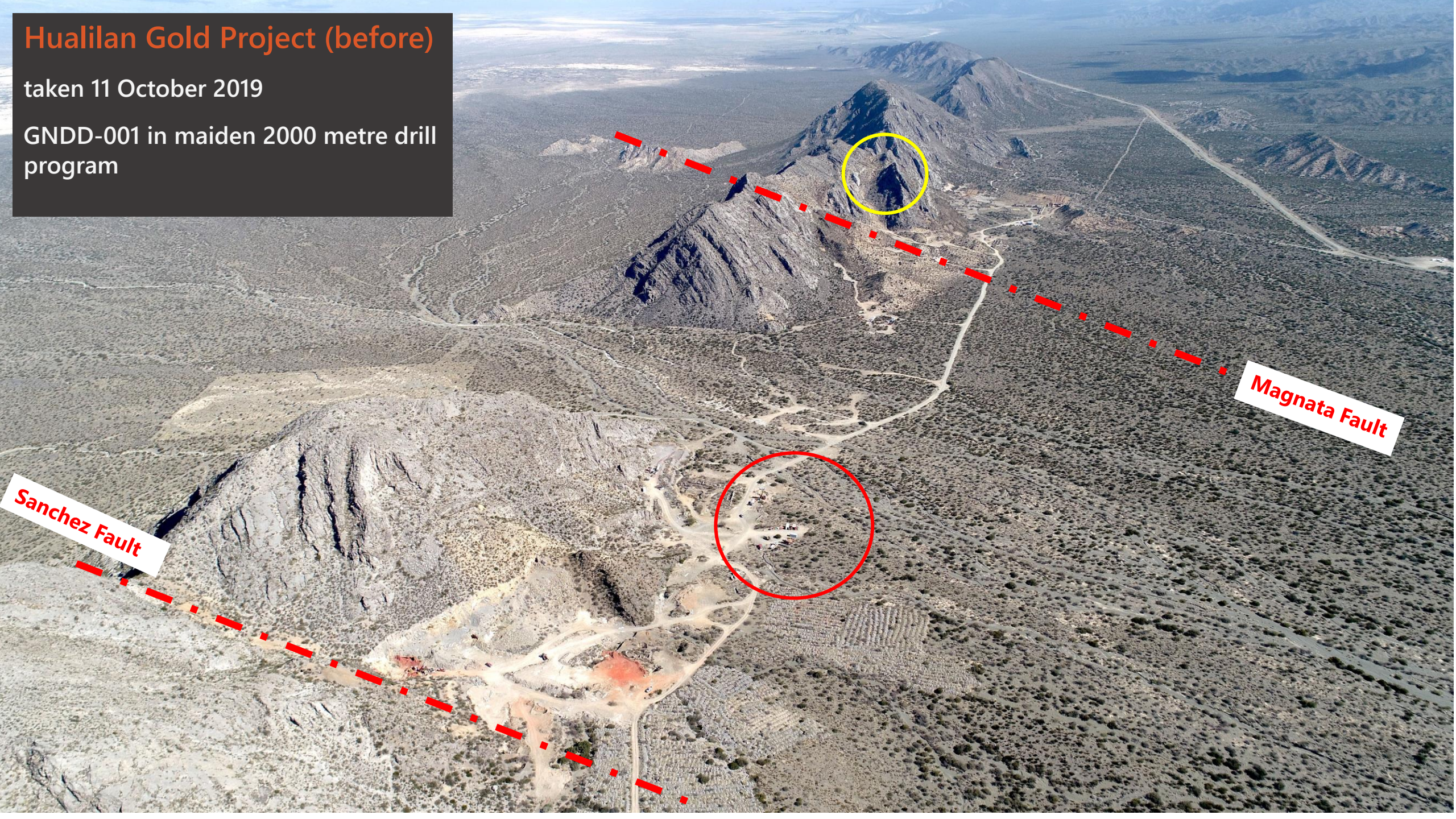
<sup>(1)</sup> refer ASX release Aug 2020)



# Hualilan Gold Project (before)

taken 11 October 2019

GNDD-001 in maiden 2000 metre drill program





## Hualilan Gold Project (after)

taken 6 August 2022

GNDD-725 in progress for 200,000  
metres of drilling



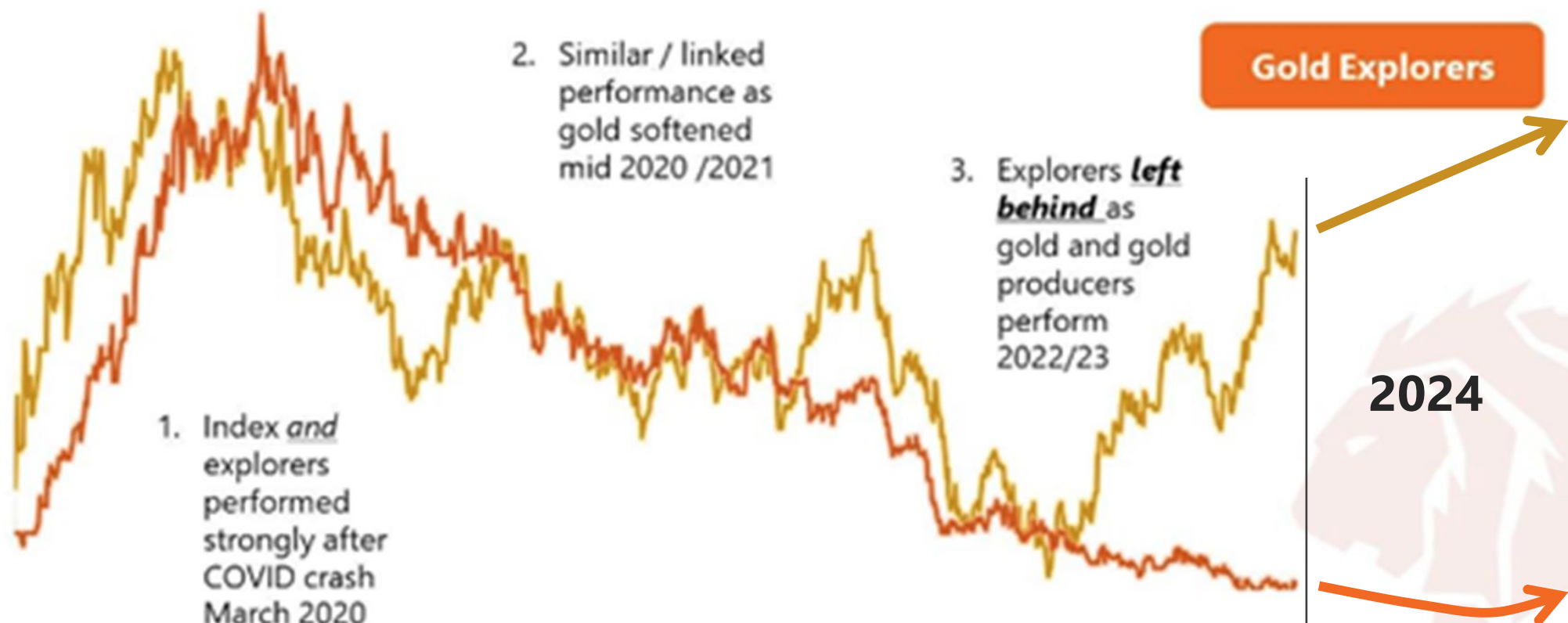


# MARKET CONDITIONS OVER THE PAST 2.5 YEARS

Massive disconnect between explorers and producers that is showing signs of beginning to normalise

## Micro Cap Miners / Explorers

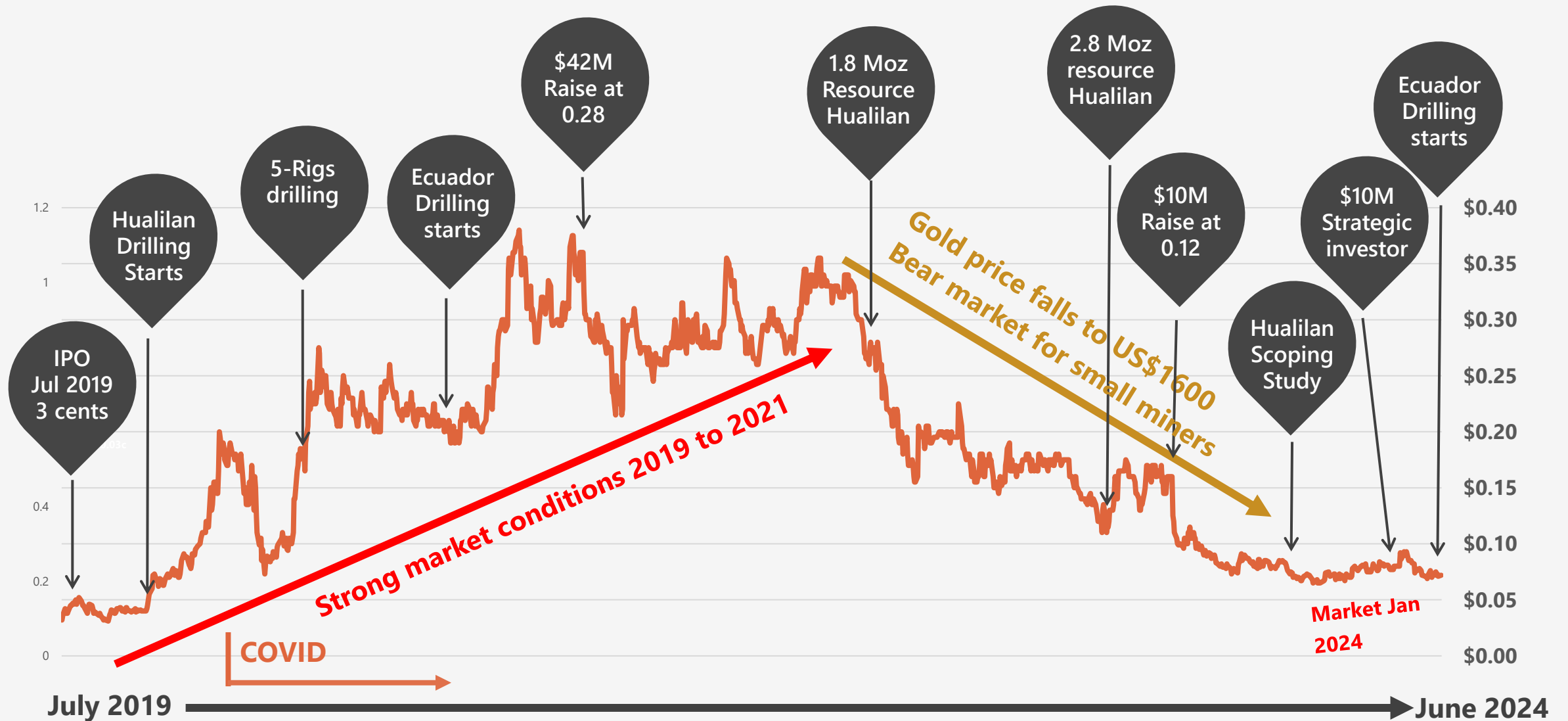
The Canary of Liquidity





# SHARE PRICE AND KEY EVENTS SINCE IPO IN 2019

The past 2-year bear market for gold explorers and developers has created an investment opportunity





**Hualilan Gold Project**

**San Juan Argentina**



# HUALILAN GOLD PROJECT – POLITICAL CONSIDERATIONS

Investment climate in Argentina has transformed from negative to positive

## Located in San Juan Argentina

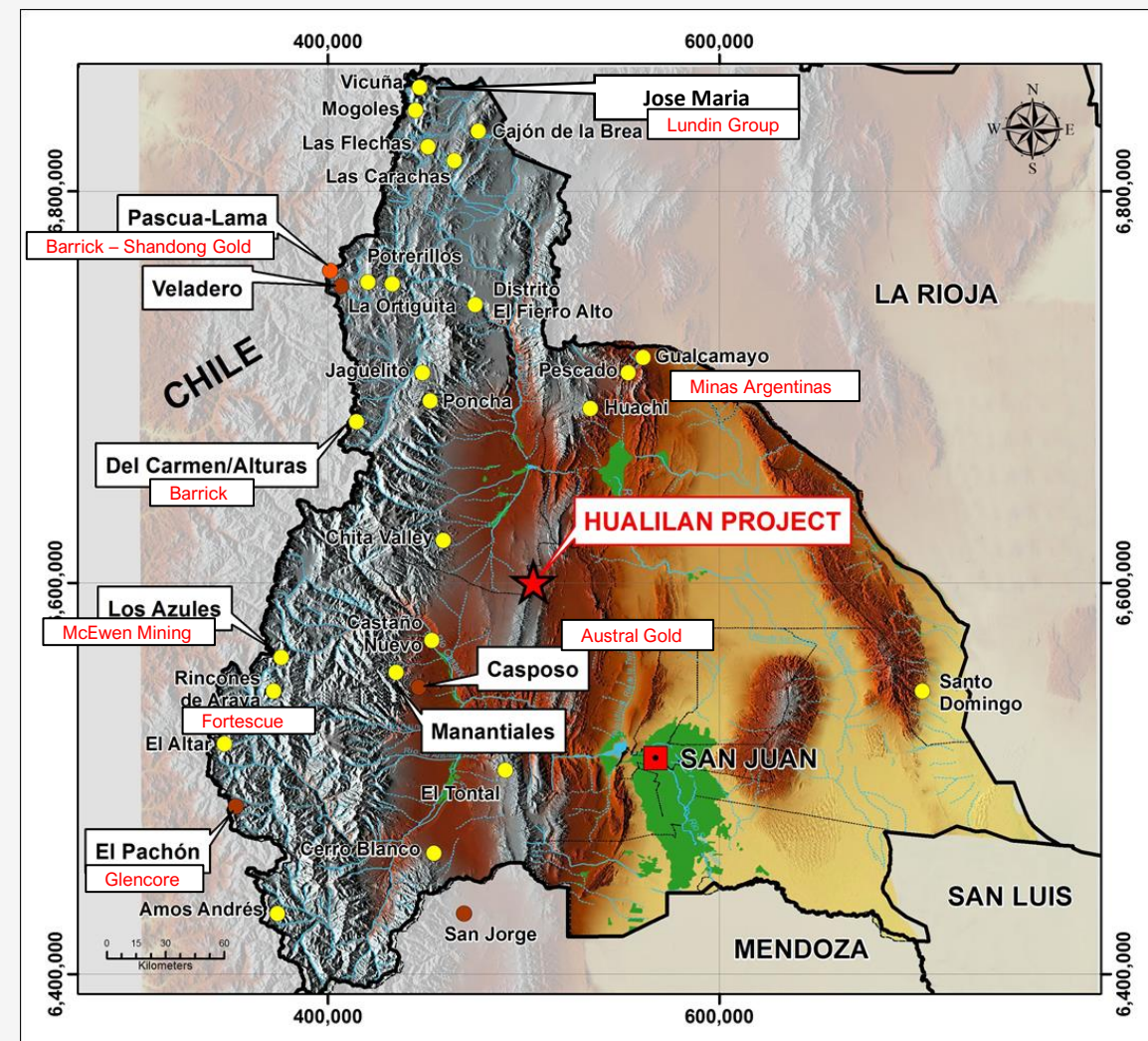
- Voted number 1 mining jurisdiction in South America in the most recent Fraser Institute Survey

## Key impediments to mining investment in Argentina

- Currency control and conversion of USD sales into Peso's
- Lack of ability to repatriate dividends
- Red tape and retrospective taxation
- Inflation eroding value of cashflow held as Pesos

## Argentina transforming into a favoured mining destination

- President Milei has cut red tape
- The Presidential Omnibus bill now approved in the lower house
- This new bill will provide for:
  - Guaranteed framework of legal certainty over Project life
  - Removal of requirement to convert USD sales into Pesos
  - Reduction in corporate tax rate from 35% to 25%
  - Dividend withholding tax removed after year 3
  - Exemption of federal and provincial import taxes





# BUILDING A DISTRICT SCALE FOOTPRINT AT HUALILAN

Discoveries like Hualilan seldom occur in isolation – hence a 600 sqkm footprint which is unexplored

**2.8 Moz**  
Resource  
(marked in red)

**2.2 km**  
Resource  
Strike

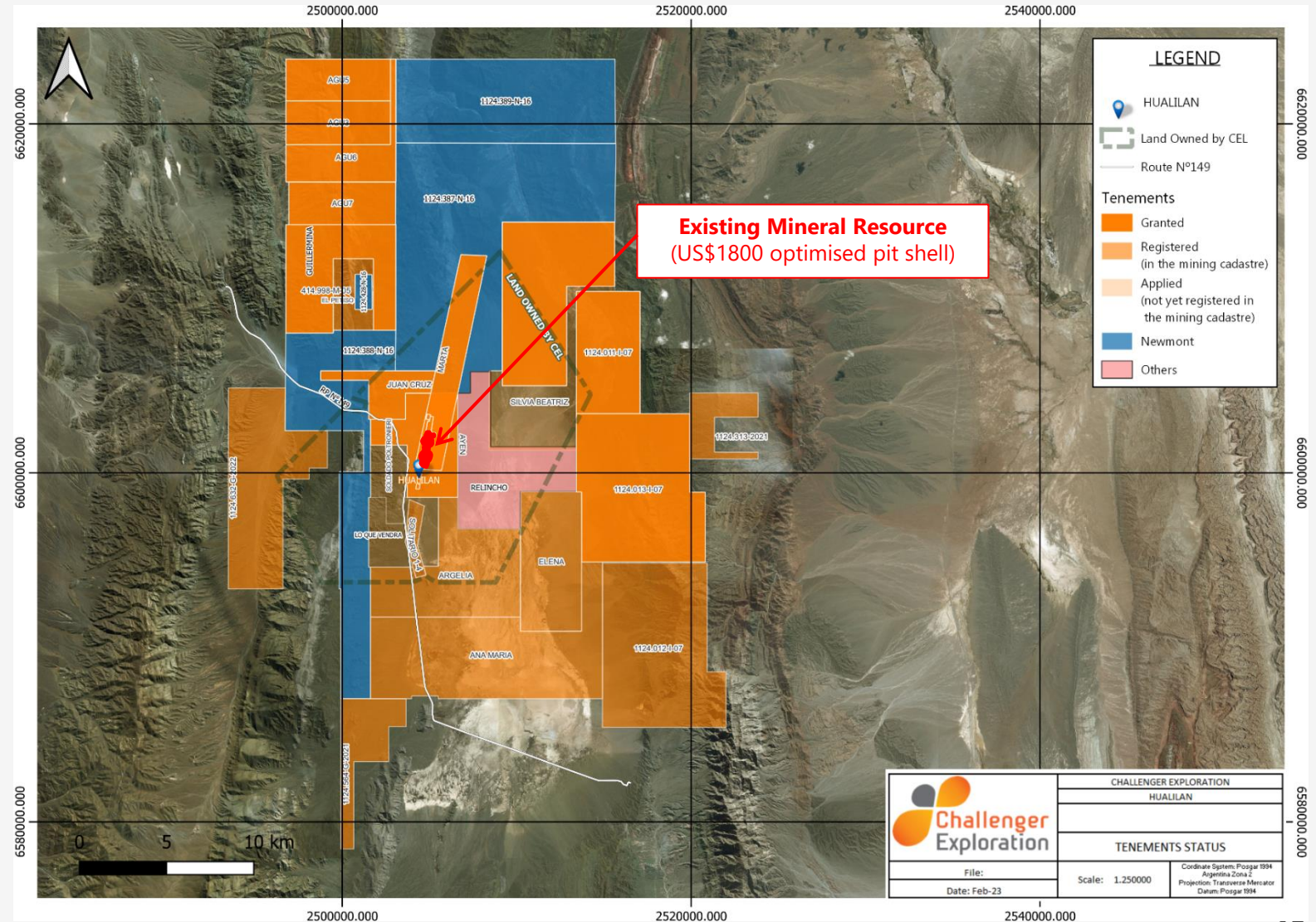
**3.5km**  
Mineralised  
Strike

**600 km<sup>2</sup>**  
District Scale  
Footprint

**30 km**  
Known Strike  
unexplored

**+50 g/t**  
material 10km  
north

**Purchased 20,000 Ha of  
underlying land**



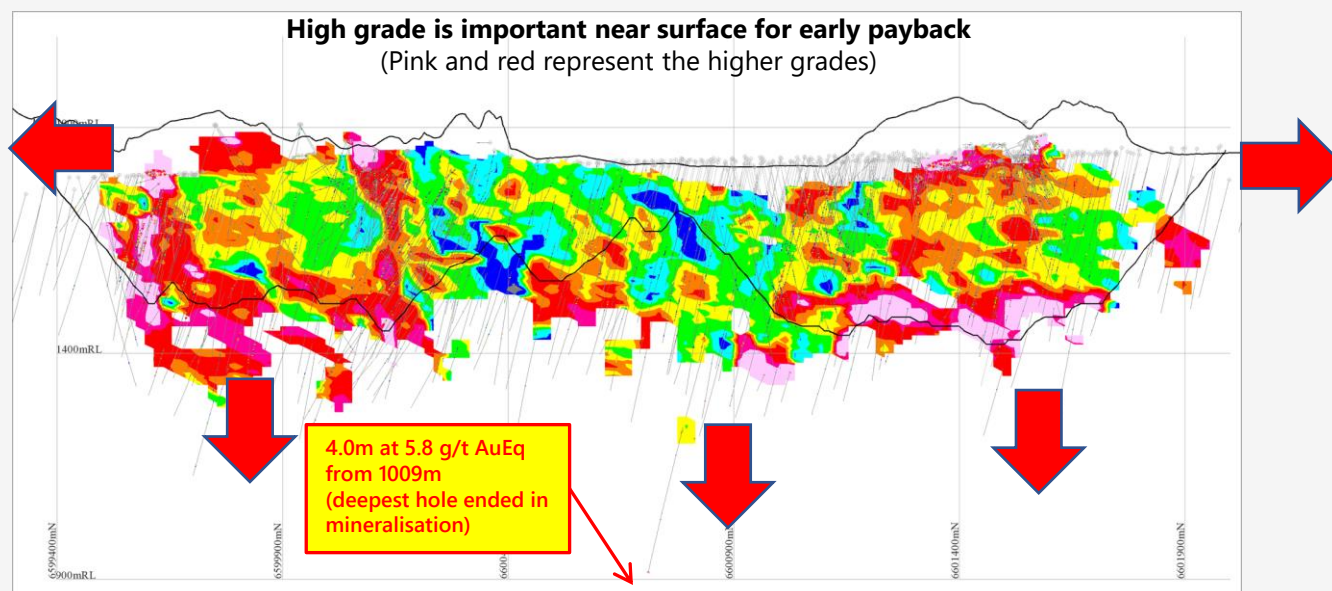
# MINERAL RESOURCE ESTIMATE (MRE)

Grade tonnage distribution provides significant optionality and flexibility

- Mineral Resource Estimate (MRE) increases to **2.8 million ounces** (AuEq)<sup>2</sup>.
- High-grade core the focus of the Scoping Study at a cut-off grade of 2.37 g/t AuEq
  - 1.45 Moz at 5.6 g/t AuEq<sup>2</sup>** (2.37 g/t AuEq cut-off)
- Low geologic risk with MRE based on 240,000 metres of diamond core drilling
- Majority of the MRE in Indicated Category (**2.2 Moz AuEq for 80%**)
- Resource remains open in most directions (current MRE covers 2.5km strike)

Total MRE at various cut off grades

| Cut-off (g/t AuEq) | tonnes     | Au (g/t) | Ag (g/t) | Zn (%) | Pb (%) | AuEq (g/t) | Oz (AuEq) |
|--------------------|------------|----------|----------|--------|--------|------------|-----------|
| 0.30               | 60,649,096 | 1.1      | 6.0      | 0.44   | 0.06   | 1.41       | 2,758,935 |
| 0.40               | 49,131,477 | 1.3      | 6.8      | 0.52   | 0.06   | 1.67       | 2,630,081 |
| 0.50               | 40,314,159 | 1.5      | 7.7      | 0.60   | 0.07   | 1.93       | 2,503,463 |
| 0.60               | 33,508,271 | 1.8      | 8.5      | 0.69   | 0.08   | 2.21       | 2,383,116 |
| 0.80               | 25,745,239 | 2.1      | 9.8      | 0.84   | 0.09   | 2.67       | 2,210,537 |
| 1.00               | 21,101,103 | 2.5      | 10.9     | 0.97   | 0.10   | 3.06       | 2,077,276 |
| 1.20               | 17,311,011 | 2.9      | 12.0     | 1.11   | 0.11   | 3.49       | 1,944,038 |
| 1.40               | 14,636,049 | 3.3      | 13.0     | 1.24   | 0.11   | 3.90       | 1,832,800 |
| 1.60               | 12,742,712 | 3.6      | 13.9     | 1.36   | 0.12   | 4.25       | 1,741,963 |
| 1.80               | 11,155,252 | 4.0      | 14.9     | 1.47   | 0.13   | 4.62       | 1,655,499 |
| 2.00               | 9,881,761  | 4.3      | 15.8     | 1.57   | 0.13   | 4.97       | 1,578,019 |
| 2.20               | 8,953,342  | 4.7      | 16.5     | 1.67   | 0.14   | 5.27       | 1,515,540 |
| 2.40               | 8,092,822  | 5.0      | 17.4     | 1.77   | 0.14   | 5.58       | 1,451,837 |
| 2.60               | 7,421,006  | 5.3      | 18.1     | 1.86   | 0.14   | 5.86       | 1,398,119 |
| 2.80               | 6,913,664  | 5.6      | 18.5     | 1.92   | 0.15   | 6.09       | 1,353,882 |
| 3.00               | 6,443,251  | 5.9      | 19.0     | 1.99   | 0.15   | 6.33       | 1,310,235 |





# SCOPING STUDY – KEY DELIVERABLES

Study targeted the high-grade core of the deposit to ensure a credible funding pathway

## Objectives of the Scoping Study targeting

- The Scoping Study focussed on the high-grade core of the mineralisation (1.5 Moz at 5 g/t AuEq).
- Low-CAPEX ensures a credible pathway to fund production - challenging market conditions are not presently conducive to high-CAPEX projects.
- Next stage of work will evaluate a larger open pit +/- concurrent underground option to recover more of the 2.8 Moz resource.

## Key Study Deliverables

|  |   |   |
|--|---|---|
| >100,000 oz annual production over LOM | ✓ | <ul style="list-style-type: none"><li>- 116,000 oz Au + Ag + Zn (141,000 oz AuEq) average LOM production.</li><li>- Forecast to be <b>Top 20 ASX gold producer</b>.</li></ul>               |
| Payback period ≤1.5 years              | ✓ | <ul style="list-style-type: none"><li>- <b>1.25-Year payback</b> period (post-tax).</li><li>- Opportunities to optimise further for a reduced payback period.</li></ul>                     |
| Low up-front capital                   | ✓ | <ul style="list-style-type: none"><li>- <b>US\$134 million Pre-Development CAPEX</b> (before contingency).</li><li>- Opportunities to reduce pre-development CAPEX.</li></ul>               |
| Low cost/strong cashflow               | ✓ | <ul style="list-style-type: none"><li>- <b>Lowest quartile ASIC</b> US\$830/oz (A\$1277/oz)</li><li>- EBITDA US\$109 million (<b>A\$168 million</b>) LOM average forecast</li></ul>         |
| High Project IRR                       | ✓ | <ul style="list-style-type: none"><li>- <b>IRR of 75%</b> (pre-tax real).</li><li>- IRR of 66% (post-tax real).</li></ul>   |
| Optimised on a per share basis         | ✓ | <ul style="list-style-type: none"><li>- Deliverability prioritised over NPV in current climate.</li><li>- PFS will also evaluate large open pit with process route optimisations.</li></ul> |

# STARTING POINT – CURRENT SCOPING STUDY

Hualilan in a exceptional asset with significant upside



## Production and Operating Costs

- Average annual production target of 116,000 oz gold, 440,000 oz silver and 9,175 tonnes zinc (141,000 oz AuEq<sup>2</sup>).
- Global lowest-quartile C1 cash cost of US\$527/oz (A\$811) and AISC of US\$830/oz (A\$1277).
- 7 Year mine life producing 738,000 oz Au, 1,776,000 oz Ag, 52,000t Zn, 3000t Pb
- Low-risk starter pit followed by conventional sub-level open stoping UG mining with three working areas offering flexibility.
- Production schedule is comprised of 81% Indicated Resource and 19% Inferred Resource.
- 500 kt ore on stockpile when processing starts – reduces startup risk and provides optionality to start processing early.

## Compelling Financial Metrics of the Scoping Study

- Forecast EBITDA of US\$738 M (A\$1.1 B) over LOM.
- Rapid payback period of under 1.25 years (post-tax, ungeared).
- Pre-tax NPV<sup>5</sup> US\$409M (A\$629M) at US\$1,750/oz Au and US\$20/oz Ag.
- Pre-tax NPV<sup>5</sup> increases to A\$1,101M at current spot prices [gold (US\$2,300/oz) and silver (US\$30/oz)]
- Project IRR 75% (Pre-Tax Real).



# SCOPING STUDY HIGHLIGHTS

A Future Top 20 ASX Producer based on Study Forecasts

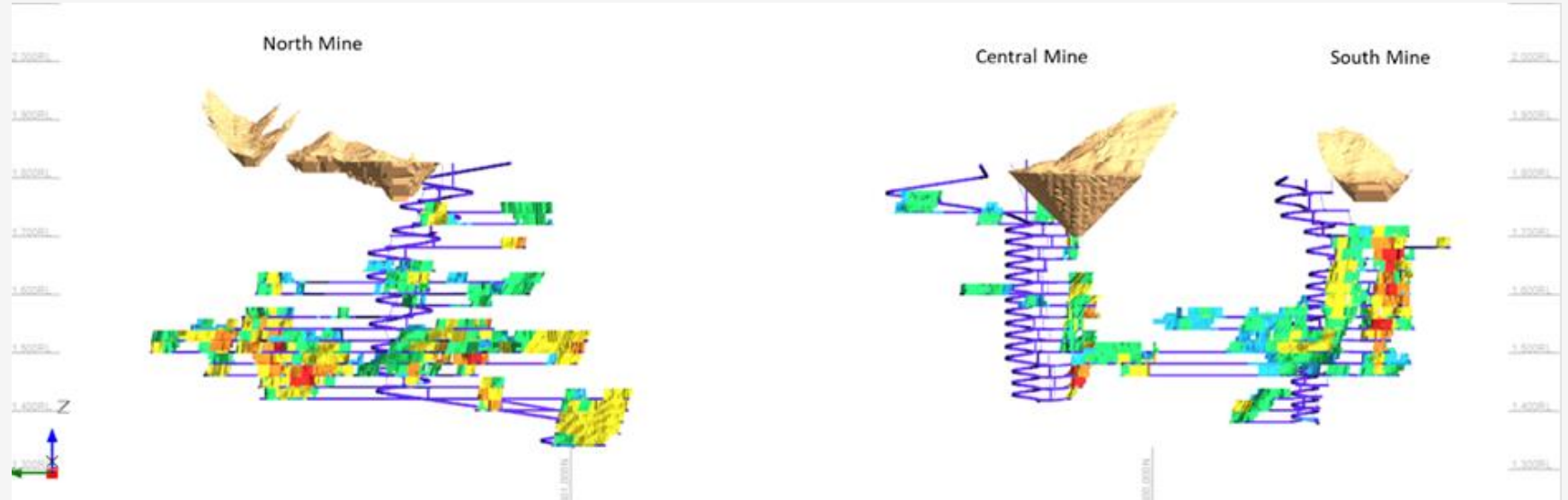
|   |   |  |
|---|---|--|
| <b>Production</b><br>953koz AuEq : LOM<br>141koz : Average Annual   | <b>Revenue</b><br>US\$1.5Bn<br>A\$2.3Bn                                   | <b>Commodity Price Assumptions</b><br>Au (US\$1750/oz), Ag (US\$20/oz)<br>Zn (US\$1.15/lb), Pb (US\$0.94/lb) |
| <b>Open Pit Mining Physicals</b><br>1,311t @ 3.99 g/t AuEq<br>Strip 7.3:1 waste:ore   | <b>EBITDA</b><br>US\$738m<br>A\$1.1Bn                                     | <b>Initial LOM</b><br>7 Years<br>(mineralisation open in all directions)                                     |
| <b>Underground Mining Physicals</b><br>5,798kt @ 4.39 g/t AuEq<br>US\$63.30/t mined   | <b>Operating Margin</b><br>50%<br>EBITDA/Revenue                          | <b>All In Sustaining Cash Costs (ASIC)</b><br>US\$830/0z<br>A\$1277oz  |
| <b>Plant Throughput</b><br>1.05 Mtpa<br>Conventional gravity + flotation + FTL  | <b>NPV<sub>5%</sub> (Pre-tax)</b><br>US\$409m<br>A\$630m                  | <b>IRR</b><br>75.2% (pre-tax real)<br>66.0% (post-tax real)  |
| <b>Pre-Production Capital</b><br>US\$119m plant and infrastructure + US\$18.4m pre-production mining + US\$14.7m contingency<br>(US\$152 million) | <b>NPV<sub>5%</sub> (Pre-tax) at spot prices</b><br>US\$716m<br>A\$1,101m | <b>Payback Period</b><br>1.25 years<br>(post tax)  |

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

# MINING AND PROCESSING

Three independent underground working areas provide flexibility and mitigate mining risk

- Vanilla open pit operation split across three zones (four single cutback pits) targeting 200 kt of mining per month.
- Small OP fleet, low operator labour quantities, shallow pits, limited pioneering, short surface haul. Waste material utilised for road building and TSF embankment.



*Mine Design. Long section View of North, Central and South Mines*

- Underground split into three zones. Conventional sub-level open stoping with paste fill. Each area developed and operated separately. Equipment locked to areas, so there is upside optionality in future scheduling work through flexibility. Ore hauled to surface and short hauled to ROM. 1:7 decline gradient. Conventional primary exhaust strategy and emergency egresses.
- After initial development there is also opportunity to increase production rates in different areas in response to operational issues or upside swings on stope grades. 30m crown pillar is not recovered in the study. Provides further gold production upside.
- Declines de-coupled from pits to provide more rapid development/ production schedule.
- Conventional processing option via vanilla Gravity plus Flotation



# IMMEDIATE PROJECT UPSIDE

Several material opportunities to significantly improve the Study Outcome identified

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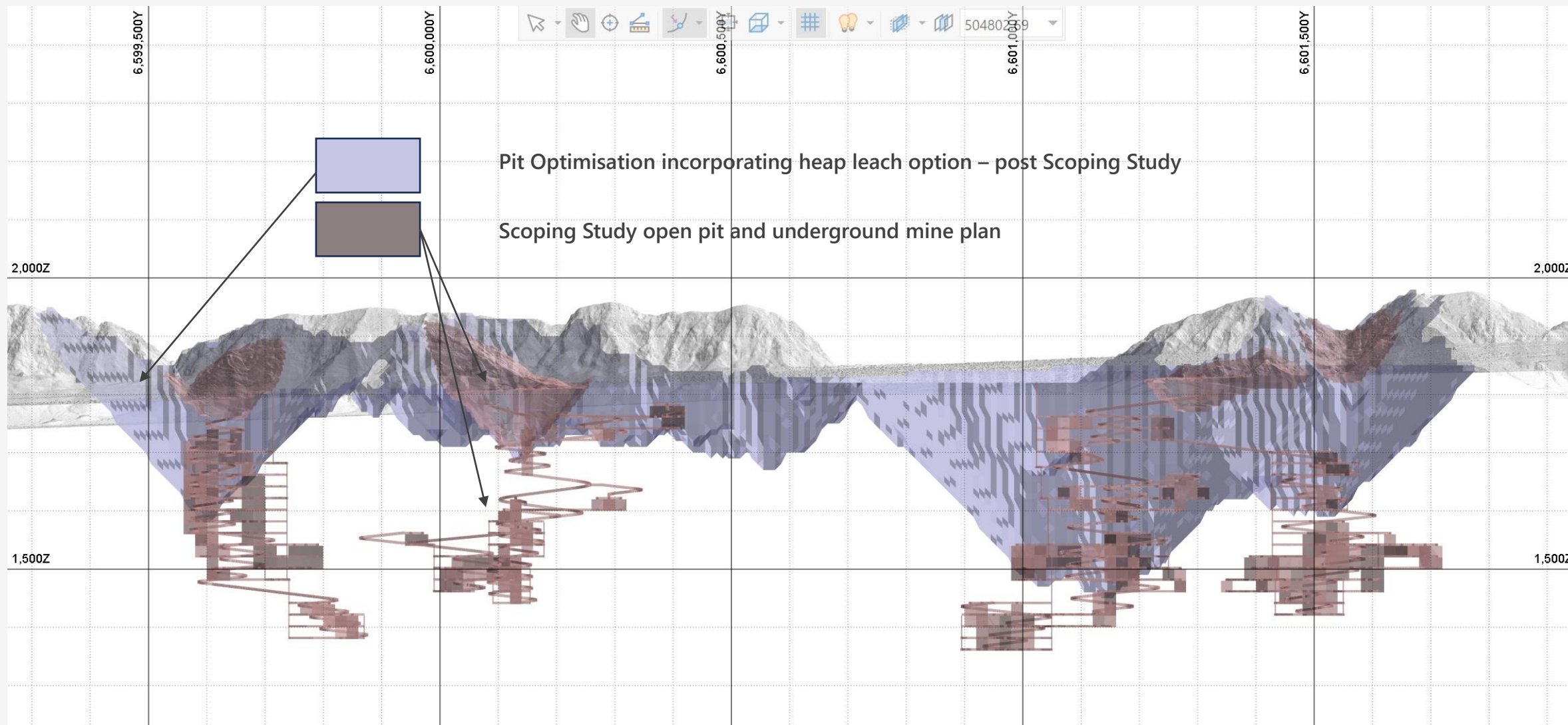
## Material Upside to Scoping Study in Pre-Feasibility Study

- The Company has identified several clear and material opportunities for improvement of the Scoping Study outcome which are currently being evaluated
- The expectation is that this can increase the recovered metal and project NPV
- Material upside opportunities include:
  1. Recovery of part of the 1.7Moz AuEq<sup>3</sup> remaining after the Scoping Study due to the high-grade/ low-tonnage focus
  2. Evaluation of add-on heap leach processing option
  3. Low grade zinc enrichment pathway
  4. Production of dore on site from the Au-Ag Concentrate
  5. Improvement of Underground mine plan and stope optimisation – all done using US\$1700 Au
  6. Reduction in open pit mining costs via owner-operator and bulk mining efficiencies
  7. Staged startup scenario to reduce up-front Capex

<sup>3</sup> AuEq information as required under JORC is provided on Slide 32 as footnote to (Hualilan MRE)

# POTENTIAL LARGER OPEN PIT OPTION IN PFS CASE

Recent Pit Optimisation assuming Heap Leach recoveries of 60%



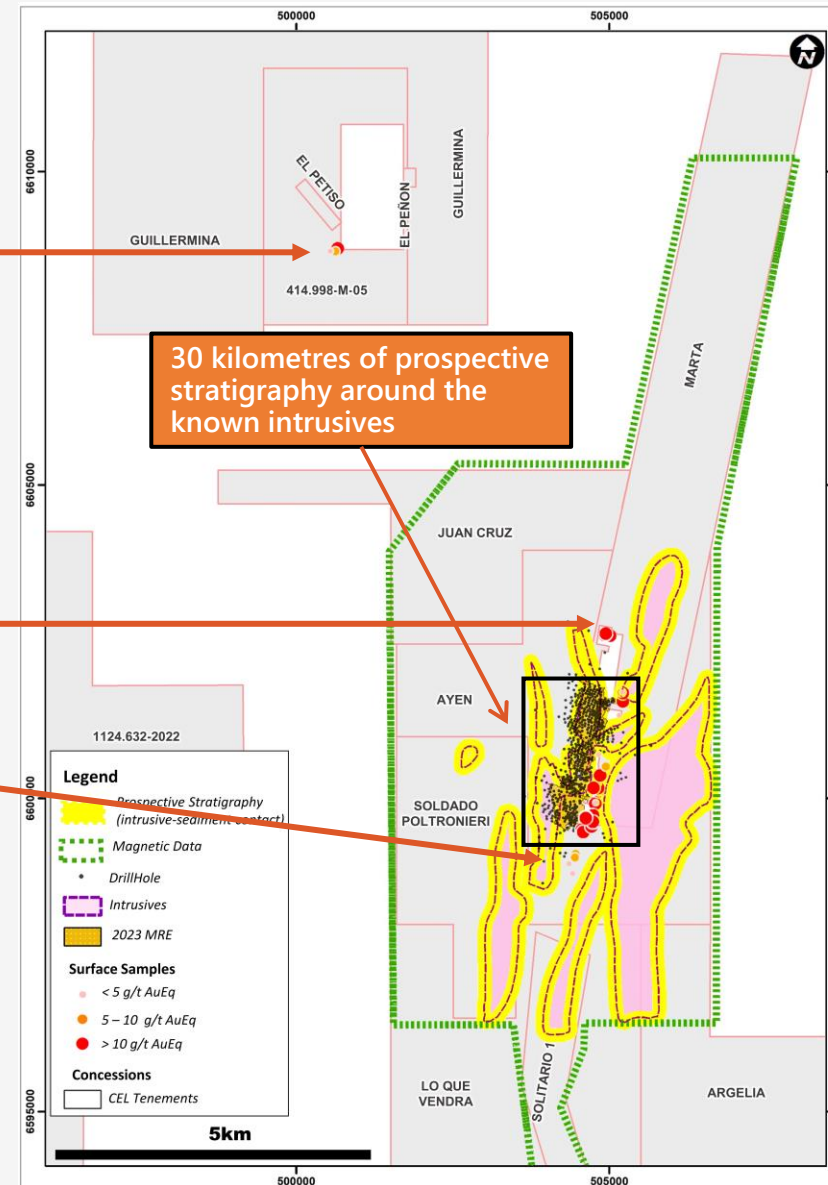


# THE EXCITING OPPORTUNITY AT HUALILAN

Exploration has only focussed on one side of the intrusion responsible for Hualilan

## Initial regional exploration delivers

- More than 75% into the program with early results developing significant new targets.
- High-grade Au-Ag stream sediment samples 10km northwest of Hualilan:
  - 54.4 g/t Au, 151 g/t Ag
  - 12.1 g/t Au, 62.1 g/t Ag
  - 7.9 g/t Au, 33.1 g/t Ag
- High-grade rock chip samples in a series of old workings 2km north of Hualilan at Andacollo:
  - 26.9 g/t Au, 423 g/t Ag
  - 20.6 g/t Au, 1785 g/t Ag
  - 12.9 g/t Au, 23.8 g/t Ag
- 16m at 16.0 g/t Au in exploration adit 600 metres south of Hualilan
- 30 kilometres of prospective stratigraphy around the known intrusives
- Ground magnetics extended to El Penon to help define drilling targets results pending



# 5-KILOMETRE COPPER TARGET

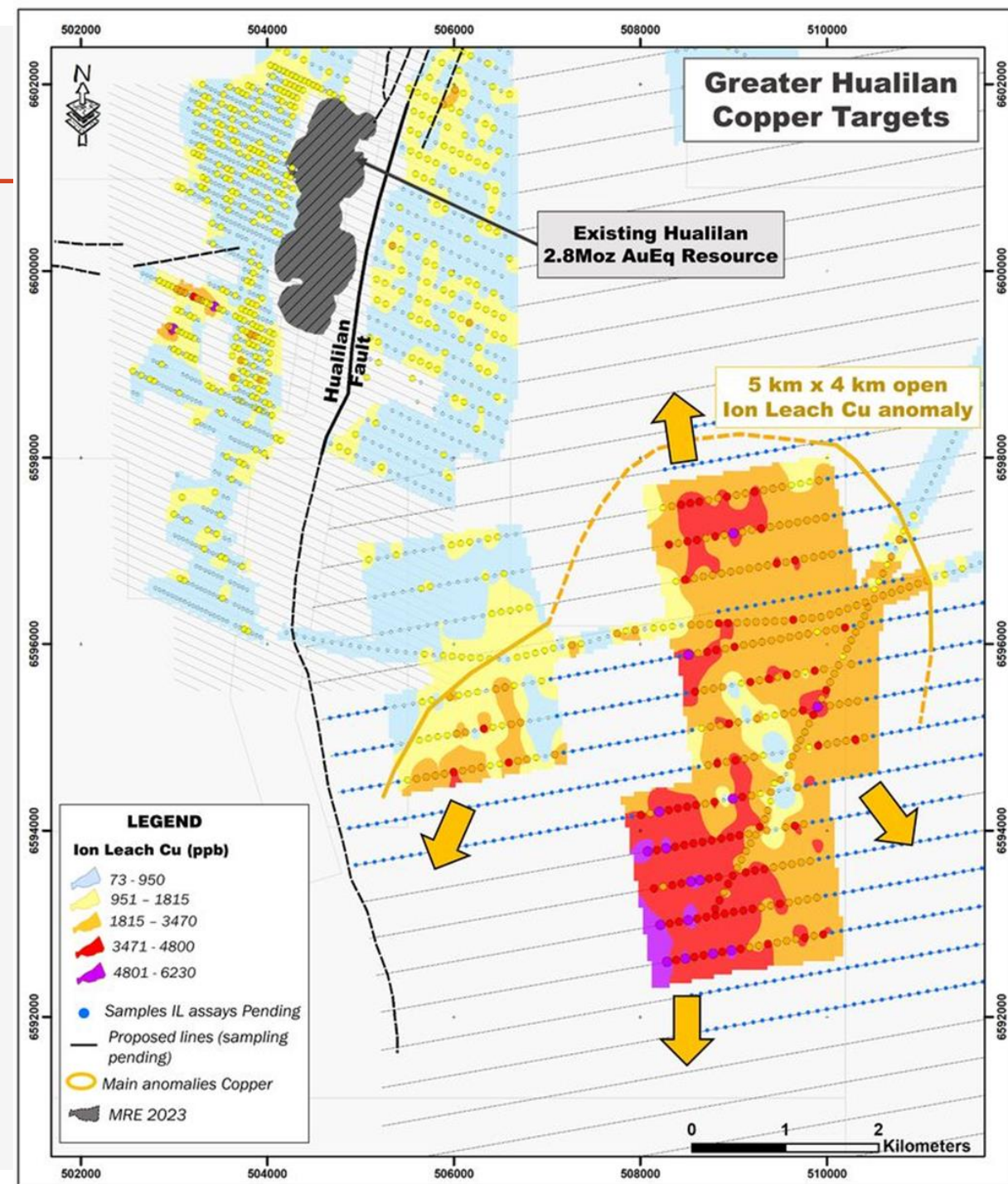
Defined by regional exploration

## 5-kilometre Copper target south of Hualilan

- 5-km x 4-km copper in soil anomaly the southeast of Hualilan
- Remains open with the strongest anomaly at the southern edge.
- Coincident iodine anomaly which is a pathfinder for several large copper systems located in arid climates such as Broken Hill (NSW) and Chuquicamata (Chile).
- No previous exploration as this area is overlain by transported cover.
- The target has been defined with Ion Leach1™ assaying, a geochemical technique designed for exploring under cover.
- Ion leach has been Extended over an additional 150 km<sup>2</sup>

## Regional Gold Anomalies

- The program of Ion leach appears effective in defining gold anomalies in areas under cover
- The program has been expanded 3 times and is still subject to expansion
- Results pending





# El Guayabo/Colorado V Project

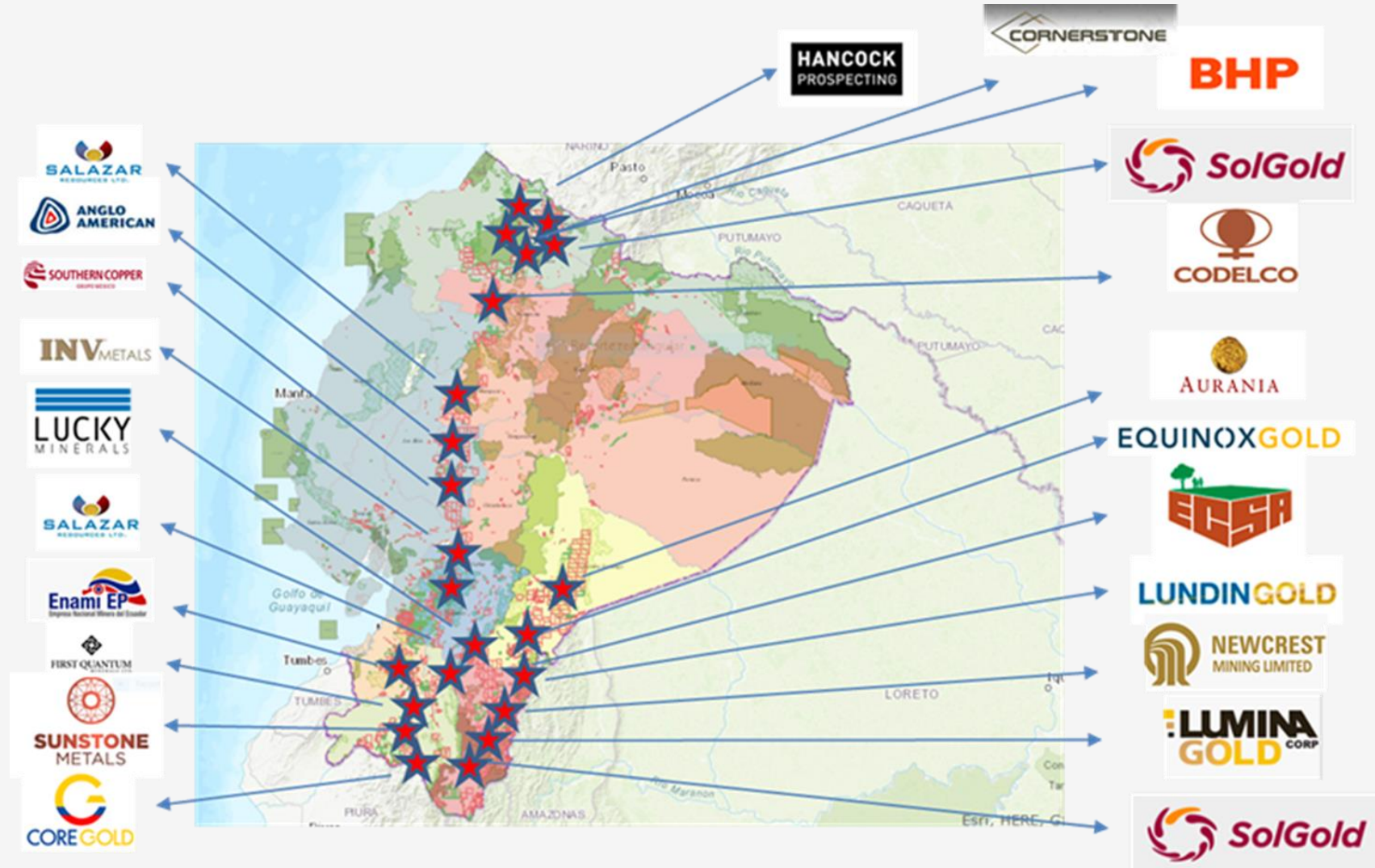
Ecuador

# ECUADOR OVERVIEW

## Supportive Government

### Why Ecuador ?

- host to world-class copper-gold deposits, in one of the most prospective and under explored belts
- 2015 - established the Mines Ministry and worked to initiate a sustainable long-term mining industry
- 2016 - makes new concessions available ending the moratorium initiated in 2008
- Ecuador is embracing the mining industry and making significant advancements to investment conditions
- Some of the largest discoveries in recent time on this under-explored gap of Andean Copper Belt
- Mining is now the 4<sup>th</sup> largest contributor to the Ecuador economy



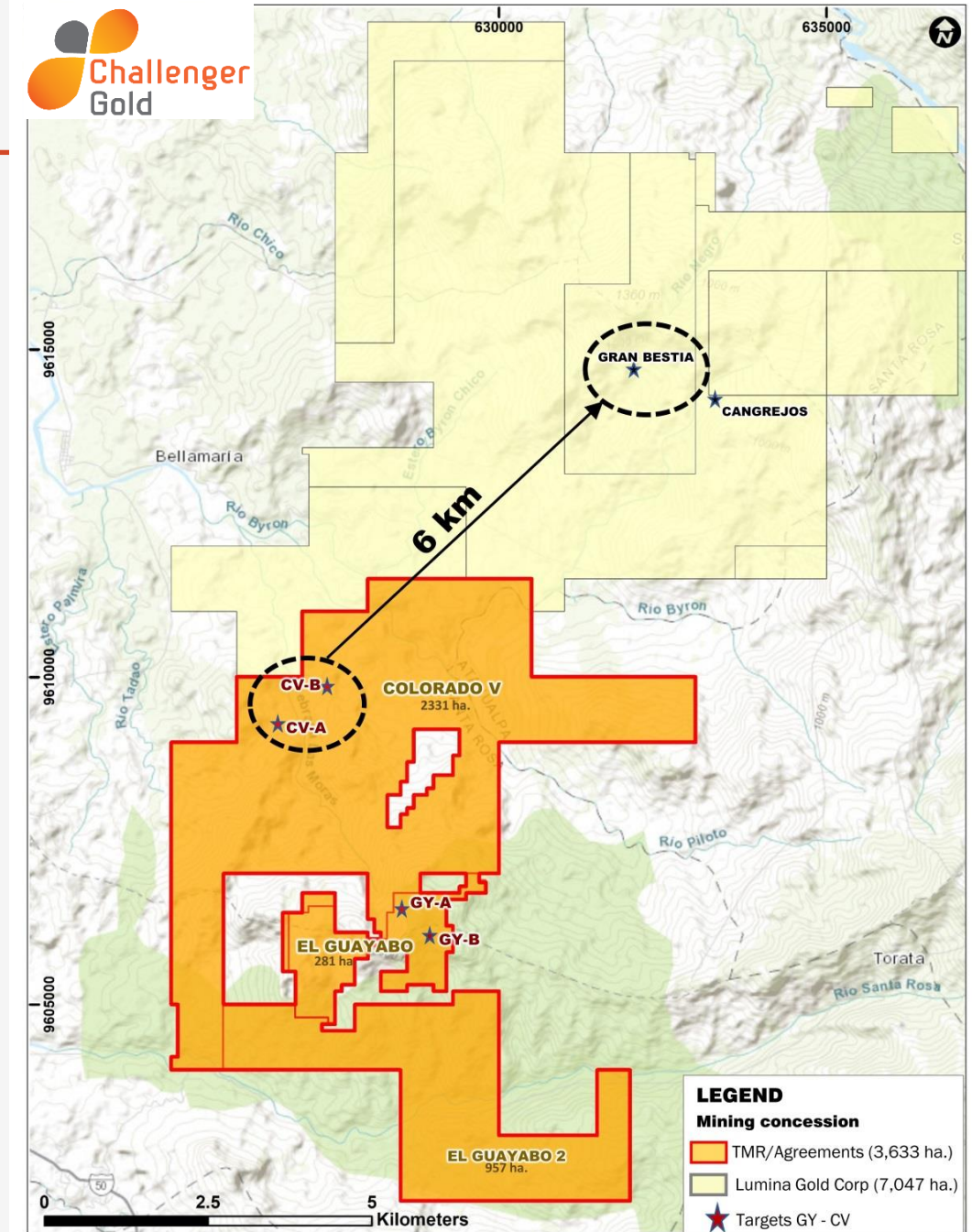


# PROJECT OVERVIEW

## Significant achievements to date

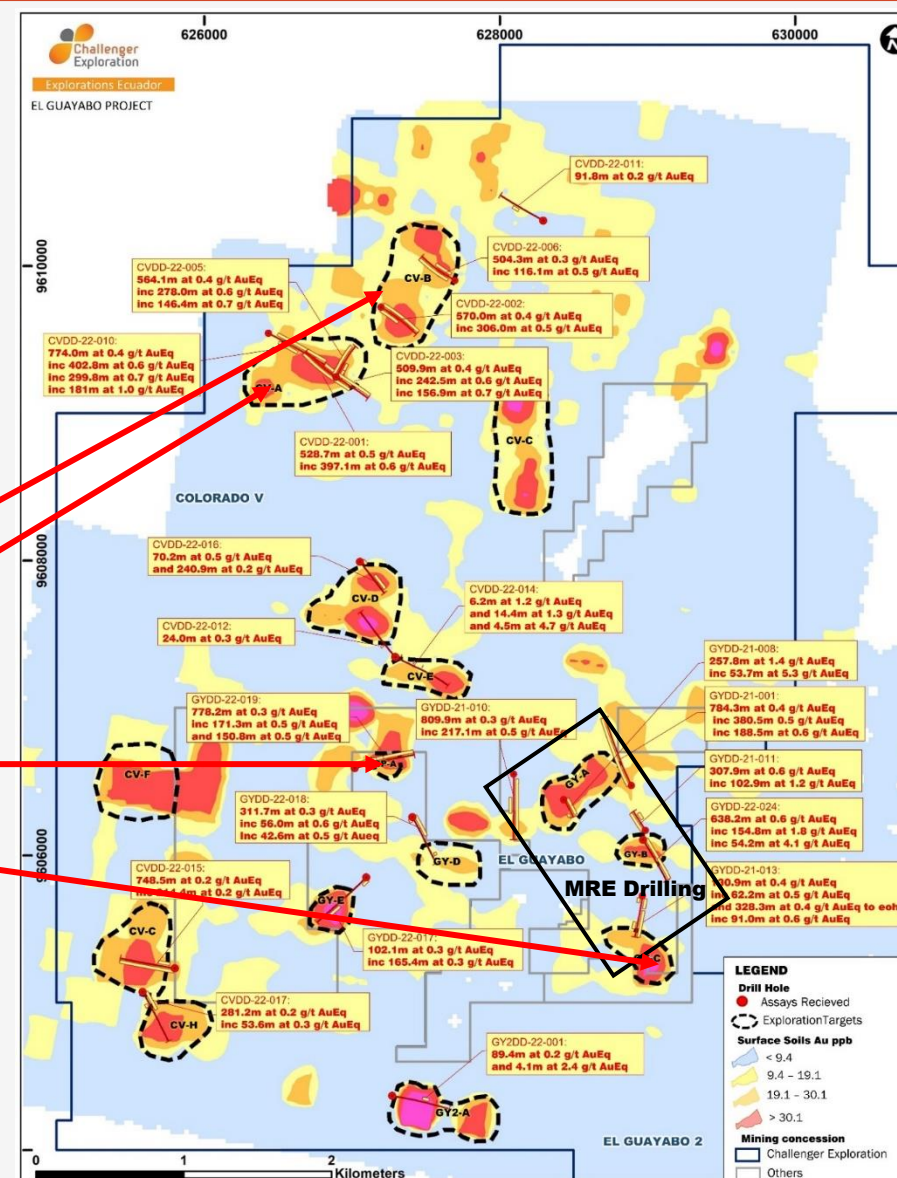
- Acquired 100% Guayabo Concession Code:225 (281 Ha) in 2019
- Acquired farmin rights to acquire 100% of an additional 4 surrounding concessions of Cerro Pelado 1, 2 and 3 (64 Ha) and El Guayabo 2 (957 Ha)
- JV option with Goldking (Zhaojin) on Colorado V Concession (2,331 Ha.) in 2019 – earning 50% (US\$1.9M spend remaining)
- **Total footprint 3,633 Ha 6km on strike from Cangrejos (16.8Moz) an excellent land package to carry out exploration for a Tier 1 Project.**
- Started drilling in mid 2021 after 2 years grass roots exploration:
  - Completed ~ 40,000 metres of drilling
  - +500 metre ore grade intersections on 7 of the 15 regionally significant Au-Ag-Cu soil anomalies drilled
- Maiden Mineral Resource Estimate **of 4.5 Moz AuEq at 0.52 g/t AuEq** (cut-off 0.3 g/t AuEq)
- **Decision to monetise Ecuador after the current resource drill program**

Information regarding the El Guayabo Project MRE required under the JORC Code is provided on Slide 32 of this presentation



# MAIDEN ECUADOR MINERAL RESOURCE ESTIMATE (MRE)

Just a start - Based on 3 of the 7 anomalies to produce significant drill intersections



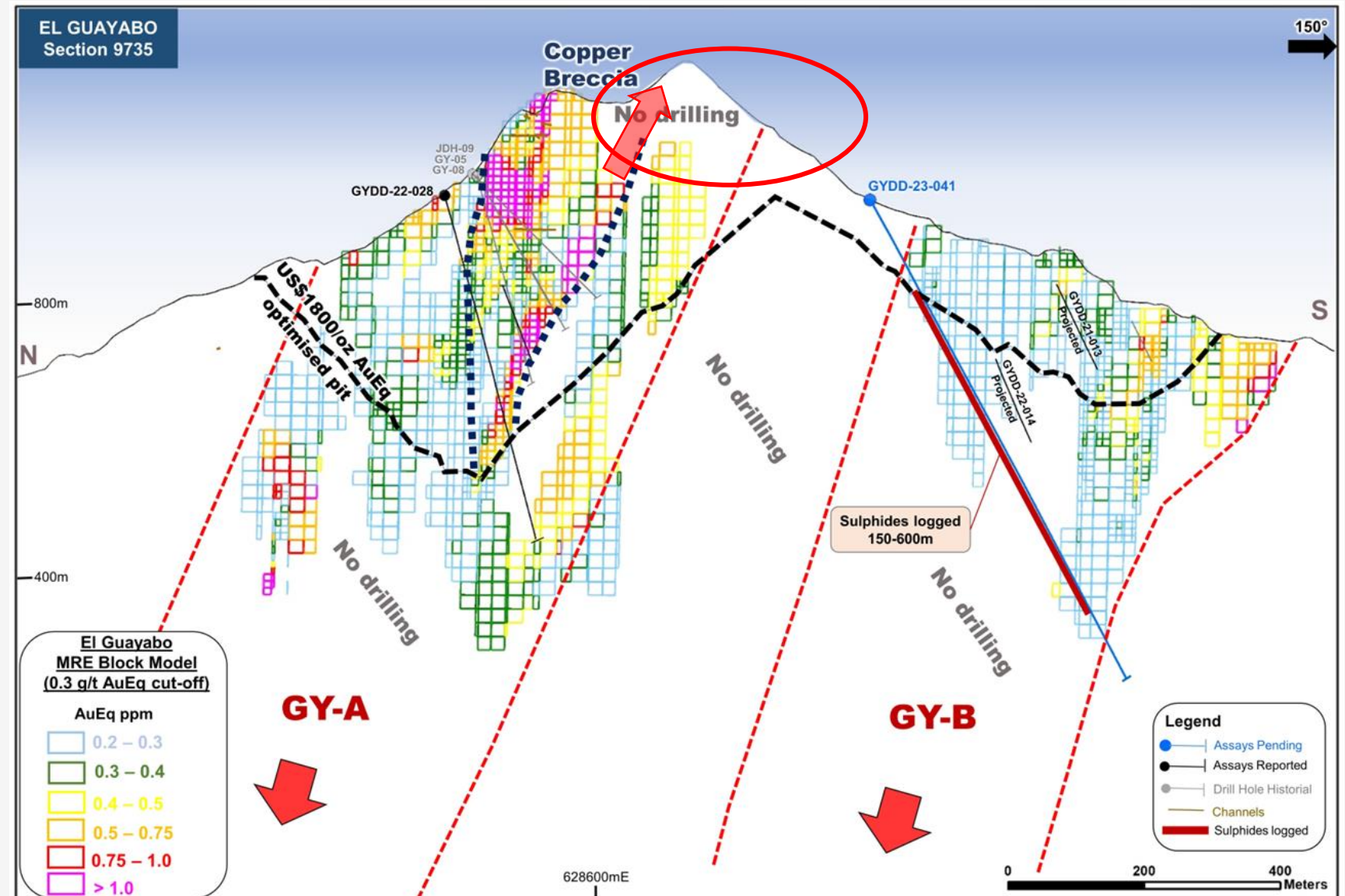


# COHERENT NEAR SURFACE HIGH-GRADE COMPONENT

Potential to provide high-grade starter feed. Upper 200 metres of this high-grade zone untested due to topography

**Grade Tonnage Table**  
(4.5 Moz<sup>2</sup> MRE)

| Cut-off<br>g/t (AuEq) | mt           | AuEq<br>(g/t) | oz<br>(AuEq)     |
|-----------------------|--------------|---------------|------------------|
| 0.20                  | 450.5        | 0.42          | 6,011,670        |
| 0.25                  | 361.4        | 0.46          | 5,384,520        |
| <b>0.30</b>           | <b>268.7</b> | <b>0.52</b>   | <b>4,483,435</b> |
| 0.35                  | 203.7        | 0.58          | 3,816,672        |
| 0.40                  | 163.9        | 0.64          | 3,351,283        |
| 0.45                  | 119.8        | 0.71          | 2,721,294        |
| 0.50                  | 91.4         | 0.78          | 2,288,199        |
| 0.55                  | 70.3         | 0.86          | 1,934,466        |
| 0.60                  | 55.3         | 0.93          | 1,649,860        |
| 0.65                  | 45.1         | 1.00          | 1,452,225        |
| 0.70                  | 37.7         | 1.06          | 1,281,627        |
| 0.75                  | 31.7         | 1.13          | 1,149,427        |
| 0.80                  | 26.4         | 1.19          | 1,013,656        |
| 0.85                  | 21.9         | 1.26          | 891,349          |
| 0.90                  | 18.6         | 1.33          | 796,251          |
| 0.95                  | 15.6         | 1.42          | 711,302          |
| 1.00                  | 13.2         | 1.49          | 631,332          |



# COLORADO V RESOURCE DRILLING PROGRAM

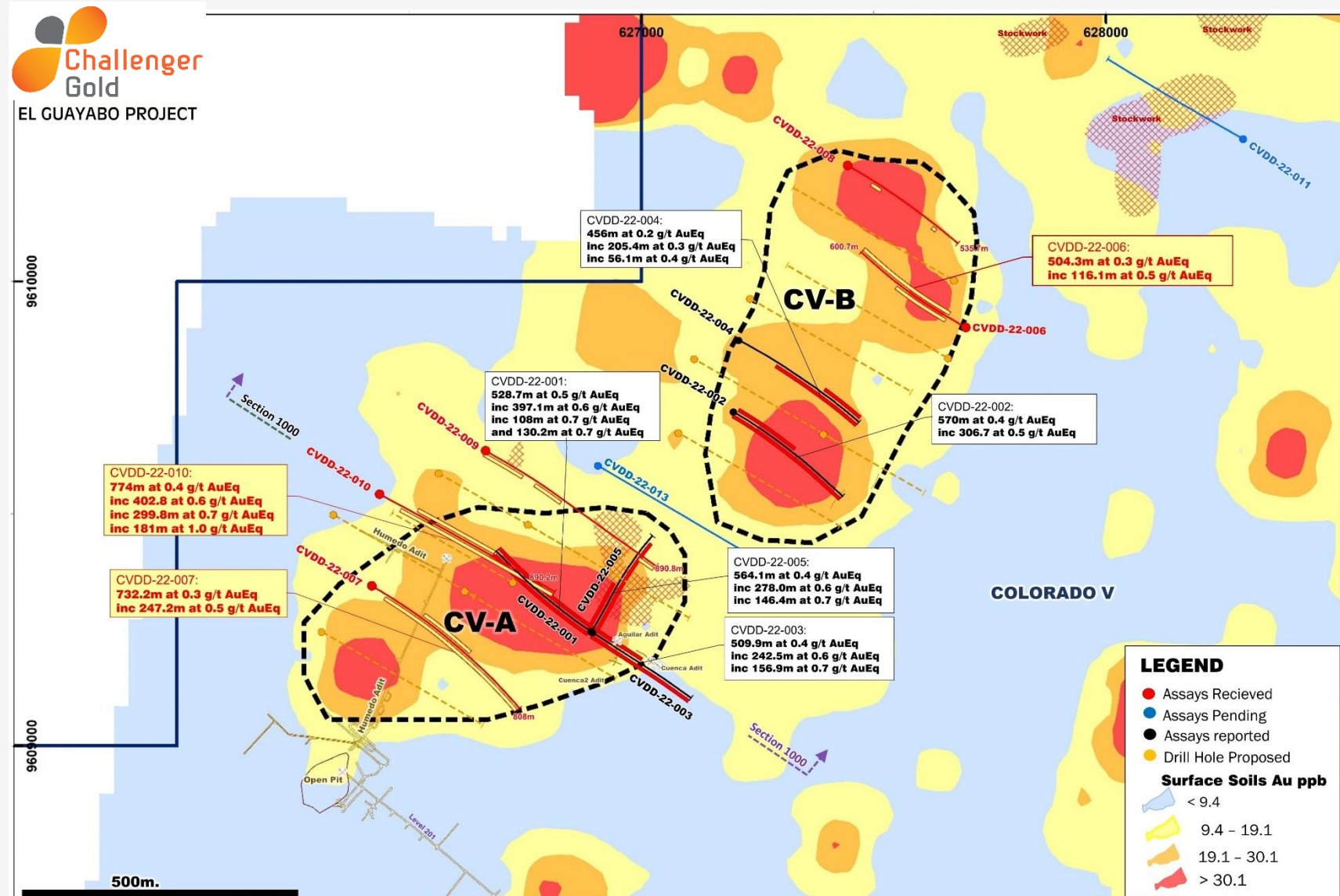
Resource drilling program on two additional discoveries

- Au-Cu soil anomalies 1km x 0.5km
- Outstanding results with first 10 holes intersecting mineralisation including several with mineralisation from surface to eoh:

- 773.9m\* at 0.4 g/t AuEq<sup>4</sup> incl 402.8m at 0.6 g/t AuEq<sup>4</sup> incl 180.9m at 1.0 g/t AuEq<sup>4</sup> and 62.4m at 1.8 g/t AuEq<sup>4</sup> (CV-A)
- 528.7m\* at 0.5 g/t AuEq<sup>4</sup> incl 397.1m at 0.6 g/t AuEq<sup>4</sup> incl 108.0m at 0.7 g/t AuEq<sup>4</sup> and 130.2m at 0.7 g/t AuEq<sup>4</sup> (CV-A)
- 564.1 m at 0.4 g/t AuEq<sup>4</sup> incl 278.0m at 0.6 g/t AuEq<sup>4</sup> incl 146.5m at 0.7 g/t AuEq<sup>4</sup> and (CV-A)
- 570.0m\* at 0.4 g/t AuEq<sup>4</sup> incl 306.0m at 0.5 g/t AuEq<sup>4</sup> (CV-B)

- Combined Exploration Target defined for CV-A and CV-B of:

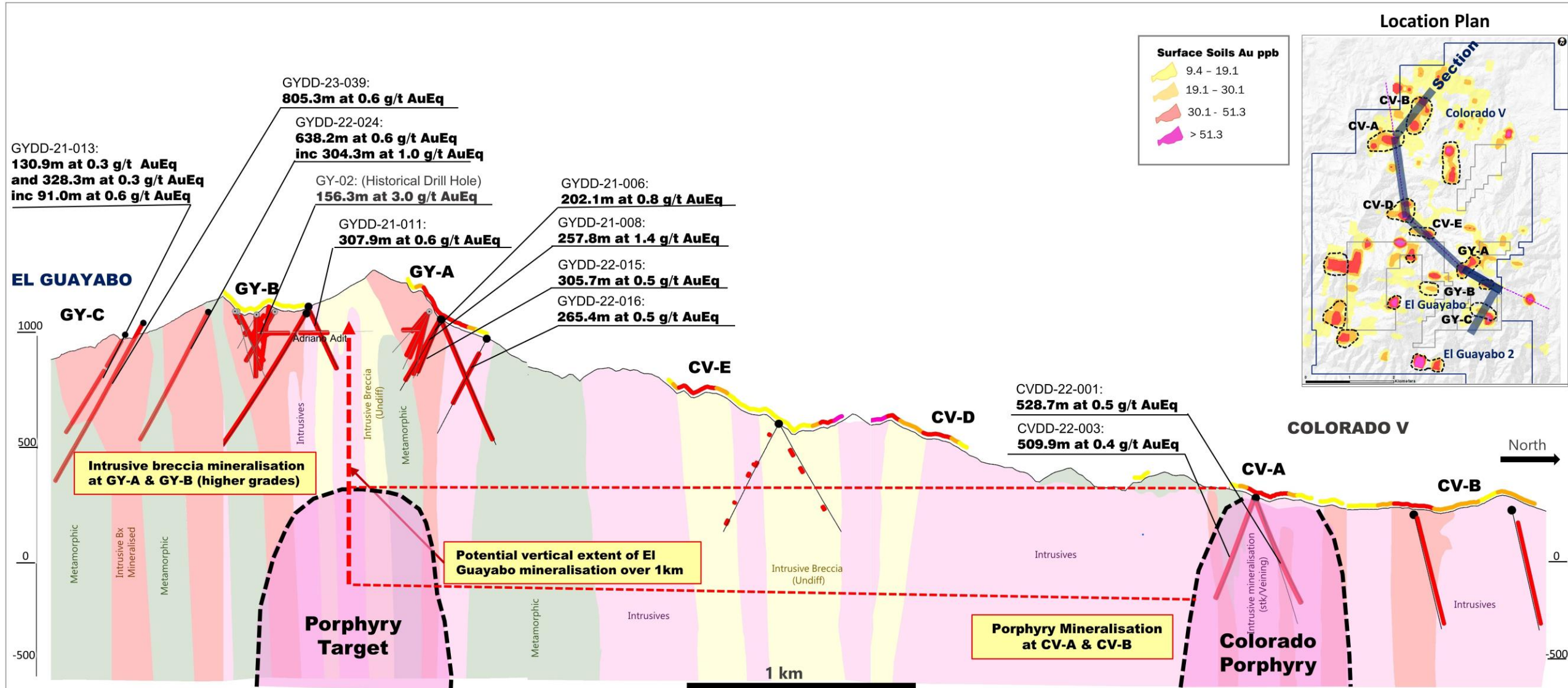
- 442-468 Mt at 0.5 g/t Au (refer ASX Release 21 August 2020)





# LONG SECTION EL GUAYABO TO COLORADO V

El Guayabo is 500 metres higher in the section than Cangrejos hence higher-grade intrusive breccia mineralisation



# ACCOMPLISHMENTS WE ARE MOST PROUD OF

## We become part of the local community

- We have been in Ecuador 4 years
- Direct Jobs created: **25**
- Indirect Jobs created: **50**
- Community businesses created: **3**
- Emergency food packs donated to needy families during COVID-19: **1,145**
- Intensive Care hospital beds and respirators donated to the local hospital: **5**
- Constructed new school for the closest (El Guayabo) community including complete fit-out, furniture, computers, text books, etc
- Permanent work with the communities
- **95%** locals employed with a **>90%** retention rate
- **Strong Social License to operate**



Water Treatment Plant



- Constructed 2019 by Challenger Exploration
- Cost US\$600,000
- Opex US\$20,000 month
- 977,500m<sup>3</sup> water treated since start-up



# WHY INVEST IN CHALLENGER GOLD



Significant Value Add to Hualilan and Ecuador during the remainder of 2024 and 2025

## Why Invest in Challenger Gold

1. Newsflow and several catalysts in the short term
2. Disconnect between market and fundamental value
  - Hualilan Project NPV +\$600m v market cap of approx. \$100m
  - No value attributed to Ecuador assets (4.5Moz AuEq)
3. Planned TSX Listing
  - Exposure to a market that understands South American assets to address this valuation disconnect
4. Intention to monetise, or spin-off, Ecuador assets
  - Will create value for the Ecuador assets
5. Potential for positive surprise in Hualilan in PFS
6. Argentina is transforming before our eyes
7. Gold – the right commodity right now

## Milestones/Catalysts 2024

- **June 2024** – First Ecuador drill results (ongoing)
- **July 2024** - Hualilan Regional Exploration update
- **July 2024** – Completion additional heap leach testing
- **Aug 2024** – TSX Listing
- **Sept 2024** - Hualilan Pre-Feasibility Study
- **Nov 2024** – Updated Ecuador Resource Estimate
- **Dec 2024** – Update Ecuador monetisation/spin off

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# Challenger Gold Limited Questions

ASX Ticker : CEL    OTC Ticker CLLEF

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# MINERAL RESOURCE ESTIMATES AND AUEQ INFORMATION

JORC 2012 Compliant MRE'S released March 2023 and June 2023

## 1 Gold Equivalent (AuEq) values Hualilan Gold Project- Requirements under the JORC Code (El Guayabo Gold-Copper Project)

- 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:  $AuEq (g/t) = Au (g/t) + [Ag (g/t) \times 0.012106] + [Zn (\%) \times 0.46204] + [Pb (\%) \times 0.19961]$
- 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.**

## 2 Gold Equivalent (AuEq) values El Guayabo Project- Requirements under the JORC Code (Hualilan Gold Project)

- Assumed commodity prices for the calculation of AuEq is Au US\$1800 Oz, Ag US\$22 Oz, Cu US\$9,000/t, Mo US\$44,080/t
- Metallurgical recoveries are estimated to be Au (85%), Ag (60%), Cu (85%) Mo (50%) across all ore types (see JORC Table 1 Section 3 Metallurgical assumptions) based on metallurgical test work.
- The formula used:  $AuEq (g/t) = Au (g/t) + [Ag (g/t) \times 0.012222] + [Cu (\%) \times 1.555] + [Mo (\%) \times 4.480026]$
- 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**

| Domain                                      | Category  | Mt          | Au g/t     | Ag g/t     | Zn %       | Pb %        | AuEq g/t   | AuEq (Mozs) |
|---|-----------|-------------|------------|------------|------------|-------------|------------|-------------|
| <b>US\$1800 optimised shell</b>             | Indicated | 45.5        | 1.0        | 5.1        | 0.4        | 0.06        | 1.3        | 1.9         |
|   | Inferred  | 9.6         | 1.1        | 7.3        | 0.4        | 0.06        | 1.2        | 0.4         |
| <b>Below US\$1800 shell &gt;1.0ppm AuEq</b> |           | Inferred    | 5.5        | 2.1        | 10.7       | 1.0         | 0.06       | 2.6         |
| <b>Total</b>                                |           | <b>60.6</b> | <b>1.1</b> | <b>6.0</b> | <b>0.4</b> | <b>0.06</b> | <b>1.4</b> | <b>2.8</b>  |

Note: Some rounding errors may be present

Table 1 : 1 Upgraded Hualilan MRE, March 2023

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

| Domain                          | Category | Mt           | Au (g/t)    | Ag (g/t)   | Cu (%)      | Mo (ppm)   | AuEq (g/t)  | AuEq (Mozs) |
|---------------------------------|----------|--------------|-------------|------------|-------------|------------|-------------|-------------|
| <b>US\$1800 optimised shell</b> | Inferred | 212.2        | 0.36        | 2.8        | 0.07        | 6.5        | 0.50        | 3.4         |
|                                 | Inferred | 56.5         | 0.46        | 1.8        | 0.07        | 7.5        | 0.59        | 1.1         |
| <b>Total</b>                    |          | <b>268.7</b> | <b>0.38</b> | <b>2.6</b> | <b>0.07</b> | <b>7.2</b> | <b>0.52</b> | <b>4.5</b>  |

Note: Some rounding errors may be present

Table 2 : Maiden El Guayabo MRE, June 2023

The MRE for the El Guayabo Project was first announced to the ASX on 14 June 2023. The Company confirms it is not aware of any information or assumptions that materially impacts the information included in that announcement and that the material assumptions and technical parameters underpinning the Mineral Resource Estimate continue to apply and have not materially changed.