

## Challenger Gold Achieves Carbon Neutral Certification for Hualilan Gold Project

**Challenger Gold (ASX: CEL)** (“CEL” the “Company”) is delighted to announce that the Hualilan Gold Project has reached a pivotal environmental achievement by obtaining a neutral carbon footprint certification. This significant step forward highlights the Company's dedication to sustainable practices and commitment to the well-being of the environment, particularly in Argentina.

The Hualilan Gold Project's independent neutral carbon footprint certification follows a comprehensive greenhouse gas emissions inventory, adhering to the international 100% Carbon Neutral Program. This accomplishment reflects the Company's proactive approach to environmental conservation and total alignment with the United Nations Sustainable Development Goals (SDG's). Hualilan is the first exploration project in Argentina to be independently certified as Carbon Neutral.

### Key Highlights

The emissions inventory certified included all exploration and administrative activities of Golden Mining S.A., the Challenger's 100% owned Argentinian operating subsidiary managing the Hualilan Gold Project. This covers the Hualilan Gold Project exploration site and its facilities, all ongoing exploration and development activities, and the administration of these activities.

Emission Sources identified include operations, cooking, heating, machinery, transportation, electricity, commercial flights, organic waste, and wastewater treatment. Total Scope 1, 2 and 3 greenhouse gas emissions were measured at 51,340 tons of CO2 equivalent.

Carbon neutrality was achieved through the purchase of green bonds in the "Hyundai Waste Energy Recovery CO-Generation Project Phase II" in South Korea. Challenger Gold is actively working towards the goal that the Hualilan Project has the potential to be the first mine to operate with a neutral carbon footprint in its production phase, pioneering a new era in responsible mining.

### Commenting on the results, CEL Chairman, Mr Sergio Rotondo, said

*“As an Argentinian and Chairman of Challenger Gold, I am immensely proud of our Hualilan Project's achievement in carbon neutrality. This is not just a milestone for our company but a significant step for the mining industry in Argentina with Hualilan to first exploration project to be certified carbon neutral in Argentina.*

*Our commitment to Argentina and our local communities is unwavering, and we are dedicated to lead the way in sustainable mining practices. Our goal is to ensure that Hualilan is one of the lowest carbon footprint operations globally and, if possible, the first mine with a neutral carbon footprint during production. This is our pledge to our country and the environment.*

### Independent Carbon Calculations

Independent Carbon Calculations detailing total Scope 1 and Scope 2 emissions associated with the Hualilan Gold Project Scoping Study mine plan is underway. The results of this independent Carbon Calculations will be released upon completion.

To complement what is established in Chapter 11 of the ECCR-GHG, and the Argentine commitments in the Paris Agreement and the Second Nationally Determined Contribution (2021), the Company has committed to following near term goals for the carbon neutrality process:

- i. By the date of recertification in 2024: Reduction of a minimum of 5% in GHG emissions per kg of CO<sub>2</sub>e per employee.
- ii. Within a 5-year period (2028): 10% reduction in GHG emissions per kg of CO<sub>2</sub>e per employee.
- iii. In the 10-year term (2033): 28% reduction in GHG emissions per kg of CO<sub>2</sub>e per employee.

### About the GHG protocol

The Greenhouse Gas (GHG) Protocol is widely used and internationally accepted, providing standards, guidance, tools, and training for businesses and governments to measure and manage greenhouse gas emissions. It was developed by the World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD).

Key aspects of the GHG Protocol include:

1. **Comprehensive Coverage:** It covers all greenhouse gases included in the Kyoto Protocol and allows organizations to understand, quantify, and manage GHG emissions.
2. **Standardized Frameworks:** The GHG Protocol offers a suite of standards for different types of emissions:
  - **Corporate Standard:** For measuring and reporting corporate-level GHG emissions.
  - **Scope 1, 2, and 3:** Classifying emissions into direct emissions (Scope 1), indirect emissions from purchased electricity (Scope 2), and other indirect emissions in the value chain (Scope 3).
  - **Product Standard:** To measure the GHG emissions of individual products.
  - **Scope 3 Standard:** For assessing corporate value chain (indirect) emissions.
3. **Consistency and Transparency:** It promotes consistent and transparent GHG measurement and reporting practices, facilitating comparison and benchmarking.
4. **Decision Making and Policy Formation:** The data gathered following the GHG Protocol aids organizations in making informed decisions about reducing their carbon footprint and contributes to the formation of environmental policies and strategies.
5. **Global Recognition and Adoption:** It is recognized globally and has been adopted by governments, businesses, and other organizations worldwide.
6. **Climate Strategies and Goals:** The GHG Protocol is instrumental in setting and achieving climate-related goals, such as carbon neutrality and science-based targets.
7. **Supporting Tools and Resources:** Along with standards, the GHG Protocol also provides tools, software, and training resources to aid in the calculation and management of GHG emissions.

This ASX release was approved by the Managing Director.

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## 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 Company confirms it is not aware of any information or assumptions that materially impacts the information included in the announcements and that the material assumptions and technical parameters underpinning the Mineral Resource Estimates continue to apply and have not materially changed.

### Hualilan Hold Project Mineral Resource Estimate (March 2023)

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

Note: Some rounding errors may be present

#### <sup>1</sup> 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:  $AuEq (g/t) = Au (g/t) + [Ag (g/t) \times 0.012106] + [Zn (\%) \times 0.46204] + [Pb (\%) \times 0.19961]$
- 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.

## About Challenger Gold

Challenger Gold Limited's (ASX: CEL) aspiration is to become a globally significant gold producer. The Company is developing two complementary gold/copper projects in South America with the Company's flagship Hualilan Gold Project in San Juan, Argentina containing resources of **2.8 Moz AuEq**.

The Company strategy is for the 100% owned Hualilan Gold Project to provide a high-grade low capex operation in the near term while it prepares for larger bulk gold operation at El Guayabo in Ecuador.

- Hualilan Gold Project**, located in San Juan Province Argentina, is a near term development opportunity. It has extensive drilling with over 150 historical and almost 900 CEL drill-holes. The Company has released a JORC 2012 Compliant resource of **2.8 Moz AuEq** which remains open in most directions. This resource contains a high-grade core **9.9 Mt at 5.0 g/t AuEq for 1.6 Moz AuEq and 29.1Mt at 2.2 g/t AuEq for 2.4 Moz AuEq** within the larger MRE of **60.6 Mt at 1.4 g/t AuEq for 2.8 Moz AuEq**. The resource was based on approximately 220,000 metres of CEL drilling. Drill results have included **6.1m @ 34.6 g/t Au, 21.9 g/t Ag, 2.9% Zn, 67.7m @ 7.3 g/t Au, 5.7 g/t Ag, 0.6% Zn, and 63.3m @ 8.5 g/t Au, 7.6 g/t Ag, 2.8% Zn**. This drilling intersected high-grade gold over 3.5 kilometres of strike and extended the known mineralisation along strike and at depth in multiple locations. Recent drilling has demonstrated this high-grade skarn mineralisation is underlain by a significant intrusion-hosted gold system with intercepts including **209.0m at 1.0 g/t Au, 1.4 g/t Ag, 0.1% Zn and 110.5m at 2.5 g/t Au, 7.4 g/t Ag, 0.90% Zn** in intrusives. The Hualilan Scoping Study demonstrates production of 116,000 oz Au, 440,000 oz Ag, 9175t Zn (141,000 oz AuEq) at an ASIC of US\$830/oz over an initial 7-year mine life. CEL's current program will include a Pre-Feasibility Study, and regional exploration along the previously unexplored 30 kilometres of prospective stratigraphy.
- El Guayabo Gold/Copper Project** covers 35 sq kms in southern Ecuador and is located 5 kilometres along strike from the 20.5-million-ounce Cangrejos Gold Project<sup>1</sup>. Prior to CEL the project was last drilled by Newmont Mining in 1995 and 1997 targeting gold in hydrothermal breccias. Historical drilling demonstrated potential to host significant gold and associated copper and silver mineralisation. Historical drilling has returned a number of intersections including 156m @ 2.6 g/t Au, 9.7 g/t Ag, 0.2% Cu and 112m @ 0.6 % Cu, 0.7 g/t Au, 14.7 g/t Ag which have never been followed up. CEL's maiden drilling program confirmed the discovery of a major Au-Cu-Ag-Mo gold system spanning several zones of significant scale. The Company has drilled thirteen regionally significant Au-soil anomalies with over 500 metres of mineralisation intersected at seven of these thirteen anomalies, confirming the potential for a major bulk gold system at El Guayabo. The Company reported a **maiden 4.5 Moz gold equivalent MRE**. This MRE is based on 34 drill holes, for 22,572 metres, from the Company's Phase 1 and 2 diamond core drill programs at its 100% owned El Guayabo concession. The drilling has focussed on 2 of the 7 anomalies that have returned plus 500 metre drill intercepts and mineralisation remains open in all directions.

<sup>1</sup> Source : Lumina Gold (TSX : LUM) July 2020 43-101 Technical Report