



Hualilan Gold Project : Cerro Sur looking north to Cerro Norte

Challenger Exploration Limited
Argentina and Ecuador Gold / Copper Projects

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COMPETENT PERSON STATEMENT EXPLORATION RESULTS

The information in this release provided under ASX Listing Rules 5.12.2 to 5.12.7 is an accurate representation of the available data and studies for the material mining project. The information that relates to sampling techniques and data, exploration results and geological interpretation has been compiled Dr Stuart Munroe , BSc (Hons), PhD (Structural Geology), GDip (AppFin&Inv) who is a full-time employee of the Company. Dr Munroe is a Member of the AusIMM. Dr Munroe has over 20 years' experience in the mining and metals industry and qualifies as a Competent Person as defined in the JORC Code (2012). Dr Munroe has sufficient experience of relevance to the styles of mineralisation and the types of deposits under consideration, and to the activities undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results. Dr Munroe consents to the inclusion in this report of the matters based on information in the form and context in which it appears. The Australian Securities Exchange has not reviewed and does not accept responsibility for the accuracy or adequacy of this release

COMPETENT PERSON STATEMENT HISTORICAL MINERAL ESTIMATES

The information in this release provided under ASX Listing Rules 5.12.2 to 5.12.7 is an accurate representation of the available data and studies for the material mining project. The information that relates to Mineral Resources has been compiled by 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 and has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration to qualify as Competent Person as defined in the 2012 Edition of the JORC Code for Reporting of, Mineral Resources and Ore Reserves. 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.

Overview – two complementary assets being advanced aggressively

Our Aspiration is to become a globally significant gold producer which our current assets will support

Hualilan Gold Project Argentina – earning 75%

- locked up in a dispute for 15 years prior to CEL
- first drilling by CEL includes:
 - 6.1m @ 34.6 g/t Au, 21.9 g/t Ag, 2.9% Zn
 - 8.3m @ 17.7 g/t Au, 257g/t Ag, 0.3% Zn
 - 10.3m @ 10.4 g/t Au, 28 g/t Ag, 4.6% Zn
- met work (1999) indicates 80% recoveries of gold and silver
- 7,500m program underway (~85 drill holes) designed to extend the existing mineralisation
- mineralisation open in all directions

Historical resource 627,000 oz Au at 13.7 g/t¹

El Guayabo Gold/Copper Project Ecuador – earning up to 100%

- 5km along strike from a +17 million ounce orebody
- regional scale with a 35 km² footprint
- scout drilling 25 years ago defined multiple targets:
 - 156m @ 2.6 g/t Au + 9.7 g/t Ag + 0.2% Cu
 - 112m @ 0.7 g/t Au +14.7 g/t Ag + 0.6 % Cu
- geophysics and soil geochemistry has defined a number of undrilled large (km²) near surface porphyry targets
- new discovery in first historical drill hole assayed
 - 134m @ 1.0 g/t Au +4.1 g/t Ag (inc 63m @ 1.6 g/t Au, 5.1 g/t Ag)

World Class Bulk Gold Target

1 - to ensure compliance with LR 5.12 please refer to the Company's ASX Release dated 22 February 2019. These estimates are foreign estimates and not reported in accordance with the JORC Code. A competent person has not done sufficient work to clarify the foreign estimates as a mineral resource in accordance with the JORC Code. It is uncertain that following evaluation and/or further exploration work that the foreign estimate will be able to be reported as a mineral resource. The company is not in possession of any new information or data relating to the foreign estimates that materially impact on the reliability of the estimates that materially impacts on the reliability of the estimates or CEL's ability to verify the foreign estimates estimate as minimal resources in accordance with Appendix 5A (JORC Code). The company confirms that the supporting information provided in the initial market announcement on February 22 2019 continues to apply and is not materially changed.

Corporate Overview – Desire to accelerate high impact CY2020 program



Corporate

ASX Ticker	CEL
Share Price (10 July 2020)	23c
Current Shares on Issue	548.7m
Hualilan Acquisition Shrs	50m
Performance Shares	120m
Unlisted Options (4c)	86.6m
Fully Diluted	805.3m
Undiluted EV	A\$139m
Fully diluted EV	A\$179m
Cash at bank (1)	A\$6.1m

Shareholders

Shareholder	Shares	(%)
Top 20 Shareholders	223.8m	40.7
Kris Knauer (CEO)	39.3m	7.2
Fletcher Quinn (Chairman)	23.3m	4.2
Strandline Investments PL	21.6m	4.9
Eastern Capital Group LLC	19.1m	3.5
Domaevo Pty Ltd	13.6m	2.4

(1) As at April 1 2020

Key Executives

Fletcher Quinn Chairman

Over 35 years experience in venture capital, corporate finance and investment banking. Fletcher was the foundation Chairman for Citadel Resources and remained as a Board member for the majority of Citadel's history prior to it being taken over for A\$1Bn.

Kris Knauer CEO

Kris started his career as an exploration geologist before moving into investment banking, initially as a mining analyst. He led the listing of a package of copper/gold assets in Saudi Arabia to create Citadel Resources (ASX : CGG) becoming the founding Managing Director.

Scott Funston CFO

Scott is a qualified Chartered Accountant and Company Secretary/CFO with twenty years' experience in the mining industry. Most recently he was CFO of Avanco Resources where he was responsible for the financial component of the Avanco Resources Definitive Feasibility Study from start-up to a A\$0.5Bn takeover.

Stuart Munroe Exploration Mgr

As a geologist, with over 25 years experience, he was involved in detailed studies of controls on mineralisation, resource model assessment, and strategic planning. Stuart has extensive experience in the mining industry including roles as Exploration Manager for ASX Listed companies.

Sergio Rotondo COO

Sergio has a background in construction having managed billion-dollar projects from design through completion. His core competencies are logistics, Government relations, OHS, safety. Sergio is also the majority owner of the final 25% of Challengers Hualilan Gold Project in Argentina.

Share Price

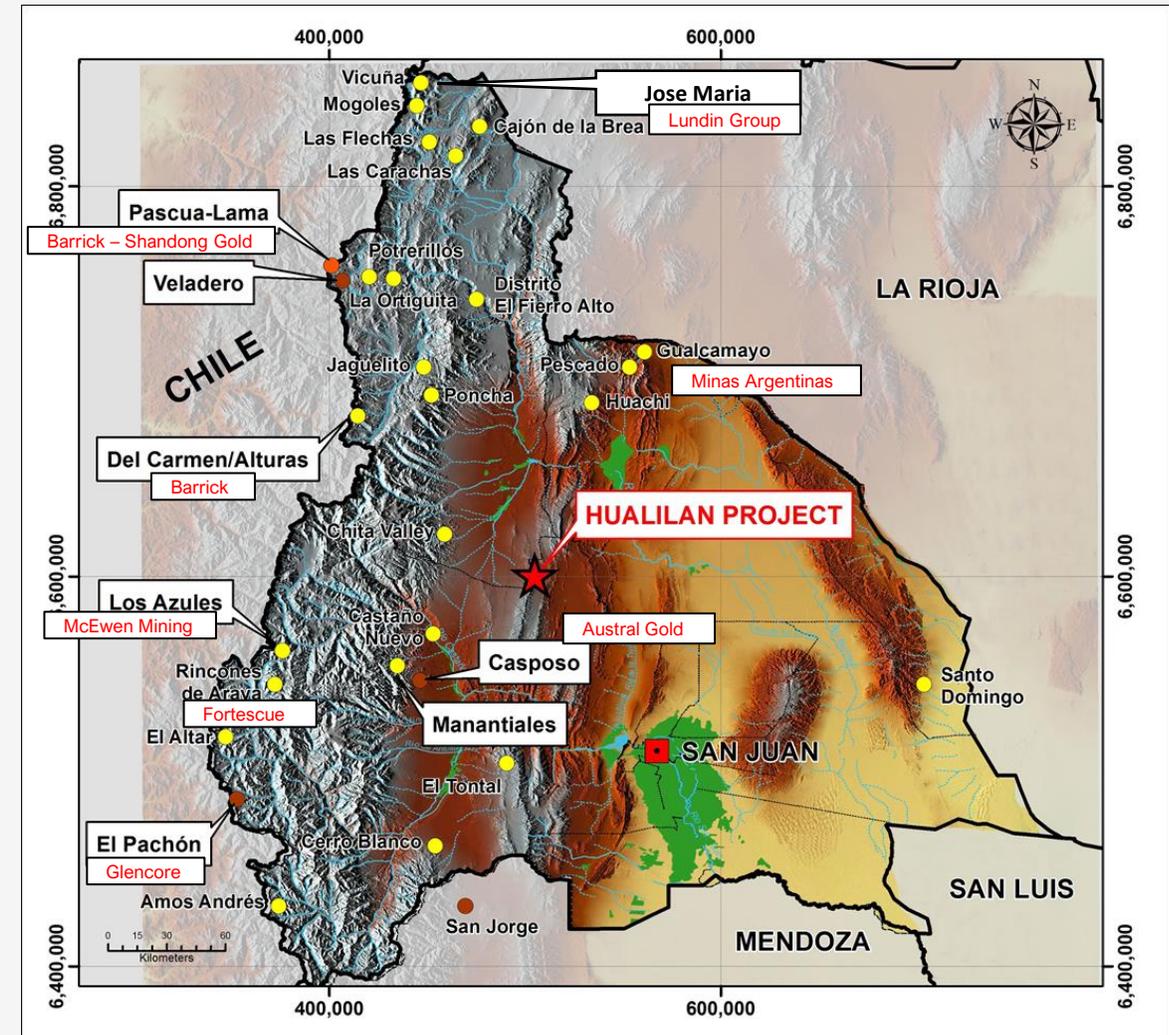


Hualilan Gold Project – New Discovery of Intrusion-hosted Gold

- ▶ GNDD-025 : 50m at 1.4 g/t Au, 3.4 g/t Ag from 53m including 37m at 1.8 g/t Au, 4.2 g/t Ag from 53m
- ▶ this new discovery in dacite intrusives is contiguous to, and underlies, the existing high-grade mineralisation
- ▶ significant synergies from a mine development perspective

Project Key Points

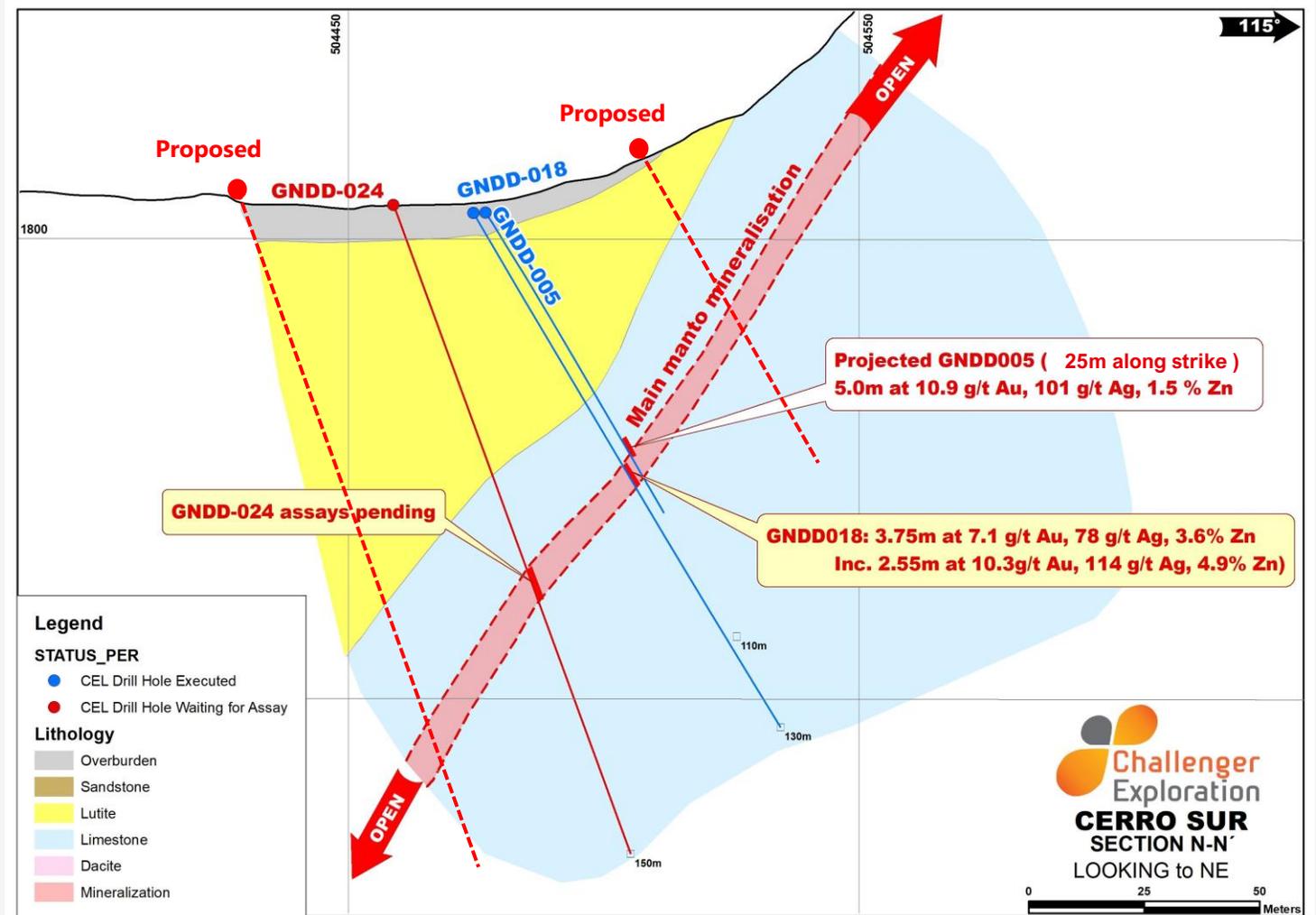
- ▶ high grade gold project with historic resource of 627,000 Oz at 13.7g/t gold [assume 10 g/t AuEq]^{#1} open in all directions
- ▶ locked up in a dispute and idle for the past 15 years = no modern exploration
- ▶ located in San Juan Argentina - Tier 1 mining jurisdiction
- ▶ existing mineralisation is on granted mining leases and CEL has a surrounding 26 km² EL Application
- ▶ metallurgical work being undertaken – historical work (1999) demonstrates 80% recoveries of gold and silver via flotation plus production of a zinc concentrate stream



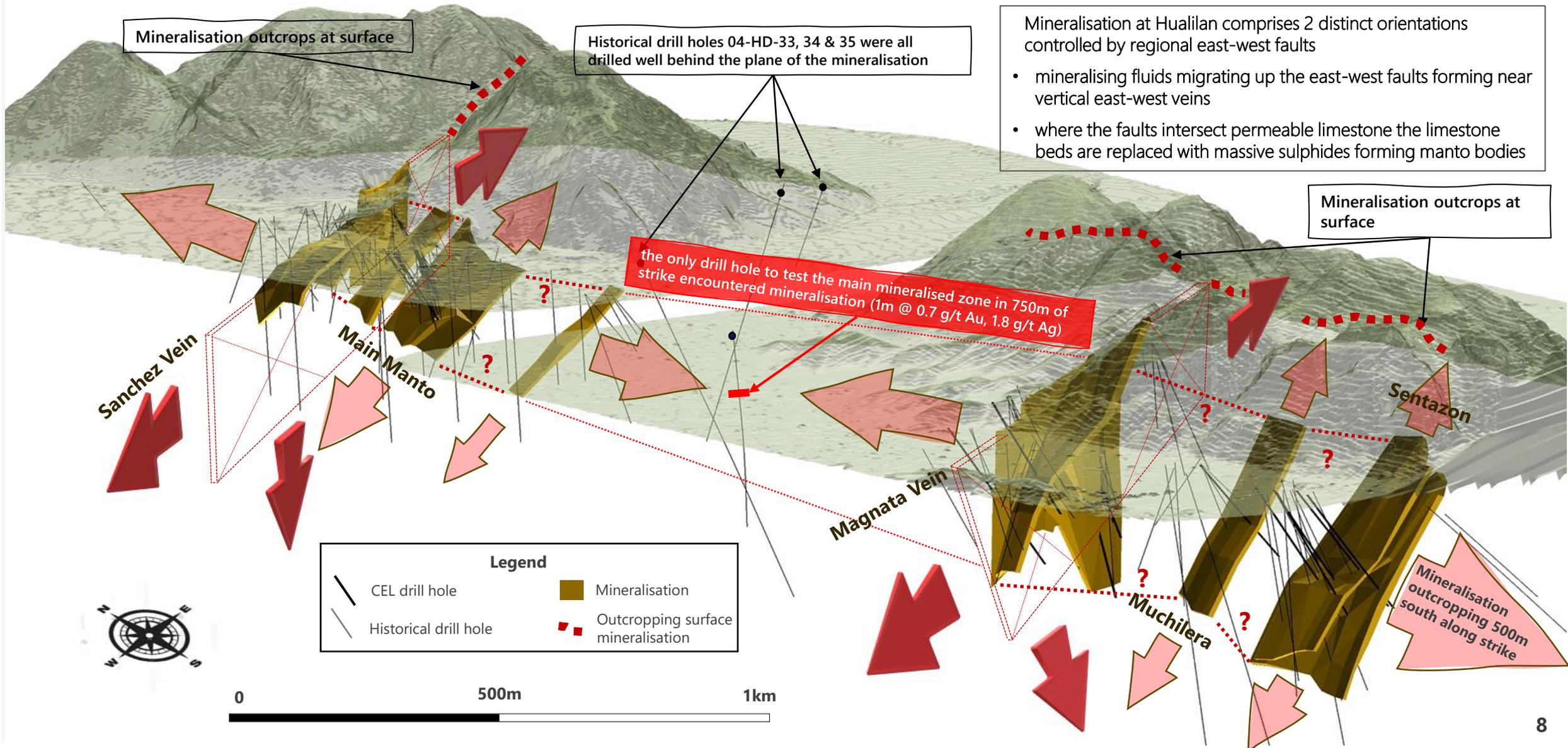
#1 : For details of the foreign non-JORC compliant resource and to ensure compliance with LR 5.12 please refer to the Company's ASX Release dated 25 February 2019.

Significant Progress - material upside in the current program

- ▶ 188 historical drill holes for 15,023m from 1984-2006 then a 15 year dispute with ownership fragmented
- ▶ CEL's maiden 1,500m drill program extremely successful. Extended mineralisation in multiple directions and confirmed high grades:
 - 6.1m at 34.6 g/t Au, 21.9 g/t Ag, 2.9% Zn
 - 6.7m at 14.3 g/t Au, 140 g/t Ag, 7.3% Zn
 - 5.0m at 10.9 g/t Au, 101 g/t Ag, 1.5% Zn
 - 10.3m at 10.4 g/t Au, 28 g/t Ag, 4.6% Zn
- ▶ 7,500m (85 hole) program aimed at resource extension started in Feb 2020:
 - 5,355m (45 DDH holes) completed – assays pending for 36 more holes
 - recent results continue to impress
 - 8.3m at 17.7 g/t Au, 257 g/t Ag, 0.3% Zn inc **5.5m at 26.0 g/t Au, 355 g/t Ag, 0.4% Zn**
 - 3.8m at 7.1 g/t Au, 78 g/t Ag, 3.6% Zn - **11.6 g/t AuEq**
 - 4.5m at 6.0 g/t Au, 83 g/t Ag, 3.9% Zn - **8.9 g/t AuEq**
- ▶ **this high-grade skarn/manto mineralisation remains open in all directions**

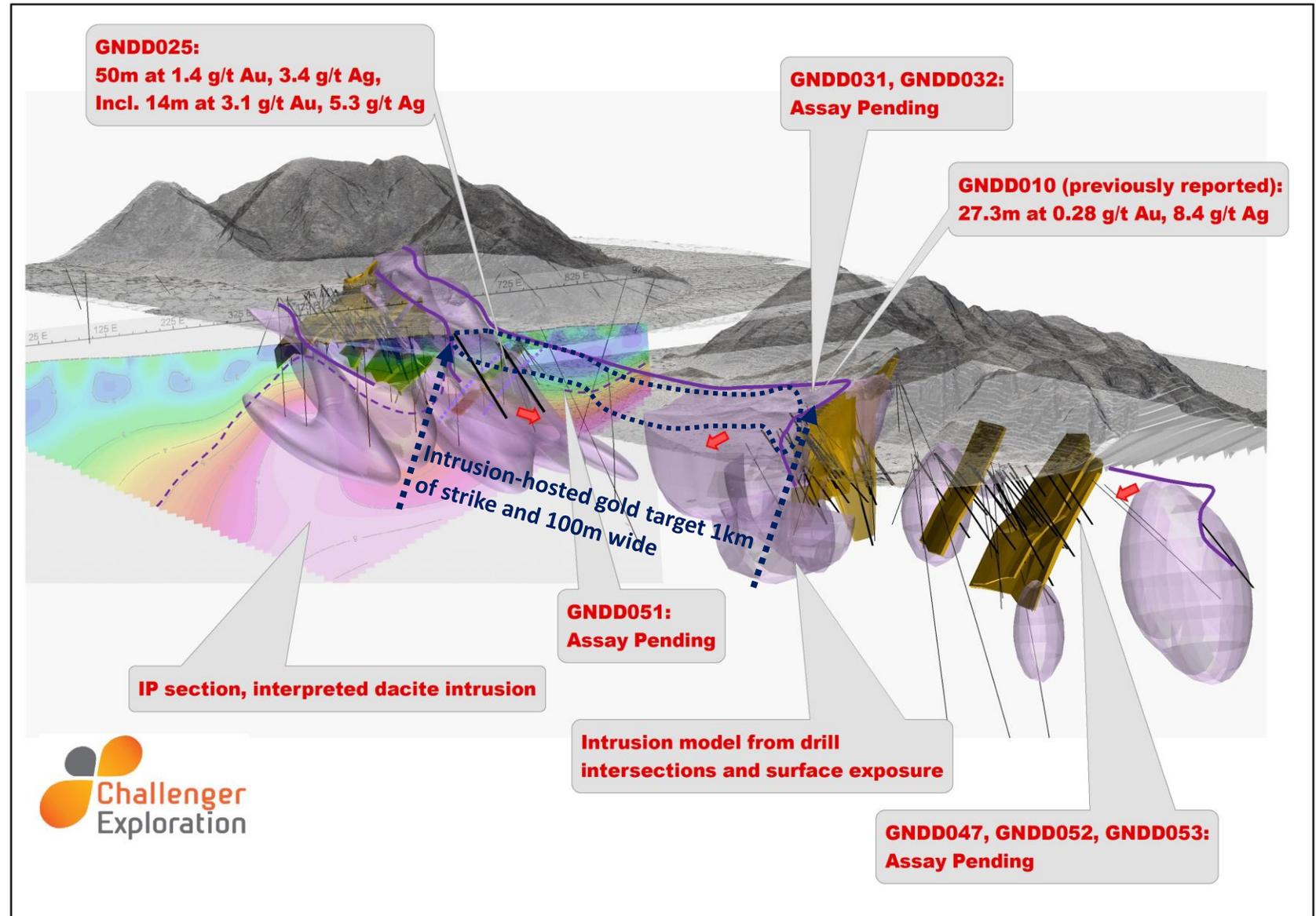


High-grade mineralisation remains open in all directions - limited by drilling

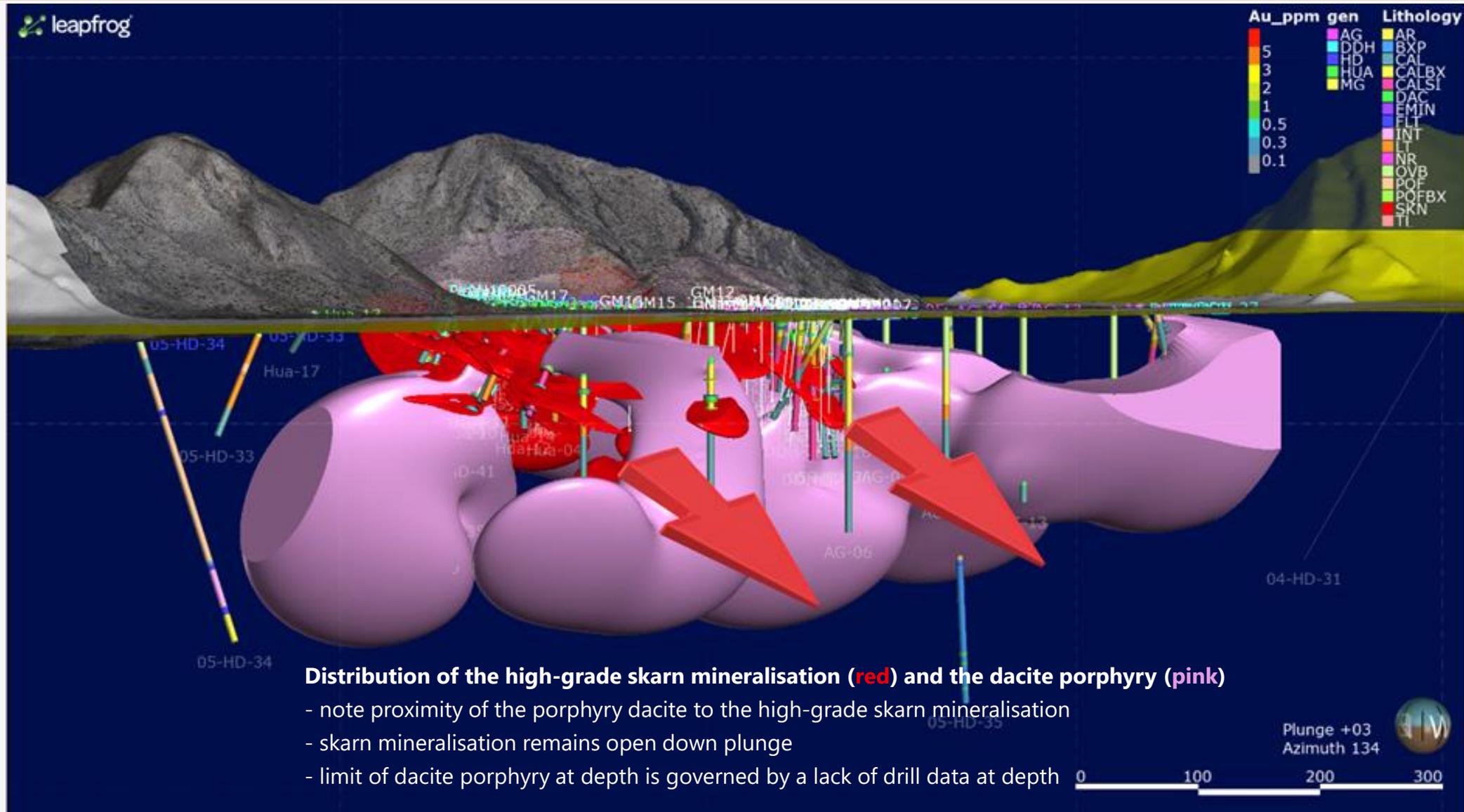


Conceptual target in the intrusives covering 1km strike under the high-grade mineralisation with the potential to be much larger

- ▶ GNDD-051 (assays pending) was completed to test this conceptual target 100m along strike and successfully intersected 50 metres of altered dacite from 69m to the end of hole
- ▶ GNDD-047, GNDD-052 and GNDD-053 700m south along strike intersected significant widths to the end of hole of strongly sericite-chlorite-pyrite altered dacite
- ▶ 0.8 g/t gold, 10 g.t silver, 1.9% zinc from porphyry 150m south of Sentazon
- ▶ 0.8 g/t gold and 0.5 g/t gold from porphyry dacites at Magnata
- ▶ geophysics (IP) conducted at Cerro Norte shows an interpreted dacite intrusion of significant scale underlying the high-grade mineralisation



Porphyry targets are contiguous to and directly underlie the high-grade



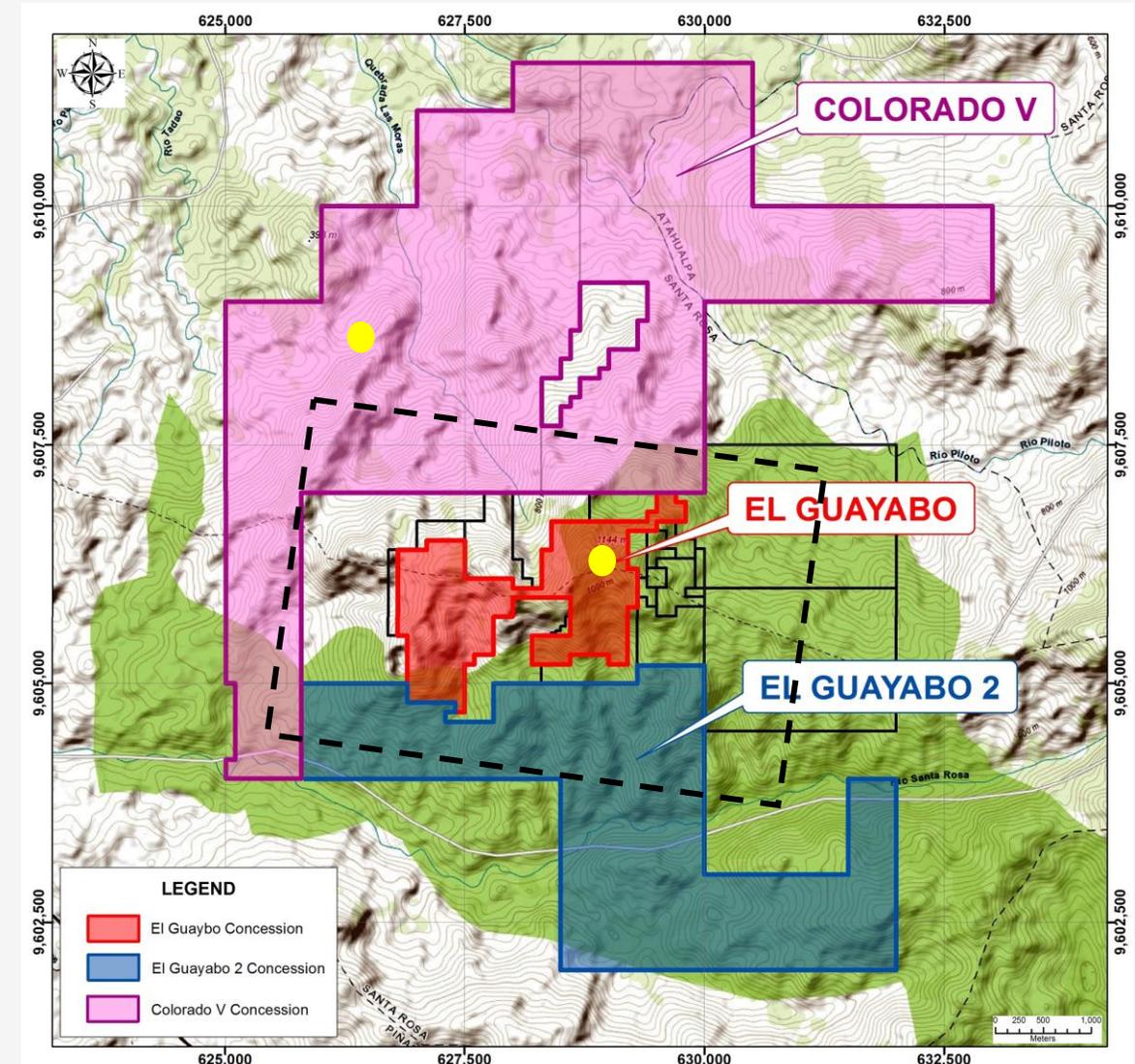
New bulk gold Discovery at Colorado V in Ecuador

Colorado V Concession – 23.3 square kilometres (Dec 2019)

- ▶ CEL earning a 50% interest in any discovery > 150,000 ounces by funding exploration over the next 5 years
- ▶ extensive and high-quality historical exploration program
- ▶ significant exploration database including 21,500m of historical drill core and 20 sq km of soil geochemistry
- ▶ historical program focussed exclusively on high-grade gold
- ▶ two drill rigs CEL can use under the farmin

Initial Geological Observations:

- ▶ significant porphyry style mineralisation identified in outcrop, historical drill core and underground exposures by CEL in pre-farmin reconnaissance
- ▶ underground channel samples (0.5-3g/t Au) confirm potential
- ▶ a number of large (1km) gold/copper in soil anomalies not validly tested.



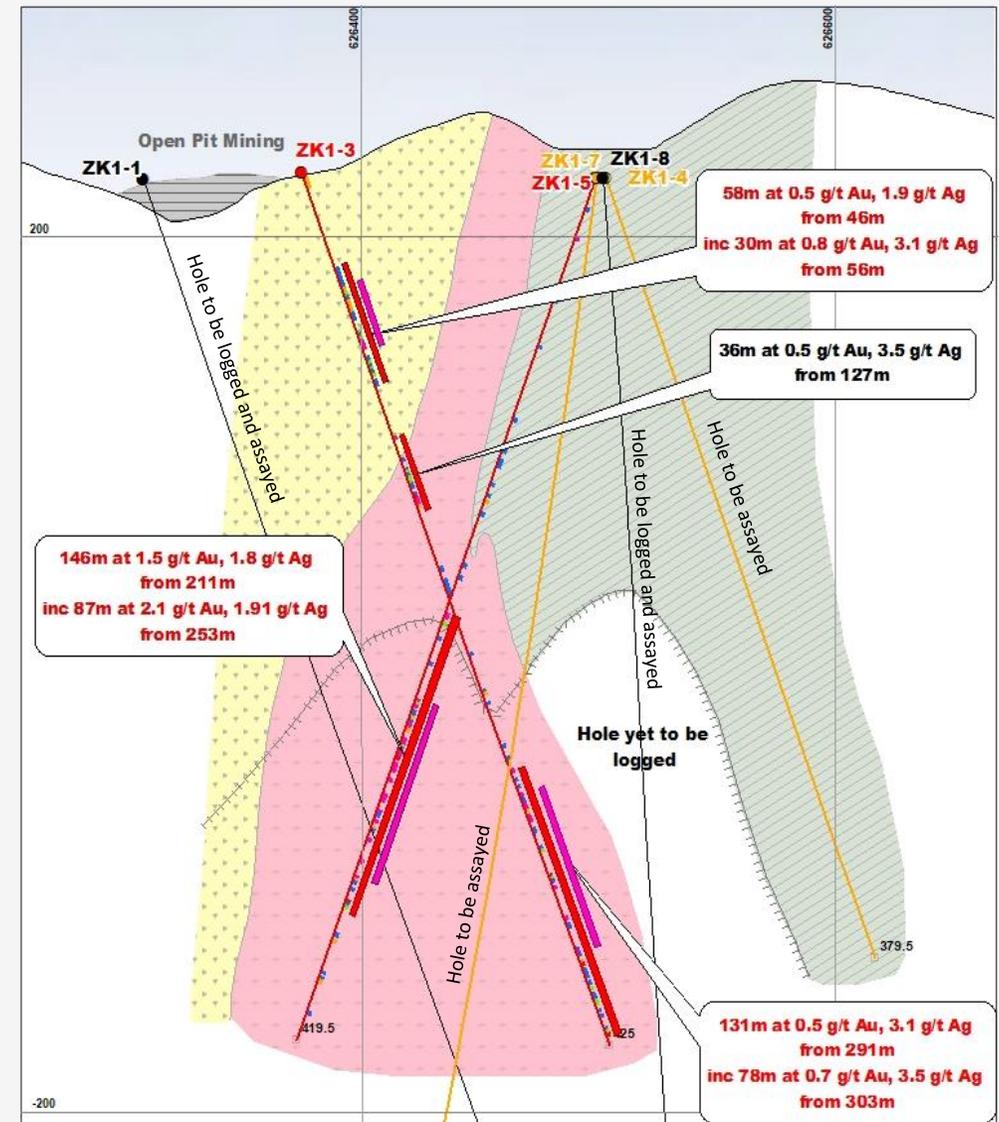
Colorado V - First Assays Confirm Discovery of a Large Gold System

Initial Observations: Colorado V historical drill core

- ▶ 56 historical drill holes for a total of 21,472 metres of drilling
- ▶ limited historical assaying focussed on identifying high-grade mineralisation to feed the existing mill
- ▶ partial sampling with the sections sampled assayed for gold only

Discovery of a Large Gold System

- ▶ **146m at 1.5 g/t gold, 1.8 g/t silver from 211m (ZK1-5)**
 - includes 87m at 2.1 g/t gold, 1.9 g/t silver
- ▶ over 250 metres of gold mineralisation in drill hole ZK0-2
 - **151 metres at 0.9 g/t gold and 3.8 g/t silver from 225 metres**
 - (incl **134 metres at 1.0 g/t gold and 4.1 g/t silver**)
 - (incl **63 metres at 1.6 g/t gold and 5.1 g/t silver**)
- ▶ over 200 metres of gold mineralisation in drill hole ZK1-3
 - **58m at 0.5 g/t gold, 1.9 g/t silver from 46 metres**
 - (incl **30m at 0.8 g/t gold, 3.1 g/t silver**)
 - 131m at 0.5 g/t gold, 3.1 g/t silver from 291 metres
 - (incl **78m at 0.7 g/t gold, 3.5 g/t silver**)
- ▶ **field work has restarted - focussed entirely on logging and assaying the other core 52 drill cores**



Aim is to generate a JORC Resource before any significant expenditure

- ▶ located at the northern end of a 500-metre strike zone defined by small scale underground mine working
- ▶ it does not appear to be traditional porphyry mineralisation:
 - <1% sulphides and mineralisation appears to be structurally controlled
 - Strong correlation of gold with antimony and arsenic and Bi, Te and W
- ▶ more affinity with an Intrusion Related Gold System (IRGS) than a porphyry
- ▶ IRGS are a newly defined and economically important type of gold deposit
- ▶ the key economic features of IRGS deposits are that they are usually low to modest grade, high tonnage, and are amenable to low cost, bulk mining

Context for intercepts of 151m @ 0.9 g/t Au and 146m @ 1.5 g/t Au

- ▶ 1.05 g/t Au : average resource grade of all existing mines with Resources >1 Moz⁽¹⁾

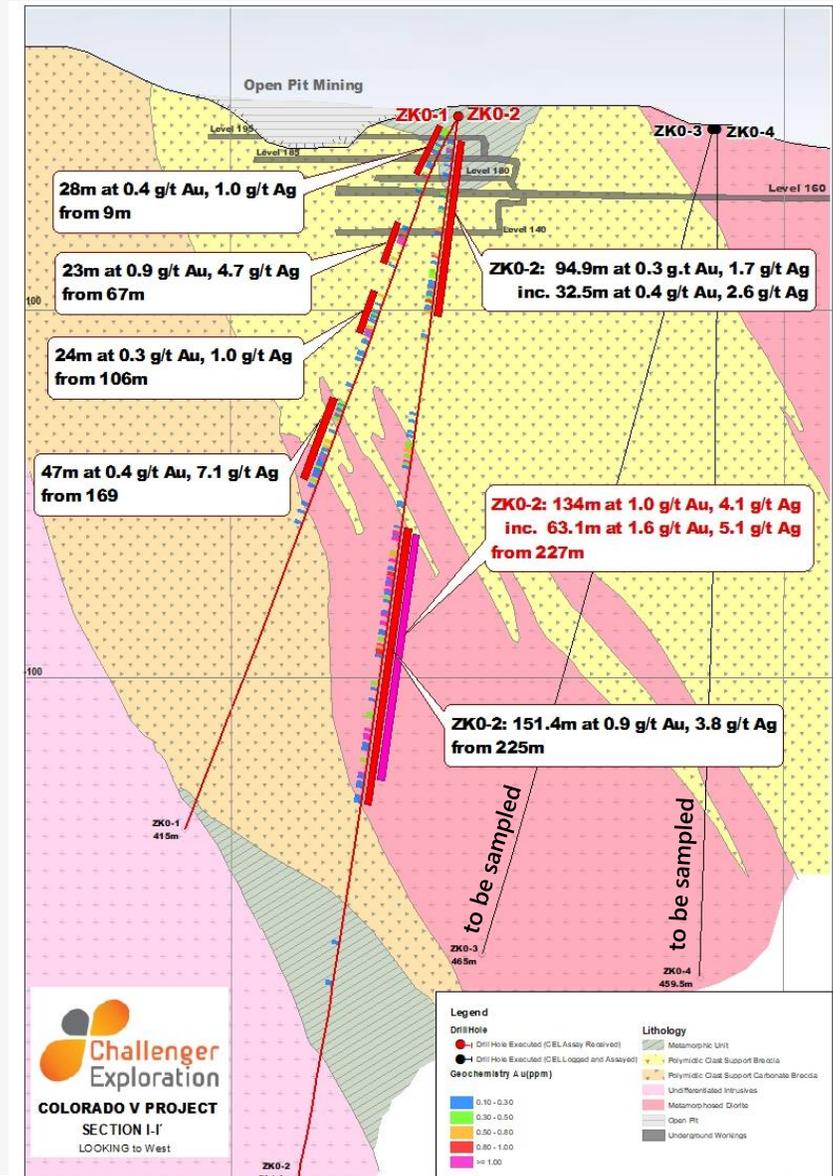
Fort Knox - Kinross Gold (Alaska)⁽²⁾

- 314 mt @ 0.43 g/t Au
- Annual production - 255,000 Oz pa
- AISC - \$1015 Oz
- Head Grade – 0.37 g/t

Cangrejos - Lumina Gold (Ecuador)⁽³⁾

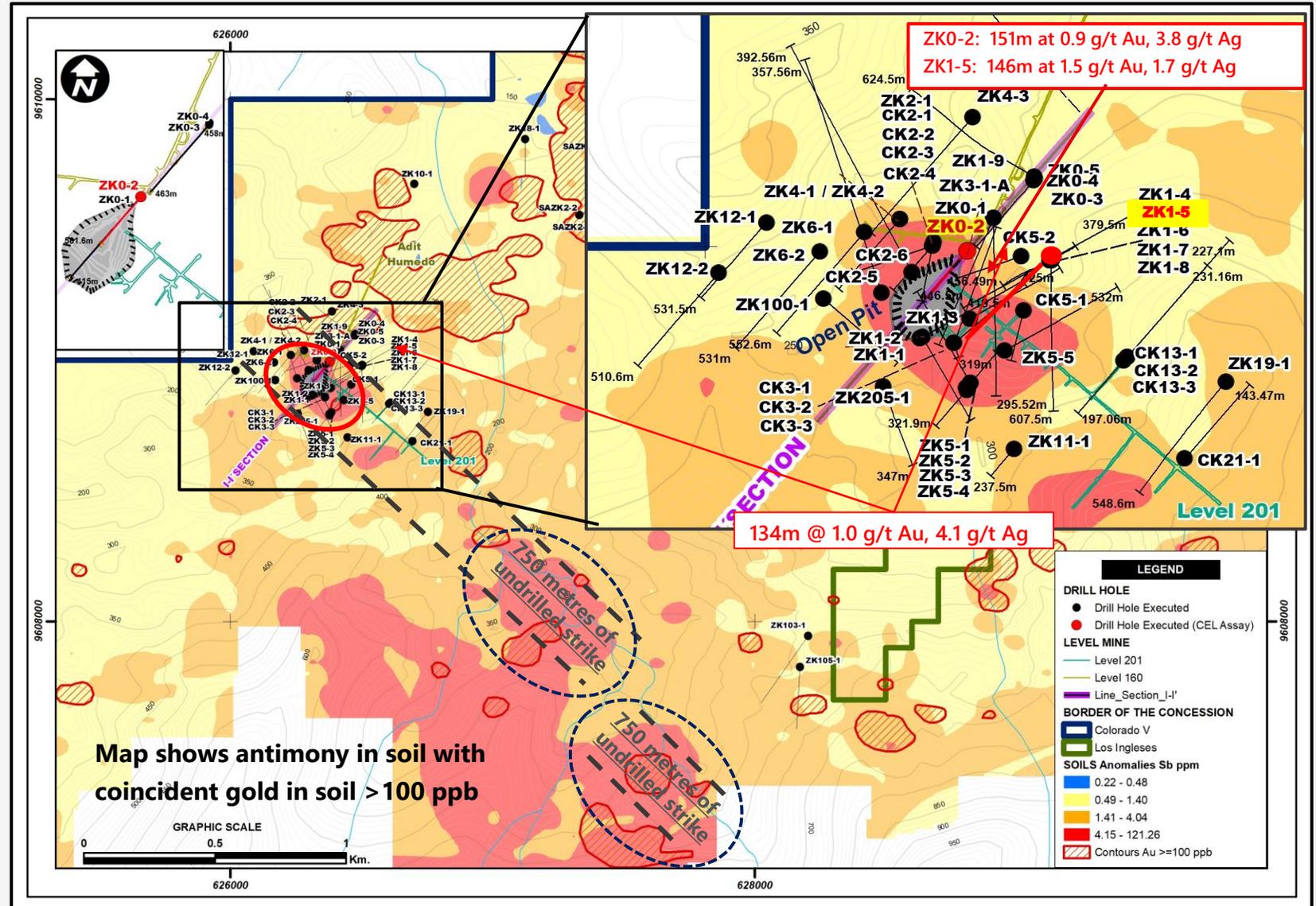
- 1057 mt @ 0.63 g/t Au, 0.1% Cu
- Annual production - 400,000 Oz pa
- AISC - \$604 Oz
- Head Grade – 0.56 g/t Au, 0.1% Cu

(1) 2019 average grade deposits with gold as the primary commodity and over 1Moz resources – S&P Global Market Intelligence
 (2) Kinross Gold July 2020 Investor presentation
 (3) Lumina Gold TSX Release June 9 2020 - Cangrejos Project Preliminary Economic Assessment

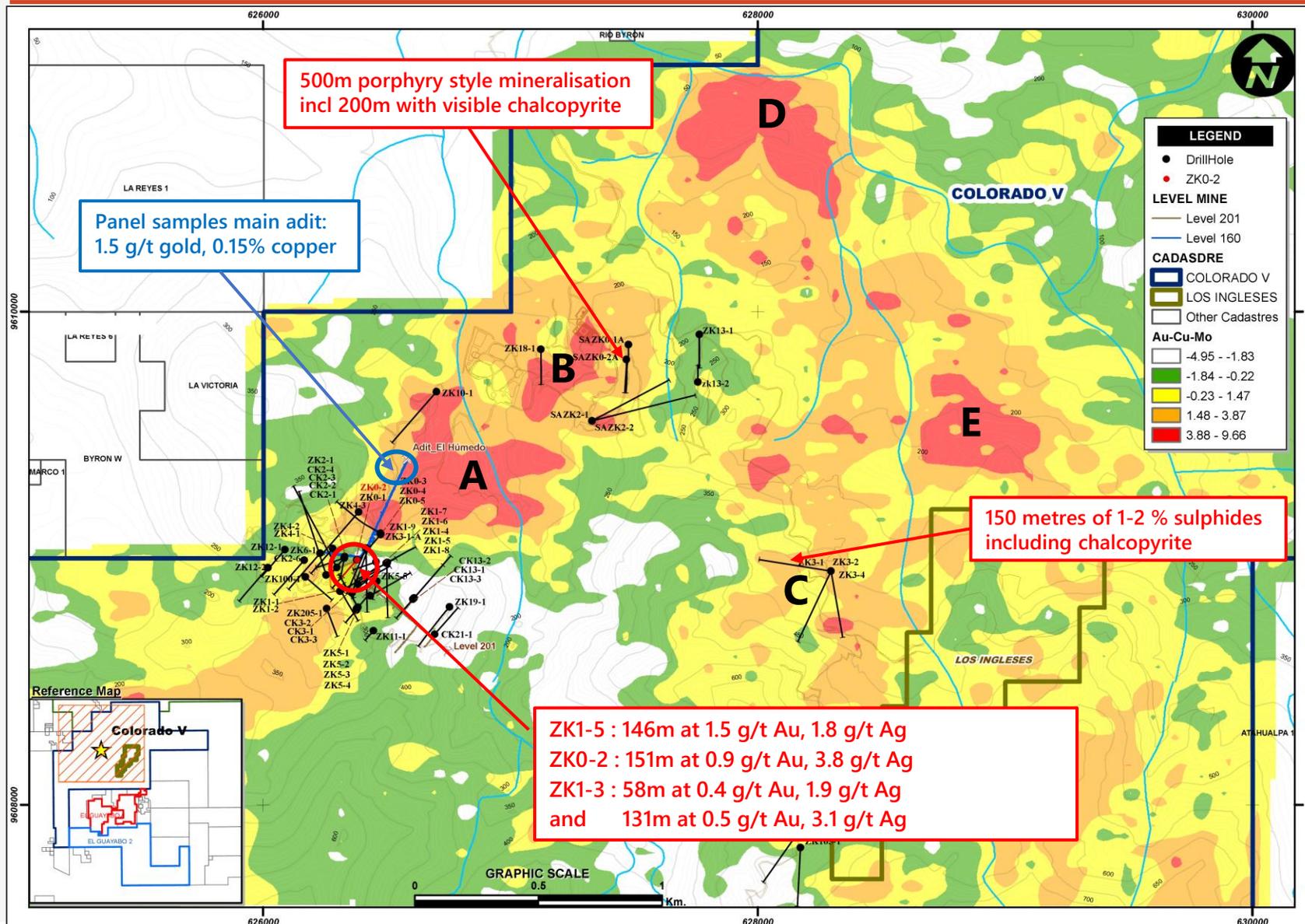


Large scale bulk gold system surrounding the existing high grade workings

- ▶ discovery is located on a 500-metre trend defined by small scale underground mine workings
- ▶ mineralised zone appears to be:
 - 200 metres wide
 - from surface
 - to 400m and open at depth
- ▶ this trend is aligned with the main regional structural trend
- ▶ no real geochemical expression for gold/copper but antimony in soil can be used to vector the mineralisation
- ▶ mineralisation is coincident with an antimony in soil anomaly (right) and also Bi and As in soils
- ▶ soil geochemistry defines additional targets 1km south-east along strike
- ▶ these targets have no drilling and cover an additional 1.5 km of strike



Untested anomalies analogous to the adjoining 17 Moz Cangrejos deposit



- ▶ number of high tenor gold and copper in soil anomalies > 1km² in size
- ▶ historical drilling has not optimally tested these anomalies
- ▶ majority of the drilling was on the flanks of the soil anomalies
- ▶ the higher grade panel sampling (+1.5 g/t gold) in the main adit corresponds with the higher tenor undrilled portion of the Au/Cu/Mo soil anomaly A
- ▶ soil geochemistry displays typical porphyry style zonation
- ▶ assays of the initial 5-10 holes will provide a clearer insight into the geology and prospectivity
- ▶ no geochemical expression for the large gold system that assays for ZK0-2 and ZK1-5 has confirmed

Our Aspiration is to become a globally significant gold producer

Company Strategy

- Hualilan to provide a high-grade low capex operation in the near term
- underpins CEL with a low risk, high margin source of cashflow while we prepare for a much larger bulk gold operation in Ecuador
- Hualilan makes execution of a large bulk gold deposit in Ecuador achievable

Hualilan Gold Project Argentina

- high-grade historical resource
- significant exploration potential
- excellent infrastructure in place
- strategy to aggressively add ounces
- production will be pursued once we have the benefit of scale

El Guayabo Project Ecuador

- exciting traditional near surface Porphyry/Breccia targets
- wild card of near-term results from assaying historical core
- potentially significant bulk gold discovery
- sensible low risk approach to porphyry exploration

Near term catalysts and continual news flow from both projects

Capital Raising – Overview

Offer Structure & Size

- Placement using the Company's capacity under ASX LR 7.1 & 7.1A to raise A\$20 million. The Company will not accept oversubscriptions

Offer Pricing

- Offer price of A\$0.20 per New Share represents a:
 - 13.0% discount to the last closing price of A\$0.23 per share;
 - 16.5% discount to the 5 day Volume Weighted Average Price (**VWAP**) of A\$0.240; and
 - 13.7% discount to the 1 month VWAP of A\$0.232

Ranking

- Pari passu with existing fully paid ordinary shares on issue

Use of Proceeds

- Proceeds from the Equity Raising will be used to fund further exploration at the Company's Hualian Project and El Guayabo / Colorado V Projects, as well as provide additional working capital

Joint Lead Managers

- Henslow Pty Ltd (**Henslow**), Peloton Capital Pty Ltd (**Peloton**) and Foster Stockbroking Pty Ltd (**Fosters**)

Capital Raising – Uses of Funds

Uses of Funds	A\$m
Hualilan Project – 35,000m drilling program	9.5
Hualilan Project – Scoping Study	0.5
Hualilan Project – Additional mining studies, metallurgy, and geophysics	1.0
Hualilan Project – farmin spend to expand footprint	2.0
Colorado V – 5,000m drilling program plus geophysics	3.25
Working capital and costs of the offer	3.75
Total Uses	20.0

► **Board to coinvest \$335,000 ⁽¹⁾**

#1 In Mar 2020 the Board committed to take 50-100% of 2020 salary in shares for 1 year this commitment will be converted into shares at the current capital raise price subject to shareholder approval at the upcoming AGM

Capital Raising – Timetable*

Event	Time (AEST) / Date
CEL trading halt	13 July 2020
Transaction announced and CEL resumes trading	16 July 2020
Settlement of Placement	22 July 2020
Commencement of trading of Placement shares on the ASX	23 July 2020

*Timetable above is indicative only and may be varied subject to the ASX Listing Rules

Previous ASX releases referred to in this Presentation

CEL Confirms Discovery of Large-Scale Gold System - 27 May 2020
CEL Continues to Receive Outstanding High-Grade Results - 17 June 2020
Colorado V Assay Results Reinforce Large Scale Gold System - 6 July 2020

Key Risks – Specific

Economic conditions

The future exploration activities of the Company may be affected by a range of factors including activities of parties with overlapping tenure, geological conditions, limitations on activities due to seasonal weather patterns or adverse weather conditions, unanticipated operational and technical difficulties, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical problems which may affect extraction costs, industrial and environmental accidents, industrial disputes, unexpected shortages and increases in the costs of consumables, spare parts, plant, equipment and staff, native title process, changing government regulations and many other factors beyond the control of the Company.

The success of the Company will also depend upon the Company being able to maintain title to the mineral exploration licences comprising the Projects and obtaining all required approvals for their contemplated activities. In the event that exploration programmes prove to be unsuccessful this could lead to a diminution in the value of the Projects, a reduction in the cash reserves of the Company and possible relinquishment of one or more of the mineral exploration licences comprising the Projects.

Contractual/Joint Venture Risk

In order for the Company to be able to achieve its objectives the Company is reliant on the registered holder of the tenements to comply with its contractual obligations under the earn-in agreements with respect to maintaining the tenements in full force and effect, free from any liability to forfeiture or non-renewal.

Interests in tenements in Argentina and Ecuador are governed by the respective national legislation and are evidenced by the granting of licences or leases. Each licence or lease is for a specific term and carries with it annual expenditure and reporting commitments, as well as other conditions requiring compliance.

Where the registered holder of the tenements fails to comply with conditions of the tenements which results in loss of title to the tenements the Company would lose its interest in the minerals rights being acquired pursuant to the earn-in agreements. It may then be necessary for the Company to approach a court to seek a legal remedy. Legal action can be costly and there can be no guarantee that a legal remedy will be ultimately granted on the appropriate terms. The Company has no current reason to believe that the registered holders of the tenements that it has contracted with will not meet and satisfy their obligations under the earn-in Agreements.

Pursuant to the terms and conditions of the earn-in agreements, the Company has contractual rights and obligations in relation to the co-existence, exploration and potentially mining on the El Guayabo tenement. The Company has the right to do such prospecting, exploration, development, drilling and/or other mining work thereon and thereunder as the Company in its sole discretion may determine advisable and including, without limitation the removal of any ores, minerals and metals from the Concession but only for the purpose of testing. The Company is required to use all reasonable efforts to coordinate with the operator in order to avoid interference with the day to day activities of the existing mine operators.

There is a risk that the Company may not be able to complete all of its preferred exploration programmes in its preferred timetable or at all, as a result of a conflict with the exploration activities of the registered holder of the Tenements.

Key Risks – Specific

Future capital needs and additional funding

The Company will need to raise further capital (equity or debt) in the future. No assurance can be given that future funding will be available to the Company on favourable terms or at all. If adequate funds are not available on acceptable terms the Company may not be able to further develop its Projects and it may impact on the Company's ability to continue as a going concern.

Gold and Copper Price

The Company's projects are primarily prospective for gold and copper. Gold and copper and other commodity prices can fluctuate significantly and the gold and copper price is exposed to numerous factors beyond the control of the Company. A significant decrease in the gold and / or copper price is likely to adversely affect sentiment and market support towards a copper exploration company. If the Company achieves copper mining production, the Company's financial performance will be dependent in part on the copper price.

Reliance on key personnel

The Company's success largely depends on the core competencies of its Directors and any management and its ability to retain these people.

Exchange rate

Commodities are principally sold throughout the world in United States dollars. In the event of revenue from any operations in Argentina, it is likely to be in United States dollars while costs will be payable either in Argentinean pesos or Australian dollars.

The exchange rates between the various currencies are affected by numerous factors beyond the control of the Company. These factors include economic conditions in the relevant country and elsewhere and the outlook for interest rates, inflation and other economic factors. These factors may have a positive or negative effect on the Company's exploration, project development and production plans and activities, together with the ability to fund those plans and activities.

Sovereign Risk

The Company's projects are subject to the risks associated with operating in a foreign country. These risks may include economic, social or political instability or change, hyperinflation, currency non-convertibility or instability and changes of law affecting foreign ownership, government participation, taxation, working conditions, rates of exchange, exchange control, exploration licensing, export duties, repatriation of income or return of capital, environmental protection, mine safety, labour relations as well as government control over mineral properties or government regulations that require the employment of local staff or contractors or require other benefits to be provided to local residents.

Some of the Company's key assets are its contractual interests in tenements in Argentina and Ecuador. Changes in these countries laws and regulations may have a significant effect on the Company's exploration operations, especially changes to environmental, mining, grant or renewal of concessions, royalties and taxation.

The political conditions under which the Company currently operates in Argentina and Ecuador are stable compared to many areas of the world, but arguably are not as stable as those prevailing in Australia. Potential risk to the Company's activities may occur if there are changes to the political, legal and fiscal systems which might affect the ownership and operation of the Company's interests in Argentina and Ecuador. This may also include changes in exchange control regulations, expropriation of mining rights, changes in government and in legislative and regulatory regimes.

Key Risks – Specific

Environmental Risk

Development of any of the Company's Projects will be dependent on the Company satisfying relevant environmental guidelines and, where required, being approved by government authorities. Failure to obtain such approvals will prevent the Company from undertaking its desired activities. The Company is unable to predict the effect of additional environmental laws and regulations that may be adopted in the future, including whether any such laws or regulations would materially increase the Company's costs of doing business or affect its operations in any area.

Acquisitions

The Company may make acquisitions of, or investment in, companies or assets that are complementary to its business. Any such future transactions are accompanied by the risks commonly encountered in making acquisitions of companies or assets, such as integrating cultures and systems of operation, relocation of operations, short term strain on working capital requirements, achieving mineral exploration success and retaining key staff.

Insurance

The Company may maintain insurance within ranges of coverage that it believes to be consistent with industry practice and having regard to the nature of activities being conducted. However, it is not always possible to cost-effectively insure against all risks associated with such activities. The Company may decide not to take out insurance against certain risks as a result of high premiums or for other reasons. Should liabilities arise on uninsured risks, the Company's business, financial condition and results of operations and the market price of the New Shares may be materially adversely affected.

Legal Proceedings

Legal proceedings may arise from time to time in the course of the business of the Company. As at the date of this document, there are no material legal proceedings affecting the Company and the Directors are not aware of any legal proceedings pending or threatened against or affecting the Company.

Key Risks – General

Securities investments and share market conditions

There are risks associated with any securities investment. The trading prices of securities trade fluctuate in response to a number of factors.

Furthermore, the stock market, and in particular the market for resource exploration and development companies may experience extreme price and volume fluctuations that may be unrelated or disproportionate to the operating performance of such companies. These factors may materially adversely affect the market price of the securities of the Company regardless of the Company's operational performance. Neither the Company nor the Directors warrant the future performance of the Company, or any return of an investment in the Company.

Economic risk

Changes in both Australia, South America and world economic conditions may adversely affect the financial performance of the Company. Factors such as inflation, currency fluctuations, interest rates, industrial disruption and economic growth may impact on future operations and earnings.

Legislative

Changes in relevant taxes, legal and administration regimes, accounting practice and government policies may adversely affect the financial performance of the Company. Speculative Investment The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the New Shares offered under this document. Therefore, the New Shares to be issued carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those New Shares. Potential investors should consider that the investment in the Company is speculative and should consult their professional advisers before deciding whether to apply for New Shares.

International Offer Restrictions

This document does not constitute an offer of new ordinary shares ("New Shares") of the Company in any jurisdiction in which it would be unlawful. New Shares may not be offered or sold in any country outside Australia except to the extent permitted below.

Hong Kong

WARNING: This document has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the "SFO"). No action has been taken in Hong Kong to authorise or register this document or to permit the distribution of this document or any documents issued in connection with it. Accordingly, the New Shares have not been and will not be offered or sold in Hong Kong other than to "professional investors" (as defined in the SFO and any rules made under that ordinance).

No advertisement, invitation or document relating to the New Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to New Shares that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors. No person allotted New Shares may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

New Zealand

This document has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (the "FMC Act"). The New Shares are not being offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) other than to a person who:

- is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act;
- meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act;
- is large within the meaning of clause 39 of Schedule 1 of the FMC Act;
- is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or
- is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act.

Singapore

This document and any other materials relating to the New Shares have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this document and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of New Shares, may not be issued, circulated or distributed, nor may the New Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part XIII of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.

International Offer Restrictions



This document has been given to you on the basis that you are (i) an existing holder of the Company's shares, (ii) an "institutional investor" (as defined in the SFA) or (iii) an "accredited investor" (as defined in the SFA). In the event that you are not an investor falling within any of the categories set out above, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

Any offer is not made to you with a view to the New Shares being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire New Shares. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

United Kingdom

Neither this document nor any other document relating to the offer has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended ("FSMA")) has been published or is intended to be published in respect of the New Shares.

The New Shares may not be offered or sold in the United Kingdom by means of this document or any other document, except in circumstances that do not require the publication of a prospectus under section 86(1) of the FSMA. This document is issued on a confidential basis in the United Kingdom to "qualified investors" (within the meaning of Article 2(e) of the Prospectus Regulation (2017/1129/EU), replacing section 86(7) of the FSMA). This document may not be distributed or reproduced, in whole or in part, nor may its contents be disclosed by recipients, to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received in connection with the issue or sale of the New Shares has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of the FSMA does not apply to the Company.

In the United Kingdom, this document is being distributed only to, and is directed at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 ("FPO"), (ii) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO or (iii) to whom it may otherwise be lawfully communicated (together "relevant persons"). The investment to which this document relates is available only to relevant persons. Any person who is not a relevant person should not act or rely on this document.

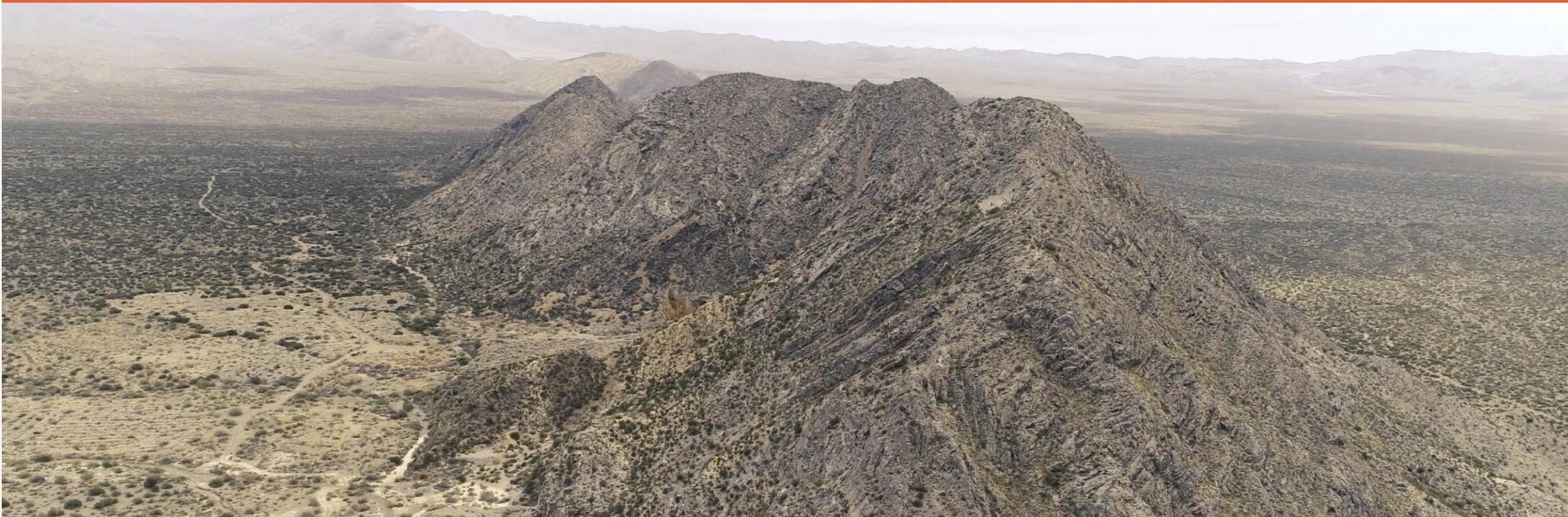
United States

This document does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. The New Shares have not been, and will not be, registered under the US Securities Act of 1933 or the securities laws of any state or other jurisdiction of the United States. Accordingly, the New Shares may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws.

The New Shares will only be offered and sold in the United States to:

- institutional accredited investors (as defined in Rule 501(a)(1), (2), (3) and (7) under the US Securities Act); and
- dealers or other professional fiduciaries organized or incorporated in the United States that are acting for a discretionary or similar account (other than an estate or trust) held for the benefit or account of persons that are not US persons and for which they exercise investment discretion, within the meaning of Rule 902(k)(2)(i) of Regulation S under the US Securities Act.

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