FINAL EIA AMENDMENT GRANTED FOR CHALLENGER'S HUALILÁN GOLD PROJECT

HUALILAN FULLY PERMITED FOR THE COMMENCEMENT OF TOLL MILLING

Highlights

- **Environmental Impact Assessment ("EIA") Amendment approved for the Hualilán Gold Project**
- **Amends the original EIA to enable the haulage of ore from Hualilan to Casposo for Toll Treatment**
- **Marks a significant milestone for the Hualilan Gold Project with:**
  - **EIA Amendment the final approval required to allow Toll Milling to commence; and**
  - **Hualilan now fully permitted to start toll milling**

Challenger Gold Limited (ASX: CEL) ("**CEL**" or the "**Company**") is pleased to announce that it has received approval of the Environmental Impact Assessment ("EIA") Amendment for its Hualilán Gold Project in San Juan Province, Argentina, through Resolution No. 688-MM-2024.

The approval represents a major milestone in the development of the Hualilán Project as it amends the original environmental approval received in November 2024 to allow for trucking of Hualilan ore to Casposo and toll treatment via the Casposo plant.

This approval is the final government approval required to enable toll milling of Hualilan ore with the Hualilan Gold Project now fully permitted for toll milling.

The terms of the EIA Amendment are as anticipated by CEL and in line with the ore haulage assumptions used in the Pre-Feasibility Study ("PFS") for toll milling released on 4 June 2025. Additionally, the approval enables key mining and drill and blast contracts to be executed in the coming weeks.

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Background to Toll Milling

The Company has executed a binding Agreement with Casposo Argentina Mining Limited, the operator of the Casposo Plant located in San Juan Argentina. This Toll Milling Agreement secures processing of a minimum of 450,000t of near surface Hualilan mineralised material over the next approximately 3 years.

The Casposo Plant, located 165km from Hualilan via established roads, has historically produced over 323,000 ounces of gold and 13.2 million ounces of silver. During operations, the plant achieved average annual production of 40,000 ounces of gold and 1.6 million ounces of silver at recoveries of 90% for gold and 79% for silver. The plant has been on care and maintenance.

The primary objective of the Toll Milling strategy is to capitalise on the current high gold price (above US$3,300/oz) to generate early cash flow. This cashflow will be allocated towards the construction of the larger standalone Hualilan Gold Project. The Company recently released a PFS for Toll Milling demonstrating outstanding economics from toll milling delivering (refer Toll Milling PFS release dated 4 June 2025):

- **Robust margins:** at prices of ~US$3,300/oz Au and US$33/oz Ag (spot at the time of the PFS). The three-year toll-milling plan generates EBITDA of US $142.8M and post-tax NPV_5 of US$82.2M, with post-tax-free cash flow of US$91.8M.
- **Robust margins on conservative commodity prices:** using US$2,500/oz Au and US$27.50/oz Ag. The three-year toll-milling plan generates EBITDA of US$88.0M, post-tax NPV_5 of US$50.5M, and cumulative post-tax-free cash flow of US$56.7M.
- **Low upfront capital and quick payback:** total upfront spend is just US$8.9M (A$13.8M) which is US$4.2M upfront capex and US$4.7M working capital and toll milling achieves payback 3 months from the commencement of mining.
- **Competitive cost structure:** forecast All-In Sustaining Cost ("AISC")[1] is ~US$1,454/oz AuEq, comfortably below spot prices and achievable thanks to toll milling and a short haulage distance.
- **Financing risk removed:** recent A$37.5M equity placement funds development through to first cash flow and acceleration the development of the larger stand-alone Hualilan development.
- **Significant upside:** Toll Milling is based on extracting only 3% of the 2.8 Moz Hualilan Mineral Resource Estimate (“MRE”).

ENDS

[1] Calculated based on the World Gold Council definition.

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ABOUT CHALLENGER GOLD

Challenger Gold Limited (ASX: CEL) aspires to become a globally significant gold producer. The company is advancing two complementary gold/copper projects in South America. Its flagship project, the Hualilan Gold Project in San Juan, Argentina, contains resources of **2.8 Moz AuEq**.

- **Hualilan Gold Project**: Located in San Juan Province, Argentina, the Hualilan Gold Project presents a near-term development opportunity with extensive drilling history. The project boasts over 150 historical drill holes and nearly 900 CEL holes. A JORC (2012) Compliant resource of 2.8 Moz AuEq remains open in most directions. This includes a **high-grade core of 9.9 Mt at 5.0 g/t AuEq for 1.6 Moz AuEq and 29.1 Mt 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 estimation is based on approximately 220,000 meters of CEL drilling. Drill results have included: **67.7m at 7.3 g/t Au, 5.7 g/t Ag, and 0.6% Zn; and 63.3m at 8.5 g/t Au, 7.6 g/t Ag, and 2.8**

  The company has executed a binding Agreement with Casposo Argentina Mining Limited, the operator of the Casposo Plant located in San Juan Argentina. The primary objective of this Toll Milling strategy is to capitalise on the current high gold price (above US$3,300/oz) to generate early cash flow. This cashflow will be allocated towards the construction of the larger standalone Hualilan Gold project. The Company recently released a PFS for Toll Milling demonstrating outstanding economics from toll milling delivering EBITDA of US $142.8M and post-tax -free cash flow of US$91.8M at today's spot prices of ~US$3,300/oz Au and US$33/oz Ag. Toll Milling is based on extracting only 3% of the 2.8 Moz Hualilan MRE.

  The Hualilan Scoping Study (November 2023 @ US$1750 Au) focussed on the high-grade core of the deposit. It outlines production estimates of 141,000 oz AuEq) at an ASIC of US$830/oz over an initial 7-year mine life. This study has been superseded given recent outstanding Heap Leach recoveries from the lower grade halo and the gold price. A PFS Study for the standalone Life of Mine is due in Q1 2026

- El Guayabo Gold/Copper Project: This project spans 35 square kilometres in southern Ecuador, located 5 kilometres along strike from the 20.5 million ounce Cangrejos Gold Project[2]. Previously drilled by Newmont Mining in 1995 and 1997, the project targets gold in hydrothermal breccias. Historical drilling indicated potential for significant gold, copper, and silver mineralization, with notable intersections including: **156m at 2.6 g/t Au, 9.7 g/t Ag, and 0.2% Cu; and, 112m at 0.6% Cu, 0.7 g/t Au, and 14.7 g/t Ag**. CEL's maiden drilling program confirmed a major Au-Cu-Ag-Mo gold system across several significant zones. Thirteen regionally significant Au-soil anomalies were drilled, with over 500 meters of mineralization intersected at eight of these anomalies, indicating the potential for a major bulk gold system at El Guayabo. The company has reported an **9.1 Moz gold equivalent MRE**, with mineralization open in all directions. This MRE is based on 203 drill holes, totalling 91,000 meters. The Company is exploring strategic options to monetize or spin off its Ecuador assets.

[2] Source : Lumina Gold (TSX : LUM) July 2020 43-101 Technical Report

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.

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.

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.

PRE-FEASIBILITY STUDY AND MRE

All references to the PFS and its outcomes in this announcement relate to the ASX Announcement of 4 June 2025 'Hualilan Gold Project Toll Milling Pre-Feasibility Study'. Please refer to that announcement for full details and supporting documentation.

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

All references to the El Guayabo Project MRE in this announcement relate to the ASX Announcements of 14 June 2023 and 4 April 2025 update. Please refer to the announcements for full details and supporting documentation.

HUALILAN MRE

Table A - Hualilan Mineral Resource Estimate (March 2023) [Note: Some rounding errors may be present]

Domain	Category	Mt	Au (g/t)	Ag (g/t)	Zn (%)	Pb (%)	AuEq[3] (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

EL GUAYABO MRE

Table B – El Guayabo Interim Mineral Resource Estimate (June 2023) [Note: Some rounding errors may be present]

Domain	Category	Mt	Au (g/t)	Ag (g/t)	Zn (%)	Pb (%)	AuEq[4] (g/t)	AuEq (Moz)
US$1800 optimised shell > 0.30 ppm AuEq	Indicated	45.5	1.0	5.1	0.38	0.06	1.3	1.9

[3] 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.

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

- 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) x 0.012222] + [Cu (%) x 1.555] + [Mo (%) x 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.

JORC CODE, 2012 EDITION - 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 disclosure of detailed information.*	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. 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. Visible gold has been observed in only 1 drill core sample of fresh rock and 1 sample of partially oxidised drill core. Coarse gold is not likely to result in sample bias. 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 ben pulverised to 85% passing 75µm. A trace level assay by aqua regia digest including 25g gold was done for all samples.

Criteria	JORC Code explanation	Commentary
		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 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 a track-mounted LM650 universal drill rig 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 fine/coarse material.*	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. 761 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 224,180.60 metres, including cover drilled of 22,041.30 metres (9.8 %). Of the remaining 202,139.30 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 measure sample recovery and consistency in sampling down-hole.

Criteria	JORC Code explanation	Commentary
		37 CEL RC drill holes have been used in the CEL resource estimate. Total metres drilled is 2,923m. Cover drilled is 511 m (17.5%) 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 quality and appropriateness of the sample preparation technique.* *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.*	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 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.

Criteria	JORC Code explanation	Commentary
	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.*	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)	3,523	0.960	0.076	0.077	0.007	0.006	0.640	0.816
Ag (ppm)	3,523	0.696	0.53	0.48	0.17	0.16	7.99	3.55
Cd (ppm)	3,523	0.979	1.34	1.26	0.08	0.08	160.63	144.11
Cu (ppm)	3,523	0.451	14.84	13.85	3.40	3.30	4.3E+03	2.5E+03
Fe (%)	3,523	0.990	1.997	1.996	1.700	1.710	3.74	3.75
Pb (ppm)	3,523	0.940	64.7	62.4	13.7	13.4	1.9E+05	2.7E+05
S (%)	3,523	0.973	0.333	0.330	0.140	0.140	0.346	0.332
Zn (ppm)	3,523	0.976	254	243	73	72	3.8.E+06	3.5.E+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)	85	0.799	0.101	0.140	0.017	0.016	0.041	0.115
Ag (ppm)	85	0.691	1.74	2.43	0.59	0.58	13.59	64.29
Cd (ppm)	85	0.989	15.51	16.34	0.41	0.44	4189	4737
Cu (ppm)	85	0.975	47.74	53.86	5.80	5.70	2.4E+04	3.1E+04
Fe (%)	85	0.997	1.470	1.503	0.450	0.410	7.6	7.6
Pb (ppm)	85	0.887	296.0	350.6	26.3	32.4	6.0E+05	7.4E+05

Criteria	JORC Code explanation	Commentary

S (%)	85	0.972	0.113	0.126	0.020	0.020	0.046	0.062
Zn (ppm)	85	0.977	3399	3234	158	177	2.5.E+08	2.1.E+08

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

Criteria	JORC Code explanation	Commentary
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*	The MSA laboratory used for sample preparation in San Juan was inspected by CEL representatives prior to any samples being submitted. The laboratory was visited and reviewed most recently in May 2022. 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

Criteria	JORC Code explanation	Commentary
	acceptable levels of accuracy (i.e. lack of bias) and precision have been established.	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 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

Criteria	JORC Code explanation	Commentary

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
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

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

		Mean		Median		Std Deviation		
Element	count	SGS	ALS	SGS	ALS	SGS	ALS	Correlation coefficient
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

Criteria	JORC Code explanation	Commentary
		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.

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Criteria	JORC Code explanation	Commentary
		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 als acquired over the project to provide more detail where required, 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.

JORC CODE, 2012 EDITION - 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
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

Criteria	JORC Code explanation	Commentary

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 Reconsideration	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

Criteria	JORC Code explanation	Commentary

Soldado Poltronieri (over 1124188-20, 545867-R-94 and 545880-O-94)	1124.108-2022	Application	777.56

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

Criteria	JORC Code explanation	Commentary

-	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
-	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

Criteria	JORC Code explanation	Commentary
		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. 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*	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.

Criteria	JORC Code explanation	Commentary
	and this exclusion does not detract from the understanding of the report the Competent Person should clearly explain why this is the case.	
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 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.	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. The following metals and metal prices have been used to report gold grade equivalent (AuEq): Au US$ 1780 / oz Ag US$24 /oz and Zn US$ 2800 /t. 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. Using data from the interim test results, and for the purposes of the AuEq calculation for drill hole significant intercepts, gold recovery is estimated For the AuEq calculation average metallurgical recovery is estimated to be 94.9% for gold, 90.9% for silver, 67.0% for Zn and 57.8% for Pb. Metal prices used to report AuEq are Au US$ 1900 / oz, Ag US$24 /oz, Zn US$ 4,000 /t and Pb US 2,000/t Accordingly, the formula used for Au Equivalent is: AuEq (g/t) = Au (g/t) + [Ag (g/t) x (24/1900) x (0.909/0.949)] + [Zn (%) x (40.00*31.1/1900) x (0.670/0.949)] + (Pb (%) x 20.00*31.1/1900) x (0.578/.9490}. 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 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*	Representative maps and sections are provided in the body of reports released to the ASX.

Criteria	JORC Code explanation	Commentary
	limited to a plan view of drill hole collar locations and appropriate sectional views.	
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.*	All available final data have been reported.
Other substantive exploration data	*Other exploration data if meaningful and material should be reported including (but not limited to): geological observations; 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.*	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. 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) as detailed above in Data Aggregation and below in Section 3: Metallurgical Factors or Assumptions. The formula used for AuEq is: AuEq (g/t) = Au (g/t) + [Ag (g/t) x (24/1900) x (0.909/0.949)] + [Zn (%) x (40.00*31.1/1900) x (0.670/0.949)] + (Pb (%) x 20.00*31.1/1900) x (0.578/.9490}. 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. A water bore has been drilled approximately 4 kilometres to the east of the Project. This hole found water in permeable Quaternary sedimentary deposits above hard-rock basement at 128 metres vertical depth. Testing and commissioning of the bore has yet to be completed. 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.

Criteria	JORC Code explanation	Commentary
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. Field mapping targeting extensions of known mineralisation. Further metallurgical test work.

JORC CODE, 2012 EDITION - 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 site visits during exploration. 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 given 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 from 0.2 – 0.5 g/t AuEq mineralised intersections, joined between holes by the instruction from the geology and structure. 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*	31 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.

<table>
<tr><th>Criteria</th><th>JORC Code explanation</th><th>Commentary</th></tr>
<tr><td></td><td>to the upper and lower limits of the Mineral Resource.</td><td></td></tr>
<tr><td>Estimation and modelling techniques</td><td> 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. </td><td> Estimation was made for Au Ag, Zn and Pb being the elements of economic 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. No previous JORC Resource estimates or non-JORC Foreign Resource estimates were 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.
<table>
<tr><th>Group</th><th>Au (ppm)</th><th>Ag (ppm)</th><th>Zn (%)</th><th>Pb (%)</th></tr>
<tr><td>Fault Zone hosted (Magnata and Sanchez) and CAL (limestone) hosted</td><td>80</td><td>300</td><td>20</td><td>5</td></tr>
<tr><td>LUT (siltstone) hosted</td><td>20</td><td>100</td><td>5</td><td>1</td></tr>
<tr><td>DAC (intrusive) hosted</td><td>15</td><td>70</td><td>5</td><td>1.8</td></tr>
</table>
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 the majority of the domain wireframes. Group Variography was carried out using Leapfrog Edge software on the two metre composited data from each of the 31 domains for each variable. </td></tr>
</table>

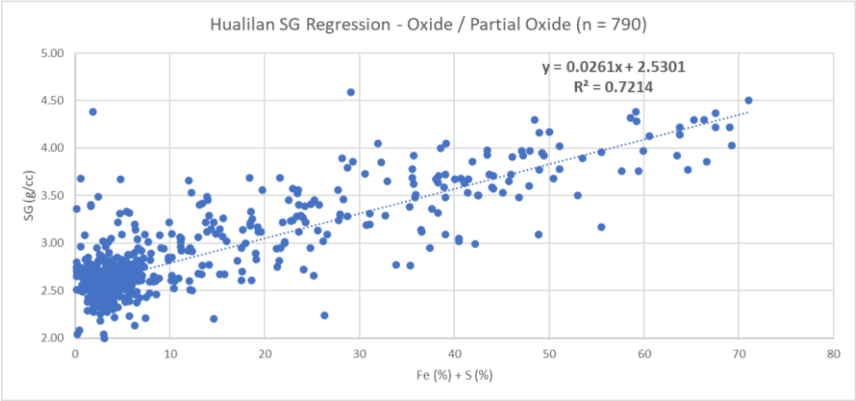
Criteria	JORC Code explanation	Commentary
	The process of validation the checking process used the comparison of model data to drill hole data and use of reconciliation data if available	All relevant variables; Au, Ag, Pb, Zn, Fe and S in each domain were estimated using Ordinary Kriging using only data 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. 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$ 1900 / oz, Ag US$24 /oz, Zn US$ 4,000 /t and Pb US 2,000/t. Average metallurgical recoveries for Au, Ag, Zn and Pb 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 average metallurgical recovery is estimated as 94.9% for gold, 90.9% for silver, 67.0% for Zn and 57.8% for Pb. Accordingly, the formula used for Au Equivalent is: AuEq (g/t) = Au (g/t) + [Ag (g/t) x (24/1900) x (0.909/0.949)] + [Zn (%) x (40.00*31.1/1900) x (0.670/0.949)] + (Pb (%) x 20.00*31.1/1900) x (0.578/.9490}. Based on the break-even grade for an optimised pit shell for gold equivalent, a AuEq cut-off grade of 0.30 ppm is used to report the resource within an optimised pit shell run at a gold price of US$1,800 per ounce and allowing for Ag, Zn and Pb credits. Under this scenario, blocks with a grade above the 0.30 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 $1,800 per oz, Ag price of $23.4 per oz, Zn price of $3,825 per tonne and Pb price of $1,980 per tonne Average metallurgical recoveries of 94.9% for Au, 90.9 % for Ag and 67 % for Zn and 57.8 % for Pb. Ore and waste mining cost of $2.00 per tonne Unconsolidated cover removal cost of $0.10 per tonne Processing cost of $10.00 per tonne Transport and marketing of $50 / oz of AuEq (road to Jan Juan then rail to Rosario Port) Royalty of $60 per oz Au, 3% for Ag, Zn and Pb. Assumed concentrate payability of 94.1% for Au, 82.9% for Ag, 90 % for Zn and 95 % for Pb. 45° pit slopes on the western side of the pit and 55° on the eastern side of the pit Blocks above a 0.30 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 explanation of the basis of the metallurgical assumptions made.*	Stage 1 metallurgical test work on representative composite sample: 1. Two separate composite samples of limestone-hosted massive sulphide (manto) Sample A has a weighted average grade of 10.4 g/t Au, 31.7 g/t Ag, 3.2 % Zn and 0.46 % Pb. Sample B has a weighted average grade of 9.7 g/t Au, 41.6 g/t Ag, 4.0% Zn and 0.48% Pb. 2. One dacite (intrusive) composite sample with a weighted average grade of 1.1 g/t Au, 8.1 g/t Ag and 0.10 % Zn and 0.04% Pb. 3. One sediment hosted (fine grained sandstone and siltstone) composite sample with a weighted average grade of 0.68 g/t Au, 7.5 g/t Ag, 0.34 % Zn and 0.06 % Pb. 4. One oxidised limestone (manto oxide) composite sample with a weighted average grade of 7.0 g/t Au, 45 g/t Ag, 3.7% Zn and 0.77% Pb. Gravity recovery and sequential flotation tests of the higher-grade limestone hosted mineralisation involved; 1. primary P80 = 51 micron primary grind, 2. gravity recovery, 3. Pb-Cu followed by Zn rougher flotation, 4. p80 = 29 micron regrind of the Zn rougher concentrate, 5. two re-cleaning stages of the Pb/Cu rougher concentrate, 6. four re-cleaning Sages on the Zn rougher concentrate, and

Criteria	JORC Code explanation	Commentary
		7. additional gravity recovery stages added to the Zn Rougher concentrate This results in the following products that are likely to be saleable - Au-Ag concentrate (118 g/t Au, 286 g/t Ag) with low deleterious elements, - Pb concentrate (65% Pb, 178 g/t Au, 765 g/t Ag) with low deleterious elements, and - Zn concentrate (51% Zn, 10 g/t Au, 178 g/t Ag) with low deleterious elements, relatively high Cd, but at a level that is unlikely to attract penalties. - tailing grades of 2 to 3 g/t Au which respond to intensive cyanide leach with recoveries of 70-80% of any residual gold and silver to a gold doré bar. Two intensive leach tests of Au-Ag concentrate to doré have been completed using a representative sample of the Au-Ag concentrate. One split of the sample was finely ground to p80 of 16.7 µm and the second split finely ground to p80 of 40 µm. The 16.7 µm sample returned a recovery of 96.0% Au and the 40 µm sample returned a recovery of 92.8% Au. These results provide an option to eliminate concentrate transport costs and increase payability for the Au-Ag concentrate. Gravity recovery and flotation tests of the intrusive-hosted mineralisation involved; 1. primary P80 = 120-80 micron primary grind, 2. gravity recovery, 3. single stage rougher sulphide flotation, 4. P80 = 20-30 micron regrind of the rougher concentrate (5-10% mass), 5. one or two re-cleaning stages of the Au-Ag Rougher concentrate At primary grind of p80 = 76 micron and regrind of p80 = 51 micron an Au-Ag concentrate can be produced grading 54 g/t Au and 284 g/t Ag with total recoveries of 97% (Au) and 85% (Ag). One test of a sediment hosted composite sample (5-10% of the mineralisation at the Project) was a repeat of the testing done on the intrusive-hosted mineralisation. This produced an Au-Ag concentrate grading 23.6 g/t Au and 234 g/t Ag at total recoveries of 85% (Au) and 87% (Ag). Further test work is likely to be done as part of more detailed studies. It is likely that the concentrate produced from the sediment-hosted mineralisation will be combined with the Au-Ag concentrate from the limestone and intrusive-hosted mineralisation. Applying recoveries of 70% for both gold and silver to the various concentrate tailings components where leaching is likely to be undertaken during production generates recoveries of: ▪ 95% (Au), 93% (Ag), 89% (Zn), 70% (Pb) from the high-grade skarn (manto) component of the mineralisation; ▪ 96% (Au) and 88% (Ag) from the intrusion-hosted component of the mineralisation; ▪ 85% (Au) and 87% (Ag) from the sediment-hosted component of the mineralisation; A composite (ROM-2), representative of the Hualilan produced by combining 148 metres of quarter core from several drillholes from the open pit component of the MRE with an average core sample assay grade of 1.1 g/t Au, 6.6 g/t Ag, 0.38% Zn and 0.14% Pb was tested to see if a potentially saleable zinc concentrate could be product from sequential flotation of material with a lower Zn grade. After a primary grind of (P80 75µm) and regrind (P80 20µm) of the gravity tails and bulk

Criteria	JORC Code explanation	Commentary
		concentrate 66%, sequential Zn flotation recovered a high-quality Zn-concentrate grading 55% Zn. Tests were successful in suppressing Au-Ag in the Zn-concentrate with only 3% of the Au and less than 10% of the Ag reporting to the Zn-concentrate. An intensive cyanide leach test of the oxide (limestone and dacite hosted mineralisation) has produced recoveries of 78% (Au) and 64% (Ag) which is expected to be recovered into gold doré bar. While the oxide component of the mineralisation comprises only a small percentage of the Hualilan mineralisation its lies in the top 30-40 metres and would be mined early in the case of an open pit operation. Based on the test work to date and the proportions of the various mineralisation types in the current geological model, it is expected that overall average recoveries for potentially saleable metals will be: - 94.9% Au, - 90.9% for Ag - 67.0% for Zn and - 57.8% for Pb As further results are obtained, these assumptions will be updated. Stage 2 metallurgical test work included column testing of low-grade material (for heap leach Au and Ag recovery), comminution testing, and variability testing: Column tests were conducted at ¼", ½" and 1" crush sizes by lithology and grades from 0.2 g/t Au to 1/0 g/t Au. Lithology and grade weighted average results for ½" crush size averaged 65% for Au and 50% for Ag. Au recovery was generally better in dacite and siltstone/ sandstone than it was in limestone. Recovery was generally independent of grade. Column tests at ½" crush size was also conducted on limestone hosted mineralisation at higher grades. Au recovery achieved for these samples ranged from 40% to 56% at grades between 0.8 Au g/t to 7.2 Au g/t which is significantly lower that recovery for intensive leach but does provide a low cost option for treatment of this material at higher grades. Bulk flotation grind optimisation found gold recovery to a combined gravity and rougher flotation concentrate between 87% to 93% over the primary grind sizes tested between P80=75µm to P80=180µm. Results indicate that there is opportunity to coarsen the primary grind ahead of bulk flotation with minimal reduction in gold recovery which provides an opportunity to reduce costs when processing material using this method. Sequential flotation with a modified route that significantly reduces operating costs by coarsening the primary grind from P80=50µm to P80=75µm and reduces reagent consumptions has been tested. Zn recovery to the zinc concentrate ranged from 75% to 89% with concentrate grades ranging from 53% to 56% Zn, from samples that zinc head grades between 0.4 to 1.9% Zn. The test also produced high gold grade bulk concentrate that has been combined with zinc scavenger concentrate and pyrite rougher concentrate to generate a concentrate between 5g/t to 23g/t gold at a gold recovery of 38% to 74%. The intention is for this concentrate to be treated by a standalone gold leaching circuit before being blended into the flotation tailings leach. Metallurgical test work specific to the material to be recovered for toll treatment and subjected to a test program that duplicates the toll treatment process (gravity and agitated vat leach). Material tested well represents the toll treatment pits spatially, for lithology and across the grade ranges for Au, Ag, Cu and Zn. Tests used a grid size of p80 = 100-105

Criteria	JORC Code explanation	Commentary
		micrometres. Au recovery varied from 78-96% and Ag recovery varied from 56-78% for 3 composites representing Sanchez, Norte and Magnata pits and a single composite from all three pits. Cu recovery of 28% and Zn recovery of 12% indicated there is a cyanide soluble component of those metals. Overall cyanide consumption is 4.1 kg/t and lime consumption is 6.3 kg/t. Comminution test work, floatation variability test work and column test work are on-going.
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 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.*	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 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.
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 oxidised and partially oxidised rocks, SG clusters around an average of 2.49 g/cc (2,490 kg/m3) which is independent of depth. A density of 2,490 kg/m3 has been used for oxidised, fracture oxidised and partially oxidised blocks. 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.

Criteria	JORC Code explanation	Commentary
		 For fresh rock at zero Fe + S (%) the density is assumed to be 2.53 t/m3. The regression slope has a linear increase in density of 26.1 kg/m3 (0.0261 t/m3) for each 1 percent increase in Fe + S (%). The formula used for block density (t/m3) determination in oxide rock is 2.53 + [0.0261 x (Fe % + S%)].
Classification	*The basis for the classification of the Mineral Resources into varying confidence categories.* *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.*	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 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 run using a gold price of US$1,800 per ounce. Resources reported inside the pit shell were reported above a AuEq cut-off grade of 0.3 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 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.

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

JORC CODE, 2012 EDITION - 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.*	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 which includes 2.5x5.0x2.5m subblocks, was regularized by Geowiz Consulting to a 5x5x5m regularized block model for this Ore Reserve.

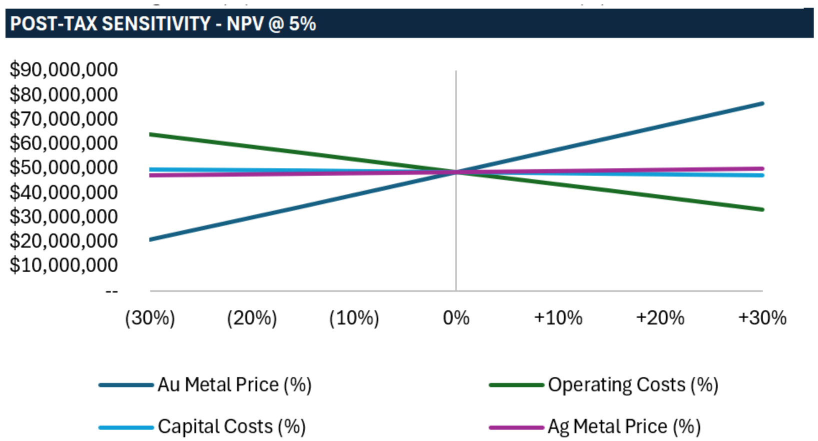
Criteria	JORC Code explanation	Commentary
	Clear statement as to whether the Mineral Resources are reported additional to, or inclusive of, the Ore Reserves.	5% external dilution, 5% mining loss and 8% moisture content were applied to the regularized block model to reflect the realities of the proposed 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 Fuse Advisors Inc. using WhittleTM software and ultimate pits were selected for each mining area to meet the plant feed requirements of the Toll Treatment agreements between Challenger Gold Limited and Austral Gold. Detailed pit designs were then created based on those optimized pit shells using Mineplan3DTM 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 where scheduled using AlastriTM 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 3 years, toll treating ore at the Austral Gold's Casposo processing facility. There is potential to evaluate a larger-scale mining scenario which contemplates construction of an on-site processing facility. 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 economic cut-off grade was calculated including the cost of mining, ore haulage to the toll treatment facility, processing costs, toll treatment fees, the long-term gold price assumed for the project, selling costs and state/federal royalties. A cut-off grade of 1.9g/t AuEq has been applied to estimate this Ore Reserve. AuEq calculation is based on $2500/oz Au price, $27.50/oz Ag price, 84.4% Au recovery, 65.7% Ag recovery such that AuEq (gpt) = Au(gpt) +(Ag(gpt) * 0.00856280) This cut-off grade is considered appropriate by the Competent Person for this Ore Reserve considering the nature of the deposit and cost associated with the Toll Treatment scenario.
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 basis of the ultimate pit selection, pit designs and production scheduling is the Toll Treatment agreement between Challenger Gold and Austral Gold whereby Challenger agrees to deliver, and Austral agrees to process, a total of 450,000 wet tonnes of gold and silver ore over a period of three years (i.e. ~150,000tpa) This mine plan contemplates a convention open pit mining method including blasthole drills, hydraulic excavators and front-end loaders with articulated haul trucks.

Criteria	JORC Code explanation	Commentary
	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 Resources are utilised in mining studies and the sensitivity of the outcome to their inclusion.* *The infrastructure requirements of the selected mining methods.*	Open pit mine designs were developed based on optimized pit shells using the following parameters: 80º bench face angle 8.0m catch berm 60º inter-ramp angle 10m benches (5.0m fliches while mining ore/waste contacts) 20m between catch benches (double benched) 17.0m wide 2-way ramps (including running width and safety berm) The production schedule is based on the selected sizes of equipment and applied realistic vertical advance rate limits to ensure a viable mine plan. The production schedule contemplates 4 Ore Stockpile Bins to manage the flow of ore material between the open pit operation and the highway haulage operation between the mine and the toll treatment facility. The four bins are categorized as very high-grade, high-grade, medium-grade and low-grade. The toll treatment facility is contemplating processing ore from Haulilan in two 3-month long campaigns per year and this mine plan will build and maintain a sufficient stockpile at the toll treatment facility that it will not run out of ore during each processing campaign. The production rate is the schedule is capped based on having one 50t class hydraulic excavator with a production rate of 572 wmt/pr.hr, one 60t class front-end loader with a production rate of 879 wmt/pr.hr and three 40t class articulated haul trucks who's productivity in any given period is determined based on the haul profile of the material being mined. Mining dilution of 5% and mining recovery of 95% have been assumed for this Ore Reserve Each starts mining at some level up the Haulilan ridge which is a steep, north-south striking hill along the east side of the deposit. Each mining area has different considerations for how to access the upper reaches of the pit design: The Norte pit has existing access road up to within 20m of the top bench of the design and limit trail construction will be required to establish access for production. The Sanchez pit is located between two heights of land along the Haulilan ridge and the pit has been designed as a trench in the gap between the two hills, without having to mine a benched pit slope down each side. As such, the upper levels of the design will be accessed by an excavator on the existing site roads and tail loading haul trucks while retreating out the trench as it is excavated. The Magnata pit requires a waste rock fill road to access the upper benches of the design. Waste rock mined from the Norte and Sanchez pits will be used for this purpose and Magnata mining can not be initiated until that ramp is established. 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?*	Toll processing of ore using a conventional agitated tank leach and Merrill-Crowe gold recovery process will be used to recover gold and silver from the ore. This is a tried and tested method of gold extraction from material of this nature. A gold recovery of 84.4% and a silver recovery of 65.7% has been used for the study, these recoveries already incorporate an estimated 4% metal recovery loss due to soluble loss and circuit inefficiencies. The metallurgical recovery was based on testwork conducted at Base Metallurgical Laboratory in March 2025. No deleterious elements are present. No bulk sample testwork has been carried out. Samples are considered to be representative of the toll treatment ore. 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. Sample spatial representivity is good, with sample intervals located within the proposed pits. Grades are well represented for Au, Ag, Zn, and Cu at low and medium grade ranges, but high grades are not well represented, however, the high-grade intervals make up only a minor portion of the intervals. Proportion of cyanide soluble copper (CuCN/CuTOT) in intervals is well represented across the full grade range. Lithology representivity is good. Oxidation representivity is good for both fresh and FOX (fracture surface oxidised material) which are two of the most dominant oxidations present in the drilling, but don't represent oxidation OX and POX well. OX is only minor, and POX is unfractured FOX, so expect similar performance to FOX.
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 An EIA Addendum will be required to authorize the mine plan presented herein. As no on-site ore processing is contemplated for this Ore Reserve, no on-site tailings storage is required. Waste rock produced in this mine plan is being used for site road construction. + Environmental monitoring activities which have been carried out supporting the EIA application include groundwater monitoring, evaporation testing, air quality monitoring, flora and fauna surveys.
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.*	Infrastructure required for this mine plan is limited due to utilizing toll treatment rather than constructing an on-site process plant. Infrastructure required includes a camp, mine dry, truck shop, truck wash pad, mine office, fuel storage facility, ore stockpile and transloading area, security gate, weigh bridge and site roads. The land required for the infrastructure components listed above is included in the EIA permitted area.

Criteria	JORC Code explanation	Commentary
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.*	Estimated operating costs for treating Hualilan ore through the Casposo process plant have been estimated using the following approach. Casposo supplied unit cost rates for reagents and consumables, such as cyanide, lime, flocculant, and grinding media. Historical consumption data for reagents and consumables were supplied by the Casposo operations team. Metallurgical testwork results conducted on representative toll treatment samples provided consumption rates for lime and cyanide. Database costs were used if Casposo cost data wasn't available. Labour rates and manpower requirement were supplied by Casposo. A unit power cost of US$0.147/kWh provided by Casposo was used for power costs, based on historical power consumption at Casposo. Database maintenance spares costs and ancillary costs were used.
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.*	A life-of-mine schedule which achieves the tonnage targets set out in the Toll Treatment Agreement between the Company and Austral Gold Limited. The life-of-mine schedule was developed on a monthly basis and estimated the tonnes and grade of material to be mined, hauled to the toll treatment facility and processed along with gold and silver metal produced. Revenue is based on a $2500/oz gold and $27.50/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 along with the near-term nature of the Company's Toll Treatment Agreement
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.* *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.*	The gold and silver 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 a number of consensus metal price forecasts from reputable analysis and are comfortable with the market supply and demand situation. 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.

Criteria	JORC Code explanation	Commentary
	For industrial minerals the customer specification, testing and acceptance requirements prior to a supply contract.	
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 basis for the mine plan and the economic analysis is the Toll Treatment Agreement between the Company and Austral Gold Limited whereby the Company will deliver and Austral will receive and process 450,000 wet tonnes of gold and silver ore over a three year period. The economic analysis on which this Ore Reserve is based contemplates the costs and revenue associated with fulfilling the obligations laid out in that agreement. Site infrastructure and mining equipment capital costs are based largely on vendor quotes for installation or for lease-to-own arrangements. As the mine plan is based on a Toll Treatment arrangement, there is no capital cost for a processing plant and tailings facility on site; however, the operating cost does reflect the estimated fees associated with the toll treatment agreement. Mine operating costs are based on the modelled equipment productivity and operating hours which lead to fleet size and crew size determination. Mobile equipment costing is based on a MARC contract structure quoted from equipment vendors.



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 Key stakeholder agreements which the Company is working towards include agreements with the Communities through which ore haul trucks may transit between Hualilan and Casposo.
Other	*To the extent relevant, the impact of the following on the project and/or on the*	There are no material, naturally occurring risks with may impact this Ore Reserve

<table>
<tr><th>Criteria</th><th>JORC Code explanation</th><th>Commentary</th></tr>
<tr><td></td><td>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.</td><td>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.

This Ore Reserve is based on a toll treatment agreement with Austral Gold and is therefore subject to Austral’s ability to restart, commission and operation its processing facility.

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.</td></tr>
<tr><td>Classification</td><td>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).</td><td>
<table>
<tr><th>Classification</th><th>Cut-off Grade (gpt AuEq)</th><th>Tonnes (000 dmt)</th><th>AuEq (gpt)</th><th>Au (gpt)</th><th>Ag (gpt)</th><th>AuEq Contained (000 oz)</th><th>Au Contained (000 oz)</th><th>Ag Contained (000 oz)</th></tr>
<tr><td>Proven</td><td>1.9</td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td></tr>
<tr><td>Probable</td><td>1.9</td><td>427.5</td><td>7.0</td><td>6.6</td><td>37.6</td><td>96.2</td><td>91.0</td><td>517.0</td></tr>
<tr><td>Proven+ Probable</td><td>1.9</td><td>427.5</td><td>7.0</td><td>6.6</td><td>37.6</td><td>96.2</td><td>91.0</td><td>517.0</td></tr>
</table>

Measured Mineral Resources that are above the nominated Ore Reserves cut-off grade criteria 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 are above the nominated Ore Reserves cut-off grade criteria 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.</td></tr>
</table>

Criteria	JORC Code explanation	Commentary
		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 for Challenger Gold and 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 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.*	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 monthly 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. 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. This Ore Reserve represents a local estimate within the global Mineral Resource estimate detailed above. This Ore Reserve reflects an area of higher gold and silver grades located at or near-surface which meet the economic requirements of the Company's Toll Treatment agreement. The assumptions and modifying factors stated and applied in the Ore Reserve estimate are appropriate for the 450,000 tonne Ore Reserve but may not be appropriate for the entire mineral resource.